



सत्यमेव जयते

Accounts at a Glance 2019-20



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

2019-20

Government of West Bengal

PREFACE

This is the twenty second 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.



(DEEPAK NARAIN)

KOLKATA
Dated: 17 June 2021

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

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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.

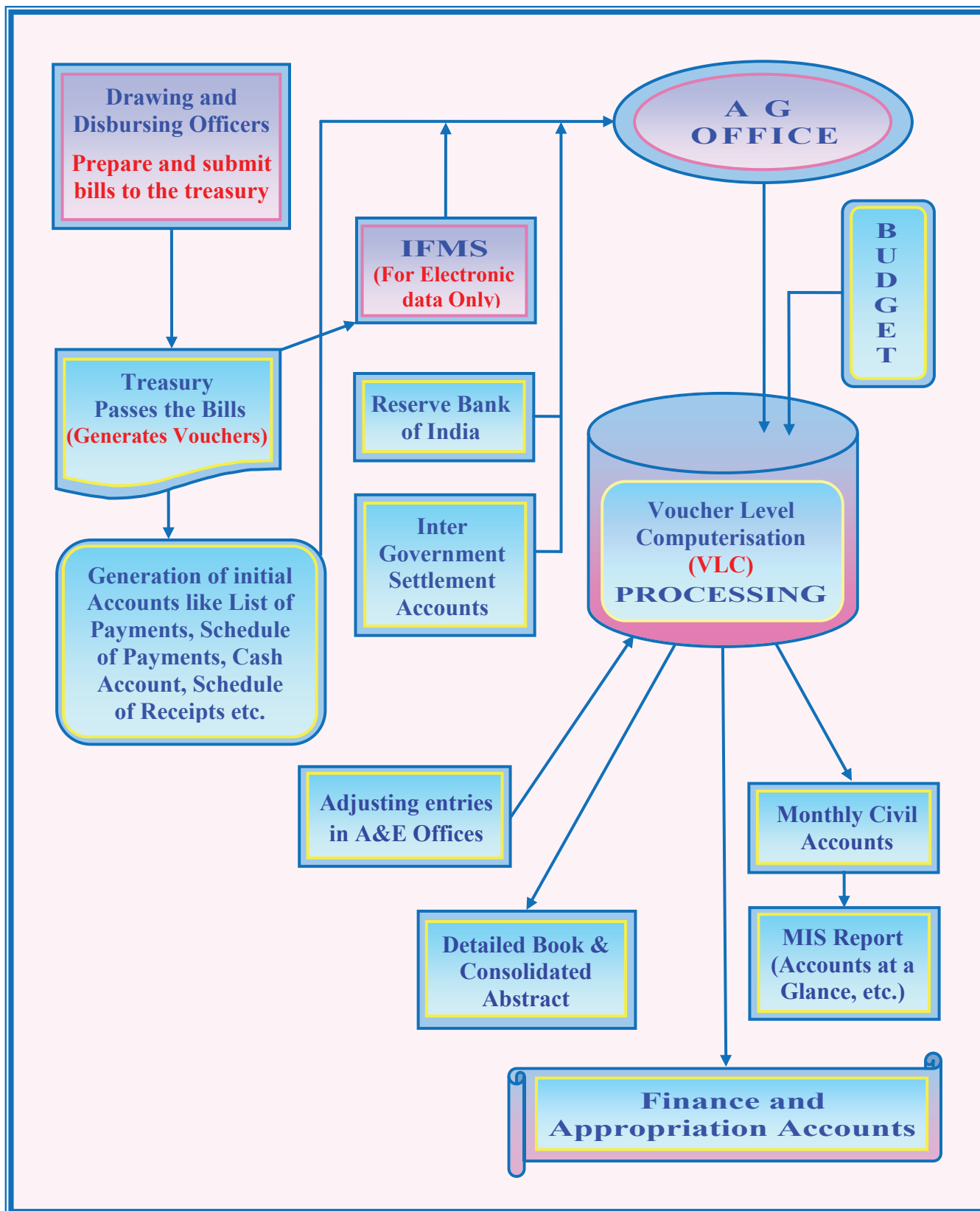
1.2. Structure of Government Accounts

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 2019-2020 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).

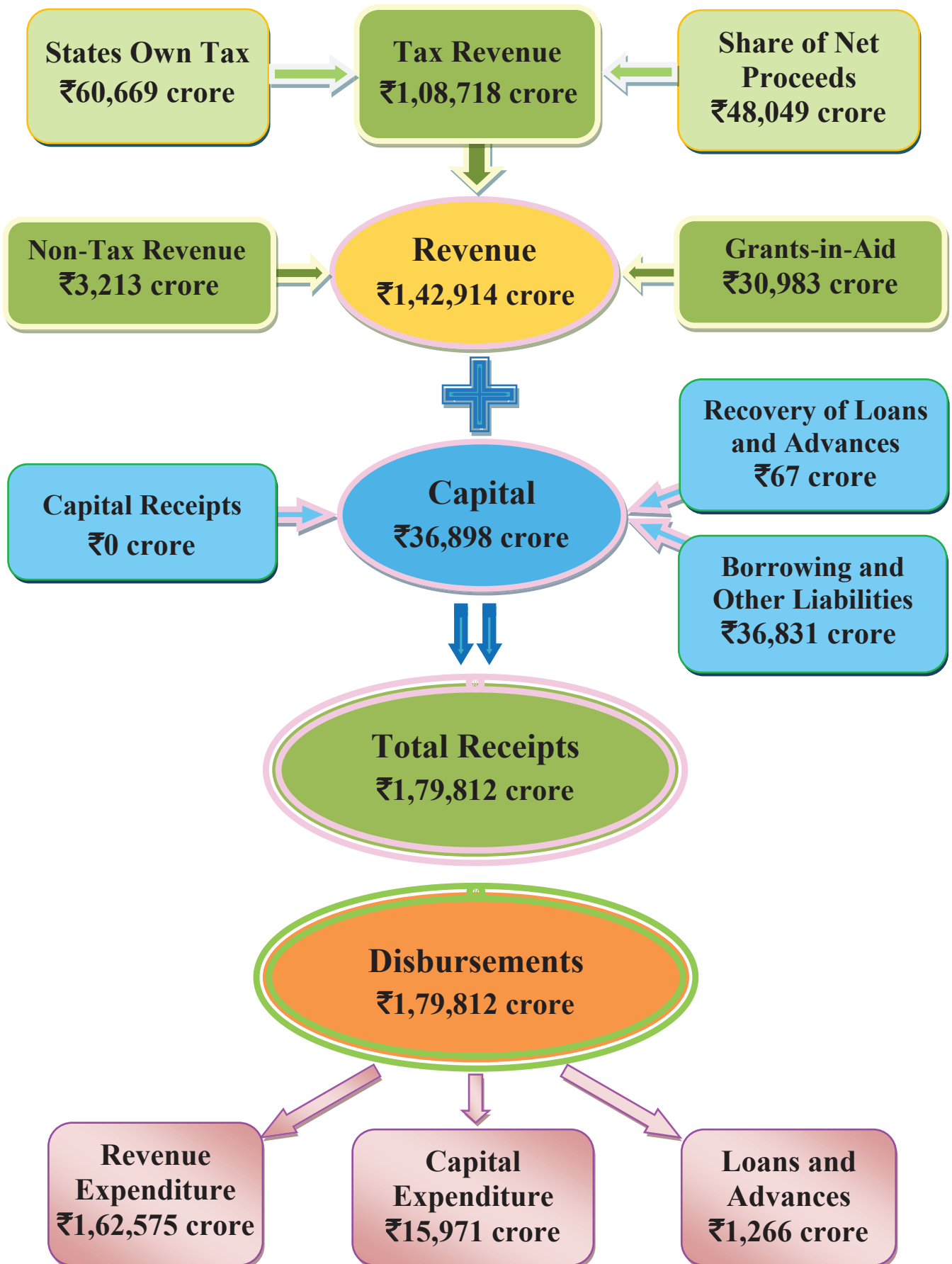
Receipts and disbursements of the State Government as depicted in the Finance Accounts for 2019-20 are detailed below:

(₹ in Crore)

| Receipts and disbursements in the year 2019-20 | | | |
|---|-------------------------------------|---------------------------------------|-----------------|
| Receipts (Total: 1,79,812) | Revenue (Total: 1,42,914) | Tax Revenue | 1,08,718 |
| | | (a) States Own Tax | 60,669 |
| | | (b) Share of Net Proceeds | 48,048 |
| | | Non-Tax Revenue | 3,213 |
| | | Grants-in-Aid | 30,984 |
| | Capital (Total: 36,898) | Capital Receipts | 0 |
| | | Recovery of Loans and Advances | 67 |
| Borrowing and other Liabilities (*) | | 36,831 | |
| Disbursements (Total: 1,79,812) | Revenue | 1,62,575 | |
| | Capital | 15,971 | |
| | Loans and Advances | 1,266 | |

(*) 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 2019-20



This year, the Government of India directly released ₹11,677.11 crore (₹5,799.70 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 55 Voted Grants and 01 Charged Appropriation in the current year.

The gross Budget provision for Expenditure (charged and voted) for 2019-20 was ₹2,72,739.39 crore and reduction of expenditure (recoveries) of ₹1,737.71 crore. Against this, the actual gross expenditure was ₹2,25,132.09 crore and reduction of expenditure was ₹4,907.12 crore, resulting in net savings of ₹47,607.30 crore (21.15 per cent) in respect of expenditure and net excess of ₹3,169.42 crore (64.59 per cent) on reduction of expenditure. The gross expenditure includes ₹1,173.19 crore drawn on Abstract Contingent (AC) Bills (no. of AC Bills 1,237), which is still outstanding at the end of the year for want of supporting Detailed Contingent (DC) Bills.

During 2019-20, ₹1,788.76 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 ₹47,607.30 crore (17.46 per cent of estimates) and under-estimation of ₹3,169.42 crore (1.16 per cent of estimates) on reduction of expenditure. Certain grants, like those relating to, Finance, Food & Supplies, Urban Development & municipal Affairs, Agriculture, School Education, Panchayats and Rural Development, Minority Affairs and Madrasah Education, Home and Hill Affairs, Irrigation & waterways, Housing, Industry, Commerce and Enterprises, Public Health Engineering, Micro, Small & Medium Enterprises and Textiles 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 2019-20, the Government of West Bengal resorted to Special Drawing Facilities for 78 days, Normal Ways and Means Advances for 23 days and OD facilities for six days.

- Note:- i) Special Drawing Facilities, Normal Ways and Means Advance and Overdrafts were taken for 6 days simultaneously.
- ii) Special Drawing Facilities and Normal Ways and Means Advances were taken for 23 days simultaneously.

1.4.2. Funds flow statement

The State had a Revenue Deficit of ₹19,660.91 crore and a Fiscal Deficit of ₹36,831.06 crore representing 1.57 *per cent* and 2.94 *per cent* of the Gross State Domestic Product (GSDP)¹. The Fiscal Deficit constituted 20.48 *per cent* of total expenditure. This deficit was met solely from Public Debt (₹40,175.29 crore). Around 46 *per cent* of the Revenue Receipts (₹1,42,914.21 crore) of the State Government was spent on committed expenditure like Salaries (₹16,915.08 crore), Interest payment (₹31,667.72 crore) and Pensions (₹17,462.47 crore).

¹ Except where indicated otherwise, Gross State Domestic Product (GSDP) figure for 2019-20 is ₹12,53,832.00 crore as available from the website of the Ministry of Statistics and Programme Implementation.

