

सत्यमेव जयते

Accounts at a Glance 2018-19



लोकहितार्थं सत्यनिष्ठा
Dedicated to Truth in Public Interest



Government of West Bengal

**Laid on the Table of
the State Legislature
on 25.03.2022**

Accounts at a Glance

2018-19

Government of West Bengal

PREFACE

This is the twenty first issue of our annual publication ‘**Accounts at a Glance**’ in respect of Government of West Bengal.

The Annual Accounts of the State Government are prepared by the Principal Accountant General (Accounts and Entitlement), West Bengal on behalf of the Comptroller and Auditor General of India (C&AG) in accordance with the requirements of the Comptroller and Auditor General’s (Duties, Powers and Conditions of Service) Act, 1971 for being laid before the Legislature of the State. The Annual Accounts consist of Finance Accounts and Appropriation Accounts. Finance Accounts are summarised statements of accounts under the Consolidated Fund, Contingency Fund and the Public Account. The Appropriation Accounts record the Grant-wise expenditures against provisions approved by State Legislature and offer explanations for variations between the actual expenditure and the funds provided.

The **Accounts at a Glance** provides a broad overview of Governmental activities, as reflected in the Finance Accounts and the Appropriation Accounts and gives an insight into the financial position of the State. The information is presented through brief explanations, statements and graphs. It is based on the figures in the certified Finance Accounts and Appropriation Accounts and in case of difference the figures depicted in the Finance and Appropriation Accounts may be treated as correct.

We look forward to suggestions that would help us improve this publication.



(ADITI ROYCHOUDHURY)

KOLKATA
Dated: 17 August 2020

PRINCIPAL ACCOUNTANT GENERAL (A&E)
WEST BENGAL

Our Vision, Mission and Core Values

Vision

The vision of the institution of the Comptroller and Auditor General of India represents what we aspire to become.

- We strive to be a global leader and initiator of national and international best practices in public sector auditing and accounting and recognised for independent, credible, balanced and timely reporting on public finance and governance.

Mission

Our mission enunciates our current role and describes what we are doing today.

- Mandated by the Constitution of India, we promote accountability, transparency and good governance through high quality auditing and accounting and provide independent assurance to our stakeholders- the Legislature, the Executive and the Public- that public funds are being used efficiently and for the intended purposes.

Core Values

Our core values are the guiding beacons for all that we do and give us the benchmarks for assessing our performance.

- Independence
- Objectivity
- Integrity
- Reliability
- Professional Excellence
- Transparency
- Positive Approach

TABLE OF CONTENTS

	Subject	Page
Chapter-I	Overview	
1.1	Introduction	1
1.2	Structure of Government Accounts	1
1.3	Finance Accounts and Appropriation Accounts	3
1.4	Sources and Application of Funds	6
1.5	Highlights of Accounts	9
1.6	Fiscal Responsibility and Budget Management Act, 2010	11
Chapter-II	Receipts	
2.1	Introduction	14
2.2	Revenue Receipts	14
2.3	Tax Revenue	17
2.4	Efficiency of Tax Collection	19
2.5	Trend in State's Share of Union Taxes & Duties	20
2.6	Grants-in-Aid	20
2.7	Public Debt	21
Chapter-III	Expenditure	
3.1	Introduction	22
3.2	Revenue Expenditure	22
3.3	Capital Expenditure	25
Chapter-IV	Scheme & Administrative Expenditure	
4.1	Distribution of Expenditure	28
4.2	Scheme Expenditure	28
4.3	Administrative Expenditure	31
4.4	Committed Expenditure	31
Chapter-V	Appropriation Accounts	
5.1	Summary of Appropriation Accounts	33
5.2	Trend of Savings/Excess during the past five years	33
5.3	Significant Savings	34
Chapter-VI	Assets and Liabilities	
6.1	Assets	36
6.2	Debt and Liabilities	36
6.3	Guarantees	37
Chapter-VII	Other Items	
7.1	Adverse Balances	39
7.2	Loans and Advances by the State Government	39
7.3	Financial Assistance to Local Bodies and Others	39
7.4	Cash Balance and Investment of Cash Balance	40
7.5	Reconciliation of Accounts	41
7.6	Submission of Accounts by Accounts Rendering Units	41
7.7	Abstract Contingent (AC) Bills and Detailed Contingent (DC) Bills	41
7.8	Utilisation Certificates (UCs) for Grants-in-Aid not received	41
7.9	Status of Suspense and Remittance balances	42
7.10	Rush of Expenditure	43
7.11	Major Cesses collected by the State Government	43
7.12	Commitments on account of Incomplete Capital Works	44
7.13	Personal Deposit (PD) Accounts	44
7.14	Liability under Retirement benefits	45
7.15	Direct transfer of Central Scheme Funds to implementing Agencies in the State (Funds routed outside State Budget)	46
7.16	Investments	46
7.17	Ujwal DISCOM Assurance Yojana (UDAY)	46
7.18	Guarantees given by Governments: Disclosure requirements (IGAS-1)	46
7.19	Accounting Classification of Grants-in-Aid (IGAS-2)	47
7.20	Loans and Advances made by the Government (IGAS-3)	47
7.21	Expenditure incurred in favour of PSU for setting of own loan assets.	48
7.22	Booking under Capital expenditure for work executed by Zila Parisad.	49

CHAPTER-I

OVERVIEW

1.1. Introduction

The Principal Accountant General (Accounts and Entitlement), West Bengal compiles the accounts of receipts and disbursements of the Government of West Bengal. This compilation is based on the initial accounts rendered by the State Treasuries, Pay and Accounts Offices (PAOs) located in Kolkata and New Delhi, intimations (known as Clearance Memos) of the Reserve Bank of India, information on Inter State Settlement Suspense Accounts (known as Inward/Outward Settlement Accounts). From 1 April 2015, Government of West Bengal has done away with the Letter of Credit (LOC) system and submission of accounts by Works and Forest Divisions. Based on these, the Principal Accountant General (A&E) furnishes the Monthly Civil Accounts to the Finance Department. At the end of the year, after audit by the Principal Accountant General (General & Social Sector Audit), West Bengal and certification by the Comptroller and Auditor General of India, the Principal Accountant General (A&E) submits the Finance Accounts and the Appropriation Accounts of the Government of West Bengal to the Governor, Finance Department and State Legislature.

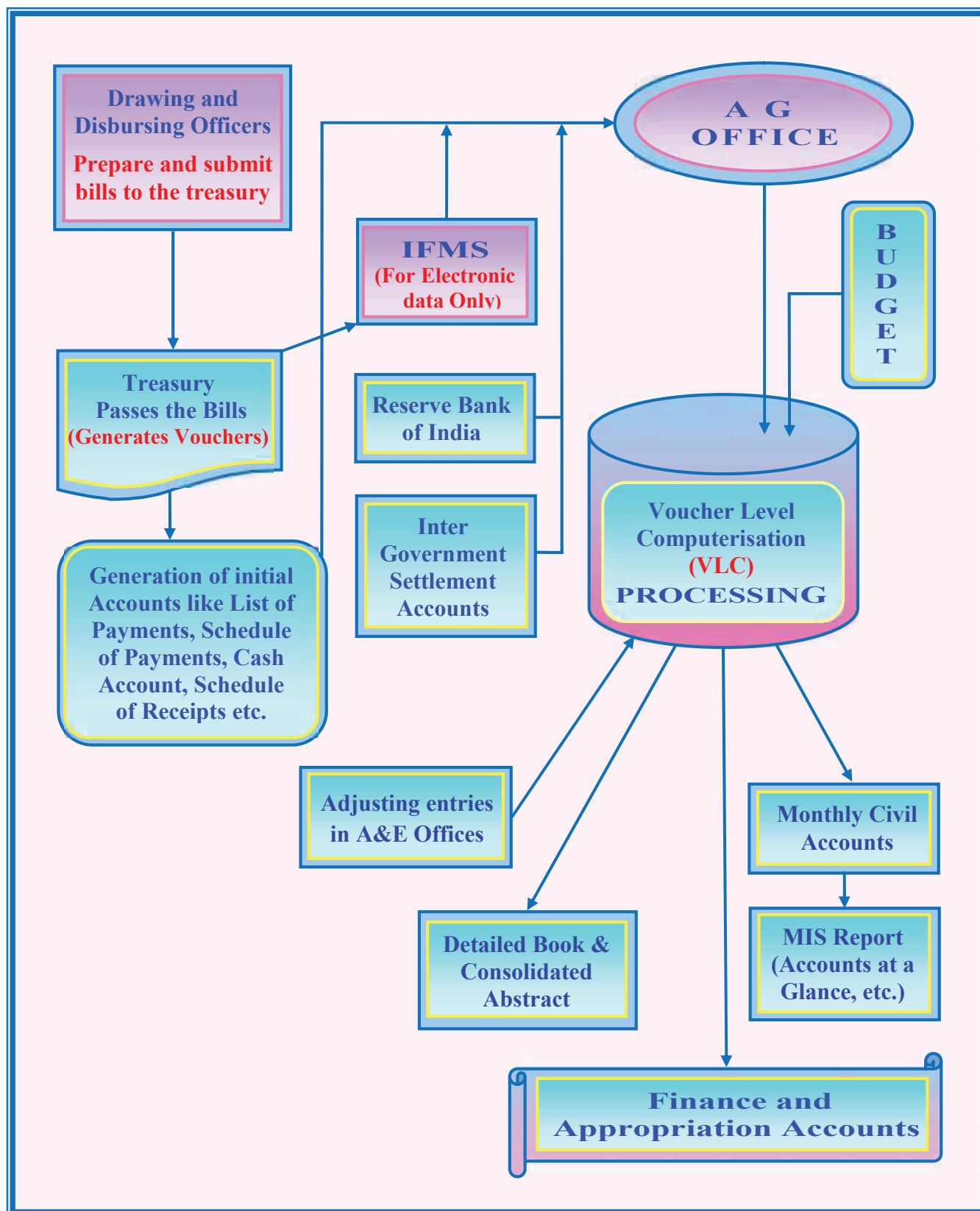
1.2. Structure of Government Accounts

1.2.1. Government Accounts are kept in three parts:

Part I Consolidated Fund	Comprises all Receipts and Expenditure on Revenue and Capital Account, Public Debt and Loans and Advances.
Part II Contingency Fund	This Fund is in the nature of an imprest which is established by the State Legislature by law, and is placed at the disposal of the Governor to enable advances to be made for meeting unforeseen expenditure pending authorisation of such expenditure by the State Legislature. The fund is recouped by debiting the expenditure to the concerned functional major head relating to the Consolidated Fund of the State. The Contingency Fund of the Government of West Bengal for 2018-2019 was ₹ 20.00 crore.
Part III Public Account	In Public Account, the transactions relating to Debt (Other than those included in Part I), 'Deposits', 'Advances', 'Remittances' and 'Suspense' shall be recorded. The transactions under Debt, Deposit and Advances in this part are such in respect of which Government incurs a liability to repay the moneys received or has a claim to recover the amounts paid, together with the repayments of the former (Debt and Deposits) and the recoveries of the latter (Advances). The transactions relating to 'Remittances' and 'Suspense' in this part shall embrace all merely adjusting heads under which shall appear for transactions heads such as remittances of cash between treasuries and currency chests and transfer between different accounting circles. The initial debits or credits to these heads have to be cleared eventually by booking to the final heads of accounts.

1.2.2. Compilation of Accounts

Flow Diagram for Accounts Compilation



1.3. Finance Accounts and Appropriation Accounts

1.3.1. Finance Accounts

The Finance Accounts prepared in two volumes depict the receipts and disbursements of the Government for the year, together with the financial results disclosed by the Revenue and Capital accounts, accounts of Public Debt and Liabilities and Assets as worked out from the balances as recorded in the accounts. Volume-I of the Finance Accounts contains the certificate of the Comptroller and Auditor General of India, Guide to the Finance Accounts, 13 Statements which give summarised information of the financial position and transactions of the State Government for the current Financial Year and “Notes to Accounts” containing summary of significant accounting policies, quality of accounts and other items. Volume-II contains 9 detailed statements (Part-I) and 12 appendices (Part-II).

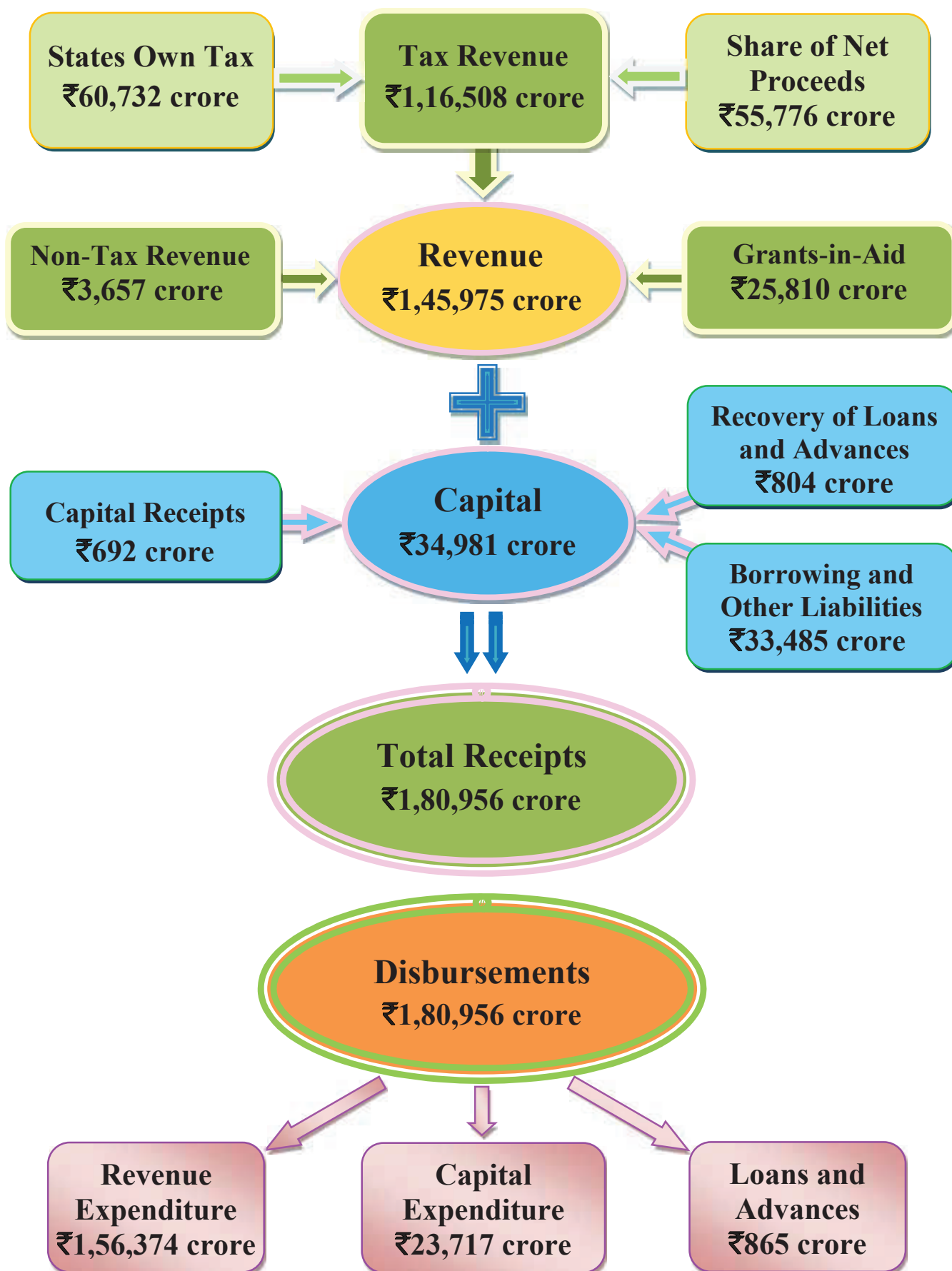
Receipts and disbursements of the State Government as depicted in the Finance Accounts for 2018-19 are detailed below:

(₹ in Crore)

Receipts and disbursements in the year 2018-19			
Receipts (Total:1,80,956)	Revenue (Total:1,45,975)	Tax Revenue	1,16,508
		(a) States Own Tax	60,732
		(b) Share of Net Proceeds	55,776
		Non-Tax Revenue	3,657
		Grants-in-Aid	25,810
	Capital (Total: 34,981)	Capital Receipts	692
		Recovery of Loans and Advances	804
		Borrowing and other Liabilities (*)	33,485
Disbursements (Total:1,80,956)	Revenue		1,56,374
	Capital		23,717
	Loans and Advances		865

(*) Borrowings and other Liabilities: Net (Receipt - Disbursements) of Public Debt + Net of Contingency Fund + Net (Receipt - Disbursements) of Public Account + Net of Opening and Closing Cash Balance.

Receipts and disbursements in the year 2018-19



This year, the Government of India directly released ₹5,799.70 crore (₹9,891.26 crore last year) to State Implementing Agencies and NGOs for implementation of various schemes and programmes. Since these funds are not routed through the State Budget, they are not reflected in the accounts of the State Government. Such direct transfers of Central Scheme Funds are now exhibited in Appendix VI of Volume-II of the Finance Accounts.

1.3.2. Appropriation Accounts

Under the Constitution, no expenditure can be incurred by the Government except with the authorisation of the Legislature. Barring certain expenditure specified in the Constitution as “charged” on the Consolidated Fund, which can be incurred without vote of the Legislature, all other expenditure requires to be “voted”. The Budget of the West Bengal Government has 74 Voted Grants and 01 Charged Appropriation in the current year.

