

Table of Contents

	Paragraph	Page No.
Preface		v
Executive Summary		vii
Chapter I – Overview		
Profile of the State	1.1	1
Gross State Domestic Product of the State	1.2	1
Basis and Approach to State Finances Audit Report	1.3	4
Report Structure	1.4	5
Overview of Government Account Structure and Budgetary Processes	1.5	5
Snapshot of Finances	1.6	8
Snapshot of Assets and Liabilities of the Government	1.7	10
Fiscal Balance: Achievement of deficit and total debt targets	1.8	11
Chapter II – Finances of the State		
Introduction	2.1	19
Major Changes in Key Fiscal Aggregates <i>vis-à-vis</i> 2019-20	2.2	19
Sources and Application of Funds	2.3	20
Resources of the State	2.4	22
Revenue Receipts	2.5	24
Capital Receipts	2.6	29
Application of Resources	2.7	31
Revenue Expenditure	2.8	34
Capital Expenditure	2.9	42
Public Account	2.10	49
Reserve Funds	2.11	51
Debt Management	2.12	52
Utilisation of Borrowed Funds	2.13	61
Management of Cash Balances	2.14	64
Conclusion and Recommendations	2.15	67
Chapter III – Budgetary Management		
Budget Process	3.1	69
Appropriation Accounts	3.2	72
Comments on integrity of the Budgetary and Accounting Process	3.3	72
Comments on effectiveness of the Budgetary and Accounting Process	3.4	79
New Schemes introduced in the Budget	3.5	81

Recommendations	3.6	83
Chapter IV – Quality of Accounts & Financial Reporting Practices		
Funds outside Public Account of the State	4.1	85
Non-discharge of liability in respect of interest towards interest bearing reserve funds	4.2	86
Funds transferred directly to State implementing agencies	4.3	86
Delay in submission of Utilisation Certificates	4.4	87
Abstract Contingent bills	4.5	89
Personal Deposit Accounts	4.6	91
Indiscriminate use of Minor head 800	4.7	94
Outstanding balance under major Suspense and DDR (Debt, Deposit and Remittances) heads	4.8	96
Non-reconciliation of Departmental figures	4.9	97
Reconciliation of Cash Balances	4.10	98
Compliance with Accounting Standards	4.11	98
Submission of Accounts/ Separate Audit Reports of Autonomous Bodies	4.12	99
Follow up action on State Finances Audit Report	4.13	100
Conclusion	4.14	100
Recommendations	4.15	101
Chapter V – Functioning of State Public Sector Enterprises		
Introduction	5.1	103
Mandate of Audit	5.2	103
Number of SPSEs	5.3	104
Investment in Government Companies & Corporation and Budgetary support	5.4	105
Debt position of SPSEs	5.5	105
Reconciliation of Equity and Loan of SPSEs with Finance Accounts of Government of West Bengal	5.6	106
Adequacy of Assets	5.7	107
Budgetary assistance to SPSEs	5.8	108
Disinvestment, restructuring and privatization	5.9	108
Return from Government Companies and Corporations	5.10	108
Repayment of Principal Debt and servicing of Interest charges	5.11	109
Outstanding repayments of loans disbursed by Government in respect of SPSEs	5.12	110
Analysis of Profit reported from Operating and non-operating activities	5.13	111
Return on Capital Employed	5.14	112
Return on Equity by SPSEs	5.15	112

SPSEs incurring losses	5.16	113
Erosion of Capital in SPSEs	5.17	114
Audit of State Public Sector Enterprises (SPSEs)	5.18	114
Appointment of Statutory Auditors of SPSEs by CAG	5.19	115
Submission of Accounts by SPSEs	5.20	115
Timeliness in preparation of Accounts by SPSEs	5.21	116
CAG's Oversight- Audit of Accounts and Supplementary Audit	5.22	116
Audit of Accounts of Government Companies by Statutory Auditors	5.23	117
Supplementary Audit of Accounts of Government Companies	5.24	117
Result of CAG's oversight role	5.25	117
Non-compliance with provisions of Accounting Standards (ASs)/ Indian ASs	5.26	121
Management Letters	5.27	122
Recommendations	5.28	123

Appendices

Appendix No.	Description	Page No.
Appendix to Chapter I		
1.1	A Brief Profile of West Bengal	125
Appendix to Chapter II		
2.1	Time Series Data on the State Government Finances	126
Appendices to Chapter IV		
4.1	Funds lying inoperative in PD Accounts exceeding two years	129
4.2	Suspense and Remittance Balances which impact the Cash Balance	130
4.3	Arrears of Accounts of Bodies or Authorities	132
Appendix to Chapter V		
5.1	Summarised financial position and working results of Government	137
Glossary of Terms		147
List of Abbreviations Used		149