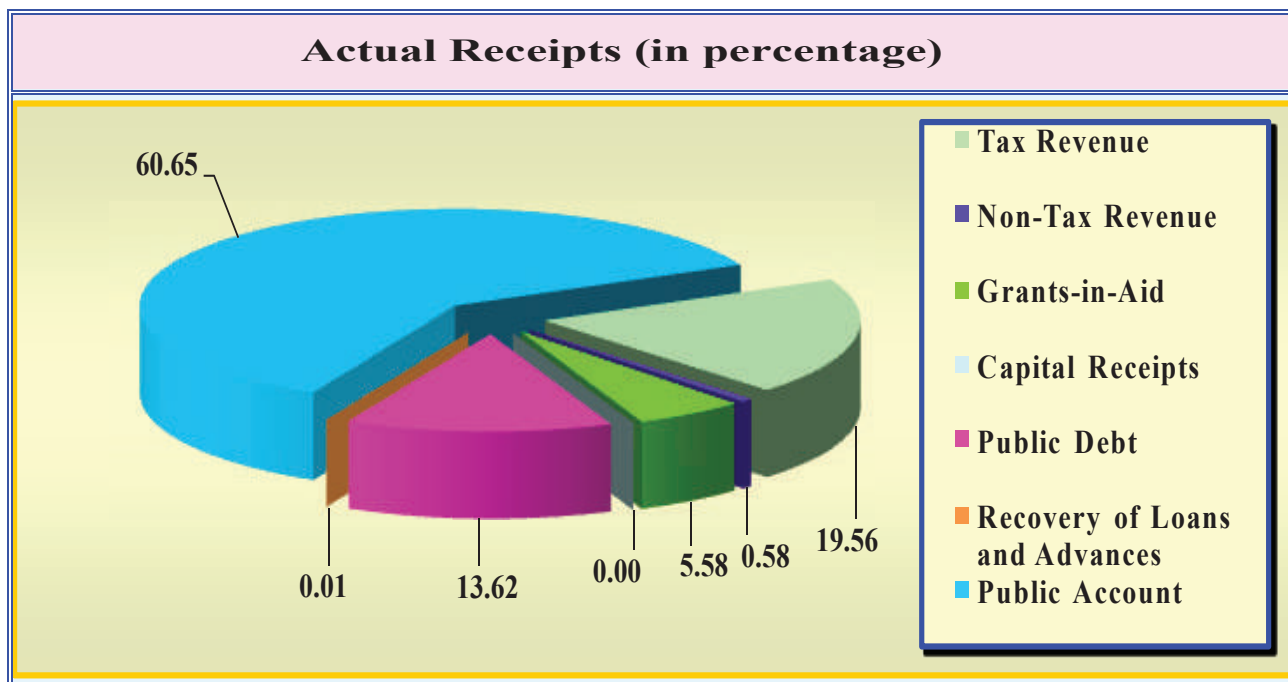
Sources and Application of Funds

(₹ in Crore)

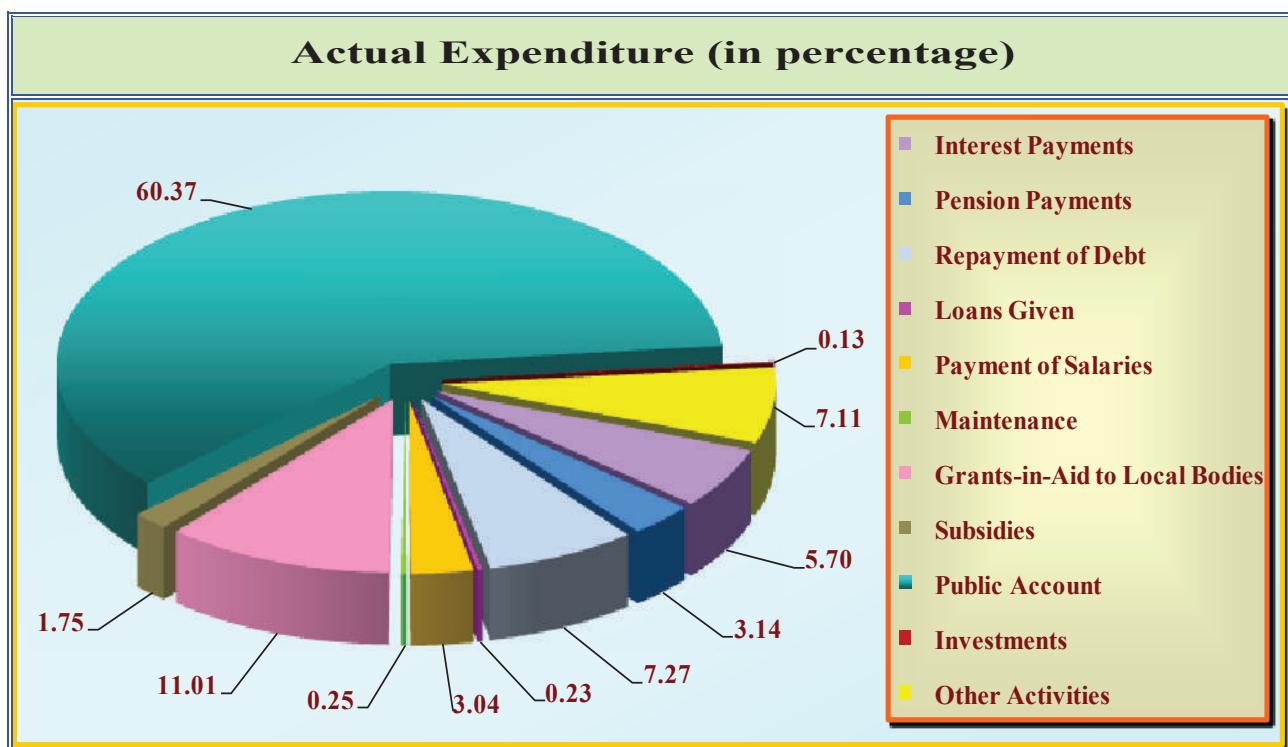
| | PARTICULARS | AMOUNT |
|--------------------|--|-----------------|
| SOURCES | Opening Cash Balance as on 1.4.2019 | (-)5 |
| | Revenue Receipts | 1,42,914 |
| | Capital Receipts | 0 |
| | Recovery of Loans & Advances | 67 |
| | Public Debt | 75,699 |
| | Small Savings Provident Fund & Others | 4,216 |
| | Reserves & Sinking Funds | 2,445 |
| | Deposits Received | 98,647 |
| | Civil Advances Repaid | 0 |
| | Suspense Account | 2,31,747 |
| | Remittances | 1 |
| | Contingency Fund | 0 |
| | TOTAL | 5,55,731 |
| APPLICATION | Revenue Expenditure | 1,62,575 |
| | Capital Expenditure | 15,971 |
| | Loans Given | 1,266 |
| | Repayment of Public Debt | 40,413 |
| | Contingency Fund | 11 |
| | Small Savings, Provident Fund & Others | 2,623 |
| | Reserves & Sinking Funds | 1,804 |
| | Deposits Spent | 95,992 |
| | Civil Advances Given | 0 |
| | Suspense Account | 2,35,081 |
| | Remittances | 15 |
| | Closing Cash Balance as on 31.03.2020 | (-)20 |
| | TOTAL | 5,55,731 |

Note: The Suspense Accounts include ₹1,15,161 crore invested in Treasury Bills which is shown on the 'Application' side, and ₹1,07,979 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 | 1,27,943 | 1,08,718 | 85 | 9 |
| 2. | Non-Tax Revenue | 3,987 | 3,213 | 81 | 0 |
| 3. | Grants-in-Aid & Contributions | 32,398 | 30,983 | 96 | 3 |
| 4. | Revenue Receipts (1 + 2 + 3) | 1,64,328 | 1,42,914 | 87 | 11 |
| 5. | Recovery of Loans and Advances | 350 | 67 | 19 | 0 |
| 6. | Other Receipts [#] | 0 | 0 | * | 0 |
| 7. | Borrowings & Other Liabilities ³ | 46,407 | 36,831 | 79 | 3 |
| 8. | Total Capital Receipts (5 + 6 + 7) | 46,757 | 36,898 | 79 | 3 |
| 9. | Total Receipts (4 + 8) | 2,11,085 | 1,79,812 | 85 | 14 |
| 10. | Total Revenue Expenditure (13+ 15+17+19) | 1,81,536 | 1,62,575 | 90 | 13 |
| 11. | Expenditure Interest Payment | 33,723 | 31,668 | 94 | 3 |
| 12. | Total Capital Expenditure (14 + 16+18) | 27,977 | 15,971 | 57 | 1 |
| 13. | General Sector Revenue Expenditure | 67,233 | 61,931 | 92 | 5 |
| 14. | General Sector Capital Expenditure | 1,519 | 748 | 49 | 0 |
| 15. | Social Sector Revenue Expenditure | 84,136 | 73,089 | 87 | 6 |
| 16. | Social Sector Capital Expenditure | 9,871 | 5,439 | 55 | 0 |
| 17. | Economic Sector Revenue Expenditure | 29,643 | 27,105 | 91 | 2 |
| 18. | Economic Sector Capital Expenditure | 16,587 | 9,784 | 59 | 1 |
| 19. | Grant-in Aid Contributions | 524 | 450 | 86 | 0 |
| 20. | Loans and Advances | 1,572 | 1,266 | 81 | 0 |
| 21. | Total Expenditure (10 + 12+20) | 2,11,085 | 1,79,812 | 85 | 14 |
| 22. | Revenue Deficit (4-10) | (-17,208) | (-19,661) | 114 | (-2) |
| 23. | Fiscal Deficit (4 + 5 +6 -21) | (-46,407) | (-36,831) | 79 | (-3) |
| 24. | Primary Deficit (23+11) | (-12,684) | (-5,163) | 41 | 0 |

¹ GSDP figure of West Bengal for 2019-20 is ₹12,53,832.00 crore as available from the Ministry of Statistics and Programme Implementation.

² Includes State's Share of net proceeds of Taxes of ₹48,048 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 2020 is ₹19,661 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 2019-20. The performance of the State Government during 2019-20 depicted in the Overview of Fiscal Policy and Status of the State, included in the Fiscal Policy Strategy Statement for 2019-20 and as depicted in the Finance Accounts is given below:

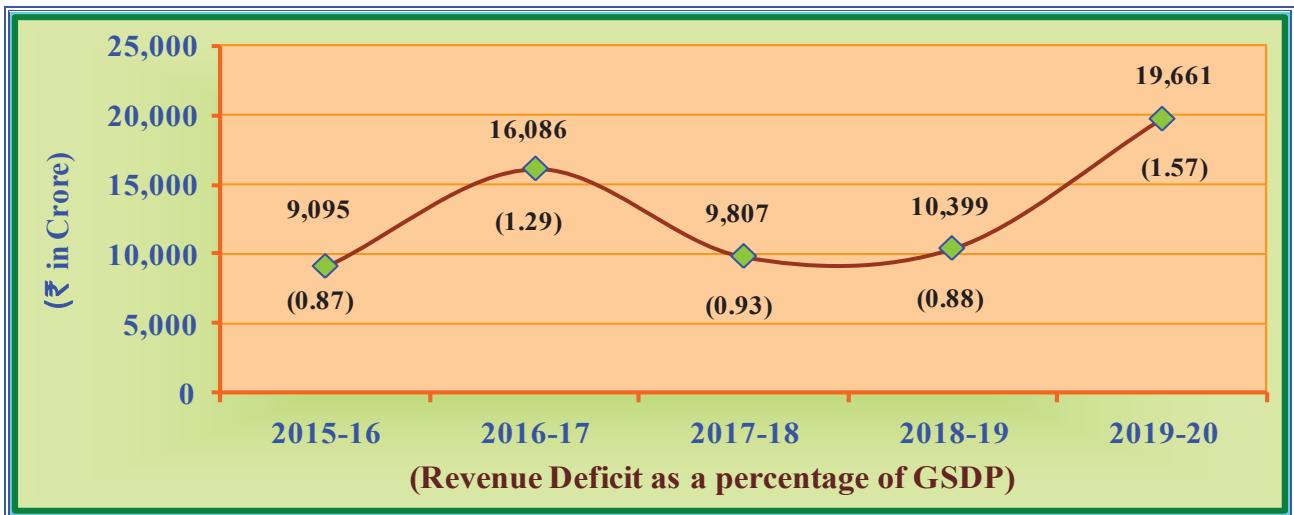
| Sl. No. | Targets | Achievements during the year as per the accounts and GSDP* |
|---------|--|---|
| 1. | Fiscal deficit shall not exceed 3.34 per cent of GSDP during the period 2019-20. | The Fiscal Deficit of ₹36,831.06 crore as per the accounts was 2.94 per cent of GSDP for 2019-20. |
| 2. | Outstanding debt expressed as percentage of GSDP shall be less than 34.30 per cent of GSDP during 2019-20. | The outstanding debt for 2019-20 (₹4,33,475.00 crore) was 34.57 per cent of GSDP. |

* **GSDP** (Gross State Domestic Product) of West Bengal for 2019-20 is ₹12,53,832.00 crore as available from the Ministry of Statistics and Programme Implementation.