The gross Budget provision for Expenditure (charged and voted) for 2018-19 was ₹2,39,979.62 crore and reduction of expenditure (recoveries) of ₹2,799.71 crore. Against this, the actual gross expenditure was ₹2,31,474.16 crore and reduction of expenditure was ₹4,731.41 crore, resulting in net savings of ₹8,505.46 crore (3.67 per cent) in respect of expenditure and net excess of ₹1,931.70 crore (40.83 per cent) on reduction of expenditure. The gross expenditure includes ₹433.11 crore drawn on Abstract Contingent (AC) Bills (no. of AC Bills 1,241), which is still outstanding at the end of the year for want of supporting Detailed Contingent (DC) Bills.

During 2018-19, ₹1,165.38 crore was transferred from the Consolidated Fund to Personal Deposit (PD) Accounts under the Public Account, which are maintained by designated Administrators for specific purposes. Normally, unspent balances under PD accounts are to be transferred back to the Government at the end of the financial year. However, details of such transfers, if any, and outstanding balances in individual PD accounts are available only with the treasuries, since they are responsible for maintaining such records.

1.3.3. Efficiency on Budget preparation

At the end of the year, the actual expenditure of the Government of West Bengal against the Budget estimate, showed a net savings of ₹8,505.46 crore (3.54 *per cent* of estimates) and under- estimation of ₹1,931.70 crore (0.80 *per cent* of estimates) on reduction of expenditure. Certain grants, like those relating to Panchayats and Rural Development, Housing, School Education, Irrigation and Waterways, Urban Development and Municipal Affairs, Industry, Commerce and Enterprises, Agriculture, Minority Affairs and Madrasah Education, Home and Hill Affairs, Animal Resources Development, Water Resources Investigation and Development, Land and Land Reforms and Refugee Relief and Rehabilitation, Higher Education, Science & Technology and Biotechnology showed substantial savings.

1.4. Sources and Application of Funds

1.4.1. Ways and Means Advances and Overdraft from the Reserve Bank of India

The Reserve Bank of India (RBI) extends the facility of Ways and Means Advances (WMA) and Overdraft (OD) facilities to enable State Governments to tide over temporary shortfalls in their Cash Balances. Overdraft is taken from the Reserve Bank of India when the limit of minimum Cash Balance falls below ₹2.48 crore, even after taking Ways and Means Advances which is required to be maintained with the Reserve Bank of India. During 2018-19, the Government of West Bengal resorted to Special Ways and Means Advances for 82 days, Normal Ways and Means Advances for 47 days and OD facilities for 20 days.

1.4.2. Funds flow statement

The State had a Revenue Deficit of ₹10,399 crore and a Fiscal Deficit of ₹33,485 crore representing 0.88 *per cent* and 2.84 *per cent* of the Gross State Domestic Product (GSDP)¹. The Fiscal Deficit constituted 18.50 *per cent* of total expenditure. This deficit was met solely from Public Debt (₹32,338.64 crore). Around 41 *per cent* of the Revenue Receipts (₹1,45,975.25 crore) of the State Government was spent on committed expenditure like Salaries (₹14,915.19 crore), Interest payment (₹29,311.14 crore) and Pensions (₹16,063.00 crore).

¹ Except where indicated otherwise, Gross State Domestic Product (GSDP) figure for 2018-19 is ₹11,77,586.00 crore as available from the website of the Ministry of Statistics and Programme Implementation.

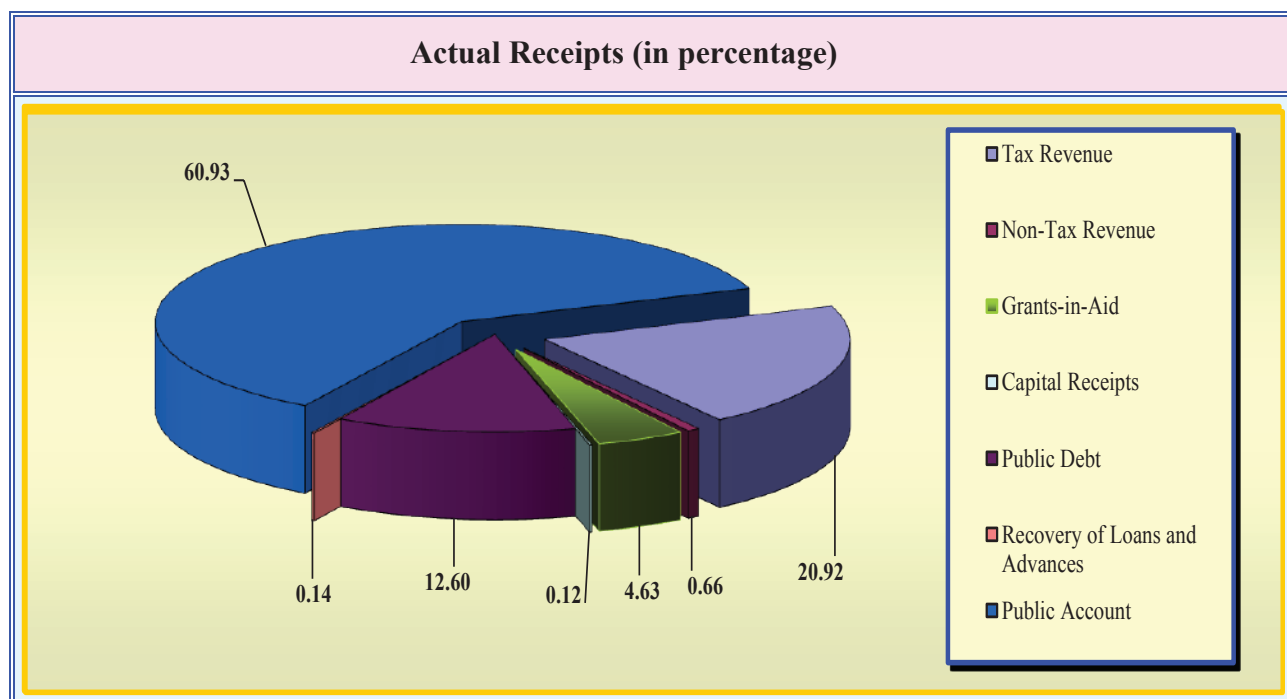
Sources and Application of Funds

(₹ in Crore)

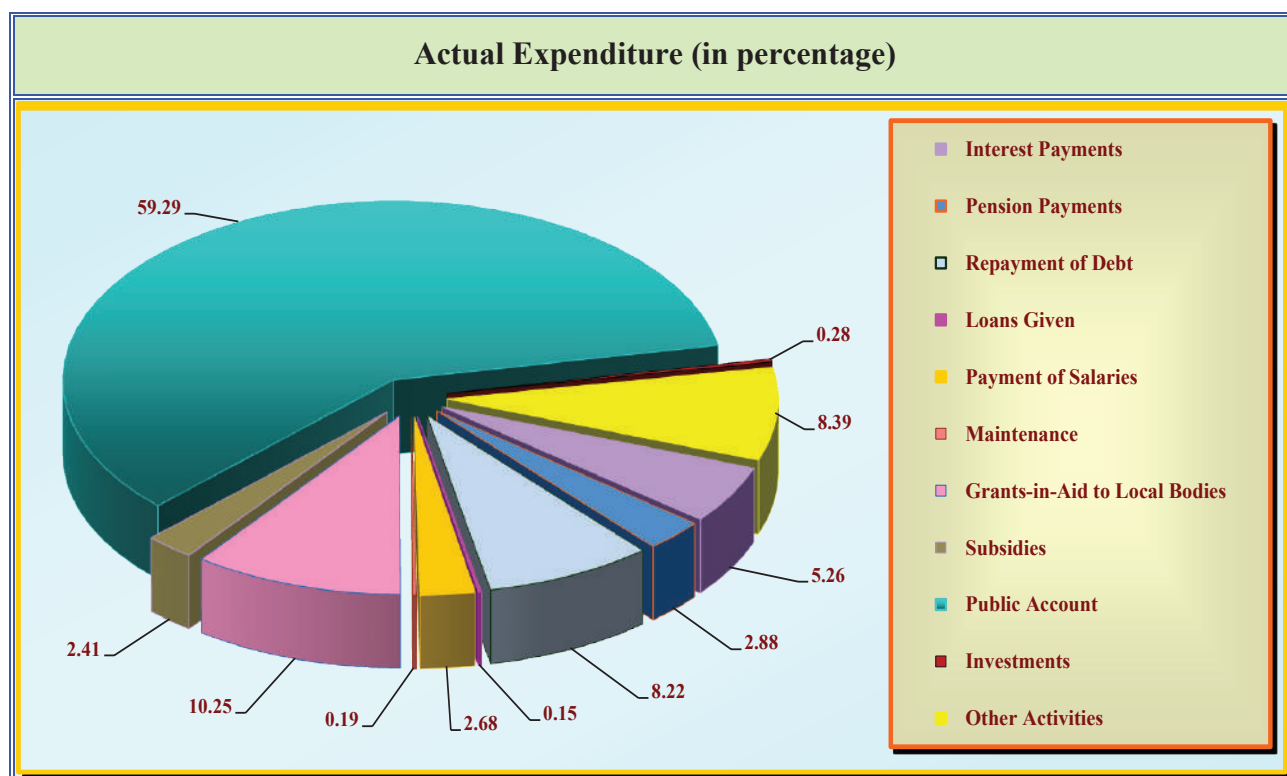
PARTICULARS		AMOUNT
SOURCES	Opening Cash Balance as on 1.4.2018	(-)20
	Revenue Receipts	1,45,975
	Capital Receipts	692
	Recovery of Loans & Advances	804
	Public Debt	70,197
	Small Savings Provident Fund & Others	3,803
	Reserves & Sinking Funds	2,548
	Deposits Received	84,835
	Civil Advances Repaid	0
	Suspense Account	2,48,197
	Remittances	0
	Contingency Fund	0
	TOTAL	5,57,031
APPLICATION	Revenue Expenditure	1,56,374
	Capital Expenditure	23,717
	Loans Given	865
	Repayment of Public Debt	45,786
	Small Savings, Provident Fund & Others	2,675
	Reserves & Sinking Funds	1,461
	Deposits Spent	79,123
	Civil Advances Given	0
	Suspense Account	2,47,037
	Remittances	(-)2
	Closing Cash Balance as on 31.03.2019	(-)5
	TOTAL	5,57,031

Note: The Suspense Accounts include ₹1,03,994 crore invested in Treasury Bills which is shown on the 'Application' side, and ₹1,06,587 crore worth of Treasury Bills sold through the RBI which is shown on the 'Sources' side.

1.4.3. Where each rupee of receipt came from



1.4.4. Where each rupee of expenditure went



1.5. Highlights of Accounts

Sl. No.	Components	Budget Estimate	Actuals	Percentage of actuals to B.E.	Percentage of actuals to GSDP ¹
		(₹ in Crore)			
1.	Tax Revenue ²	1,10,638	1,16,508	105	10
2.	Non-Tax Revenue	3,395	3,657	108	0
3.	Grants-in-Aid & Contributions	32,714	25,810	79	2
4.	Revenue Receipts (1 + 2 + 3)	1,46,747	1,45,975	99	12
5.	Recovery of Loans and Advances	2,823	804	28	0
6.	Other Receipts [#]	0	692	*	0
7.	Borrowings & Other Liabilities ³	38,091	33,485	88	3
8.	Total Capital Receipts (5 + 6 + 7)	40,914	34,981	85	3
9.	Total Receipts (4 + 8)	1,87,661	1,80,956	96	15
10.	Total Revenue Expenditure (13+ 15+17+19)	1,61,702	1,56,374	97	13
11.	Expenditure Interest Payment	30,242	28,911	96	2
12.	Total Capital Expenditure (14 + 16+18)	24,886	23,717	95	2
13.	General Sector Revenue Expenditure	58,325	56,865	97	5
14.	General Sector Capital Expenditure	1,417	927	65	0
15.	Social Sector Revenue Expenditure	69,383	68,764	99	6
16.	Social Sector Capital Expenditure	9,460	7,323	77	1
17.	Economic Sector Revenue Expenditure	33,472	30,256	90	3
18.	Economic Sector Capital Expenditure	14,009	15,467	110	1
19.	Grant-in Aid Contributions	522	489	94	0
20.	Loans and Advances	1,073	865	81	0
21.	Total Expenditure (10 + 12+20)	1,87,661	1,80,956	96	15
22.	Revenue Deficit (4-10)	(-)14,955	(-)10,399	70	1
23.	Fiscal Deficit (4 + 5 +6 -(21-11))	(-)38,091	(-)33,485	88	3
24.	Primary Deficit (23+11)	(-)7,849	(-)4,574	58	0

¹ GSDP figure of West Bengal for 2018-19 is ₹11,77,586.00 crore as available from the Ministry of Statistics and Programme Implementation.

² Includes State's Share of net proceeds of Taxes of ₹55,776 crore.

³ Borrowings and other Liabilities: Net (Receipts - Disbursements) of Public Debt + Net of Contingency Fund + Net (Receipt - Disbursements) of Public Account + Net of Opening and Closing Cash Balance.

[#] The information regarding State Governments right to receive such amount as State's own Capital Receipt was not made available to this office.

* Denotes figure more than four digit/infinite.

What do the Deficits and Surpluses indicate?

Deficit	Refers to the Gap between Revenue and Expenditure. The kind of deficit, how the deficit is financed and application of funds are important indicators of prudence in Financial Management.
Revenue Deficit/Surplus	Refers to the gap between Revenue Receipts and Revenue Expenditure. Revenue Expenditure is required to maintain the existing establishment of Government and ideally, should be fully met from Revenue Receipts.
Fiscal Deficit/Surplus	Refers to the gap between Total Receipts (excluding borrowings) and Total Expenditure. This gap, therefore, indicates the extent to which expenditure is financed by borrowings. Ideally, the Borrowings should be invested in capital projects.

Fiscal Deficits, Revenue Deficits and Public Debt are the main fiscal indicators for evaluating the fiscal position of a Government. It appears that the Revenue Deficit of the Government of West Bengal as on 31 March 2019 is ₹10,399 crore.

1.6. Fiscal Responsibility and Budget Management Act, 2010

In terms of Section 3(1) of the West Bengal Fiscal Responsibility and Budget Management (FRBM) Act, 2010, the Government of West Bengal presented the Medium Term Fiscal Policy and Strategy Statement along with the State Budget for 2018-19. The performance of the State Government during 2018-19 depicted in the Overview of Fiscal Policy and Status of the State, included in the Fiscal Policy Strategy Statement for 2018-19 and as depicted in the Finance Accounts is given below:

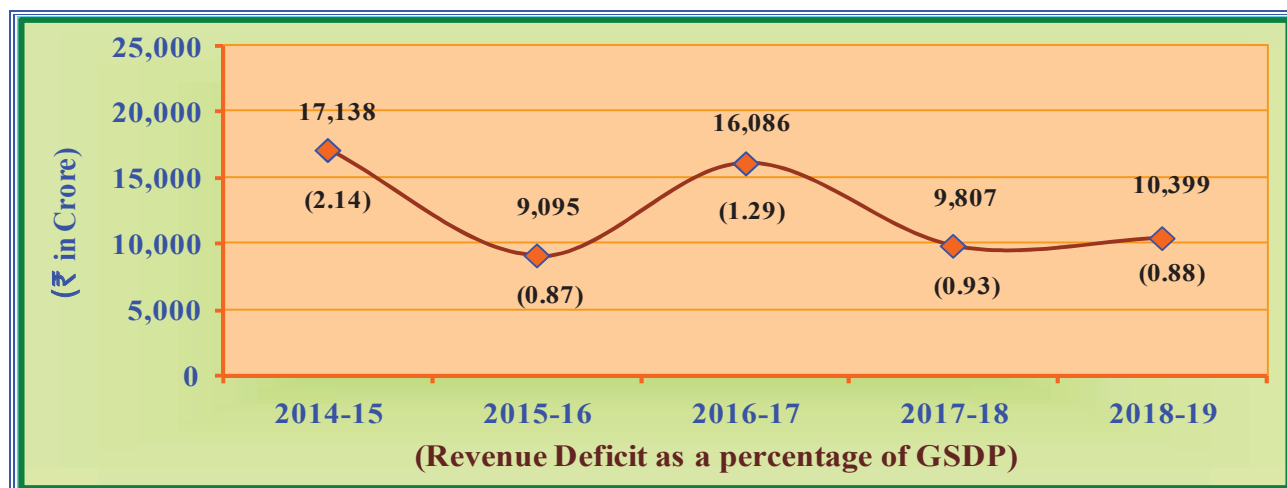
Sl. No.	Targets	Achievements during the year as per the accounts and GSDP*
1.	Revenue Deficit shall not exceed 0.00 <i>per cent</i> of GSDP during the period 2018-19.	The Government of West Bengal had a Revenue Deficit of ₹10,398.66 crore in 2018-19 (0.88 <i>per cent</i> of GSDP).
2.	Fiscal deficit shall not exceed 2.27 <i>per cent</i> of GSDP during the period 2018-19.	The Fiscal Deficit of ₹33,485.55 crore as per the accounts was 2.84 <i>per cent</i> of GSDP for 2018-19.
3.	Outstanding debt expressed as percentage of GSDP shall be less than 37.63 <i>per cent</i> of GSDP during 2018-19.	The outstanding debt for 2018-19 (₹3,93,299.69 crore) was 33.40 <i>per cent</i> of GSDP.

***GSDP** (Gross State Domestic Product) of West Bengal for 2018-19 is ₹11,77,586.00 crore as available from the Ministry of Statistics and Programme Implementation.

