



सत्यमेव जयते

**Report of the
Comptroller and Auditor General of India
State Finances Audit Report
for the year ended March 2019**



लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest



**Government of West Bengal
Report No. 4 of 2020**

**Report of the
Comptroller and Auditor General of India**

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Preface

This Report has been prepared for submission to the Governor of West Bengal under Article 151 of the Constitution.

State Finances Audit Report of the Government of West Bengal intends to assess the financial performance of the State during 2018-19 and to provide the State Legislature with inputs based on audit analysis of financial data. The Report attempts to analyse the financial performance against the targets envisaged by the West Bengal Fiscal Responsibility and Budget Management (Amendment) Act, 2011, the Fourteenth Finance Commission Report and Budget Documents of 2018-19. The Report contains three Chapters.

Chapter I is based on the audit of the Finance Accounts and makes an assessment of the West Bengal Government's fiscal position as on 31 March 2019. It provides an insight in to the trends in revenue, expenditure, repayment of debt and borrowing patterns.

Chapter II is based on the audit of the Appropriation Accounts and gives grant-wise description of appropriations and the manner in which the allocated resources were managed by the service delivery departments.

Chapter III is an inventory of Government of West Bengal's compliance to various reporting requirements and financial rules.

The audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.

EXECUTIVE SUMMARY

Executive Summary

Fiscal Situation of the State

Revenue Receipts (₹ 1,45,975 crore) of the Government constituting 12.40 *per cent* of the Gross State Domestic Product (GSDP) (₹ 11,77,586 crore), increased by 11.20 *per cent* over the previous year (₹ 1,31,270 crore). Revenue Expenditure (₹ 1,56,374 crore) was higher than the previous year's figures (₹ 1,41,077 crore) by 10.84 *per cent*.

(Paragraphs 1.4.2 and 1.5.1)

The State registered a Revenue Deficit of ₹ 10,399 crore during 2018-19 from ₹ 9,807 crore during 2017-18. The Revenue Deficit of the State during the years 2015-19 had not been eliminated despite receipt of post-devolution Revenue Deficit Grants of ₹ 11,760 crore from GoI during the years 2015-17 as per the recommendations of 14th FC. At 0.88 *per cent* of the GSDP it exceeded the target of 'Zero' set out in the Medium Term Fiscal Policy Statement (MTFPS) under WBFRBM Act.

Fiscal Deficit (₹ 33,485 crore) in 2018-19, increased by ₹ 4,555 crore (15.74 *per cent*) in comparison to preceding year (₹ 28,930 crore). Fiscal Deficit as a percentage to GSDP was 2.84 *per cent* and was beyond the target of 2.27 *per cent* fixed under the WBFRBM Act in the MTFPS.

Net effects on Revenue Deficit (RD) and Fiscal Deficit (FD) were understatement of ₹ 3,362.61 crore and ₹ 294.60 crore respectively, on account of (i) Misclassification, (ii) Erroneous booking, (iii) Non-contribution to statutory funds and (iv) Miscellaneous issues. Effectively, there was a Revenue Deficit of ₹ 13,761.61 crore and Fiscal Deficit of ₹ 33,779.60 crore (2.87 *per cent* of GSDP).

The outstanding debt stood at 33.40 *per cent* of the GSDP, which was within the target of 37.63 *per cent* as per MTFPS of the State Government.

Primary Deficit stood at ₹ 4,574 crore after a significant increase of 434.35 *per cent* over 2017-18. As a result, non-debt receipts in 2018-19 were insufficient to meet the Primary Expenditure.

(Paragraph 1.3.1)

Mobilisation and application of Resources

Revenue Receipts (₹ 1,45,975 crore) in 2018-19 were marginally lower than the budget estimates by ₹ 2,643 crore. The decrease in Revenue Receipts was the net result of decrease in Grants-in-Aid from Government of India by 21.10 *per cent*, counter-balanced by increase in Tax Revenue by 10.02 *per cent*.

Revenue Expenditure (₹ 1,56,374 crore) increased by ₹ 7,756 crore (5.22 *per cent*) over the budget estimates mainly because of excess expenditure under Social Services (8.57 *per cent*) and Economic Services (6.46 *per cent*).

Capital Expenditure (₹ 23,717 crore) was lower than the budget estimates by ₹ 2,039 crore (7.92 per cent) mainly because of short expenditure under Social Services (30.43 per cent).

Recommendation: *The Finance Department may rationalise the budget preparation exercise, so that the gap between the budget estimates and actuals is bridged.*

(Paragraph 1.3.2)

Committed Expenditure

The burden of committed expenditure (₹ 99,918 crore) in 2018-19 measured as a percentage of Revenue Expenditure of the State (63.90 per cent), was steadily rising due to increase in interest payments by ₹ 837 crore (2.98 per cent over 2017-18) and expenditure on subsidy by ₹ 1,726 crore (14.78 per cent over 2017-18).

Four departments incurred expenditures of ₹ 883 crore during 2018-19 which were in the nature of subsidies. These expenditures were, however, not classified as subsidies and the expenditure on subsidy, thus, was understated to that extent.

(Paragraph 1.5.2.1)

National Pension System (NPS)

14th Finance Commission recommended that the States which have not adopted the NPS so far to immediately consider doing so for their new recruits in order to reduce their future burden. However, the State did not adopt the NPS for its own employees recruited on or after 1 January 2004.

(Paragraph 1.5.2.3)

Adequacy of public expenditure

West Bengal fared favourably in its focus on Education (₹ 29,362 crore), Health (₹ 9,678 crore) and Development Expenditure (₹ 1,22,674 crore) in comparison to other General Category States. The State, however, lagged behind in the area of Capital Expenditure (₹ 23,717 crore).

In the *Krishak Bandhu* scheme, out of ₹ 4,000 crore released (January 2019) to the West Bengal State Seed Corporation Limited (WBSSCL), ₹ 3,500 crore was parked in Term Deposit while ₹ 379.47 crore retained in four current accounts, maintained by WBSSCL. Thus, the fund released in January 2019 by the State Government to WBSSCL left little scope to implement the scheme during the year.

(Paragraphs 1.5.1 and 1.5.4.1)

Investment and Returns in Public Sector Undertakings

As of 31 March 2019, the State Government's investment in Statutory Corporations, Government Companies, Joint Stock Companies and

Co-operative stood at ₹ 17,427 crore. The Return on Investment (RoI) from Corporations/ Companies was negligible at 0.28 *per cent*.

(Paragraph 1.6.2)

Loans and Advances given by the State Government

As of 31 March 2019, Loans and Advances of ₹ 12,779 crore were given by the Government mainly to Government Companies, Municipalities/ Municipal Corporations and Statutory Corporations.

Against the estimation of ₹ 2,823 crore in the budget to be recovered in 2018-19, the actual recovery of loans was only ₹ 804 crore (28.48 *per cent*).

Government loans to 13 PSUs/ Co-operatives amounting to ₹ 627.72 crore in 2018-19 did not specify any terms and conditions, like schedule of repayment, rate of interest, number of installments, *etc*. Government was providing loans to Government Companies/ Statutory Corporations and Autonomous Bodies, whose annual accounts were in arrears.

Recommendation: *The Finance Department and the concerned administrative departments should consider initiating action to restructure loans and advances made to entities that have neither repaid the principal nor even paid interest for the past several years.*

(Paragraph 1.6.3)

Reserve Funds

In spite of earning guarantee commission of ₹ 194.76 crore during 2014-19, no amount was transferred to Guarantee Redemption Fund (GRF); neither interest of ₹ 3.12 crore paid by the State Government against the balance of ₹ 81.07 crore remaining un-invested in State Disaster Response Fund (SDRF).

(Paragraph 1.7.1)

Guarantees

Guarantees (₹ 8,545 crore) given by the Government at the beginning of 2018-19 stood at 7.25 *per cent* of total Revenue Receipts of the second preceding year (₹ 1,17,832 crore) and was within the ceiling of 90 *per cent*.

As per West Bengal Finance Act 2002, the loanees for whom the State Government had provided guarantees to the financial institutions, were required to pay guarantee commission at the rate of one *per cent* (minimum) on the total amounts guaranteed. The State Government, upto 2018-19, received ₹ 232.61 crore as guarantee commission against the receivable of ₹ 374.08 crore.

(Paragraph 1.7.2)

Debt Management

Outstanding debt (₹ 3,93,300 crore) increased by 8.96 *per cent* in 2018-19 over the preceding year, at a slower pace than the growth of GSDP (17.81 *per cent*).

The net availability (₹ 3,428 crore) of borrowed funds (₹ 1,36,378 crore) after providing for interest payments (₹ 28,911 crore) and repayment of borrowings (₹ 1,04,039 crore), was positive (2.51 *per cent*) in 2018-19. However, net availability of borrowed funds was insufficient for developmental purposes. The interest payments relative to revenue receipts were slightly higher at 19.81 *per cent* compared to the target of 18.49 *per cent* set in the Fiscal Policy Strategy Statement presented with the budget as per FRBM Act.

The maturity profile of outstanding public debt as of March 2019 showed that around 41 *per cent* (₹ 1,39,813 crore) of total public debt is to be repaid over the next seven years. The debt maturity position during the forthcoming years could be more alarming given the fact that maturity details of around 24 *per cent* of the public debt was not available.

(Paragraph 1.7.3)

Fiscal Reform Path

The State Government, in compliance with the recommendations of the Twelfth Finance Commission (12th FC), enacted the Fiscal Responsibility and Budget Management (FRBM) Act, 2010 (amended in 2011). Important targets relating to fiscal variables are to be amended from time to time in accordance with the Central Finance Commission's recommendations. Government of West Bengal, however, is yet to amend its FRBM Act in accordance with the recommendations of the 14th FC.

FRBM Act, 2010 also requires the State Government to make disclosures and statements under Section 5 of FRBM Act, 2010 together with Rule 7 of Fiscal Responsibility and Budget Management Rules, 2011. The State Government, however, did not make three out of eight disclosures required to be made.

(Paragraph 1.8)

Excess Expenditure

Excess expenditure of ₹ 9,769.23 crore was incurred in 17 grants. Majority of the excess expenditure in 2018-19 occurred in Finance Department (₹ 4,278 crore), Power and Non-Conventional Energy Sources Department (₹ 939 crore) and Women & Child Development and Social Welfare Department (₹ 466 crore). A total expenditure of ₹ 6,478 crore was incurred at sub-head level without any budget provision in 158 cases in respect of 31 grants and two appropriations. Persistent excess expenditure occurred in the grants related to Backward Classes Welfare, Health & Family Welfare, Power & Non-Conventional Energy Sources and Transport departments.

Recommendation: *The State Government may analyse the reasons for persistent excess expenditure on priority basis. The Finance Department should ensure that no departmental controlling officers, including the Finance Department itself, resort to excess expenditure over the regular allocations approved by the State Legislature.*

(Paragraph 2.2.2.1)

Excess Expenditure requiring regularisation

As per Article 205 of the Constitution of India, it is mandatory for a State Government to get excess expenditure over a grant/ appropriation regularised by the State Legislature. State Government did not get the excess expenditure of ₹ 26,695.26 crore, over and above the allocation pertaining to the years 2009-10 to 2017-18 regularised.

Recommendation: All the existing cases of excess expenditure need to be regularised at the earliest and, in future, such un-voted expenditure may be completely stopped.

(Paragraph 2.2.2.2)

Savings

In the year 2018-19, the total savings were ₹ 18,275 crore. Of which, ₹ 7,128 crore (39 per cent) pertain to 16 grants with savings of more than ₹ 100 crore each and by more than 20 per cent of the total provision. In addition, during the years 2014-19, there were cases of persistent savings of more than ₹ 100 crore in 10 Departments.

Persistent savings under Animal Resources Development, Micro, Small and Medium Enterprises & Textiles, School Education, Minority Affairs and Madrasah Education, Panchayats & Rural Development, Tourism, Finance, Agriculture, Irrigation & Waterways and Water Resources Investigation & Development indicate that the schemes under these departments did not receive the required priority by the Government and there was inefficiency in implementation by the departments concerned/ implementing agencies.

(Paragraph 2.2.2.3)

Re-appropriation

Re-appropriations are meant for transfer of saving from one scheme/ unit to another within the same grant and under the same section (*i.e.*, Capital, Revenue or Loans). There were savings of ₹ 3,305.61 crore in 107 sub-heads (₹ 5 crore and above) under 33 grants and excesses of ₹ 3,172.25 crore in 24 sub-heads (₹ 5 crore and above) under 13 grants due to re-appropriation.

Recommendation: Leveraging advancements in Information Technology, the State Government may issue re-appropriations on the basis of real-time data on committed expenses and actual receipts.

(Paragraph 2.2.4)

Personal Deposit Accounts

Article 202 of the Constitution of India provides for legislative financial control over public expenditure through the annual financial statement/ Budget. Not transferring the unspent balances lying in PD Accounts to the Consolidated Fund before the closure of the financial year violates legislative intent, which is to ensure that funds approved by it for the financial year are spent during the financial year itself.

West Bengal Treasury Rule 6.09 states 'Personal Deposit Account created by debit to the Consolidated Fund of the State shall be closed at the end of the financial year by minus debit of the balance to the relevant service heads in the Consolidated Fund of the State'. It was, however, observed that there was a balance of ₹ 5,466.07 crore in 159 PD Accounts as on 31 March 2019. Non-transfer of unspent balances lying in PD accounts to Consolidated Fund of the State entails the risk of misuse of public fund, fraud and misappropriation.

Test-check of 65 Treasuries out of 91, conducted in 2018-19 showed 123 inoperative schemes under PD Accounts of 20 Administrators amounting to ₹ 47.96 crore yet to be closed at the end of 2018-19. Amounts lying in PD Accounts resulted in overstatement of expenditure to that extent. Moreover, in five Treasuries out of 65 test-checked Treasuries, the Administrators had not reconciled and verified their balances with the Treasury figures as of 31 March 2019.

Recommendation: *The Finance Department is required to review all PD Accounts and ensure that amounts unnecessarily lying in these accounts are immediately remitted to the Consolidated Fund and all inoperative PD accounts are closed.*

(Paragraph 3.1)

Non-submission of Annual Accounts by Autonomous Bodies/ Local Bodies

In respect of 51 ABs which were to render annual accounts to CAG, there were delays in submission of accounts. As of September 2019, 769 annual accounts of 193 bodies/ authorities due up to 2018-19, had not been received. Therefore, utilisation of funds for the intended purposes could not be verified in regard to these bodies/ authorities.

Recommendation: *The Finance Department should review the cases of all Autonomous Bodies/Local Bodies that are in arrears of accounts, ensure that the accounts are made current within a reasonable period.*

(Paragraphs 3.5 and 3.6)

Non-submission of Utilisation Certificates

As of September 2019, a total of 3,56,657 UCs were awaited for an amount of ₹ 2,00,772.17 crore. Major defaulting departments are Panchayat and Rural Development, School Education and Urban Development & Municipal Affairs. Huge pendency in submission of UCs is fraught with the risk of fraud and misappropriation of funds.

Recommendation: *The Finance Department should develop a mechanism to ensure submission of UCs which have become due without delay and review all UCs pending for submission before release of fresh grants.*

(Paragraph 3.7)

Non- submission of Detailed Contingent Bills

Detailed Contingent bills (9,527) of funds drawn through Abstract Contingent (AC) Bills for items of contingent nature were not submitted for ₹ 2,171.83

crore as of August 2019. Out of the above, 5,856 bills worth ₹ 1,769.23 crore pertain to only five Departments. Advances drawn and not accounted for increase the possibility of wastage/ misappropriation/ malfeasance, etc.

Recommendation: Finance Department may ensure that all Controlling Officers submit the required DC bills to adjust all pending AC bills in a time-bound manner.

(Paragraph 3.8)

CHAPTER I

Finances of the State Government

Chapter I

Finances of the State Government

This chapter provides an audit perspective on finances of the State Government during 2018-19 and analyses changes in major fiscal aggregates relative to 2017-18 keeping in view overall trends during the preceding five years.

The analysis is based on details contained in the Finance Accounts of the Government of West Bengal (GoWB). A profile of the State with demographic and other details is in *Appendix 1.1*. The structure of the Government Accounts is explained in *Part A* and the layout of the Finance Accounts in *Part B* of *Appendix 1.2*.

1.1 Gross State Domestic Product (GSDP)

The Gross State Domestic Product (GSDP)¹ of West Bengal in 2018-19 at current prices was ₹ 11,77,586 crore. The trends in annual growth of Gross Domestic Product (GDP) of India and GSDP of the State at current prices and constant prices (Base Year: 2011-12) are in **Table 1.1**. Growth of West Bengal was higher than the all-India average during 2018-19 at both current prices and constant prices.

Table 1.1: GDP of India and GSDP of the State

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Current Prices (Base year: 2011-12)					
India's GDP (₹ in crore)	1,24,67,959	1,37,71,874	1,53,62,386	1,70,95,005	1,90,10,164
Growth rate (in per cent)	10.99	10.46	11.55	11.28	11.20
State's GSDP (₹ in crore)	7,18,082	7,97,300	8,72,527	9,99,585	11,77,586
Growth rate (in per cent)	6.09	11.03	9.44	14.56	17.81
Constant Prices (Base year: 2011-12)					
India's GDP (₹ in crore)	1,05,27,674	1,13,69,493	1,22,98,327	1,31,79,857	1,40,77,586
Growth rate (in per cent)	7.41	8.00	8.17	7.17	6.81
State's GSDP (₹ in crore)	5,74,364	6,09,545	6,53,416	7,11,408	8,00,913
Growth rate (in per cent)	2.84	6.13	7.20	8.88	12.58

Source: GDP/GSDP figures issued by Ministry of Statistics and Programme Implementation (MoSPI) dated 01 August 2019 (First Quarter Estimate)

1.2 Summary of Fiscal Transactions

Table 1.2 presents the summary of fiscal transactions of State Government during 2018-19 *vis-à-vis* 2017-18 and 2016-17. *Appendix 1.3 (Part A)* provides details of Receipts and Disbursements as well as overall fiscal position during

¹ Gross Domestic Product (GDP) and Gross State Domestic Product (GSDP) refer to the market value of all officially recognized final goods and services produced within the Country and the State respectively in a given period of time, accounted without duplication and are an important indicator of the Country and State's economy.

2017-18 and 2018-19. Time series data of State Government Finances for the years 2014-19 are given in *Appendix 1.4*.

Table 1.2: Summary of Fiscal Transactions in 2018-19

Receipts			Disbursements				
	2016-17	2017-18	2018-19		2016-17	2017-18	2018-19
	₹ in crore)				₹ in crore)		
Section A: Revenue Account²							
Revenue Receipts	1,17,832	1,31,270	1,45,975	Revenue Expenditure	1,33,918	1,41,077	1,56,374
Tax Revenue	45,466	52,721	60,732	General Services	50,131	52,416	56,865
Non-Tax Revenue	2,950	3,117	3,657	Social Services	57,067	59,591	68,764
State's share of Union Taxes/Duties	44,625	49,321	55,776	Economic Services	26,156	28,582	30,256
Grants from GoI	24,791	26,111	25,810	Grants-in-Aid and Contributions	564	488	489
Section B: Capital Account³ and others							
Misc. Receipts under Capital Section	Nil	Nil	692	Capital Expenditure	11,336	19,368	23,717
Recoveries of Loans and Advances	3,233	214	804	Loans and Advances Disbursed	1,197	-31	865
Public Debt Receipts*	37,524	45,743	70,197	Repayment of Public Debt*	12,304	25,011	45,786
Contingency Fund	-	-	-	Contingency Fund	-	1	1
Public Account Receipts	1,69,633	2,02,108	2,32,785	Public Account Disbursements	1,62,817	1,97,543	2,24,962
Opening Cash Balance ⁴	15,843	22,493	18,859	Closing Cash Balance ⁴	22,493	18,859	17,607
Total	3,44,065	4,01,828	4,69,312	Total	3,44,065	4,01,828	4,69,312

Source: Finance Accounts of Government of West Bengal (2016-17 to 2018-19)

*Includes the Ways and Means advances of ₹ 1,208 crore in 2016-17, ₹ 5,395 crore in 2017-18 and ₹ 25,005 crore in 2018-19

Composition of resources and application of funds in the Consolidated Fund of the State in the year 2018-19 is in *Appendix 1.5*. The following significant changes occurred during 2018-19, compared to the previous year:

- Revenue Receipts of the State increased by ₹ 14,705 crore (11.20 per cent) over 2017-18. This increase was contributed by (i) State's Own Revenue (₹ 8,551

² Revenue Account is the account of the current income and expenditure of the State. The income is derived mainly from taxes and duties, fees for services rendered, fines and penalties, revenue from Government estates such as forests and other miscellaneous items.

³ Capital Account is the account of expenditure of a capital nature such as construction of buildings, laying of roads, irrigation and electricity projects. Such expenditure is usually met from borrowed funds.

⁴ Cash balance includes i) Cash in Treasuries and Local Remittances, ii) Departmental Balances, iii) Permanent Imprest, iv) Cash Balance Investments, v) Deposit with RBI and vi) Investments from Earmarked Funds.

crore; 9.94 *per cent*) and (ii) State's share of Union Taxes and duties and Grants in Aid from Government of India (₹ 6,154 crore; 8.16 *per cent*).

- Revenue Expenditure increased by ₹ 15,297 crore (10.84 *per cent*) over 2017-18. This was due to substantial increase of expenditure under Social Services (₹ 9,173 crore; 15.39 *per cent*) followed by General Services (₹ 4,449 crore; 8.49 *per cent*).
- Capital Expenditure increased by ₹ 4,349 crore (22.45 *per cent*) over 2017-18 due to substantial increase in Economic Services (₹ 4,707 crore; 43.75 *per cent*). This was counterbalanced by decrease in Social Services (₹ 282 crore; 3.71 *per cent*) and General Services (₹ 76 crore; 7.57 *per cent*).
- Recoveries of Loans and Advances increased by ₹ 590 crore (275.70 *per cent*) while that of the disbursements increased by ₹ 896 crore (2,890.32 *per cent*).
- Public Debt Receipts⁵ increased by ₹ 24,454 crore (53.46 *per cent*) whereas the Repayment⁵ of Public Debt increased by ₹ 20,775 crore (83.06 *per cent*).

The trends of Revenue Receipts (RR)/ Revenue Expenditure (RE)/ Capital Expenditure relative to GSDP at current as well as constant prices⁶ are in **Table 1.3**.

Table 1.3: Trends in RR/ RE/ CE relative to GSDP

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Gross State Domestic Product at current prices (₹ in crore)	7,18,082	7,97,300	8,72,527	9,99,585	11,77,586
Gross State Domestic Product at constant prices (₹ in crore)	5,74,364	6,09,545	6,53,416	7,11,408	8,00,913
Revenue Receipts (RR) relative to GSDP					
RR at current prices (₹ in crore)	86,514	1,09,732	1,17,832	1,31,270	1,45,975
Rate of growth of RR at current prices (<i>per cent</i>)	18.70	26.84	7.38	11.40	11.20
RR at constant prices (₹ in crore)	69,199	83,891	88,242	93,425	99,282
Rate of growth of RR at constant prices (<i>per cent</i>)	15.07	21.23	5.19	5.87	6.27
RR/GSDP (at current as well as constant prices) (<i>per cent</i>)	12.05	13.76	13.50	13.13	12.40
Revenue Expenditure (RE) relative to GSDP					
RE at current prices (₹ in crore)	1,03,652	1,18,827	1,33,918	1,41,077	1,56,374
Rate of growth of RE at current prices (<i>per cent</i>)	12.91	14.64	12.70	5.35	10.84
RE at constant prices (₹ in crore)	82,907	90,845	1,00,288	1,00,405	1,06,355
Rate of growth of RE at constant prices (<i>per cent</i>)	9.68	9.57	10.40	0.12	5.93
RE/GSDP (at current as well as constant prices) (<i>per cent</i>)	14.43	14.90	15.35	14.11	13.28

⁵ Including the Ways and Means Advances

⁶ Constant prices figures for Revenue Receipts, Revenue Expenditure and Capital Expenditure are arrived by using a deflator *i.e.*, ratio of GSDP at constant prices to GSDP at current prices for each year.

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Capital Expenditure (CE) relative to GSDP					
CE at current prices (₹ in crore)	9,879	12,420	11,336	19,368	23,717
Rate of growth of CE at current prices (per cent)	42.62	25.72	-8.73	70.85	22.45
CE at constant prices (₹ in crore)	7,902	9,495	8,489	13,784	16,131
Rate of growth of CE at constant prices (per cent)	38.24	20.17	-10.59	62.37	17.02
CE/GSDP (at current as well as constant prices) (per cent)	1.38	1.56	1.30	1.94	2.01

Source: Finance Accounts of Government of West Bengal and GDP/GSDP figures issued (dated 01 August 2019) by Ministry of Statistics and Programme Implementation (MoSPI) of respective years

Table 1.3 disclosed that:

- Revenue receipts as well as revenue expenditure had an upward trend during 2014-15 to 2018-19. However, both the revenue receipts and revenue expenditure as a *per cent* of GSDP had steadily dipped from 2017-18.
- The Capital Expenditure, excepting for 2016-17, showed an increasing trend even after accounting for inflation.

1.3 Review of Fiscal Situation

1.3.1 Fiscal Parameters

Three key fiscal parameters *viz.*, (i) Revenue Deficit⁷, (ii) Fiscal Deficit⁸ and (iii) Primary Deficit⁹ help in assessing the fiscal situation of the Government. The way these deficits are financed assists in assessing the fiscal health of the Government. Trends in fiscal parameters (**Chart 1.1** and **Chart 1.2**) as per Finance Accounts indicate an improvement in Revenue Deficit and Fiscal Deficit with respect to GSDP in State's performance during 2018-19 over the previous year. Trends in Debt Sustainability (Ratio between debt and GSDP in *per cent*) is shown in **Chart 1.3**.

⁷ Revenue Deficit = Revenue Expenditure - Revenue Receipts

⁸ Fiscal Deficit = Revenue Expenditure + Capital Expenditure + Net Loans and Advances (-) Revenue Receipts (-) Miscellaneous Capital Receipts

⁹ Primary Deficit = Fiscal Deficit - Interest payments

Chart 1.1: Trend in Fiscal Parameters

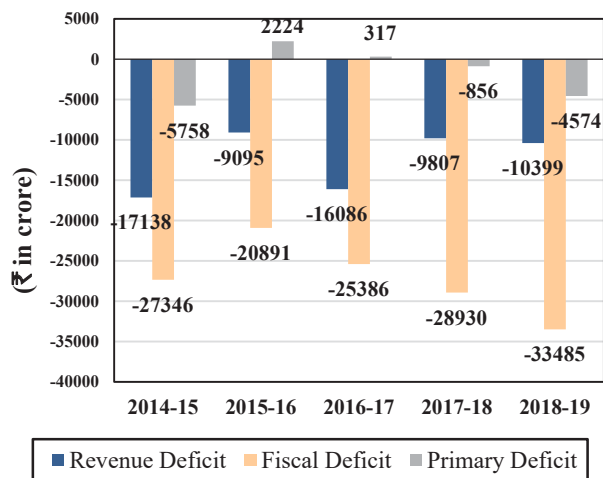


Chart 1.2: Fiscal Parameters vis-à-vis GSDP

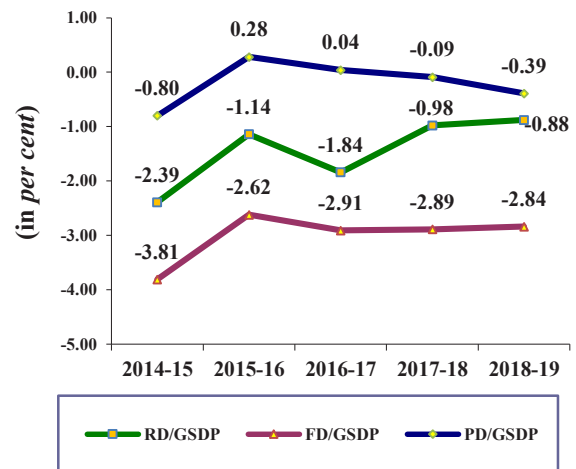
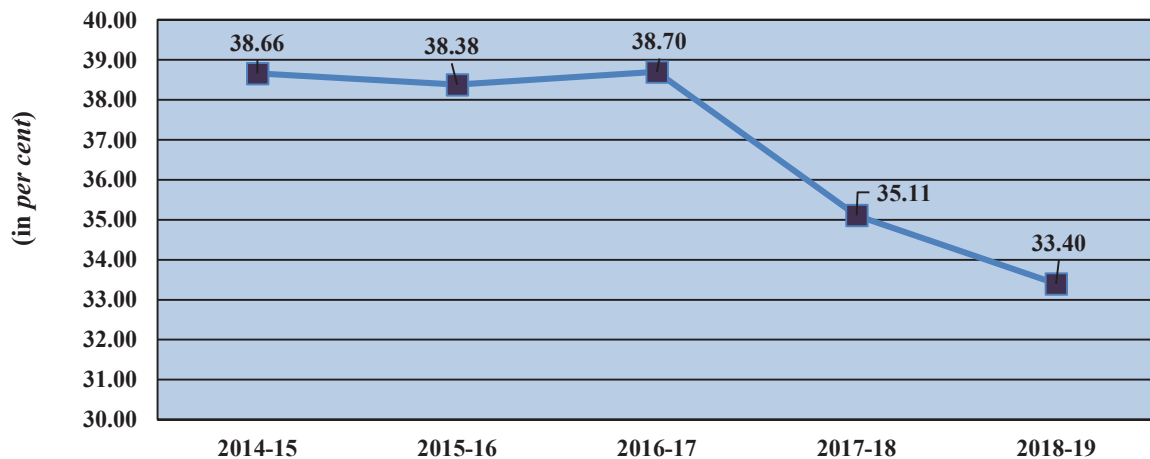


Chart 1.3: Debt Sustainability (i.e., Debt to GSDP ratio)



Note: Debt includes Internal Debt, Loans and Advances from Government of India and Public Account Liabilities

Source: Finance Accounts of Government of West Bengal and GSDP figures issued by Ministry of Statistics and Programme Implementation (dated 1 August 2019)

- **Revenue Deficit**

Fourteenth Finance Commission assessed the Post-Devolution Revenue Deficit and accordingly sanctioned ₹ 11,760 crore of Revenue Deficit grant for the period 2015-17 in order to eliminate the Revenue Deficit.

The details of post-devolution Revenue Deficit Grant received and Revenue Deficit for the years from 2015-16 to 2018-19 are given in **Table 1.4**.

Table 1.4: Revenue Deficit - Actuals vis-à-vis Targets for the years 2015-19

Year	Projections of Revenue Deficit made in MTFPS	Post-devolution Revenue Deficit Grant received as per the recommendations of 14 th Finance Commission	Revenue Deficit (After receipt of Post- devolution Grant)
	(₹ in crore)		
2015-16	9,673	8,449	9,095
2016-17	9,469	3,311	16,086
2017-18	11,006	-	9,807
2018-19	Nil	-	10,399

Source: Finance Accounts of respective years, 14th FC Report; Medium Term Fiscal Policy Statement (MTFPS)

Despite the receipt of post-devolution Revenue Deficit Grants from GoI as per the recommendations of 14th FC, the Revenue Deficit of the State during the period 2015-19 had not been eliminated. At 0.88 *per cent* of the GSDP during 2018-19 it was beyond the target of Zero, set out in the MTFPS under WBFRBM Act. Ratio of Revenue Deficit to Revenue Receipts decreased to 7.12 *per cent* in 2018-19 from 7.47 *per cent* in 2017-18.

- Fiscal Deficit (₹ 33,485 crore) in 2018-19, increased by ₹ 4,555 crore in comparison to preceding year (₹ 28,930 crore). Fiscal Deficit as a percentage to GSDP was 2.84 *per cent* and was above the target of 2.27 *per cent* fixed under the WBFRBM Act in the MTFPS.
- Ratio of Revenue Deficit to Fiscal Deficit came down to 31.06 *per cent* during 2018-19 from 62.67 *per cent* during 2014-15.
- Primary Deficit in 2018-19 was ₹ 4,574 crore while that of the State during 2017-18 was ₹ 856 crore. With deficit increasing by 434.35 *per cent* over the preceding year, non-debt receipts (₹ 1,47,471 crore) in 2018-19 were insufficient to meet the Primary Expenditure (₹ 1,52,045 crore) of the State.
- In 2018-19, as per Medium Term Fiscal Policy Statement (MTFPS) of the State Government, the total outstanding debt were to be less than 37.63 *per cent* of the GSDP. In 2018-19, the total outstanding debt were 33.40 *per cent* of the GSDP, which was within the target. The outstanding debt (₹ 3,93,300 crore) grew by 8.96 *per cent* (₹ 32,339 crore) over the previous year (₹ 3,60,961 crore).

It was observed that net effects on Revenue Deficit (RD) and Fiscal Deficit (FD) were understatement of ₹ 3,362.61 crore and ₹ 294.60 crore respectively, on account of (i) Misclassification, (ii) Erroneous booking, (iii) Non-contribution to statutory funds and (iv) Miscellaneous issues as detailed in **Table 1.5**.

Table 1.5: Impact of Revenue and Fiscal Deficits

Particulars	Impact on revenue deficit		Impact on fiscal deficit	
	Over-statement	Under-statement	Over-statement	Under-statement
(₹ in crore)				
(i) Misclassification				
Revenue expenditure booked under Capital expenditure (Paragraph 2(i) ¹⁰ of Notes to Finance Accounts)		3,107.49		
Capital expenditure booked under Revenue expenditure (Paragraph 2(i) ¹⁰ of Notes to Finance Accounts)	1.62			
Working capital loan booked as Grants-in-Aid (Paragraph 2(viii)(b) of Notes to Finance Accounts)	500.00			
(ii) Erroneous booking				
West Bengal Transport Infrastructure Development Fund (Paragraph 1.5.3.1(i))		357.78		
West Bengal Compensatory Entry Tax Fund (Paragraph 1.5.3.1(ii))		104.36		
(iii) Non contribution to Statutory funds				
Non accountal of interest payment on Reserve Funds and Deposits bearing interest (Paragraph 3(vi) B (b) of Notes to Finance Accounts)		3.18		3.18
Non-transfer of Guarantee Commission to GRF (Paragraph 1.7.1.3)		170.86		170.86
(iv) Miscellaneous issues				
Non-recoupment of Contingency Fund drawal (Paragraph 3(x) of Notes to Finance Accounts)		1.04		1.04
Short payment of interest to SASPFUW (Box 1.3 of Paragraph 1.7)		119.52		119.52
Total	501.62	3,864.23	-	294.60
Net	3,362.61 (Understatement)		294.60 (Understatement)	

Effectively, there was a Revenue Deficit of ₹ 13,761.61 crore and Fiscal Deficit was ₹ 33,779.60 crore (2.87 per cent of GSDP).

1.3.1.1 Composition and Financing of Fiscal Deficit

Fiscal Deficit represents the total financing the State requires (predominantly by drawing on its cash and investment balances with the Reserve Bank of India (RBI) and by borrowing) to meet the excess of the revenue and capital expenditure (including loans and advances) over revenue and non-debt receipts. The composition and financing of fiscal deficit is reflected in **Table 1.6**.

¹⁰ Details are given in Annexure-B of Notes to Finance Accounts

Table 1.6: Components of Fiscal Deficit and its Financing Pattern

Sl. No.	Particulars	2014-15	2015-16	2016-17	2017-18	2018-19		
		(₹ in crore)						
Decomposition of Fiscal Deficit (1 to 3) (a)[@]		27,346	20,891	25,386	28,930	33,485		
		(3.81)	(2.62)	(2.91)	(2.89)	(2.84)		
1	Revenue Deficit	17,138	9,095	16,086	9,807	10,399		
		(2.39)	(1.14)	(1.84)	(0.98)	(0.88)		
2	Net Capital Outlay	9,879	11,767	11,336	19,368	23,025		
3	Net Loans and Advances	329	29	(-) 2,036	(-) 245	61		
Financing Pattern of Fiscal Deficit (b)		Net disbursements/outflows				Receipts	Disbursement	Net
1	Net Borrowings	23,512	25,569	25,220	20,732	70,197	45,786	24,411
a	Market Borrowings	18,518	20,824	31,230	25,304	42,828	12,397	30,431
b	Loans from GoI	680	(-) 158	(-) 457	1,024	1,178	1,053	125
c	Special Securities Issued to NSSF	4,473	4,329	(-) 5,893	(-) 5,976	0	6,125	-6,125
d	Loans from Financial Institutions and Bonds	(-) 159	574	340	380	1,186	1,206	(-) 20
e	Ways and Means	-	-	-	-	25,005	25,005	0
2	Net Public Account	2,513	208	6,816	4,565	2,32,785	2,24,962	7,823
a	Small Savings, PF, etc.	1,007	741	857	1,164	3,803	2,675	1,128
b	Reserve Fund	1,268	(-) 1,037	2,223	(-) 845	2,538	124	2,414
c	Deposits and Advances	1,173	3,416	4,488	2,607	84,835	79,123	5,712
d	Suspense and Miscellaneous	(-) 1,107	(-) 1,177	(-) 729	1,634	1,41,609	1,43,042	(-) 1,433
e	Remittances	172	(-) 1,735	(-) 23	5	0	(-) 2	2
3	Contingency Fund	-	-	-	(-) 1	0	1	(-) 1
4	Total (1 to 3)	26,025	25,777	32,036	25,296	3,02,982	2,70,749	32,233
5	Increase (-) / Decrease (+) in Cash Balance	1,321	(-) 4,886	(-) 6,650	3,634			1,252
6	Overall Surplus (-)/ Deficit (+) (4 +5)	27,346	20,891	25,386	28,930			33,485

*All these figures are net of disbursements/ outflows during the year.

@ Figures in brackets indicate percentage with respect to GSDP

Differences with Finance Accounts are due to rounding.

Source: Finance Accounts of Government of West Bengal (2014-15 to 2018-19)

Net Capital Outlay and Revenue Deficit which contributed to 68.76 and 31.06 per cent respectively of Fiscal Deficit (₹ 33,485 crore) during 2018-19, was financed by Net Borrowing (72.90 per cent), Net Public Account (23.36 per cent) and Cash Balance (3.74 per cent).

Market borrowings continued to be the main stimulator of borrowings during 2018-19. Net inflow from market borrowings was used to finance net Capital Expenditure by 75.66 per cent. As shown in Table 1.6, residual portion of net market borrowings used to finance Revenue Deficit by 71.22 per cent as against 60.53 per cent during the previous year.

Borrowed funds, used for meeting revenue expenditure, create liability for future years without creating any assets. It is evident that, substantial amount of

borrowings (42.60 per cent) was continued to be committed to finance the deficit on Revenue Account thereby impeding asset creation in the State. Borrowing to meet Revenue Deficit year after year would not augur well for the State finances in the long run.

1.3.1.2 Quality of Deficit/ Surplus

The ratio of Revenue Deficit to Fiscal Deficit and decomposition of Primary Deficit into Primary Revenue Deficit and Capital Expenditure (including Loans and Advances) indicate the quality of deficit in the State's Finances. A persistently high ratio of Revenue Deficit to Fiscal Deficit also indicates that the asset base of the State was shrinking and a part of borrowings (Total Outstanding Liabilities) did not have any asset backup. The bifurcation of Primary Deficit (**Table 1.7**) indicates the extent to which deficit has been on account of enhancement in capital expenditure, which may be desirable to improve productive capacity of the Government.

The decomposition of primary deficit into primary revenue deficit¹¹/surplus, capital expenditure and loans and advances, as well as the ratio of revenue deficit to fiscal deficit, as given in **Table 1.7**, indicates the quality of deficit in the State's finances.

Table 1.7: Primary Deficit/ Surplus

Year	Non-debt Receipts	Primary Revenue Expenditure ¹²	Capital Expenditure	Loans and Advances	Primary Expenditure	Primary Revenue Deficit(-)/ Surplus(+)	Primary Deficit ¹³ (-) / Surplus (+)
(₹ in crore)							
1	2	3	4	5	6 (3+4+5)	7 (2-3)	8 (2-6)
2014-15	86,690	82,064	9,879	505	92,448	4,626	(-)5,758
2015-16	1,11,217	95,712	12,420	861	1,08,993	15,505	2,224
2016-17	1,21,065	1,08,215	11,336	1,197	1,20,748	12,850	317
2017-18	1,31,484	1,13,003	19,368	(-) 31	1,32,340	18,481	(-)856
2018-19	1,47,471	1,27,463	23,717	865	1,52,045	20,008	(-)4,574

Source: Finance Accounts of Government of West Bengal of the respective years

The fact that Primary Deficit of the Government of West Bengal increased to ₹ 4,574 crore during 2018-19 from the Primary Deficit of ₹ 856 crore during 2017-18 indicates that the non-debt receipts were insufficient to meet the primary expenditure of the State.

1.3.2 Budget Estimates and Actuals

Shortfalls of actual receipts and expenditure against budget estimates, either due to unanticipated and unforeseen events or under/over estimation of expenditure

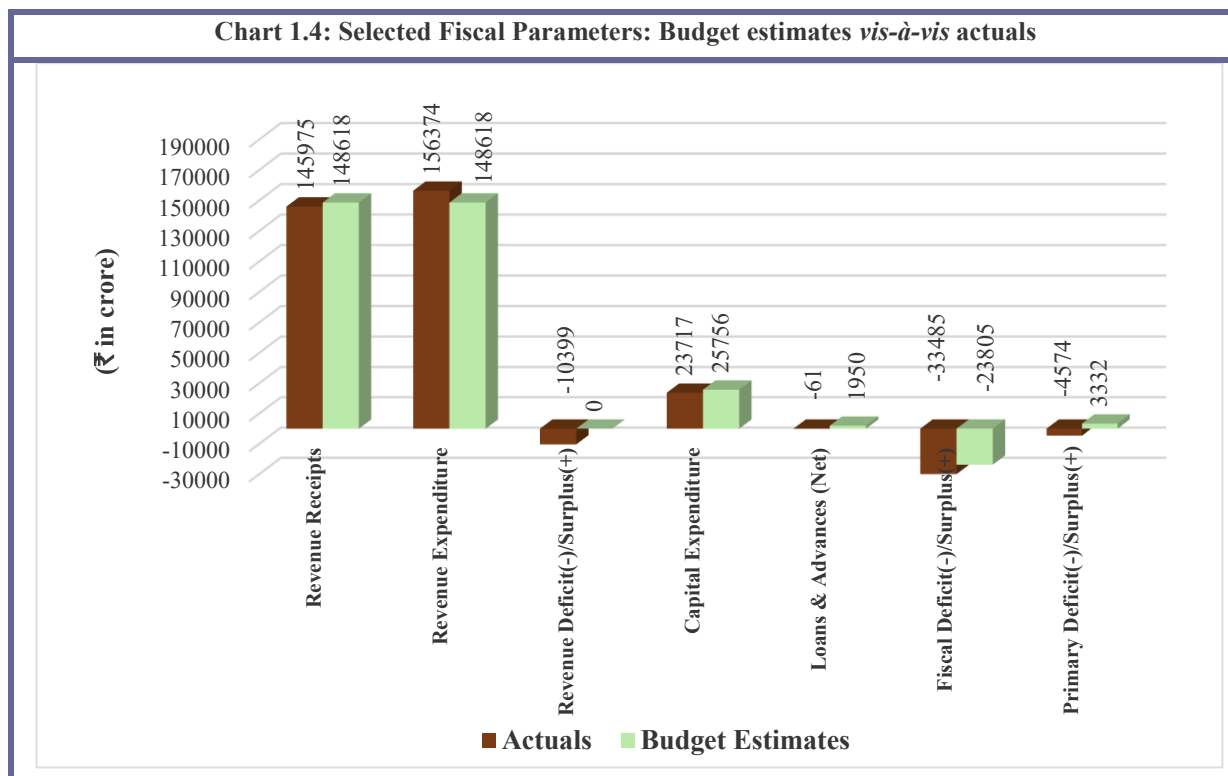
¹¹ Primary revenue deficit is the gap between non-interest revenue expenditure of the State and its non-debt receipts and indicates the extent to which the non-debt receipts are sufficient to meet the primary expenditure incurred under revenue account.