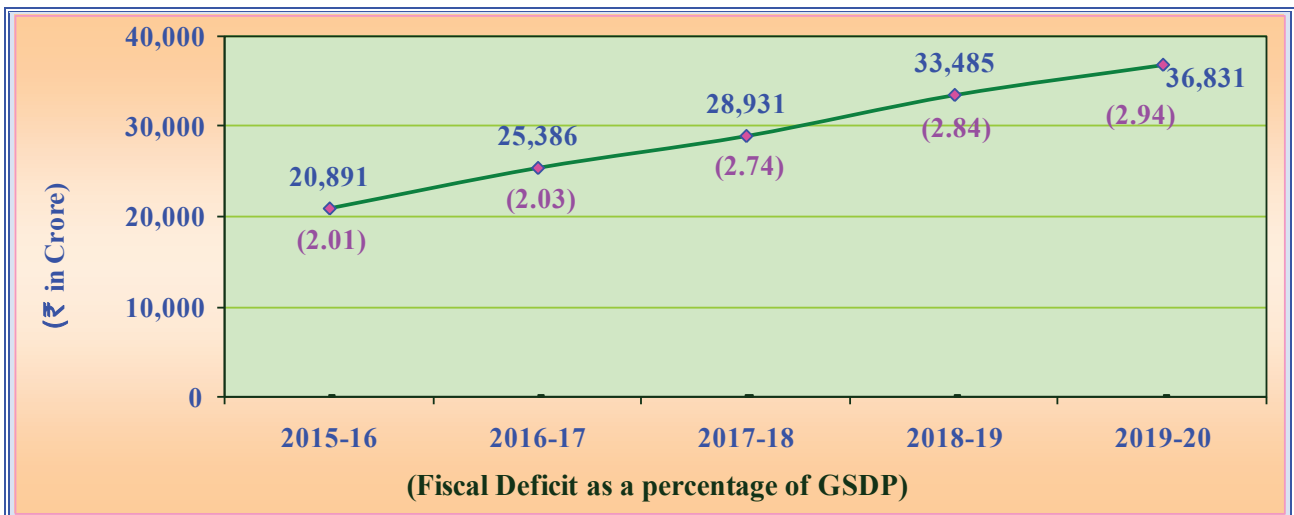
The status of target and achievement is required to be disclosed by the State Government in the Legislature at the time of presentation of the Budget for 2019-20 as stipulated by the FRBM Act and Rules. In this context,

- (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

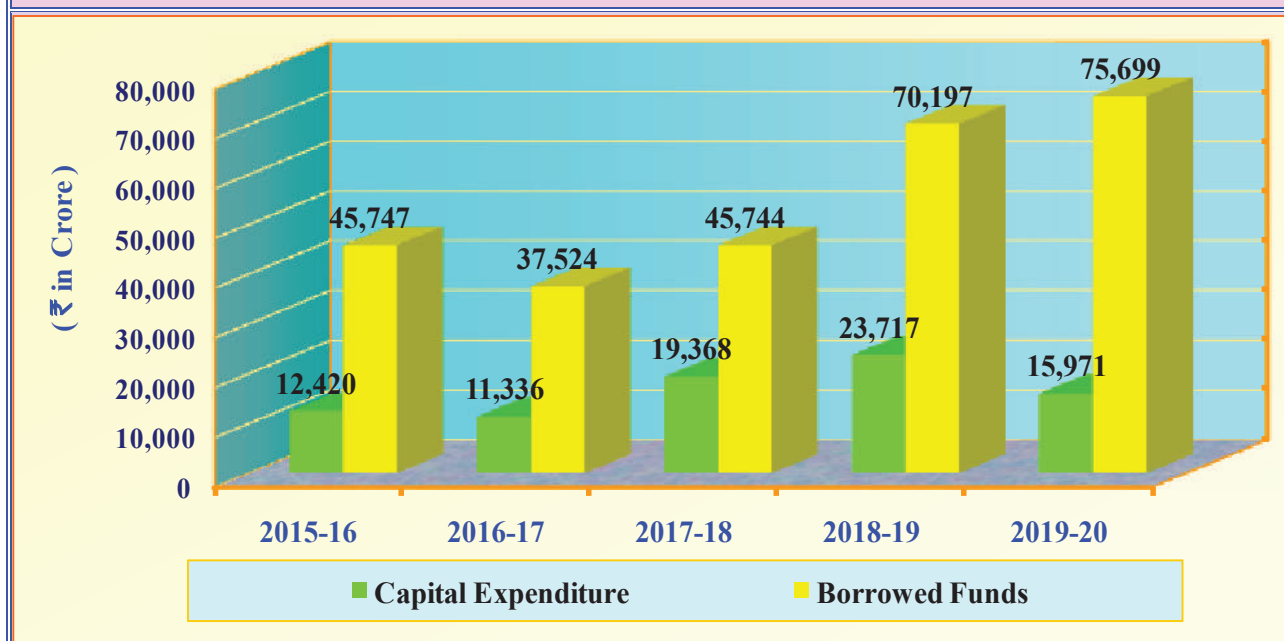


1.6.3. Proportion of borrowed funds spent on Capital Expenditure

(₹ in Crore)

| Borrowed Funds and Capital Expenditure | | |
|--|---------------------|----------------|
| Year | Capital Expenditure | Borrowed Funds |
| 2015-16 | 12,420 | 45,747 |
| 2016-17 | 11,336 | 37,524 |
| 2017-18 | 19,368 | 45,744 |
| 2018-19 | 23,717 | 70,197 |
| 2019-20 | 15,971 | 75,699 |

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 21 *per cent* of the borrowings of the current year (₹75,699 crore) on Capital Expenditure (₹15,971 crore). 79 *per cent* (₹59,728 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 2019-20 were ₹1,79,812 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

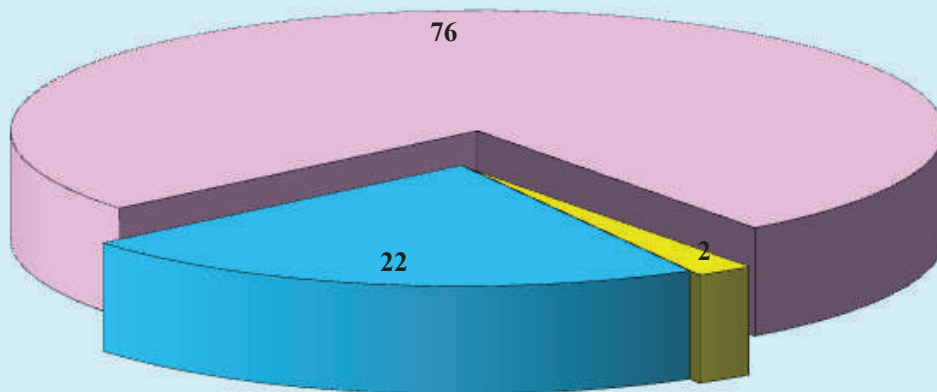
Non-Tax Revenue

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)



□ Tax Revenue □ Non Tax Revenue □ Grants-in-Aid & Contributions

2.2.1. Revenue Receipt Components

(₹ in Crore)

| Components | Actuals |
|---|-----------------|
| A. Tax Revenue | 1,08,718 |
| Goods and Services Tax | 40,942 |
| Taxes on Income & Expenditure | 29,809 |
| Taxes on Property and Capital Transactions | 8,755 |
| Taxes on Commodities & Services | 29,212 |
| B. Non-Tax Revenue | 3,213 |
| Interest Receipts, Dividends and Profits | 403 |
| General Services | 1,905 |
| Social Services | 367 |
| Economic Services | 538 |
| C. Grants-in-Aid & Contributions | 30,983 |
| Total – Revenue Receipts | 1,42,914 |

2.2.2. Trend of Revenue Receipts

(₹ in Crore)

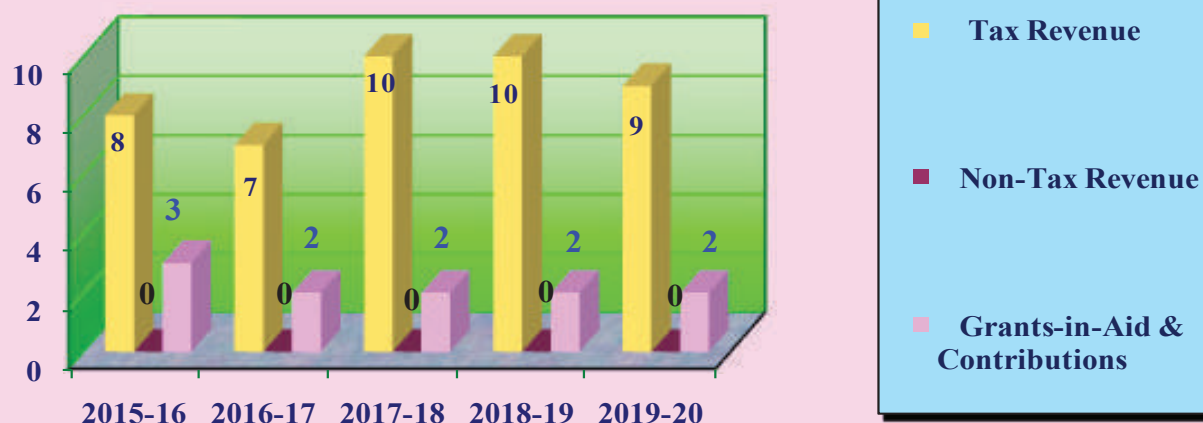
| Components | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---------------------------------|------------------|-----------------|------------------|------------------|------------------|
| Tax Revenue | 79,656 (8) | 90,091 (7) | 1,02,042 (10) | 1,16,508 (10) | 1,08,718 (9) |
| Non-Tax Revenue | 1,862 (0) | 2,950 (0) | 3,117 (0) | 3,657 (0) | 3,213 (0) |
| Grants-in-Aid and Contributions | 28,214 (3) | 24,791 (2) | 26,111 (2) | 25,810 (2) | 30,983 (2) |
| Total Revenue Receipts | 1,09,732 (11) | 1,17,832 (9) | 1,31,270 (12) | 1,45,975 (12) | 1,42,914 (11) |
| GSDP | 10,39,923 | 12,51,067 | 10,56,153 | 11,77,586 | 12,53,832 |

Note: Figures in parentheses represent percentage to GSDP.

The GSDP increased by 6 per cent between 2018-19 and 2019-20 and the decrease in revenue collection was 2 per cent. While tax revenue decreased by 7 per cent, non-tax revenues decreased by 12 per cent. The State's own tax revenue decreased by 0.10 per cent between 2018-19 (₹60,732 crore) and 2019-20 (₹60,669 crore), while share of Union taxes decreased by 14 per cent.