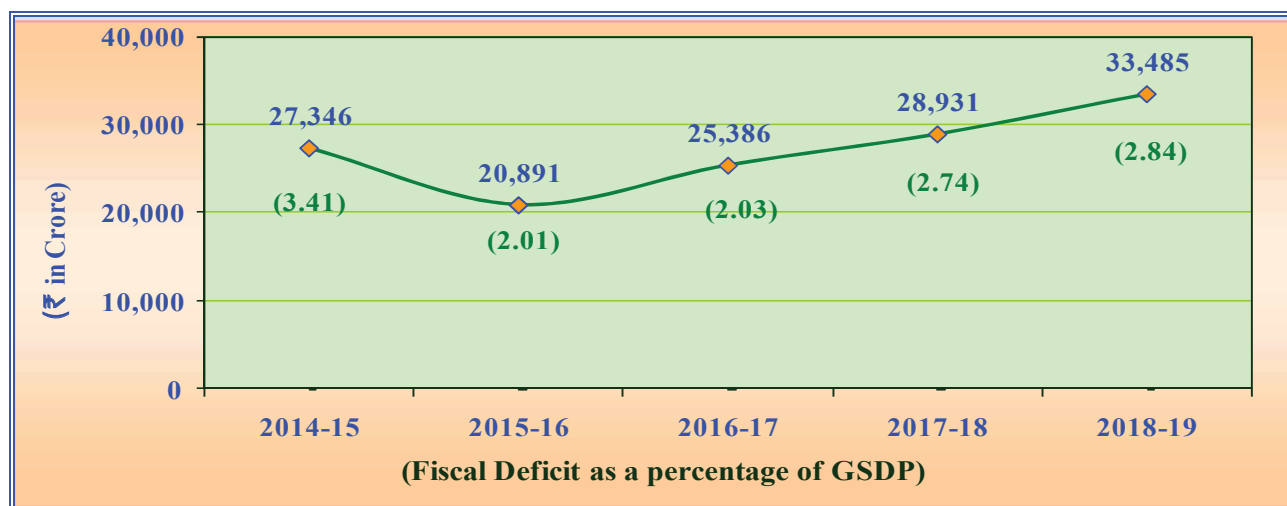
The status is required to be disclosed by the State Government in the Legislature at the time of presentation of the Budget for 2018-19 as stipulated by the FRBM Act and Rules. However,

- (i) no disclosure has been made on significant changes in the Accounting Standards, policies and practices affecting or likely to affect the compliance of the prescribed fiscal indicators; and
- (ii) no disclosure has been made in respect of Major Works and Contracts, Committed liabilities in respect of land acquisition charges, Claims in respect of unpaid bills on works and supplies, Statement of Assets and in respect of weighted average Interest Rates on Government Liabilities.

1.6.1. Trend of Revenue Deficit/GSDP



1.6.2. Trend of Fiscal Deficit/GSDP

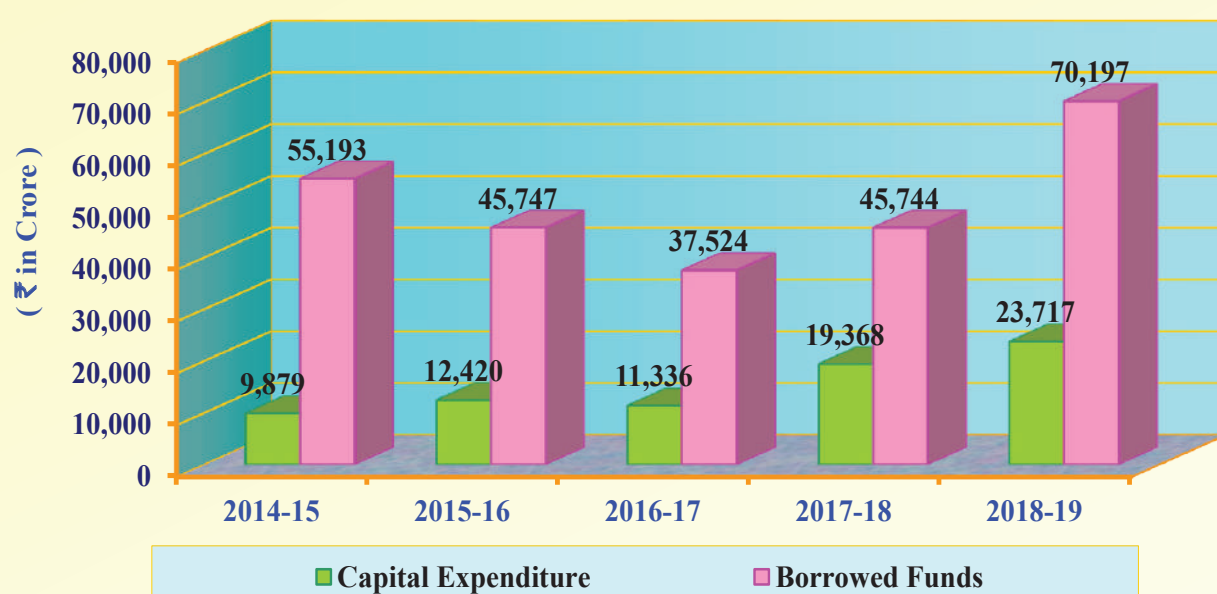


1.6.3. Proportion of borrowed funds spent on Capital Expenditure

(₹ in Crore)

Borrowed Funds and Capital Expenditure		
Year	Capital Expenditure	Borrowed Funds
2014-15	9,879	55,193
2015-16	12,420	45,747
2016-17	11,336	37,524
2017-18	19,368	45,744
2018-19	23,717	70,197

Borrowed funds viz-a-viz Capital Expenditure



The governments usually run fiscal deficits and borrow funds for capital/assets formation or for creation of economic and social infrastructure, so that assets created through borrowings could pay for themselves by generating revenue. It is desirable to fully utilize borrowed funds for the creation of capital assets, and to use revenue receipts for the repayment of principal and interest. The State Government, however, spent only 34 *per cent* of the borrowings of the current year (₹70,197 crore) on Capital Expenditure (₹23,717 crore). 66 *per cent* (₹46,480 crore) of the Public Debt was utilised to repay the principal and interest on Public Debt of previous years, to meet periodic shortfalls of Revenues against Expenditure in the current year, to maintain a positive Cash Balance at the end of the year and to invest in Treasury Bills.

CHAPTER-II

RECEIPTS

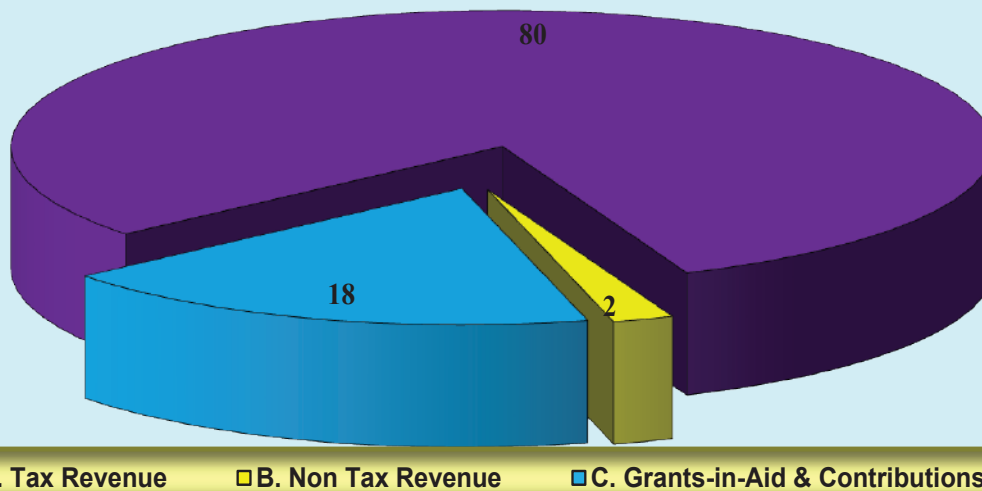
2.1. Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total receipts of the Government of West Bengal during 2018-19 were ₹1,80,956 crore.

2.2. Revenue Receipts

Tax Revenue	Comprises taxes collected and retained by the State and State's share of Union taxes under Article 280(3) of the Constitution
Non-Tax Revenue	Includes Interest Receipts, Dividends, Profits, etc.
Grants-in-Aid	A form of Central Assistance to the State Government from the Union Government. Includes 'External Grant Assistance' and 'Aid, Materials & Equipment' received from foreign Government and channelised through the Union Government. In turn, the State Government also gives Grants-in-Aid to institutions like Panchayati Raj Institutions, Autonomous bodies, etc.

Revenue Receipts (in percentage)



2.2.1. Revenue Receipt Components

(₹ in Crore)

Components	Actuals
A. Tax Revenue	1,16,508
Goods and Services Tax	41,932
Taxes on Income & Expenditure	34,345
Taxes on Property and Capital Transactions	8,474
Taxes on Commodities & Services	31,757
B. Non-Tax Revenue	3,657
Interest Receipts, Dividends and Profits	853
General Services	1,739
Social Services	395
Economic Services	670
C. Grants-in-Aid & Contributions	25,810
Total – Revenue Receipts	1,45,975

2.2.2. Trend of Revenue Receipts

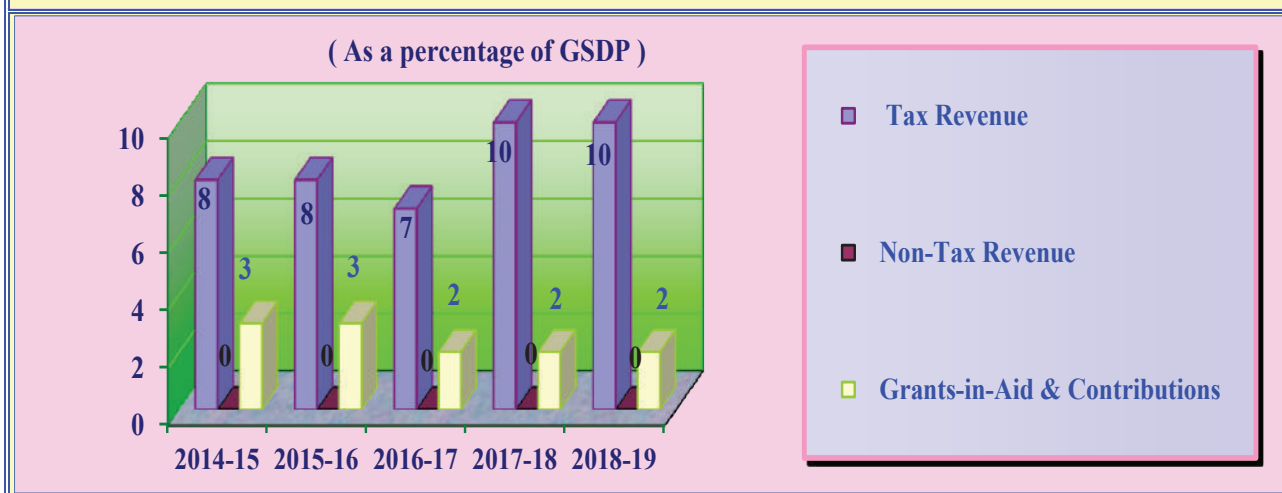
(₹ in Crore)

Components	2014-15	2015-16	2016-17	2017-18	2018-19
Tax Revenue	64,006 (8)	79,656 (8)	90,091 (7)	1,02,042 (10)	1,16,508 (10)
Non-Tax Revenue	1,627 (0)	1,862 (0)	2,950 (0)	3,117 (0)	3,657 (0)
Grants-in-Aid and Contributions	20,881 (3)	28,214 (3)	24,791 (2)	26,111 (2)	25,810 (2)
Total Revenue Receipts	86,514 (11)	1,09,732 (11)	1,17,832 (9)	1,31,270 (12)	1,45,975 (12)
GSDP	8,00,868	10,39,923	12,51,067	10,56,153	11,77,586

Note: Figures in parentheses represent percentage to GSDP.

The GSDP increased by 11 *per cent* between 2017-18 and 2018-19 and the growth in revenue collection also was 11 *per cent*. While tax revenue increased by 14 *per cent*, non-tax revenues increased by 17 *per cent*. The State's own Tax revenue increased by 15 *per cent* between 2017-18 (₹52,721 crore) and 2018-19 (₹60,732 crore), while share of Union taxes increased by 13 *per cent*.

Trend of Components of Revenue Receipts as proportion to GSDP

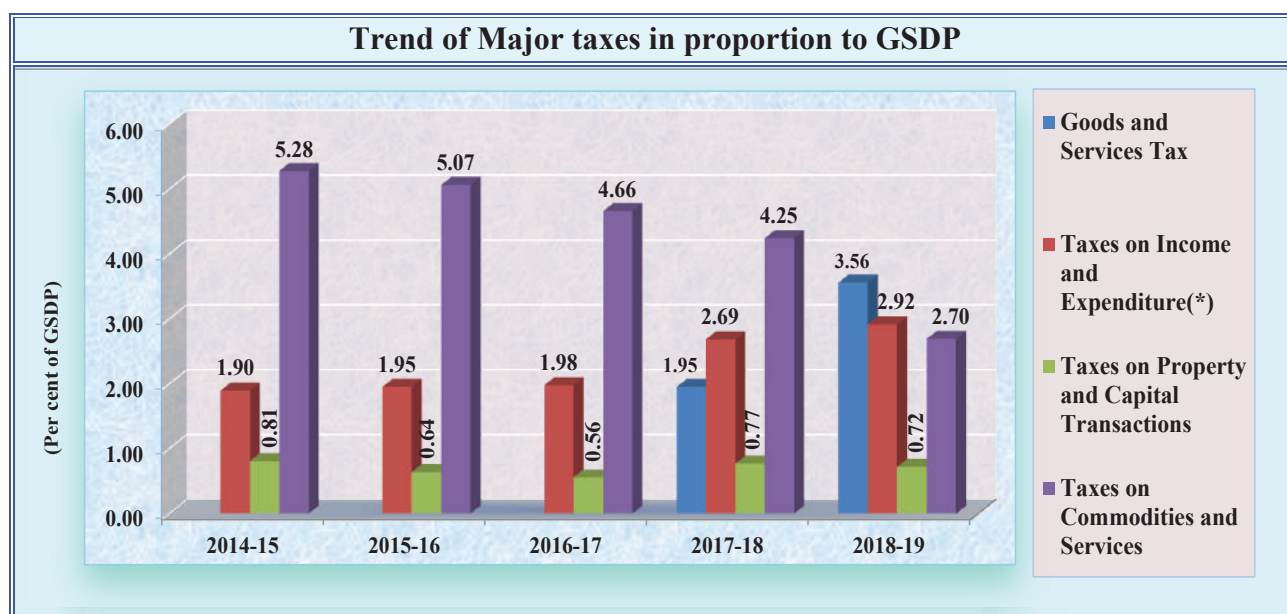


2.3. Tax Revenue

(₹ in Crore)

Sector-wise Tax Revenue					
Description	2014-15	2015-16	2016-17	2017-18	2018-19
Goods and Services Tax	–	–	–	20,645	41,932
Taxes on Income and Expenditure	15,196	20,325	24,778	28,400	34,345
Taxes on Property and Capital Transactions	6,495	6,634	6,984	8,135	8,474
Taxes on Commodities and Services	42,315	52,697	58,329	44,862	31,757
Total Tax Revenue	64,006	79,656	90,091	1,02,042	1,16,508

The increase in total Tax Revenues is mainly attributable to higher collections under ‘Central Goods and Services Tax’, ‘State Goods and Services Tax’, ‘Corporation Tax’, ‘Taxes on Income other than Corporation Tax’, ‘State Excise’, ‘Stamps and Registration Fees’, ‘Taxes on Wealth’, ‘Taxes on Vehicles’, ‘Taxes on duties on Electricity’, ‘Other Taxes on Income and Expenditure’, etc.



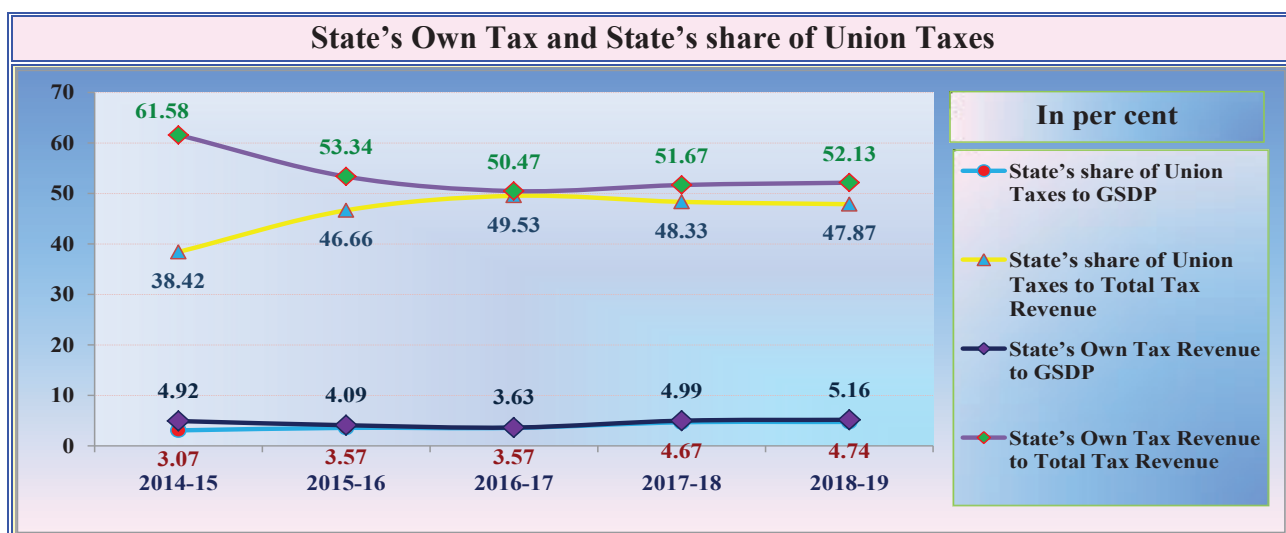
(*) Primary net proceeds of Central share to the State

2.3.1. State's Own Tax and State's share of Union Taxes

Tax Revenue of the State Government comes from two sources viz. State's Own Tax collections and devolution of Union Taxes.