¹² Revenue Expenditure less Interest Payments

¹³ Primary deficit is fiscal deficit excluding interest payments.

or revenue at the stage of budget preparation, adversely impact the desired fiscal objectives.

Actuals *vis-à-vis* Budget Estimates of selected fiscal parameters for 2018-19 are shown in **Chart 1.4**.



Source: Budget publications and Finance Accounts of Government of West Bengal (2018-19)

From **Chart 1.4**, there were variations between budget estimates and actuals in the case of several key parameters.

- Revenue Receipts (₹ 1,45,975 crore) had a marginal shortfall (₹ 2,643 crore; 1.78 *per cent*) against Budget Estimates. The decrease in Revenue Receipts was the net result of decrease in Grants-in-Aid from Government of India by 21.10 *per cent*, counter-balanced by increase in Tax Revenue by 10.02 *per cent*.
- Revenue Expenditure (₹ 1,56,374 crore) increased by ₹ 7,756 crore (5.22 *per cent*) over the budget estimates, mainly because of excess expenditure under Social Services (8.57 *per cent*) and Economic Services (6.46 *per cent*). The increase as compared to budget estimates was largely under (i) Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes (42.65 *per cent*), (ii) Social Security and Welfare (30.98 *per cent*) under Social Services and (iii) Power (177.61 *per cent*) under Economic Services.
- The actual Capital Expenditure was lower by ₹ 2,039 crore (7.92 *per cent*) against the original budget estimates of 2018-19. The decrease as compared to budget estimates was mainly under Social Services (30.43

per cent) counter-balanced by excess under Economic Services (11 *per cent*).

- Revenue Deficit registered ₹ 10,399 crore against the budget estimates of 'Zero' as Revenue Expenditure was higher by ₹ 7,756 crore and Revenue Receipt was lower by ₹ 2,643 crore over the budget estimates.
- Fiscal Deficit (₹ 33,485 crore) was higher than the assessment made in the budget estimates (₹ 23,805 crore) by 40.66 *per cent*, mainly due to increased Revenue Expenditure and reduced Revenue Receipts coupled with lower recovery of loans and advances.
- Primary Deficit was higher than the budget estimates by ₹ 7,906 crore, as the Fiscal Deficit surpassed the budget estimate by ₹ 9,680 crore.

Recommendation 1: *The Finance Department may rationalise the budget preparation exercise, so that the gap between the budget estimates and actuals is bridged.*

1.3.3 Buoyancy Ratio

Buoyancy Ratios indicate the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. The value more than one indicates high degree of responsiveness of the fiscal variable to the base variable. As GSDP grows, the ability of the Government to mobilize revenue should also increase. The Buoyancy Ratios of Revenue Receipts and State's Own Tax Revenue are given in **Table 1.8**.

Table 1.8: Buoyancy Ratios of Revenue Receipts and State's Own Tax Revenue in comparison to GSDP

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
GSDP at current prices (₹ in crore)	7,18,082	7,97,300	8,72,527	9,99,585	11,77,586
Rate of growth of GSDP at current prices (in <i>per cent</i>)	6.09	11.03	9.44	14.56	17.81
Revenue Receipts (RR)					
RR during the year (₹ in crore)	86,514	1,09,732	1,17,832	1,31,270	1,45,975
Rate of growth of RR (in <i>per cent</i>)	18.70	26.84	7.38	11.40	11.20
Buoyancy of RR with GSDP	3.07	2.43	0.78	0.78	0.63
State's Own Tax Revenue (SOTR)					
SOTR during the year (₹ in crore)	39,412	42,492	45,466	52,721	60,732
Rate of growth of SOTR (in <i>per cent</i>)	9.99	7.81	7.00	15.96	15.20
Buoyancy of SOTR with GSDP	1.64	0.71	0.74	1.10	0.85

Source: Finance Accounts of respective years

- Revenue buoyancy measures the percentage change in the revenue receipts to the percentage change in GSDP. As can be seen from the **Table 1.8** above, the Revenue buoyancy though it was higher than one during 2014-16 dipped to less than one during 2016-19 indicating Revenue Receipts remained less buoyant *vis-à-vis* GSDP.
- As GSDP grows, the ability of the State Government to mobilize its own tax

revenue should also increase. **Table 1.8** disclosed that Buoyancy of State's own Tax Revenues dipped to 0.85 during 2018-19 from 1.10 during 2017-18, indicating that the mobilisation of Tax Revenue during 2018-19 was less buoyant over the previous year.

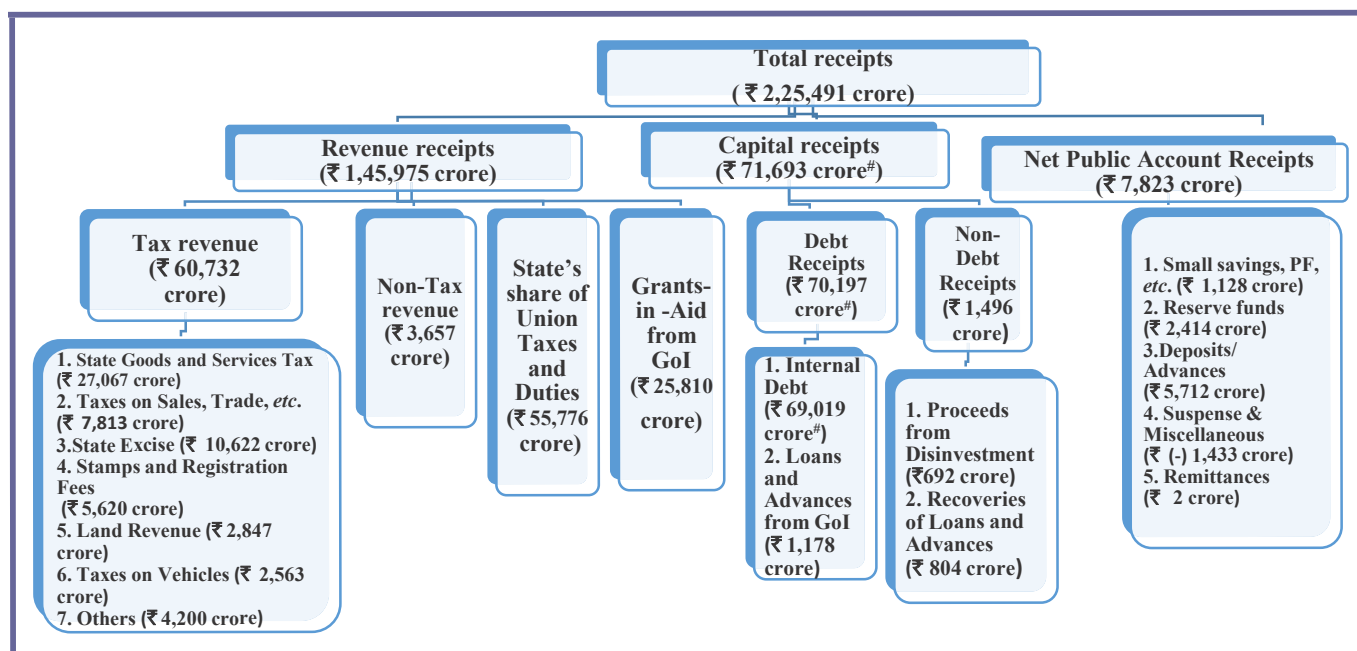
1.4 Financial Resources of the State

1.4.1 Resources of the State as per Annual Finance Accounts

Revenue and Capital are the two streams of receipts that constitute the resources of the State in the Consolidated Fund apart from the net receipts of Public Account. Revenue receipts consist of tax revenues, non-tax revenues, State's share of union taxes and duties and grants-in-aid from Government of India (GoI). Receipts under Capital Section comprise miscellaneous receipts such as proceeds from disinvestments, recoveries of loans and advances, debt receipts from internal sources (market borrowings, borrowings from financial institutions) and loans and advances from GoI. The net of Public Account comprises the balance after disbursements in small savings, provident funds, reserve funds, deposits, suspense and remittances, etc. The balance, after disbursements in the Public Account is the fund available with the Government for use.

The overall composition of the State's resources (₹ 2,25,491 crore) in 2018-19 is in **Chart 1.5**.

Chart 1.5: Composition of Resources in 2018-19



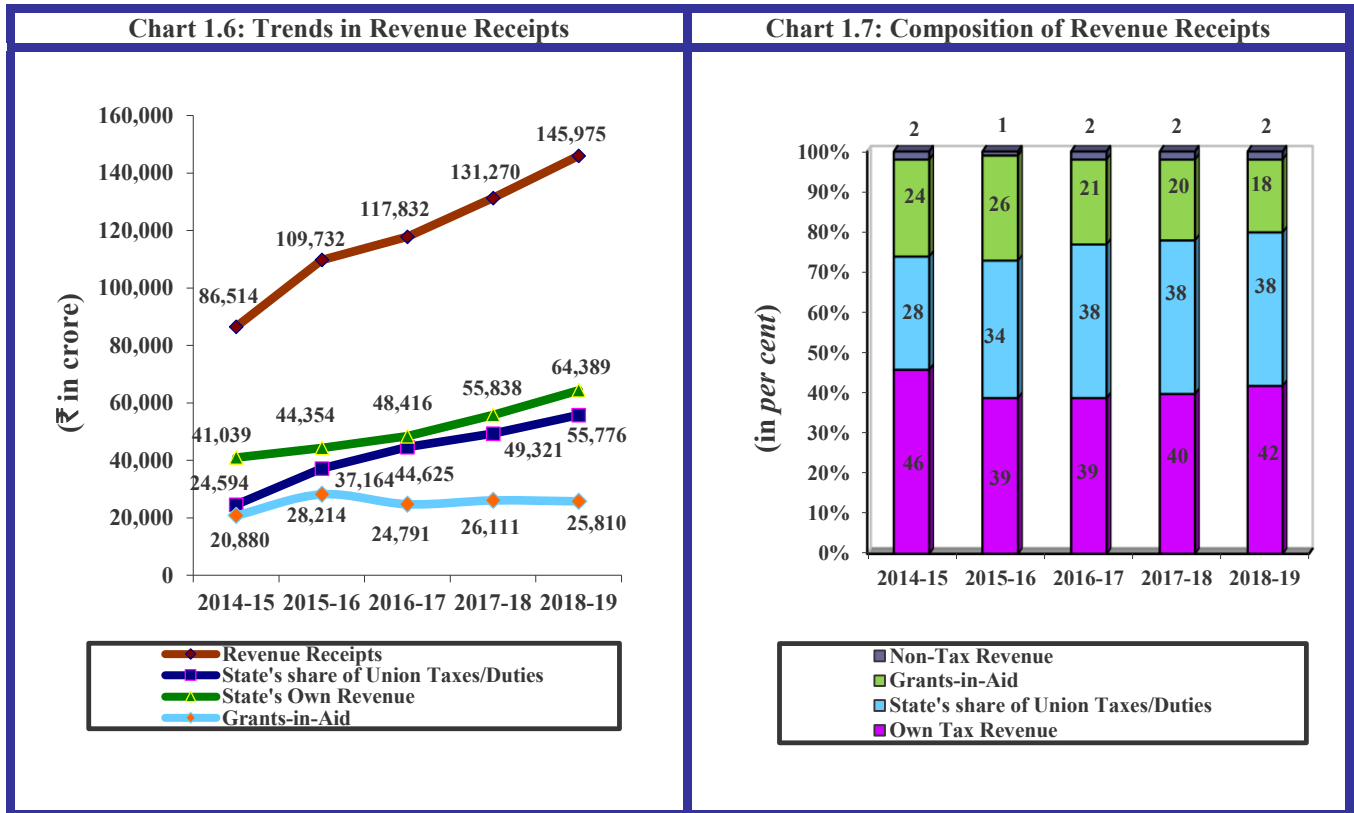
Source: Finance Accounts of Government of West Bengal (2018-19)

[#] includes Ways and Means Advances of ₹ 25,005 crore

1.4.2 Revenue Receipts

Statement 14 of the Finance Accounts gives details of the revenue receipts of the Government. Revenue Receipts (₹ 1,45,975 crore) of the Government constituting 12.40 per cent of the Gross State Domestic Product (GSDP)

(₹ 11,77,586 crore), increased by 11.20 *per cent* over the previous year (₹ 1,31,270 crore). The trends and composition of revenue receipts during the period 2014-19 are presented in **Charts 1.6** and **1.7** respectively.



Source: Finance Accounts of Government of West Bengal (2014-15 to 2018-19)

As can be seen from **Chart 1.6** that excepting Grants-in-Aid from Government of India, all components of Revenue Receipts have been increasing. **Chart 1.7** shows that 44 *per cent* of the revenue came from the State's own resources during 2018-19 and the balance came from GoI as the State's share of Union Taxes and Duties and Grants-in-Aid.

The increase (₹ 14,705 crore; 11.20 *per cent*) in revenue receipts during 2018-19 was mainly due to (i) increased net proceeds assigned to the State by GoI (13.09 *per cent*), more collection on (ii) Taxes and Duties on Electricity (14.61 *per cent*), (iii) State Excise (13.73 *per cent*) and (iv) Taxes on Vehicles (10.62 *per cent*). This was partly counterbalanced by short receipt from GoI for (i) Swachh Bharat Mission (67.20 *per cent*), (ii) National Health Mission (13.49 *per cent*) and (iii) Pradhan Mantri Awas Yojana (10.14 *per cent*).

The rate of growth of Revenue Receipts during 2018-19 (11.20 *per cent*) over 2017-18 was lower than the General Category States' (GCS) average growth (12.77 *per cent*).

1.4.2.1 State's Own Resources

The State's performance in mobilisation of resources is assessed in terms of Tax Revenue and Non-Tax Revenue, not including the State's share of Union Taxes

and Duties and Grants-in-Aid which is based on the recommendations of the Finance Commission.

State's Own Tax Revenue

Components of State's own Tax Revenue are given in Table 1.9.

Table 1.9: Components of Tax Revenue

Revenue Head	2014-15	2015-16	2016-17	2017-18	2018-19		Variation during 2018-19 over 2017-18
					Budget Estimates	Actuals	
(₹ in crore)							(in per cent)
State Goods and Services Tax (SGST)	-	-	-	14,964	23,060	27,067	80.88
Taxes/VAT on Sales, Trade, etc.	24,022	26,050	27,983	12,999	7,014	7,813	(-)39.90
Stamp Duty and Registration Fees	4,196	4,175	4,383	5,261	5,167	5,620	6.82
State Excise	3,587	4,015	5,226	9,340	10,503	10,622	13.73
Land Revenue	2,276	2,456	2,569	2,875	2,836	2,847	(-)0.97
Taxes on Vehicles	1,505	1,707	1,870	2,317	2,508	2,563	10.62
Taxes on Goods and Passengers	859	838	934	1,532	-	435	(-)71.61
Taxes and Duties on Electricity	1,947	2,092	1,319	2,334	3,000	2,675	14.61
Other taxes	1,020	1,159	1,182	1,099	1,113	1,090	(-)0.82
Total	39,412	42,492	45,466	52,721	55,201	60,732	15.20

Source: Finance Accounts of Government of West Bengal (2014-15 to 2018-19)

State's Own Tax Revenue (SOTR) in 2018-19 was ₹ 60,732 crore and constituted 41.60 per cent of total Revenue Receipts. Tax Revenue grew by 15.20 per cent almost in tandem with increase (17.81 per cent) in GSDP.

GST rolling out from July 1, 2017 had a ripple effect for higher collection of SGST (by ₹ 12,103 crore; 80.88 per cent) and lower collection of Taxes/ VAT on sales, trades (by ₹ 5,186 crore; 39.90 per cent). Collection from Foreign liquors and Spirits amounting to ₹ 6,268 crore during 2018-19 compared to ₹ 5,359 crore during 2017-18, attributed to rise in collection of State Excise by 13.73 per cent (₹ 1,282 crore) during 2018-19.

To assess the adequacy of own tax revenue of the State, the same was compared with the projections made by the Finance Commissions and it was observed that during the entire period of 2014-15 to 2018-19, the actual revenue realisation fell short by 16 to 31 per cent.

Tax to GSDP ratio is a useful indicator, effective in tax policy making; for studying the efficiency of taxes, systems and addressing the problem of budget deficits. To evaluate the worthiness of the tax to GSDP (at current prices) ratio for the State of West Bengal, a comparison of the indicator was made with the projection of the Finance Commissions for the State of West Bengal and also with that of neighbouring States of Odisha, Jharkhand and Bihar, as shown in Table 1.10.

Table 1.10: Own Tax Revenue to GSDP**(in per cent)**

Year	13 th and 14 th projections for the State of West Bengal	West Bengal	Odisha	Jharkhand	Bihar
2014-15	6.75	5.49	6.31	4.74	6.05
2015-16	6.36	5.33	6.81	5.56	6.89
2016-17	6.72	5.21	6.06	5.65	5.57
2017-18	7.09	5.27	6.71	4.84	4.74
2018-19	7.49	5.16	6.25	12.57	5.28

Source: Finance Accounts of the respective State Governments and 13th & 14th FC Report

The above table indicated that the State of West Bengal could not achieve the projections of Finance Commissions and largely remained below the levels of neighbouring States.

This scenario indicated that there was an urgent need to put in place a well-planned strategy to ensure that the growth in GSDP duly translates to the augmentation of own tax revenue. This assumes significance as an increase in tax-GSDP ratio will open up space for the Government to spend more on development schemes without borrowing heavily from the market and thereby affecting the fiscal deficit favourably.

1.4.2.2 Efficiency in Tax Collection

From 2018-19, cost of collection under SGST is being worked out separately from the Head of Account '2043' desisting from the methodology adopted during the previous year¹⁴. Considering the collection charges of this component with Taxes/ VAT on sales, the cost of collection with reference to gross revenue reduced to 0.67 *per cent* during 2018-19 from 0.81 *per cent* during 2017-18, indicating higher efficiency in aggregate collection of SGST and VAT (Table 1.11).

Table 1.11: Tax Collected and Cost of Collection

Tax items	Particulars	2016-17	2017-18	2018-19
SGST	Gross Revenue collection (₹ in crore)			27,067
	Cost of Collection (₹ in crore)			169
	Percentage to Gross collection			0.62
Taxes/VAT on sales	Gross Revenue collection (₹ in crore)	27,983	27,963*	7,813
	Cost of Collection (₹ in crore)	203	226	64
	Percentage to Gross collection	0.73	0.81	0.82
State Excise	Gross Revenue collection (₹ in crore)	5,226	9,340	10,622
	Cost of Collection (₹ in crore)	109	118	123
	Percentage to Gross collection	2.09	1.26	1.16
Stamp Duty and Registration Fees	Gross Revenue collection (₹ in crore)	4,383	5,261	5,620
	Cost of Collection (₹ in crore)	130	137	149
	Percentage to Gross collection	2.97	2.60	2.65
Taxes on Vehicles	Gross Revenue collection (₹ in crore)	1,870	2,317	2,563
	Cost of Collection (₹ in crore)	25	26	30
	Percentage to Gross collection	1.34	1.12	1.17

*Includes collection on SGST; Source: Finance Accounts of Government of West Bengal

¹⁴ During 2017-18, cost of collection under SGST and Taxes/VAT on sales was operated under the Head of Account '2040'.

1.4.2.3 GST Compensation

The West Bengal Goods and Services Tax Act, 2017 was made effective from 1 July, 2017 in the State through an ordinance issued on 15 June, 2017 which was notified as an Act passed by the legislature on 10 August, 2017. GST is levied on intra-State supply of goods or services (except alcohol for human consumption and five specified petroleum products¹⁵) and its components are shared by the Centre (CGST) and the State (SGST). Further, IGST is levied and collected by the Central Government on inter-State supply of goods and services. The IGST so collected is apportioned between the Centre and the connected State where the goods and services are consumed.

The GoI enacted the Goods and Services Tax (Compensation to States) Act, 2017 to compensate the States, should the share of a State falls short of the revenue earned in the pre-GST regime for taxes subsumed¹⁶ under GST. According to GST (Compensation to States) Act 2017, the Central Government will compensate the States for loss of revenue on account of implementation of GST for a period of five years. The amount of compensation to be paid is calculated on the basis of protected revenue¹⁷ by taking into account revenue collected from taxes subsumed into GST in 2015-16, the base year. The provisional compensation was to be calculated every two months and the final compensation payable to the State shall be calculated for every financial year after the receipt of final revenue figures, as audited by the CAG of India. For the State of West Bengal, the revenue collected during the Base Year (2015-16) was ₹ 20,097.72 crore. The protected revenue of State during the period from April 2018 to March 2019 worked out to ₹ 29,775.66 crore¹⁸.

Details of SGST, pre-GST taxes and compensation received by the State during 2018-19 are given in the **Table 1.12**.

Table 1.12: Details of SGST, pre-GST taxes and compensation received by the State during April 2018 to March 2019

Particulars	Amount (₹ in crore)
Revenue to be protected (A)	29,775.66
State Goods & Services Tax (including IGST advance apportionment of ₹ 3,265.23 crore during 2018-19 and recovery of ₹ 175.80 crore on account of IGST advance apportionment during 2017-18) (B)	27,067.20
Collection of pre-GST Taxes (April 2018 to March 2019) (C)	724.94
Total Collection (D) = (B+C)	27,792.14
Compensation received	1,977.00

Source: Finance Accounts and Director of Commercial Taxes, GoWB

¹⁵ Petroleum products: Crude oil, high speed diesel, petrol, aviation turbine fuel and natural gas

¹⁶ Taxes that have subsumed under GST i.e., Value Added Tax, Central Sales Tax, Entertainment Tax, Luxury Tax, Entry Tax, Cesses & Surcharges, Duties on Excise on medicinal and toilet preparations excluding VAT and CST on alcohol for human consumption and five specified petroleum products.

¹⁷ Protected revenue is calculated/ arrived at by taking into consideration the revenue collected during the base year (2015-16) plus 14 per cent cumulative increase for each following year.

¹⁸ Base year revenue of ₹ 20,097.72 crore escalated at compound rate 14 per cent annually for three years (2016-17, 2017-18 and 2018-19) worked out to ₹ 29,775.66 crore for 2018-19.

With automation of the collection of Goods and Services Tax (GST) having taken place, it is essential for Audit to transition from sample checks to a comprehensive check of all transactions, to fulfil the CAG's Constitutional mandate of certifying the Accounts. The required access to data is yet to be provided. Not having access to the data pertaining to the all GST transactions has come in the way of comprehensively auditing the GST receipts. The Accounts for the year 2018-19 are, therefore, certified on the basis of test audit, as was done when records were manually maintained, as a one-time exception.

Non-Tax Revenue

The components of Non-Tax Revenue during the period from 2014-15 to 2018-19 are shown in Table 1.13.

Table 1.13: Components of Non-Tax Revenue

Revenue Head	2014-15	2015-16	2016-17	2017-18	2018-19	Variation (<i>per cent</i>) during 2018-19 over 2017-18
	(₹ in crore)					
Interest receipts	277 (17.02)	335 (17.99)	1,201 (40.71)	1,396 (44.79)	806 (22.04)	(-) 42.26
Dividends and Profit	6 (0.37)	12 (0.65)	1 (0.03)	37 (1.19)	47 (1.29)	27.03
Other non-tax receipts	1,344 (82.61)	1,515 (81.36)	1,748 (59.26)	1,684 (54.02)	2,804 (76.67)	66.51
Total	1,627	1,862	2,950	3,117	3,657	17.32

Source: Finance Accounts of Government of West Bengal (2014-15 to 2018-19)

Figures in brackets indicate the share of the components.

State's Non-tax revenue during 2018-19 was ₹ 3,657 crore and constituted 2.51 *per cent* of total Revenue Receipts. Non-tax Revenue grew by 17.32 *per cent* (₹ 540 crore) almost in tandem with increase (17.81 *per cent*) in GSDP. The increase in collection of State Lotteries (₹ 987 crore; 836 *per cent*) owing to introduction of seven weekly draws with effect from May 2018, was the main attributable reason. The increase in Non-tax revenue was partially set off by lower collection of interest receipts from Public Sector and other Undertakings (₹ 757 crore; 78 *per cent*).

The rate of growth of State's Non-tax Revenue during 2018-19 (17.36 *per cent*) over 2017-18 was lower than the average growth of GCS (19.78 *per cent*).

The following was observed in audit.

- **Short Accounting of Non-Tax Receipts**

As per West Bengal Budget Manual (WBBM), the income derived from cess imposed by law was to be credited to the Consolidated Fund.

GoWB levied Motor Transport Workers' Welfare Cess as per the West Bengal Motor Transport Workers' Welfare Cess Act, 2010¹⁹. The Act did not contain any accounting procedure to be followed. GoWB also did not give cognizance to the directives stated in the Manual and changed the accounting procedures

¹⁹ The Act did not prescribe the accounting procedure to be followed as per the prevalent accounting principle.

through administrative orders²⁰. The Finance Department did not comply with the conditions stated in the WBBM.

The cess (₹ 36.08 crore) collected during 2018-19 was, however, directly booked under the Public Account instead of 'Non-Tax receipts'. Consequently, Non-Tax receipts were understated by ₹ 36.08 crore.

• **Inflated Non-Tax Receipts**

According to General Direction contained in Paragraph 3.10 of List of Major and Minor Heads of Accounts, recoveries of overpayments during the financial year in which such overpayments were made, should be recorded as reduction of expenditure under the concerned expenditure head.

Audit noticed that due to deficient budget provisions by Government of West Bengal during 2018-19, under six head of accounts²¹, an amount of ₹ 2.83 crore were booked as 'revenue receipts' instead of 'reduction of expenditure'. Consequently, Non-Tax Receipts were overstated by ₹ 2.83 crore.

1.4.2.4 State's Share of Union Taxes

The devolution of different components of State's share of Union Taxes during 2015-16 to 2018-19 is given in Table 1.14.

Table 1.14: Devolution of different components of State's share of Union Taxes

Components of State's share of Union taxes	14th FC award period				Difference in 2018-19 over previous year	Percentage variation in 2018-19 over previous year
	2015-16	2016-17	2017-18	2018-19		
	(₹ in crore)					
Corporation Tax	11,702	14,314	15,107	19,397	4,290	28.40
Customs	5,951	6,157	4,979	3,954	(-)1,025	(-)20.59
Income Tax	81,29	9,948	12,757	14,285	1,528	11.98
Other taxes and duties on commodities and services	27	-	-	130	130	
Service Tax	6,394	7,142	5,594	511	(-)5,083	(-)90.87
Wealth Tax	3	33	-	7	7	
Union Excise Duties	4,958	7,031	5,204	2,627	(-)2,577	(-)49.52
CGST	NA	NA	701	13,766	13,065	1,863.77
IGST	NA	NA	4,980	1,099	(-)3,881	(-)77.93
Grand total	37,164	44,625	49,321	55,776	6,455	13.09
Devolution as percentage of Revenue Receipts of the State	33.87	37.87	37.57	38.21		

Source: Finance Accounts of Government of West Bengal (2015-16 to 2018-19)

It is observed that State's share of Union Taxes increased by ₹ 6,455 crore (13.09 per cent) over the previous year. The State's share of Union Taxes were primarily aimed at meeting the revenue expenditure needs of the State. However, in spite of increased central funding, the State failed to eliminate the Revenue Deficit which stood at ₹ 10,399 crore (0.88 per cent of GSDP) during 2018-19.

²⁰ Issued by the Finance Department in June 2014 and September 2016

²¹ ₹ 8.46 lakh under '0070'; ₹ 190.34 lakh under '0071'; ₹ 40.85 lakh under '0210'; ₹ 5.22 lakh under '0401'; ₹ 0.18 lakh under '0425' and ₹ 37.48 lakh under '1054'

1.4.2.5 Grants-in-Aid from Government of India

The details of Grants-in-Aid (GIA) and its composition during the years 2014-19 are given in **Table 1.15**.

Table 1.15: Components of Grants-in-Aid

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
	(₹ in crore)				
Non-Plan Grants	3,271	11,753	10,217	-	-
Grants for State Plan Schemes	17,250	14,997	14,443	-	-
Grants for Central Plan Schemes	365	1,464	131	-	-
Grants for Centrally Sponsored Schemes	(-) 6	-	-	15734	15,688*
Finance Commission Transfers	-	-	-	5,283	4,189
Other Transfer/ Grants to States/ Union Territories with Legislature	-	-	-	5,094	5,933
Total grants	20,880	28,214	24,791	26,111	25,810
Total grants as a percentage of Revenue Receipts	24.13	25.71	21.04	19.89	17.68

Source: Finance Accounts of Government of West Bengal (2014-15 to 2018-19)

* Includes transaction of ₹1.62 crore, initiated in Treasury wrongly, the matter of which has been taken up with the State Government

Budget Estimate for GIA from Government of India was ₹ 32,714 crore. It is observed that GIA decreased by 1.15 per cent (₹ 301 crore) over the previous year. This was mainly due to decrease in Grants-in-Aid to Swachh Bharat Mission by ₹ 489 crore, Pradhan Mantri Awas Yojana by ₹ 385 crore and National Health Mission by ₹ 207 crore. However, central share was increased in schemes such as Pradhan Mantri Gram Sadak Yojana (by ₹ 369 crore), AMRUT²² (by ₹ 236 crore) and Anganwadi Services (by ₹ 204 crore).

Allocation of the 14th FC Grants

The status of release of 14th FC grants *vis-à-vis* allocation is depicted in **Table 1.16**.

Table 1.16: Release of 14th FC Grants *vis-à-vis* Allocation

Sl. No.	Transfer	Recommendation of the FC (Allocations up to 2018-19)	Actual release by GoI	Shortfall
		(₹ in crore)		
(A)	(B)	(C)	(D)	(C-D)
(I)	Local Bodies	14,499.84	12,799.91	1,699.93
(a)	Grants to PRIs	9,891.77	8,900.20	991.57
(b)	Grants to ULBs	4,608.07	3,899.71	708.36
(II)	Grants for Disaster Relief	1,758.20	1,668.50	89.70
	Total	16,258.04	14,468.41	1,789.63

Source: 14th FC Report and departmental figures

²² Atal Mission for Rejuvenation and Urban Transformation

Shortfall in receipt of grants for Local Bodies

There was a shortfall in receipt of Local Bodies grants of ₹ 1,699.94 crore (*Appendix 1.6*) of which the share of basic grants and performance grants were ₹ 388.69 crore and ₹ 1,311.25 crore, respectively during 2015-19.

Finance Department replied (July 2019) that delayed submission of UCs and non-fulfilment of conditions²³ for basic and performance grants respectively, were the likely attributable reasons for the shortfall.

Shortfall in receipt of grants for Disaster Relief

Pursuant to SDRF²⁴ guidelines (July 2015), GoI contribution on disaster relief for West Bengal during the award period (2015-20) of 14th FC was fixed at 75 per cent of the total allocation²⁵. From the year 2018-19, GoI share, however, was enhanced to 90 per cent.

Audit noticed that during 2018-19, despite the change of sharing pattern, GoWB received ₹ 448.50 crore (75 per cent of the allocation) against the receivable of ₹ 538.20 crore²⁶. No record/ reason was furnished by the Finance Department, GoWB to explain this shortfall.

Avoidable payment of interest

Fourteenth FC recommended that State should release the grants to the gram panchayats and municipalities within 15 days of its being credited to State Government's account by the Union Government. Again, as per SDRF guidelines the State along with its own share was to transfer the Union share of SDRF in the Public Account within 15 days of its receipt. Any delay in release of the above two types of grants would attract penal interest at the bank rate of RBI.

Audit observed that 14th FC grants of ₹ 6,595.25 crore (Local Bodies grants of ₹ 4,877.42 crore²⁷ plus SDRF of ₹ 1,717.83 crore) were released with delays ranging between one and 398 days beyond the stipulated time frame (*Appendix 1.7*). Due to this delay, GoWB had to pay interest of ₹ 48.87 crore upto 2018-19. Payment of interest for 2018-19 was ₹ 3.12 crore.

Finance Department replied (July 2019) that the release of grants to local bodies had been delayed on a few occasions due to involvement of different intermediary steps. However, the payment of penal interest did not go to Government of India but to Local Bodies and is being utilised for development purpose. While audit appreciates the reply, the fact remains that the extra expenditure could have been avoided had the funds been transferred in time.

²³ (i) Submission of audited accounts for two preceding years, (ii) Increase in own tax revenue by the panchayats and municipalities and (iii) Publication of service level benchmark by the municipalities

²⁴ State Disaster Response Fund

²⁵ For 2015-16: ₹ 516 crore; 2016-17: ₹ 542 crore; 2017-18: ₹ 569 crore and 2018-19: ₹ 598 crore as per recommendation of the 14th FC

²⁶ Calculated considering 90 per cent of ₹ 598 crore

²⁷ 38 per cent of GoI release.

1.4.3 Receipts under capital section

Trends of capital receipts under the capital section during 2014-19 are given in **Table 1.17**.

Table 1.17: Trends in growth and composition of capital receipts

Sources of State's Receipts	2014-15	2015-16	2016-17	2017-18	2018-19
Capital Receipts (CR)	55,369	47,232	40,757	45,957	71,693
Misc. Capital Receipts (₹ in crore)	Nil	653	Nil	Nil	692
Recovery of Loans and Advances (₹ in crore)	176	832	3,233	214	804
Rate of growth of non-debt receipts under the capital section (in per cent)	(-84.80)	743.75	117.71	(-93.38)	599.07
Public Debt Receipts*(₹ in crore)	55,193	45,747	37,524	45,743	70,197
Rate of growth of Debt Receipts (in per cent)	8.33	(-17.11)	(-17.97)	21.90	53.46

Source: Finance Accounts of Government of West Bengal (2014-15 to 2018-19)

* Includes Ways and Means Advances of ₹ 19,381 crore in 2014-15, ₹ 11,139 crore in 2015-16, ₹ 1,208 crore in 2016-17, ₹ 5,395 crore in 2017-18 and ₹ 25,005 crore in 2018-19

Public debt receipts constituted major component of Capital Receipts (97.91 per cent). Out of the Public Debt Receipts of ₹ 70,197 crore, internal debt of the State Government was ₹ 69,019 crore and loans and advances from the GoI was ₹ 1,178 crore.

1.4.3.1 Public Account Receipts

Receipts and disbursements under small savings, provident funds, reserve funds, etc. which do not form part of the Consolidated Fund, are kept in Public Account set up under Article 266(2) of the Constitution. These are not subject to vote by the State Legislature. Government acts as a banker or trustee. The balance after disbursements is the fund available with the Government for its own use. Composition of Public Account (net) is shown in **Table 1.18**.

Table 1.18: Composition of Public Account Receipts and Disbursements

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19	
	Actuals	Actuals	Actuals	Actuals	Budget	Actuals
(₹ in crore)						
A. Public Account Receipts						
Small Savings, Provident Fund, etc.	3,441	3,216	3,268	3,728	3,672	3,803
Reserve Fund	2,951	2,051	3,831	2,997	3,242	2,538
Deposits and Advances	43,035	49,747	60,273	75,112	74,280	84,835
Suspense and Miscellaneous*	72,744	94,597	1,02,260	1,20,272	3,88,570	1,41,609
Remittances	9,694	(-3)	1	(-1)	11	-
Total (A)	1,31,865	1,49,608	1,69,633	2,02,108	4,69,775	2,32,785

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19	
	Actuals	Actuals	Actuals	Actuals	Budget	Actuals
(₹ in crore)						
B. Public Account Disbursements						
Small Savings, Provident Fund, etc.	2,434	2,475	2,411	2,564	2,604	2,675
Reserve Fund	1,683	3,087	1,608	3,842	3,173	124
Deposits and Advances	41,862	46,331	55,785	72,505	71,012	79,123
Suspense and Miscellaneous*	73,851	95,775	1,02,989	1,18,638	3,88,570	1,43,042
Remittances	9,522	1,732	24	(-6)	29	(-2)
Total (B)	1,29,352	1,49,400	1,62,817	1,97,543	4,65,388	2,24,962
Public Account Net (A)-(B)	2,513	208	6,816	4,565	4,387	7,823

Source: Finance Accounts of Government of West Bengal (2014-15 to 2018-19);

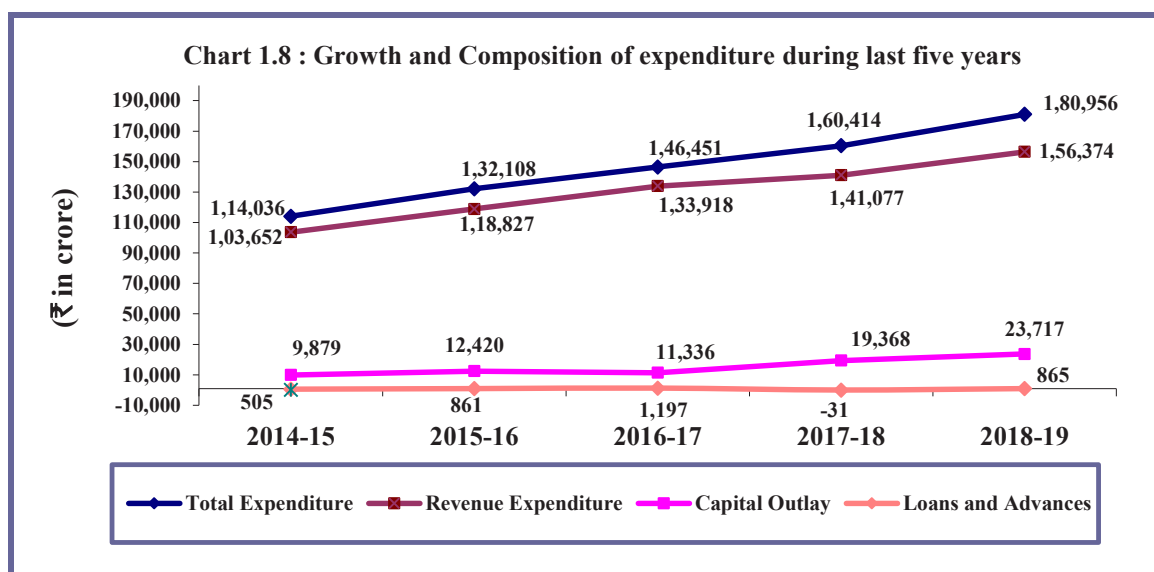
*Excluding balances in the Head of Accounts '8671', '8672' and '8673' since these are included in the Cash Balances

Net Public Accounts Receipts increased by ₹ 3,258 crore over 2017-18 owing to net increase in the balances of Reserve Funds (₹ 3,259 crore) and deposits and advances (₹ 3,105 crore). This was partly counterbalanced by net decrease in the balances on Suspense and Miscellaneous heads (₹ 3,067 crore). The impact of transactions under Reserve Funds are discussed in Paragraph 1.7.1.

1.5 Application of Resources

1.5.1 Growth and composition of expenditure

The total expenditure (TE) in 2018-19 was ₹ 1,80,956 crore. The rate of growth of TE during 2018-19 (12.81 per cent) over 2017-18 was slightly higher than the average growth of GCS (12.73 per cent). Chart 1.8 presents the trends and composition of TE during 2014 to 2019.



Source: Finance Accounts of Government of West Bengal (2014-15 to 2018-19)

Around 86.42 *per cent* of the total expenditure in 2018-19 was Revenue Expenditure as compared to 87.95 *per cent* during 2017-18. Social Services²⁸ expenditure took precedence with 42.25 *per cent* over General (31.94 *per cent*) and Economic Services (25.54 *per cent*) in the total expenditure. Capital Expenditure, targeted towards creation of assets, constituted 13.11 *per cent* of the total expenditure, with the Economic Services²⁹ (65.21 *per cent*) receiving priority.

Component-wise major expenditure in Revenue and Capital sections incurred in 2017-18 and 2018-19 is shown in **Table 1.19**.

Table 1.19: Major expenditure components under Revenue and Capital

Revenue				Capital			
Component	Sector	2017-18	2018-19	Component	Sector	2017-18	2018-19
		(₹ in crore)				(₹ in crore)	
Education, Sports, Art and Culture	Social	24,614	28,365	Transport	Economic	3,766	5,266
				Water supply, Sanitation, Housing and Urban Development	Social	5,405	3,964
Social Welfare and Nutrition	Social	16,658	20,690	Rural Development	Economic	1,776	2,576
Rural Development	Economic	18,162	15,301	Special Areas Programmes	Economic	1,228	1,868
				Irrigation and Flood Control	Economic	1,562	1,798
				Energy	Economic	827	1,752
				Industry and Minerals	Economic	974	1,471
				Health and Family Welfare	Social	931	1,237
Health and Family Welfare	Social	7,925	8,440	Social Welfare and Nutrition	Social	700	988
Agriculture and allied activities	Economic	3,730	7,911				
Water supply, Sanitation, Housing and Urban Development	Social	7,482	7,891				
Welfare of SCs, STs, Minorities and OBCs	Social	2,200	2,397				
Energy	Economic	2,158	1,991				
Transport	Economic	1,714	1,776				

Source: Finance Accounts of Government of West Bengal (2017-18 and 2018-19)

²⁸ Refers to welfare activities of the Government and includes (i) Education, Sports, Art and Culture, (ii) Health and Family Welfare, (iii) Water Supply, Sanitation, Housing and Urban Development, (iv) Information and Broadcasting, (v) Welfare of Scheduled Castes, Scheduled Tribes and Backward Classes, (vi) Labour and Labour Welfare, (vii) Social Welfare and Nutrition and (viii) Others.

²⁹ Refers to economic development activity sectors of the Government and includes (i) Agriculture and allied services, (ii) Irrigation and Flood Control, (iii) Energy, (iv) Industry and Minerals, (v) Transport, (vi) Science Technology and Environment, (vii) Rural Development and (viii) General Economic Services.

- Revenue Expenditure (₹ 1,56,374 crore) was higher than the previous year's figure (₹ 1,41,077 crore) by 10.84 per cent. The increase over the previous year was mainly due to (i) financial support of ₹ 4,000 crore for *Krishak Bandhu* scheme³⁰, (ii) higher outgo in Supply of rice to the APL/BPL families in the TPDS³¹ (₹ 1,980 crore) and Women's and Child's Welfare (₹ 849 crore), (iii) payment of interest on market loans³² (₹ 1,541 crore) and (iv) higher assistance to Non-Government Secondary Schools³³ (₹ 1,063 crore). This was offset by decreases mainly under Rural Development (₹ 2,861 crore) due to lower assistance to Gram Panchayats (by ₹ 1,884 crore) and lower expenditure on Jawahar Gram Samridhi Yojana (by ₹ 351 crore).

Box 1.1

Case Study: Implementation of *Krishak Bandhu* scheme

For implementation of *Krishak Bandhu* (Assured Income) scheme, Agriculture Department released (January 2019) ₹ 4,000 crore to the West Bengal State Seed Corporation Limited (WBSSCL), which was entrusted to act as the State Level Agency and to oversee the financial assistance provided for this scheme.

Scrutiny revealed that pursuant to the order (February 2019) of Agriculture Department, with the concurrence of Finance Department, the entire amount was transferred to a Bank Account³⁴ maintained by WBSSCL. As of March 2019, of the amount referred *ibid*, ₹ 3,500 crore was parked in Term Deposit³⁵ with the approval of the Finance Department, while ₹ 379.47 crore remained in four current accounts, maintained by WBSSCL. Thus, the fund released in January 2019 by the State Government to WBSSCL left little scope to implement the scheme during the year.

- During 2018-19, Capital expenditure (₹ 23,717 crore) constituted 13.11 per cent of the total expenditure (**Chart 1.8**) and increased by 22.45 per cent (₹ 4,349 crore) over 2017-18. The increase was mainly on account of increase in capital expenditure under improvement of Roads and Bridges (₹ 1,531 crore), Power Projects (₹ 925 crore), Rural Development Programs (₹ 800 crore) and Special Areas Programs (₹ 640 crore) set off by decrease of capital expenditure under Housing (₹ 839 crore) and Urban Development Programs (₹ 459 crore) under Social services.