Trend of Components of Revenue Receipts as proportion to GSDP

(As a percentage of GSDP)

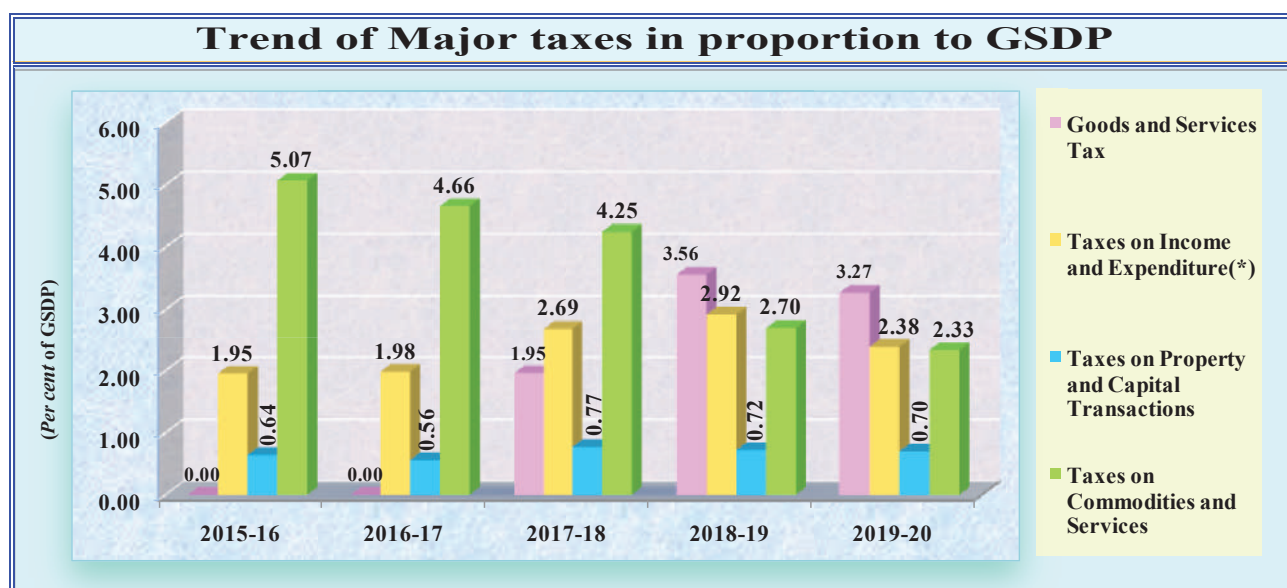


2.3. Tax Revenue

(₹ in Crore)

| Sector-wise Tax Revenue | | | | | |
|--|---------------|---------------|-----------------|-----------------|-----------------|
| Description | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
| Goods and Services Tax | - | - | 20,645 | 41,932 | 40,942 |
| Taxes on Income and Expenditure | 20,325 | 24,778 | 28,400 | 34,345 | 29,809 |
| Taxes on Property and Capital Transactions | 6,634 | 6,984 | 8,135 | 8,474 | 8,755 |
| Taxes on Commodities and Services | 52,697 | 58,329 | 44,862 | 31,757 | 29,212 |
| Total Tax Revenue | 79,656 | 90,091 | 1,02,042 | 1,16,508 | 1,08,718 |

The decrease in total Tax Revenues is mainly attributable to lower collections under, 'Corporation Tax', 'Taxes on Income other than Corporation Tax', 'Integrated Goods and Services Tax (IGST)', 'Customs', 'Taxes on Sales, Trade etc.', 'Service Tax', 'Union Excise Duties', 'Interest Receipts', 'Taxes on Goods and Passengers', 'Taxes and Duties on Electricity', 'Central Goods and Services Tax (CGST)', 'Land Revenue', 'Non-ferrous Mining and Metallurgical Industries', 'Other Taxes on Income and Expenditure', 'Police', 'Medical and Public Health', 'Labour and Employment', 'Public Works', 'Roads and Bridges', etc.



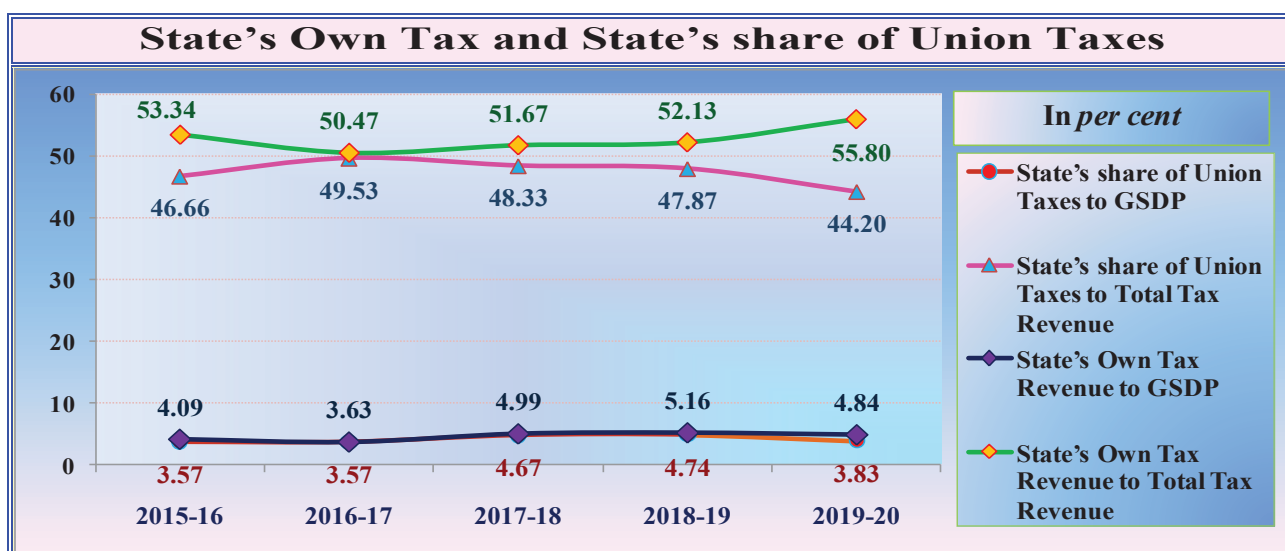
(*) Primary net proceeds of Central share to the State

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 |
| 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 |
| 2019-20 | 60,669 | 4.84 | 55.80 | 48,049 | 3.83 | 44.20 |



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

(₹ in Crore)

| Taxes | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---------------------------------------|---------------|---------------|---------------|---------------|---------------|
| Goods and Services Tax (SGST) | - | - | 14,964 | 27,067 | 27,307 |
| Land Revenue | 2,456 | 2,568 | 2,875 | 2,847 | 2,728 |
| Stamps and Registration Fees | 4,175 | 4,383 | 5,261 | 5,620 | 6,026 |
| State Excise | 4,015 | 5,226 | 9,340 | 10,622 | 11,232 |
| Sales Tax | 26,050 | 27,983 | 12,999 | 7,813 | 7,161 |
| Taxes on Goods and Passengers | 838 | 934 | 1,532 | 435 | 34 |
| Taxes on Vehicles | 1,707 | 1,870 | 2,317 | 2,563 | 2,601 |
| Other Taxes on Income and Expenditure | 486 | 509 | 529 | 561 | 589 |
| Others | 2,765 | 1,993 | 2,904 | 3,204 | 2,991 |
| Total State's Own Tax | 42,492 | 45,466 | 52,721 | 60,732 | 60,669 |

2.4. Efficiency of Tax Collection

(₹ in Crore)

| Taxes | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Goods and Services Tax | | | | | |
| Revenue Collection | - | - | 14,964 | 27,067 | 27,307 |
| Expenditure on Collection | - | - | 0 | 169 | 179 |
| Efficiency of Tax Collection (in per cent) | - | - | 0 | 0.62 | 0.66 |
| Land Revenue | | | | | |
| Revenue Collection | 2,456 | 2,568 | 2,875 | 2,847 | 2728 |
| Expenditure on Collection | 566 | 574 | 553 | 581 | 610 |
| Efficiency of Tax Collection (in per cent) | 23.05 | 22.35 | 19.23 | 20.41 | 22.36 |
| Stamps and Registration Fees | | | | | |
| Revenue Collection | 4,175 | 4,383 | 5,261 | 5,620 | 6026 |
| Expenditure on Collection | 114 | 130 | 137 | 149 | 166 |
| Efficiency of Tax Collection (in per cent) | 2.73 | 2.97 | 2.60 | 2.65 | 2.75 |
| State Excise | | | | | |
| Revenue Collection | 4,015 | 5,226 | 9,340 | 10,622 | 11,232 |
| Expenditure on Collection | 100 | 109 | 118 | 123 | 126 |
| Efficiency of Tax Collection (in per cent) | 2.49 | 2.09 | 1.26 | 1.16 | 1.12 |
| Taxes on Sales, Trade, etc. | | | | | |
| Revenue Collection | 26,050 | 27,983 | 12,999 | 7,813 | 7161 |
| Expenditure on Collection | 182 | 203 | 226 | 64 | 64 |
| Efficiency of Tax Collection (in per cent) | 0.70 | 0.73 | 1.74 | 0.82 | 0.89 |
| Taxes on Vehicles | | | | | |
| Revenue Collection | 1,707 | 1,870 | 2,317 | 2,563 | 2,601 |
| Expenditure on Collection | 23 | 25 | 26 | 30 | 52 |
| Efficiency of Tax Collection (in per cent) | 1.35 | 1.34 | 1.12 | 1.17 | 2.00 |
| Other Taxes on Income and Expenditure | | | | | |
| Revenue Collection | 486 | 509 | 529 | 662 | 589 |
| Expenditure on Collection | 13 | 4 | 5 | 5 | 5 |
| Efficiency of Tax Collection (in per cent) | 2.67 | 0.79 | 0.95 | 0.76 | 0.85 |

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

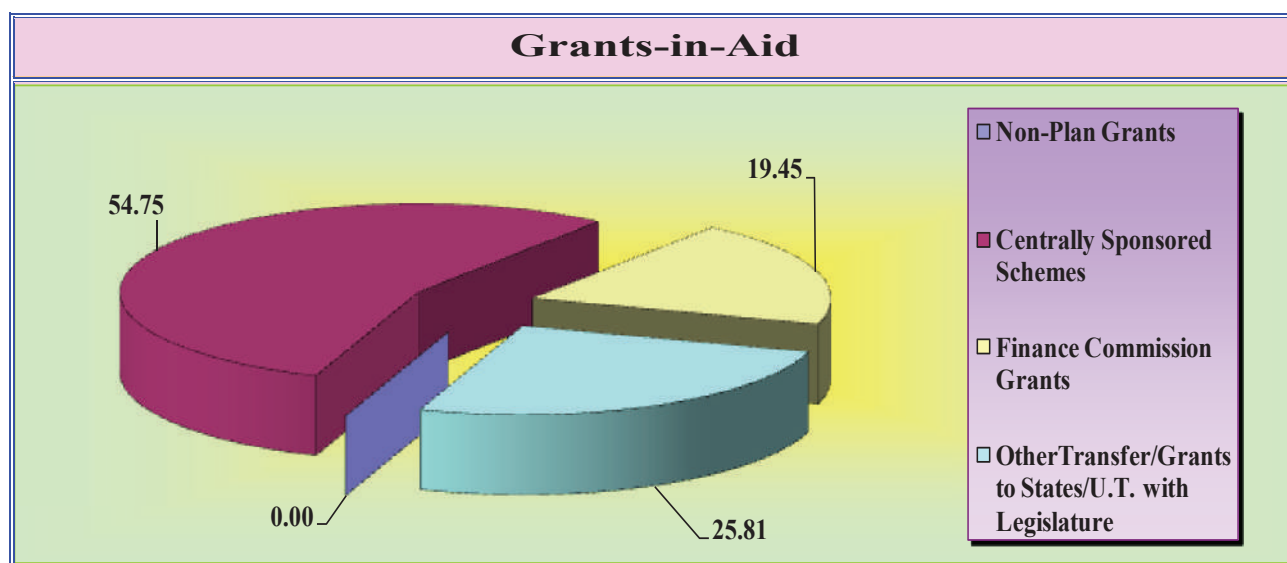
(₹ in Crore)

| Description | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|----------|----------|----------|
| Goods and Services Tax | -- | -- | 5,681 | 14,865 | 13,635 |
| Corporation Tax | 11,702 | 14,314 | 15,107 | 19,397 | 16,383 |
| Taxes on Income other than Corporation Tax | 8,129 | 9,948 | 12,757 | 14,285 | 12,837 |
| Taxes on Wealth | 3 | 33 | -- | 7 | 1 |
| Customs | 5,951 | 6,157 | 4,979 | 3,954 | 3,046 |
| Union Excise Duties | 4,958 | 7,031 | 5,204 | 2,627 | 2,117 |
| Service Tax | 6,394 | 7,142 | 5,594 | 511 | 0 |
| State's Share of Union Taxes | 37,164 | 44,625 | 49,321 | 55,776 | 48,049 |
| Other Taxes and Duties on Commodities and Services | 0 | 0 | 0 | 130 | 30 |
| Total Tax Revenue | 79,656 | 90,091 | 1,02,042 | 1,16,508 | 1,08,718 |
| Per cent of State's Share of Union Taxes & Duties to Total Tax Revenue | 47 | 50 | 48 | 48 | 44 |