(₹ in Crore)

Year	State's Own Tax Revenue			State's share of Union Taxes		
	Tax Revenue	Percentage to GSDP	Percentage to Total Tax Revenue	Tax Revenue	Percentage to GSDP	Percentage to Total Tax Revenue
2014-15	39,412	4.92	61.58	24,594	3.07	38.42
2015-16	42,492	4.09	53.34	37,164	3.57	46.66
2016-17	45,466	3.63	50.47	44,625	3.57	49.53
2017-18	52,721	4.99	51.67	49,321	4.67	48.33
2018-19	60,732	5.16	52.13	55,776	4.74	47.87



2.3.2. Trends in State's Own Tax Collection over the last five years

(₹ in Crore)

Taxes	2014-15	2015-16	2016-17	2017-18	2018-19
Goods and Services Tax (SGST)	-	-	-	14,964	27,067
Land Revenue	2,276	2,456	2,568	2,875	2,847
Stamps and Registration Fees	4,196	4,175	4,383	5,261	5,620
State Excise	3,587	4,015	5,226	9,340	10,622
Sales Tax	24,022	26,050	27,983	12,999	7,813
Taxes on Goods and Passengers	859	838	934	1,532	435
Taxes on Vehicles	1,505	1,707	1,870	2,317	2,563
Other Taxes on Income and Expenditure	464	486	509	529	561
Others	2,503	2,765	1,993	2,904	3,204
Total State's Own Tax	39,412	42,492	45,466	52,721	60,732

2.4. Efficiency of Tax Collection

(₹ in Crore)

Taxes	2014-15	2015-16	2016-17	2017-18	2018-19
Land Revenue					
Revenue Collection	2,276	2,456	2,568	2,875	2,847
Expenditure on Collection	576	566	574	553	581
Efficiency of Tax Collection (in per cent)	25.31	23.05	22.35	19.23	20.41
Stamps and Registration Fees					
Revenue Collection	4,196	4,175	4,383	5,261	5,620
Expenditure on Collection	122	114	130	137	149
Efficiency of Tax Collection (in per cent)	2.91	2.73	2.97	2.60	2.65
State Excise					
Revenue Collection	3,587	4,015	5,226	9,340	10,622
Expenditure on Collection	86	100	109	118	123
Efficiency of Tax Collection (in per cent)	2.40	2.49	2.09	1.26	1.16
Taxes on Sales, Trade, etc.					
Revenue Collection	24,022	26,050	27,983	12,999	7,813
Expenditure on Collection	179	182	203	226	64
Efficiency of Tax Collection (in per cent)	0.75	0.70	0.73	1.74	0.82
Taxes on Vehicles					
Revenue Collection	1,505	1,707	1,870	2,317	2,563
Expenditure on Collection	24	23	25	26	30
Efficiency of Tax Collection (in per cent)	1.59	1.35	1.34	1.12	1.17
Other Taxes on Income and Expenditure					
Revenue Collection	464	486	509	529	662
Expenditure on Collection	18	13	4	5	5
Efficiency of Tax Collection (in per cent)	3.88	2.67	0.79	0.95	0.76

Though, there is a specific head '2043-Collection charges under Goods and Services Tax' for booking of expenditure on collection of SGST, no expenditure was booked under this Head during 2018-19.

2.5. Trend in State's Share of Union Taxes & Duties

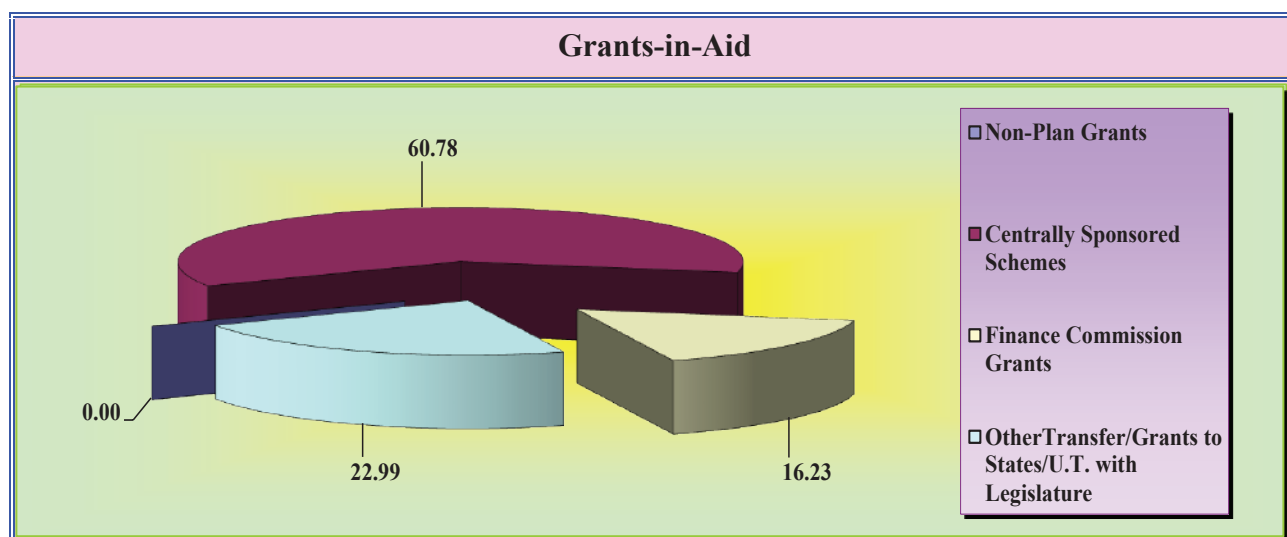
(₹ in Crore)

Description	2014-15	2015-16	2016-17	2017-18	2018-19
Goods and Services Tax	--	--	--	5,681	14,865
Corporation Tax	8,589	11,702	14,314	15,107	19,397
Taxes on Income other than Corporation Tax	6,133	8,129	9,948	12,757	14,285
Taxes on Wealth	23	3	33	--	7
Customs	3,978	5,951	6,157	4,979	3,954
Union Excise Duties	2,246	4,958	7,031	5,204	2,627
Service Tax	3,626	6,394	7,142	5,594	511
State's Share of Union Taxes	24,595	37,164	44,625	49,321	55,776
Other Taxes and Duties on Commodities and Services	0	0	0	0	130
Total Tax Revenue	64,007	79,656	90,091	1,02,042	1,16,508
Per cent of State's Share of Union Taxes & Duties to Total Tax Revenue	38	47	50	48	48

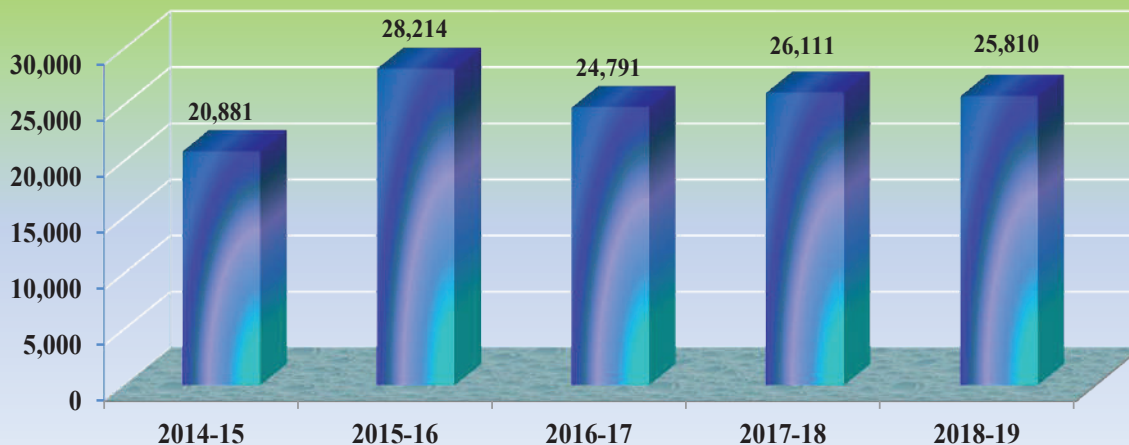
2.6. Grants-in-Aid

Grants-in-Aid represent assistance from the Government of India, and comprise, Grants for Centrally Sponsored Schemes, Finance Commission Grants and Other Transfer/Grants to States/Union Territory with Legislature approved by the Planning Commission and accounted for under the Major Head “1601- Grants-in-Aid from Central Government”.

The share of non-plan grants in total Grants-in-Aid remains zero *per cent* during 2017-18 and 2018-19. The State received only ₹25,809.66 crore (79 *per cent* of the budget estimate of total grants of ₹32,714 crore) against ₹26,111.55 crore (74 *per cent*) received last year. Total receipts during 2018-19 under Grants-in-Aid were ₹25,809.66 crore and sector wise breakup is shown in next view:



Trend of Grants-in-Aid



2.7. Public Debt

(₹ in Crore)

Trend of Public Debt (net) over the past five years

Description	2014-15	2015-16	2016-17	2017-18	2018-19
Internal Debt	22,832	25,726	25,676	19,709	24,287
Central Loans	680	(-158)	(-456)	1,024	124
Total Public Debt	23,512	25,568	25,220	20,733	24,411

Note: Negative figures indicate that repayment is in excess of receipts during the year.

In 2018-19, 20 loans at par totalling ₹42,828 crore at interest rates varying from 8.10 *per cent* to 8.79 *per cent* and redeemable in the year 2038-39 were raised from the open market. In addition, the State Government raised ₹26,191 crore from financial institutions (including other adjustments). Thus, the internal debt totalled ₹69,019 crore. During 2018-19 Government of West Bengal also received ₹1,178 crore from Government of India as loans and advances.

Trend of Public Debt (net)



CHAPTER-III

EXPENDITURE

3.1. Introduction

Expenditure is classified as Revenue Expenditure and Capital Expenditure. Revenue Expenditure is used to meet the day-to-day running of the organisation. Capital Expenditure is used to create permanent assets, or to enhance the utility of such assets, or to reduce permanent liabilities. Expenditure is further classified under Plan and Non-Plan.

General Services	Includes Justice, Police, Jail, PWD, Pension, etc.
Social Services	Includes Education, Health & Family Welfare, Water Supply, Welfare of SC-ST, etc.
Economic Services	Includes Agriculture, Rural Development, Irrigation, Co-operation, Energy, Industries, Transport, etc.

3.2. Revenue Expenditure

Revenue Expenditure of ₹1,56,374 crore for 2018-19 was 97 *per cent* of budget estimates of ₹1,61,703 crore. The shortfall/excess of expenditure against budget estimates under Revenue section during the past five years is given below:

(₹ in Crore)

Description	2014-15	2015-16	2016-17	2017-18	2018-19
Budget Estimates	1,05,978	1,13,100	1,29,531	1,42,644	1,61,703
Actuals	1,03,652	1,18,827	1,33,918	1,41,077	1,56,374
Gap	2,326	(-) 5,727	(-)4,387	1,567	5,329
Percentage of gap over BE	2	(-) 5	(-)3	1	3

(*) Less than one per cent.

The position of committed and uncommitted expenditure over the last five years is given below:

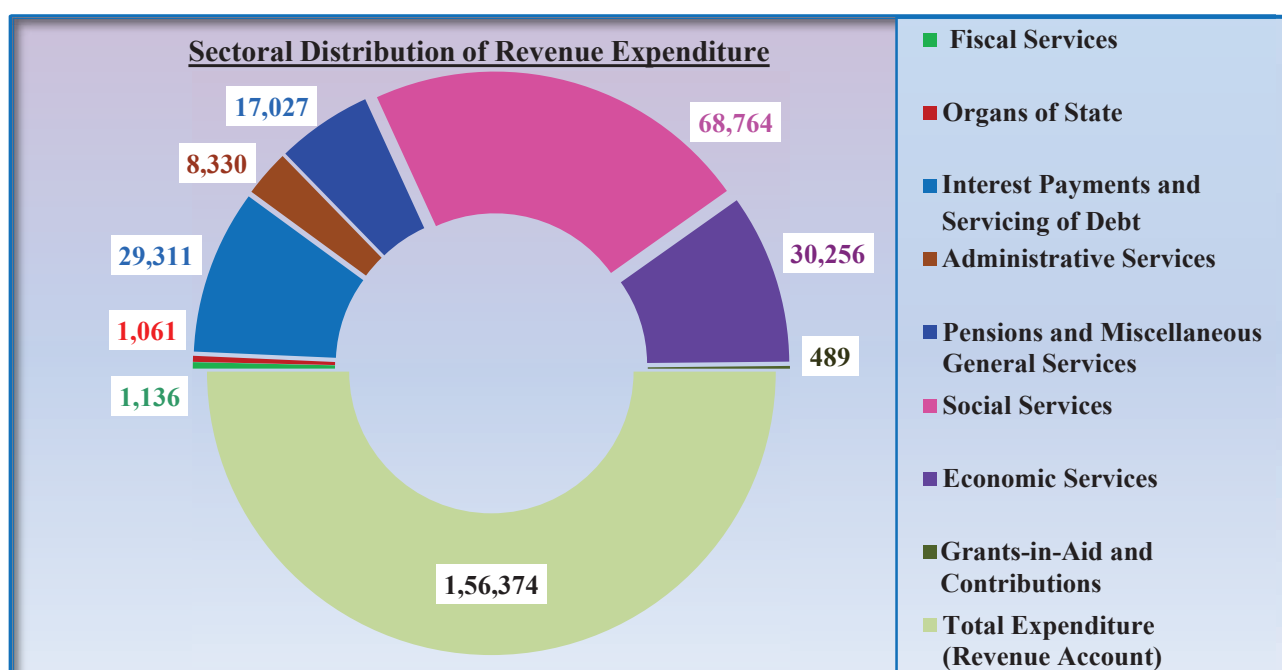
(₹ in Crore)

Components	2014-15	2015-16	2016-17	2017-18	2018-19
Total Revenue Expenditure	1,03,652	1,18,827	1,33,918	1,41,077	1,56,374
Committed Revenue Expenditure[#]	47,604	53,561	62,611	68,378	73,692
Percentage of Committed Revenue Expenditure to total Revenue Expenditure	46	45	47	48	47
Uncommitted Revenue Expenditure	56,048	65,266	71,307	72,699	82,682

[#] Committed revenue expenditure includes expenditure on Salaries, Subsidies, Interest Payment and Pension.