1.5.2 Revenue Expenditure

1.5.2.1 Committed Expenditure

Committed Expenditure of Government consists of expenditure on Salaries and Wages (₹ 41,541 crore), Interest payments (₹ 28,911 crore), Pensions (₹ 16,063 crore) and Subsidies (₹ 13,403 crore). The committed expenditure in 2018-19

³⁰ A direct benefit scheme aimed to give annual assistance of ₹ 5,000 to farmers having one or more acre of land and one time lump sum assistance of ₹ 2 lakh to farm family, in the event of death of farmer.

³¹ Targeted Public Distribution System

³² Payment of Interest on Market Loans during the year was ₹ 18,119.58 crore.

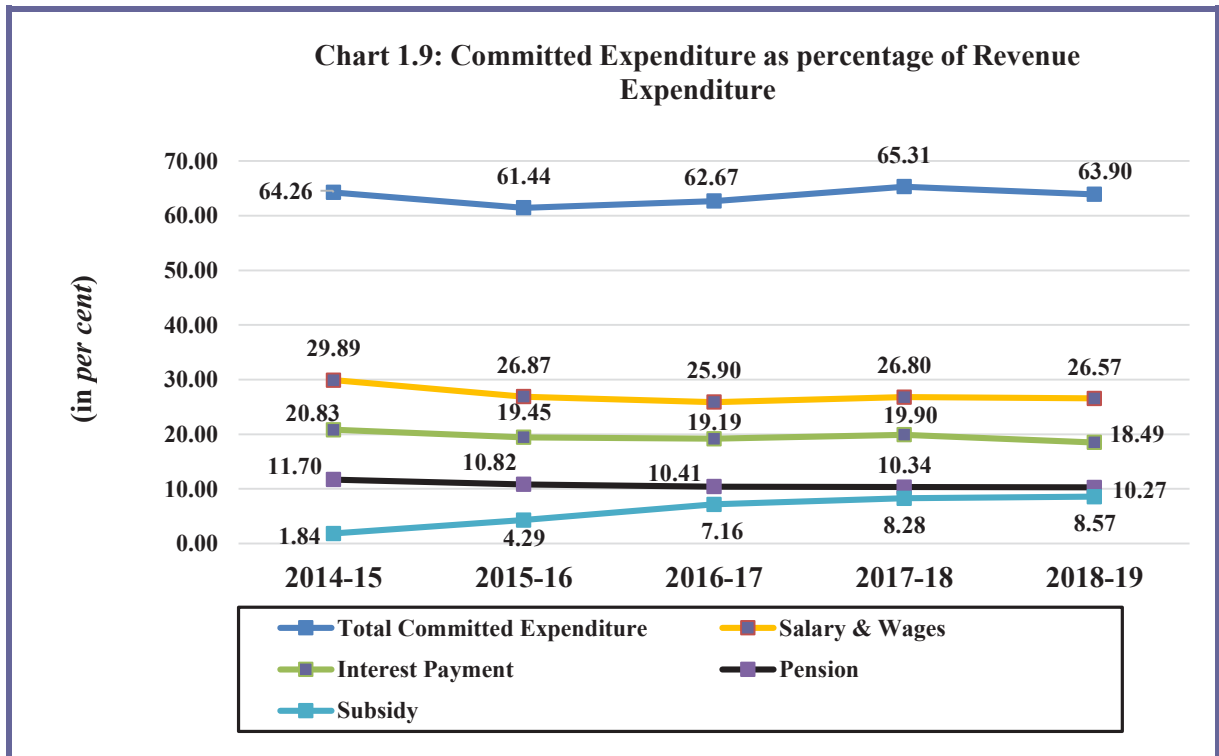
³³ Expenditure during the year was ₹ 11,566.12 crore.

³⁴ In the West Bengal State Co-operative Bank Limited

³⁵ For 91 days, @ 7.95 per cent per annum

was ₹ 99,918 crore and consumed around 63.90 *per cent* of Revenue Expenditure.

The burden of committed expenditure measured as a percentage of Revenue Expenditure of the State is decreasing (**Chart 1.9**).



Source: Finance Accounts of Government of West Bengal (2014-15 to 2018-19)

The following observations were noted in Audit:

- The share of Salaries and Wages remained almost 27 *per cent* of Revenue Expenditure. The rate of growth of Salaries and Wages during 2018-19 (9.89 *per cent*) over 2017-18 was lower than the average growth of GCS (11.03 *per cent*).
- The rate of growth of expenditure on pension during 2018-19 (10.11 *per cent*) over 2017-18 was lower than the average growth of GCS (14.31 *per cent*).
- The share of subsidy increased to 8.57 *per cent* from 8.28 *per cent* during 2017-18. Expenditure on subsidy increased by ₹ 1,726 crore (14.78 *per cent*) over 2017-18. Subsidies on Food & Supplies (₹ 10,584 crore) which accounts for 79 *per cent* of the total subsidies, increased by 18 *per cent* owing to enhancement of State subsidy for supply of rice to the APL/ BPL families in the TPDS (₹ 882 crore). In Agriculture, subsidy increased by ₹ 139 crore due to enhanced subsidy in Crop Insurance Scheme (₹ 122 crore).

Apart from the above, four departments incurred expenditure in the nature of subsidies of ₹ 883.47 crore during 2018-19 (**Table 1.20**).

Table 1.20: Details of expenditure in the nature of subsidies

Sl. No.	Schemes/Subsidy	Name of Department	Amount (₹ in crore)
1.	Grants to Kolkata Municipal Corporation/Howrah Municipal Corporation/Urban Local Bodies for adjustment of Energy Bills of Calcutta Electric Supply Corporation Limited	Urban Development & Municipal Affairs	854.34
2.	State subsidy for supply of rice to the APL/BPL families in the TPDS	Food and Supplies	23.35
3.	Subsidies for interest liabilities in respect of share croppers, small farmers and self-employed persons	Cooperation	4.78
4.	Subsidised distribution of seed planting materials	Food Processing Industries & Horticulture	1.00
Total			883.47

Source: Appropriation Accounts of Government of West Bengal (2018-19)

Though, these are in the nature of subsidies, they are however, not reflected as subsidies and the subsidies shown in the accounts are understated to that extent.

- Expenditure on Interest Payments grew by 2.98 per cent (₹ 837 crore) over the previous year (₹ 28,074 crore). It accounted for 19.81 per cent of Revenue Receipts during 2018-19, which is slightly higher than the ceiling of 19.12 per cent fixed by 14th Finance Commission. Interest on market loans and interest on special securities issued to NSSF constituted 62.67 and 25.21 per cent respectively, of the interest payments during 2018-19. Payment of interest on Ways and Means Advances from RBI stood at ₹ 20.75 crore as against ₹ 1.05 crore paid during the previous year.

1.5.2.2 Financial assistance to Local Bodies and Other Institutions

Financial assistance to the tune of ₹ 57,589 crore was provided by the State Government to local bodies and other institutions by way of grants in 2018-19 (Table 1.21). There was an increase in the overall quantum of assistance by ₹ 2,624 crore (4.77 per cent) in comparison to previous year (₹ 54,965 crore) though assistance as a percentage of Revenue Expenditure dipped by 2.14 per cent over the previous year.

Table 1.21: Financial Assistance to Local Bodies and Other Institutions

Financial Assistance to Local Bodies/ Institutions	2014-15	2015-16	2016-17	2017-18	2018-19
	(₹ in crore)				
Panchayati Raj Institutions (PRIs)	12,775	15,153	14,347	15,180	11,678
Educational Institutions (Universities)	1,105	1,125	1,530	1,419	1,345
Urban Local Bodies (ULBs)	3,960	3,562	3,825	4,786	4,787
Development Authorities	473	556	382	320	295
Other Autonomous Bodies	0.00	86	2,137	2,008	1,403
Cooperative Institutions	16	20	211	305	214
Public Sector Undertakings (PSUs)	64	72	4,872	1,893	1,117
Non-Government Organisations	349	367	15,941	21,123	19,461
Others*	25,138	28,519	9,430	7,931	17,289
Total	43,880	49,460	52,675	54,965	57,589
Assistance as percentage of Revenue Expenditure	42	42	39	39	37

Source: Finance Accounts of Government of West Bengal (2014-15 to 2018-19)

*Others include Grants for National Old Age Pension Scheme (State Share), Implementation of Annapurna Scheme for Welfare of Aged, Infirm and Destitute and Scheme for financial assistance to the workers in locked-out Industrial units, etc.

It is pertinent to note that ULBs (Municipal Corporations/ Municipalities), Development Authorities, Universities and Other Autonomous Bodies had arrear of accounts as of March 2019 as discussed in details in **Paragraphs 3.5** and **3.6**. Release of financial assistance without insisting on rendering timely accounts was detrimental to public accountability and indicated poor financial management.

1.5.2.3 National Pension System

State Government employees recruited on or after 1 January 2004 are required to be covered under the National Pension System (NPS), which is a defined contributory pension scheme. It is mandatory for employees to contribute 10 *per cent* of basic pay and dearness allowance every month. The State Government has to make equal contribution. Audit analysis showed the following:

- 14th Finance Commission recommended that the States which have not adopted the NPS so far to immediately consider doing so for their new recruits in order to reduce their future burden.

The State did not adopt the NPS for its own employees recruited on or after 1 January 2004. However, the scheme was implemented only for the All India Service Officers and other Central/ State Government employees on deputation to the State recruited on or after 1 January 2004.

- The Annual Review on Working of the Treasuries-2018-19³⁶ indicated that, in respect of seven out of 71 treasuries, there was a mismatch³⁷ between Government contribution and Employee's contribution under NPS which was not reconciled by seven Treasuries/ PAOs. Discrepancies in remittances made under NPS are violation of Government order (February 2012).

1.5.3 Capital Expenditure

During 2009-10 to 2017-18, the CAGR of Capital Expenditure (26.20 *per cent*) was higher than the GCS (13.53 *per cent*). The growth of capital expenditure (₹ 23,717 crore) during the current year over the previous year was 22.45 *per cent* and was also higher than the growth of GCS (11.93 *per cent*). However, the veracity of these figures was questionable as ₹ 3,107.49 crore representing expenditure of revenue nature was misclassified as Capital expenditure. Also, ₹ 1.62 crore of capital nature was misclassified as Revenue Expenditure. As a result, Revenue Deficit of ₹ 3,105.87 crore stood understated to that extent. Apart from this, capital expenditure shown in the accounts remained overstated

³⁶ The Report is brought out by the Office of the Principal Accountant General (A&E), West Bengal

³⁷ Of ₹1.84 lakh

by ₹ 478.63 crore since the amount was utilised for setting of loan liabilities of two PSUs³⁸.

Fourteenth Finance Commission had opined that any fall in capital expenditure to Gross Domestic Product (GDP) could be indicative of the need to address the state-specific issue of resource constraint, policy inertia, *etc.* In this backdrop, the Capital Expenditure to Gross State Domestic Product (GSDP) of the State of West Bengal was assessed *vis-à-vis* that of the neighbouring States to comprehend its worthiness. **Table 1.22** shown below, disclosed that in regard to Capital Expenditure to GSDP (at current prices) during 2014-19, the State of West Bengal stood at the lowest compared with that of the neighbouring States of Odisha, Jharkhand and Bihar.

Table 1.22: Capital Expenditure to GSDP (in per cent)

Name of the State	2014-15	2015-16	2016-17	2017-18	2018-19
West Bengal	1.38	1.56	1.29	1.90	2.01
Odisha	3.52	5.17	4.90	5.07	4.80
Jharkhand	2.54	3.95	4.61	4.68	3.48
Bihar	5.29	6.49	6.39	5.93	3.78

Source: Finance Accounts of the respective states (2014-15 to 2018-19)

This scenario indicated that there was a need to review the fiscal strategy to assess the aptness of utilisation of the fiscal space through capital expenditure, which in turn, would help to accelerate growth and promote equitable growth.

1.5.3.1 Inflated Capital Outlay

(i) WBTIDF³⁹ was constituted (March 2004) for creation, development, maintenance and improvement of transport infrastructure out of collection of cess imposed on sale of motor spirits used for commercial and industrial purposes. In terms of the accounting procedure prescribed (March 2004) by the State Government for maintenance of proper accounts and administration of WBTIDF, the receipts by way of collection of cess were to be transferred to WBTIDF through Revenue Expenditure heads. During 2018-19, pursuant to orders of Finance Department (June 2018), ₹ 357.78 crore⁴⁰ was contributed through capital outlay heads instead of the revenue heads of account.

To that extent, capital outlay remained overstated with corresponding understatement of revenue expenditure and revenue deficit (Refer **Table 1.5**).

(ii) WBCETF⁴¹ was established (July 2012) to develop and facilitate trade, commerce and industry by constructing roads, transport, electricity infrastructure, *etc.* in the State and providing finance, grants and subsidies to

³⁸ National Iron and Steel Co. Limited (₹ 345.21 crore) and Neo Pipe & Tube Co. Limited (₹ 133.42 crore)

³⁹ West Bengal Transport Infrastructure Development Fund

⁴⁰ ₹ 257.85 crore under the H/A: 5054-80-797 and ₹ 99.93 crore under the H/A: 5055-00-797

⁴¹ West Bengal Compensatory Entry Tax Fund

the local bodies/ government agencies for the specified purpose. Entry tax collected in the State was credited to the fund and actual expenditure initially accounted for under various heads in Consolidated Fund booked in WBCETF in reduction of expenditure in respective head of accounts where it was booked initially.

During 2017-18, there was an excess adjustment of ₹ 999.16 crore from WBCETF. Finance Department, to set right the anomaly, issued (July 2019) an adjustment order, favouring three departments⁴². Amongst these adjustments, ₹ 104.36 crore was booked under the Capital Outlay head of MSMET⁴³ department instead of its Revenue Expenditure head under which excess expenditure was actually incurred during 2017-18.

This resulted in overstatement of capital outlay by ₹ 104.36 crore with corresponding understatement of revenue expenditure and revenue deficit (Refer Table 1.5).

1.5.4 Quality of Expenditure

Quality of expenditure basically involves three aspects *viz.*, adequacy of the expenditure (*i.e.*, adequate provisions for providing public services); efficiency of expenditure use, and effectiveness (assessment of outlay-outcome relationships for services).

1.5.4.1 Adequacy of Public Expenditure

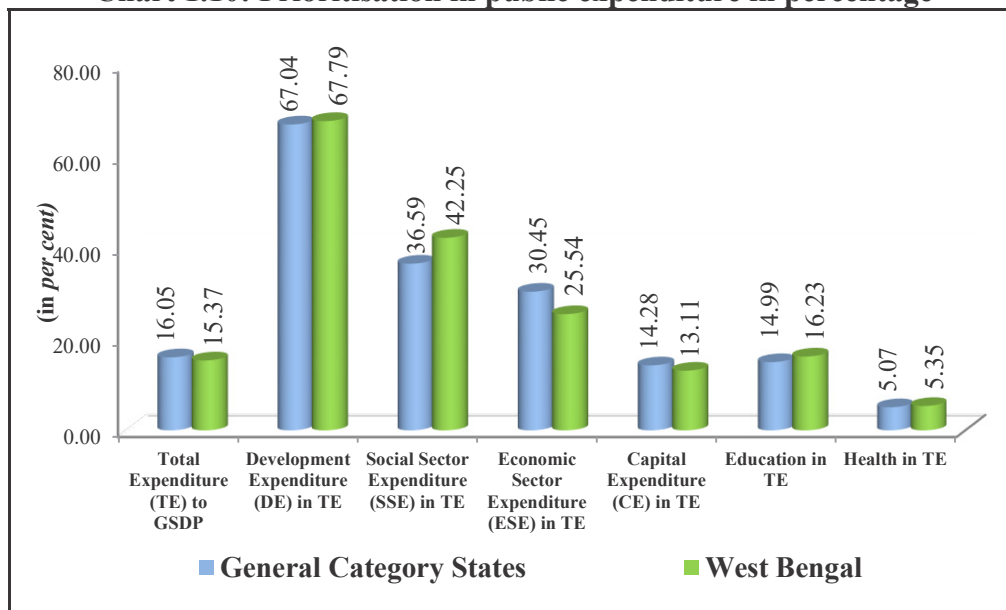
A comparison of fiscal priority of West Bengal with other General Category States⁴⁴ (Chart 1.10) revealed that in ratios of TE to GSDP, ESE to TE and CE to TE, the State of West Bengal had compared unfavourably in comparison to the General Category States' (GCS) average. In DE to TE ratio, the State managed to stay above the average of GCS marginally whereas in the SSE to TE ratio, the State's performance was significantly higher than the average of GCS. However, as the fiscal deficit over the period has increased by ₹ 4,555 crore (nearly 15.74 *per cent*), the future of Social Sector spending could be a cause of concern.

⁴² MSMET: ₹ 193.42 crore; PWD: ₹ 684.43 crore; NBDD: ₹ 121.31 crore

⁴³ Micro, Small & Medium Enterprises and Textiles

⁴⁴ Undivided Andhra Pradesh, Bihar, Chhattisgarh, Gujarat, Haryana, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Odisha, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh and West Bengal

Chart 1.10: Prioritisation in public expenditure in percentage



Source: Finance Accounts of Government of West Bengal (2018-19)

The following is noticed from the above chart.

- West Bengal laid emphasis on Social Sector spending. As a percentage of Total Expenditure, spending on this account was higher than combined average of General Category States (GCS) by 5.66 per cent. Apart from Bihar (42.62 per cent), West Bengal's spending was much higher than the other two neighbouring states of Odisha (37.31 per cent) and Jharkhand (32.51 per cent).
- In Economic Sector Expenditure, West Bengal's performance was lower than the average spending of GCS by 4.91 per cent. All three neighbouring states (Odisha: 38.15 per cent, Jharkhand: 38.06 per cent and Bihar: 28.87 per cent) surpassed the spending of West Bengal.
- West Bengal fared favourably in its focus on Education (₹ 29,362 crore) in comparison to other GCS. As a percentage to Total Expenditure, the State's performance (16.23 per cent) was lower than that of Bihar (19.38 per cent) but higher than Jharkhand (13.05 per cent) and Odisha (15.50 per cent).
- Also in Health (₹ 9,678 crore) sector, the State's performance was slightly higher than the average spending of GCS. The State's expenditure on this count (5.35 per cent) was almost same to the neighbouring states (Bihar: 4.96 per cent, Odisha: 5.19 per cent and Jharkhand: 5.41 per cent).
- The State, lagged behind in the area of Capital Expenditure (₹ 23,717 crore) but fared favourably in Development Expenditure (₹ 1,22,674 crore) in comparison to GCS.

1.5.4.2 Per capita expenditure in some major socio economic sectors

The per capita expenditure for 2018-19 of West Bengal in some major socio economic sectors and its comparison with the previous year 2017-18 is given in the **Table 1.23** below.

Table 1.23: Per capita expenditure in some selected Social and Economic sectors

Sector	2017-18			2018-19			Percentage variation in 2018-19 over 2017-18
	Expenditure (₹ in crore)	Population of the state (in crore)	Per capita expenditure (in ₹)	Expenditure (₹ in crore)	Population of the state (in crore)	Per capita expenditure (In ₹)	
Health and Family Welfare	8,857	9.63	920	9,678	9.69	999	8.59
Education, Sports, Arts & Culture	25,068		2,587	29,362		3,030	17.12
Agriculture	4,313		448	8,543		882	96.88
Rural Development	19,938		2,070	17,877		1,845	(-)10.87
Transport	5,064		526	7,069		730	38.78

Source: Finance Accounts of Government of West Bengal (2017-18 and 2018-19) and Report of the Technical Group on Population Projections (November 2019), National Commission on Population, Ministry of Health and Family Welfare

From **Table 1.23**, it is seen that excepting Rural Development there was an improvement in the per capita expenditure of Agriculture, Transport, Education and Health sectors over the previous year.

1.5.4.3 Efficiency of Expenditure Use

Details of capital and revenue expenditure on maintenance of social and economic services are given in **Table 1.24** below.

Table 1.24: Efficiency of Expenditure Use in selected Social and Economic Services

Social/ Economic Infrastructure	2017-18			2018-19		
	Ratio of CE to TE	In RE, the share of		Ratio of CE to TE	In RE, the share of	
		S & W	O & M		S & W	O & M
(in per cent)						
Social Services (SS)						
Education, Sports, Art and Culture	1.81	77.70	0.00	3.40	73.97	0.03
Health and Family Welfare	10.51	47.54	0.27	12.79	49.32	0.34
Water Supply, Sanitation, Housing and Urban Development	41.38	20.69	4.94	32.41	22.08	4.90
(Total SS)	11.29	43.82	0.67	9.58	41.91	0.63
Economic Services (ES)						
Agriculture and Allied Activities	13.21	36.69	0.31	7.36	18.63	0.12
Irrigation and Flood Control	59.68	55.37	13.92	59.84	51.12	8.37
Power and Energy	27.38	0.05	0.00	41.14	0.06	0.00
Transport	74.36	9.27	14.86	74.49	9.39	15.62
Total (ES)	27.50	14.44	1.45	33.47	14.33	1.29
Total (SS+ES)	17.24	34.29	0.92	18.58	33.49	0.83

Source: Finance Accounts of Government of West Bengal (2018-19) and Voucher Level Computerisation data

TE: Total Expenditure; CE: Capital Expenditure (excluding Loans and Advances); RE: Revenue Expenditure; S&W: Salaries and Wages; O&M: Operations & Maintenance

The ratio of Capital Expenditure to Total Expenditure in Water Supply, Sanitation, Housing and Urban Development under Social Sector has decreased while the expenditure on Power and Energy under Economic Sector has increased, indicating the focus of the Government on asset creation under this sector.

In respect of Revenue Expenditure, the share of Operations and Maintenance (O&M) in respect of Transport under Economic Sector has grown considerably over the preceding year indicating increasing burden of O&M. The share of salaries and wages in respect of Health and Family Welfare has increased whereas the share of salaries and wages in respect of General Education has decreased over the preceding year.

1.6 Composition of Assets and Liabilities

While the Government accounting system does not provide for comprehensive accounting of fixed assets like land and buildings owned by the Government, these can be derived from the accounting of financial liabilities and assets created out of expenditure incurred. *Appendix 1.3 (Part B)* gives an abstract of liabilities and assets, as on 31 March 2019, compared with the corresponding position on 31 March 2018.

1.6.1 Government Assets

Government assets mainly comprise Capital Outlay, Investments, Loans and Advances given by the State Government and cash balances.

Financial results of irrigation works

The Capital Expenditure on 15 irrigation projects⁴⁵ was ₹ 2,491 crore as of March 2019. The financial results of these projects showed that an amount of ₹ 6.34 crore (0.24 per cent) was realised from these projects during 2018-19. After meeting the working expenses and interest charges of ₹ 194 crore, the schemes suffered a net loss⁴⁶ of ₹ 188 crore during the current year as compared to net loss of ₹ 207 crore during the previous year. The major loss making projects in 2018-19 were *Kangsabati* Reservoir Project (₹ 42 crore), *Teesta* Barrage Project (₹ 40 crore) and *Mayurakshi* Reservoir Project (₹ 33 crore). The profit making projects in 2018-19 were *Damodar* Canal (₹ 1 crore) and *Medinipur* Canal (₹ 4 lakh).

1.6.2 Investment and Returns in Public Sector Undertakings

As of 31 March 2019, the State Government's investment stood at ₹ 17,427 crore in Statutory Corporations, Government Companies, Joint Stock Companies and Co-operatives. Total investment during 2018-19 was ₹ 1,543 crore. In 2018-19, Government of West Bengal invested mainly in DPL⁴⁷ (₹ 514

⁴⁵ Three drainage projects, five major projects and seven medium projects

⁴⁶ During 2018-19, total working expenses and maintenance (₹ 194.31 crore) exceeded the Total Revenue Receipts (₹ 6.31 crore)

⁴⁷ Durgapur Projects Limited

crore), WBHDCL⁴⁸ (₹ 308 crore), WBIDCL⁴⁹ (₹ 294 crore) and WBPDCCL⁵⁰ (₹ 175 crore). The average return on this investment remained negligible. The position of return on investments⁵¹ during 2014-19 is given in **Table 1.25**.

Table 1.25: Return on Investments

Sl. No.	Investment/Return/Cost of Borrowings	2014-15	2015-16	2016-17	2017-18	2018-19
1.	Investment at the end of the year (₹ in crore)	12,653	13,390	14,015	15,884	17,427
2.	Return in the form of Dividend (₹ in crore)	6	12	1	37	47
3.	Rate of Return (<i>per cent</i>)	0.05	0.09	0.01	0.25	0.28
4.	Average rate of interest on Government borrowings ⁵² (<i>per cent</i>)	8.15	7.92	7.99	8.04	7.67
5.	Difference between rate of return and interest rate (3-4) (<i>per cent</i>)	(-)8.10	(-)7.83	(-)7.98	(-)7.79	(-)7.39

Source: Finance Accounts of Government of West Bengal (2014-15 to 2018-19)

The Government earned a meagre return of ₹ 47 crore in 2018-19 on its investments of ₹ 17,427 crore in various Corporations/ Companies. The return on investment was negligible at 0.28 *per cent* during 2018-19, far lower than the average rate of interest (7.67 *per cent*), the Government paid on its borrowings.

In spite of poor return from its investment to the State PSUs, the State Government extended budgetary support of ₹ 9,193.21 crore⁵³ to them. The budgetary support included ₹ 1,744.14 crore extended to 27 PSUs (including eight inactive PSUs) having negative net worth of ₹ 12,791.72 crore⁵⁴, as per their latest available accounts. Further, 29 Government companies (Working companies – 16 and Inactive companies – 13) had not even finalized their accounts, as required under Section 394 and 395 of Companies Act, 2013 and the delay ranged between one year to 13 years. Even in the absence of accounts to assess the demands for financial support from these Companies, the State Government had regularly extended budgetary support to these Companies.

While analyzing the investments made during 2018-19, Audit noticed that –

- Out of ₹ 294 crore invested in the WBIDCL, loans converted to equity and interest on loans converted to equity stood at ₹ 174 crore and ₹ 11 crore respectively, leading to fresh investment of ₹ 109 crore;
- Investment of ₹ 22 crore to the Durgapur Chemicals Limited included payment towards electricity bills of ₹ 10 crore, resulting to fresh investment of ₹ 12 crore.

⁴⁸ West Bengal Highway Development Corporation Limited

⁴⁹ West Bengal Industrial Development Corporation Limited

⁵⁰ West Bengal Power Development Corporation Limited

⁵¹ In Statutory Corporations, Government Companies, Co-operative Societies and Banks

⁵² Interest Payments/[(Amount of previous year's outstanding liabilities + current year's outstanding liabilities)/2]*100

⁵³ Equity: ₹ 1,559.98 crore; Loans: ₹ 758.56 crore; Grants: ₹ 4,997.31 crore; Subsidy: ₹ 1,877.36 crore

⁵⁴ Calculated on the basis of provisional accounts figures submitted by PSUs

1.6.2.1 Investment in WBIDCL

Government of West Bengal (GoWB) sanctioned ₹ 108.56 crore to WBIDCL in July 2018 for investments through equity infusion in BAPL⁵⁵. WBIDCL as an investor was allotted 1,08,56,141 crore preference shares of ₹ 100 each of BAPL. As per the Finance Accounts this was booked as the investment of Government of West Bengal in WBIDCL. The increase in shareholding of GoWB as a result of this investment was however not reflected in the annual accounts (2018-19) of WBIDCL.

1.6.2.2 Non-realisation of disinvestment proceeds

Disinvestment proceeds amounting to ₹ 147 crore could not be realised despite completion of the legal procedure for transfer of equity shares of Kolkata Metro Rail Corporation Limited (KMRCL) in favour of Ministry of Railways (in November 2012 and February 2013) by GoWB.

1.6.3 Loans and Advances given by the State Government

In addition to investments in co-operative societies, corporations and companies, Government also provided loans and advances to many of these institutions/ organisations. Details are given in Table 1.26.

Table 1.26: Details of loans and advances by State Government

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Opening Balance of loans and advances (A) (₹ in crore)	14,641	14,970	14,999	12,963	12,718
Amount advanced during the year (B) (₹ in crore)	505	861	1,197	(-) 31 ⁵⁶	865
Amount repaid during the year (C) (₹ in crore)	176	832	3,233 ⁵⁷	214	804
Closing Balance of loans and advances (D=A+B-C) (₹ in crore)	14,970	14,999	12,963	12,718	12,779
Net addition of loans and advances (B-C) (₹ in crore)	329	29	(-) 2,036	(-) 245	61
Interest receipts(₹ in crore)	126	95	833	1031	548
Interest receipts as <i>per cent</i> to outstanding loans and advances ⁵⁸ (E)	0.85	0.63	5.96	8.03	4.30

Source: Finance Accounts of Government of West Bengal of the respective years
Difference of ₹ 1 crore with Finance Accounts is due to rounding

- As of 31 March 2019, Loans and Advances of ₹ 12,779 crore were given by the Government mainly to Government Companies (₹ 7,439 crore), Municipalities / Municipal Corporations (₹ 1,457 crore) and Statutory Corporations (₹ 386 crore).

⁵⁵ Bengal Aerotropolis Projects Limited, a Non-Government Company, registered under Companies Act, 1956

⁵⁶ Outstanding loans converted to equity in respect of West Bengal Highway Development Corporation Limited (₹ 700 crore) surpassed the loans disbursed during the year.

⁵⁷ The high recovery of loans and advances in 2016-17 was due to higher repayment of loans from WBSEDCL under West Bengal Power Sector Reforms Transfer Scheme, 2007

⁵⁸ Interest received [(opening balance + closing balance of loans and advance) / 2] * 100

- Interest receipts decreased to ₹ 548 crore in 2018-19 from ₹ 1,031 crore in 2017-18 mainly due to decrease in interest receipts on loans for the thermal power generation from ₹ 859 crore to ₹ 59 crore.

Box 1.2

Case Study: Working Capital loan booked as Grants-in-Aid

Power and Non-Conventional Energy Sources Department released (November 2018) working capital loan (₹ 500 crore) to West Bengal State Electricity Distribution Company Limited (WBSEDCL). The expenditure was booked as 'Grants-in aid' under head '2801' instead of 'Working Capital loan' under the head of account '6801 - Loans for the Power Projects'.

Disbursement of loans under revenue expenditure overstated the Revenue Deficit to that extent.

Arrears of Principal and Interest

Against the estimation of ₹ 2,823 crore in the budget to be recovered in 2018-19, the actual recovery of loans was only ₹ 804 crore (28.48 *per cent*). This may be attributed to the fact that estimated recovery of loans in the budget inflated abruptly in 2018-19 since in 2017-18 the actual recovery was only ₹ 214 crore (26.62 *per cent*) against the budget estimate of ₹ 804 crore. Low recovery led to arrears of ₹ 5,536 crore on account of principal (mainly on Government Companies: ₹ 3,317 crore) and ₹ 8,547 crore on account of interest (mainly on Government Companies: ₹ 5,983 crore and Statutory Corporations: ₹ 807 crore) overdue for realization as of 31 March 2019. None of the unrecoverable loans were, however, written off during the year.

Government loans to 13 Government Companies/ Statutory Corporations/ Cooperatives amounting to ₹ 627.72 crore in 2018-19 did not specify any terms and conditions, like schedule of repayment, rate of interest, number of instalments, *etc.* Government was providing loans to Government Companies/ Statutory Corporations and Autonomous Bodies, whose annual accounts were in arrears (Refer Paragraphs 3.5 and 3.6).

Recommendation 2: *The Finance Department and the concerned administrative departments should consider initiating action to restructure loans and advances made to entities that have neither repaid the principal nor even paid interest for the past several years.*

1.6.4 Cash Balance

The cash balance position of the State Government has been shown in **Table 1.27**.

Table 1.27: Year-end Cash Balances

Sl. No.	Particulars	At the end of March 2018	At the end of March 2019
		(₹ in crore)	
1.	General Cash Balances	(-)20.58	(-)5.45
2.	Investment held in Cash Balance Investment Account	8,570.10	5,976.95
3.	Other Cash Balances	2.14	2.24
4.	Investments of Earmarked Funds	10,307.52	11,633.37
Total		18,859.18	17,607.11

Source: Finance Accounts of Government of West Bengal (2017-18 and 2018-19)

Table 1.27 disclosed that cash balance position has been reduced by ₹ 1,252 crore during 2018-19 owing to fall in cash balance investment by ₹ 2,593 crore, reasons for which have been discussed in the succeeding paragraphs. This was, however, offset by increase in investment of Earmarked Funds, which rose to ₹ 11,633 crore⁵⁹ from ₹ 10,308 crore.

During 2018-19, State Government maintained the mandatory minimum daily cash balance of ₹ 2.48 crore with the Reserve Bank of India (RBI) for 283 days without taking the ways and means advances (WMA) while during previous year it was 343 days. The State Government depended on Special WMA for 82 days including 47 days on normal WMA from the RBI for maintaining the minimum balance; though during 2017-18 dependency on special WMA was for 22 days. In monetary terms, WMA increased by ₹ 19,610 crore (363.48 per cent) in 2018-19 (₹ 25,005 crore) over 2017-18 (₹ 5,395 crore). The interest payment on WMA during 2018-19 was ₹ 20.75 crore as against ₹ 1.05 crore in 2017-18.

On the other side, Treasury bills amounting to ₹ 1,03,994 crore and ₹ 1,06,587 crore, respectively, were purchased and sold during the period 2018-19. Whereas, during the period of 2017-18, purchase and sell of Treasury Bills were ₹ 2,13,165 crore and ₹ 2,17,470 crore, respectively. An amount of ₹ 165 crore was received as interest on investment under treasury bills in 2018-19 as compared to ₹ 412 crore in 2017-18.

Above scenario may be viewed in the light that there is an increased dependency on WMA and decreased holding of investment on cash balances through Treasury bills over the previous year.

1.7 Government Liabilities

Liabilities of the Government consist mainly of internal borrowings, loans and advances from GoI and balances in the Public Account. The total liabilities of the State as on 31 March 2019 were ₹ 3,93,300 crore; its composition is shown in **Chart 1.11**.

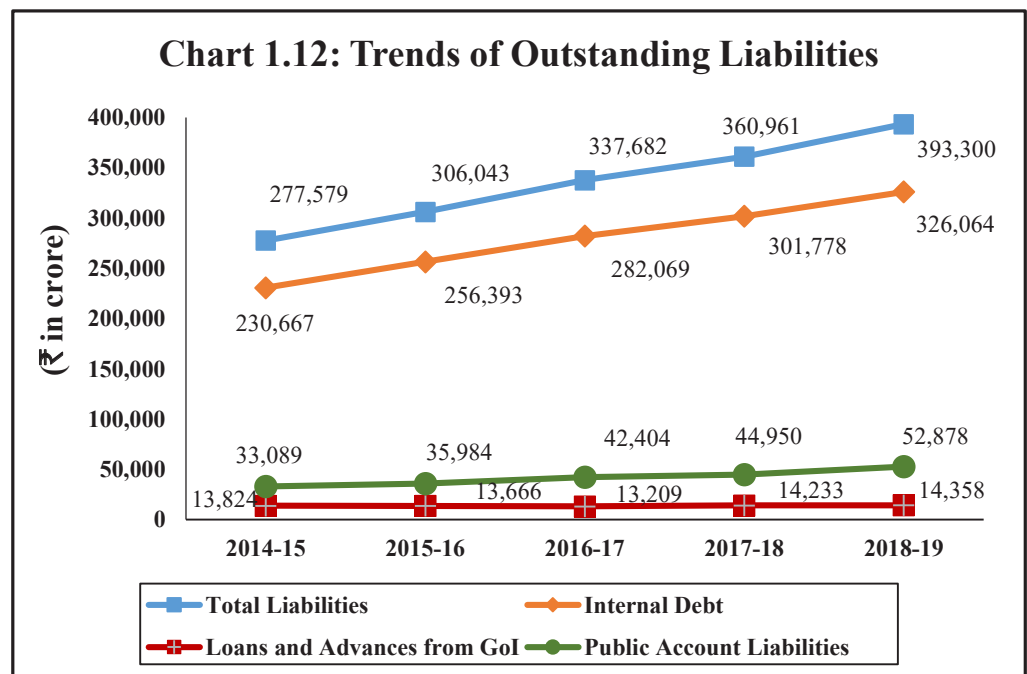
⁵⁹ Include investment in (i) Consolidated Sinking Fund (₹ 10,938.76 crore) (ii) Guarantee Redemption Fund (₹ 510.98 crore) and (iii) State Disaster Response Fund (₹ 183.63 crore)

Chart 1.11: Composition of Liabilities

Total Liabilities (₹ 3,93,300 crore)		
Internal Debt from Market, financial institutions, etc. (₹ 3,26,064 crore)	Loans and Advances from Government of India (₹ 14,358 crore)	Public Account Liabilities where Government acts as a banker (₹ 52,878 crore)
Market Loans (₹ 2,49,373 crore)	Loans for Plan Schemes (₹ 14,477 crore)	Small Savings, Provident Fund, etc. (₹ 15,637 crore)
Bonds (₹ 2 crore)	Non Plan Loans (₹ (-)124 crore)	Reserve Fund bearing interest (₹ 265 crore)
Loans from Financial Institutions (₹ 7,013 crore)	Pre-1984-85 Loans (₹ 5 crore)	Reserve Fund not bearing interest (₹ 595 crore)
Special Securities issued to NSSF (₹ 69,676 crore)		Deposits bearing interest (₹ 16,839 crore)
		Deposits not bearing interest (₹ 19,542 crore)

Source: Finance Accounts of Government of West Bengal (2018-19)

Audit analysis showed that the liabilities are on an ascending trend (**Chart 1.12**) over the last five years. The total liabilities of the Government as of 31st March 2019 were ₹ 3,93,300 crore and were 2.69 times of its Revenue Receipts. They constitute 33.40 *per cent* of the Gross State Domestic Product (GSDP), which, however, is within the limit of 37.63 *per cent* prescribed by Medium Term Fiscal Policy Statement (MTFPS).



Source: Finance Accounts of Government of West Bengal (2014-15 to 2018-19)

Increase in outstanding market loans (₹ 2,18,943 crore) from 2017-18 to ₹ 2,49,373 crore during 2018-19 attributed to increase in Outstanding Liabilities by 8.96 *per cent* (₹ 32,339 crore) during 2018-19 over the previous year.

Box 1.3

Case Study: Outstanding liability apart from amount shown in Government Accounts

GoWB introduced (February 2001) the State Assisted Scheme of Provident Fund for Unorganized Workers (SASPFUW) to provide scope of Provident Fund to the workers in the Unorganised Sector. Each subscriber has to contribute to this fund and the State Government will contribute an equal matching amount. Interest on the balance at credit of the subscribers will also be paid by the State Government annually at the rate at which interest is allowed on deposit under the General Provident Fund by the Government.

It was seen that during 2018-19, GoWB paid interest of only ₹ 8.00 crore against ₹ 127.52 crore⁶⁰ due to this Provident Fund. As a result, Revenue Deficit and Fiscal Deficit stood understated by ₹ 119.52 crore (Refer **Table 1.5**). Since inception till March 2019, the total outstanding interest amounted to ₹ 547.29 crore.

1.7.1 Reserve Funds

Reserve Funds are created for specific and defined purposes. These are funded by contributions/grants from the Consolidated Fund of the India/ State. Against the gross accumulated balance of ₹ 12,493.39 crore lying in these funds as on 31 March 2019, an amount of ₹ 12,228.39 crore was under non-interest bearing Reserve Fund and ₹ 264.70 crore as Interest bearing Reserve Fund. As per the order of the State Government, 23 Reserve funds, being inoperative for more than five years with a balance of ₹ 21.08 crore (credit) and ₹ 0.60 crore (debit) had been closed during 2018-19 and the balances transferred to the Revenue head. The transactions relating to following reserve funds during 2018-19 were analysed.

1.7.1.1 Consolidated Sinking Fund (CSF)

As per recommendation of the 12th Finance Commission, the State had set up the Consolidated Sinking Fund (CSF) guidelines for amortization of loans. According to the guidelines, State may contribute 0.5 *per cent* of the outstanding liabilities at the end of the previous year. During 2018-19, GoWB contributed ₹ 1,203.85 crore (Government contribution: ₹ 400 crore and Interest earned on investment from CSF: ₹ 803.85 crore). This however fell short of the prescribed contribution of ₹ 1,804.80 crore⁶¹. The closing balance of ₹ 10,938.76 crore at the end of 31 March 2019 was invested.

1.7.1.2 State Disaster Response Fund (SDRF)

Government of India (GoI) replaced the erstwhile Calamity Relief Fund with the State Disaster Response Fund (SDRF) with effect from 1 April 2010. The guidelines of SDRF stipulated the following.

- The fund should be operated under the category “Reserve Fund bearing interest” below major head ‘8121- General and other Reserve Fund’.

⁶⁰ Worked out by the West Bengal Unorganised Sector Workers’ Welfare Board, Government of West Bengal

⁶¹ Based on 0.5 *per cent* of outstanding liabilities of ₹ 3,60,961 crore at the end of March 2018

- The State Government shall pay interest on a half-yearly basis to the SDRF at the rate applicable to RBI overdrafts.

It was observed that the GoWB operates its SDRF under the category 'Reserve funds bearing interest-8121' from June 2011. The old balance (₹ 15.69 crore) of the calamity relief fund under 'Reserve funds not bearing interest-8235' was transferred to 'Reserve funds bearing interest-8121' during 2018-19.

The closing balance of ₹ 81.07 crore under the fund remained un-invested and merely continued to be depicted as a book balance in the accounts. Such non-investment not only goes against the spirit of the SDRF but also the principle of cash basis of accounting which forms the cornerstone of Government Accounting. As per SDRF Guideline, GoWB was to pay interest on the un-invested amount. However, Government did not pay interest of ₹ 3.12 crore during 2018-19.

1.7.1.3 Guarantee Redemption Fund (GRF)

Twelfth Finance Commission had recommended opening of the GRF for discharging the liability of the Government towards invocation of the guarantees extended by it. State Government had constituted the GRF in January 2015 and the closing balance as of March 2019 stood at ₹ 510.98 crore. During 2018-19, State Government contributed ₹ 100 crore which was within the prescribed ceiling of 0.5 per cent of the outstanding guarantees (₹ 8,545.28 crore) as on 31 March 2018. The guidelines of GRF *inter alia* stipulated that guarantee commission collected was to be transferred to the fund.

During 2014-19, in spite of earning guarantee commission⁶² of ₹ 194.76 crore, no amount was transferred to the GRF. The involvement for 2018-19 was ₹ 170.86 crore.

Non-transfer of guarantee commission resulted in understatement of revenue deficit and fiscal deficit by ₹ 170.86 crore (Refer **Table 1.5**).