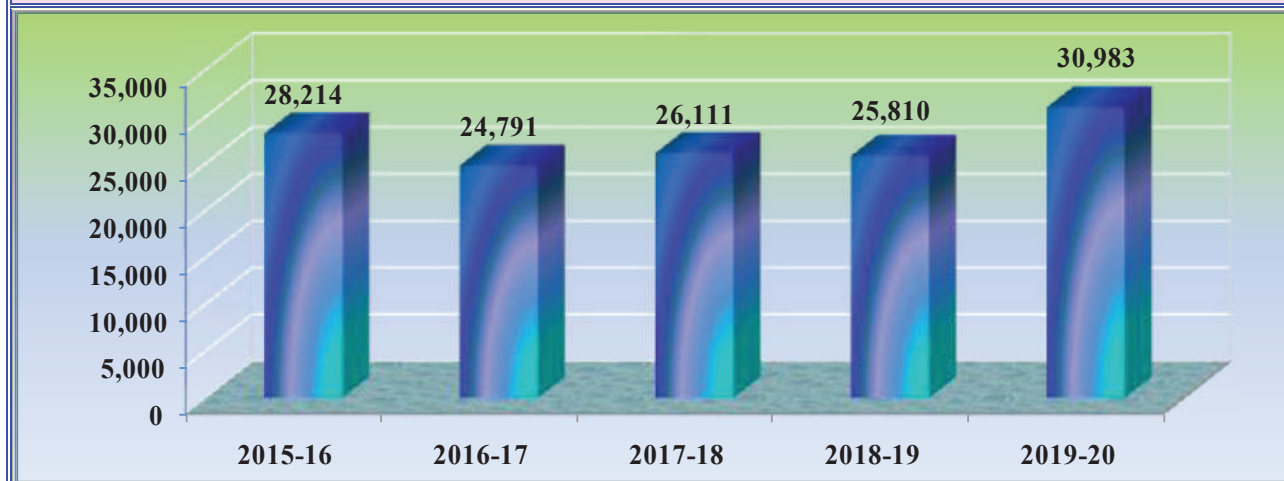
2.6. Grants-in-Aid

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 2018-19 and 2019-20. The State received only ₹30,983.54 crore (96 *per cent* of the budget estimate of total grants of ₹32,398.28 crore) against ₹25,809.66 crore (79 *per cent*) received last year. Total receipts during 2019-20 under Grants-in-Aid were ₹30,983.54 crore and sector wise breakup is shown in next view:



Trend of Grants-in-Aid



2.7. Public Debt

(₹ in Crore)

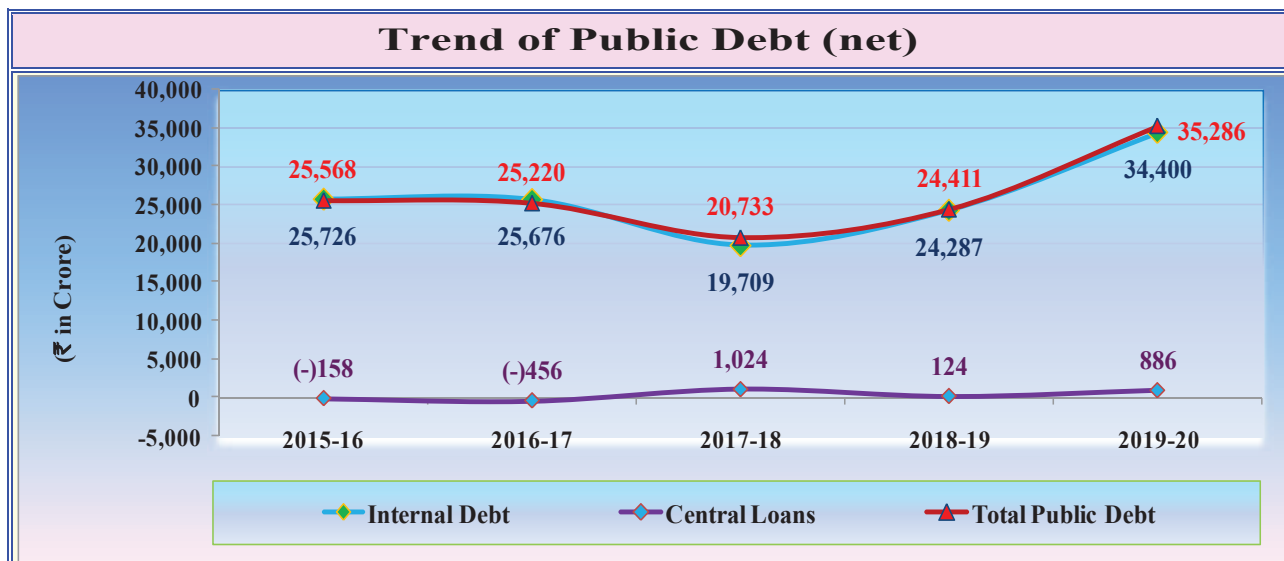
Trend of Public Debt (net) over the past five years

| Description | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-------------------|---------|---------|---------|---------|---------|
| Internal Debt | 25,726 | 25,676 | 19,709 | 24,287 | 34,400 |
| Central Loans | (-158) | (-456) | 1,024 | 124 | 886 |
| Total Public Debt | 25,568 | 25,220 | 20,733 | 24,411 | 35,286 |

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

In 2019-20, 25 loans at par totaling ₹56,992 crore at interest rates varying from 6.95 per cent to 7.99 per cent and redeemable in the year 2034-35 were raised from the open market. In addition, the State Government raised ₹16,690 crore from financial institutions (including other adjustments). Thus, the internal debt totaled ₹ 73,682 crore. During 2019-20 Government of West Bengal also received ₹2,017 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 ₹1,62,575 crore for 2019-20 was 90 per cent of budget estimates of ₹1,81,536 crore. The shortfall/excess of expenditure against budget estimates under Revenue section during the past five years is given below:

(₹ in Crore)

| Description | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---------------------------|-----------|----------|----------|----------|----------|
| Budget Estimates | 1,13,100 | 1,29,531 | 1,42,644 | 1,61,703 | 1,81,536 |
| Actuals | 1,18,827 | 1,33,918 | 1,41,077 | 1,56,374 | 1,62,575 |
| Gap | (-) 5,727 | (-)4,387 | 1,567 | 5,329 | 18,961 |
| Percentage of gap over BE | (-) 5 | (-)3 | 1 | 3 | 10 |

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

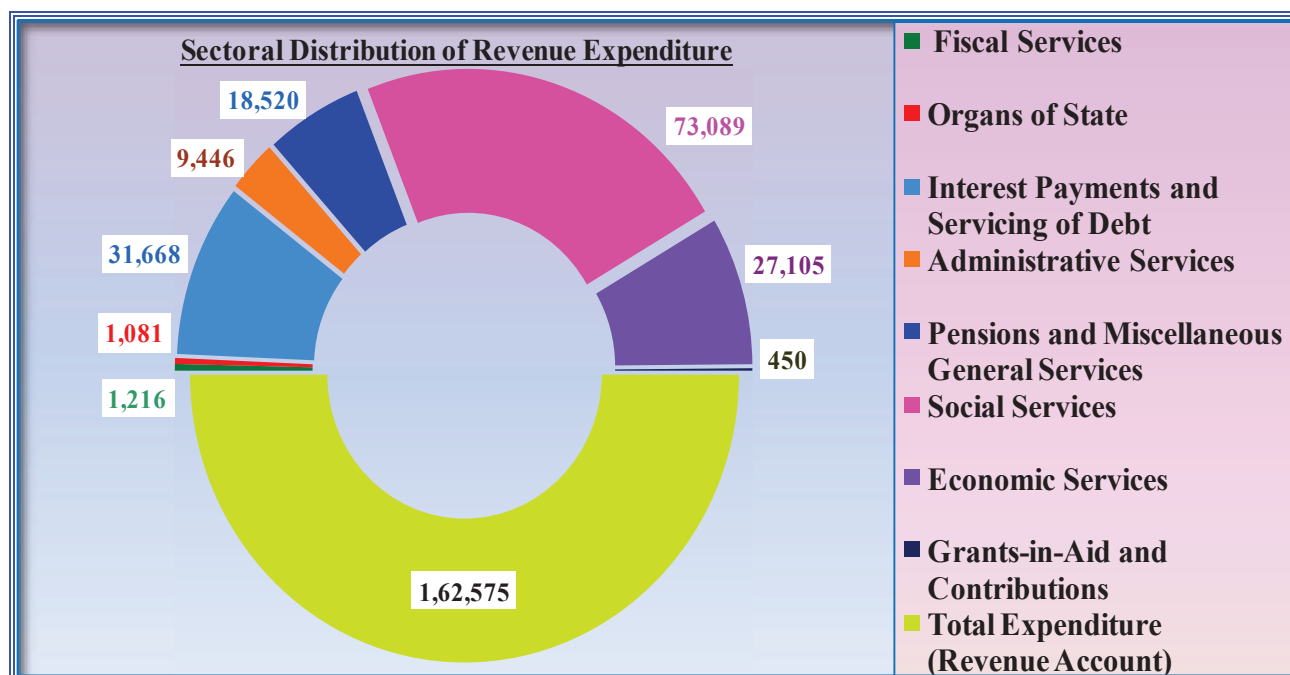
(₹ in Crore)

| Components | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|----------|----------|----------|----------|----------|
| Total Revenue Expenditure | 1,18,827 | 1,33,918 | 1,41,077 | 1,56,374 | 1,62,575 |
| Committed Revenue Expenditure [#] | 53,561 | 62,611 | 68,378 | 73,692 | 75,755 |
| Percentage of Committed Revenue Expenditure to total Revenue Expenditure | 45 | 47 | 48 | 47 | 47 |
| Uncommitted Revenue Expenditure | 65,266 | 71,307 | 72,699 | 82,682 | 86,820 |