3.2.1. Sectoral Distribution of Revenue Expenditure

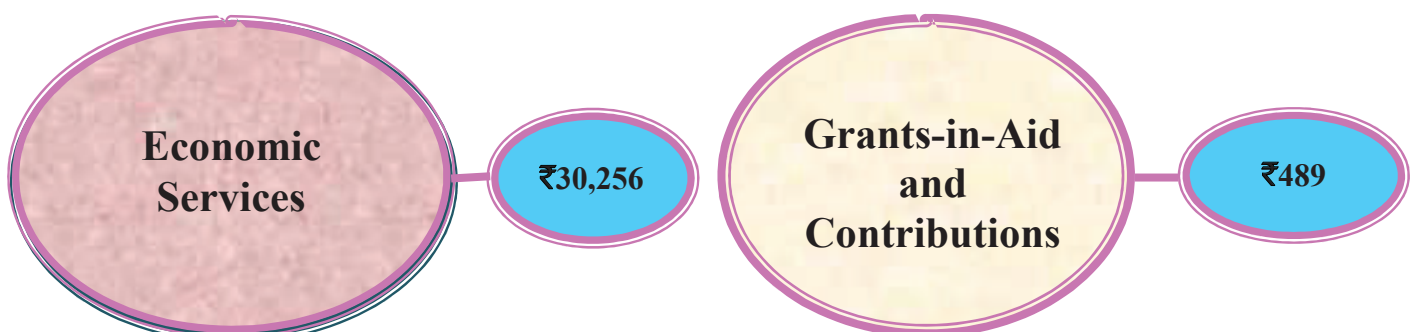
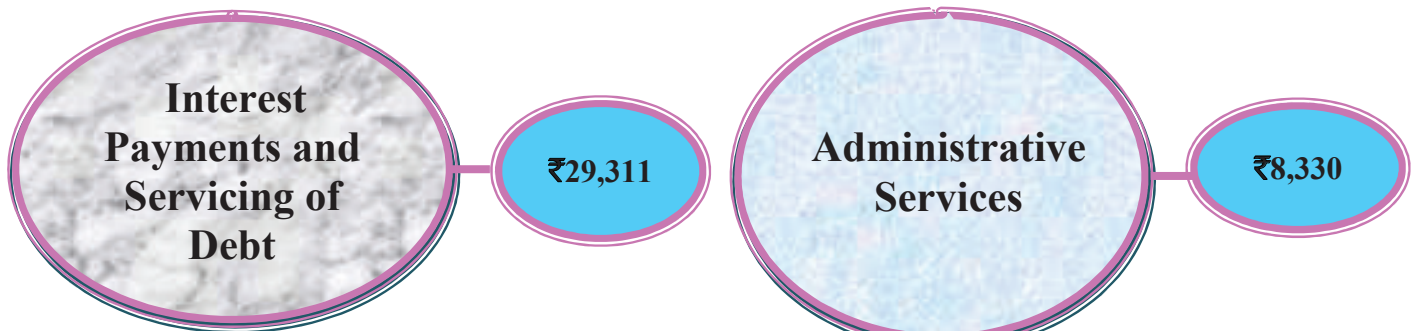
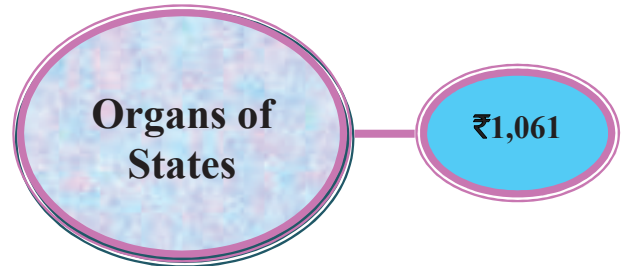
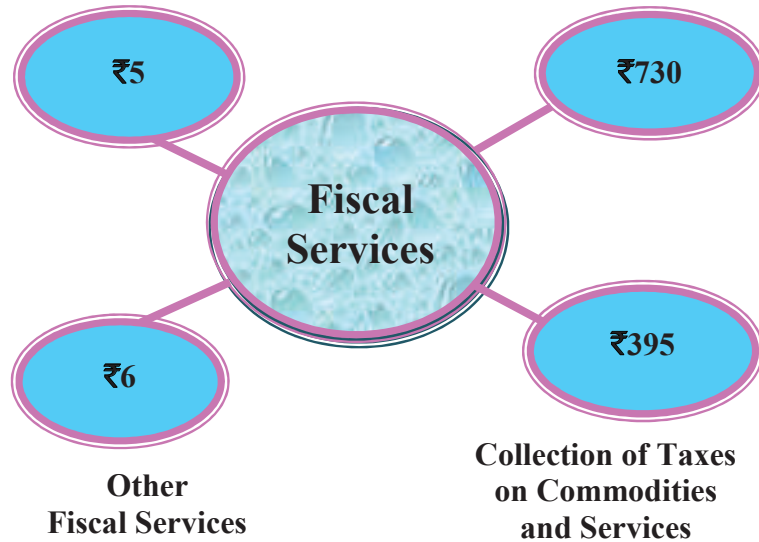
Components	Amount	Percentage
	(₹ in Crore)	
A. Fiscal Services	1,136	0.72
(i) Collection of Taxes on Income and Expenditure	5	0.00
(i) Collection of Taxes on Property and Capital transactions	730	0.47
(ii) Collection of Taxes on Commodities and Services	395	0.25
(iii) Other Fiscal Services	6	0.00
B. Organs of State	1,061	0.68
C. Interest Payments and Servicing of Debt	29,311	18.75
D. Administrative Services	8,330	5.33
E. Pensions and Miscellaneous General Services	17,027	10.89
F. Social Services	68,764	43.97
G. Economic Services	30,256	19.35
H. Grants-in-Aid and Contributions	489	0.31
Total Expenditure (Revenue Account)	1,56,374	100.00



(₹ in Crore)

Collection of
Taxes on Income
and Expenditure

Collection of Taxes
on Property and
Capital transactions

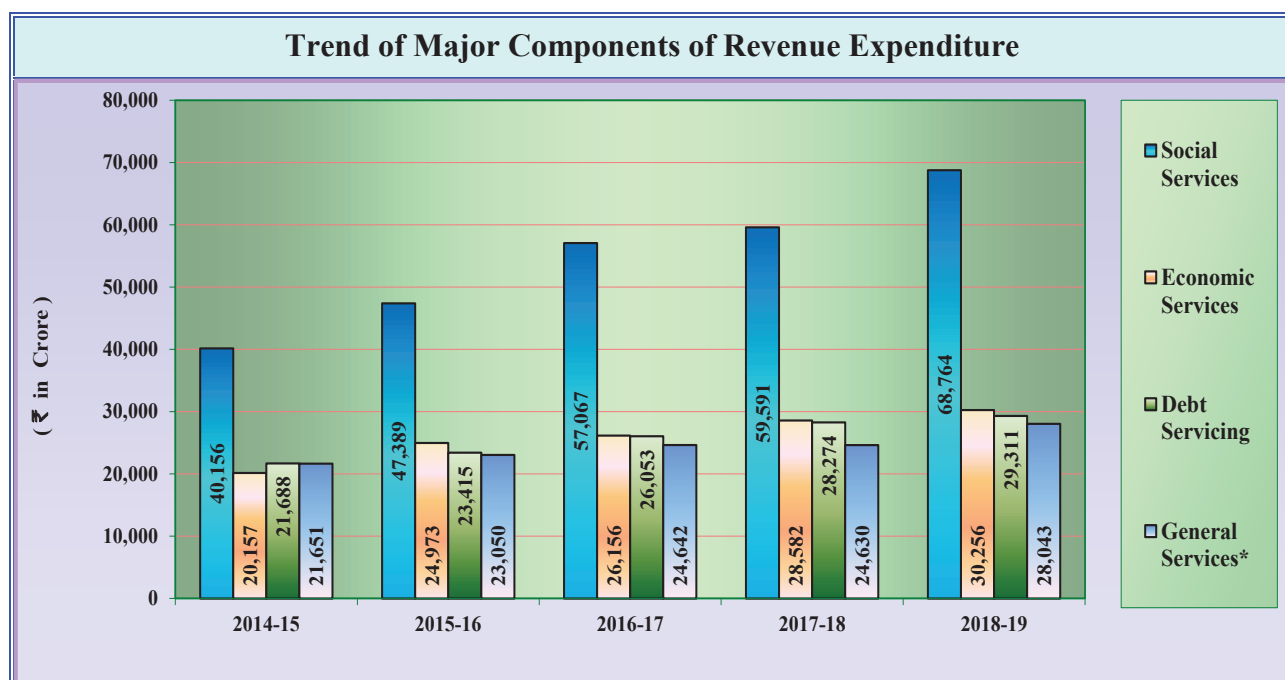


3.2.2. Major components of Revenue Expenditure

(₹ in Crore)

Components	2014-15	2015-16	2016-17	2017-18	2018-19
Social Services	40,156	47,389	57,067	59,591	68,764
Economic Services	20,157	24,973	26,156	28,582	30,256
Debt Servicing	21,688	23,415	26,053	28,274	29,311
General Services*	21,651	23,050	24,642	24,630	28,043

* General Services excludes Major Head 2048 (Appropriation for reduction or avoidance of Debt), Major Head 2049 (Interest Payments) and includes Major Head 3604 (Compensation and Assignment to Local Bodies and Panchayati Raj Institutions).



Though Revenue Expenditure on all services has a trend of steady increase, expenditure on Debt Servicing covers on an average 20 per cent of total Revenue Expenditure during last five years.

3.3. Capital Expenditure

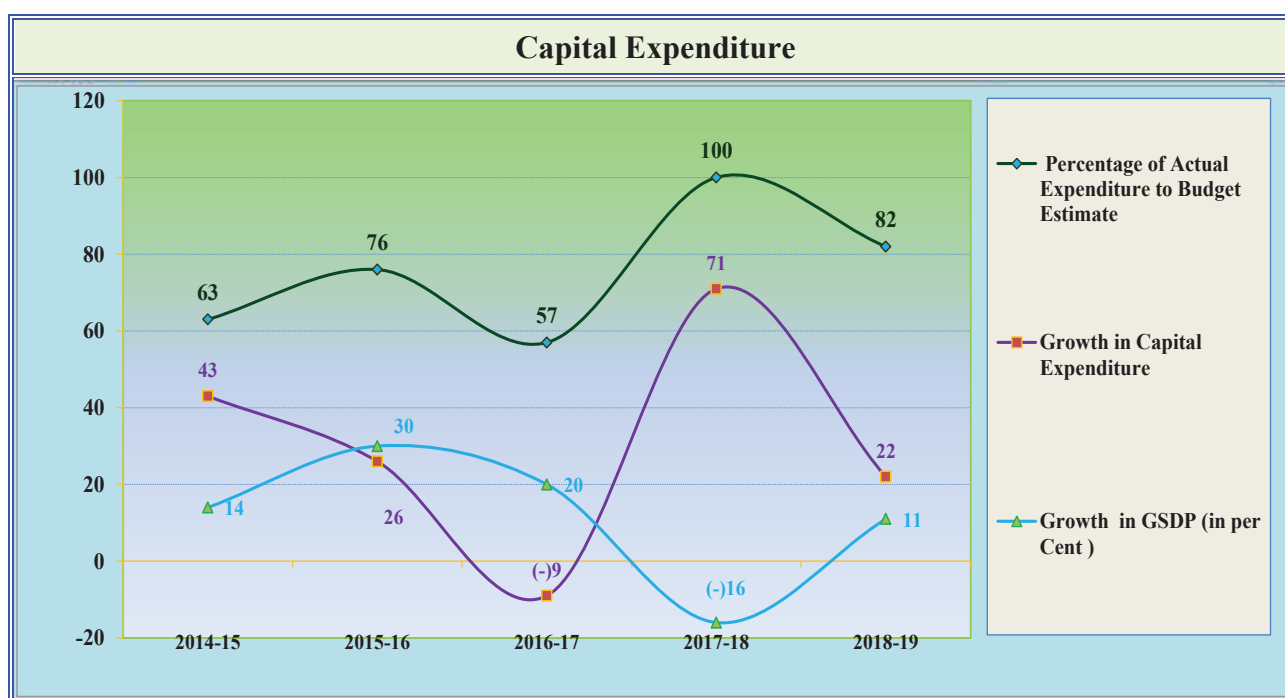
Capital disbursements for 2018-19 amounting to ₹24,583 crore (including Loans and Advances) at 2.09 per cent of GSDP. Over the last five years, Capital Expenditure has declined with respect to its budget. This can be viewed from the table given next page:

(₹ in Crore)

Sl. No.	Components	2014-15	2015-16	2016-17	2017-18	2018-19
1.	Budget (B.E.)	15,598	16,380	19,841	19,285	28,781
2.	Actual Expenditure(#)	9,879	12,420	11,336	19,368	23,717
3.	Percentage of Actual Expenditure to B.E.	63	76	57	100	82
4.	Growth in Capital Expenditure (in per cent)	43	26	(-9)	71	22
5.	GSDP (*)	8,00,868	10,39,923	12,51,067	10,56,153	11,77,586
6.	Growth in GSDP (in per cent)	14	30	20	(-16)	11

(#) Does not include expenditure on Loans and Advances.

(*) GSDP figure used in this publication is adopted from the Economic Review published by Government of West Bengal.



3.3.1. Sectoral Distribution of Capital Expenditure

Expenditure on Economic Services constitutes the major chunk of Capital Expenditure. During 2018-19, the Government spent ₹5,266 crore on Transport, ₹1,798 crore on Irrigation and Flood Control, ₹1,868 crore on Special Areas Programme, ₹1,752 crore on Energy, ₹2,575 crore on Rural Development Programme, ₹1,471 crore on Industry and Minerals and ₹628 crore on Agriculture and Allied Activities. In Social Services, the Government spent ₹1,237 crore on Health and Family Welfare, ₹3,964 crore on Water Supply, Sanitation, Housing and Urban Development and ₹988 crore on Social Welfare and Nutrition.

3.3.2. Comparative Sectoral distribution of Capital and Revenue Expenditure over the past five years

(₹ in Crore)

Sl. No.	Sector		2014-15	2015-16	2016-17	2017-18	2018-19
1.	General Services	Capital	420	705	854	1,003	927
		Revenue	42,712	45,689	50,131	52,416	56,865
2.	Social Services	Capital	4,224	4,628	4,438	7,606	7,324
		Revenue	40,156	47,389	57,067	59,591	68,764
3.	Economic Services	Capital	5,235	7,087	6,045	10,759	15,467
		Revenue	20,157	24,973	26,156	28,582	30,256
4.	Grants-in-Aid and Contribution	Capital	--	--	--	--	--
		Revenue	43,880	49,460	52,675	54,965	57,589

Note: 1. Capital Expenditure does not include Loans and Advances.

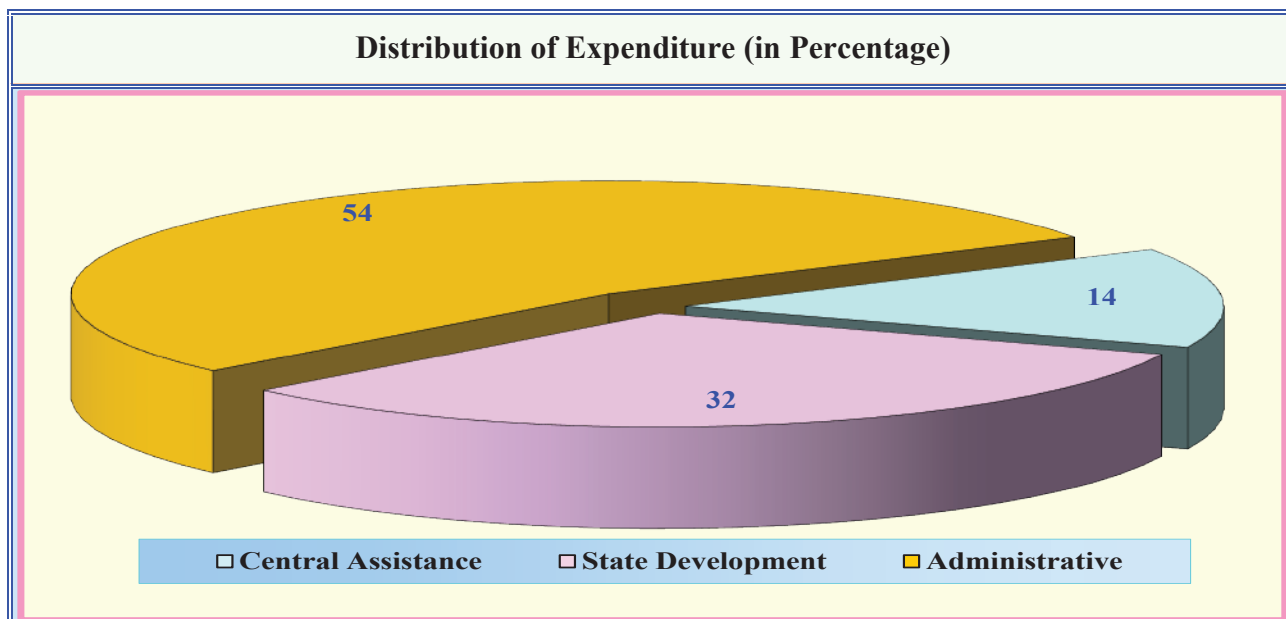
2. Revenue Expenditure does not include expenditure on Grants-in-Aid.

CHAPTER-IV

SCHEME & ADMINISTRATIVE EXPENDITURE

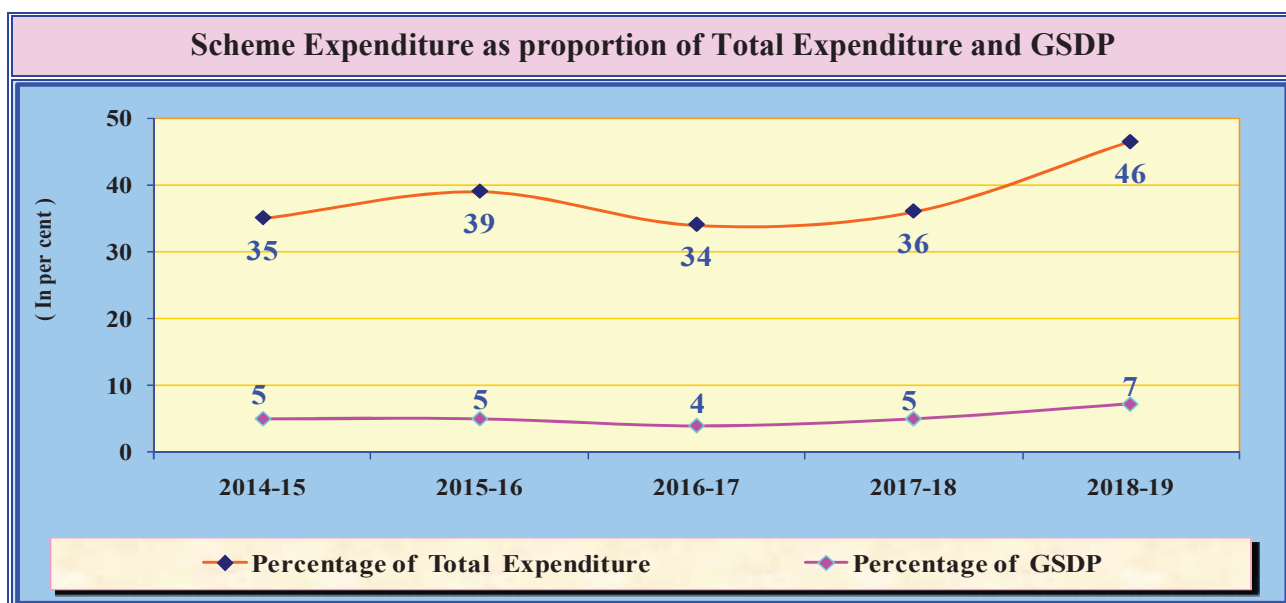
4.1. Distribution of Expenditure

The total expenditure during the year was ₹1,80,956 crore representing State Development Expenditure of ₹58,350 crore, Central Assistance expenditure of ₹25,737 crore and Administrative expenditure of ₹96,869 crore.