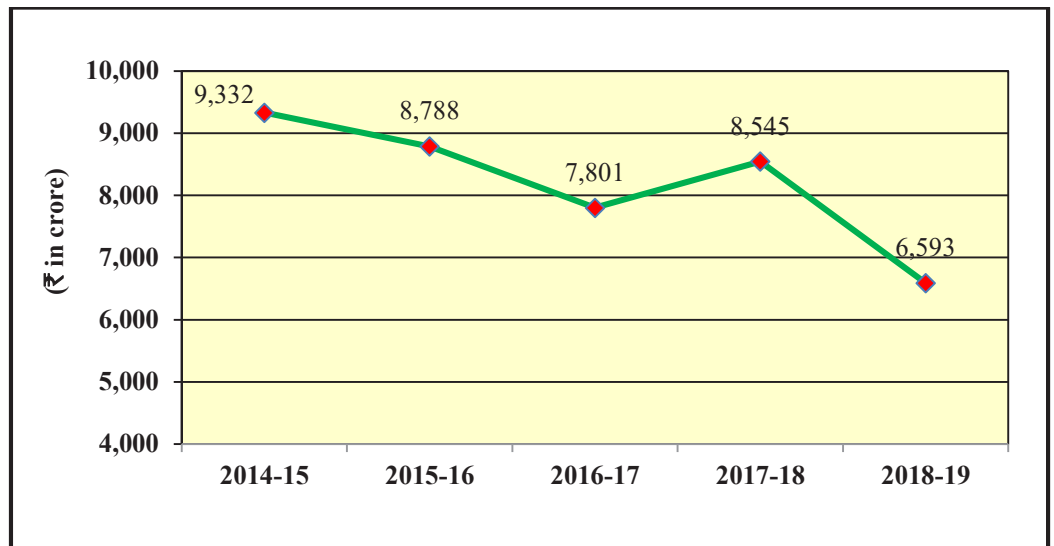
1.7.2 Guarantees

Guarantees are contingent liabilities on the Consolidated Fund of the State in case of default by the borrower for whom the guarantee has been extended by the State Government. WBCGA⁶³ 2001 stipulated that the total outstanding Government guarantees as on the first day of April of any year shall not exceed 90 per cent of the State Revenue Receipts of the second preceding year. Finance Department acts as the tracking authority in respect of guarantees. The outstanding guarantees (₹ 8,545 crore) (**Chart 1.13**) at the beginning of 2018-19 stood at 7.25 per cent of the total Revenue Receipts of the second preceding year (₹ 1,17,832 crore) and was thus within the ceiling of the WBCGA.

⁶² Booked under '0075-Miscellaneous General Service-108-Guarantee Fees'

⁶³ West Bengal Ceiling on Government Guarantees Act

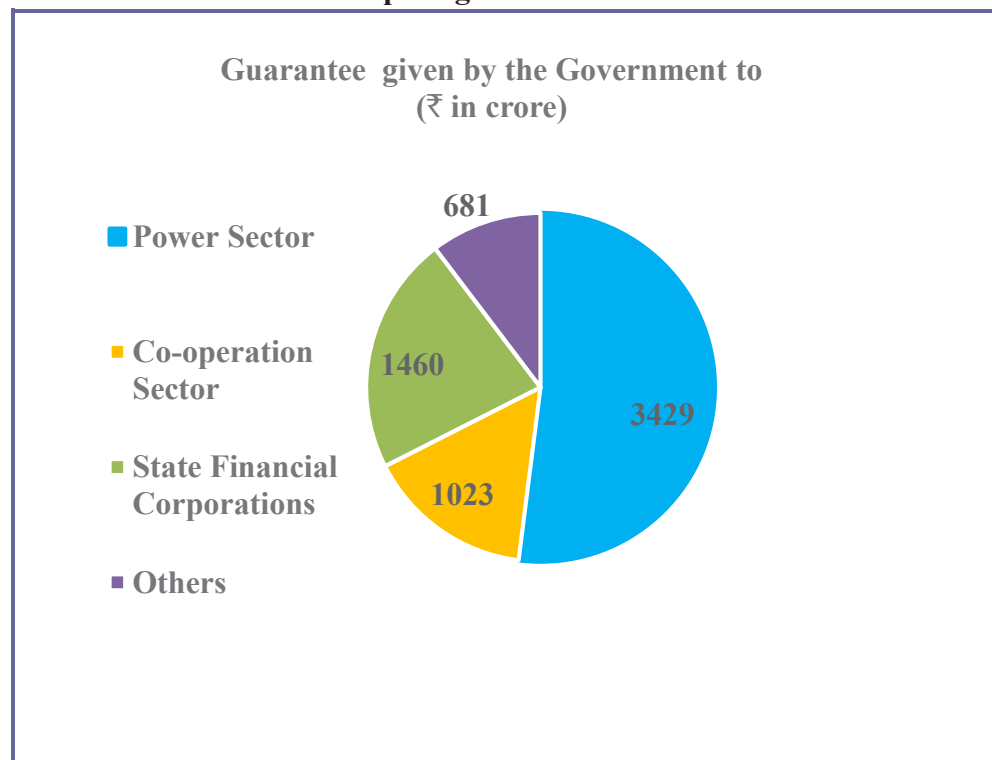
Chart 1.13: Status of Outstanding Guarantees at the end of the year



Source: Finance Accounts of Government of West Bengal (2014-15 to 2018-19)

Out of total outstanding guarantees as on 31 March 2019, share of Power Sector, State Financial Corporation and Co-operation Sector stood at ₹ 3,429 crore (52 per cent), ₹ 1,460 crore (22 per cent) and ₹ 1,023 crore (16 per cent), respectively (Chart 1.14).

Chart 1.14: Sectors in receipt of guarantees at the end of 31 March 2019



Source: Finance Accounts of Government of West Bengal (2018-19)

Further, in terms of Section 10 of West Bengal Finance Act, 2002, the loanees for whom the State Government had provided guarantees to the financial institutions, were required to pay guarantee commission at the rate of

one *per cent* (minimum) on the total amounts guaranteed. Upto 2018-19, shortfall in receipt of guarantee commission was ₹ 141.47 crore as against the required fees of ₹ 374.08 crore, State Government received ₹ 232.61 crore.

Short receipt of guarantee commission understated the revenue receipts by ₹ 141.47 crore.

1.7.3 Debt Management

Outstanding Debt (comprising Internal Debt, Loans & Advances from GoI and Public Account Liabilities) of the State Government as of 31 March 2019 stood at ₹ 3,93,300 crore. The increase during 2018-19 (₹ 32,339 crore; 8.96 *per cent*) was much higher than the corresponding increase during 2017-18 (₹ 23,279 crore; 6.89 *per cent*). This was attributable due to outstanding market borrowing, the major contributor of debt increased to ₹ 2,49,373 crore in 2018-19 from ₹ 2,18,943 crore in 2017-18. Out of the Outstanding Debt, ₹ 20,136 crore carried no interest obligations (Deposits not bearing interest: ₹ 19,542 crore and Reserve Funds not bearing interest: ₹ 594 crore).

1.7.3.1 Net availability of borrowed funds

Net availability of borrowed funds is defined as the ratio of the debt redemption (Debt Repayments + Interest Payments) to total Debt Receipts and indicates the extent to which the Debt Receipts are used for redemption of old debt.

The net availability (₹ 3,428 crore) of borrowed funds (₹ 1,36,378 crore) after providing for interest payments (₹ 28,911 crore) and repayment of borrowings (₹ 1,04,039 crore), was positive (2.51 *per cent*) in 2018-19. However, net availability of borrowed funds was insufficient for developmental purposes. It is seen from **Table 1.27** that the net availability of borrowed funds turned negative in 2017-18 as repayment of borrowings significantly increased by 29.90 *per cent* over 2016-17.

1.7.3.2 Debt Sustainability

The Debt sustainability is defined as the ability of the State to service its debt in future. **Table 1.28** and **Charts 1.15, 1.16** and **1.17** analyse the debt sustainability of the State during the five year period 2014-19.

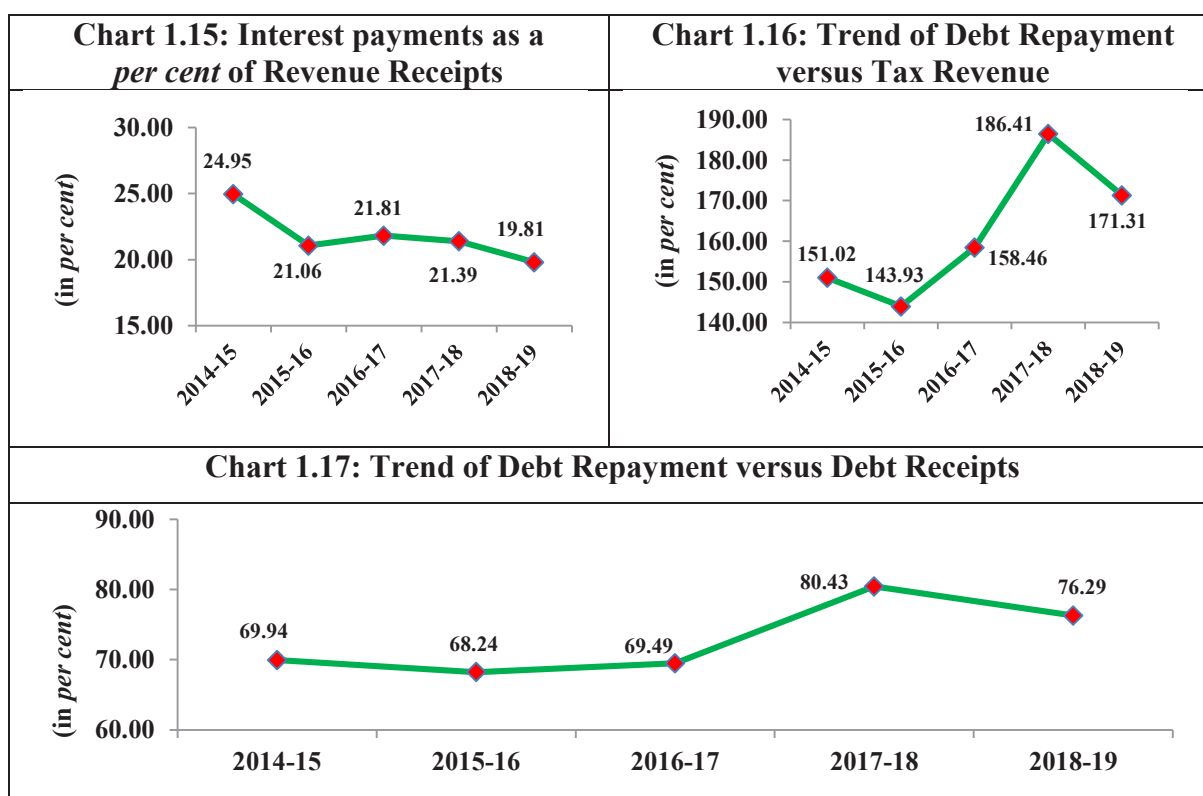
Table 1.28: Debt Sustainability: Indicators during 2014-19

Indicators of Debt* Sustainability	2014-15	2015-16	2016-17	2017-18	2018-19
Outstanding Debt (₹ in crore)	2,77,579	3,06,043	3,37,682	3,60,961	3,93,300
Rate of growth of Outstanding Debt (in per cent)	10.15	10.25	10.34	6.89	8.96
GSDP (at current prices) (₹ in crore)	7,18,082	7,97,300	8,72,527	9,99,585	11,77,586
Rate of growth of GSDP (in per cent)	6.09	11.03	9.44	14.56	17.81
Debt/ GSDP ratio (in per cent)	38.66	38.38	38.70	36.11	33.40
Debt Receipts# (₹ in crore)	85,102	89,622	1,03,687	1,22,185	1,36,378
Debt Repayments# (₹ in crore)	59,520	61,159	72,047	98,276	1,04,039
Interest Payment(₹ in crore)	21,588	23,115	25,703	28,074	28,911
Net Availability of debt (₹ in crore)	3,994	5,348	5,937	(-) 4,795	3,428
(in per cent)	(4.69)	(5.97)	(5.73)	(-3.92)	(2.51)
Tax Revenue (₹ in crore)	39,412	42,492	45,466	52,721	60,732

Source: Finance Accounts of Government of West Bengal (2014-15 to 2018-19)

*Internal Debt, Loans from GoI and Public Account Liabilities

Excluding Ways and Means Advances

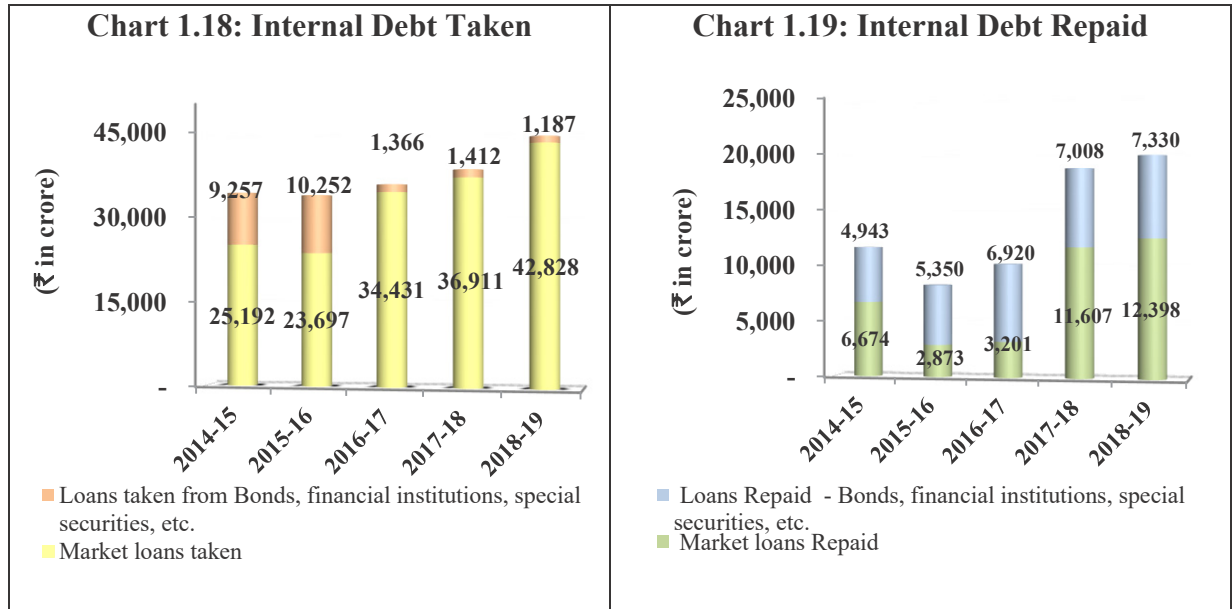


Source: Finance Accounts of Government of West Bengal (2014-15 to 2018-19)

Interest payments relative Revenue Receipts was 19.81 per cent, which is higher than the target of 18.49 per cent set out in the Fiscal Policy Strategy Statement presented with the budget as per the FRBM Act. Debt Repayment as a percentage of Tax Revenue has decreased from 186.41 per cent in 2017-18 to 171.31 per cent in 2018-19. Debt Repayment as a percentage of Debt Receipts

also decreased from 80.43 per cent in 2017-18 to 76.29 per cent in 2018-19. The above three conditions corroborates that in debt sustainability West Bengal performed better than the previous year (2017-18).

Charts 1.18 and 1.19 represent the internal debt taken and internal debt repaid during the five years period 2014-19.



Source: Finance Accounts of Government of West Bengal (2014-15 to 2018-19)

Debt Sustainability on Domar Model

Fiscal Deficit of the State as a proportion of GSDP has declined from 3.81 in 2014-15 to 2.84 in 2018-19. The State registered Revenue Deficit during last five years and Primary Deficit during 2014-15 and 2017-19.

There are various approaches at assessing the debt sustainability, one such approach is Domar model⁶⁴.

An analysis on debt sustainability was carried out using this approach. The details are shown in Table 1.29:

Table 1.29: Debt Sustainability indicators

g-r (g: real economic growth rate; r: real interest rate) called Domar gap	s<0 (Primary Deficit)	s>0 (Primary Surplus)
g-r>0 (strong economic growth)	Public Debt as percentage of GSDP should converge to a stable level greater than zero	Public Debt as percentage of GSDP should converge to a stable level less than zero leading to public savings
g-r<0 (slow economic growth)	Public Debt as percentage of GSDP should increase indefinitely, without converging to a stable level	undefined situation

The results of applying the analysis to West Bengal is shown in Table 1.30.

⁶⁴ E.D Domar, 1914-1997

Table 1.30: Domar Model – Debt Sustainability

Year	Real Growth (g)	Real Interest (r)	g – r (Domar gap)	Primary Deficit (-)/ Surplus (+) (s) (₹ in crore)	Remarks
(1)	(2)	(3)	(4)	(5)	(6)
2014-15	2.84	5.40	(-) 2.56	(-) 5,758	As $g-r < 0$ and $s < 0$; Public Debt as percentage of GSDP should increase indefinitely, without converging to a stable level
2015-16	6.13	2.73	3.40	2,224	As $g-r > 0$ and $s > 0$; Public Debt as percentage of GSDP should converge to a stable level less than zero leading to public savings
2016-17	7.20	5.12	2.08	317	
2017-18	8.88	0.61	8.27	(-) 856	As $g-r > 0$ and $s < 0$; Public Debt as percentage of GSDP should converge to a stable level
2018-19	12.58	5.08	7.50	(-) 4,574	

Note: Real Growth rate calculated for Real GSDP

Real Interest rate calculated as interest rate minus inflation

Further, debt-GSDP ratio stood at 33.40 per cent and Fiscal Deficit to GSDP ratio at 2.84 per cent in 2018-19. The corresponding 14th Finance Commission fiscal target of debt relief was 34.28 per cent and Fiscal Deficit ceiling was 3 per cent of GSDP. The Capital Expenditure of the State has hovered between nine and 13 per cent during 2014-19.

In the initial years of the subject period *i.e.*, 2014-15, there was a primary deficit which later got converted to primary surplus in the years 2015-17 and again changed to primary deficit in the years 2017-19. However, it is seen that excluding the year 2014-15, $g-r$ (Domar Gap) is positive during the period 2015-16 to 2018-19. Therefore, as per the Domar model, the public debt is stated to be stable in the years 2015-19. It is, however, noteworthy that the $g-r$ (Domar Gap) has not been registering a steadily rising trend. Moreover, other factors such as public account liabilities and force majeure events⁶⁵ and/or any other un-inventoried losses of revenue also have to be reckoned in assessing the debt sustainability/ stability of the State⁶⁶.

1.7.3.3 Maturity Profile of Public Debt

Fiscal Responsibility and Budget Management (FRBM) Act, 2010 *inter-alia* stipulates that the Government of West Bengal (GoWB) is responsible to ensure judiciousness in fiscal management and fiscal stability through prudent debt management.

The maturity profile of Public Debt outstanding as on 31 March 2019 is shown in **Table 1.31**.

⁶⁵ Like current Corona virus crisis and its effect on GSDP

⁶⁶ As these cannot be anticipated or determined statistically; they have not been factored in the analysis

Table 1.31: Maturity Profile of Public Debt

Maturity Profile	Internal Debt	Loans and Advances from GoI	Total	Per cent (w.r.t. total)
	(₹ in crore)			
Details of Maturity year not available	76,691	5,594	82,285	24.17
0-1 year	16,113	672	16,785	4.93
1-3 years	31,691	1,344	33,035	9.70
3-5 years	41,500	1,344	42,844	12.59
5-7 years	45,900	1,249	47,149	13.85
7-10 years	1,14,169	1,526	1,15,695	33.99
10 years and above	-	2,629	2,629	0.77
Total	3,26,064	14,358	3,40,422	100

Source: Finance Accounts of Government of West Bengal (2018-19)

As can be seen from the table, the liability of the State would steeply rise from 2019-20 onwards and put a strain on the State finances in forthcoming years. The table further showed that 41 to 75 per cent of the maturity would take place between seven and ten years. This meant that the state was to mobilise required resources for repayment of debt commitments of ₹ 1,39,813 crore to ₹ 2,55,508 crore. The maturity position during the forthcoming years could be more alarming given the fact that maturity details of around 24 per cent of the public debt was not available.

This scenario indicated that there was an urgent need to put in place a debt management strategy to ensure that the State does not head towards a debt stress. This could also rule out the prospect of shrinkage of resources available for development purposes. For this purpose, the Medium Term Fiscal Policy Statement (MTFPS) and the Fiscal Policy Strategy Statement (FPSS) for 2018-19 were consulted to assess the extent of compliance to the principles of FRBM Act referred *ibid*. It emerged that no debt management strategy was included therein to factor in the modalities for mitigating such impending quantum of debt.

Recommendation 3: The State Government may undertake a study, supported by future projections, to measure its total fiscal commitments and the ability to meet them. Such study can inform the risk assessment on its future borrowings.

1.8 Fiscal Reform Path

The State Government, in compliance with the recommendations of the Twelfth Finance Commission (12th FC), enacted the Fiscal Responsibility and Budget Management (FRBM) Act, 2010 (amended in 2011). Important targets relating to fiscal variables are to be amended from time to time in accordance with the Central Finance Commissions' recommendations. Government of West Bengal, however, is yet to amend its FRBM Act in accordance with the recommendations of the Fourteenth Finance Commission, especially on key

fiscal indicators of the State Government viz., Revenue Deficit to GSDP, Fiscal Deficit to GSDP and Debt to GSDP.

1.8.1 Disclosures not made

Fiscal Responsibility and Budget Management (FRBM) Act, 2010 (amended in 2011) places an onus on the State Government to monitor and control the fiscal deficit. It also requires the State Government to make disclosures and statements under Section 5 of FRBM Act, 2010 together with Rule 7 of Fiscal Responsibility and Budget Management Rules, 2011.

The State Government, however, did not make the following three out of eight disclosures required to be made:

- Significant changes in the Accounting Standards, policies and practices affecting or likely to affect the compliance of the prescribed fiscal indicators;
- Major works and contracts, committed liabilities in respect of land acquisition charges, claims in respect of unpaid bills on works and supplies; and
- Statement of Assets in respect of weighted average interest rates on Government liabilities.

1.8.2 Fourteenth Finance Commission Ceiling and Achievements

Achievement of Government in key indicators in terms of targets prescribed by the 14th FC with regards to fiscal reform path is as below:

- Revenue deficit was to be eliminated as per recommendation of the 14th FC. The State failed to achieve the target since it stood at ₹ 10,399 crore (0.88 *per cent* of GSDP).
- The ceiling limit prescribed by the 14th FC for Fiscal deficit was 3 *per cent* of the GSDP. The achievement in 2018-19 (₹ 33,485 crore) was 2.84 *per cent*, which is within the permissible limit.
- The outstanding Debt to GSDP (in *per cent*) was to be less than 34.28 *per cent* for the year 2018-19. The achievement of the Government was 33.40 *per cent*, which is within the permissible limit.
- Interest Payment relative to Revenue Receipts were higher at 19.81 *per cent* as compared to the ceiling prescribed by 14th FC (19.12 *per cent*).
- As against the 14th FC's assessed Tax Revenue and Non-Tax Revenue of ₹ 90,533 crore and ₹ 5,231 crore respectively, the actuals were ₹ 60,737 crore and ₹ 3,657 crore. This means that the State Government still needs to improve its revenue collection in terms of the assessment.

CHAPTER II

Financial Management and Budgetary Control

Chapter II

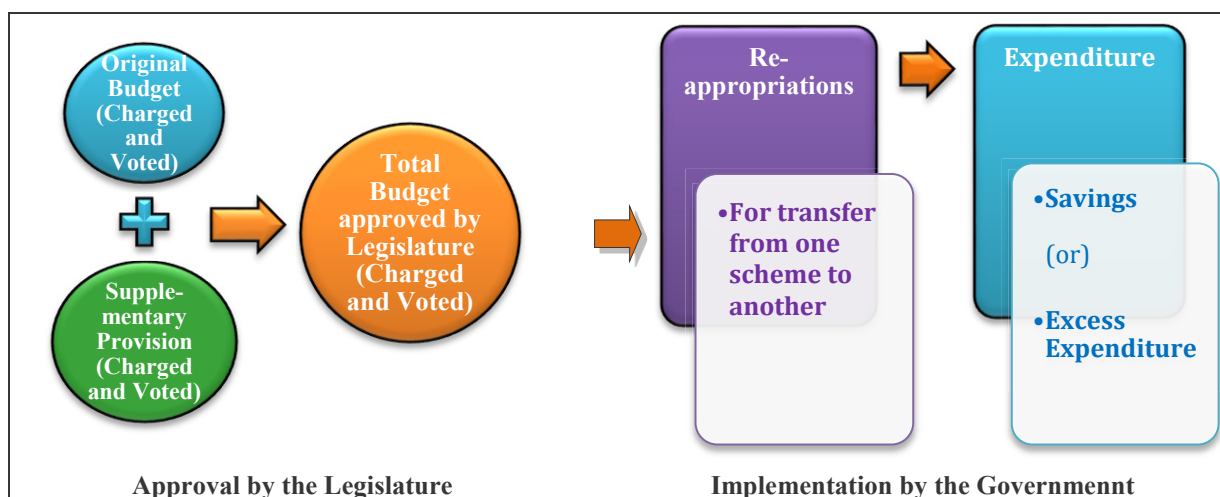
Financial Management and Budgetary Control

The Comptroller and Auditor General of India performs the audit of appropriations to ascertain whether the expenditure actually incurred under various grants underlying the budget is within authorisations given under the Appropriation Act for the year, that expenditure required to be charged under provisions of the Constitution is so charged, and whether, expenditure is incurred in conformity with the law, relevant rules, regulations and instructions. This chapter analyses the Appropriation Accounts of the Government for the year 2018-19.

2.1 Financial Accountability and Budget Management

The State Legislature initially approves the annual budget. The Government presents *Supplementary Demands* (Paragraph 3 of Chapter II of the West Bengal Budget Manual) before the Legislature, when the initial allocation is found to be inadequate or expenditure has to be incurred on a new item. Further, Re-appropriation is a mechanism which allows the State Government to transfer Savings from one sub-head (usually a scheme) to another, provided such transfers occur within the same grant⁶⁷ and under the same section⁶⁸. Appropriation Accounts captures the data along the entire process of budget formulation and implementation (**Chart 2.1**).

Chart 2.1: Flow chart of budget implementation



Source: Based on the procedure prescribed in Budget Manual and Appropriation Accounts

⁶⁷ Grant means the amount voted by the Legislative Assembly in respect of a demand for grant

⁶⁸ Capital, Revenue and Loans

2.2 Summary of Appropriation Accounts

The summarised position of actual expenditure during 2018-19 against 54 grants/ appropriations⁶⁹ is given in Table 2.1.

Table 2.1: Position of actual expenditure vis-à-vis allocations in 2018-19

Nature of Expenditure		Original Grant/ Appropriation	Supplementary Grant/ Appropriation	Total Provision	Actual Expenditure	Savings (-) / Excess (+)	Savings/ Excess
1		2	3	4	5	6=(5-4)	7=(6/4)*100
Voted	Revenue	1,20,523.24	15,175.06	1,35,698.30	1,29,199.63	(-)6,498.67	(-)4.79
	Capital	27,046.39	3,595.17	30,641.56	26,063.39	(-)4,578.17	(-)14.94
	Loans and Advances	872.63	239.24	1,111.87	865.49	(-)246.38	(-)22.16
Total Voted		1,48,442.26	19,009.47	1,67,451.73	1,56,128.51	(-)11,323.22	(-)6.76
Charged	Revenue	27,722.28	3,170.55	30,892.83	29,540.19	(-)1,352.64	(-)4.38
	Capital	11.12	38.60	49.72	19.44	(-)30.28	(-)60.90
	Public Debt-Repayment*	41,582.81	2.53	41,585.34	45,786.02	4,200.68	10.10
Total Charged		69,316.21	3,211.68	72,527.89	75,345.65	2,817.76	3.89
Grand Total		2,17,758.47	22,221.15	2,39,979.62	2,31,474.16	(-)8,505.46	(-)3.54

Source: Appropriation Accounts of Government of West Bengal (2018-19)

* Includes repayment of Ways and Means Advances of ₹ 25,004.59 crore.

Against the gross provision of ₹ 2,39,979.62 crore during 2018-19, the actual gross expenditure was ₹ 2,31,474.15 crore (96.46 per cent). There was an overall savings of ₹ 18,274.70 crore and excess of ₹ 9,769.23 crore which resulted in net savings⁷⁰ of ₹ 8,505.46 crore in 2018-19.

2.2.1 Revenue, Capital and Loans and Advances

As per Paragraphs 3 of Chapter III of the West Bengal Budget Manual, the Government expenditure is categorised into three sections (i) Revenue Expenditure⁷¹, (ii) Capital Expenditure⁷² and (iii) Loans and Advances⁷³. Savings occurred in Revenue Account and Capital Account whereas excess occurred in Loans and Advances (Chart 2.2).

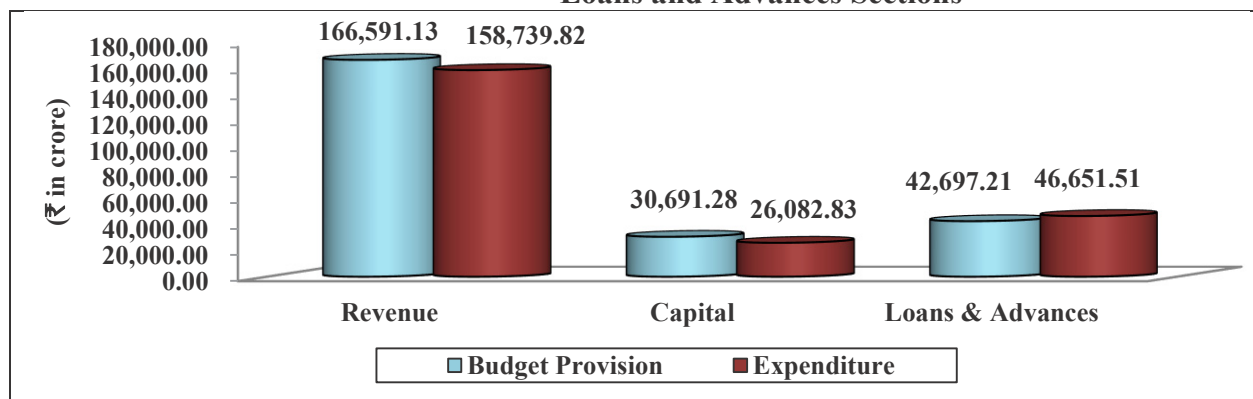
⁶⁹ Pursuant to Finance Department's Notification dated 6 February 2017, some grants/appropriations have been merged due to which 21 grants/appropriations were discontinued from 2017-18. Effectively, 54 grants / appropriations are in operation from 2017-18.

⁷⁰ Savings is the term used for indicating the amount that could not be spent out of budget provisions.

⁷¹ Revenue expenditure is the account of current expenditure of the State. For example, wages, salaries, maintenance works, repairs, etc.

⁷² Capital Expenditure means expenditure of a Capital nature such as construction of irrigation projects, bridges, buildings, laying of roads, irrigation and electricity projects, etc.

⁷³ Loan account is the account of public debt incurred and discharged and loans and advances made by the State Government to local bodies, employees and others and recovered from them.

Chart 2.2: Budget provision and expenditure under Revenue, Capital and Loans and Advances Sections

Source: Appropriation Accounts

Revenue Expenditure (₹ 1,58,739.82 crore) was lower than the Budget Estimates by ₹ 7,851.31 crore (4.71 per cent). The programmes impacted by unspent savings of budget provisions were (i) National Rural Employment Guarantee Act (MGNREGA - Central Share- ₹ 1,742.23 crore; 70.48 per cent), (ii) Nirmal Bharat Abhiyan (Central Share ₹ 437.79 crore, 84.19 per cent), (iii) Secondary Schools for Boys and Girls (₹ 401.72 crore, 3.60 per cent) and (iv) Performance Grants to ULBs as per recommendation of the 14th Finance Commission (₹ 329.90 crore, 100 per cent).

In Capital Account, only 84.98 per cent of the budget provision was actually spent. Substantial savings occurred in (i) West Bengal Compensatory Entry Tax Fund (WBCETF) (₹ 300 crore, 100 per cent), (ii) Construction/ Up-gradation of AWC buildings under APIP on ICDS Schemes (Central Share- ₹ 295.52 crore, 98.51 per cent) and (iii) Flood Management Programme (State Share- ₹ 123.85 crore, 83.97 per cent).

Expenditure on Loans and Advances was higher than the Budget Estimates by ₹ 3,954.30 crore (9.26 per cent). This happened mainly due to excess expenditure on loans and advances over the budget provision under (i) Thermal Power Generation for state development scheme (₹ 1,488.07 crore, 744.04 per cent), (ii) Administrative expenditure for share of small savings collections and block loans (₹ 669.31 crore, 100 per cent) and (iii) Kalyani Spinning Mills (₹ 401.13 crore, 1,005.34 per cent).

2.2.2 Grant-wise Analysis

As per West Bengal Budget Manual, the Authority at whose disposal a grant is placed, is responsible to keep constant watch over the progress of expenditure under its control and for keeping it within the sanctioned grant or appropriation. The expenditure in West Bengal Government is incurred through 54 different grants. For the purpose of determining excess expenditure or savings, Revenue (voted), Revenue (charged), Capital (voted), Capital (charged) and Loans (voted) are treated as independent grants. Savings and Excess Expenditures for

grants/ appropriations under Revenue, Capital and Loans and Advances sections are in **Table 2.2**.

Table 2.2: Total Excess or Savings under different grants

Description	Revenue		Capital		Amount (₹ in crore)
	Number of Grants ⁷⁴	Number of Appropriations ⁷⁵	Number of Grants	Number of Appropriations	
Savings occurred in	45	23	36	18	18,274.70
Excess Expenditure occurred in	8	--	11	1	9,769.23

Source: Appropriation Accounts

*Capital' section includes Loans and Advances

The grants in which savings and excess expenditure occurred are listed in **Appendix 2.1 and 2.2**.

Excess expenditure (42 per cent) was in 17 grants whereas savings in 54 grants (85 per cent) that provide fund for day to day administration.

2.2.2.1 Excess Expenditure

As per Article 204 (3) of the Constitution of India, no money shall be withdrawn from Consolidated Fund of the State except under appropriations made by law passed in accordance with the provisions of this article.

(i) **Excess Expenditure in current year:** There was an excess disbursement of ₹ 9,769.23 crore over the authorisation made by the State Legislature in respect of 17 grants⁷⁶ during the financial year 2018-19 (details in **Appendix 2.2**).

- Excess expenditure of ₹ 4,277.83 crore under Grant 18 – Finance Department (Capital Charged) was mainly due to (i) Administrative Expenditure on Special Securities issued to National small Savings Fund of the Central Government (₹ 725.42 crore) and (ii) Administrative Expenditure on Share of small Savings Collections (₹ 431.67 crore);
- Excess expenditure of ₹ 939.28 crore under Grant No 43 – Power and Non-Conventional Energy Sources Department (Revenue Voted) occurred mainly on account of Special Assistance to WBSEDCL for energizing power driven pump sets installed for Agricultural Purposes (₹ 500.00 crore).
- Excess expenditure of ₹ 465.70 crore under Grant 74 – Women & Child Development and Social Welfare Department (Revenue Voted) was

⁷⁴ Grants are the provisions voted by the Legislature for incurring voted expenditure

⁷⁵ Appropriation is the provision made in the budget for incurring expenditure which is directly charged and not subject to the voting of the Legislature

⁷⁶ In Grant 18, excess expenditure occurred both in Revenue (Voted) and Capital (Charged) sections

mainly due to implementation of *Kanyashree Prakalpa*⁷⁷ (₹ 391.75 crore).

Box 2.1: Expenditure without authorisation of the Legislature

In 2018-19, the expenditure of ₹ 6,477.92 crore was incurred without any budget provision, *i.e.*, neither in original nor in supplementary in 158 cases (at sub-head level) in respect of 31 grants and two appropriations (details in *Appendix 2.3*). These amounts were mainly spent on:

- Loans to WBSETCL⁷⁸ for Transmission and Distribution (JBIC) (₹ 1,171.95 crore) under Power & Non-Conventional Energy Sources Department (Grant No 43).
- Interest payments on (i) Market Loans, Loans from other Institutions & Special Securities issued to National Small Savings Fund of the Central Government (₹ 1,045.38 crore), (ii) Special Securities issued to NSSF of the Central Govt. by the State Govt (₹ 109.04 crore) and (iii) Loans from IBRD⁷⁹, Government of Japan & ADB (₹ 63.02 crore) under Finance Department (Grant No 18). Liabilities on account of interest as well as repayment of loans were ascertainable with a fairly high degree of accuracy at the time of budget making. Non-provision of funds on this account in the budget had led to underestimation of revenue deficit by ₹ 1,217.44 crore.

The expenditure, however, has been incurred from the Consolidated Fund of the State and as such approval of the Legislature was required.

Incurring huge expenditure without the budget provision (original or supplementary) not only undermines the authority of the Legislature but also is in violation of the will of the Legislature.

(ii) **Persistent excess expenditures:** Cases of excess expenditure are reported every year through Audit Reports on State Finances. There were, however, grants in which excess expenditure has occurred persistently during the last three years. The details are in **Table 2.3** below.

Table 2.3: Grants in which persistent excess expenditure occurred in last three years

Sl. No.	Number and Name of the Grant	Amount of Excess(₹ in crore)		
		2016-17	2017-18	2018-19
Revenue Voted				
1.	7-Backward Classes Welfare	32.05	273.38	357.41
2.	24-Health & Family Welfare	167.57	375.33	179.96
3.	43-Power and Non-Conventional Energy Sources	1,909.92	574.87	939.28
Capital Voted				
4.	53-Transport	10.52	80.71	63.42

Source: Appropriation Accounts

⁷⁷ An initiative taken by the Government of West Bengal to improve the life and the status of the girls by helping economically backward families with cash so that families do not arrange the marriage of their girl child before eighteen years.

⁷⁸ West Bengal State Electricity Transmission Company Limited

⁷⁹ International Bank for Reconstruction and Development

Such repeated excess expenditure over grants approved by the State Legislature are in violation of the will of the Legislature and the basic principle of democracy that not a rupee can be spent without the approval of the House of the People/State Legislative Assembly, and, therefore, need to be viewed seriously.

Recommendation 4: *The State Government may analyse the reasons for persistent excess expenditure on priority basis. The Finance Department should ensure that no Departmental Controlling Officers, including the Finance Department itself, resort to excess expenditure over the regular allocations approved by the State Legislature.*

2.2.2.2 Excess expenditure requiring regularisation

As per Article 205 of the Constitution of India, it is mandatory for a State Government to get excess expenditure over a grant/ appropriation regularised by the State Legislature. The excess expenditure was to be regularised after discussion of the Appropriation Accounts by the Public Accounts Committee (PAC). For this purpose, the Departments concerned are required to submit Explanatory Notes for excess expenditure to PAC through Finance Department.

Excess disbursement of ₹ 26,695.26 crore in respect of 40 grants (**Appendix 2.4**) pertaining to the years 2009-10 to 2017-18 is yet to be regularised by the State Legislature. Of this, excess disbursement of ₹ 9,406.23 crore pertaining to the years 2013-14 to 2017-18 occurred in 32 grants and appropriations. Explanatory Notes of ₹ 18,793.39 crore in respect of 55 grants and 43 appropriations for 2009-14, however, have been discussed before the PAC by the concerned departments.

This is in violation of Article 204 of the Constitution which provides that no money shall be withdrawn from the Consolidated Fund except under Appropriation made by Law by the State Legislature. This vitiates the system of budgetary and financial control and encourages financial indiscipline in management of public resources.

Recommendation 5: *All the existing cases of excess expenditure need to be regularised at the earliest and, in future, such un-voted expenditure may be completely stopped.*

2.2.2.3 Savings

In the year 2018-19, the total savings were ₹ 18,274.70 crore, of which, ₹ 7,127.95 crore (39 per cent) pertained to 16 grants (Voted & Charged) with savings of more than ₹ 100 crore each and by more than 20 per cent of the total provision.

In addition, during the years 2014-19, there were cases of persistent savings of more than ₹ 100 crore each in respect of nine grants and one appropriation as shown in **Table 2.4:**

Table 2.4: Grants/Appropriations with persistent savings during the years 2014-19

Sl. No.	Grant No.	Name of the Grant/ Appropriation	Savings (₹ in crore) (per cent)				
			2014-15	2015-16	2016-17	2017-18	2018-19
Revenue Voted							
1.	6	Animal Resources Development	234.60 (28.41)	300.81 (34.70)	258.05 (31.45)	263.41 (27.44)	300.13 (30.24)
2.	11	Micro, Small and Medium Enterprises & Textiles	355.89 (46.52)	216.05 (33.51)	247.01 (35.59)	384.99 (51.89)	353.38 (49.16)
3.	15	School Education	1,058.50 (5.90)	4,022.05 (19.16)	3,413.17 (15.52)	5,040.90 (20.06)	1,300.58 (5.40)
4.	38	Minority Affairs and Madrasah Education	173.38 (11.68)	156.35 (10.22)	171.88 (11.56)	108.95 (4.91)	108.61 (4.62)
5.	40	Panchayats & Rural Development	349.58 (2.46)	1,292.64 (7.08)	2,806.73 (15.75)	757.62 (3.79)	3,396.81 (17.08)
Capital Voted							
6.	5	Agriculture	285.20 (39.18)	399.22 (49.78)	551.57 (68.77)	433.87 (67.83)	362.33 (66.56)
7.	15	School Education	1,726.40 (96.02)	164.28 (62.46)	547.65 (92.66)	381.54 (87.89)	182.35 (28.67)
8.	32	Irrigation and Waterways	952.30 (48.06)	1,202.98 (58.05)	1,391.61 (57.47)	1,275.20 (55.31)	1,037.57 (46.32)
9.	38	Minority Affairs and Madrasah Education	202.24 (23.38)	985.41 (69.03)	1,365.86 (83.72)	1,105.99 (71.94)	607.20 (43.43)
10.	52	Tourism	102.85 (51.17)	185.44 (78.58)	199.95 (79.74)	186.42 (77.76)	125.11 (59.01)
11.	55	Water Resources Investigation & Development	233.65 (38.54)	366.24 (37.07)	208.38 (27.20)	241.34 (30.69)	216.75 (27.01)
Revenue Charged							
12.	18	Finance	1,013.21 (4.49)	1,448.63 (5.86)	2,107.23 (7.51)	159.44 (0.56)	1,178.98 (3.87)

Source: Appropriation Accounts

Box 2.2:

Rashtriya Krishi Vikas Yojana

In 2018-19, there was a saving of ₹ 154.60 crore under Rashtriya Krishi Vikas Yojana in respect of Grants-in-Aid provided under the scheme. Similar savings occurred in 2017-18 (₹ 214.80 crore), 2016-17 (₹ 148.43 crore), 2015-16 (₹ 186.90 crore) and 2014-15 (₹ 23.31 crore).

It was observed from the Appropriation Accounts that the State Government did not furnish reasons for such savings.

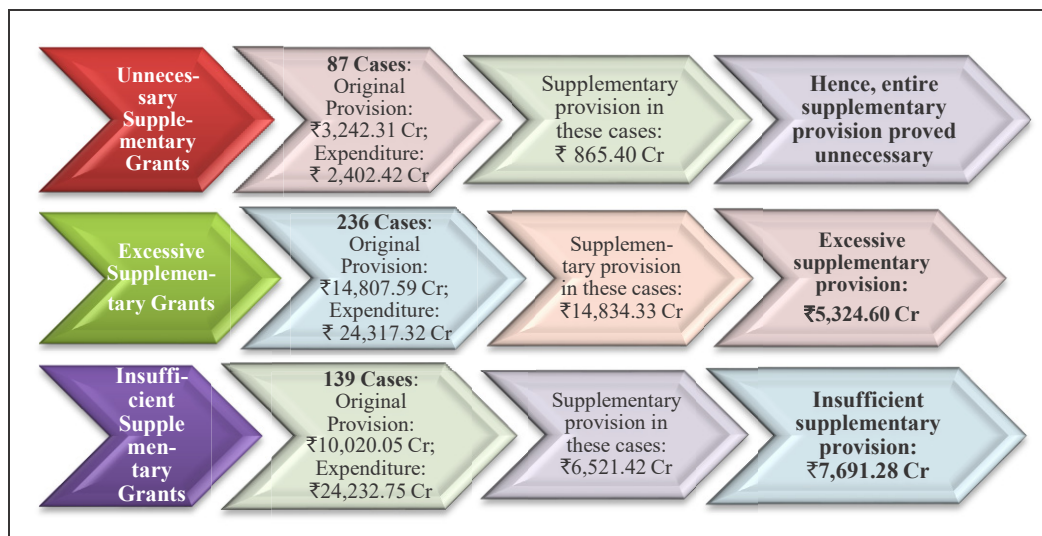
Persistent Savings under 10 departments (**Table 2.4**) indicate that the schemes under these departments did not receive the required priority by the Government

and there was inefficiency in implementation by the departments concerned/ implementing agencies.