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

3.2.1. Sectoral Distribution of Revenue Expenditure

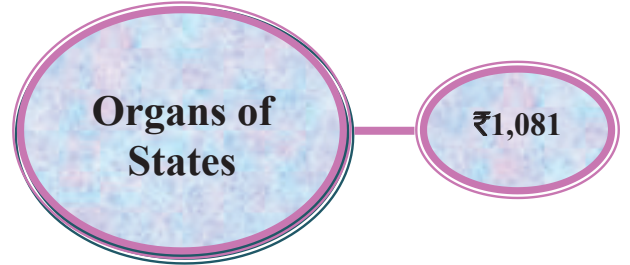
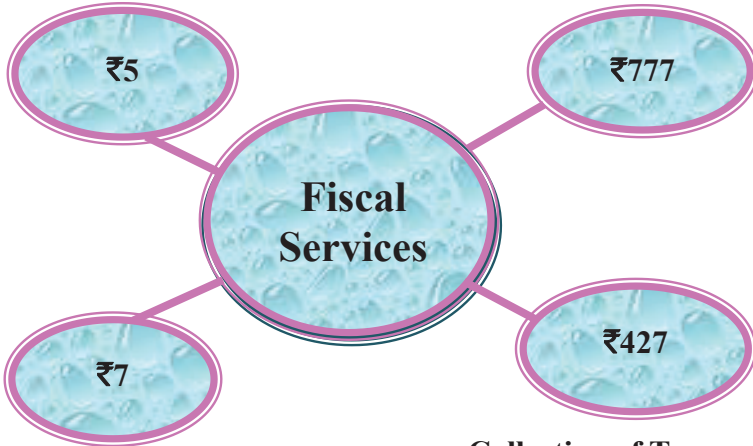
| Components | Amount | Percentage |
|---|---------------|---------------|
| | (₹ in Crore) | |
| A. Fiscal Services | 1216 | 0.75 |
| (i) Collection of Taxes on Income and Expenditure | 5 | 0.00 |
| (ii) Collection of Taxes on Property and Capital transactions | 777 | 0.48 |
| (iii) Collection of Taxes on Commodities and Services | 427 | 0.27 |
| (iv) Other Fiscal Services | 7 | 0.00 |
| B. Organs of State | 1081 | 0.66 |
| C. Interest Payments and Servicing of Debt | 31668 | 19.48 |
| D. Administrative Services | 9446 | 5.81 |
| E. Pensions and Miscellaneous General Services | 18520 | 11.39 |
| F. Social Services | 73089 | 44.96 |
| G. Economic Services | 27105 | 16.67 |
| H. Grants-in-Aid and Contributions | 450 | 0.28 |
| Total Expenditure (Revenue Account) | 162575 | 100.00 |



(₹ in Crore)

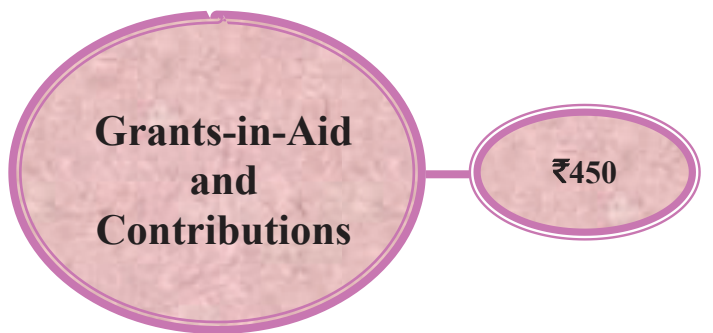
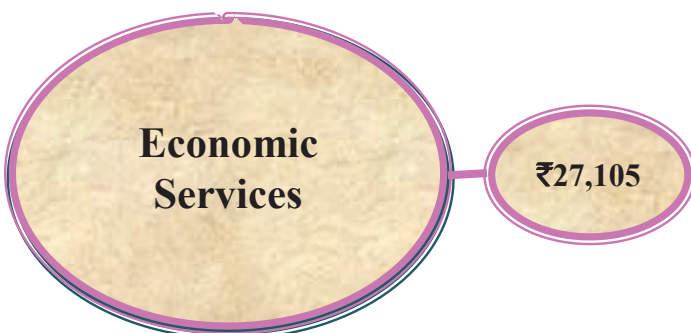
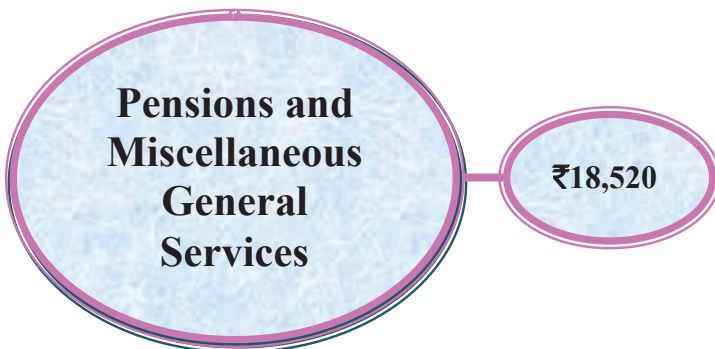
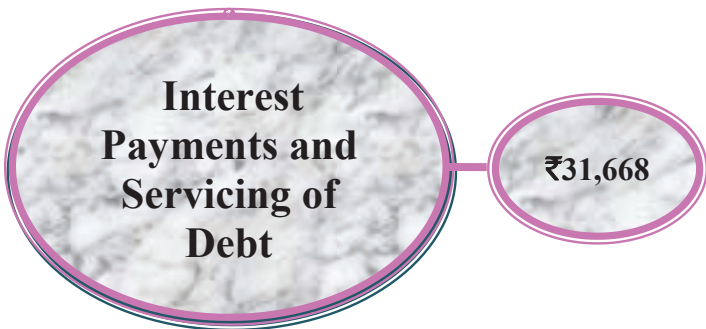
Collection of Taxes on Income and Expenditure

Collection of Taxes on Property and Capital transactions



Other Fiscal Services

Collection of Taxes on Commodities and Services



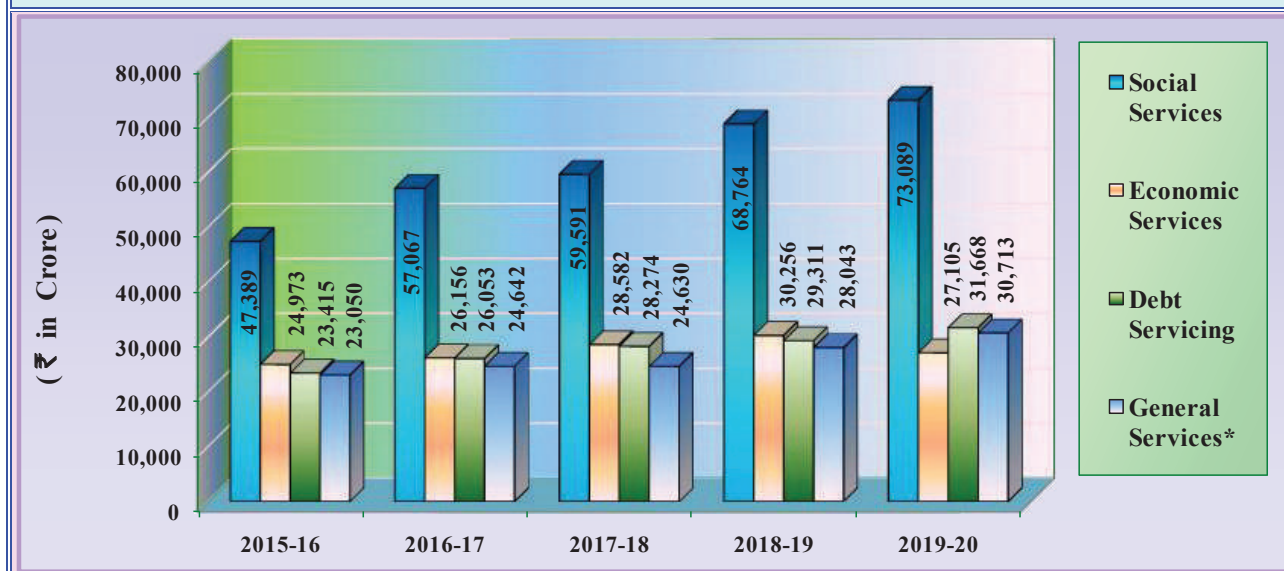
3.2.2. Major components of Revenue Expenditure

(₹ in Crore)

| Components | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-------------------|---------|---------|---------|---------|---------|
| Social Services | 47,389 | 57,067 | 59,591 | 68,764 | 73,089 |
| Economic Services | 24,973 | 26,156 | 28,582 | 30,256 | 27,105 |
| Debt Servicing | 23,415 | 26,053 | 28,274 | 29,311 | 31,668 |
| General Services* | 23,050 | 24,642 | 24,630 | 28,043 | 30,713 |

* 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).

Trend of Major Components of Revenue Expenditure



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

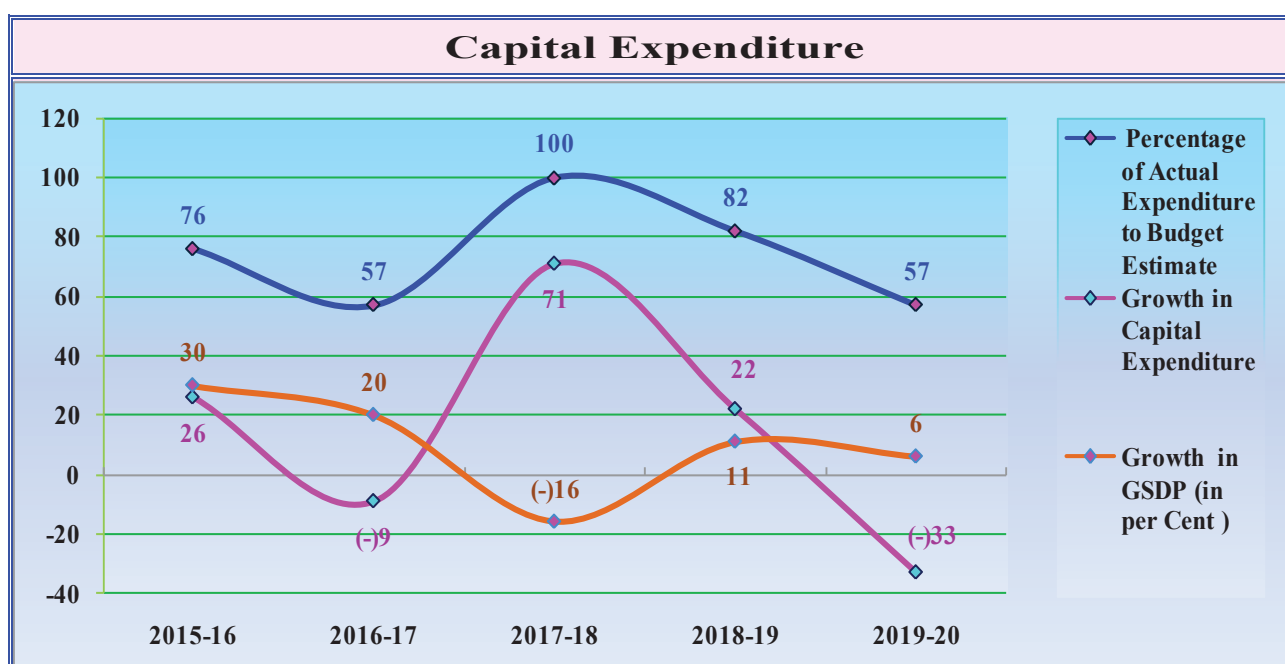
Capital disbursements for 2019-20 amounting to ₹17,237 crore (including Loans and Advances) at 1.37 per cent of GSDP. Over the last five years, Capital Expenditure has declined with respect to its budget. This can be viewed from the table given next page:

(₹ in Crore)

| Sl. No. | Components | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---------|---|-----------|-----------|-----------|-----------|-----------|
| 1. | Budget (B.E.) | 16,380 | 19,841 | 19,285 | 28,781 | 27,977 |
| 2. | Actual Expenditure(#) | 12,420 | 11,336 | 19,368 | 23,717 | 15,971 |
| 3. | Percentage of Actual Expenditure to B.E. | 76 | 57 | 100 | 82 | 57 |
| 4. | Growth in Capital Expenditure (in per cent) | 26 | (-9) | 71 | 22 | (-33) |
| 5. | GSDP (*) | 10,39,923 | 12,51,067 | 10,56,153 | 11,77,586 | 12,53,832 |
| 6. | Growth in GSDP (in per cent) | 30 | 20 | (-16) | 11 | 6 |