4.2. Scheme Expenditure

During 2018-19, Scheme Expenditure, representing 46 *per cent* of total disbursements, was ₹84,087 crore (₹58,370 crore under State Development Scheme, ₹25,253 crore under State Development (Central Assistance) Scheme, ₹111 crore under Central Sector Scheme and ₹353 crore on Loans and Advances).

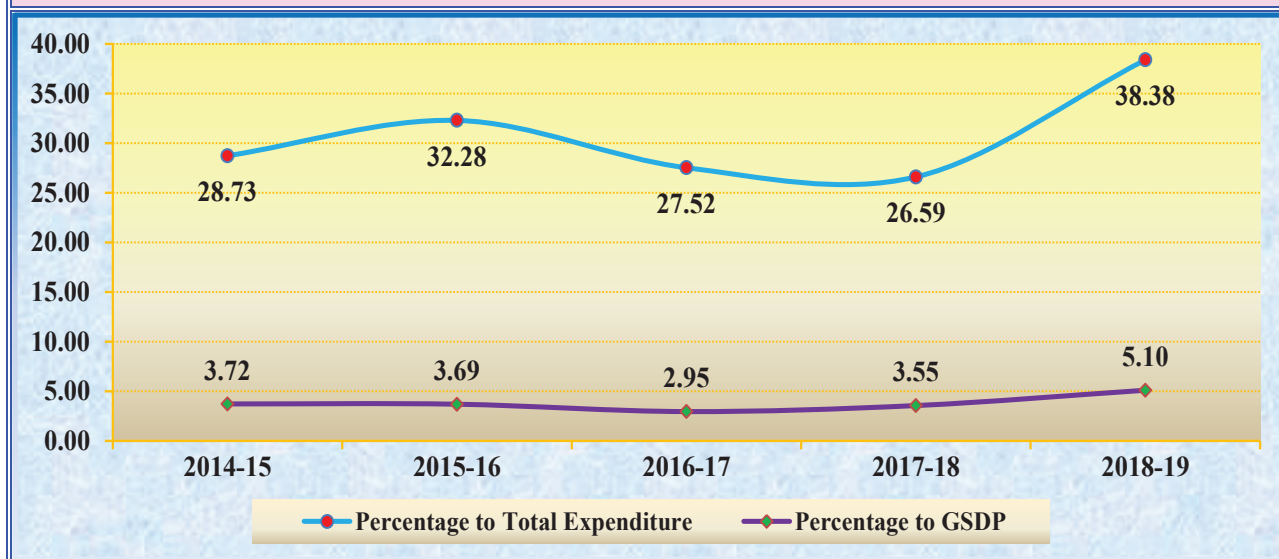


4.2.1. Scheme Expenditure under Revenue Account

(₹ in Crore)

Description	2014-15	2015-16	2016-17	2017-18	2018-19
Total Revenue Expenditure	1,03,652	1,18,827	1,33,918	1,41,077	1,56,374
Revenue Expenditure (Scheme)	29,775	38,362	36,854	37,515	60,022
Percentage of Revenue Expenditure (Scheme) to Total Revenue Expenditure	29	32	28	27	38

Scheme Expenditure under Revenue Account (In per cent)



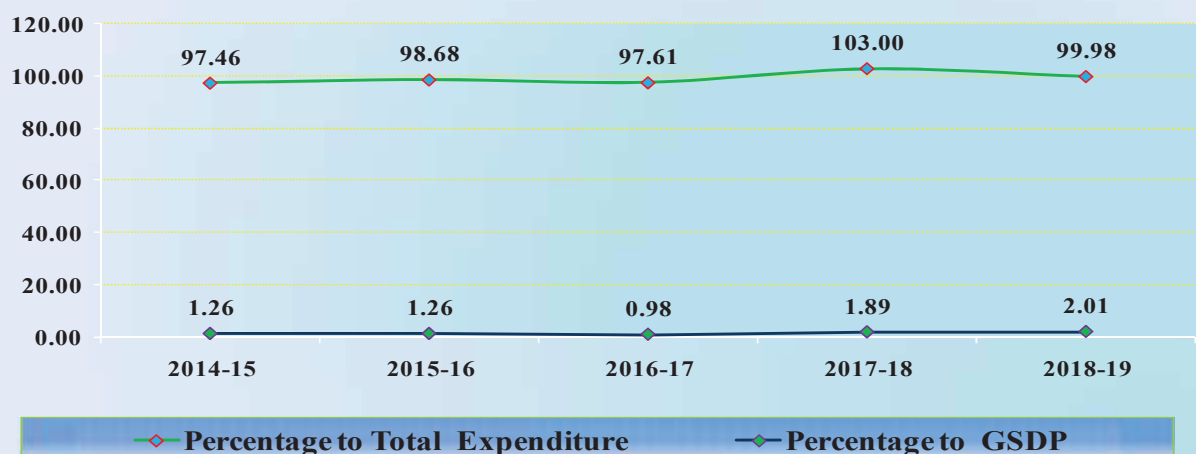
4.2.2. Scheme Expenditure under Capital Account

(₹ in Crore)

Description	2014-15	2015-16	2016-17	2017-18	2018-19
Total Capital Expenditure	10,384	13,281	12,533	19,338	23,717
Capital Expenditure (Scheme)	10,120	13,106	12,236	19,919	23,712
Percentage of Capital Expenditure (Scheme) to Total Capital Expenditure	97	99	98	103	100

Note: Capital Expenditure includes Loans and Advances.

Scheme Expenditure under Capital Account (In per cent)



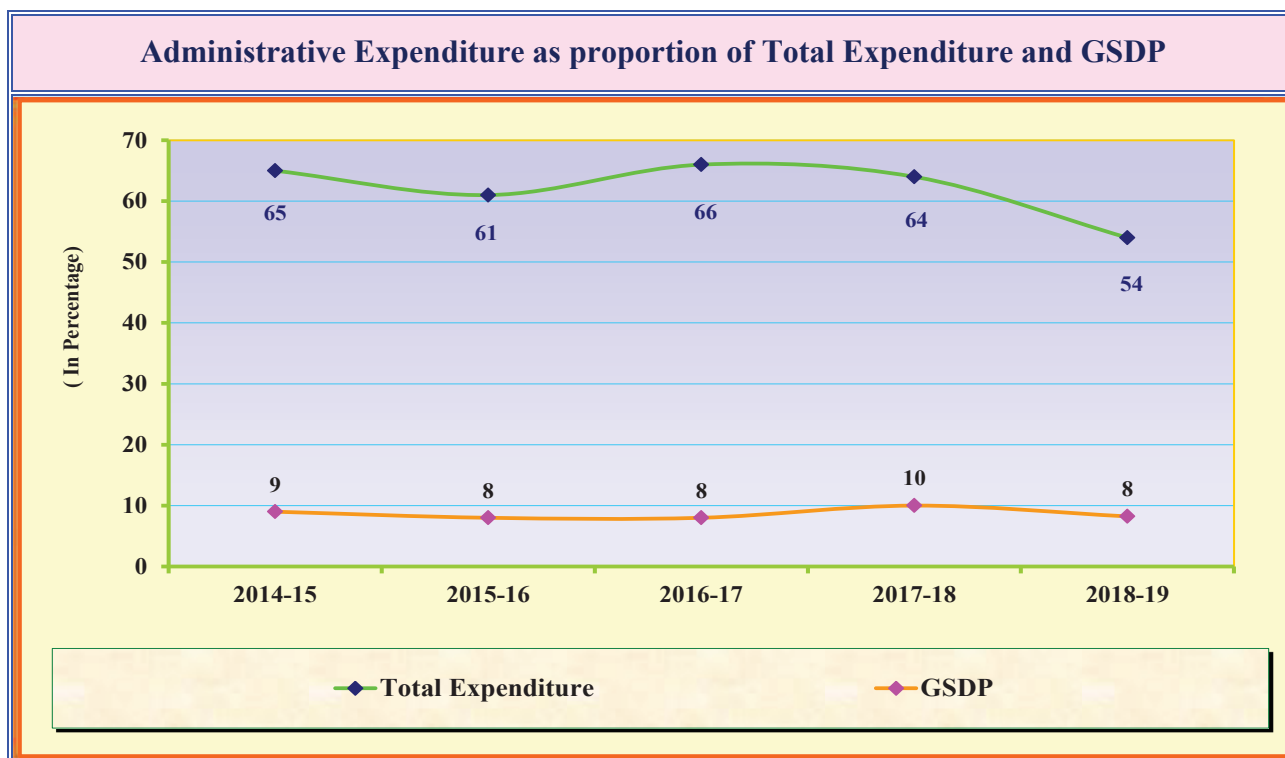
4.2.3. Scheme Expenditure on Loans and Advances

Significant disbursements of Loans and Advances were as under:

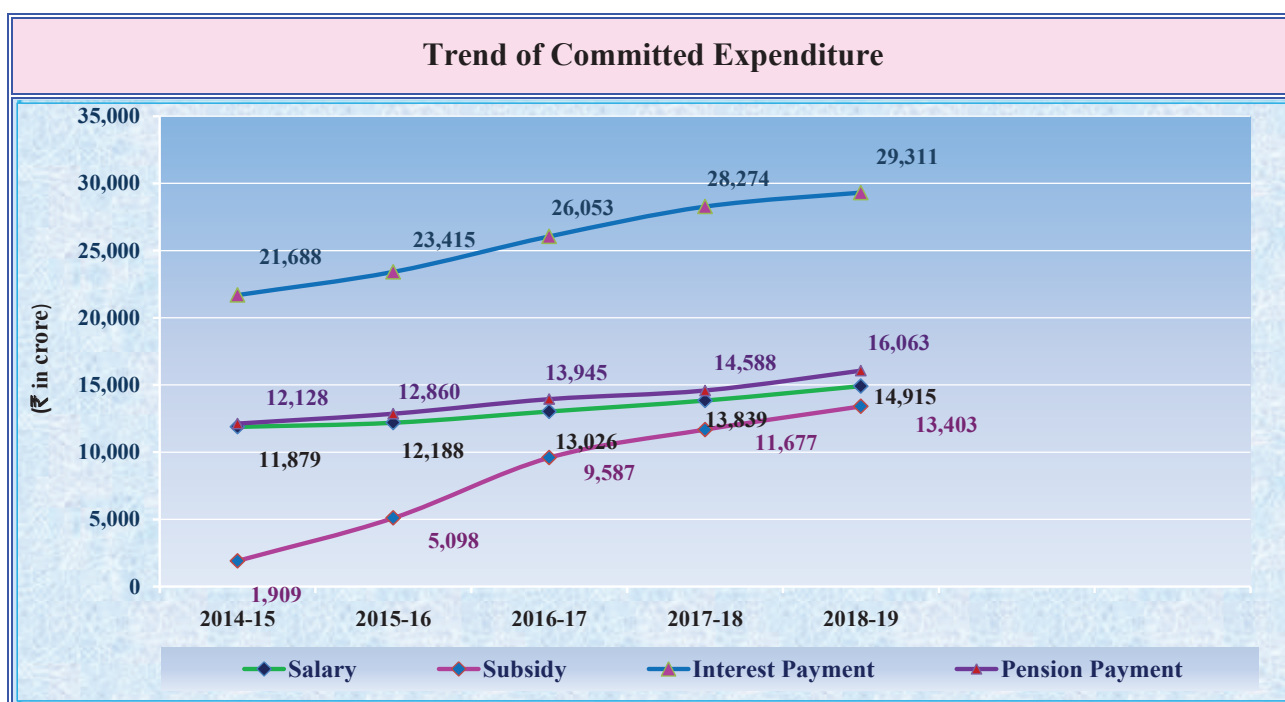
Description	Amount (₹ in Crore)	Details
MH – 6217 – Loans for Urban Development	373.40	Loans to Kolkata Municipal Corporation for Kolkata Environmental Improvement Investment Program (KEIIP) (ADB) [EAP]
MH – 6425 – Loans for Co-operation	3.84	Loans to Processing Co-operatives- Loans for Development of Processing Co-operatives and Cold Storage ₹0.84 crore and Loans to Development of Apex Agricultural Marketing Society ₹3.00 crore.
MH – 6551.- Loans for Hill Areas	0.05	Loans to Jaigaon Deveopment Authority [CI]
MH – 6801 – Loans for Power Projects	1,688.07	Loans to Durgapur Projects Ltd. ₹116.12 crore; Loans to WBSETCL for Transmission and Distribution (JBIC) ₹1,171.95 crore and Loans to WBPDCCL for meeting short fall in cash flow ₹400.00 crore.
MH – 6851 – Loans for Village and Small Industries	12.47	Loans under the state-aid Industries Act. ₹8.79 crore; Loans to Dist-Industries centre ₹1.60 crore and Loans to M/S Silpabarta Printing Press Ltd. ₹2.08 crore.
MH – 6860 Loans for Consumers Industries	9.43	Modernisation of Tamralipta Co-operative Spinning Mills Ltd.
MH – 6875 – Loans for other Industries	0.08	Loans to Basumati Corporation.
MH – 7055 – Loans for Road Transport	462.03	Loans to CTC Limited ₹33.76 crore; CSTC Limited ₹169.85 crore; NBSTC Limited ₹41.00 crore; SBSTC Limited ₹41.00 crore; and WBSTC Limited for development of road transport service ₹176.41.
MH – 7056 - Loans for Inland water Transport	16.40	Loans to WBSTC Ltd. for development and maintenance of IWT Service ₹14.00 crore and Loans to The Shalimar Works (1980) Ltd. ₹2.40 crore.
OTHERS	(-)2,212.96	Loans converted to Share Capital.

4.3. Administrative Expenditure

During 2018-19, Non-Plan Expenditure representing 54 *per cent* of total disbursements, was ₹96,869crore, (₹96,352 crore under Revenue and ₹517 crore under Capital).



4.4. Committed Expenditure



The trend of Committed Expenditure to Revenue Expenditure over the past five years is given below:

(₹ in Crore)

Component	2014-15	2015-16	2016-17	2017-18	2018-19
Committed Expenditure	47,604	53,561	62,611	68,378	73,692
Revenue Expenditure	1,03,652	1,18,827	1,33,918	1,41,077	1,56,374
Revenue Receipts	86,514	1,09,732	1,17,832	1,31,270	1,45,975
Percentage of Committed Expenditure to Revenue Receipts	55	49	53	52	50
Percentage of Committed Expenditure to Revenue Expenditure	46	45	47	48	47

The major disbursement on Committed Expenditure leaves the Government with lesser funds for developmental spending.

CHAPTER-V

APPROPRIATION ACCOUNTS

The Appropriation Accounts of the Government of West Bengal for the year 2018-19 present the Accounts of sums expended in the year ended 31 March 2019 compared with the sums specified in the Schedules appended to the Appropriation Act passed under Articles 204 and 205 of the Constitution of India.

5.1. Summary of Appropriation Accounts

(₹ in Crore)

Sl. No.	Nature of Expenditure	Original Grant	Supplementary Grant	Surrender (by way of Re-appropriation)	Total	Actual Expenditure	Savings(-) Excess(+)
1.	Revenue Voted Charged	1,20,523 27,722	15,175 3,171	--	1,35,698 30,893	1,29,200 29,540	(-)6,498 (-)1,353
2.	Capital Voted Charged	27,046 11	3,595 39	--	30,641 50	26,063 19	(-)4,578 (-)31
3.	Public Debt Voted Charged	-- 41,583	-- 3	--	-- 41,586	-- 45,786	-- 4,200
4.	Loans and Advances Voted Charged	873 --	239 --	--	1,112 --	866 --	(-)246 --
Total		2,17,758	22,222	--	2,39,980	2,31,474	(-)8,506

5.2. Trend of Savings/Excess during the past five years

(₹ in Crore)

Year	Savings (-)/Excess (+)				
	Revenue	Capital	Public Debt	Loans & Advances	Total
2014-15	(-)10,714	(-)7,177	(-)7,251	(-)147	(-)25,289
2015-16	(-)10,388	(-)7,050	(-)19,080	(+)6	(-)36,512
2016-17	(-)11,165	(-)9,652	(-)29,343	(-)255	(-)50,415
2017-18	(-)13,491	(-)6,221	(-)24,493	(-)3,007	(-)47,212
2018-19	(-)7,851	(-)4,609	4,200	(-)246	(-)8,506

5.3. Significant Savings

Substantial savings under a grant indicates either non-implementation or slow implementation of certain schemes/programmes.