2.2.3 Supplementary Grants

Audit analysis showed that supplementary grant of ₹ 6,190 crore, *i.e.*, 27.86 per cent of total supplementary grant (₹ 22,221.15 crore) was unnecessary/ excessive in 323 cases. On the other hand, in 139 cases the supplementary grant of ₹ 6,521.42 crore was not adequate to meet the requirement (₹ 14,212.70 crore) and fell short by ₹ 7,691.28 crore (54.12 per cent) (Chart 2.3).

Chart 2.3: Unnecessary, Excessive and Insufficient Supplementary Provisions



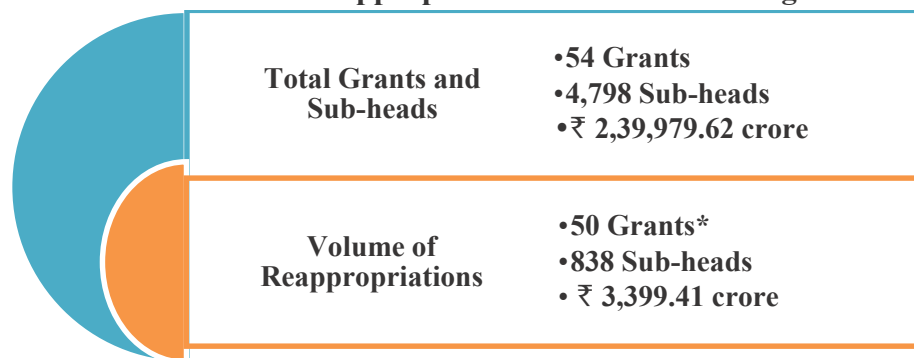
Source: Appropriation Accounts and Voucher Level Computerisation

2.2.4 Re-appropriation

By definition, Re-appropriations are meant for transfer of saving from one scheme/ unit to another within the same grant and under same section (*i.e.*, Capital, Revenue or Loans). There were savings of ₹ 3,305.61 crore in 107 sub-heads⁸⁰ under 33 grants and excesses of ₹ 3,172.25 crore in 24 sub-heads⁸¹ under 13 grants due to re-appropriation (Appendix 2.5).

Audit analysis of Re-appropriation is depicted in Chart 2.4.

Chart 2.4: Re-appropriation in the overall budget



Source: Voucher Level Computerisation; * Except Grant No 2 – Governor’s Secretariat, Grant No 23- Forests, Grant No 41 – Parliamentary Affairs and Grant No 58- Paschimanchal Unnayan Affairs

⁸⁰ Savings of ₹ 5 crore and above

⁸¹ Excess of ₹ 5 crore and above

All the bills are submitted, processed and payments made through electronic systems and re-appropriations are generated electronically through Integrated Financial Management System (IFMS). In March 2019, Finance Department issued Re-appropriation orders to withdraw the budget provision of ₹ 839.51 crore (24.70 per cent of total re-appropriation). This included last working day's re-appropriation of ₹ 82.35 crore. Despite this there were 47 cases of savings (₹ 323.04 crore) even after re-appropriation on the last working day.

This indicates that the expenditure control mechanism was not adequate and that re-appropriation was not done on the basis of real-time data.

2.2.4.1 Irregular re-appropriation of funds

Rule 380 (vi) (a) of West Bengal Financial Rule (WBFR) proscribes transfer of funds from Revenue head to Capital Head or vice versa within the Grant.

It was, however, noticed that in two grants, re-appropriation involving ₹ 10.92 crore were made from revenue head to capital head (as detailed in **Table 2.5**) departing from the rules stipulated in the WBFR:

Table 2.5: Irregular re-appropriation of funds during 2018-19

Sl No.	Demand Number	Transferred from Head of Accounts	Transferred to Head of Accounts	Amount (₹ in crore)	Purpose
1.	11	2851-00-103-014-35-00-V	4851-00-103-015-53-00-V	5.34	For construction of individual work-sheds for handloom weavers in various districts
2.	68	2055-00-109-001-22-00-V	4055-00-207-017-51-00-V	5.58	Procurement of SLR Rifle for use of SIRB, transportation cost for collection of different weaponry items and payment of enhanced price of Mortar

Source: Departmental figures

Recommendation 6: Leveraging advancements in Information Technology, the State Government may issue re-appropriations on the basis of real-time data on committed expenses and actual receipts.

2.2.5 Deficiencies in Surrenders

As per Paragraph 8 in Chapter V of the WBBM, unspent balances lapse and are not available for utilisation in the following year. Unspent balances were required to be surrendered to the Finance Department before 21 February of each year. Following instances indicate deficiencies in surrenders.

2.2.5.1 Short surrender of savings

In 56 cases under 40 grants, an amount of ₹ 9,461.81 crore out of total savings of ₹ 14,487.48 crore was not surrendered (**Appendix 2.6**).

2.2.5.2 Surrender on the last working day of the year

An amount of ₹ 318.60 crore was surrendered by 12 departments on the last working day of March 2019 (**Appendix 2.7**). An analysis shows that:

- In Land & Land Reforms and Refugee Relief & Rehabilitation Department, an amount of ₹ 46.61 crore was surrendered on the last working day of March 2019. This was 44.99 *per cent* of the total surrender of ₹ 103.61 crore made by the department, which, constituted 39.81 *per cent* of the total savings (₹ 260.23 crore) under the Grant.

In Urban Development & Municipal Affairs Department, an amount of ₹ 50 crore was surrendered on the last working day of March 2019. This formed 13.46 *per cent* of the total surrender of ₹ 371.39 crore made by the department which, constituted 38.69 *per cent* of the total savings (₹ 959.86 crore) under the Grant.

2.2.5.3 Surrender of total provisions

In 138 cases under 21 grants, there was 100 *per cent* surrender of provisions amounting to ₹ 1,808.59 crore, details of which is shown in *Appendix 2.8*.

2.2.5.4 Surrender in excess of actual savings

In six cases under five grants, surrendered amount exceeded savings by ₹ 358.84 crore, details of which is shown in *Appendix 2.9*.

2.2.5.5 Amount surrendered despite Excess Expenditure

In 15 cases under 13 grants, there was surrender of ₹ 1,698.15 crore despite excess expenditure of ₹ 4,574.67 crore, details of which is shown in *Appendix 2.10*.

Recommendation 7: The Government should ensure that excessive, unnecessary supplementary provisions and injudicious surrenders are avoided.

2.2.5.6 Un-surrendered savings

In 56 cases under 18 grants and 24 appropriations, savings of ₹ 2,870.94 crore remained completely un-surrendered. As can be seen from the *Appendix 2.11*, the major departments which did not surrender any part of savings were Women & Child Development and Social Welfare (₹ 405.07 crore) and Finance (₹ 1,224.09 crore).

Recommendation 8: All anticipated savings should be surrendered on time so that funds can be utilised for other development purposes.

The above-mentioned shortcomings in surrendering/ non-surrendering of funds indicated that the departments did not exercise adequate budgetary controls by watching flow of expenditure through monthly expenditure statements.

2.2.6 Savings in budget for development expenditure/ creation of assets

Development expenditure *vis-à-vis* net budget allocation (excluding salary/ establishment expenses⁸²) on Social and Economic services during 2018-19 are indicated in **Table 2.6**.

⁸² For the purpose of excluding salary/establishment expenses, the amounts booked under the object heads '01-Salary', '02-Wages', '04-Pension/Gratuities', '07-Medical Reimbursements', '11-Travel Expenses', '12-Medical Reimbursements under WBHS 2008', '13-Office Expenses', '14-Rent, Rates and Taxes', '15-Royalties', '16-Publications', '20-Other Administrative Expenses', '28-Payment of Professional and Special Services', '36-Salary Grants' and '32-Contribution' have been deducted

Table 2.6: Position of Development Expenditure

(₹ in crore)

Components of Development Expenditure		Net Grant	Actuals	Savings (Percentage of savings)
Development Revenue Expenditure	Social Services (SS)	9,841.95	8,270.03	1,571.92 (15.97)
	Economic Services (ES)	19,118.67	14,761.78	4,356.89 (22.79)
	Total	28,960.62	23,031.81	5,928.81 (20.47)
Development Capital Expenditure	Social Services(SS)	6,505.07	5,242.29	1,262.78 (19.41)
	Economic Services (ES)	4,586.54	2,995.89	1,590.65 (34.68)
	Total	11,091.61	8,238.18	2,853.43 (25.73)
Total Development Expenditure		40,052.23	31,269.99	8,782.24 (21.93)

Source: Finance Accounts of Government of West Bengal (2018-19) & VLC data

The table showed that there was savings of ₹ 8,782.24 crore (21.93 per cent) in respect of Development Expenditure of which the share of Revenue and Capital Expenditure was ₹ 5,928.81 crore and ₹ 2,853.43 crore, respectively.

Further, it was noticed that savings ranged between 25 and 100 per cent in 1,777 schemes⁸³. The category-wise position is indicated in Table 2.7 below.

Table 2.7: Category-wise savings in different schemes

Range of savings	Revenue Expenditure (SS)	Revenue Expenditure (ES)	Capital Expenditure (SS)	Capital Expenditure (ES)
	Number of Schemes			
From 25 to 49%	241	271	35	48
From 50 to 74%	93	96	19	30
From 75 to 99%	81	85	17	18
100%	373	242	29	99
Total	788	694	100	195

Source: VLC data

From Table 2.7, it was observed that in 1,182 cases, savings were 50 per cent or above and in 743 cases, allotted budget was not used at all. Thus, the financial targets envisaged in Budget could not be achieved.

2.2.7 Rush of expenditure at the end of the financial year

According to Rule 389A of West Bengal Financial Rules (WBFR), rush of expenditure in the closing month of the financial year should be avoided.

During the year 2018-19, ₹ 24,315.14 crore comprising 13.50 per cent of total Revenue and Capital Expenditure (₹ 1,80,091.23 crore) was expended in March 2019, of which ₹ 4,824.89 crore (19.84 per cent of total expenditure during March 2019) was expended on 31 March 2019. Revenue Receipts for the month of March 2019 was ₹ 9,506.01 crore (6.51 per cent of total Revenue

⁸³ Sub-heads represent schemes

Receipts) of which ₹ 1,655.30 crore (17.41 per cent of total revenue receipts during March 2019) was received on the last working day of March 2019.

High percentage of expenditure in March and especially on the last working day of the financial year indicates that uniform flow of expenditure during the year, a primary requirement of budgetary control, was not maintained.

Recommendation 9: The Government should establish a framework to ensure that budget provisions do not remain unutilised and the practice of rush of expenditure during fag end of the financial year is prevented.

2.3 Review of Selected Grants

A detailed scrutiny of two grants, viz., (i) Grant No. 7: Backward Classes Welfare Department and (ii) Grant No. 73: Disaster Management and Civil Defence Department, was conducted in audit. At an aggregate level, there were excess expenditure under Grant No. 7 and savings under Grant No. 73. The supplementary provision made for Backward Classes Welfare Department proved insufficient (Table 2.8).

Table 2.8: Budget Provisions, Expenditure and Savings under selected Grants

Section	Original	Supplementary	Total	Expenditure	Savings (-)/ Excess expenditure (+)	Withdrawal/ Surrender
(₹ in crore)						
Grant No. 7: Backward Classes Welfare Department						
Revenue	866.62	513.36	1,379.98	1,737.37	(+)357.39	47.14
Capital	40.50	32.61	73.11	23.91	(-)49.20	24.04
TOTAL	907.12	545.97	1,453.09	1,761.28	(+)308.19	71.18
Grant No. 73: Disaster Management and Civil Defence Department						
Revenue	1,608.96	212.39	1,821.35	1,792.16	(-)29.19	4.62
Capital	160.84	12.20	173.04	191.78	(+)18.74	31.22
TOTAL	1,769.80	224.59	1,994.39	1,983.94	(-)10.45	35.84

Source: Appropriation Accounts

Test-check of schemes/ programmes under the above grants revealed the following:

(i) Backward Classes Welfare Department

Revenue Section of the grant registered an excess of 25.90 per cent during 2018-19 mainly due to excess expenditure over the budget provision of ₹ 169.23 crore and ₹ 82.95 crore each for Scheduled Castes/ Scheduled Tribes and Other Backward Classes students under procurement and distribution of Bi-cycles.

Capital Section of the grant registered savings of 67.30 per cent during 2018-19 mainly due to savings of (i) ₹ 25.00 crore (100 per cent) under Construction of

Hostels under Babu Jagjiban Ram Chhatravas Yojna and (ii) ₹ 3.24 crore (86.86 per cent) under State Development scheme for Tribal Areas Sub-plan.

(ii) **Disaster Management and Civil Defence Department:**

Revenue Section of the grant registered a savings of 1.60 per cent. In case of Capital Section of the grant, excess expenditure (10.83 per cent), was registered during 2018-19 mainly due to excess expenditure of ₹ 17.01 crore (77.14 per cent) under construction of Multi-Purpose cyclone shelter (State share) counterbalanced by savings of ₹ 9.12 crore in regard to construction of boundary wall, administrative buildings, etc.

Reasons for non-utilisation of entire budget fund and excess expenditure over budgetary provision had not been intimated to audit as of July 2019.

2.4 Non-compliance to applicable rules

2.4.1 Opening of new Sub-Heads without concurrence of Principal Accountant General (Accounts and Entitlements)

Article 150 of the Constitution mandates the prescription of the form of accounts by the President on the advice of the Comptroller and Auditor General of India (CAG). Accordingly, the State Government has to take prior concurrence of the Principal Accountant General, Accounts and Entitlements (PAG (A&E)), West Bengal before opening any new sub-head.

The Government, however, opened 58 new Sub-Heads in 2018-19 without prior concurrence of the PAG (A&E). An expenditure of ₹ 3,044.15 crore was incurred against the total provision of ₹ 2,002.21 crore under 17 Grants, disregarding the statutory provision. During 2017-18, an amount of ₹ 1,886.96 crore was expended in 7 new sub-heads under four grants, mention of which was made during last year's State Finances Audit Report (2017-18). However, reply is awaited (May 2020).

2.4.2 "New Service"/ "New Instrument of Service"

In 73 cases under 25 grants, expenditure aggregating ₹ 2,896.39 crore, which should have been treated as "New Service"/ "New Instrument of Service", was met without obtaining the requisite approval of the Legislature (*Appendix 2.12*).

2.5 Advances remained un-recouped from the Contingency Fund

The Contingency Fund of the State was established under the provisions of West Bengal Contingency Fund Act, 1950, in terms of provision of article 267 (2) of the Constitution of India. State Government maintains Contingency Fund with a corpus amount of ₹ 20 crore. As per Rule 382 of West Bengal Financial Rules, advances from the Fund shall be made only to meet unforeseen and emergent expenditure, pending its authorisation by the Legislature following which, it is recouped.

During 2018-19, an amount of ₹ 10.98 crore were drawn from Contingency Fund. Out of this, ₹ 10.25 crore were recouped leaving a balance of ₹ 0.73 crore remained un-recouped in four major heads. Apart from this ₹ 0.31 crore were drawn from the Contingency Fund during 2017-18 in two major heads but un-recouped till the end of 2018-19. Thus, as on 31 March 2019, advances drawn from Contingency Fund amounting to ₹ 1.04 crore in six major head of accounts, remained un-recouped.

Recommendation 10: *The State Government should ensure timely recoupment of advances taken from the Contingency Fund.*

CHAPTER III

Financial Reporting

A reliable financial reporting mechanism aids exercise of controls on utilisation of funds. This Chapter provides an overview and status of compliance to various financial rules, procedures and directives during the year.

3.1 Personal Deposit Accounts

3.1.1 Personal Deposit Account framework

Personal Deposits (PD) are maintained in the treasuries in the nature of banking accounts. These are commonly known as Personal Ledger (PL) Accounts or Personal Deposit Accounts. PD Accounts are established in the following manner:

- (a) Under statutory provisions of the Government or created under any law or rule having the force of law by transferring funds from the Consolidated Fund of the State for discharging liabilities of the Government arising out of special enactments.
- (b) PD Accounts may also be opened, in favour of specified Government Officers, by transferring fund from the Consolidated Fund of the State for discharging the liabilities of the State Government in respect of execution of various projects, schemes, *etc.*

As per the WBTR, in case of (b) above the PD Accounts enable its Holders/Administrators to incur expenditure pertaining to a scheme, for which funds are placed at their disposal, by transfer from the Consolidated Fund of the State.

Ordinarily, Government accords permission for opening of such Accounts under intimation to the Principal Accountant General (A&E), West Bengal. Except where the PD Accounts are created by law or rules having the force of law for discharging liabilities arising out of special enactments, other PD Accounts shall be closed at the end of the financial year.

As per Rule 6.09 (1) of the WBTR, PD Accounts shall be closed at the end of the financial year by minus debit of the balance to the relevant service head in the Consolidated Fund of the State⁸⁴. The account may be opened again in the following year, if necessary.

Analysis revealed the following:

- (a) In terms of WBTR, the Personal Deposit Accounts are to be opened Administrator-wise and scheme-wise, not be omnibus and only if the opening of such account is absolutely necessary. No details⁸⁵ were produced to Audit by the State Government, though called for (February/April 2019).

Consequently, the extent of adherence to the procedural norms, could not be vouchsafed in Audit.

⁸⁴ Except, where personal deposits are created by law or rules having the force of law for discharging the liabilities arising out of special enactments.

⁸⁵ PD/PL accounts- (i) Department /Administrator /Scheme-wise; (ii) Remained inoperative for more than a period of two years along-with reasons for their non-closure; and (iii) Holders' status of annual verification and reconciliation of balances with the treasury.

- (b) Article 202 of the Constitution of India provides for legislative financial control over public expenditure through the Annual Financial Statement/ Budget. Not transferring the unspent balances lying in PD Accounts to the Consolidated Fund before the closure of the financial year violates legislative intent, which is to ensure that funds approved by it for the financial year are spent during the financial year itself.

3.1.2 Status of PD Accounts in West Bengal

Despite West Bengal Treasury Rule 6.09, which states ‘Personal Deposit Account created by debit to the Consolidated Fund of the State shall be closed at the end of the financial year by minus debit of the balance to the relevant service heads in the Consolidated Fund of the State’, it was noted that there was a balance of ₹ 5,466.07 crore in 159 PD Accounts as on 31 March 2019 as indicated in **Table 3.1**. Similar such year-end balances have been noticed in 2017-18 with ₹ 4,281.98 crore in 157 PD Accounts, in 2016-17 with ₹ 5,140.70 crore in 153 PD Accounts, in 2015-16 with ₹ 4,769.43 crore in 150 PD Accounts and in 2014-15 with ₹ 3,721.10 crore in 150 PD Accounts.

Table 3.1: Details of PD Accounts

Sl. No.	Description	No. of Accounts	Amount (₹ in crore)
1	Number of PD Accounts existing at the beginning of the year	157	4,281.98
2	Addition [#] during the year 2018-19	2	3,864.54
3	Cleared [@] during the year 2018-19	0	2,680.45
4	PD Accounts existing at the end of the year	159	5,466.07

[#]Indicates amounts transferred and credited through challans to existing as well as newly opened PD Accounts (8443-106)

[@]Indicate amounts surrendered and expended from PD Accounts (8443-106)

Source: Finance Accounts of Government of West Bengal (2018-19)

The correctness of the Closing Balance of PD Account as of March 2019, could not be ascertained, as the monthly as well as annual verification of balances in the Treasuries was found to be deficient, as elaborated in **Paragraph 3.1.4**.

Non-transfer of unspent balances lying in PD accounts to Consolidated Fund of the State entails the risk of misuse of public fund, fraud and misappropriation.

3.1.3 Operation of PD Accounts

The following were observed in operation of PD Accounts.

- (i) Under Rule 6.08 of West Bengal Treasury Rules, non-lapsable PD Accounts, if not operated upon for a period of two years and there is reason to believe that the need for such PD Accounts has ceased, are required to be closed.

Inoperative PD Accounts

Test-check of 65 treasuries out of 91, conducted in 2018-19 in respect of transactions for the year 2017-18 and of 10 treasuries conducted during 2019-20 (till July 2019) in respect of transactions for the year 2018-19 showed that for 123 inoperative schemes under PD Accounts of 20 administrators amounting to ₹ 47.96 crore were yet to be closed at the end

of 2018-19. Amounts lying in PD Accounts resulted in overstatement of expenditure to that extent.

- (ii) An amount of ₹ 434.59 crore (16.21 per cent), out of the total expenditure of ₹ 2,680.45 crore was transferred from Consolidated Fund to the PD Accounts in the month of March 2019. Out of the amount transferred in March 2019, an amount of ₹ 93.74 crore (21.57 per cent) was transferred on 31 March 2019, from Consolidated Fund to the PD Accounts indicating rush of transfer of funds to that account at the fag-end of the year.
- (iii) Test-check of PD Accounts maintained by nine DDOs⁸⁶ disclosed the following deficiencies (**Box 3.1**):

Box 3.1: Irregularities in PD/PL Accounts

➤ **Discrepancies between treasury pass books and PD/PL cash books - ₹ 53.34 crore**

WBTR stipulated that the holder of the PD Account shall, immediately after end of the financial year, make necessary verification and reconciliation of the balances with the treasury.

There were discrepancies in PDA Cash Books and corresponding Treasury Pass Books of six DDOs due to non-reconciliation as required under WBTR. It was observed that PD Accounts cash book balances were overstated by ₹ 21.90 crore in respect of two DDOs and understated by ₹ 31.44 crore in case of four DDOs as detailed in *Appendix 3.1*.

➤ **Retention of funds - ₹ 439.35 crore**

In view of Finance Department's order (June 2019), unspent fund as on March 2019 in the PD accounts (except those governed under separate law/ rule) was required to be refunded by 8 July 2019.

Ignoring the Government order, seven DDOs parked ₹ 439.35 crore in their respective PDAs which remained unutilised as on March, 2019 (*Appendix 3.2*).

Out of above seven DDOs, three DDOs⁸⁷, however, during 2017-19 had partly surrendered ₹ 65.83 crore.

➤ **Unauthorised holding of funds - ₹ 11.98 crore**

Bidhayak Elaka Unnayan Prakalpa (BEUP) guidelines required surrender of funds to Government after dissolution of the Assembly.

In violation of the guidelines, three DDOs⁸⁸ retained BEUP funds of ₹ 11.98 crore in their respective PDAs, which pertained to previous legislative assembly⁸⁹.

3.1.4 Non-obtaining of Certificates of Acceptance of Balance

- As per Rule 6.08 (5) of WBTR 2005, the Administrator of PD Account shall make necessary verification and reconciliation of the balances with the Treasury and shall furnish the certificate to the Treasury Officer on or before

⁸⁶ District Magistrates of Purba Bardhaman, Purba Medinipur, Paschim Medinipur, Murshidabad, Dakshin Dinajpur, Howrah, Purulia and Kalimpong and Special Land Acquisition Officer, Murshidabad

⁸⁷ District Magistrates of Paschim Midnapore: ₹ 19.48 crore between 2017-18; Murshidabad: ₹ 34.14 crore between 2017-19; Howrah: ₹ 12.21 crore between 2017-19

⁸⁸ District Magistrates of Purba Medinipore: ₹ 8.98 crore; Purba Bardhaman: ₹ 1.69 crore; Paschim Bardhaman: ₹ 1.31 crore.

⁸⁹ 15th Assembly (2011-16)

15 May every year.

In course of Treasury Inspection during 2018-19 it was noticed that in five out of 65 test-checked treasuries monthly as well as annual verification and reconciliation of balances were not carried out by the Administrators of PD Account. Thus, correctness of balances lying in those Accounts remained un-verified.

Recommendation 11: The Finance Department is required to review all PD Accounts and ensure that amounts unnecessarily lying in these accounts are immediately remitted to the Consolidated Fund and all inoperative PD accounts are closed. Transferring money to PD Accounts from the Consolidated Fund of the State at the fag end of the financial year to avoid lapse of funds should be avoided.

3.2 Opaqueness in Accounts

Minor Head - 800 relating to Other Receipts and Other Expenditure is intended to be operated only when the appropriate minor head has not been provided in the accounts. Routine operation of Minor Head - 800 is to be discouraged, since it renders the accounts opaque. Transactions under this Minor Head during the years 2017-18 and 2018-19 are detailed in **Table 3.2**.

Table 3.2: Receipts and Expenditure under Minor Head 800

Year	Receipts ⁹⁰ (₹ in crore)	No. of Major Heads under which Minor Head 800 is operated	Receipts under Minor Head 800 (₹ in crore) (per cent)	Expenditure ⁹¹ (₹ in crore)	No. of Major Heads under which Minor Head 800 is operated	Expenditure under Minor Head 800 - (₹ in crore) (per cent)
2017-18	1,31,270.39	57	1,207.70 (0.92)	1,60,445.44	77	9,500.05 (5.92)
2018-19	1,45,975.25	52	1,549.10 (1.06)	1,80,091.23	67	7,871.54 (4.37)

Source: Finance Accounts

Further, it was observed that the entire receipts (₹ 66.89 crore) under 12 Major Heads were booked under Minor Head-800 (Other Receipts). Similarly, more than 80 per cent (₹ 857.19 crore) of the total expenditure (₹ 964.56 crore) under seven Major Heads were booked under Minor Head – 800 (Other Expenditure).

Instances where a substantial proportion (50 per cent or more of the receipts/ expenditure under the major head concerned) of the receipts/ expenditure were classified under Minor Head 800 – Other Receipts/ Expenditure are shown in **Appendix 3.3**. The fact that such substantial portion of the receipts/ expenditure under the concerned Major Heads are booked under Minor Head - 800 is a cause for concern, since it severely impacts transparency.

⁹⁰ Revenue Receipts

⁹¹ Includes both Revenue and Capital

3.3 Parking of Fund in Bank Accounts

Pursuant to order issued (June 2019) by the Finance Department, unutilised funds lying in Bank Accounts as on 31 March 2019 required to be refunded to the appropriate Government Account by 8 July 2019.

Audit noticed that upto September 2019, three DDOs⁹² hold ₹ 18.65 crore in the bank accounts that remained unutilised as of March, 2019. This included fund allotted for utilisation of different schemes⁹³ (₹ 13.13 crore) and 13th Finance Commission grants (₹ 5.52 crore).

3.4 Compliance to Indian Government Accounting Standards

As per article 150 of the Constitution of India, the President of India may, on the advice of the Comptroller and Auditor General of India, prescribe the form of accounts of the Union and of the States. In accordance with this provision, the President of India has so far notified three Indian Government Accounting Standards (IGAS). Compliance to these Accounting Standards by Government of West Bengal in 2018-19 and deficiencies therein are detailed in **Table 3.3**:

Table 3.3: Compliance to Accounting Standards

Sl. No.	Accounting Standard	Compliance by State Government	Deficiencies noticed in compliance
1	IGAS 1: <i>Guarantees Given by the Government-Disclosure requirements</i>	Not complied by the State Government (Statements 9 and 20 of Finance Accounts)	Information regarding (i) Invocation of guarantees during 2018-19; and (ii) Automatic debit mechanism and structured arrangement not furnished. The Statements are incomplete to that extent. <i>(Please refer to paragraph 1.7.2 for further audit findings on Guarantees)</i>
2	IGAS 2: <i>Accounting and classification of Grants-in-Aid</i>	Not complied (Statement 10 of Finance Accounts)	(i) Certain Grants-in-Aid classified under Capital Section, (ii) No information was available in respect of Grants-in-Aid in kind given by the State Government. <i>(Please refer to paragraph 1.5.2.2 for further audit findings on Grants-in-Aid)</i>
3	IGAS 3: <i>Loans and Advances made by Governments</i>	Not complied (Statements 7 and 18 of Finance Accounts)	(i) Information in respect of Interest Payments in arrears were not available from Universities, Government Companies, Co-operative Societies, Banks, Government Servants and Miscellaneous group; (ii) Information in respect of repayments in arrears were not available in respect of Government servants and Miscellaneous group. <i>(Please refer to paragraph 1.6.3 for further audit findings on Loans and Advances)</i>

Source: Finance Accounts (2018-19)

⁹² District Magistrates of Dakshin Dinajpur: ₹5.52 crore; Murshidabad: ₹ 7.61 crore; Kalimpong: ₹ 5.52 crore

⁹³ Includes scheme for making individual household latrine under the programme of Swachha Bharat Mission (₹ 6.90 crore)

3.5 Non-submission of Annual Accounts/ Separate Audit Reports by Autonomous Bodies

Certification of accounts of Autonomous Bodies (ABs) set up by the State Government is conducted under Sections 19 or 20 of Comptroller and Auditor General of India (Duties, Powers and Conditions of Service) Act, 1971 (CAG's DPC Act).

The ABs coming under the audit purview as per Section 19 or 20 of CAG's DPC Act are required to submit the annual accounts of a financial year to audit by 30 June next year. In respect of 51 ABs which were to render annual accounts to CAG, there were delays in submission of accounts as detailed in **Table 3.4**.

Table 3.4: Age-wise details of delay in submission of Annual Accounts of Autonomous Bodies, as of 30 September 2019

Sl. No.	Delay in Number of Years	No. of Bodies/ Authorities
1	0-1	10
2	1-2	09
3	2 and above	32
Total		51

Source: Records of Autonomous bodies

The status of entrustment of audit, rendering of accounts to Audit, issue of Separate Audit Reports (SARs) and their placement in the Legislature are indicated in **Appendices 3.4 and 3.5**. Out of 51⁹⁴ bodies/ authorities, only three bodies/ authorities, namely (i) DLSA⁹⁵, Dakshin Dinajpur, (ii) WBCBC⁹⁶ and (iii) HDA⁹⁷ had submitted accounts up to 2018-19 while four DLSAs did not submit accounts since their inception in 1998-99. As of September 2019, 156 annual accounts due up to 2018-19 remained pending.

In respect of 26 Autonomous Bodies, the State Government did not lay the Separate Audit Reports (SARs) before the State Legislature as detailed in **Appendix 3.4**, though the SARs had been issued. Non-placement of SARs weakens the legislative control over these Bodies/ Institutions and dilutes their financial accountability.

Recommendation 12: The Finance Department should review the cases of all Autonomous Bodies that are in arrears of accounts, ensure that the accounts are made current within a reasonable period.

3.6 Non-submission of Accounts by Bodies/ Authorities (Other than PRIs)

In order to identify institutions/ organisations which attract audit under Sections 14 and 15 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 (CAG's DPC Act), the Government/ HODs are required to furnish to audit every year -

⁹⁴ Including six DLSAs mentioned in sl. no. 21 to 23 of *Appendix 3.3*

⁹⁵ District Legal Service Authority

⁹⁶ West Bengal Commission for Backward Classes

⁹⁷ Haldia Development Authority

- Detailed information about the financial assistance given to various institutions,
- The purpose for which the assistance is granted,
- Total expenditure of the institutions.

Audit of these institutions is conducted by the Examiner⁹⁸ of Local Accounts (ELA), West Bengal under the Principal Accountant General (Audit-I), West Bengal.

As of September 2019, 613 annual accounts of 142 bodies/ authorities due up to 2018-19, had not been received by the ELA, West Bengal (*Appendix 3.6*). Pendency in submission of accounts is detailed in **Table 3.5**:

Table 3.5: Pendency in submission of accounts

Sl. No.	Delay in Number of Years	No. of Bodies/ Authorities
1	1 to 3 years	78
2	4 to 6 years	29
3	7 to 9 years	18
4	10 to 12 years	16
5	13 years and above	01
Total		142

Source: Records of the Institutions

Therefore, utilisation of funds for the intended purposes could not be verified in regard to these bodies/ authorities.

Recommendation 13: *The Finance Department should review the cases of all Local Bodies that are in arrears of accounts, ensure that the accounts are made current within a reasonable period.*

3.7 Non-submission of Utilisation Certificates

The Government gives grants to various bodies for specific purposes. Rule 330A of the West Bengal Treasury Rules (WBTR) and Subsidiary Rules (SR) 1997 read with Finance Department's order (August 2005) stipulates that Utilisation Certificates (UCs) in respect of Grants-in-Aid received by the grantee should be obtained by the departmental officers from the grantees within one year from the dates of release of the grants provided for specific purposes. After verification, these should be forwarded to the Accountant General (A&E) to ensure that the funds have been utilised for intended purposes. Non-submission/ delay in submission of the UCs weakens the control on utilisation and provides scope for misuse/ misappropriation/ diversion of funds.

During 2018-19, a total of 67,952 Utilisation Certificates (UCs) for an amount of ₹ 42,825.46 crore were awaited from the departments of the State Government. There is, therefore, no assurance that the expenditure of ₹ 42,825.46 crore had actually been incurred for the purposes for which it was authorised. Utilisation of funds could also not be ascertained for an amount of ₹ 1,57,946.71 crore because of non-receipt of 2,88,705 UCs for the period up to

⁹⁸ Appointed by State Government as the Statutory Auditor of Local Bodies

2017-18. As of September 2019, a total of 3,56,657 UCs were awaited for an amount of ₹ 2,00,772.17 crore (Table 3.6).

Though such instances of non-submission of UCs are being reported in the Reports of the CAG of India regularly, there has been no improvement as number of pending UCs and amount increased by 83.53 and 224.29 per cent respectively, over that reported in the Audit Report of 2014-15 (1,94,324 UCs for ₹ 61,910.48 crore).

Table 3.6: Outstanding Utilisation Certificates

Sl. No.	Year	Number of pending UCs	Amount (₹ in crore)
1	Upto 2016-17	2,46,153	1,19,904.22
2	For 2017-18	42,552	38,042.49
3	For 2018-19	67,952	42,825.46
	Total	3,56,657	2,00,772.17

Source: Finance Accounts (2018-19)

Major cases of non-submission of UCs up to 2018-19 pertain to the Departments of Panchayat and Rural Development (63,018 UCs for ₹ 69,116.14 crore), School Education (29,187 UCs for ₹ 29,323.02 crore) and Urban Development and Municipal Affairs (30,915 UCs for ₹ 28,006.04 crore). Outstanding UCs for these three departments accounted to 34.52 per cent of total UCs having 62.98 per cent of the total outstanding amount. Huge pendency in submission of UCs is fraught with the risk of fraud and misappropriation of funds.

Important scheme for which UCs remained outstanding (more than ₹ 100 crore) against the grant released during the year 2018-19 is the scheme for 'National Nutrition Mission (Central Share)' - ₹ 241.90 crore.

Recommendation 14: The Finance Department should develop a mechanism to ensure submission of UCs which have become due without delay and review all UCs pending for submission before release of fresh grants.

3.8 Non-submission of Detailed Contingent Bills

Financial Rules⁹⁹ permit drawing of advances on Abstract Contingent bills (AC bills) for the purpose of meeting contingent expenditure for specified purposes. Rule 4.138 (5) of West Bengal Treasury Rules, 2005 requires that advances drawn through AC bills are to be adjusted through Detailed Contingent bills (DC bills) within one month from the date of completion of the purpose. In no case, this could exceed 60 days from the date of drawal of the AC bill.

The Departments had drawn 2,432 Abstract Contingent (AC) bills for an amount of ₹ 785.91 crore in the financial year 2018-19 and submitted only 1,191 Detailed Contingent (DC) bills for an amount of ₹ 352.80 crore. Thus, 1,241 DC bills amounting to ₹ 433.11 crore were not submitted as of August 2019. There is, therefore, no assurance that the expenditure of ₹ 433.11 crore had actually been incurred during the financial year for the purpose for which it was sanctioned/ authorised by the Legislature. This is a possible overstatement of

⁹⁹ Rule 4.138 (1) of West Bengal Treasury Rules

expenditure in the year 2018-19. Further, a total of 7,496 DC bills amounting to ₹ 1,372.30 crore for the years up to 2016-17 and 790 DC bills amounting to ₹ 366.42 crore for the year 2017-18 were yet to be submitted by the Departments. Thus, DC bills in respect of a total of 9,527 AC bills amounting to ₹ 2,171.83 crore were not received as of August 2019. Advances drawn and not accounted for increase the possibility of wastage/ misappropriation/ malfeasance, etc.

Five departments in respect of which 5,856 DC Bills, amounting ₹ 1,769.23 crore were pending as of March 2019 accounted to 81.45 per cent of total outstanding amount as detailed in **Table 3.7**.

Table 3.7: Departments in which major amounts were pending adjustment

Sl. No.	Department/Office/Institute	Pending DC Bills	Amount (₹ in crore)	Amount pending (%) over total pendency
1	Disaster Management and Civil Defence	2,334	827.33	38.09
2	Home and Hill Affairs	2,066	535.28	24.65
3	Panchayat and Rural Development	702	287.44	13.23
4	Women and Child Development and Social Welfare	552	66.77	3.07
5	Health and Family Welfare	202	52.41	2.41
Total:		5,856	1,769.23	81.45

Source: Finance Accounts of Government of West Bengal 2018-19

Non-submission of DC bills within the prescribed time is a breach of financial discipline and enhances risk of misappropriation of public money and is an unhealthy practice.

Recommendation 15: Finance Department may ensure that all Controlling Officers submit the required DC bills to adjust all pending AC bills in a time-bound manner.

3.9 Variation in Cash Balance

As per the Statement of the closing balance issued by Reserve Bank of India, the State had a credit balance of (-) ₹ 11.51 crore while the closing cash balance of the State for the month of March 2019 as certified by the Principal Accountant General (A&E), West Bengal showed a credit balance of ₹ 5.82 crore. Thus, there is a difference of ₹ 17.33 crore (net credit) including the previous years' balances, between the cash balance of the State Government, as worked out by the Principal Accountant General (A&E) and reported by the Reserve Bank of India (as of March 2019), which requires reconciliation.

3.10 Un-reconciled Receipts/ Expenditure

Rule 385 of West Bengal Financial Rules (WBFR) stipulates that expenditure recorded in the departments books of account be reconciled every month with

the books of the Accountant General (A&E). Reconciliation enables the Chief Controlling Officers (CCOs) to exercise effective control over budget and expenditure. It also ensures accuracy of the accounts. The Public Accounts Committee also recommended (December 2011) following of the stipulations of the WBFR.

During 2018-19, receipts amounting ₹ 49,952.97 crore (22.95 per cent of total receipts of ₹ 2,17,668.12 crore) and expenditure amounting ₹ 27,160.80 crore (11.98 per cent of total expenditure of ₹ 2,26,742.75 crore) remained unreconciled by the State Government.

Non-reconciliation impacts the assurance that all the receipts/ expenditures have been correctly taken to the final head of account and carries a risk of non-detection of misuse of public funds.

3.11 Adverse Balances under Debt, Deposit and Remittance Heads

Transactions relating to Debt, Deposit and Advances (as detailed in **Chart 3.1**) comprise receipts and payments in respect of which Government becomes liable to repay the moneys received or has a claim to recover amounts paid.

Chart 3.1: Debt, Deposits and Remittances

Debt	Deposits	Remittances
<ul style="list-style-type: none"> • Government is a Debtor. • Transactions impact current year as well as future years when Government has to repay the debts. 	<ul style="list-style-type: none"> • Government acts as temporary custodian of funds. • Transactions impact current year as well as future years when deposits are due for repayment or are withdrawn by Depositor. 	<ul style="list-style-type: none"> • Embraces all transactions, which are taken to merely adjusting Heads of Accounts. • Debits or Credits are eventually cleared by corresponding contra entries.

Source: Comptroller and Auditor General of India's Manual of Standing Orders (Accounts and Entitlements)

There was adverse balance aggregating to ₹ 168.85 crore under the Deposit Head: Other Deposits – under the Head of Accounts 8342- 103 (Deposit of Government Companies, Corporations, etc.). This is due to excess amount disbursed from the deposit accounts than the amount credited to that accounts. As a result, the amount authorized by the Government to be held in deposits accounts of Government companies and corporations fell short of the amount actually withdrawn from that accounts by the companies or corporation.

3.12 Follow-up Action on Audit Reports

Rules of procedure of the Committee on Public Accounts of the West Bengal Assembly, promulgated in 1977, provide that after tabling the Report in State

Legislature, the State Government departments are required to submit replies to the audit observation within one month. Status of tabling of Audit Reports for the period from 2011-12 to 2017-18 have been shown in **Table 3.8**.

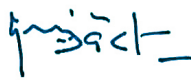
Table 3.8: Status of laying of Audit Report on State Finances

Year	Submission of Audit Report on State Finances for placement in the Legislative Assembly	Date of laying of Audit Report
2011-12	22.01.2013	10.07.2014
2012-13	10.03.2014	
2013-14	03.03.2015	04.07.2016
2014-15	25.02.2016	
2015-16	30.01.2017	07.03.2018
2016-17	26.03.2018	11.07.2019
2017-18	17.02.2020	----

Source: Records of the Office of the Principal Accountant General (Audit-I), West Bengal and West Bengal Legislative Assembly

Replies to the audit observations in the above mentioned Audit Reports were yet to be furnished by the State Government. Such lack of responsiveness is a matter of serious concern and goes against the basic tenet of legislative control over expenditure from public exchequer and undermines the importance of the Legislature.

Kolkata
The 27th July, 2020


(SARAT CHATURVEDI)
Principal Accountant General
(Audit-I)
West Bengal

Countersigned

New Delhi
The 29th July, 2020


(RAJIV MEHRISHI)
Comptroller and Auditor General of India

APPENDICES

APPENDIX 1.1

(Refer introductory paragraph in Chapter I)

A Brief Profile of West Bengal

A. General Data

Sl. No.	Particulars	Figures	
1.	Area	88,752 sq. km.	
2.	Population		
	a. As per 2001 Census	8.02 crore	
	b. As per 2011 Census	9.13 crore	
3.	a. Density of Population (as per 2001 Census) (All India Density = 325 persons / sq. km.)	903 persons per sq. km.	
	b. Density [®] of Population (as per 2011 Census) (All India Density = 382 persons / sq. km.)	1,028 persons per sq. km.	
4.	Population Below Poverty Line (BPL) [#] (All India Average = 21.9 per cent)	20.00 per cent	
5.	a. Literacy rate (as per 2001 Census) (All India Average = 64.80 per cent)	68.64 per cent	
	b. Literacy rate [^] (as per 2011 Census) (All India Average = 73 per cent)	76.30 per cent	
6.	Infant mortality rate [*] (per 1,000 live births) (All India Average = 33 per 1,000 live births)	24	
7.	Life Expectancy at birth [*] (All India Average = 68.7 years)	70.80 years	
8.	Gini Coefficient [§]		
	a. Rural (All India = 0.29)	0.24	
	b. Urban (All India = 0.38)	0.38	
9.	Human Development Index [*]		
	a. 2017 (All India Average = 0.643)	----	
	b. 2018 (All India Average = 0.647)	0.492	
10.	Gross State Domestic Product (GSDP) 2018-19 at current price ^{**}	₹ 11,77,586 crore	
11.	Per capita GSDP CAGR ¹⁰⁰ (2009-10 to 2018-19)	West Bengal General Category States	11.26 per cent 10.99 per cent
12.	GSDP CAGR (2011-12 to 2018-19)	West Bengal General Category States	12.37 per cent 12.23 per cent
13.	Population Growth (2009-10 to 2018-19)	West Bengal General Category States	9.05 per cent 12.46 per cent

B. Financial Data

Particulars		2009-10 to 2017-18		2017-18 to 2018-19	
CAGR		General Category States	West Bengal	General Category States	West Bengal
a.	of Revenue Receipts	15.03	17.18	12.77	11.20
b.	of Own Tax Revenue	14.84	15.28	12.72	15.20
c.	of Non-Tax Revenue	9.88	3.12	19.78	17.36
d.	of Total Expenditure	14.20	12.56	12.73	12.81
e.	of Capital Expenditure	13.53	26.20	11.93	22.45
f.	of Revenue Expenditure on Education	13.44	9.38	9.38	15.24
g.	of Revenue Expenditure on Health	16.50	12.79	11.09	6.50
h.	of Salary and Wages	11.72	7.06	11.03	9.89
i.	of Pension	16.12	10.61	14.31	10.11

[®]Census of India 2011: Final Population Totals

[#]Economic Survey, Vol.2 Page A168-169

[^]Economic Survey 2018-19, Vol. 2, Page A164

^{*}Economic Survey 2018-19, Vol. 2, Page A160

^{**}For GSDP, the information as available from Press Release by Ministry of Statistics and Programme Implementation, GoI 1 August, 2019.