(#) 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 2019-20, the Government spent ₹4,321 crore on Transport, ₹1,718 crore on Irrigation and Flood Control, ₹974 crore on Special Areas Programme, ₹1,550 crore on Energy, ₹356 crore on Rural Development Programme, ₹236 crore on Industry and Minerals and ₹568 crore on Agriculture and Allied Activities. In Social Services, the Government spent ₹557 crore on Health and Family Welfare, ₹3,275 crore on Water Supply, Sanitation, Housing and Urban Development and ₹870 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 | | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---------|--------------------------------|---------|---------|---------|---------|---------|---------|
| 1. | General Services | Capital | 705 | 854 | 1,003 | 927 | 748 |
| | | Revenue | 45,689 | 50,131 | 52,416 | 56,865 | 61,931 |
| 2. | Social Services | Capital | 4,628 | 4,438 | 7,606 | 7,324 | 5,439 |
| | | Revenue | 47,389 | 57,067 | 59,591 | 68,764 | 73,089 |
| 3. | Economic Services | Capital | 7,087 | 6,045 | 10,759 | 15,467 | 9,783 |
| | | Revenue | 24,973 | 26,156 | 28,582 | 30,256 | 27,105 |
| 4. | Grants-in-Aid and Contribution | Capital | -- | -- | -- | -- | -- |
| | | Revenue | 49,460 | 52,675 | 54,965 | 57,589 | 61,622 |

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

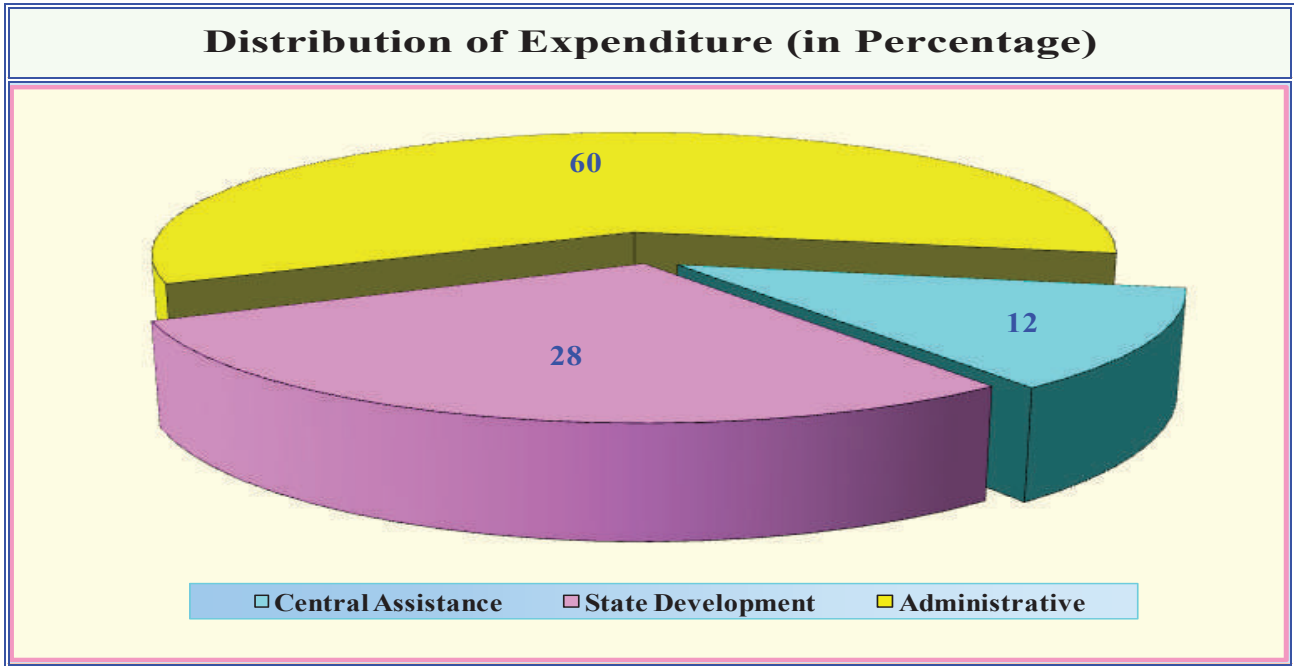
2. Revenue Expenditure does not include expenditure on Grants-in-Aid.

CHAPTER-IV

SCHEME & ADMINISTRATIVE EXPENDITURE

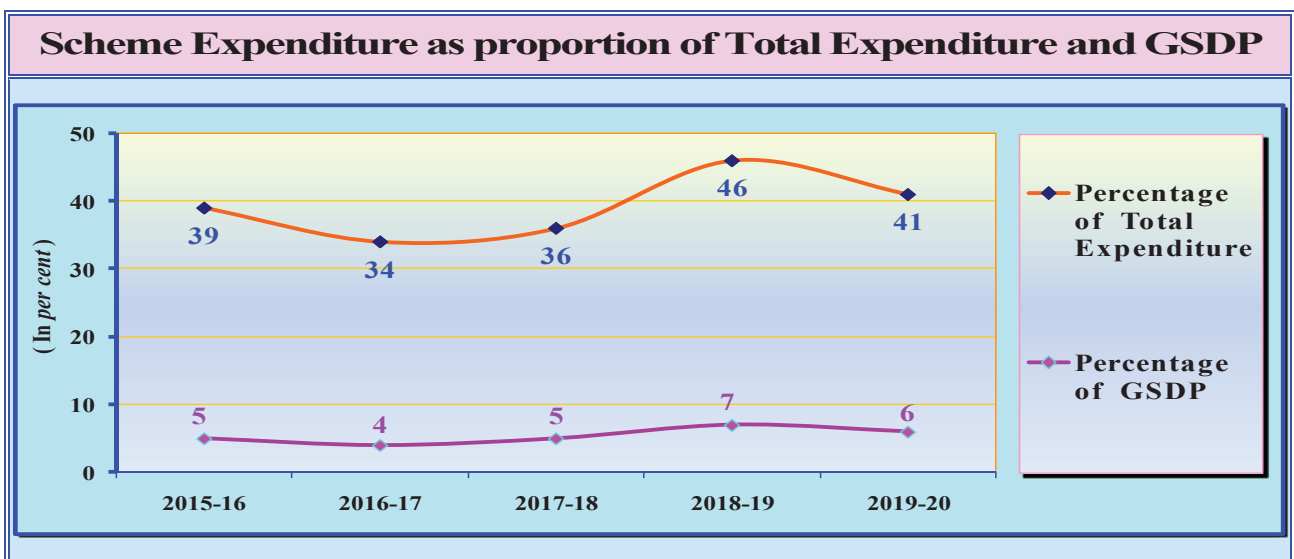
4.1. Distribution of Expenditure

The total expenditure during the year was ₹1,79,812 crore representing State Development Expenditure of ₹51,076 crore, Central Assistance expenditure of ₹21,768 crore and Administrative expenditure of ₹1,06,968 crore.



4.2. Scheme Expenditure

During 2019-20, Scheme Expenditure, representing 41 per cent of total disbursements, was ₹72,844 crore (₹47,677 crore under State Development Scheme, ₹21,490 crore under State Development (Central Assistance) Scheme, ₹2,567 crore under Central Sector Scheme and ₹1,110 crore on Loans and Advances).

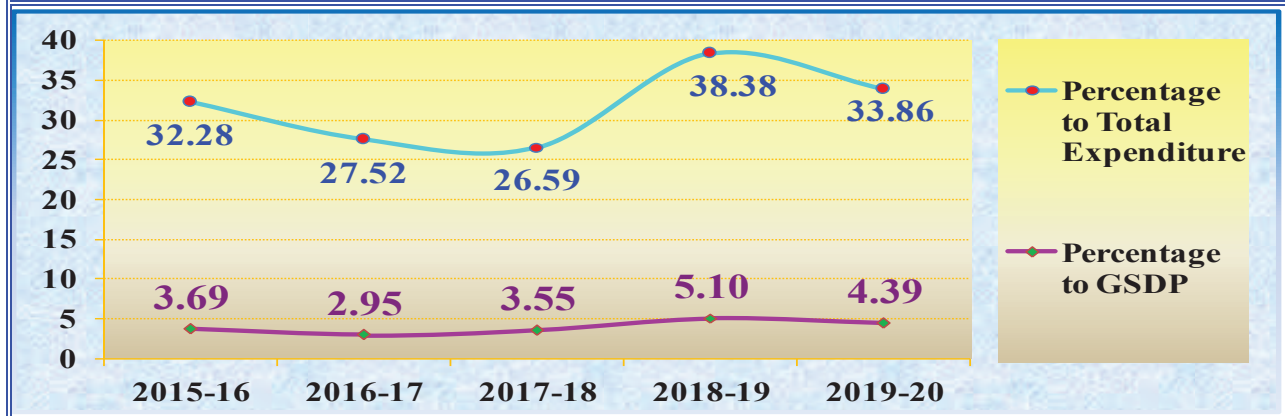


4.2.1. Scheme Expenditure under Revenue Account

(₹ in Crore)

| Description | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|----------|----------|----------|----------|----------|
| Total Revenue Expenditure | 1,18,827 | 1,33,918 | 1,41,077 | 1,56,374 | 1,62,575 |
| Revenue Expenditure (Scheme) | 38,362 | 36,854 | 37,515 | 60,022 | 55,044 |
| Percentage of Revenue Expenditure (Scheme) to Total Revenue Expenditure | 32 | 28 | 27 | 38 | 34 |

Scheme Expenditure under Revenue Account (In per cent)



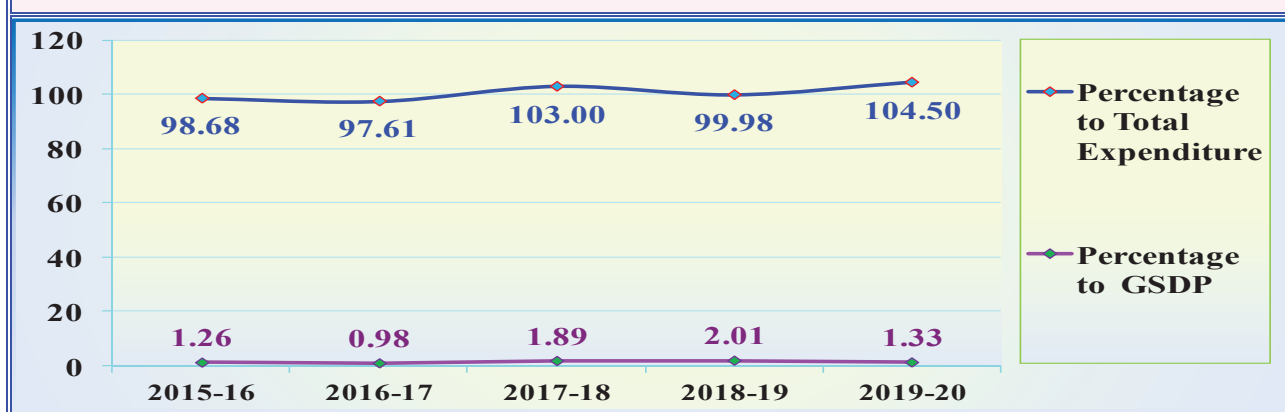
4.2.2. Scheme Expenditure under Capital Account

(₹ in Crore)

| Description | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Total Capital Expenditure | 13,281 | 12,533 | 19,338 | 23,717 | 15,971 |
| Capital Expenditure (Scheme) | 13,106 | 12,236 | 19,919 | 23,712 | 16,690 |
| Percentage of Capital Expenditure (Scheme) to Total Capital Expenditure | 99 | 98 | 103 | 100 | 105 |