Some grants with persistent and significant savings are given below:

(In percentage)

Grant No.	Name of Grant	2014-15	2015-16	2016-17	2017-18	2018-19
01	Legislative Assembly Secretariat	49	43	48	42	38
02	Governor's Secretariat	31	22	32	30	17
10	Consumer Affairs	23	11	22	23	32
16	Environment	19	22	34	40	36
32	Irrigation and Waterways	43	46	46	45	40
38	Minority Affairs and Madrasah Education	16	39	49	32	19
55	Water Resources Investigation & Development	31	30	25	25	20
61	Chief Minister's Office	29	34	07	12	10

During 2018-19, out of total Supplementary Grants of ₹22,222 crore, an amount of ₹5,272 crore proved to be unnecessary in 23 grants where there were significant savings at the end of the year even against original allocations. A few instances are given below:

(₹ in Crore)

Grant No.	Name of Grant	Original	Supplementary	Actual Expenditure
19	Fire and Emergency Services	350	109	309
28	Housing	1,247	1,034	182
31	Information Technology and Electronics	182	118	146
32	Irrigation and Waterways	3,164	92	1,967
35	Labour	939	96	822
40	Panchayats and Rural development	19,182	2,503	19,077
75	Large Industries and Enterprises	1,044	940	1,037

A few cases where there were excess expenditure at the end of the year even after Supplementary allocations were made are given below:

(₹ in Crore)

Grant No.	Name of Grant	Original	Supplementary	Actual Expenditure
7	Backward Classes Welfare	907	546	1,761
18	Finance	85,838	3,372	93,015
21	Food and Supplies	8,037	1,962	10,974
24	Health and Family Welfare	8,774	600	9,613
25	Public Works	6,160	1,294	7,560
43	Power and Non-Conventional Energy Sources	2,748	551	4,360
74	Women and Child Development and Social Welfare	5,185	887	6,133

CHAPTER-VI

ASSETS AND LIABILITIES

6.1. Assets

The existing form of accounts do not depict valuation of Government assets like land, buildings etc., except in the year of acquisition/purchase. Similarly while the accounts present the impact of liabilities arising in the current year, they do not depict the overall impact of the liabilities on future generations except to the limited extent shown by the rate of interest and period of existing loans.

Total investment as share capital in different institutions of the State Government stood at ₹17,427.21 crore at the end of 2018-19. However, dividends received during the year were ₹47.46 crore (0.27 per cent) on investment. During 2018-19, investment increased by ₹1,543.37 crore, while dividend income increased by ₹10.86 crore.

Cash Balance with RBI stood at (-)₹20.96 crore on 31 March 2018 and decreased to (-)₹5.82 crore at the end of March 2019. In addition Treasury Bills amounting to ₹1,03,994.32 crore were purchased and Treasury Bills amounting to ₹1,06,587.47 crore were sold during the period from 01.04.2018 to 31.03.2019. An amount of ₹138.53 crore was received as interest on Investment under Treasury Bills during the year.

(₹ in Crore)

Cash Balance Investment in Government of India Treasury Bills			
OB as on 1 April 2018	Purchased During 2018-19	Sold During 2018-19	CB as on 31 March 2019
8,570.10	1,03,994.32	1,06,587.47	5,976.95

6.2. Debt and Liabilities

Article 293 of the Constitution of India empowers the State Government to borrow on the security of the Consolidated Fund of the State within such limits, if any, as may be from time to time fixed by the State Legislature.

Details of the Public Debt and total liabilities of the State Government are as under:

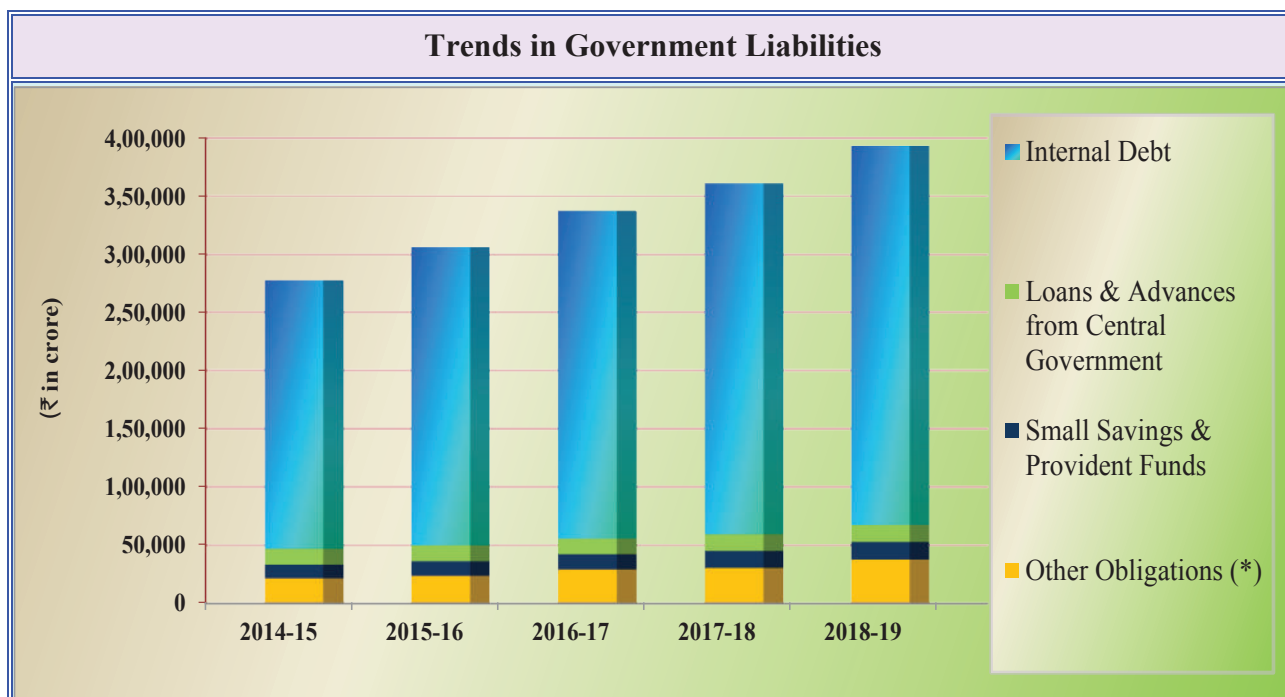
(₹ in Crore)

Year	Public Debt	Percentage to GSDP	Public Account (*)	Percentage to GSDP	Total Liabilities	Percentage to GSDP
2014-15	2,44,490	31	33,060	4	2,77,550	35
2015-16	2,70,059	26	35,984	3	3,06,043	29
2016-17	2,95,278	24	42,404	3	3,37,682	27
2017-18	3,16,011	30	44,950	4	3,60,961	34
2018-19	3,40,422	29	52,878	4	3,93,300	33

(*) Excludes suspense and remittance balances.

Note: Figures are progressive balances to end of the year.

During last five years, Public Debt increased by 8 per cent.



(*) Non-Interest bearing obligations such as deposits of Local Funds, other earmarked funds, etc.

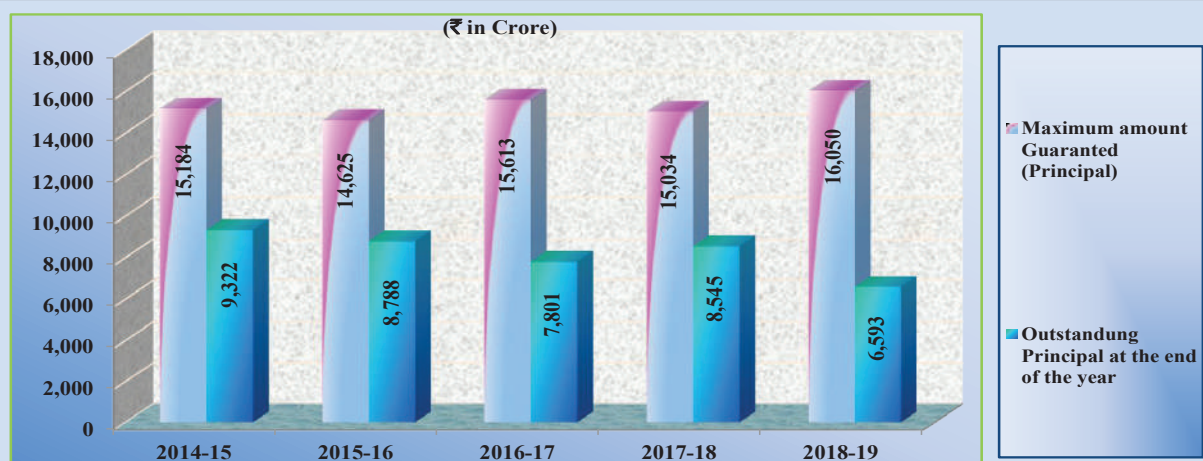
6.3. Guarantees

The position of guarantees by the State Government for the re-payment of loans and capital and payment of interest thereon raised by Statutory Corporations, Government Companies, Corporations, Co-operative Societies, etc. is given below:

(₹ in Crore)

At the end of the year	Maximum Amount Guaranteed (Principal only)	Amount outstanding at the end of the year	
		Principal	Interest
2014-15	15,184	9,322	64
2015-16	14,625	8,788	69
2016-17	15,613	7,801	16
2017-18	15,034	8,545	25
2018-19	16,050	6,593	29

Guarantees



The Government of West Bengal has included a disclosure in the Fiscal Responsibility and Budget Management Document that Guarantee Redemption Fund has been constituted vide notification bearing No. 1240-FB dated 02.01.2015. The contribution of ₹100.00 crore (1.17 *per cent* of outstanding Guarantee of ₹8,545.28 crore as on 31 March 2018 has been made to the Fund in 2018-19.

CHAPTER-VII

OTHER ITEMS

7.1. Adverse Balances

Borrowings of State Governments are governed by Article 293 of the Constitution of India. In addition to directly raising loans, the State Government also guarantees loans raised by government companies and corporations from the market and financial institutions for implementation of various plan schemes and programmes which are projected outside the State Budget. These loans are treated as off budget borrowing of the concerned Administrative Departments and do not appear in the books of the Government. However, the loan repayments appear in Consolidated Fund, resulting in irreconcilable adverse balance and understatement of liabilities in Government accounts. As on 31 March 2019 there is no such adverse balance appearing in respect of Government of West Bengal.

7.2. Loans and Advances by the State Government

Total Loans and Advances made by the State Government at the end of 2018-19 were ₹12,780 crore. Of this, Loans and Advances to Government Corporations/Companies, Non-Government Institutions and Local Bodies amounted to ₹12,772 crore. During the year, ₹548 crore was received as interest.

7.3. Financial Assistance to Local Bodies and Others

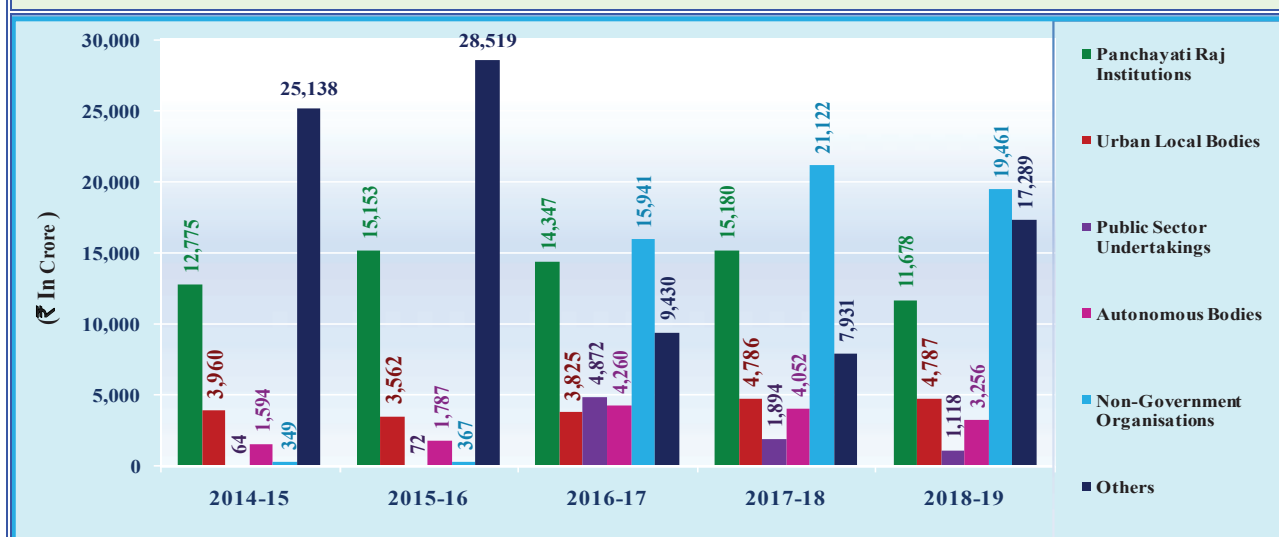
Expenditure on Grants-in-Aid to Local Bodies etc. represents 37 per cent of total Revenue Expenditure. Details of Grants-in-Aid for the past five years are as under:

(₹ in Crore)

Sl. No.	Grantee Institutions	2014-15	2015-16	2016-17	2017-18	2018-19
1.	Panchayati Raj Institutions	12,775	15,153	14,347	15,180	11,678
2.	Urban Local Bodies	3,960	3,562	3,825	4,786	4,787
3.	Public Sector Undertakings	64	72	4,872	1,894	1,118
4.	Autonomous Bodies	1,594	1,787	4,260	4,052	3,256
5.	Non-Government Organisations	349	367	15,941	21,122	19,461
6.	Others [#]	25,138	28,519	9,430	7,931	17,289
Total		43,880	49,460	52,675	54,965	57,589

This includes Grants for “National Old Age Pension Scheme (State Share)”, “Implementation of Annapurna scheme for Welfare of Aged, infirm and destitute”, “Scheme for financial assistance to the workers in locked-out Industrial Units”, etc.

Trend of Financial Assistance to Local Bodies and Others



Note: Figures based on expenditure under the Object Head “31-Grants-in-Aid” across Major Heads and under the Major Head “3604-Compensation and Assignments to Local Bodies and Panchayati Raj Institutions”.

Details of Grants-in-Aid for creation of Capital Assets for the last five years as under:

(₹ in Crore)

Sl.No.	Grantee Institutions	2014-15	2015-16	2016-17	2017-18	2018-19
1.	Panchayati Raj Institutions	929.78	1,617.60	1,205.59	3,551.12	5,360.77
2.	Urban Local Bodies	103.25	1,390.88	1,779.09	2,083.56	2,335.53
3.	Public Sector Undertakings	0.00	0.00	83.64	406.87	42.30
4.	Autonomous Bodies	10.97	136.32	279.63	292.10	588.17
5.	Non-Government Organisations	4.02	6.41	74.27	408.08	130.47
6.	Others	1,045.85	846.60	1,823.01	618.43	1,556.61
Total		2,093.87	3,997.81	5,245.23	7,360.16	10,013.85

7.4. Cash Balance and Investment of Cash Balance

(₹ in Crore)

Component	As on 1 April 2018	As on 31 March 2019	Net increase(+)/ decrease(-)
Cash Balance	(-)20	(-)5	15
Investments from cash balance (GOI Treasury Bills)	8,570	5,977	(-)2,593
Investments from Earmarked Funds	10,308	11,633	1,325
(a) Sinking Fund	9,745	10,939	1,194
(b) Guarantee Redemption Fund	381	511	130
(c) Other Funds	182	183	1
Interest realised	365	165	(-)200

7.5. Reconciliation of Accounts

Accuracy and reliability of accounts depend, among other things, on timely reconciliation of the figures available with the departments and the figures appearing in the accounts compiled by the Principal Accountant General (Accounts and Entitlement). This exercise is to be conducted by respective Controlling Officers. The reconciliation of accounts of many departments is in arrears. In 2018-19, only 88.02 *per cent* (₹1,99,581.95 crore) of the total expenditure and 77.05 *per cent* (₹1,67,715.15 crore) of the total receipts of the State Government were reconciled.

7.6. Submission of Accounts by Accounts Rendering Units

There are 91 District Treasuries in the State (including PAOs and one e-Treasury). From 1 April 2015, Government of West Bengal has done away with the Letter of Credit (LOC) system and submission of accounts by Works and Forest Divisions. During the year, average delay in submission of monthly accounts by the treasuries was 5.81 days. However, there was no exclusion of accounts at the end of the year.

7.7. Abstract Contingent (AC) Bills and Detailed Contingent (DC) Bills

The Drawing and Disbursing Officers are authorised to draw sums of money by preparing Abstract Contingent Bills by debiting Service Heads and as per Rule 4.138 of West Bengal Treasury Rules (WBTR) 2005 they are required to present Detailed Contingent Bills (vouchers in support of final expenditure). In all such cases D.C. Bills are to be presented within one month from the date of completion of the purpose for which advance was drawn and in no case beyond the period of sixty days from the date of drawal of such advance unless permitted by the Administrative Department with the concurrence of the Finance Department. As on 31 March 2019, DC Bills in respect of a total of 9,527 AC Bills amounting to ₹2,171.83 crore were not received as given below:

Year	No. of unadjusted AC Bills	Amount(₹ in Crore)
Upto 2016-17	7,496	1,372.30
2017-18	790	366.42
2018-19	1,241	433.11
Total	9,527	2,171.83

7.8. Utilisation Certificates (UCs) for Grants-in-Aid not received

In terms of Subsidiary Rules 330A of the West Bengal Treasury Rules (WBTR), Utilization Certificates (UCs) in respect of a Grants-in-Aid received by the grantee should be furnished by the grantee to the authority which sanctioned it, within one year from the date of receipt of grant or before applying for a further grant on the same object, whichever is earlier. To the extent of non-submission of UCs, the expenditure shown in Finance Accounts cannot be ensured to have reached beneficiaries' end and thus cannot be vouched as correct or final.

Out of outstanding items of ₹1,59,741.74 crore, at the beginning of the year, ₹1,795.03 crore was cleared during 2018-19. The position of outstanding UCs was as given below:

Utilisation Certificates (UCs) for Grants-in-Aid not received		
Year	Number of UCs awaited	Amount (₹ in Crore)
Upto 2016-17	2,46,153	1,19,904.22
2017-18	42,552	38,042.49
2018-19 (*)	67,952	42,825.46
Total	3,56,657	2,00,772.17

(*) Grants-in-Aid given during 2018-19 has been considered as due for submission of UCs. Grants-in-Aid bills in 3 cases amounting to ₹0.15 crore were drawn in AC bill forms during the year, causing difficulties in monitoring the utilisation of Grants-in-Aid so released.