[§]Measures the degree of inequality in a distribution

¹⁰⁰Compound Annual Growth Rate

APPENDIX 1.2

(Refer introductory paragraph in Chapter I)

Structure and Form of Government Accounts

Part A: Structure of Government Accounts

The accounts of the State Government are kept in three parts (i) Consolidated Fund, (ii) Contingency Fund and (iii) Public Account.

Part I: Consolidated Fund : All revenues received by the State Government, all loans raised by issue of treasury bills, internal and external loans and all moneys received by the Government in repayment of loans shall form one consolidated fund entitled 'The Consolidated Fund of State' established under Article 266(1) of the Constitution of India.

Part II: Contingency Fund : Contingency Fund of the State established under Article 267(2) of the Constitution is in the nature of an imprest placed at the disposal of the Governor to enable him to make advances to meet urgent unforeseen expenditure, pending authorisation by the Legislature. Approval of the Legislature for such expenditure and for withdrawal of an equivalent amount from the Consolidated Fund is subsequently obtained, whereupon the advances from the Contingency Fund are recouped to the Fund.

Part III: Public Account: Receipts and disbursements in respect of certain transactions such as small savings, provident funds, reserve funds, deposits, suspense, remittances, *etc.*, which do not form part of the Consolidated Fund, are kept in the Public Account set up under Article 266 (2) of the Constitution and are not subject to vote by the State Legislature.

Part B: Layout of Finance Accounts

Statement No.	Volume I
1	Contains Statement of Financial Position
2	Contains Statement of Receipts and Disbursements Annexure A – Cash Balances and Investments of Cash Balances
3	Contains Statement of Receipts (Consolidated Fund)
4	Contains Statement of Expenditure (Consolidated Fund)
	A Expenditure by Function
	B Expenditure by Nature
5	Contains Statement of Progressive Capital Expenditure
6	Gives Statement of Borrowings and Other Liabilities
7	Gives Statement of Loans and Advances given by the Government
	Section 1: Summary of Loans and Advances: Loanee group-wise
	Section 2: Summary of Loans and Advances: Sector-wise
	Section 3: Summary of Repayments in arrears from Loanee group
8	Contains Statement of Investments of the Government
9	Contains Statement of Guarantees given by the Government
10	Depicts Statement of Grants-in-aid given by the Government
11	Indicates Statement of Voted and Charged Expenditure
12	Presents Statement on Sources and Application of funds for expenditure other than on Revenue Account
13	Summary of Balances under Consolidated Fund, Contingency Fund and Public Account and Notes to Accounts

Volume II	
PART-I	
14	Indicates detailed Statement of Revenue and Capital Receipts by Minor Heads
15	Provides detailed Statement of Revenue Expenditure by Minor Heads
16	Depicts detailed Statement of Capital Expenditure by Minor Heads and Sub-Heads
17	Depicts Detailed Statement on Borrowings and Other Liabilities
	(a) Statement of Public Debt and Other Obligations
	(b) Maturity Profile
	(i) Maturity Profile of Internal Debt
	(ii) Maturity Profile of Loans and Advances from the Central Government
	(c) Interest rate Profile of Outstanding Loans
	(i) Internal Debt of the State Government
	(ii) Loans from the Central Government
18	Gives detailed Statement of Loans and Advances given by the Government
	Section 1: Major and Minor Head wise details of Loans and Advances
	Section 2: Repayments in arrears from other Loatee Entities
19	Shows Detailed Statement of Investments
	Section 1: Details of Investments up to 2017-18
	Section 2: Major and Minor Head-wise details of Investments during the year
20	Shows Statement of Guarantees given by the Government
	(A) Class-wise details : For Guarantees
	(B) Sector-wise details for each class : For Guarantees
21	Provides detailed Statement on Contingency Fund and other Public Account transactions
22	Gives detailed Statement on Investments of Earmarked Funds

APPENDIX 1.3
(Refer Paragraph 1.2)

Part A: Abstract of Receipts and Disbursements for the years 2017-18 and 2018-19

Receipts (₹ in crore)				Disbursements (₹ in crore)			
2017-18			2018-19	2017-18			2018-19
Section A: Revenue							
1,31,270.39	I	Revenue Receipts	1,45,975.25	1,41,077.36	I	Revenue Expenditure	1,56,373.91
52,720.57		Tax revenue	60,732.28	52,416.18		General Services	56,865.40
				59,590.76		Social Services	68,763.69
3,117.17		Non-tax revenue	3,657.59	24,613.78		Education, Sports, Arts and Culture	28,364.58
49,321.10		State's share of Union taxes and duties	55,775.72	7,924.93		Health and Family Welfare	8,440.16
0.15		Non-Plan grants	0.26	7,482.36		Water Supply, Sanitation, Housing and Urban Development	7,891.25
0.00		Grants for State Plan Scheme	0.00	140.07		Information and Broadcasting	175.40
26,111.40		Grants for Central and Centrally sponsored Plan Schemes, Finance Commission's Grants and others	25,809.40	2,200.43		Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	2,396.96
				198.30		Labour and Labour Welfare	186.15
				16,658.03		Social Welfare and Nutrition	20,689.93
				372.86		Others* Social Services	619.26
				28,582.04		Economic Services	30,256.09
				3,730.45		Agriculture and Allied Activities	7,910.81
				18,162.15		Rural Development	15,301.44
				1,036.20		Special Areas Programmes	1,251.29
				1,055.28		Irrigation and Flood Control	1,206.97
				2,158.20		Energy	1,990.67
				303.63		Industry and Minerals	337.39
				1,713.50		Transport	1,776.53
				66.22		Science, Technology and Environment	83.76
				356.41		General Economic Services	397.23
				488.38	II	Grants-in-aid and Contributions	488.73
9,806.97	II	Revenue deficit carried over to Section B	10,398.66		II	Revenue surplus carried over to Section B	

Differences of ₹0.01 crore with Finance Accounts is due to rounding

Receipts (₹ in crore)				Disbursements (₹ in crore)			
2017-18			2018-19	2017-18			2018-19
Section B Capital							
22,492.84	III	Opening Cash Balance including Permanent Advances and Cash Balance Investment	18,859.18	-	III	Opening Overdraft from RBI	-
Nil	IV	Miscellaneous Capital receipts	691.50	19,368.08	IV	Capital Outlay	23,717.32
				1,002.87		General Services	926.98
				7,605.76		Social Services	7,323.69
				454.22		Education, Sports, Arts and Culture	997.50
				930.93		Health and Family Welfare	1,237.46
				5,404.73		Water Supply, Sanitation, Housing and Urban Development	3,963.51
				2.64		Information and Broadcasting	10.53
				31.67		Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	73.17
				699.53		Social Welfare and Nutrition	987.90
				82.04		Other Social Services	53.62
				10,759.45		Economic Services	15,466.65
				569.77		Agriculture and Allied Activities	628.47
				1,775.83		Rural Development	2,575.69
				1,227.55		Special Areas Programmes	1,867.85
				1,562.16		Irrigation and Flood Control	1,798.34
				827.07		Energy	1,752.19
				973.59		Industry and Minerals	1,470.62
				3,765.53		Transport	5,265.87
				0.00		Science Technology and Environment	0.00
				57.95		General Economic Services	107.62
213.59	V	Recoveries of Loans and Advances	804.42	(-) 30.56	V	Loans and Advances disbursed	865.49
157.36		From Power Projects	615.80	35.45		For Power Projects	516.12
3.28		From Government Servants	2.67	2.23		To Government Servants	1.94
52.95		From others	185.95	68.24		To Others	347.43

State Finances Audit Report for the year ended March 2019

Receipts (₹ in crore)				Disbursements (₹ in crore)				
2017-18			2018-19	2017-18			2018-19	
0.00	VI	Revenue surplus brought down	0.00	0.00	9,806.97	VI	Revenue deficit brought down	10,398.66
45,743.82	VII	Public debt receipts		70,196.95	25,010.92	VII	Repayment of Public Debt	45,786.02
38,323.86		Internal debt other than Ways and Means Advances and Overdraft	44,014.50		18,614.91		Internal debt other than Ways and Means Advances and Overdraft	19,728.02
5,394.87		Ways and Means Advances	25,004.59		5,394.87		Ways and Means Advances	25,004.59
2,025.09		Loans and Advances from Central Government	1,177.86		1,001.14		Repayment of Loans and Advances to Central Government	1,053.41
0.20	VIII	Amount transferred to Contingency Fund		0.39	0.64	VIII	Expenditure from Contingency Fund	0.80
2,02,108.11	IX	Public Account receipts		2,32,784.89	1,97,543.33	IX	Public Account disbursements	2,24,961.92
3,727.52		Small Savings and Provident Funds	3,802.57		2,564.22		Small Savings and Provident Funds	2,674.78
2,997.33		Reserve Funds	2,537.53		3,842.45		Reserve Funds	124.37
1,20,272.32		Suspense and Miscellaneous	1,41,609.53		1,18,637.46		Suspense and Miscellaneous	1,43,042.32
(-) 0.70		Remittances	(-) 0.07		(-)5.81		Remittances	(-) 2.27
75,111.64		Deposits and Advances	84,835.33		72,505.01		Deposits and Advances	79,122.72
					Nil		Miscellaneous Government Account	Nil
Nil	X	Closing Overdraft from Reserve Bank of India		Nil	18,859.18	X	Cash balance at end	17,607.12
					0.38		Cash in Treasuries and Local Remittances	0.37
					(-)20.96		Deposits with Reserve Bank	(-) 5.82
					2.14		Departmental Cash Balance including Permanent Advances	2.24
					10,307.52		Investment in earmarked funds	11,633.38
					8,570.10		Cash Balance Investment	5,976.95
4,11,635.92		Total		4,79,711.24	4,11,635.92		Total	4,79,711.24

*Source: Finance Accounts of Government of West Bengal (2018-19)
Others include Other Social Services and Secretariat Social Services*

Differences of ₹0.01 crore with Finance Accounts is due to rounding

APPENDIX 1.3

(Continued)

(Refer Paragraph 1.6)

Part B: Summarised Financial Position of the Government of West Bengal as on 31 March 2019

As on 31.03.2018 (₹ in crore)	Liabilities		As on 31.03.2019 (₹ in crore)
3,01,777.99	Internal Debt		3,26,064.47
2,18,942.78	Market Loans bearing interest	2,49,373.15	
0.00	Market Loans not bearing interest	0.00	
0.00	Loans from Life Insurance Corporation of India	0.00	
7,034.17	Loans from other Institutions	7,014.92	
-	Ways and Means Advances	-	
-	Overdrafts from Reserve Bank of India	-	
75,801.04	Special securities issued to NSS fund of GoI	69,676.40	
14,233.07	Loans and Advances from Central Government		14,357.52
4.83	Pre 1984-85 Loans	4.83	
311.12	Non-Plan Loans	(-) 123.74	
13,917.18	Loans for State Plan Schemes	13,679.54	
(-) 0.03	Loans for Central Plan Schemes	(-) 0.03	
(-) 0.03	Loans for Centrally Sponsored Plan Schemes	(-) 0.03	
0.00	Others Loans for States/Union Territory with Legislature Schemes	796.95	
19.36	Contingency Fund		18.95
14,509.55	Small Savings, Provident Funds, etc.		15,637.35
30,667.74	Deposits		36,380.35
3,343.28	Suspense and Miscellaneous Balances		1,910.48
10,080.23	Reserve Funds		12,493.39
(-) 486.03	Remittance Balances		(-) 483.84
3,74,145.19	TOTAL		4,06,378.67
	Assets		
98,417.70	Gross Capital Outlay on Fixed Assets		1,22,135.02
15,883.84	Investments in shares of Companies, Corporations, etc.	17,427.21	
82,533.86	Other Capital Outlay	1,04,707.81	
12,719.00	Loans and Advances		12,780.07
4,338.35	Loans for Power Projects	4,238.66	
8,371.39	Other Development Loans	8,532.88	
9.26	Loans to Government servants and Miscellaneous loans	8.53	
10,307.52	Reserve Fund Investments		11,633.37
29.32	Advances		29.32
-	Suspense and Miscellaneous Balances		-
8,551.66	Cash		5,973.74
0.38	Cash in Treasuries and Loan Remittances	0.37	
(-)20.96	Deposits with Reserve Bank	(-) 5.82	
2.14	Departmental Cash Balance including Permanent Advances	2.24	
8,570.00	Cash Balance Investments	5,976.95	
2,44,119.99	Deficit on Government Account		2,53,827.15
3,74,145.19	TOTAL		4,06,378.67

Source: Finance Accounts of Government of West Bengal (2018-19)

* Difference of ₹ 0.01 crore with Finance Accounts is due to rounding

Explanatory Notes for Appendices 1.3 and 1.4:

The abridged accounts in the foregoing statements have to be read with comments and explanations in the Finance Accounts. Government accounts being mainly on cash basis, the deficit on Government account, as shown in Appendix 1.4, indicates the position on cash basis, as opposed to accrual basis in commercial accounting. Consequently, items payable or receivable or items like depreciation or variation in stock figures, etc., do not figure in the accounts. Suspense and Miscellaneous balances include cheques issued but not paid, payments made on behalf of the State and other pending settlements, etc.

APPENDIX 1.4
(Refer Paragraph 1.2)

Time Series Data on the State Government Finances

	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
	(₹ in crore)				
Part A. Receipts					
1. Revenue Receipts	86,514	1,09,732	1,17,832	1,31,270	1,45,975
(i) Tax Revenue	39,412(46)	42,492(39)	45,466(39)	52,721(40)	60,732(42)
Goods and Services Tax	0	0	0	14,964(28)	27,067(45)
Taxes on Agricultural Income	11	8	7	7	1
Taxes on Sales, Trade, etc.	24,022(61)	26,050(61)	27,983(62)	12,999(25)	7,813(13)
State Excise	3,587(9)	4,015(9)	5,226(11)	9,340(18)	10,622(17)
Taxes on Vehicles	1,505(4)	1,707(4)	1,870(4)	2,317(4)	2,563(4)
Stamps and Registration Fees	4,196(10)	4,175(10)	4,383(10)	5,261(10)	5,620(9)
Land Revenue	2,276(6)	2,456(6)	2,569(6)	2,875(6)	2,847(5)
Other taxes	3,815(10)	4,081(10)	3,428(7)	4,958(9)	4,199(7)
(ii) Non-Tax Revenue	1,627(2)	1,862(1)	2,950(2)	3,117(2)	3,657(2)
(iii) State's share of Union taxes and duties	24,595(28)	37,164(34)	44,625(38)	49,321(38)	55,776(38)
(iv) Grants-in-Aid from GoI	20,880(24)	28,214(26)	24,791(21)	26,111(20)	25,810(18)
2. Misc. Capital Receipts	Nil	653	Nil	Nil	692
3. Recoveries of Loans and Advances	176	832	3,233	214	804
4. Total revenue and Non-debt capital receipts (1+2+3)	86,690	1,11,217	1,21,065	1,31,484	1,47,471
5. Public Debt Receipts	35,812	34,608	36,316	40,348	45,192
Internal Debt (excluding Ways and Means Advances and Overdrafts)	34,449	33,949	35,797	38,323	44,014
Net transactions under Ways and Means Advances and Overdrafts	-	-	-	-	-
Loans and Advances from Government of India ¹⁰¹	1,363	659	519	2,025	1,178
6. Total receipts in the Consolidated Fund (4+5)	1,22,502	1,45,825	1,57,381	1,71,832	1,92,663
7. Contingency Fund Receipts	-¹⁰²	-	-¹⁰³	-¹⁰⁴	-
8. Public Account Receipts	1,31,865	1,49,608	1,69,633	2,02,108	2,32,785
9. Total Receipts of the State (6+7+8)	2,54,367	2,95,433	3,27,014	3,73,940	4,25,448
Part B. Expenditure /Disbursement					
10. Revenue Expenditure	1,03,652(91)	1,18,827(90)	1,33,918(91)	1,41,077(88)	1,56,374
Plan	29,775(29)	38,361(32)	36,854(28)	37,515(27)	-
Non-Plan	73,877(71)	80,466(68)	97,064(72)	1,03,562(73)	-
General Services (including Interests Payments)	42,712(41)	45,689(38)	50,131(37)	52,416(37)	56,865(37)
Social Services	40,156(39)	47,389(40)	57,067(43)	59,591(42)	68,764(44)
Economic Services	20,157(19)	24,973(21)	26,156(20)	28,582(21)	30,256(19)

¹⁰¹ Includes Ways and Means Advances from GoI

¹⁰² ₹ 0.13 crore

¹⁰³ ₹ 0.17 crore

¹⁰⁴ ₹ 0.20 crore

Note : Figures in brackets represent percentage (rounded)

	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
	(₹ in crore)				
Grants-in-aid and Contribution	627(1)	776(1)	564(-)	488(-)	489
11. Capital Expenditure	9,879(9)	12,420(9)	11,336(8)	19,368(12)	23,717(13)
Plan	9,879(100)	12,420 (100)	11,338(100)	19,373(100)	-
Non-Plan	-	⁻¹⁰⁵	(-) 2	(-) 5	-
General Services	420(4)	705(6)	853(8)	1,003(5)	927(4)
Social Services	4,224(43)	4,628(37)	4,438(39)	7,606(39)	7,324(31)
Economic Services	5,235(53)	7,087(57)	6,045(53)	10,759(56)	15,466(65)
12. Disbursement of Loans and Advances	505	861	1,197(1)	(-) 31	865
13. Total (10+11+12)	1,14036	1,32,108	1,46,451	1,60,414	1,80,956
14. Repayments of Public Debt	12,300	9,040	11,096	19,616	20,781
Internal Debt (excluding Ways and Means Advances and Overdrafts)	11,617	8,223	10,121	18,615	19,728
Net transactions under Ways and Means Advances and Overdrafts	-	-	-	-	-
Loans and Advances from Government of India	683	817	975	1,001	1,053
15. Appropriation to Contingency Fund	-	-	-	-	-
16. Total disbursement out of Consolidated Fund (13+14+15)	1,26,336	1,41,148	1,57,547	1,80,030	2,01,737
17. Contingency Fund disbursements	₋₁₀₆	₋₁₀₇	₋₁₀₈	1	1
18. Public Account disbursements	1,29,352	1,49,400	1,62,817	1,97,543	2,24,962
19. Total disbursement by the state (16+17+18)	2,55,688	2,90,548	3,20,364	3,77,574	4,26,700
Part C. Deficits					
20. Revenue Deficit (1-10)	(-)17,138	(-)9,095	(-) 16,086	(-) 9,807	(-) 10,399
21. Fiscal Deficit (4-13)	(-)27,346	(-)20,891	(-) 25,386	(-) 28,930	(-) 33485
22. Primary Deficit(-)/Surplus(+) (21-23)	(-)5,758	2,224	317	(-) 856	(-) 4,574
Part D. Other data					
23. Interest Payments (included in revenue expenditure)	21,588	23,115	25,703	28,074	28,911
24. Arrears of Revenue	NA	NA	NA	NA	NA
25. Financial Assistance to Local Bodies, etc.	43,880	49,460	52,675	54,965	57,589
26. Ways and Means Advances (WMA)/Overdraft availed (days)	164	78	03	22	149
27. Interest on WMA/Overdraft	20	11	-*	1	21
28. Gross State Domestic Product (GSDP) (at current prices)	7,18,082	7,97,300	8,72,527	9,99,585	11,77,586
29. Outstanding Liabilities(year-end)	2,77,579	3,06,043	3,37,682	3,60,961	3,93,300
30. Outstanding guarantees (year-end)	9,322	8,788	7,801	8,545	6,693
31. Maximum amount guaranteed	15,184	14,625	15,613	15,034	16,050
32. Number of incomplete projects	NA	NA	NA	NA	NA
33. Capital blocked in incomplete projects	1,381	3,533	3,708	NA	NA

¹⁰⁵ ₹ 0.21 crore¹⁰⁶ ₹ 0.16 crore¹⁰⁷ ₹ 0.01 crore¹⁰⁸ ₹ 0.20 crore

*Actual figure is ₹29 lakh

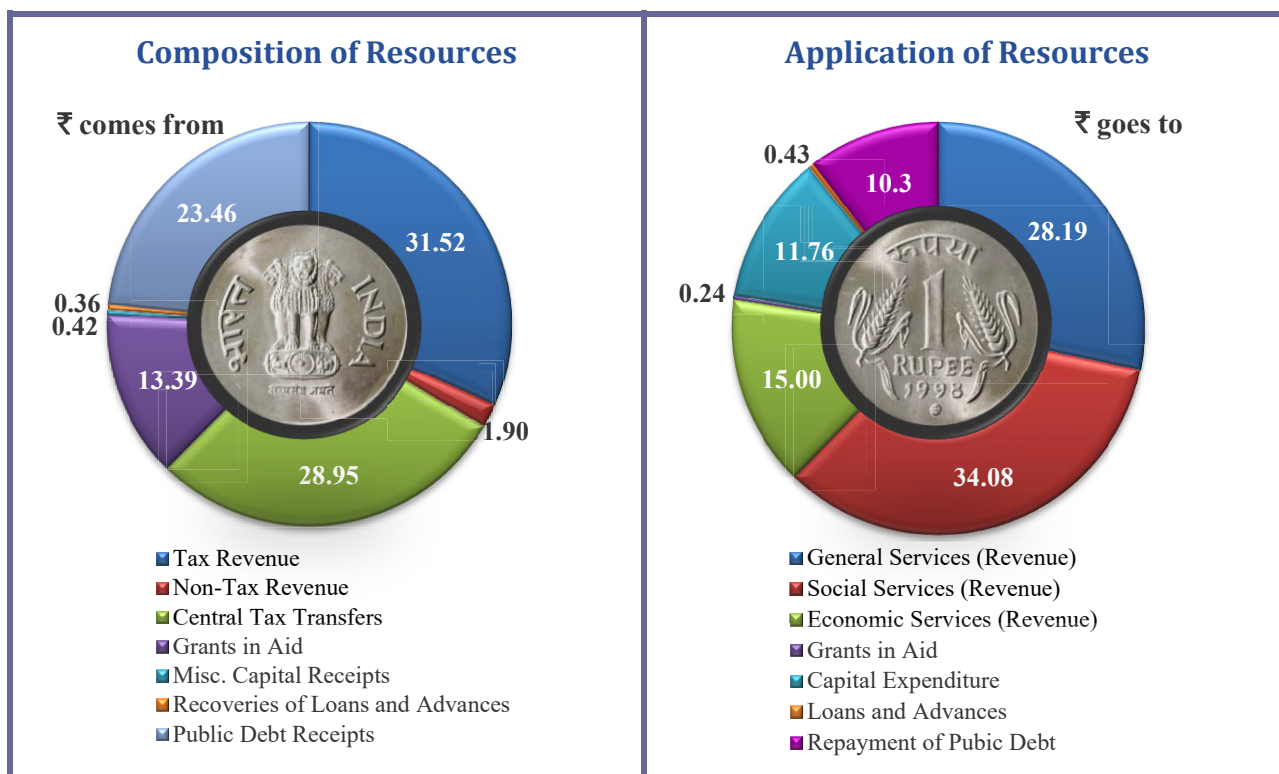
#NA: Not Available

	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
(₹ in crore)					
Part E. Fiscal health Indicators					
I. Resource Mobilisation					
34. Own Tax Revenue/GSDP	0.055	0.053	0.052	0.053	0.052
35. Own Non-Tax Revenue/GSDP	0.002	0.002	0.003	0.003	0.003
36. Central Transfers/GSDP	0.034	0.047	0.051	0.049	0.047
II. Expenditure Management					
37. Total Expenditure/GSDP (in per cent)	15.88	16.57	16.78	16.05	15.37
38. Total Revenue Expenditure/Receipts (in per cent)	119.81	108.29	113.65	107.47	107.12
39. Revenue Expenditure/Total Expenditure (in per cent)	90.89	89.95	91.44	87.95	86.42
40. Expenditure on Social Service/Total Expenditure (in per cent)	38.92	39.43	42.06	42.00	42.25
41. Expenditure on Economic Services / Total Expenditure (in per cent)	22.70	24.86	22.74	24.39	25.54
42. Capital Expenditure/Total Outlay (in per cent)	8.66	9.40	7.74	12.07	13.11
43. Capital Expenditure on Social and Economic Services/Total Expenditure (in per cent)	8.29	8.87	7.16	11.45	12.59
III. Management of Fiscal Imbalances					
44. Revenue Deficit (Surplus)/GSDP (in per cent)	(-2.39)	(-1.14)	(-1.84)	(-0.98)	(-0.88)
45. Fiscal Deficit/GSDP (in per cent)	(-3.81)	(-2.62)	(-2.91)	(-2.89)	(-2.84)
46. Primary Deficit (Surplus)/GSDP (in per cent)	(-0.80)	0.28	0.04	(-0.09)	(-0.39)
47. Revenue Deficit/Fiscal Deficit(in per cent)	62.67	43.54	63.37	33.90	31.03
48. Primary Revenue Balance/GSDP	0.006	0.018	0.011	0.018	0.016
IV. Management of Fiscal Liabilities					
49. Fiscal Liabilities/GSDP (in per cent)	38.66	38.38	38.70	35.11	33.40
50. Fiscal Liabilities/RR (in per cent)	320.85	278.90	286.58	274.98	269.43
51. Debt Redemption (Principal +Interest)/Total Debt Receipts	0.96	0.95	0.94	1.04	0.98
V. Other Fiscal health Indicators					
52. Return on Investment (in per cent)	0.05	0.09	0.01	0.25	0.28
53. Balance from Current Revenue (₹ in crore)	(-) 4,873	13,104	6,544	1,797	1,20,562
54. Financial Assets/Liabilities	0.28	0.31	0.33	0.35	0.38

Source: Finance Accounts of Government of West Bengal (2014-15 to 2018-19)
 Figures in brackets represent percentages (rounded) to total of each sub-heading

APPENDIX 1.5
(Refer Paragraph 1.2)

Composition of Resources and Application of Funds in the Consolidated Fund of the State during 2018-19



Source: Finance Accounts of Government of West Bengal (2018-19)

APPENDIX 1.6
(Refer Paragraph
1.4.2.5)

**Release of 14th FC Grants by GoI
vis-à-vis Allocation (up to 2018-19)**

Installment	Allocation as per 14 th FC	Actual release by Government of India	Shortfall
	(₹ in crore)		
(A) Basic Grant for RLBs			
1st installment of 2015-16	766.11	735.43	30.68
2nd instalment of 2015-16	766.11	735.43	30.68
1st instalment of 2016-17	1,060.81	1,025.26	35.55
2nd instalment of 2016-17	1,060.81	1,025.25	35.56
1st instalment of 2017-18	1,225.67	1,184.59	41.08
2nd instalment of 2017-18	1,225.67	1,184.59	41.08
1st instalment of 2018-19	1,417.88	1,370.34	47.53
2nd instalment of 2018-19	1,417.88	1,370.34	47.53
Total: (A)	8,940.90	8,631.23	309.67
(B) Basic Grant for ULBs			
2nd instalment of 2015-16	318.61	239.59	79.02
Total: (B)	318.61	239.59	79.02
(C) Performance Grant for RLBs			
Performance Grant of 2016-17	278.30	268.97	9.33
Performance Grant of 2017-18	314.93	0	314.93
Performance Grant of 2018-19	357.64	0	357.64
Total: (C)	950.87	268.97	681.90
(D) Performance Grant for ULBs			
Performance Grant of 2017-18	294.69	0	294.69
Performance Grant of 2018-19	334.66	0	334.66
Total: (D)	629.35	0	629.35
Grand Total: (A+B+C+D)	10,839.73	9,139.79	1,699.94

Source: 14th FC Report and Departmental figures; Difference of ₹ 0.01 crore is due to rounding

APPENDIX 1.7
(Refer Paragraph
1.4.2.5)

**Payment of Interest by GoWB due to
delay in release of 14th FC Grants**

Type of GoI Fund	Amount (₹ in crore)	Delay in number of days	Penal Interest for delays (₹ in crore)
1st instalment of Basic Grant (2015-16) for RLBs	735.43	95 to 398 days	15.86
2nd instalment of Basic Grant (2015-16) for RLBs	735.43	17 days	2.45
1st instalment of Basic Grant (2016-17) for RLBs	582.42	9 days	0.93
2nd instalment of Basic Grant (2016-17) for RLBs	1,025.25	5 days	0.91
1st instalment of Basic Grant (2015-16) for ULBs	318.61	104 to 182 days	13.86
2nd instalment of Basic Grant (2016-17) for ULBs	441.17	5 to 37 days	0.46
1st instalment of Basic Grant (2017-18) for ULBs	509.73	1 day	0.09
Performance Grant (2016-2017) for RLBs	268.97	10 days	0.55
Performance Grant (2016-2017) for ULBs	260.41	40 days	1.92
Total	4,877.42		37.03
2nd instalment (2015-16) of SDRF	258.00	13 to 157 days	4.66
1st instalment (2016-17) of SDRF	271.00	2 days	0.10
2nd instalment (2016-17) of SDRF	271.00	61 days	3.06
1st instalment (2017-18) of SDRF	284.50	11 days	0.56
2nd instalment (2017-18) of SDRF	284.50	7 days	0.34
1st instalment (2018-19) of SDRF	348.83	186 days	3.12
Total	1,717.83		11.84
Grand Total	6,595.25		48.87

Source: Departmental figures

APPENDIX 2.1
(Refer Paragraph 2.2.2)

**Statement of various Grants/
Appropriations where savings were
more than ₹ 1 crore or more than
20 per cent of total provision**

Sl. No.	Grant No.	Name of the Grant/ Appropriation	Total Grant/ Appropriation	Savings	Percentage
			(₹ in crore)		
Revenue (Voted)					
1	01	Legislative Assembly Secretariat	65.89	17.05	25.88
2	03	Council of Ministers	40.51	1.51	3.73
3	04	Agricultural Marketing	106.65	41.01	38.45
4	05	Agriculture	6,457.45	546.23	8.46
5	06	Animal Resources Development	992.47	300.13	30.24
6	08	Co-operation	394.51	68.34	17.32
7	10	Consumer Affairs	105.38	21.81	20.70
8	11	Micro, Small and Medium Enterprises & Textiles	718.85	353.38	49.16
9	14	Mass Education Extension and Library Services	309.34	23.49	7.59
10	15	School Education	24,103.97	1,300.58	5.40
11	16	Environment	94.70	34.30	36.22
12	19	Fire & Emergency Services	240.14	20.80	8.66
13	20	Fisheries	354.80	120.84	34.06
14	22	Food Processing Industries and Horticulture	165.01	64.28	38.96
15	23	Forest	745.84	121.25	16.26
16	25	Public Works	1,485.75	38.84	2.61
17	28	Housing	1,142.39	1,036.50	90.73
18	31	Information Technology and Electronics	299.92	153.51	51.18
19	32	Irrigation and Waterways	887.08	123.20	13.89
20	33	Correctional Administration	266.57	23.39	8.77
21	34	Judicial	606.82	65.60	10.81
22	35	Labour	1,007.81	202.06	20.05
23	37	Law	8.25	1.12	13.58
24	38	Minority Affairs and Madrasah Education	2352.75	108.61	4.62
25	40	Panchayats & Rural Development	19,891.18	3,396.81	17.08
26	41	Parliamentary Affairs	14.85	12.39	83.43
27	45	Public Health Engineering	1,000.41	54.36	5.43
28	49	Youth Services and Sports	520.92	106.31	20.41
29	50	Sundarban Affairs	106.34	27.29	25.66
30	51	Technical Education, Training & Skill Development	758.38	96.05	12.67
31	52	Tourism	214.70	51.91	24.18
32	53	Transport	1,347.54	125.94	9.35
33	55	Water Resources Investigation and Development	521.66	52.22	10.01
34	58	Paschimanchal Unnayan Affairs	23.19	8.48	36.57

Sl. No.	Grant No.	Name of the Grant/ Appropriation	Total Grant/ Appropriation	Savings	Percentage
			(₹ in crore)		
35	59	Self-Help Groups and Self Employment	545.64	7.64	1.40
36	62	North Bengal Development	132.48	112.29	84.76
37	65	Tribal Development	801.13	142.39	17.77
38	68	Home and Hill Affairs	7,790.83	264.67	3.40
39	69	Land & Land Reforms and Refugee Relief & Rehabilitation	1,040.88	151.45	14.55
40	70	Higher Education, Science & Technology and Biotechnology	3,495.23	8.90	0.25
41	71	Planning, Statistics and Programme Monitoring	330.30	47.85	14.49
42	72	Urban Development and Municipal Affairs	7,593.32	9.61	0.13
43	73	Disaster Management and Civil Defence	1,819.35	27.19	1.49
44	75	Industry, Commerce and Enterprises	1,016.10	826.30	81.32
Capital (Voted)					
1	01	Legislative Assembly Secretariat	17.00	14.30	84.12
2	04	Agricultural Marketing	232.48	97.61	41.99
3	05	Agriculture	544.39	362.33	66.56
4	06	Animal Resources Development	127.66	66.98	52.47
5	07	Backward Classes Welfare	73.11	49.20	67.30
6	08	Co-operation	14.93	8.42	56.40
7	10	Consumer Affairs	20.02	18.15	90.66
8	14	Mass Education Extension and Library Services	11.50	6.26	54.43
9	15	School Education	636.00	182.35	28.67
10	18	Finance	120.17	45.11	37.54
11	19	Fire and Emergency Services	219.29	129.35	58.99
12	20	Fisheries	44.00	29.86	67.86
13	21	Food & Supplies	203.00	42.98	21.17
14	22	Food Processing Industries and Horticulture	19.01	18.21	95.79
15	23	Forest	53.97	27.69	51.31
16	28	Housing	1,137.50	1,062.25	93.38
17	30	Information and Cultural Affairs	115.65	13.62	11.78
18	32	Irrigation and Waterways	2,239.99	1,037.57	46.32
19	34	Judicial	221.42	112.68	50.89
20	35	Labour	27.50	11.51	41.85
21	38	Minority Affairs and Madrasah Education	1,398.00	607.20	43.43
22	42	Personnel and Administrative Reforms	89.50	15.55	17.37
23	49	Youth Services and Sports	127.19	58.82	46.25
24	51	Technical Education, Training & Skill Development	252.13	78.35	31.08
25	52	Tourism	212.00	125.11	59.01
26	55	Water Resources Investigation and Development	802.52	216.75	27.01
27	58	Paschimanchal Unnayan Affairs	557.00	9.96	1.79
28	59	Self-Help Groups and Self Employment	60.00	5.06	8.43
29	65	Tribal Development	87.31	38.05	43.58
30	68	Home and Hill Affairs	752.04	189.77	25.23
31	69	Land & Land Reforms and Refugee Relief & Rehabilitation	156.03	106.33	68.15

Sl. No.	Grant No.	Name of the Grant/ Appropriation	Total Grant/ Appropriation	Savings	Percentage
			(₹ in crore)		
32	70	Higher Education, Science & Technology and Biotechnology	404.54	229.92	56.83
33	71	Planning, Statistics and Programme Monitoring	23.01	19.80	86.05
34	72	Urban Development and Municipal Affairs	4,322.78	934.97	21.63
35	74	Women & Child Development and Social Welfare	431.28	405.07	93.92
36	75	Industry, Commerce and Enterprises	966.33	119.12	12.33
Revenue (Charged)					
1	01	Legislative Assembly Secretariat	0.55	0.28	50.91
2	02	Governor's Secretariat	13.85	2.59	18.70
3	06	Animal Resources Development	0.04	0.04	100.00
4	07	Backward Classes Welfare	0.02	0.02	100.00
5	08	Co-operation	2.58	2.41	93.41
6	18	Finance	30,502.54	1,178.98	3.87
7	19	Fire and Emergency Services	0.02	0.02	100.00
8	20	Fisheries	4.75	1.11	23.37
9	23	Forest	0.18	0.14	77.78
10	24	Health and Family Welfare	0.03	0.03	100.00
11	28	Housing	0.30	0.22	73.33
12	32	Irrigation and Waterways	104.66	104.38	99.73
13	34	Judicial	196.82	27.46	13.95
14	40	Panchayats and Rural Development	6.68	6.68	100.00
15	43	Power and Non-Conventional Energy Sources	23.00	9.07	39.43
16	45	Public Health Engineering	0.09	0.08	88.89
17	68	Home and Hill Affairs	4.00	1.02	25.50
18	69	Land & Land Reforms and Refugee Relief & Rehabilitation	0.05	0.05	100.00
19	72	Urban Development and Municipal Affairs	15.28	15.28	100.00
20	73	Disaster Management and Civil Defence	2.00	2.00	100.00
Capital (Charged)					
1	06	Animal Resources Development	0.05	0.05	100.00
2	08	Co-operation	2.30	1.16	50.43
3	20	Fisheries	13.50	6.52	48.30
4	21	Food and Supplies	1.00	0.46	46.00
5	22	Food Processing Industries and Horticulture	0.35	0.35	100.00
6	25	Public Works	12.07	2.08	17.23
7	32	Irrigation and Waterways	25.24	24.63	97.58
8	34	Judicial	0.20	0.20	100.00
9	40	Panchayats and Rural Development	1.25	1.25	100.00
10	43	Power and Non-Conventional Energy Sources	90.00	65.63	72.92
11	45	Public Health Engineering	1.35	1.25	92.59
12	69	Land & Land Reforms and Refugee Relief & Rehabilitation	10.00	2.40	24.00
13	75	Industry, Commerce and Enterprises	1.10	1.10	100.00

Source: Appropriation Accounts of Government of West Bengal (2018-19)

APPENDIX 2.2 Excess Expenditure over provisions relating to 2018-19 requiring regularisation

(Refer Paragraphs 2.2.2 and 2.2.2.1)

Sl. No.	Number and Name of Grant/ Appropriation		Total Grant/ Appropriation	Actual Expenditure	Excess Expenditure	Percentage
			(₹ in crore)			
Voted						
1	07-Revenue	Backward Classes Welfare	1379.96	1737.37	357.41	25.90
2	11-Capital	Micro, Small and Medium Enterprises and Textiles	464.67	614.24	149.57	32.19
3	18-Revenue	Finance	17122.63	17874.13	751.50	4.39
4	21-Revenue	Food & Supplies	9795.21	10813.11	1017.90	10.39
5	24-Revenue	Health & Family Welfare	8202.88	8382.84	179.96	2.19
	24-Capital		1170.41	1229.82	59.41	5.08
6	25-Capital	Public Works	5945.41	6093.12	147.71	2.48
7	30-Revenue	Information and Cultural Affairs	447.76	512.49	64.73	14.46
8	33-Capital	Correctional Administration	61.00	84.94	23.94	39.25
9	40-Capital	Panchayats and Rural Development	1785.56	2582.45	796.89	44.63
10	42-Revenue	Personnel and Administrative Reforms	124.01	167.18	43.17	34.81
11	43-Revenue	Power and Non-Conventional Energy Sources	1063.05	2002.34	939.29	88.36
	43-Capital		2123.00	2319.00	196.00	9.23
12	45-Capital	Public Health Engineering	1865.97	1986.13	120.16	6.44
13	50-Capital	Sunderban Affairs	390.00	432.19	42.19	10.82
14	53-Capital	Transport	446.13	509.55	63.42	14.22
15	62-Capital	North Bengal Development	608.00	661.71	53.71	8.83
16	73-Capital	Disaster Management and Civil Defence	173.04	191.78	18.74	10.83
17	74-Revenue	Women & Child Development and Social Welfare	5640.98	6106.68	465.70	8.26
Charged						
18	18-Capital	Finance	41464.49	45742.32	4277.83	10.32
Total			100274.16	110043.39	9769.23	

Source: Appropriation Accounts of Government of West Bengal (2018-19)

<p>APPENDIX 2.3 (Refer Paragraph 2.2.2.1; Box 2.1)</p>	<p>Expenditure incurred without provision during 2018-19</p>
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Sl. No.	Number and Name of the Grant/ Appropriation		Expenditure incurred without provisions (₹ in crore)
	Grants	Head of Account	
1	05-Agriculture	2401-00-105-018-(Revenue Voted)	1.96
		2401-00-105-019-(Revenue Voted)	1.30
		2401-00-113-008-(Revenue Voted)	13.94
		2401-00-113-010-(Revenue Voted)	0.09
		2401-00-113-011-(Revenue Voted)	0.06
		2401-00-789-070-(Revenue Voted)	0.06
		2401-00-789-071-(Revenue Voted)	0.04
		2401-00-796-055-(Revenue Voted)	0.03
		2401-00-796-056-(Revenue Voted)	0.02
		2401-00-800-009-(Revenue Voted)	0.04
		2851-00-107-056-(Revenue Voted)	2.34
		2851-00-789-063-(Revenue Voted)	0.71
		2851-00-796-057-(Revenue Voted)	0.44
		4851-00-107-001-(Capital Voted)	0.59
		4851-00-789-024-(Capital Voted)	0.24
		2	06-Animal Resources Development
2401-00-789-091-(Revenue Voted)	10.47		
2401-00-796-077-(Revenue Voted)	0.80		
2401-00-800-027-(Revenue Voted)	7.55		
2403-00-101-028-(Revenue Voted)	14.99		
4403-00-789-009-(Capital Voted)	0.70		
3	07-Backward Classes Welfare	4403-00-796-007-(Capital Voted)	0.95
		2225-01-102-011-(Revenue Voted)	2.00
		2225-01-277-037-(Revenue Voted)	0.90
4	08-Co-Operation	4225-01-190-002-(Capital Voted)	5.00
		4425-00-106-032-(Capital Voted)	0.69
5	10-Consumer Affairs	6425-00-106-016-(Capital Voted)	0.84
		3456-00-800-001-(Revenue Voted)	0.09
6	11-Micro, Small and Medium Enterprises & Textiles	3456-00-800-015-(Revenue Voted)	0.80
		4851-00-797-001-(Capital Voted)	85.36
		4851-00-797-002-(Capital Voted)	193.42
		6851-00-102-001-(Capital Voted)	8.79
7	14-Mass Education Extension and Library Services	6851-00-102-002-(Capital Voted)	1.60
		2202-80-001-018-(Revenue Voted)	0.12
8	15-School Education	2202-01-112-013-(Revenue Voted)	199.99
		2202-02-110-027-(Revenue Voted)	0.85
9	18-Finance	2030-02-102-003-(Revenue Voted)	0.31
		2040-00-001-007-(Revenue Voted)	0.70

Sl. No.	Number and Name of the Grant/ Appropriation		Expenditure incurred without provisions (₹ in crore)
	Grants	Head of Account	
		2045-00-103-002-(Revenue Voted)	0.20
		2071-01-106-002-(Revenue Voted)	0.86
		2071-01-800-004-(Revenue Voted)	56.47
		4059-01-051-103-(Capital Voted)	0.94
10	23-Forest	2401-00-789-084-(Revenue Voted)	2.96
		2401-00-789-085-(Revenue Voted)	1.97
		2401-00-796-070-(Revenue Voted)	0.23
		2401-00-796-071-(Revenue Voted)	0.15
		2401-00-800-023-(Revenue Voted)	1.44
		4406-01-070-002-(Capital Voted)	2.44
11	24-Health & Family Welfare	2210-05-105-035-(Revenue Voted)	3.41
		2210-05-105-037-(Revenue Voted)	2.10
		2210-05-105-038-(Revenue Voted)	2.58
		2210-05-105-070-(Revenue Voted)	3.02
		2210-05-105-071-(Revenue Voted)	3.32
		2210-06-113-003-(Revenue Voted)	2.63
12	25-Public Works	3054-80-797-002-(Revenue Voted)	142.98
		5054-03-797-005-(Capital Voted)	684.43
		5054-80-190-001-(Capital Voted)	308.24
13	30-Information and Cultural Affairs	2205-00-103-038-(Revenue Voted)	0.63
14	32-Irrigation and Waterways	4700-08-001-004-(Capital Voted)	3.50
15	34-Judicial	2014-00-116-003-(Revenue Voted)	0.23
		4216-01-106-093-(Capital Voted)	0.15
16	35-Labour	2230-01-800-001-(Revenue Voted)	0.02
		2230-02-789-005-(Revenue Voted)	0.88
17	40-Panchayats and Rural Development	2515-00-101-019-(Revenue Voted)	29.41
		2515-00-101-020-(Revenue Voted)	19.61
		2515-00-196-004-(Revenue Voted)	5.40
		2515-00-196-007-(Revenue Voted)	4.34
		2515-00-789-015-(Revenue Voted)	23.94
		2515-00-789-016-(Revenue Voted)	15.96
		2515-00-796-013-(Revenue Voted)	1.59
		2515-00-796-014-(Revenue Voted)	1.06
18	43-Power & Non-Conventional Energy Sources	4801-02-190-019-(Capital Voted)	514.29
		4801-06-001-001-(Capital Voted)	41.46
		4801-06-789-006-(Capital Voted)	19.43
		4801-06-796-006-(Capital Voted)	3.88
		6801-00-202-008-(Capital Voted)	116.12
		6801-00-202-028-(Capital Voted)	1171.95
		6860-60-600-014-(Capital Voted)	13.40
19	45-Public Health Engineering	4215-01-102-008-(Capital Voted)	6.00
		4215-01-102-021-(Capital Voted)	77.77
		4215-01-789-012-(Capital Voted)	3.00
		4215-01-789-018-(Capital Voted)	23.76
		4215-01-796-013-(Capital Voted)	1.00
		4215-01-796-019-(Capital Voted)	6.48

Sl. No.	Number and Name of the Grant/ Appropriation		Expenditure incurred without provisions (₹ in crore)
	Grants	Head of Account	
20	51-Technical Education, Training and Skill Development	2203-00-003-007-(Revenue Voted)	14.30
		2203-00-003-011-(Revenue Voted)	28.86
		2203-00-789-013-(Revenue Voted)	3.15
		2203-00-789-016-(Revenue Voted)	6.36
		2203-00-796-011-(Revenue Voted)	1.40
		2203-00-796-014-(Revenue Voted)	2.83
		4202-02-104-009-(Capital Voted)	2.60
		4202-02-789-005-(Capital Voted)	0.79
		4202-02-796-007-(Capital Voted)	0.33
21	52-Tourism	3452-01-800-089-(Revenue Voted)	0.02
		3452-80-199-001-(Revenue Voted)	0.60
		5452-01-190-003-(Capital Voted)	8.00
22	53-Transport	3055-00-797-001-(Revenue Voted)	33.68
		3075-60-800-001-(Revenue Voted)	0.39
		5055-00-102-004-(Capital Voted)	12.00
23	55-Water Resources Investigation & Development	2401-00-113-020-(Revenue Voted)	0.07
		4401-00-789-012-(Capital Voted)	3.60
		4401-00-796-012-(Capital Voted)	0.27
		4401-00-800-009-(Capital Voted)	2.03
24	58-Paschimanchal Unnayan Affairs	4575-60-800-001-(Capital Voted)	10.69
25	62-North Bengal Development	2575-02-101-039-(Revenue Voted)	2.50
		4575-02-797-002-(Capital Voted)	121.31
26	65-Tribal Development	2225-02-277-046-(Revenue Voted)	4.42
		2225-02-277-047-(Revenue Voted)	1.63
		2225-02-796-004-(Revenue Voted)	3.35
		2225-02-796-115-(Revenue Voted)	2.00
		2225-02-796-116-(Revenue Voted)	2.19
27	68-Home and Hill Affairs	2055-00-800-021-(Revenue Voted)	0.20
		2070-00-107-008-(Revenue Voted)	0.32
		4250-00-800-003-(Capital Voted)	0.51
28	70-Higher Education, Science & Technology and Biotechnology	2052-00-090-040-(Revenue Voted)	0.17
		3425-60-001-002-(Revenue Voted)	10.47
		3425-60-004-042-(Revenue Voted)	0.20
		3425-60-004-043-(Revenue Voted)	3.55
		3425-60-004-050-(Revenue Voted)	0.25
		3425-60-200-010-(Revenue Voted)	9.13
		3425-60-200-011-(Revenue Voted)	4.39
		3425-60-200-012-(Revenue Voted)	0.24
		3425-60-200-015-(Revenue Voted)	0.04
		3425-60-200-016-(Revenue Voted)	0.25
		3425-60-200-017-(Revenue Voted)	0.37
		3425-60-600-004-(Revenue Voted)	0.94
		3425-60-789-002-(Revenue Voted)	0.53
		3425-60-796-002-(Revenue Voted)	0.43
3451-00-090-055-(Revenue Voted)	0.74		
29	72-Urban Development and Municipal Affairs	2217-05-051-003-(Revenue Voted)	9.66
		2217-05-193-023-(Revenue Voted)	2.88

Sl. No.	Number and Name of the Grant/ Appropriation		Expenditure incurred without provisions (₹ in crore)	
	Grants	Head of Account		
		2217-05-789-002-(Revenue Voted)	0.30	
		2217-05-789-023-(Revenue Voted)	2.95	
		2217-05-796-011-(Revenue Voted)	0.80	
		6551-60-101-002-(Capital Voted)	0.05	
30	73-Disaster Management and Civil Defence	2245-80-103-002-(Revenue Voted)	324.78	
		4235-60-001-001-(Capital Voted)	1.22	
31	75-Industry, Commerce and Enterprises	6857-02-190-006-(Capital Voted)	49.66	
		6857-02-190-007-(Capital Voted)	2.56	
		6860-01-190-022-(Capital Voted)	8.54	
Sl. No.	Appropriation	Head of Account	Expenditure incurred without provisions (₹ in crore)	
1	02-Governor's Secretariat	2012-03-800-001-(Revenue Charged)	1.00	
		2049-01-123-018-(Revenue Charged)	73.11	
		2049-01-123-025-(Revenue Charged)	12.81	
		2049-01-123-026-(Revenue Charged)	23.12	
		2049-02-216-003-(Revenue Charged)	19.93	
		2049-02-217-005-(Revenue Charged)	0.93	
		2049-02-249-005-(Revenue Charged)	30.78	
		2049-02-249-006-(Revenue Charged)	0.22	
		2049-02-249-007-(Revenue Charged)	11.16	
2	18-Finance	6003-00-101-501-(Capital Charged)	0.16	
		6003-00-101-513-(Capital Charged)	0.01	
		6003-00-109-023-(Capital Charged)	0.03	
		6003-00-111-018-(Capital Charged)	158.81	
		6003-00-111-022-(Capital Charged)	725.41	
		6003-00-111-023-(Capital Charged)	148.91	
		6003-00-111-024-(Capital Charged)	12.25	
		6004-01-102-001-(Capital Charged)	431.67	
		6004-02-101-001-(Capital Charged)	237.64	
Total			6,477.92	

Source: Appropriation Accounts of Government of West Bengal (2018-19)

APPENDIX 2.4
(Refer Paragraph 2.2.2.2)

Excess Expenditure over provisions relating to previous years requiring regularisation

Year	Number of		Amount of Excess Expenditure (₹ in crore)
	Grants	Appropriations	
2009-10	16 (Grant Nos. 4, 5, 19, 20, 21, 23, 24, 25, 27, 28, 33, 35, 40, 43, 53, 56)	6 (Grant Nos. 5, 18, 20, 29, 32, 43)	3,492.90
2010-11	13 (Grant Nos. 4, 5, 15, 18, 20, 22, 23, 25, 27, 33, 35, 46, 60)	10 (Grant Nos. 11, 18, 23, 27, 35, 42, 43, 45, 47, 53)	8,330.72
2011-12	6 (Grant Nos. 4, 5, 18, 25, 47, 60)	13 (Grant Nos. 5, 12, 18, 20, 23, 25, 27, 32, 39, 42, 43, 46, 53)	5,000.45
2012-13	7 (Grant Nos. 7, 11, 13, 21, 43, 45, 60)	7 (Grant Nos. 19, 20, 23, 27, 36, 39, 40)	464.96
2013-14	13 (Grant Nos. 13, 15, 18, 26, 27, 35, 36, 40, 43, 45, 53, 60, 64)	7 (Grant Nos. 9, 18, 19, 32, 36, 40, 45)	1,504.36
2014-15	7 (Grant Nos. 7, 24, 27, 31, 33, 49, 53)	4 (Grant Nos. 36, 39, 40, 43)	279.92
2015-16	11 (Grant Nos. 5, 7, 21, 24, 27, 35, 40, 43, 45, 48, 56)	----	2,420.95
2016-17	8 (Grant Nos. 7, 24, 43, 47, 49, 53, 56, 59)	----	2,583.38
2017-18	10 (Grant Nos. 7, 11, 24, 33, 40, 43, 45, 53, 62, 75)	1 (Grant No. 20)	2,617.62
Total	91	48	26,695.26

Source: Appropriation Accounts of Government of West Bengal (2009-10 to 2017-18)

APPENDIX 2.5*(Refer Paragraph 2.2.4)***Excessive/unnecessary/insufficient re-appropriation of funds leading to savings or excess of ₹ 5 crore and above**

Sl. No.	Grant No.	Description	Head of Account	Re-appropriation	Final Excess(+)/ Saving (-)
				(₹ in crore)	
Savings					
1	06	Animal Resources Development	2403-00-001-003	(-)1.28	(-)8.94
2	07	Backward Classes Welfare	2225-80-001-002	(+)1.40	(-)5.69
3	11	Micro, Small and Medium Enterprises and Textiles	2851-00-102-017	(-)1.58	(-)14.30
			4851-00-101-002	(-)3.50	(-)6.12
			4851-00-102-022	(+)3.30	(-)16.74
4	15	School Education	2202-02-110-033	(-)0.86	(-)6.94
			2202-02-789-013	(-)115.10	(-)11.68
			4202-01-201-007	(-)49.86	(-)59.29
			4202-01-202-002	(-)35.46	(-)18.67
			4202-01-202-005	(+)35.46	(-)41.46
5	16	Environment	3435-03-102-001	(+)1.67	(-)10.16
6	18	Finance	2039-00-001-001	(-)0.69	(-)18.97
			2039-00-001-002	(+)0.69	(-)47.93
7	19	Fire & Emergency Services	4059-01-051-104	(+)109.00	(-)121.47
8	20	Fisheries	2405-00-789-003	(-)5.00	(-)13.32
			2405-00-789-007	(+)4.94	(-)6.72
			2405-00-789-010	(+)10.72	(-)12.69
9	21	Food and Supplies	2408-01-001-004	(+)0.35	(-)10.32
			4408-02-789-001	(+)13.61	(-)7.75
10	22	Food Processing Industries and Horticulture	2401-00-119-008	(-)0.41	(-)14.37
			4401-00-104-015	(-)0.80	(-)13.20
11	24	Health and Family Welfare	2210-01-110-025	(+)2.45	(-)6.28
			2210-01-110-037	(-)4.70	(-)15.63
			4210-01-789-002	(+)7.14	(-)15.34
12	25	Public Works	3054-80-001-002	(-)0.60	(-)27.37
13	30	Information & Cultural Affairs	2205-00-800-051	(-)4.88	(-)12.02
14	32	Irrigation and Waterways	2700-03-001-001	(+)0.16	(-)11.35
			2701-04-001-001	(+)0.20	(-)14.77
			2701-80-001-001	(-)0.77	(-)6.52
			2711-01-001-001	(-)0.89	(-)29.40
			4700-03-001-003	(-)1.07	(-)90.03
			4711-01-796-012	(-)0.66	(-)21.64
15	33	Correctional Administration	2056-00-001-001	(+)0.02	(-)9.13
			2056-00-101-003	(-)0.01	(-)7.59
16	34	Judicial	2014-00-800-002	(-)0.91	(-)5.28
17	35	Labour	2230-01-103-006	(-)14.74	(-)31.26
			2235-02-200-004	(-)87.05	(-)5.24
			2235-60-200-036	(+)11.79	(-)5.95

Sl. No.	Grant No.	Description	Head of Account	Re-appropriation	Final Excess(+)/ Saving (-)
				(₹ in crore)	
			2235-60-200-085	(+)85.50	(-)86.29
			2235-60-200-086	(+)12.12	(-)11.83
18	38	Minority Affairs and Madrasah Education	2202-01-109-005	(+)13.00	(-)13.68
			2202-02-053-001	(+)9.00	(-)10.84
			2202-02-110-013	(+)42.00	(-)19.83
			2515-00-800-031	(-)16.50	(-)13.52
			2515-00-800-033	(-)2.20	(-)10.27
			4235-02-800-005	(-)12.32	(-)6.72
19	40	Panchayats and Rural Development	2515-00-196-015	(+)51.12	(-)63.36
			2515-00-197-001	(-)51.12	(-)38.88
			2515-00-197-007	(+)51.12	(-)63.36
			2515-00-198-001	(-)77.82	(-)59.18
			2515-00-198-008	(+)77.82	(-)96.45
			2515-00-789-004	(-)113.54	(-)86.46
			2515-00-789-018	(+)113.54	(-)140.63
			2515-00-796-003	(-)28.40	(-)21.60
			2515-00-796-016	(+)33.42	(-)45.24
20	42	Personnel and Administrative Reforms and E-Governance	2052-00-090-021	(-)0.22	(-)5.19
21	49	Youth Services and Sports	4202-03-102-001	(+)1.54	(-)16.43
22	51	Technical Education, Training and Skill Development	2203-00-003-003	(-)10.00	(-)65.51
			4202-02-104-001	(+)4.66	(-)21.88
23	52	Tourism	3452-01-101-003	(+)12.00	(-)5.00
24	53	Transport	2070-00-114-001	(-)0.74	(-)7.08
25	55	Water Resources Investigation & Development	4702-00-101-003	(-)3.09	(-)6.13
			4702-00-101-004	(+)3.50	(-)9.13
			4702-00-800-034	(-)5.04	(-)5.75
26	62	North Bengal Development	2575-02-101-018	(-)0.82	(-)14.34
27	65	Tribal Development	2225-02-796-070	(-)4.11	(-)13.34
			2225-02-796-073	(-)4.89	(-)12.47
28	68	Home and Hill Affairs	2055-00-001-001	(-)0.36	(-)7.06
			2055-00-101-001	(+)7.35	(-)9.38
			2055-00-104-001	(+)0.80	(-)12.81
			2055-00-108-001	(+)0.36	(-)74.04
			2055-00-108-002	(-)2.22	(-)8.68
			2055-00-109-001	(-)8.43	(-)98.57
			2055-00-109-008	(-)0.79	(-)7.55
			2055-00-109-009	(+)2.63	(-)5.01
			2055-00-109-016	(+)1.25	(-)11.19
			2055-00-109-022	(-)0.28	(-)7.72
			2055-00-111-002	(+)0.62	(-)5.29
			2055-00-800-004	(+)0.28	(-)5.81
			2059-01-053-049	(+)5.00	(-)5.03
			4055-00-207-009	(-)0.57	(-)136.07
4055-00-207-017	(-)1.99	(-)20.62			
29	69		2029-00-001-001	(+)0.14	(-)7.79

Sl. No.	Grant No.	Description	Head of Account	Re-appropriation	Final Excess(+)/ Saving (-)
				(₹ in crore)	
		Land & Land Reforms and Refugee Relief & Rehabilitation	2029-00-102-003	(-)0.25	(-)51.99
			2053-00-094-001	(-)0.04	(-)9.12
30	70	Higher Education, Science & Technology and Biotechnology	2202-03-103-009	(-)0.11	(-)22.02
			2202-03-104-001	(-)0.05	(-)13.58
31	72	Urban Development and Municipal Affairs	2217-05-191-019	(-)38.00	(-)20.47
			2217-05-191-020	(+)70.52	(-)31.42
			2217-05-192-008	(+)24.23	(-)21.93
			2217-80-191-008	(+)108.89	(-)167.55
			2217-80-192-001	(-)116.91	(-)44.77
			2217-80-192-002	(+)116.91	(-)115.27
			2217-80-789-006	(-)75.24	(-)19.58
			2217-80-789-007	(+)75.24	(-)91.86
			2217-80-796-004	(+)9.48	(-)13.00
			3604-00-103-005	(-)0.23	(-)15.83
			4216-02-101-021	(-)7.21	(-)6.99
			4217-60-001-004	(-)40.00	(-)101.56
			4217-60-051-008	(+)15.00	(-)48.00
			4217-60-051-012	(+)106.00	(-)157.65
			4217-60-051-020	(-)49.00	(-)15.04
			4217-60-191-002	(-)6.87	(-)16.89
			4217-60-192-001	(-)30.00	(-)24.05
32	74	Women & Child Development and Social Welfare	2235-02-102-006	(-)1.42	(-)7.24
33	75	Industry, Commerce and Enterprises	2852-06-001-006	(-)0.12	(-)76.38
Total					(-)3305.61
Excess					
1	07	Backward Classes Welfare	2225-03-277-003	(+)9.65	(+)36.34
			2225-80-800-011	(+)39.62	(+)59.48
2	21	Food and Supplies	2235-60-200-011	(+)170.00	(+)1894.75
3	24	Health and Family Welfare	2210-06-101-013	(-)5.00	(+)10.80
			4210-01-110-014	(+)35.00	(+)40.47
			4210-03-105-013	(-)35.00	(+)128.01
4	25	Public Works	5054-03-337-015	(+)0.33	(+)151.34
			5054-04-789-004	(+)7.48	(+)22.91
5	30	Information and Cultural Affairs	4202-04-800-002	(+)12.00	(+)6.31
6	33	Correctional Administration	4059-60-051-011	(+)1.71	(+)27.24
7	38	Minority Affairs and Madrasah Education	2235-02-200-019	(+)0.05	(+)45.48
			2235-02-200-027	(+)42.65	(+)140.21
8	49	Youth Services and Sports	2204-00-104-001	(+)13.10	(+)34.82
9	50	Sunderban Affairs	4575-02-789-008	(+)4.65	(+)28.32
10	53	Transport	5056-00-800-008	(+)2.45	(+)25.66
11	68	Home and Hill Affairs	2055-00-001-002	(+)0.30	(+)31.52
			4059-60-051-014	(+)1.50	(+)9.46
12	72	Urban Development and Municipal Affairs	2217-05-192-006	(-)6.04	(+)8.23
			4217-60-051-014	(+)8.00	(+)40.76
			4217-60-789-004	(+)8.40	(+)9.65

State Finances Audit Report for the year ended March 2019

Sl. No.	Grant No.	Description	Head of Account	Re-appropriation	Final Excess(+)/ Saving (-)
				(₹ in crore)	
13	74	Women & Child Development and Social Welfare	2235-02-103-026	(-)237.21	(+)293.29
			2235-02-789-048	(+)154.00	(+)98.46
			2235-02-789-059	(+)0.10	(+)6.07
			2235-02-796-049	(+)83.00	(+)22.67
Total					(+)3172.25

Source: Appropriation Accounts of Government of West Bengal (2018-19)

APPENDIX 2.6

(Refer Paragraph 2.2.5.1)

Statement showing details of cases of short-surrender (by ₹ 1 crore and above) leading to savings

Sl. No.	Number and Name of Grants/Appropriation	Total Grant/ Appropriation	Savings	Amount Surrendered	Savings which remained to be surrendered	
						(₹ in crore)
Voted						
1	01-Legislative Assembly Secretariat	Capital	17.00	14.30	10.00	4.30
2	04-Agricultural Marketing	Revenue	106.65	41.01	2.65	38.36
		Capital	232.48	97.61	54.55	43.06
3	05-Agriculture	Revenue	6,457.45	546.23	153.87	392.36
		Capital	544.39	362.33	123.53	238.80
4	06-Animal Resources Development	Revenue	992.47	300.13	186.01	114.12
		Capital	127.66	66.98	47.44	19.54
5	07-Backward Classes Welfare	Capital	73.11	49.20	24.04	25.16
6	08-Co-operation	Revenue	394.51	68.34	40.00	28.34
		Capital	14.93	8.42	1.00	7.42
7	10-Consumer Affairs	Revenue	105.38	21.81	8.39	13.42
8	11-Micro, Small and Medium Enterprises and Textiles	Revenue	718.85	353.38	78.74	274.64
9	14-Mass Education Extension and Library Services	Revenue	309.34	23.49	8.44	15.05
		Capital	11.50	6.26	4.21	2.05
10	15-School Education	Revenue	24,103.97	1,300.58	0.50	1,300.08
		Capital	636.00	182.35	8.34	174.01
11	16-Environment	Revenue	94.70	34.30	14.47	19.83
12	19-Fire & Emergency Services	Revenue	240.14	20.80	1.00	19.80
		Capital	219.29	129.35	6.99	122.36
13	21-Food and Supplies	Capital	203.00	42.98	16.24	26.74
14	22-Food Processing Industries and Horticulture	Revenue	165.01	64.28	18.33	45.95
		Capital	19.01	18.21	5.00	13.21
15	23-Forest	Revenue	745.84	121.25	2.08	119.17
16	25-Public Works	Revenue	1,485.75	38.84	9.77	29.07
17	28-Housing	Revenue	1,142.39	1,036.50	1,031.31	5.19
		Capital	1,137.50	1,062.25	1,057.72	4.53
18	31-Information Technology and Electronics	Revenue	299.92	153.51	22.74	130.77
19	32-Irrigation and Waterways	Revenue	887.08	123.20	17.56	105.64
		Capital	2,239.99	1,037.57	142.10	895.47
20	33-Correctional Administration	Revenue	266.57	23.39	5.26	18.13
21	35-Labour	Capital	27.50	11.51	7.20	4.31

State Finances Audit Report for the year ended March 2019

Sl. No.	Number and Name of Grants/Appropriation		Total Grant/ Appropriation	Savings	Amount Surrendered	Savings which remained to be surrendered
22	40-Panchayats and Rural Development	Revenue	19,891.18	3,396.81	674.00	2,722.81
23	41-Parliamentary Affairs	Revenue	14.85	12.39	10.85	1.54
24	49-Youth Services and Sports	Capital	127.19	58.82	35.07	23.75
25	50-Sunderban Affairs	Revenue	106.34	27.29	15.32	11.97
26	51-Technical Education, Training & Skill Development	Revenue	758.38	96.05	55.71	40.34
		Capital	252.13	78.35	23.20	55.15
27	52-Tourism	Revenue	214.70	51.91	12.25	39.66
28	53-Transport	Revenue	1347.54	125.94	92.42	33.52
29	55-Water Resources Investigation and Development	Capital	802.52	216.75	134.94	81.81
30	58-Paschimanchal Unnayan Affairs	Revenue	23.19	8.48	7.83	0.65
30	59-Self-Help Groups & Self-Employment	Revenue	545.64	7.64	1.50	6.14
		Capital	60.00	5.06	4.00	1.06
31	65-Tribal Development	Revenue	801.13	142.39	54.72	87.67
		Capital	87.31	38.05	20.30	17.75
32	68-Home and Hill Affairs	Revenue	7,790.83	264.67	1.00	263.67
		Capital	752.04	189.77	48.99	140.78
33	69-Land & Land Reforms and Refugee Relief & Rehabilitation	Revenue	1,040.88	151.45	32.89	118.56
		Capital	156.03	106.33	69.54	36.79
34	70-Higher Education, Science & Technology and Biotechnology	Capital	404.54	229.92	217.64	12.28
35	72-Urban Development and Municipal Affairs	Capital	4,322.78	934.97	230.24	704.73
36	73-Disaster Management and Civil Defence	Revenue	1,819.35	27.19	4.62	22.57
37	75-Industry, Commerce and Enterprises	Revenue	1,016.10	826.30	135.76	690.54
		Capital	966.33	119.12	27.79	91.33
Charged						
38	43-Power and Non-Conventional Energy Sources	Revenue	23.00	9.07	4.42	4.65
39	69-Land & Land Reforms and Refugee Relief & Rehabilitation	Capital	10.00	2.40	1.19	1.21
Total			87,353.36	14487.48	5,025.67	9,461.81

Source: Appropriation Accounts of Government of West Bengal (2018-19)

APPENDIX 2.7

(Refer Paragraph 2.2.5.2)

Statement showing cases of surrender of funds on the last working day of March 2019

Sl. No.	Grant No.	Name of Department	Date of surrender	Amount	Head(s) of Account
				(₹ in crore)	
1	04	Agricultural Marketing	29-03-2019	----*	2435
2	16	Environment	29-03-2019	1.52	3435
3	23	Forest	29-03-2019	0.29	2406
4	24	Health and Family Welfare	29-03-2019	54.08	2210, 2211, 4210
5	25	Public Works	29-03-2019	123.97	2059, 3054, 4059, 4235, 5054, 7075
6	38	Minority Affairs and Madrasah Education	29-03-2019	15.79	2202, 2235, 2250, 4235
7	53	Transport	29-03-2019	22.42	3055
8	59	Self-Help Groups and Self-Employment	29-03-2019	1.80	4435
9	68	Home and Hill Affairs	29-03-2019	1.00	4055
10	69	Land & Land Reforms and Refugee, Relief & Rehabilitation	29-03-2019	46.61	2029, 2059, 4059, 4235
11	72	Urban Development and Municipal Affairs	29-03-2019	50.00	4217
12	75	Industry, Commerce and Enterprises	29-03-2019	1.12	2852
Total				318.60	

*Actual amount is ₹ 995

Source: Records of the O/o the Principal Accountant General (A&E), West Bengal

APPENDIX 2.8
(Refer Paragraph 2.2.5.3)

Statement showing cases of provisions surrendered in full

Sl. No.	No. and Name of Grant	Head of Account	Surrendered provision
			(₹ in crore)
1	05-Agriculture	2401-00-105-015 (Revenue Voted)	50.00
		2401-00-107-005 (Revenue Voted)	1.00
		2401-00-108-011 (Revenue Voted)	1.00
		2401-00-109-027 (Revenue Voted)	0.10
		2401-00-109-033 (Revenue Voted)	0.50
		2401-00-789-009 (Revenue Voted)	1.00
		2401-00-796-036 (Revenue Voted)	1.00
		2415-01-004-012 (Revenue Voted)	1.50
		2415-02-004-003 (Revenue Voted)	1.00
		2551-60-191-040 (Revenue Voted)	0.30
		2551-60-199-040 (Revenue Voted)	0.30
		2551-60-789-006 (Revenue Voted)	0.30
		2551-60-796-001 (Revenue Voted)	0.30
2	06-Animal Resources Development	2403-00-101-031 (Revenue Voted)	5.00
		2403-00-101-042 (Revenue Voted)	2.00
		2403-00-101-045 (Revenue Voted)	2.50
		2403-00-107-002 (Revenue Voted)	0.60
		4404-00-190-001 (Capital Voted)	1.30
		4404-00-191-001 (Capital Voted)	0.10
		4404-00-789-001 (Capital Voted)	0.30
3	07-Backward Classes Welfare	2225-01-277-013 (Revenue Voted)	0.50
		2225-80-800-054 (Revenue Voted)	0.20
		4225-01-283-002 (Capital Voted)	2.00
		4225-03-277-001 (Capital Voted)	1.50
4	08-Co-operation	2425-00-107-033 (Revenue Voted)	40.00
		4425-00-106-029 (Capital Voted)	0.60
		6425-00-108-002 (Capital Voted)	0.40
5	11-Micro, Small and Medium Enterprises and Textiles	2551-60-191-001 (Revenue Voted)	2.50
		2551-60-796-006 (Revenue Voted)	1.00
		2851-00-110-022 (Revenue Voted)	0.06
		2851-00-110-043 (Revenue Voted)	3.00
		2851-00-110-048 (Revenue Voted)	0.05
		2851-00-789-025 (Revenue Voted)	0.01
		2851-00-789-028 (Revenue Voted)	0.05
		2851-00-789-031 (Revenue Voted)	0.25
		2851-00-796-012 (Revenue Voted)	0.50
		2851-00-796-021 (Revenue Voted)	0.05
		2851-00-796-023 (Revenue Voted)	0.05
		2851-00-796-030 (Revenue Voted)	1.00
		4851-00-102-025 (Capital Voted)	12.00
4851-00-105-002 (Capital Voted)	0.01		

		4851-00-109-068 (Capital Voted)	10.00
		4851-00-789-020 (Capital Voted)	0.10
		4851-00-796-023 (Capital Voted)	0.01
6	16-Environment	3425-01-001-001 (Revenue Voted)	0.03
		3435-03-101-005 (Revenue Voted)	10.00
		3435-03-101-006 (Revenue Voted)	0.50
		3435-04-789-001 (Revenue Voted)	0.10
		3435-04-796-002 (Revenue Voted)	0.20
		3435-04-800-001 (Revenue Voted)	0.50
7	21-Food and Supplies	2235-02-104-008 (Revenue Voted)	2.10
		2235-02-789-034 (Revenue Voted)	2.50
		2235-02-796-036 (Revenue Voted)	1.40
		4408-02-796-003 (Capital Voted)	1.00
8	22-Food Processing Industries and Horticulture	2401-00-119-006 (Revenue Voted)	1.00
		2401-00-119-010 (Revenue Voted)	0.75
		2401-00-119-059 (Revenue Voted)	0.50
		2401-00-789-005 (Revenue Voted)	4.50
		2401-00-789-008 (Revenue Voted)	0.50
		2851-00-110-065 (Revenue Voted)	0.03
		2851-00-789-051 (Revenue Voted)	0.03
		2851-00-796-043 (Revenue Voted)	0.04
9	24-Health and Family Welfare	4401-00-104-016 (Capital Voted)	5.00
9	24-Health and Family Welfare	4210-01-110-002 (Capital Voted)	0.17
		2059-80-800-001 (Revenue Voted)	0.50
		4059-01-051-068 (Capital Voted)	0.55
		7075-01-190-003 (Capital Voted)	0.55
10	25-Public Works	7075-01-190-005 (Capital Voted)	0.55
		2216-02-112-001 (Revenue Voted)	130.00
		2216-02-113-001 (Revenue Voted)	4.00
		2852-08-600-001 (Revenue Voted)	0.50
11	28-Housing	4216-02-103-001 (Capital Voted)	110.00
		4216-02-789-002 (Capital Voted)	15.00
		4216-02-796-002 (Capital Voted)	5.00
		4216-02-800-004 (Capital Voted)	0.25
		4216-03-103-001 (Capital Voted)	700.00
		4216-03-789-001 (Capital Voted)	140.00
		4216-03-796-002 (Capital Voted)	60.00
		2205-00-800-039 (Revenue Voted)	0.40
12	30-Information and Cultural Affairs	2205-00-800-042 (Revenue Voted)	0.07
		2701-80-004-007 (Revenue Voted)	0.20
13	32-Irrigation and Waterways	4711-03-103-320 (Capital Voted)	3.00
		2202-01-108-003 (Revenue Voted)	0.54
14	38-Minority Affairs and Madrasah Education	2202-02-107-005 (Revenue Voted)	0.01
		2202-02-800-024 (Revenue Voted)	0.17
		2202-03-103-001 (Revenue Voted)	0.10
		2202-03-103-002 (Revenue Voted)	1.50
		2202-03-103-015 (Revenue Voted)	0.09
		2202-80-800-041 (Revenue Voted)	0.06
		2202-80-800-042 (Revenue Voted)	0.02
		2225-04-277-001 (Revenue Voted)	1.00

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		2235-02-200-013 (Revenue Voted)	0.50
		4235-02-190-001 (Capital Voted)	10.00
		4235-02-190-002 (Capital Voted)	9.00
15	40-Panchayats and Rural Development	2501-01-800-004 (Revenue Voted)	9.00
16	43-Power and Non-Conventional Energy Sources	4801-80-190-001 (Capital Voted)	192.00
		4801-80-789-001 (Capital Voted)	90.00
		4801-80-796-001 (Capital Voted)	18.00
		6801-00-201-001 (Capital Voted)	7.68
		6801-00-789-023 (Capital Voted)	3.60
		6801-00-796-023 (Capital Voted)	0.72
17	49-Youth Services and Sports	2204-00-102-013 (Revenue Voted)	0.50
		2204-00-103-019 (Revenue Voted)	0.10
		2204-00-789-006 (Revenue Voted)	0.15
		2204-00-789-008 (Revenue Voted)	0.23
		2204-00-796-003 (Revenue Voted)	0.07
		2204-00-796-007 (Revenue Voted)	0.11
18	65-Tribal Development	2225-02-796-059 (Revenue Voted)	0.50
		2225-02-796-060 (Revenue Voted)	0.50
		2225-02-796-062 (Revenue Voted)	0.50
		2225-02-796-063 (Revenue Voted)	1.50
		2225-02-796-064 (Revenue Voted)	0.50
		2225-02-796-075 (Revenue Voted)	0.05
		2225-80-800-020 (Revenue Voted)	0.25
19	69-Land & Land Reforms and Refugee Relief & Rehabilitation	2029-00-102-016 (Revenue Voted)	1.00
20	70-Higher Education, Science & Technology and Bio-Technology	3425-60-004-001 (Revenue Voted)	0.01
		3425-60-004-006 (Revenue Voted)	0.20
		3425-60-004-010 (Revenue Voted)	0.02
		3425-60-004-012 (Revenue Voted)	0.01
		3425-60-004-014 (Revenue Voted)	0.25
		3425-60-200-005 (Revenue Voted)	0.01
		3425-60-200-007 (Revenue Voted)	0.25
		3425-60-600-001 (Revenue Voted)	0.01
		4202-01-203-012 (Capital Voted)	44.18
		4202-01-789-007 (Capital Voted)	2.00
		4202-01-796-007 (Capital Voted)	0.65
21	72-Urban Development and Municipal Affairs	2215-02-106-005 (Revenue Voted)	0.50
		2217-03-191-003 (Revenue Voted)	0.50
		2217-03-192-002 (Revenue Voted)	0.50
		2217-04-193-009 (Revenue Voted)	1.00
		2217-05-051-004 (Revenue Voted)	36.00
		2217-05-192-003 (Revenue Voted)	2.00
		2217-05-192-004 (Revenue Voted)	2.00
		2217-05-193-021 (Revenue Voted)	0.89
		2217-05-789-036 (Revenue Voted)	11.00
		2217-05-796-022 (Revenue Voted)	3.00
		4217-60-051-019 (Revenue Voted)	6.00
Total			1,808.59

Source: Appropriation Accounts of Government of West Bengal (2018-19)

APPENDIX 2.9*(Refer Paragraph 2.2.5.4)***Surrender in excess of actual savings**

Sl. No.	Name & No. of the Department		Total Grant/ Appropriation	Actual Expenditure	Total Savings	Amount Surrendered	Excess Surrender
			(₹ in crore)				
Voted							
1	38-Minority Affairs and Madrasah Education	Revenue	2,352.75	2,244.15	108.61	203.63	95.02
		Capital	1,398.00	790.80	607.20	695.44	88.24
2	49-Youth Services and Sports	Revenue	520.92	414.61	106.31	113.66	7.35
3	58-Paschimanchal Unnayan Affairs	Capital	557.00	547.04	9.96	15.00	5.04
4	70-Higher Education, Science & Technology and Biotechnology	Revenue	3,495.23	3,486.33	8.90	40.55	31.65
5	72-Urban Development and Municipal Affairs	Revenue	7,593.32	7,583.71	9.61	141.15	131.54
Total			15,917.22	15,066.64	850.59	1,209.43	358.84

*Source: Appropriation Accounts of Government of West Bengal (2018-19)***APPENDIX 2.10***(Refer Paragraph 2.2.5.5)***Surrender despite excess expenditure**

Sl. No.	Name & No. of the Department		Total Grant/ Appropriation	Actual Expenditure	Excess Expenditure	Amount Surrendered
			(₹ in crore)			
Voted						
1	07-Backward Classes Welfare	Revenue	1,379.96	1,737.37	357.41	47.14
2	11-Micro, Small and Medium Enterprises and Textiles	Capital	464.67	614.24	149.57	67.39
3	18-Fianace	Revenue	17,122.63	17,874.13	751.50	0.89
4	21-Food and Supplies	Revenue	9,795.21	10,813.11	1,017.90	6.92
5	24-Health and Family Welfare	Revenue	8,202.88	8,382.84	179.96	64.86
		Capital	1,170.41	1,229.82	59.41	13.02
6	25-Public Works	Capital	5,945.41	6,093.12	147.71	910.65
7	30-Information and Cultural Affairs	Revenue	447.76	512.49	64.73	20.50
8	42-Personnel and Administrative Reforms and E-Governance	Revenue	124.01	167.19	43.18	0.10
9	43-Power and Non-Conventional Energy Sources	Revenue	1,063.05	2,002.33	939.28	45.23
		Capital	2,123.00	2,319.00	196.00	412.32
10	45-Public Health Engineering	Capital	1,865.97	1,986.13	120.16	51.58
11	53-Transport	Capital	446.13	509.55	63.42	24.64
12	73-Disaster Management and Civil Defence	Capital	173.04	191.78	18.74	31.22
13	74-Women & Child Development and Social Welfare	Revenue	5,640.98	6,106.68	465.70	1.69
Total			55,965.11	60,539.78	4,574.67	1,698.15

Source: Appropriation Accounts of Government of West Bengal (2018-19)

APPENDIX 2.11 Statement of various grants/ appropriations in which savings occurred but no part of which had been surrendered

(Refer Paragraph 2.2.5.6)

Sl. No.	Grant No.	Name of Grant/ Appropriation	Savings	
			₹ in crore)	
Voted				
1	01	Legislative Assembly Secretariat	Revenue	17.05
2	03	Council of Ministers	Revenue	1.51
3	10	Consumer Affairs	Capital	18.15
4	18	Finance	Capital	45.11
5	20	Fisheries	Revenue	120.84
			Capital	29.86
6	23	Forest	Capital	27.69
7	30	Information and Cultural Affairs	Capital	13.62
8	34	Judicial	Revenue	65.60
			Capital	112.68
9	35	Labour	Revenue	202.06
10	37	Law	Revenue	1.12
11	42	Personnel & Administrative Reforms	Capital	15.55
12	45	Public Health Engineering	Revenue	54.36
13	52	Tourism	Capital	125.11
14	55	Water Resources Investigation & Development	Revenue	52.22
15	61	Chief Minister's Office	Revenue	0.45
16	62	North Bengal Development	Revenue	112.29
17	71	Planning, Statistics and Programme Monitoring	Revenue	47.85
			Capital	19.80
18	74	Women & Child Development and Social Welfare	Capital	405.07
Total for Voted				1,487.99
Charged				
1	01	Legislative Assembly Secretariat	Revenue	0.28
2	02	Governor's Secretariat	Revenue	2.59
3	06	Animal Resources Development	Revenue	0.04
			Capital	0.05
4	07	Backward Classes Welfare	Revenue	0.02
5	08	Co-operation	Revenue	2.41
			Capital	1.16
6	11	Micro, Small and Medium Enterprises and Textiles	Revenue	0.07
			Capital	0.01
7	18	Finance	Revenue	1,178.98
8	19	Fire and Emergency Services	Revenue	0.02
9	20	Fisheries	Revenue	1.11
			Capital	6.52
10	21	Food and Supplies	Capital	0.46

Sl. No.	Grant No.	Name of Grant/ Appropriation		Savings
				(₹ in crore)
11	22	Food Processing Industries and Horticulture	Capital	0.35
12	23	Forest	Revenue	0.14
13	24	Health and Family Welfare	Revenue	0.03
14	25	Public Works	Revenue	0.70
			Capital	2.08
15	28	Housing	Revenue	0.22
			Capital	0.04
16	32	Irrigation and Waterways	Revenue	104.38
			Capital	24.63
17	34	Judicial	Revenue	27.46
			Capital	0.20
18	40	Panchayat and Rural Development	Revenue	6.68
			Capital	1.25
19	45	Public Health Engineering	Revenue	0.08
			Capital	1.25
20	68	Home and Hill Affairs	Revenue	1.02
			Capital	0.29
21	69	Land & Land Reforms and Refugee Relief & Rehabilitation	Revenue	0.05
22	72	Urban Development and Municipal Affairs	Revenue	15.28
23	73	Disaster Management and Civil Defence	Revenue	2.00
24	75	Industry, Commerce and Enterprises	Capital	1.10
Total for Charged				1,382.95
Grand Total				2,870.94

Source: Appropriation Accounts of Government of West Bengal (2018-19)

APPENDIX 2.12
(Refer Paragraph 2.4.2)

Statement showing cases which satisfied the criteria laid down for treatment of New Service/ New Instrument of Service but were not treated as such

Sl. No.	Grant No.	Name of the Department	Head of Accounts in details	Actual Expenditure (₹ in crore)
1	05	Agriculture	2401-00-105-018-National e-Governance Plan-Agriculture [NeGP-A] (Central Share) OCAS [AG]	1.96
			2401-00-105-019- National e-Governance Plan-Agriculture [NeGP-A] (State Share) OCAS [AG]	1.30
			2401-00-113-008-Sub Mission on Agricultural Extension (SMAE) under National Mission on Agriculture Extension & Technology (NMAET) (Central Share) OCAS [AG]	13.94
			2851-00-107-056-Sustainable Sericulture Development Project [AG]	2.34
2	06	Animal Resources Development	2401-00-789-091-Schemes under Rastriya Krishi Vikas Yojana (State Share) (RKVY) [AD]	10.47
			2401-00-800-027- Schemes under Rastriya Krishi Vikas Yojana (State Share) (RKVY) [AD]	7.55
			2403-00-101-028-National Livestock Health and Disease Control Programme (State Share) OCAS [AD]	14.99
3	07	Backward Classes Welfare	2225-01-277-037-Civil Rights – Strengthening of Machinery for Enforcement of Protection of Civil Rights Act 1995 and Prevention of Atrocities Act 1989 and Other (Central Share) OCAS [SC]	0.90
			4225-01-190-002-Share Capital Contribution to the West Bengal Scheduled Castes, Scheduled Tribes & Other Backward Classes Development and Finance Corporation (Central Share) OCAS [SC]	5.00
4	08	Cooperation	4425-00-106-032-Warehousing and Marketing Co-operatives - Establishment of Co-operative Storage Godowns (State Share) (NCDC) [CO]	0.69
5	11	Micro, Small and Medium Enterprises & Textiles	4851-00-109-006-Share Participation in Paschimbanga Resham Silpi Samabaya Mahasangha [CS]	2.50
6	15	School Education	2202-01-112-013-Construction of Dining Hall for Mid-Day-Meal [ES]	199.99
			2202-02-110-027-Scheme for setting up of 6000 Model Schools at Block level as Benchmark of Excellence (State Share) OCAS [ES]	0.85
7	18	Finance	2049-02-249-006-Kolkata Environment Improvement Investment Programme-trench-3	0.22
			2049-02-249-007-SASEC Road Connectivity Investment Programme (Trench) [3118 - IND]	10.93
			2049-02-249-007- SASEC Road Connectivity Investment Programme (Trench) [3118 - IND]	0.22
			6003-00-101-501-7.5% West Bengal Loan, 1997	0.16
			6003-00-111-023-9.50 percent Government of West Bengal (NSSF) (Non-Transferable) Special Securities, 2013 [FA]	148.91
			6003-00-111-024-10.50 percent Government of West Bengal (NSSF) (Non-Transferable) Special Securities, 2004 [FA]	12.25