7.9. Status of Suspense and Remittance balances

The Finance Accounts reflect the net balances under Suspense and Remittance Heads. The outstanding balance under these heads is worked out by aggregating the outstanding debit and credit balances separately under various heads. The position of gross figures under major suspense heads for the last three years is given below:

(₹ in crore)

Suspense and Remittance balances						
Name of Minor Head	2016-17		2017-18		2018-19	
8658-Suspense Accounts	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
101-PAO Suspense	172.37	8.17	184.67	8.10	168.06	3.91
Net	Dr. 164.20		Dr. 176.57		Dr. 164.14	
102-Suspense Account (Civil)	628.68	667.65	757.78	809.61	1,103.80	1,103.03
Net	Cr. 38.97		Cr. 51.83		Cr. 0.78	
110- RB Suspense CAO	535.88	63.18	609.10	63.23	526.52	278.94
Net	Dr. 472.70		Dr. 545.87		Dr. 247.58	
112-TDS Suspense	0.00	31.53	0.00	20.30	0.00	42.33
Net	Cr. 31.53		Cr. 20.30		Cr. 42.33	
129-MPSSA	0.02	67.46	0.02	67.46	0.02	67.46
Net	Cr. 67.44		Cr. 67.44		Cr. 67.44	
8782-Cash Remittances and adjustments, etc.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
102-P.W. Remittances	66,973.96	66,587.68	66,973.96	66,587.66	66,973.96	66,587.64
Net	Dr. 386.28		Dr. 386.30		Dr. 386.32	
103-Forest Remittances	6,199.01	6,173.39	6,199.01	6,173.39	6,199.01	6,173.39
Net	Dr. 25.62		Dr. 25.62		Dr. 25.62	

The Reserve Bank of India debited ₹141.17 crore on account of decretal awards in favour of the Engineering Departments of the Government of West Bengal in different years including 2018-19. This amount has been lying under Suspense Head of Account (Major Head 8658-00-110 - Central Accounts Office - Reserve Bank Suspense) since 2004-05 for want of sanction orders from the Engineering Departments.

7.10. Rush of Expenditure

The financial rules stipulate that rush of expenditure, particularly in the closing month of the financial year, shall be regarded as a breach of financial regularity and should be avoided. Details of expenditure during 2018-19 are analysed below:

(₹ in Crore)

Type of Expenditure	Expenditure During the Year	During March 2018		Expenditure on last working day of March 2018
		Expenditure	Percentage of total Expenditure	
Total Expenditure (excluding Pay vouchers)	1,56,049.60	24,315.14	15.58	4,824.89
Total Transfer Credit (including all deposit heads)	27,370.80	4,220.46	15.42	1,245.99
Amount of Transfer Credit to PD Accounts through Treasury vouchers (included in total Transfer Credit)	1,165.38	434.59	37.29	93.74
Amount of AC Bills drawn	785.91	169.72	21.60	24.23

Significant expenditure in March, especially the last working day in March, indicates that the expenditure was primarily for the purpose of exhausting the budget and reveals inadequate budgetary control.

7.11. Major Cesses collected by the State Government

In West Bengal different kinds of Cess are collected under distinct detailed head '08-Cess'. During 2018-2019 an amount of ₹2,296.12 crore was collected under detailed head '08-Cess'. The major cess (collection more than 0.10 crore) are given below:

(₹ in Crore)

Sl. No.	Head of Account	Description of Cess	Amount
1.	8342-00-113- 002	West Bengal Buildings and other Construction Workers' Welfare Cess	1,400.00
2.	8342-00-113- 003	West Bengal Motor Transport Workers' Welfare Cess	76.62
3.	0045-00-112-001-08	Motor Spirit Cess	534.44
4.	0029-00-103-006-08	Rural Employment Cess on Coal Mines	1,394.66
5.	0029-00-103-014-08	Rural Employment Cess on riverbed materials collected by I&W Deptt	0.15
6.	0029-00-103-004-08	Rural Employment Cess other than Tea Estates and Coal Mines	8.12
7.	0029-00-103-001-08	Public Works Cess	8.06
8.	0029-00-103-002-08	Road Cess	7.33
9.	0029-00-103-008-08	Education Cess on Coal Mines	332.68
10.	0029-00-103-010-08	Education Cess other than Tea Estates and Coal Mines	9.72
11.	0029-00-103-003-08	Miscellaneous receipt under the Cess Act	0.81
Total:			3,772.59

7.12. Commitments on account of Incomplete Capital Works

The list of incomplete Capital works/project is prepared on the basis of the information received from the State Government and include works costing ₹5.00 crore and above.

During the year 55 incomplete projects involving ₹2,275.04 crore are aged five years and more. The escalation in estimated cost of these project due to delay in completion of the project /works was not provided by the GoWB.

Intimation collected from Chief Engineers of various State Government Departments reveals that an expenditure of ₹2,424.01 crore was incurred upto 31 March 2019 on Incomplete Capital Projects/Works.

(₹ in Crore)

ABSTRACT OF COMMITMENTS OF INCOMPLETE PUBLIC WORKS						
Period	Buildings (No. of Works)	Roads (No. of Works)	Water Supply (PHE) (No. of Works)	Urban development (No. of Works)	Rural development (No. of Works)	Amount Involved
Upto 2015	--	--	--	--	--	--
2015-20	201.09 (84)	1,662.58 (255)	338.31 (208)	--	--	2,201.98 (547)
2020-25	--	13.95 (8)	208.07 (14)	--	--	222.03 (22)
Total	201.09 (84)	1,676.53 (263)	546.38 (222)	--	--	2,424.01 (569)

Note: Wherever expenditure during the year as well as progressive upto the year shown as zero, the no. of works was not considered.

7.13. Personal Deposit (PD) Accounts

The purpose of PD accounts is to enable designated Drawing Officers to incur expenditure pertaining to a scheme, for which funds are placed at their disposal, by transfer from the Consolidated Fund of the State. Administrators of PD accounts are required to close such accounts on the last working day of the year and transfer the unspent balances back to the Consolidated Fund.

In terms of Rule 6.08(5) of the West Bengal Treasury Rules, 2005, the Administrator of Personal Deposit Accounts shall make necessary verification and reconciliation of the balances with the treasury and shall furnish a certificate to the Treasury Officer on or before 15 May every year. The Treasury officer shall verify the said certificate with treasury record and send a report of verification of such balances to the Principal Accountant General (A&E) by 31 May every year. Inspection of 65 treasuries out of 91 treasuries in 2018-19 revealed that in five treasuries, the Administrators of Personal Deposit Accounts had not reconciled and verified their balances with the treasury figures and the annual verification certificate was also not furnished by them to the Treasury Officer for onward transmission to the Principal Accountant General (A&E) office.

Details of PD accounts as on 31 March 2019 is given below:

(₹ in Crore)

Opening Balance (as on 01.04.2018)		Addition during the year		Closed/Withdrawal during the year		Closing Balance (as on 31.03.2019)	
Number of Administrators	Amount	Number of Administrators	Amount	Number of Administrators	Amount	Number of Administrators	Amount
157	4,281.98	2	3,864.54	0	2,680.45	159	5,466.07

* Addition and clearance during the year 2018-19 under Personal Deposit Accounts, 8443-106.

- There has been addition of 2 PD Accounts and net addition in the balance amounting to ₹1,184.09 crore during the year 2018-19.
- Net reduction of balance amounting to ₹487.45 was made for more than one year and upto three years.
- Net addition in the balance amounting to ₹4,769.43 crore was made for more than three years.
- 123 schemes under PD accounts of 20 operators with balance amounting to ₹47.96 crore were lying inoperative for more than two years.

During 2018-19, an amount of ₹1,165.38 crore was transferred from the Consolidated Fund of the State to these PD Accounts and an amount of ₹2,699.16 crore was credited through challans (T.R.Form-7). In March 2019, ₹434.59 crore was transferred from the Consolidated Fund of the State to the PD Accounts constituting 11.25 *per cent* of the total yearly transfer, of which, ₹93.74 crore was transferred on the last working day of March 2019.

7.14. Liability under Retirement benefits

The expenditure on “Pension and other Retirement Benefits” for State Government employees during the year 2018-19 was ₹16,063.00 crore (excluding expenditure on National Pension System of All India Service officers), constituting 10.27 *per cent* of total Revenue expenditure (₹1,56,373.91 crore). All India Service (AIS) officers and other Central Government employees on Deputation to the State recruited on or after 1 January 2004 are covered under the National Pension System (NPS), which is a defined contributory pension scheme. This scheme is not applicable for State Government employees. In terms of the Scheme, the employee contributes 10 per cent of his/her basic pay and dearness allowance, which is matched by the State Government and the entire amount is transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/Trustee Bank. During the year, the State Government however contributed an amount of ₹2.98 crore as its share towards Defined Contribution Pension Scheme of AIS officers and other Central/State Government Employees on Deputation to the State and transferred ₹5.87 crore (which includes AIS Officers’ contributions of ₹2.44 crore and the contribution of other Central/State Government Employees on Deputation to the State of ₹0.45 crore) for 2018-19 to the Public Account under Major Head 8342-117 Defined Contribution Pension scheme. An amount of ₹5.82 crore was transferred to NSDL/Trustee Bank during 2018-19, which included ₹2.89 crore towards employees’ contribution and ₹2.93 crore towards employer’s contribution leaving a balance of ₹0.05crore (₹0.05crore employers’ contribution) yet to be transferred as on 31 March 2019. Uncollected, unmatched and un-transferred amounts, with accrued interest, represent outstanding liabilities under the Scheme.

7.15. Direct transfer of Central Scheme Funds to implementing Agencies in the State (Funds routed outside State Budget)

Government of India (GoI) transferred substantial funds directly to State Implementing Agencies/Non-Government Organisations (NGOs) for implementation of various schemes/programmes in spite of the policy decision taken by the Union Government to route all the funds through State Budgets from the year 2014-15. As per the PFMS portal of the Controller General of Accounts (CGA), GoI released ₹5,799.70 crore to the implementing agencies in West Bengal in 2018-19 as compared to ₹9,891.26 crore in 2017-18.

7.16. Investments

Information on Government investments appearing in Statements 8 and 19 of the Finance Accounts is based on the accounts and sanctions received by the Pr. Accountant General (A&E), but has not been confirmed by the concerned departments (including Finance) and the investee entity. The Government invested ₹1,543.37 crore in 2018-19. During this year, there was a disinvestment in Haldia Petrochemical Ltd. through which the State Government received ₹691.50 crore u/h '4000-03-190-002-17', though the State Government did not have any equity holding in HPL. Government investment of ₹17,427.21 crore as on 31 March 2019 yielded dividend/interest of ₹47.46 crore (0.27 *per cent*) during 2018-19.

During reconciliation process an amount of ₹308.24 crore for conversion of loans to equity was adjusted against West Bengal Highway Development Corporation Limited and ₹185.33 crore was adjusted against West Bengal Industrial Development Corporation Limited under Government Companies and reflected in Statement No. 19. Moreover, in four PSUs difference as per Finance accounts and as per records of PSUs arose due to reduction of share Capital. Details are in Statement No. 19

7.17. Ujwal DISCOM Assurance Yojana (UDAY)

The State Government has not taken over any debt of Electricity Distribution Companies (DISCOMs) under Ujwal DISCOM Assurance Yojana (UDAY) in West Bengal.

7.18. Guarantees given by Governments: Disclosure requirements (IGAS-1)

The details on Guarantees reported in Statements 9 and 20 prepared as per IGAS-1, are on the basis of the information provided by the State Government. In terms of the West Bengal Ceiling on Government Guarantees Act, 2001, the total outstanding Government Guarantees as on the first day of April of any year shall not exceed ninety *per cent* of the State Revenue Receipts of the second preceding year.

During the year, cumulative amount guaranteed by the State Government is ₹16,049.65 crore. The outstanding guarantees of ₹8,545.28 crore as on 1 April 2018, work out to 7.25 *per cent* of the State Revenue Receipts of the year 2016-2017 (₹1,17,832.45 crore) and are within the limits prescribed.

Under the guidelines, the Government shall charge a minimum of one *per cent* of the guaranteed amount as guarantee commission which works out to ₹65.93 crore. During 2018-19, the State Government received ₹170.86 crore towards guarantee commission, which constituted 2.59 *per cent* of the outstanding guarantees as on 31 March 2019 (₹6,593.32 crore). The total amount of outstanding guarantee commission as on 31 March 2019, since the enactment of the West Bengal Ceiling on Government Guarantees Act, was ₹1,442.42 crore

In terms of the GoWB notification bearing No. 1240-FB dated 02 January 2015 for the 'Scheme for Constitution and Administration of the Guarantees Redemption Fund 2014', the Central Accounting Section of Reserve Bank of India at Nagpur administrator the fund. The Bank is guided by the directions of the Government in all matters concerning the investment /reinvestment /disinvestment /reallocation/withdrawals time to time of the Fund and act accordingly. The withdrawals may be made from out of the balance accumulated in the Fund upto the date towards the redemption of guarantees invoked and to be paid by the Government shall have the option to withdraw excess fund over 5 per cent of outstanding guarantees of the previous year.

7.19. Accounting Classification of Grants-in-Aid (IGAS-2)

Expenditure on Grants-in-Aid is recorded as revenue expenditure in the books of the grantor, and as revenue receipt in the books of the recipient. Further, as per the Indian Government Accounting Standard (IGAS) 2, expenditure on Grants-in-Aid is to be classified as Revenue expenditure regardless of end utilization. During 2018-19 Government has classified Grants-in-Aid amounting to ₹1.67 crore as Capital expenditure in violation of the provision contained in IGAS 2. No information has been received from the Government regarding Grants-in-Aid given in kind.

7.20. Loans and Advances made by the Government (IGAS-3)

Statements 7 and 18 of the Finance Accounts 2018-19 have been prepared incorporating the disclosures under IGAS 3. The details of loan and advances reported in these Statements of the Finance Accounts are based on information received through the accounts rendered to the Principal Accountant General (A&E), detailed accounts maintained by the Principal Accountant General (A&E) in respect of loans and advances made to Government servants, information provided by the departmental officers maintaining detailed accounts of loans and confirmation from departments providing loans.

The accounts indicate the following:

- a) In respect of old loans (detailed accounts of which are maintained by the Principal Accountant General (A&E) amounting to ₹780.93 crore involving 14 Departments, recoveries of principal and interest have not been effected during the past several years and one such loan is about 50 years old.
- b) Nine (9) Departments sanctioned 6,426 nos. Government Loans aggregating to ₹13,647.80 crore to 30 Autonomous Bodies/Authorities, etc. till the end of 2018-2019, though no repayment had been received

from the concerned loanees in respect of previous loans. The previous loans were given during the period 1965-66 to 1994-95 in all these cases

- c) Terms and conditions of repayment of loans have not been settled for loans amounting to ₹7,772.82 crore to Statutory Bodies/Other entities (details in Additional Disclosures to Statement 18). Consequently, the receivables of the State Government on this account could not be estimated.
- d) Recovery of loans given to Statutory Bodies, etc. amounting to ₹14,083.77 crore was overdue at the end of the year.

The Principal Accountant General (A&E) annually communicates loan balances (where detailed accounts are maintained by the Principal Accountant General) to the loan sanctioning departments for verification and acceptance. Only 5 out of the 66 loanees have confirmed the balances.

No confirmation of loan balances has been received from departmental officers maintaining detailed accounts of loans. Details of information awaited from Departmental/Treasury Officers for Reconciliation of Balances have been provided in Appendix-VII of Finance Accounts.

The information on loan in perpetuity is not available from the Government.

7.21 Expenditure incurred in favour of PSU for setting of own loan assets

- a) During 2018-19, Government has drawn two transfer credit bills

Name of concern	Debit Head	Credit Head	Amount (₹ in Crore)	Reason
Neo Pipe & Tube Co. Ltd	4858-60-190-009- Setting of liabilities of Neo Pipe & Tube Co. Ltd. – 60- Other Capital expenditure	6858-02-800-002	133.42	For setting of loan liabilities of NPT Company Limited
National Iron and Steel Co. Ltd.	4858-60-190-010- Setting of liabilities of National Iron and Steel Co. Ltd. -60- Other Capital expenditure	6858-02-800-003	345.21	For setting of loan liabilities of NISCO Ltd

Thus ₹478.63 crore has been exhibited as capital expenditure in account without corresponding creation of the Assets.

- b) During 2018-19, Government released an amount of ₹500.00 crore as working Capital loan to West Bengal State Electricity Distribution Company Limited (WBSEDCL) to be repaid by 31 March 2019. The expenditure was booked as ‘Grants-in aid’ under head ‘2801-02-800-008-31-02’ instead of ‘Working Capital loan’ under major head ‘6801- Loans for the Power Projects’.

7.22 Booking under Capital expenditure for work executed by Zila Parisad

During 2018-19 out of total Capital expenditure amounting to ₹21,113.59 crore booked under detailed head of account '53-Major Works/Land & Buildings', ₹6,163.56 crore (29.19 *per cent*) was transferred to different deposit heads (8443, 8448 & 8449).

Out of total transfer credited amount of ₹6,163.56 crore, ₹753.54 crore was transferred to heads '8448-00-109-Panchayat Bodies Fund-002-Zila Parishad Fund'.

To the extent of transfer of Capital expenditure to the deposit heads, there is no assurance that the amount shown in the Finance accounts as Capital expenditure had actually been expended for creation of Capital assets and thus the expenditure cannot be vouched as correct or final.

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