8	23	Forests	2401-00-789-084-Scheme under RKVY (Central Share) (RKVY) [FR]	2.96
			2401-00-789-085-Scheme under RKVY (State Share) (RKVY) [FR]	1.97
			2401-00-800-023-Additional Central Assistance Scheme under Rastriya Krishi Vikash Yojana (State Share) (RKVY) [FR]	1.44
			4406-01-070-002-Procurement of Vehicles for Forest Department	2.44
9	24	Health & Family Welfare	2210-06-113-003-Enforcement of Food Safety and Standards [HF]	2.63
10	25	Public Works	5054-80-190-001-West Bengal Highway Development Corporation Ltd. [PD]	308.24
11	30	Information & Cultural Affairs	4220-01-200-003-Centenary Buildings [IC]	4.03
12	32	Irrigation & Waterways	4700-08-001-004-Project Management under West Bengal Major Irrigation & Flood Management Project (WBMI & FMP)	3.50
13	40	Panchayats & Rural Development	2515-00-101-019-Rashtriya Gram Swaraj Abhiyan (RGSA) (Central Share) OCAS [PN]	29.41
			2515-00-101-020- Rashtriya Gram Swaraj Abhiyan (RGSA) (State Share) OCAS [PN]	19.61
			2515-00-196-004-Pradhan Mantri Gram Sadak Yojana (PMGSY) (Central Share) OCAS [PN]	5.40
			2515-00-196-007- Pradhan Mantri Gram Sadak Yojana (PMGSY) (State Share) OCAS [PN]	4.34
			2515-00-789-015-Rashtriya Gram Swaraj Abhiyan (RGSA) (Central Share) OCAS [PN]	23.94
			2515-00-796-013- Rashtriya Gram Swaraj Abhiyan (RGSA) (Central Share) OCAS [PN]	1.59
			2515-00-796-014- Rashtriya Gram Swaraj Abhiyan (RGSA) (State Share) OCAS [PN]	1.06
14	43	Power & Non-Conventional Energy Sources	4801-02-190-019-Equity Contribution of the State Government in Durgapur Projects Limited (DPL)	514.29
			4801-06-001-001-Implementation of electricity connections for all un-electrified households under “Saubhagya” (State Share) OCAS [PO]	41.46
			4801-06-789-006- Implementation of electricity connections for all un-electrified households under “Saubhagya” (State Share) OCAS [PO]	19.43
			4801-06-796-006- Implementation of electricity connections for all un-electrified households under “Saubhagya” (State Share) OCAS [PO]	3.88
			6801-00-202-028-Loans to WBSETCL for Transmission and Distribution (JBIC)	1171.95
			6860-60-600-014-Loans to Durgapur Projects Ltd (Coke Over and Gas) [PO]	13.40
15	45	Public Health Engineering	4215-01-102-008-Externally aided Water Supply Project in West Bengal (EAP) [PH]	6.00
			4215-01-102-021-ADB Assisted West Bengal Drinking Water Sector Improvement Project (Central Share) (EAP)	77.77
			4215-01-789-012-Externally aided Water Supply Project in West Bengal (EAP) [PH]	3.00
			4215-01-789-018- ADB Assisted West Bengal Drinking Water Sector Improvement Project (Central Share) (EAP)	23.76
			4215-01-796-019- ADB Assisted West Bengal Drinking Water Sector Improvement Project (WBDWSIP) (State Share)	6.48
16	51	Technical Education, Training & Skill Development	2203-00-003-007-Grants to Paschimanga Society for Skill Development (PBSSD) for Implementation of State Engagement Component under Pradhan Mantri Kaushal Vikas Yojana (PMKVY) (Central Share) OCAS [ET]	14.30

			2203-00-003-011-Grants to PBSSD for implementation of SANKALP (Central Share) OCAS [ET]	28.86
			2203-00-789-013-Grants to Paschimbanga Society for Skill Development (PBSSD) for implementation of State Engagement Component under Pradhan Mantri Kaushal Vikas Yojana (PMKVY) (Central Share) OCAS [ET]	3.15
			2203-00-789-016-Grants to PBSSD for implementation of SANKALP (Central Share) OCAS [ET]	6.36
			2203-00-796-011- Grants to Paschimbanga Society for Skill Development (PBSSD) for implementation of State Engagement Component under Pradhan Mantri Kaushal Vikas Yojana (PMKVY) (Central Share) OCAS [ET]	1.40
			2203-00-796-014- Grants to PBSSD for implementation of SANKALP (Central Share) OCAS [ET]	2.83
			4202-02-104-009-Rastriya Ucchar Shiksha Abhiyan (Central Share) OCAS [ET]	2.60
17	52	Tourism	5452-01-190-003-West Bengal Tourism Development Corporation Limited [TM]	8.00
18	53	Transport	5055-00-102-004-Faster Adoption and Manufacturing of Hybrid and Electric Vehicles (FAME) [TR]	12.00
19	55	Water Resources Investigation & Development	4401-00-789-012-Schemes under RKVY (State Share) (RKVY) [WI]	3.60
20	58	Paschimanchal Unnayan Affairs	4575-60-800-001-Infrastructural facilities for Paschimanchal Unnayan Parshad under RIDF (RIDF) [PM]	10.69
21	65	Tribal Development	2225-02-277-046-Payment of Scholarships for the student at Pre-Matric level (Central Share) OCAS [TW]	4.42
			2225-02-277-047- Payment of Scholarships for the student at Pre-Matric level (State Share) OCAS [TW]	1.63
			2225-02-796-115-Epidemiological Study on Anemia, Sickle Cell Diseases [TW]	1.00
			2225-02-796-115-Epidemiological Study on Anemia, Sickle Cell Diseases [TW]	1.00
			2225-02-796-116-Education Hostel Charges - Stipends [TW]	2.19
22	70	Higher Education	3425-60-001-002-Promotion of Biotechnology	10.47
			3425-60-004-043-Scientific Research in Biotechnology	3.55
			3425-60-200-010-Financial Assistance to other Scientific Bodies for undertaking Scientific Project/ Survey/ Research/ Training and Science Awareness and Science Popularisation Programme	9.13
			3425-60-200-011-West Bengal State Council of Science and Technology	4.39
			3425-60-600-004-e-Governance initiative	0.94
23	72	Urban Development and Municipal Affairs	2217-05-051-003-Construction/Re-Development of Housing of the Urban Poor [UM]	9.66
			2217-05-789-023- Construction/Re-Development of Housing of the Urban Poor [UM]	2.95
			2217-05-796-011- Construction/Re-Development of Housing of the Urban Poor [UM]	0.80
24	73	Disaster Management and Civil Defence	4235-60-001-001-Purchase of Various types of Special Equipment for Tran-shipment of heavy crown [DM]	1.22
25	75	Industry, Commerce and Enterprises	2852-80-001-004-Scheme for Development of land at Singur by execution of demolition work [IN]	9.00
			6857-02-190-007-Loans for PF/ESI and Bank Dues of Gluconate Health Ltd [IN]	2.56
			6860-01-190-022-Loans to W.B. Agro Textiles Corporation LTD. [IN]	8.54
Total				2,896.39

Source: Records of the O/o the Principal Accountant General (A&E), West Bengal

APPENDIX 3.1 <i>(Refer Paragraph 3.1.3;Box 3.1)</i>		Discrepancy between the balances of PD/PL Cash Books and Treasury Pass Books as on 31 March 2019		
Sl. No.	Name of DDO	Closing Balance as per Cash Book	Closing Balance as per Treasury Pass Book	Difference/ Discrepancy involved
		(₹ in crore)		
1	DM, Purba Burdwan	53.41	60.66	7.25
2	DM, Purba Midnapur	57.34	45.89	(-)11.45
3	DM, Dakshin Dinajpur	28.69	37.50	8.81
4	DM, Paschim Medinipur	8.72	16.26	7.54
5	DM, Murshidabad	162.22	170.06	7.84
6	Spl Land Acquisition Officer, Murshidabad	25.26	14.81	(-)10.45

Source: Departmental figures

APPENDIX 3.2 <i>(Refer Paragraph 3.1.3; Box 3.1)</i>		Funds parked in DM's Personal Deposit Accounts as on 31 March 2019
Sl. No.	Name of DDO	Un-utilised funds in PD/PL Account (₹ in crore)
1	DM, Purba Burdwan	46.13
2	DM, Purba Midnapur	26.78
3	DM, Dakshin Dinajpur	34.73
4	DM, Paschim Midnapore	0.61
5	DM, Murshidabad	160.99
6	DM, Howrah	35.80
7.	DM, Purulia	134.31
	Total	439.35

Source: Departmental figures

APPENDIX 3.3*(Refer Paragraph 3.2)***Booking of receipts/ expenditure under the Minor Head 800 (50 per cent or more of the total provision under the respective Head of Accounts)****Booking under Minor Head '800-Other Receipts'**

Major Head	Major Head Description	Total Receipt under Major Head (₹ in crore)	Amount Booked under Minor Head '800-Other Receipts' (₹ in crore)	Percentage to Total Receipt under the Major Head
0049	Interest Receipts	806.02	431.73	53.56
0056	Jails	0.71	0.59	83.09
0058	Stationery and Printing	0.08	0.07	87.50
0059	Public Works	30.64	28.27	92.25
0071	Contribution and Recoveries towards Pension and Other Retirement benefits	6.03	4.04	66.99
0211	Family Welfare	0.01	0.01	100.00
0215	Water Supply and Sanitation	6.97	5.98	85.79
0217	Urban Development	21.81	21.81	100.00
0220	Information and Publicity	5.54	5.42	97.83
0235	Social Security and Welfare	1.41	1.38	97.87
0405	Fisheries	5.40	4.46	82.59
0408	Food Storage and Warehousing	28.95	28.95	100.00
0415	Agricultural Research and Education	0.001	0.001	100.00
0506	Land Reforms	0.005	0.005	100.00
0515	Other Rural Development Programmes	0.15	0.09	60.00
0801	Power	0.003	0.003	100.00

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0810	New Conventional Source of Energy	0.0001	0.0001	100.00
0875	Other Industries	0.06	0.06	100.00
1053	Civil Aviation	0.0003	0.0003	100.00
1054	Roads and Bridges	74.49	48.39	64.96
1056	Inland Water Transport	0.002	0.002	100.00
1452	Tourism	1.45	1.45	100.00
1456	Civil Supplies	14.60	14.60	100.00
Booking under Minor Head '800-Other Expenditure'				
Major Head	Major Head Description	Total Expenditure under the Major Head (₹ in crore)	Amount booked under Minor Head '800-Other Expenditure' (₹ in crore)	Percentage to Total Expenditure under the Major Head
2205	Art & Culture	352.95	303.93	86.11
2250	Other social Services	244.52	241.26	98.67
2575	Other Special Areas Programmes	372.09	203.07	54.58
3051	Ports and Light houses	1.01	0.87	86.14
3075	Other Transport Services	0.39	0.39	100.00
4225	Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	73.17	40.52	55.38
4235	Capital Outlay on Social Security and Welfare	987.90	713.04	72.18
4408	Capital Outlay on Food Storage and Warehousing	158.90	127.26	80.09
4700	Capital Outlay on Major Irrigation	247.91	179.17	72.27
5055	Capital Outlay on Road Transport	124.17	112.17	90.34
5056	Capital Outlay on Inland and Water Transport	82.62	71.31	86.31
5452	Capital Outlay on Tourism	91.02	55.90	61.42

Source: Appropriation Accounts of Government of West Bengal (2018-19)

Performance of Autonomous Bodies (Submission of Accounts, issue and laying of SARs U/S 19)

APPENDIX 3.4 (Refer Paragraph 3.5)

Sl. No	Name of the Body/Authority	Period up to which audit is entrusted	Year up to which Accounts due for submission	Year up to which Accounts were submitted	Period up to which Audit Report had been issued	Date of issue of Audit Report	Year up to which Audit Report had been laid before the Legislature	Remarks
1	West Bengal Comprehensive Area Development Corporation	2023-24	2018-19	2015-16	2015-16	17.07.2018	2014-15	Last reminder for laying of SAR for the year 2015-16 issued on 21.08.2019. Latest reminder for submission of arrear accounts issued on 23.07.2019.
2	West Bengal Commission for Women	2021-22	2018-19	2016-17	2016-17	12.03.2019	2013-14	Last reminder for laying of SARs for the year 2014-15 to 2016-17 issued on 21.08.2019. Latest reminder for submission of arrear accounts issued on 23.07.2019.
3	West Bengal Human Rights Commission	Permanent entrustment	2018-19	2014-15	2014-15	26.11.2015	2009-10	Last reminder for laying of SARs for the years 2010-11 to 2014-15 issued on 21.08.2019. Latest reminder for submission of arrear accounts issued on 23.07.2019.
4	West Bengal State Legal Services Authority	Permanent entrustment	2018-19	2015-16	2015-16	08.02.2018	2012-13	Last reminder for laying of SARs for the years 2013-14 to 2015-16 issued on 21.08.2019. Latest reminder for submission of arrear accounts issued on 23.07.2019.
5	West Bengal Heritage Commission	2020-21	2018-19	2017-18	2017-18	04.10.2019	2007-08	Last reminder for laying of SARs for the years 2008-09 to 2017-18 issued on 21.08.2019. Latest reminder for submission of arrear accounts issued on 23.07.2019.
6	West Bengal Commission for Backward Classes	2022-23	2018-19	2018-19	2017-18	14.11.2019	2016-17	Finalisation of SAR 2018-19 is being processed.
7	West Bengal Building and Other Construction Workers' Welfare Board	Permanent entrustment	2018-19	2017-18	2016-17	27.12.2018	2015-16	Last reminder for laying of SAR for the year 2016-17 issued on 21.08.2019. Finalisation of SAR for 2017-18 is being processed.

Sl. No	Name of the Body/Authority	Period up to which audit is entrusted	Year up to which Accounts due for submission	Year up to which Accounts were submitted	Period up to which Audit Report had been issued	Date of issue of Audit Report	Year up to which Audit Report had been laid before the Legislature	Remarks
								Latest reminder for submission of arrear accounts issued on 23.07.2019.
8	District Legal Services Authority, Purbamedinipur	Permanent entrustment	2018-19	2016-17	2016-17	01.07.2019	2013-14	Last reminder for laying of SARs for the years 2014-15 to 2016-17 issued on 21.08.2019. Latest reminder for submission of arrear accounts issued on 23.07.2019.
9	District Legal Services Authority, Bardhaman	Permanent entrustment	2018-19	2007-08	2007-08	09.09.2009	Not laid since 1998-99	Last reminder for laying of SARs for the years 1998-99 to 2007-08 issued on 21.08.2019. Latest reminder for submission of arrear accounts issued on 23.07.2019.
10	District Legal Services Authority, Hooghly	Permanent entrustment	2018-19	2017-18	2017-18	02.12.2019	Not laid since 1998-99	Last reminder for laying of SARs for the years 1998-99 to 2017-18 issued on 21.08.2019. Latest reminder for submission of arrear accounts issued on 23.07.2019.
11	District Legal Services Authority, Howrah	Permanent entrustment	2018-19	2008-09	2008-09	07.10.2011	Not laid since 1998-99	Last reminder for laying of SARs for the years 1998-99 to 2008-09 issued on 21.08.2019. Latest reminder for submission of arrear accounts issued on 23.07.2019.
12	District Legal Services Authority, Cooch Behar	Permanent entrustment	2018-19	2013-14	2013-14	12.10.2015	Not laid since 1998-99	Last reminder for laying of SARs for the years 1998-99 to 2013-14 issued on 21.08.2019. Latest reminder for submission of arrear accounts issued on 23.07.2019.

Sl. No	Name of the Body/Authority	Period up to which audit is entrusted	Year up to which Accounts due for submission	Year up to which Accounts were submitted	Period up to which Audit Report had been issued	Date of issue of Audit Report	Year up to which Audit Report had been laid before the Legislature	Remarks
13	District Legal Services Authority, Bankura	Permanent entrustment	2018-19	2014-15	2014-15	30.05.2017	Not laid since 1998-99	Last reminder for laying of SARs for the years 1998-99 to 2014-15 issued on 21.08.2019. Latest reminder for submission of arrear accounts issued on 23.07.2019.
14	District Legal Services Authority, Dakshin Dinajpur	Permanent entrustment	2018-19	2018-19	2017-18	30.04.2019	Not laid since 1998-99	Last reminder for laying of SARs for the years 1998-99 to 2017-18 issued on 21.08.2019. Draft SAR for 2018-19 was issued on 09.12.2019.
15	District Legal Services Authority, Jalpaiguri	Permanent entrustment	2018-19	2013-14	2013-14	19.08.2015	Not laid since 1998-99	Last reminder for laying of SARs for the years 1998-99 to 2013-14 issued on 21.08.2019. Latest reminder for submission of arrear accounts issued on 23.07.2019.
16	District Legal Services Authority, Birbhum	Permanent entrustment	2018-19	2013-14	2013-14	30.03.2015	Not laid Since 1998-99	Last reminder for laying of SARs for the years 1998-99 to 2013-14 issued on 21.08.2019. Latest reminder for submission of arrear accounts issued on 23.07.2019.
17	District Legal Services Authority, Uttar Dinajpur	Permanent entrustment	2018-19	2011-12	2011-12	26.08.2014	Not laid since 1998-99	Last reminder for laying of SARs for the years 1998-99 to 2011-12 issued on 21.08.2019. Latest reminder for submission of arrear accounts issued on 23.07.2019.
18	District Legal Services Authority, Malda	Permanent entrustment	2018-19	2012-13	2012-13	21.05.2014	Not laid since 1998-99	Last reminder for laying of SARs for the years 1998-99 to 2012-13 issued on 21.08.2019. Latest reminder for submission of arrear accounts issued on 23.07.2019.

Sl. No	Name of the Body/Authority	Period up to which audit is entrusted	Year up to which Accounts due for submission	Year up to which Accounts were submitted	Period up to which Audit Report had been issued	Date of issue of Audit Report	Year up to which Audit Report had been laid before the Legislature	Remarks
19	District Legal Services Authority, Purulia	Permanent entrustment	2018-19	2015-16	2015-16	14.06.2018	Not laid since 1998-99	Last reminder for laying of SARs for the years 1998-99 to 2015-16 issued on 21.08.2019. Latest reminder for submission of arrear accounts issued on 23.07.2019.
20	District Legal Services Authority, Nadia	Permanent entrustment	2018-19	2015-16	1998-99 to 2010-11 2011-12 to 2015-16	21.05.2019 27.05.2019	Not laid since 1998-99	Last reminder for laying of SARs for the years 1998-99 to 2015-16 issued on 21.08.2019. Latest reminder for submission of arrear accounts issued on 23.07.2019.
21	District Legal Services Authority, Darjeeling	Permanent entrustment	2018-19	2016-17	2010-11	02.12.2019	Not laid since 1998-99	Last reminder for laying of SARs for the years 1998-99 to 2010-11 issued on 21.08.2019. Draft SARs for 2011-12 to 2016-17 were issued on 26.12.2019. Latest reminder for submission of arrear accounts issued on 23.07.2019.
22	District Legal Services Authority, Paschim Medinipur	Permanent entrustment	2018-19	2017-18	-	-	Not laid since 1998-99	Draft SARs for 1998-99 to 2017-18 are under finalization. Latest reminder for submission of arrear accounts issued on 23.07.2019.
23	DLSAs, rest of four districts**	Permanent entrustment	2018-19 since inception (1998-99)	Not yet submitted	NA	NA	NA	Latest reminder for submission of arrear accounts issued on 23.07.2019.
24	West Bengal Minorities Development & Finance Corporation	2019-20	2018-19	2016-17	2015-16	25.10.2019	2012-13	Last reminder for laying of SARs for the years 2013-14 and 2015-16 issued on 21.08.2019. Finalisation for 2017-18 (up to 14.11.2017) is under process. Latest reminder for submission of arrear accounts issued on 23.07.2019

**1. DLSA 24 Parganas (N), 2. DLSA 24 Parganas (S), 3. DLSA Murshidabad, 4. DLSA Kolkata

Sl. No	Name of the Body/Authority	Period up to which audit is entrusted	Year up to which Accounts due for submission	Year up to which Accounts were submitted	Period up to which Audit Report had been issued	Date of issue of Audit Report	Year up to which Audit Report had been laid before the Legislature	Remarks
25	West Bengal Scheduled Castes & Scheduled Tribes Development & Finance Corporation	2021-22	2017-18 (up to 14.11.2017)	2017-18 (up to 14.11.2017)	2017-18 (up to 14.11.2017)	30.07.2019	2016-17	Last reminder for laying of SAR for the year 2017-18 (up to 14.11.2017) issued on 21.08.2019.
26	West Bengal Backward Classes Development & Finance Corporation	2019-20	2017-18 (up to 14.11.2017)	2017-18 (up to 14.11.2017)	2016-17	26.02.2018	2013-14	Last reminder for laying of SARs for the years 2014-15 to 2016-17 issued on 21.08.2019. Finalisation of SAR for 2017-18 (up to 14.11.2017) is under progress.
27	West Bengal Housing Board	2021-22	2018-19	2015-16	2015-16	04.07.2017	2014-15	Last reminder for laying of SAR for the year 2015-16 issued on 21.08.2019. Latest reminder for submission of arrear accounts issued on 23.07.2019.
28	Kolkata Metropolitan Development Authority	2021-22	2018-19	2016-17	2015-16	05.01.2018	2013-14	Last reminder for laying of SARs for the years 2014-15 to 2015-16 issued on 21.08.2019. Finalisation of SAR for 2016-17 is under process. Latest reminder for submission of arrear accounts issued on 23.07.2019.
29	West Bengal State Warehousing Corporation	Permanent entrustment	2018-19	2015-16	2015-16	14.10.2019	2013-14	Last reminder for laying of SARs for the years 2014-15 to 2015-16 issued on 21.08.2019. Latest reminder for submission of arrear accounts issued on 23.07.2019.
30	West Bengal Unorganised Sector Workers' Welfare Board	2017-18	2017-18	2014-15				Draft SAR for 2008-09 to 2014-15 were issued on 09.12.2019.

Source: Records of the Autonomous Bodies

APPENDIX 3.5
(Refer Paragraph 3.5)

Statement showing Performance of Autonomous Bodies (Submission of Accounts and issue of SARs U/S 20)

Sl. No.	Name of the Institution/Body	Period of entrustment of audit	Year up to which accounts due for submission	Year up to which accounts received	Year up to which final Audit Report issued to Govt./ Organisation	Month of issue of Audit Report	Remarks
1	Siliguri Jalpaiguri Development Authority	2019-20	2018-19	2017-18	2017-18	November 2019	Latest reminder for submission of arrear accounts issued on 23.07.2019.
2	Asansol Durgapur Development Authority	2019-20	2018-19	2011-12	2011-12	February 2014	Latest reminder for submission of arrear accounts issued on 23.07.2019.
3	Haldia Development Authority	2019-20	2018-19	2018-19	2017-18	October 2019	-
4	Sriniketan Santiniketan Development Authority	2018-19	2018-19	2017-18	2017-18	November 2019	Latest reminder for submission of arrear accounts issued on 23.07.2019. Latest correspondence for re-entrustment of audit issued on 19.06.2019.
5	Digha Sankarpur Development Authority	2019-20	2018-19	2017-18	2017-18	July 2019	Latest reminder for submission of arrear accounts issued on 23.07.2019.
6	Jaigaon Development Authority	2017-18	2017-18	2016-17	2012-13	December 2014	Latest reminder for submission of arrear accounts issued on 23.07.2019. Latest correspondence for re-entrustment of audit issued on 19.06.2019.
7	West Bengal State Council of Technical Education	2015-16	2015-16	2003-04	2003-04	April 2009	Latest reminder for submission of arrear accounts issued on 23.07.2019. Latest correspondence for re-entrustment of audit issued on 19.06.2019.
8	Burdwan Development Authority	2021-22	2018-19	2015-16	2015-16	October 2019	Latest reminder for submission of arrear accounts issued on 23.07.2019.
9	Bhangore Rajarhat Area Development Authority (BRADA)	2014-15	2011-12	2009-10	2009-10	June 2011	BRADA has been merged with HIDCO w.e.f. 01.08.2011.
10	West Bengal Central School Service Commission	2016-17	2016-17	2013-14	2013-14	October 2018	Latest reminder for submission of arrear accounts issued on 23.07.2019. Latest correspondence for re-entrustment of audit issued on 19.06.2019.
11	West Bengal Regional School Service Commission (South Eastern Region)	2016-17	2016-17	2016-17	2016-17	January 2019	Latest correspondence for re-entrustment of audit issued on 19.06.2019.

Sl. No.	Name of the Institution/Body	Period of entrustment of audit	Year up to which accounts due for submission	Year up to which accounts received	Year up to which final Audit Report issued to Govt./ Organisation	Month of issue of Audit Report	Remarks
12	West Bengal Regional School Service Commission (Western Region)	2016-17	2016-17	2016-17	2013-14	November 2018	Latest correspondence for re-entrustment of audit issued on 19.06.2019.
13	West Bengal Regional School Service Commission (Eastern Region)	2016-17	2016-17	2013-14	2013-14	November 2018	Latest reminder for submission of arrear accounts issued on 23.07.2019. Latest correspondence for re-entrustment of audit issued on 19.06.2019.
14	West Bengal Regional School Service Commission (Northern Region)	2016-17	2016-17	2014-15	2014-15	February 2019	Latest reminder for submission of arrear accounts issued on 23.07.2019. Latest correspondence for re-entrustment of audit issued on 19.06.2019.
15	West Bengal Regional School Service Commission (Southern Region)	2016-17	2016-17	2014-15	2014-15	January 2019	Latest reminder for submission of arrear accounts issued on 23.07.2019. Latest correspondence for re-entrustment of audit issued on 19.06.2019.
16	New Town Kolkata Development Authority	2017-18	2017-18	2017-18	2017-18	December 2019	Latest correspondence for re-entrustment of audit issued on 19.06.2019.
17	Medinipur Kharagpur Development Authority	2017-18	2017-18	2012-13	2012-13	March 2017	Latest reminder for submission of arrear accounts issued on 23.07.2019. Latest correspondence for re-entrustment of audit issued on 19.06.2019.
18	West Bengal State NGRBA Programme Management Group	2016-17	2016-17	2016-17	2016-17	September 2018	Latest correspondence for re-entrustment of audit issued on 19.06.2019.

Source: Records of the Autonomous bodies

APPENDIX 3.6 Statement showing names of bodies and authorities (other than PRIs), the accounts of which had not been received

(Refer Paragraph 3.6)

Sl. No.	Name of the Institution	Accounts in Arrears	
		Period	Number of Arrear Accounts
Kolkata Municipal Area (KMA) – Municipal Corporation			
1.	Chandernagore	2014-15 to 2018-19	5
2.	Howrah	2016-17 to 2018-19	3
3.	Kolkata	2018-19	1
4.	Bidhannagar	2014-15 to 2018-19	5
Kolkata Municipal Area (KMA) – Municipality			
5.	Baidyabati	2018-19	1
6.	Bansberia	2017-18 to 2018-19	2
7.	Baranagar	2017-18 to 2018-19	2
8.	Barasat	2015-16 to 2018-19	4
9.	Barrackpore	2018-19	1
10.	Baruipur	2015-16 to 2018-19	4
11.	Bhadreswar	2015-16 to 2018-19	4
12.	Bhatpara	2018-19	1
13.	Budge Budge	2018-19	1
14.	Chamdpdany	2015-16 to 2018-19	4
15.	Dum Dum	2016-17 to 2018-19	3
16.	Dankuni	2012-13 to 2018-19	7
17.	Garulia	2016-17 to 2018-19	3
18.	Gayeshpur	2008-09 to 2018-19	11
19.	Halisahar	2017-19	2
20.	Hooghly Chinsurah	2017-18 to 2018-19	2
21.	Kalyani	2016-17 to 2018-19	3
22.	Kamarhati	2017-18 to 2018-19	2
23.	Kanchrapara	2016-17 to 2018-19	3
24.	Khardah	2018-19	1
25.	Konnagar	2018-19	1
26.	Madhyamgram	2016-17 to 2018-19	3
27.	Maheshtala	2017-18 to 2018-19	2
28.	Naihati	2017-18 to 2018-19	2
29.	New Barrackpore	2015-16 to 2018-19	4
30.	North Barrackpore	2018-19	1
31.	North Dum Dum	2013-14 to 2018-19	6
32.	Panihati	2018-19	1
33.	Pujali	2016-17 to 2018-19	3
34.	RajpurSonarpur	2017-18 to 2018-19	2
35.	Rishra	2018-19	1
36.	Serampore	2015-16 to 2018-19	4
37.	South Dum Dum	2017-18 to 2018-19	2

Sl. No.	Name of the Institution	Accounts in Arrears	
		Period	Number of Arrear Accounts
38.	Titagarh	2017-18 to 2018-19	2
39.	Uluberia	2015-16 to 2018-19	4
40.	UttarparaKotrung	2017-18 to 2018-19	2
Non-Kolkata Municipal Area (Non-KMA) – Municipal Corporation			
41.	Asansol	2015-16 to 2018-19	4
42.	Durgapur	2016-17 to 2018-19	3
43.	Siliguri	2018-19	1
Non-Kolkata Municipal Area (Non-KMA) – Municipality			
44.	Alipurduar	2018-19	1
45.	Ashokenagar Kalyangarh	2015-16 to 2018-19	4
46.	Baduria	2011-12 to 2018-19	8
47.	Balurghat	2014-15 to 2018-19	5
48.	Bankura	2017-18 to 2018-19	2
49.	Bardhaman	2018-19	1
50.	Basirhat	2018-19	1
51.	Beldanga	2016-17 to 2018-19	3
52.	Berhampur	2016-17 to 2018-19	3
53.	Birnagar	2017-18 to 2018-19	2
54.	Bishnupur	2007-08 to 2018-19	12
55.	Bolpur	2017-18 to 2018-19	2
56.	Bongaon	2015-16 to 2018-19	4
57.	Buniadpur	2014-15 to 2018-19	5
58.	Chakdaha	2017-18 to 2018-19	2
59.	Chandrakona	2011-12 to 2018-19	8
60.	Contai	2015-16 to 2018-19	4
61.	Cooch Behar	2009-10 to 2018-19	10
62.	Coopers' Camp Notified Area Authority	2011-12 to 2018-19	8
63.	Dainhat	2007-08 to 2018-19	12
64.	Dalkhola	2016-17 to 2018-19	3
65.	Darjeeling	2018-19	1
66.	Dhulian	2013-14 to 2018-19	6
67.	Dhupguri	2011-12 to 2018-19	8
68.	Diamond Harbour	2014-15 to 2018-19	5
69.	Dinhata	2007-08 to 2018-19	12
70.	Domkal	2015-16 to 2018-19	4
71.	Dubrajpur	2013-14 to 2018-19	6
72.	Egra	2014-15 to 2018-19	5
73.	English Bazaar	2017-18 to 2018-19	2
74.	Gangarampur	2010-11 to 2018-19	9
75.	Ghatal	2017-18 to 2018-19	2
76.	Gobardanga	2016-17 to 2018-19	3
77.	Guskara	2014-15 to 2018-19	5
78.	Habra	2018-19	1
79.	Haldia	2018-19	1
80.	Haldibari	2014-15 to 2018-19	5
81.	Haringhata	2013-14 to 2018-19	6
82.	Islampur	2018-19	1
83.	Joynagar-Mozilpur	2013-14 to 2018-19	6

Sl. No.	Name of the Institution	Accounts in Arrears	
		Period	Number of Arrear Accounts
84.	Jalpaiguri	2018-19	1
85.	Jangipur	2018-19	1
86.	Jhalda	2011-12 to 2018-19	8
87.	Jhargram	2016-17 to 2018-19	3
88.	Jiaganj-Azimganj	2008-09 to 2018-19	11
89.	Kaliyaganj	2016-17 to 2018-19	3
90.	Kalimpong	2017-18 to 2018-19	2
91.	Kalna	2017-18 to 2018-19	2
92.	Kandi	2009-10 to 2018-19	10
93.	Katwa	2010-11 to 2018-19	9
94.	Kharagpur	2016-17 to 2018-19	3
95.	Kharar	2017-18 to 2018-19	2
96.	Khirpai	2015-16 to 2017-18	3
97.	Krishnanagar	2018-19	1
98.	Kurseong	2011-12 to 2018-19	8
99.	Mal	2008-09 to 2018-19	11
100.	Mathabhanga	2015-16 to 2018-19	4
101.	Medinipur	2016-17 to 2018-19	3
102.	Mekhligunj	2008-09 to 2018-19	11
103.	Memari	2018-19	1
104.	Mirik	2007-08 to 2018-19	12
105.	Murshidabad	2009-10 to 2018-19	10
106.	Nabadwip	2018-19	1
107.	Nalhati	2012-13 to 2018-19	7
108.	Old Malda	2010-11 to 2018-19	9
109.	Panskura	2018-19	1
110.	Purulia	2018-19	1
111.	Raiganj	2018-19	1
112.	Ramjibanpur	2013-14 to 2018-19	6
113.	Rampurhat	2018-19	1
114.	Ranaghat	2011-12 to 2018-19	8
115.	Raghunathpur	2007-08 to 2018-19	12
116.	Sainthia	2012-13 to 2018-19	7
117.	Santipur	2017-18 to 2018-19	2
118.	Sonamukhi	2008-09 to 2018-19	11
119.	Taherpur Notified Area Authority	2016-17 to 2018-19	3
120.	Taki	2018-19	1
121.	Tamralipta	2017-18 to 2018-19	2
122.	Tarakeswar	2010-11 to 2018-19	9
123.	Tufangunj	2017-18 to 2018-19	2
Total			515
Annual Financial Statement due before merging			
1.	RajarhatGopalpur Municipality	2012-13 to 2015-16	4
2.	Bally Municipality	2008-09 to 2015-16	8
3.	Jamuraia Municipality	2008-09 to 2015-16	8
4.	Raniganj Municipality	2011-12 to 2015-16	5
5.	Kulti Municipality	2007-08 to 2015-16	9
Total			34

Sl. No.	Name of the Institution	Accounts in Arrears	
		Period	Number of Arrear Accounts
Universities			
1.	Bidhan Chandra Krishi Viswa Vidyalaya	2009-10 to 2018-19	10
2.	Bardhaman University	2017-18 to 2018-19	2
3.	Calcutta University	2012-13 to 2018-19	7
4.	Diamond Harbour Women's University	2016-17 to 2018-19	3
5.	Jadavpur University	2017-18 to 2018-19	2
6.	Kalyani University	2018-19	1
7.	North Bengal University	2018-19	1
8.	Rabindra Bharati University	2018-19	1
9.	Vidyasagar University	2018-19	1
10.	Uttar Banga Krishi Viswa Vidyalaya	2010-11 to 2018-19	9
11.	Jadavpur PF Accounts	2009-10 to 2018-19	10
12.	IISWBM	2014-15 to 2018-19	5
13.	Presidency University	2017-18 to 2018-19	2
14.	Maulana Abul Kalam University of Technology, West Bengal (Formerly known as West Bengal University of Technology)	Except 2007-08 & 2010-11 to 2018-19	10
15.	Sidhu Kanhu Birsa University	2017-18 to 2018-19	2
Total			66
Other Local Bodies			
1.	Change Management Unit	2010-11 to 2018-19	9
2.	Howrah Improvement Trust	2006-07 to 2018-19	13
3.	Kolkata Environment Improvement Project	2018-19	1
4.	Nabadiganta Industrial Township	2010-11 to 2018-19	9
Total			32

Source: Records of the Institutions

APPENDIX 4.1 Glossary of Terms

Terms	Description
Appropriation Accounts	Appropriation Accounts present the total amount of funds (Original and Supplementary) authorised by the Legislative Assembly in the budget grants under each voted grant and charged appropriation <i>vis-à-vis</i> the actual expenditure incurred against each and the unspent provisions or excess under each grant or appropriation. Any expenditure in excess of the grants requires regularisation by the Legislature.
Autonomous Bodies	Autonomous Bodies (usually registered Societies or Statutory Corporations) are set up whenever it is felt that certain functions need to be discharged outside the Governmental set-up with some amount of independence and flexibility without day-to-day interference of the Governmental machinery.
Buoyancy ratio	Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable.
Committed expenditure	The committed expenditure of the State Government on revenue account mainly consists of interest payments, expenditure on salaries and wages, pensions and subsidies on which the present executive has limited control.
Consolidated Fund of the State	The fund constituted under Article 266 (1) of the Constitution of India into which all receipts, revenues and loans flow. All expenditure from the Consolidated Fund of the State is by appropriation: voted or charged. It consists of two main divisions namely Revenue Account (Revenue Receipts and Revenue Expenditure) and Capital Account (Public Debt and Loans, etc.).
Contingency Fund	Contingency Fund is in the nature of an imprest into which is paid from time to time such sums as may be determined by law, and the said fund is placed at the disposal of the Governor to enable advances to be made by him out of it for the purpose of meeting unforeseen expenditure pending authorisation of such expenditure by Legislature Assembly by law under Article 115 or Article 116 of the Constitution.
Contingent liability	Contingent liability is a liability which may or may not be incurred by an entity depending on the outcome of a future event such as a court case.
Debt sustainability	The Debt sustainability is defined as the ability of the State to maintain a constant debt-GSDP ratio over a period of time and also embodies the concern about the ability to service its debt. Sustainability of debt therefore also refers to sufficiency of liquid assets to meet current or committed obligations and the capacity to keep balance between costs of additional borrowings with returns from such borrowings. It means that rise in fiscal deficit should match with the increase in capacity to service the debt.
Domar Model	The Domar model is one of the models of analysing sustainability of public debt. In order to achieve a stable debt to GDP ratio, the model lays out the necessary <i>i.e.</i> , real rate of interest should be lower than real rate of growth and sufficient conditions <i>i.e.</i> , occurrence of primary surplus.
Guarantees	Guarantees are liabilities contingent on the Consolidated Fund of the State in case of default by the borrower for whom the guarantee has been extended.
Primary revenue expenditure	Primary revenue expenditure means revenue expenditure excluding interest payments.
Public Accounts Committee	A Committee constituted by the Legislative Assembly for the examination of the reports of the Comptroller and Auditor General of India.
Re-appropriation	Means the transfer of funds from one primary unit of appropriation to another such unit.
Sinking Fund	A Fund into which the Government sets aside money over time, in order to retire its debt.
Supplementary grants	If the amount authorised by any law made in accordance with the provisions of Article 114 of the Constitution to be expended for a particular service for

Terms	Description
	the current financial year is found to be insufficient for the purpose of that year or when a need has arisen during the current financial year for the supplementary or additional expenditure upon some 'new service' not contemplated in the original budget for that year, Government is to obtain supplementary grants or appropriations in accordance with the provision of Article 115(1) of the Constitution.
Surrenders of unspent provision	Departments of the State Government are to surrender to the Finance Department, before the close of the financial year, all the anticipated unspent provisions noticed in the grants or appropriations controlled by them. The Finance Department is to communicate the acceptance of such surrenders, as are accepted by them to the Audit Officer and/or the Accounts Officer, as the case may be, before the close of the financial year.
Suspense and Miscellaneous	Items of receipts and payments which cannot at once be taken to a final head of receipt or charge owing to lack of information as to their nature or for any other reasons, may be held temporarily under the major head "8658-Suspense Account" in the sector "L. Suspense and Miscellaneous" of the Accounts, (Footnotes under the major head in the list of major/minor heads of account may be referred to for further guidance). A service receipt of which full particulars are not given must not be taken to the head "Suspense Account" but should be credited to the minor head "Other Receipt" under the revenue major head to which it appears to belong pending eventual transfer to the credit of the correct head on receipt of detailed particulars.
Net Debt Available	Excess of Public Debt Receipts and Public Account Receipts over Public Debt Repayment, Public Account disbursement and payment of Interest.

List of Abbreviations Used

Abbreviations	Full Form
A&E	Accounts & Entitlement
AB	Autonomous Body
AC	Abstract Contingent
ADB	Asian Development Bank
AE	Aggregate Expenditure
AG	Accountant General
APL	Above Poverty Line
BAPL	Bengal Aerotropolis Projects Limited
BE	Budget Estimates
BEUP	Bidhayak Elaka Unnayan Prakalpa
BPL	Below Poverty Line
CAG	Comptroller and Auditor General
CAGR	Compound Annual Growth Rate
CCO	Chief Controlling Officer
CE	Capital Expenditure
CGST	Central Goods and Services Tax
CPI	Consumer Price Index
CR	Capital Receipts
CSF	Consolidated Sinking Fund
DC	Detailed Contingent
DDO	Drawing and Disbursing Officer
DE	Development Expenditure
DLSA	District Legal Services Authority
DM	District Magistrate
DPC	Duties, Powers and Conditions
DPL	Durgapur Projects Limited
DVC	Damodar Valley Corporation
ELA	Examiner of Local Accounts
ES	Economic Services
ESE	Economic Sector Expenditure
FC	Finance Commission

Abbreviations	Full Form
FD	Fiscal Deficit
FPSS	Fiscal Policy Strategy Statement
FRBM	Fiscal Responsibility and Budget Management
GCS	General Category States
GDP	Gross Domestic Product
GIA	Grants-in-Aid
GoI	Government of India
GoWB	Government of West Bengal
GRF	Guarantee Redemption Fund
GSDP	Gross State Domestic Product
GST	Goods and Services Taxes
HoD	Head of the Department
HDA	Haldia Development Authority
IBRD	International Bank for Reconstruction and Development
ICDS	Integrated Child Development Services
IFMS	Integrated Financial Management System
IGST	Integrated Goods and Services Tax
IGAS	Indian Government Accounting Standards
JBIC	Japan Bank for International Cooperation
KMRCL	Kolkata Metro Rail Corporation Limited
MGNREGA	Mahatma Gandhi National Rural Employment Guarantee Act
MoSPI	Ministry of Statistics and Programme Implementation
MSMET	Micro, Small & Medium Enterprises and Textiles
MTFPS	Medium-Term Fiscal Policy Statement
NBDD	North Bengal Development Department
NPS	National Pension System
NSSF	National Small Savings Fund
O&M	Operations and Maintenance
PAC	Public Accounts Committee
PAO	Pay and Accounts Office
PD	Personal Deposit/Primary Deficit
PDA	Personal Deposit Accounts

Abbreviations	Full Form
PL	Personal Ledger
PRI	Panchayati Raj Institution
PS	Panchayat Samiti
PSU	Public Sector Undertaking
PWD	Public Works Department
RBI	Reserve Bank of India
RD	Revenue Deficit
RE	Revised Estimate/Revenue Expenditure
RR	Revenue Receipts
SASPFUW	State Assisted Scheme of Provident Fund for Unorganised Workers
S&W	Salaries and Wages
SAR	Separate Audit Report
SDRF	State Disaster Response Fund
SGST	State Goods and Services Tax
SOTR	State's Own Tax Revenue
SP	State Plan
SR	Subsidiary Rules
SS	Social Service
SSE	Social Sector Expenditure
TE	Total Expenditure
TPDS	Targeted Public Distribution System
UC	Utilisation Certificate
ULB	Urban Local Body
VAT	Value Added Tax
VLC	Voucher Level Computerisation
WBBM	West Bengal Budget Manual
WBCBC	West Bengal Commission for Backward Classes
WBCETF	West Bengal Compensatory Entry Tax Fund
WBCGA	West Bengal Ceiling on Government Guarantees Act
WBFR	West Bengal Financial Rules
WBFRBM	West Bengal Fiscal Responsibility and Budget Management

Abbreviations	Full Form
WBHDCL	West Bengal Highway Development Corporation Limited
WBHS	West Bengal Health Scheme
WBIDCL	West Bengal Industrial Development Corporation Limited
WBPDCCL	West Bengal Power Development Corporation Limited
WBSEDCL	West Bengal State Electricity Distribution Company Limited
WBSETCL	West Bengal State Electricity Transmission Corporation Limited
WBSSCL	West Bengal State Seed Corporation Limited
WBTFDF	West Bengal Transport Infrastructure Development Fund
WBTR	West Bengal Treasury Rules
WMA	Ways and Means Advance

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