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:

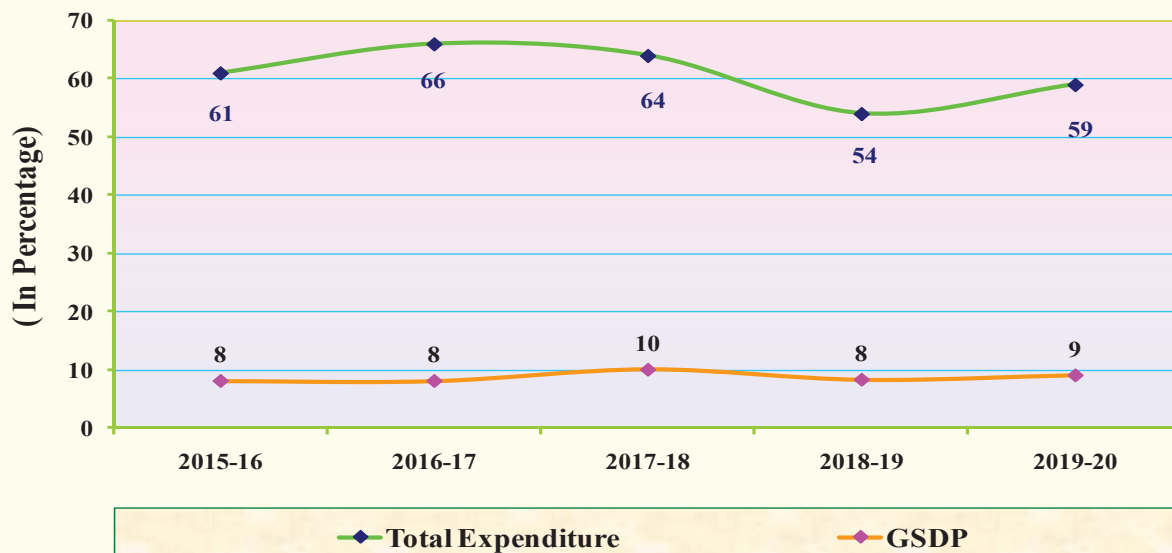
(₹ in Crore)

| Description | Amount | Details |
|--|--------|---|
| MH – 6210 – Loans for Medical and Public Health | 95.45 | Loans to Electro Medical and Allied Industries Ltd. ₹ 0.45, Loans to West Bengal Medical Service Corporation Limited ₹ 95.00. |
| MH – 6217 – Loans for Urban Development | 277.96 | Loans to Kolkata Municipal Corporation for Kolkata Environmental Improvement Investment Program (KEIIP) (ADB) [EAP]. |
| MH – 6220 – Loans for Information and Publicity | 1.29 | Loans to West Bengal Film Development Corporation. |
| MH – 6225 - Loans for Welfare of SC, ST & Other Backward Classes | 80.00 | Loan to meritorious and needy students on minority communities studying professional/Technical/Vocational ₹ 20.00, Soft loans to Individual minority youths for Small and Medium business ₹ 50.00, Soft loans to Individual minority youths for Small and Medium business ₹ 10.00. |
| MH – 6408 – Loans for Plantations | 8.27 | Construction for Housing for Fisheries for ST Category (State Share) (Blue Revolution). |
| MH – 6425 – Loans for Co-operation | 500.00 | Working Capital Assistance to WBSEDC. |
| MH – 6851- Loans for Village and Small Industries | 2.18 | Loans to M/S Silpa Barta Press ₹1.87, Loans to West Bengal Project Ltd. ₹0.05, Loans to Pulver Ash Ltd ₹0.02, Loans to West Bengal Handloom and Powerloom Corporation Limited (Tantushree) [CS] ₹0.10, West Bengal State Leather Industries Corporation Ltd [CS] ₹0.13. |
| MH – 6857 – Loans for Chemical and Pharmaceutical Industries | 0.58 | The Infusion (India) Ltd. |
| MH – 6858 – Loans for Engineering Industries | 2.08 | National Iron and Steel Co. Ltd. [IN] ₹1.22 and Neo Pipe & Tube Co. Ltd. [IN] ₹0.86. |
| MH – 6860 – Loans for Consumer Industries | 92.84 | Loans to West Bengal Co-operative spinning Mills Ltd. ₹7.27, Kalyani Spinning Mill ₹38.80, West Dinajpur Spinning Mill ₹17.47, Tamralipta Spinning Mill. ₹0.55, Loans to Kangsabati Spinning Mill ₹5.34, Loans to Krishna Silicate Ltd. ₹0.09, Loans to Lily Biscuit Ltd. ₹1.23, Loans to Greater Calcutta Gas Supply Corporation ₹20.29 and Loans to Basumati Corporation ₹1.80. |
| MH – 7055 – Loans for Road Transport | 148.52 | Development of Calcutta State Transport Corporation ₹25.52, Development of North Bengal State Transport Corporation ₹22.32, Development of South Bengal State Transport Corporation ₹30.00, Loans to West Bengal Surface Transport Corporation Ltd for development of road transport service ₹11.82, Development of Calcutta Tramways Company Ltd. ₹32.75, Development of Calcutta State Transport Corporation ₹4.84, Development of North Bengal State Transport Corporation ₹1.83, Development of South Bengal State Transport Corporation ₹6.00, Development of Calcutta State Transport Corporation ₹4.86, Development of North Bengal State Transport Corporation ₹3.58 and Development of South Bengal State Transport Corporation ₹5.00. |
| MH – 7056 - Loans for Inland water Transport | 19.26 | Loans to West Bengal Surface Transport Corporation Ltd. for development and maintenance of IWT Service ₹12.19, Loans to Shalimar Works (1980) Ltd. ₹1.07 and Loans to Shalimar Works (1980) Ltd. ₹6.00. |
| MH – 7075 - Loans for Other Transport Services | 17.68 | Loans to Britannia Engineering Ltd. ₹6.44, Loans to Westinghouse Saxby Farmer Ltd. ₹7.24 and Loans to W.B.T.D.C.L.(West Bengal Tourism Development Corporation Ltd) ₹4.00. |
| MH – 7465 - Loans for General Financial and Trading Institutions | 13.00 | Loans to West Bengal Mineral Development and Trading Corporation ₹8.00 and Loans to West Bengal Mineral Development and Trading Corporation ₹5.00. |

4.3. Administrative Expenditure

During 2019-20, Non-Plan Expenditure representing 54 per cent of total disbursements, was ₹1,06,968 crore, (₹1,07,531 crore under Revenue and (-)₹563 crore under Capital).

Administrative Expenditure as proportion of Total Expenditure and GSDP



4.4. Committed Expenditure

Trend of Committed Expenditure



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

(₹ in Crore)

| Component | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|----------|----------|----------|----------|---------|
| Committed Expenditure | 53,561 | 62,611 | 68,378 | 73,692 | 75755 |
| Revenue Expenditure | 1,18,827 | 1,33,918 | 1,41,077 | 1,56,374 | 162575 |
| Revenue Receipts | 1,09,732 | 1,17,832 | 1,31,270 | 1,45,975 | 142914 |
| Percentage of Committed Expenditure to Revenue Receipts | 49 | 53 | 52 | 50 | 53 |
| Percentage of Committed Expenditure to Revenue Expenditure | 45 | 47 | 48 | 47 | 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 2019-20 present the Accounts of sums expended in the year ended 31 March 2020 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 | 1,33,737 | 21,466 | -- | 1,55,203 | 1,33,655 | (-)21,548 |
| | Charged | 31,799 | 2,606 | -- | 34,405 | 31,890 | (-)2,515 |
| 2. | Capital Voted | 27,187 | 4,063 | -- | 31,250 | 17,905 | (-)13,345 |
| | Charged | 9 | 2 | -- | 11 | 3 | (-)8 |
| 3. | Public Debt Voted | -- | -- | -- | -- | -- | -- |
| | Charged | 46,032 | 4,216 | -- | 50,248 | 40,413 | (-)9,835 |
| 4. | Loans and Advances Voted | 938 | 684 | -- | 1,622 | 1,266 | (-)356 |
| | Charged | -- | -- | -- | -- | -- | -- |
| Total | | 2,39,702 | 33,037 | -- | 2,72,739 | 2,25,132 | (-)47,607 |

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

(₹ in Crore)

| Year | Savings (-)/Excess (+) | | | | |
|---------|------------------------|-----------|-------------|------------------|-----------|
| | Revenue | Capital | Public Debt | Loans & Advances | Total |
| 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 |
| 2019-20 | (-)24,063 | (-)13,353 | (-)9,835 | (-)356 | (-)47,607 |

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 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-----------|---|---------|---------|---------|---------|---------|
| 01 | Legislative Assembly Secretariat | 43 | 48 | 42 | 38 | 32 |
| 02 | Governor's Secretariat | 22 | 32 | 30 | 17 | 38 |
| 04 | Agricultural Marketing | 51 | 65 | 62 | 41 | 62 |
| 10 | Consumer Affairs | 11 | 22 | 23 | 32 | 40 |
| 16 | Environment | 22 | 34 | 40 | 36 | 47 |
| 22 | Food Processing Industries & Horticulture | 64 | 50 | 60 | 45 | 65 |
| 32 | Irrigation and Waterways | 46 | 46 | 45 | 40 | 42 |
| 38 | Minority Affairs and Madrasah Education | 39 | 49 | 32 | 19 | 43 |
| 52 | Tourism | 62 | 64 | 62 | 41 | 40 |
| 55 | Water Resources Investigation & Development | 30 | 25 | 25 | 20 | 24 |
| 61 | Chief Minister's Office | 34 | 07 | 12 | 10 | 15 |

During 2019-20, out of total Supplementary Grants of ₹33,037 crore, an amount of ₹23,376 crore proved to be unnecessary in 35 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 |
|-----------|---|----------|---------------|--------------------|
| 5 | Agriculture | 6086 | 270 | 3,058 |
| 15 | School Education | 27,541 | 2,484 | 26,920 |
| 18 | Finance | 95,034 | 9,755 | 91,351 |
| 21 | Food & Supplies | 8,256 | 5,450 | 7,195 |
| 38 | Minority Affairs and Madrasah Education | 4,017 | 1,154 | 2,925 |
| 40 | Panchayats & Rural Development | 20,422 | 1,290 | 18,893 |
| 68 | Home and Hill Affairs | 9,625 | 1,260 | 9,282 |
| 72 | Urban Development and Municipal Affairs | 10,930 | 948 | 8,383 |

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 |
|-----------|--|----------|---------------|--------------------|
| 24 | Health and Family Welfare | 9,557 | 982 | 11,028 |
| 73 | Disaster Management and Civil Defence | 1,331 | 1,126 | 3,080 |
| 74 | Women and Child Development and Social Welfare | 5,524 | 3,629 | 9,689 |

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 ₹18,154.37 crore at the end of 2019-20. However, dividends received during the year were ₹81.97 crore (0.45 per cent) on investment. During 2019-20, investment increased by ₹727.16 crore, while dividend income increased by ₹34.51 crore.

Cash Balance with RBI stood at (-)₹5.82 crore on 31 March 2019 and decreased to (-)₹20.26 crore at the end of March 2020. In addition Treasury Bills amounting to ₹1,15,161.05 crore were purchased and Treasury Bills amounting to ₹1,07,979.20 crore were sold during the period from 01.04.2019 to 31.03.2020. An amount of ₹79.91 crore was received as interest on Investment under Treasury Bills during the year.

(₹ in Crore)

| Cash Balance Investment in Government of India Treasury Bills | | | |
|---|-----------------------------|------------------------|--|
| Opening Balance as on 1 April 2019 | Purchased During 2019-20 | Sold During 2019-20 | Closing Balance as on 31 March 2020 |
| 5,976.95 | 1,15,161.05 | 1,07,979.20 | 13,158.80 |

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:

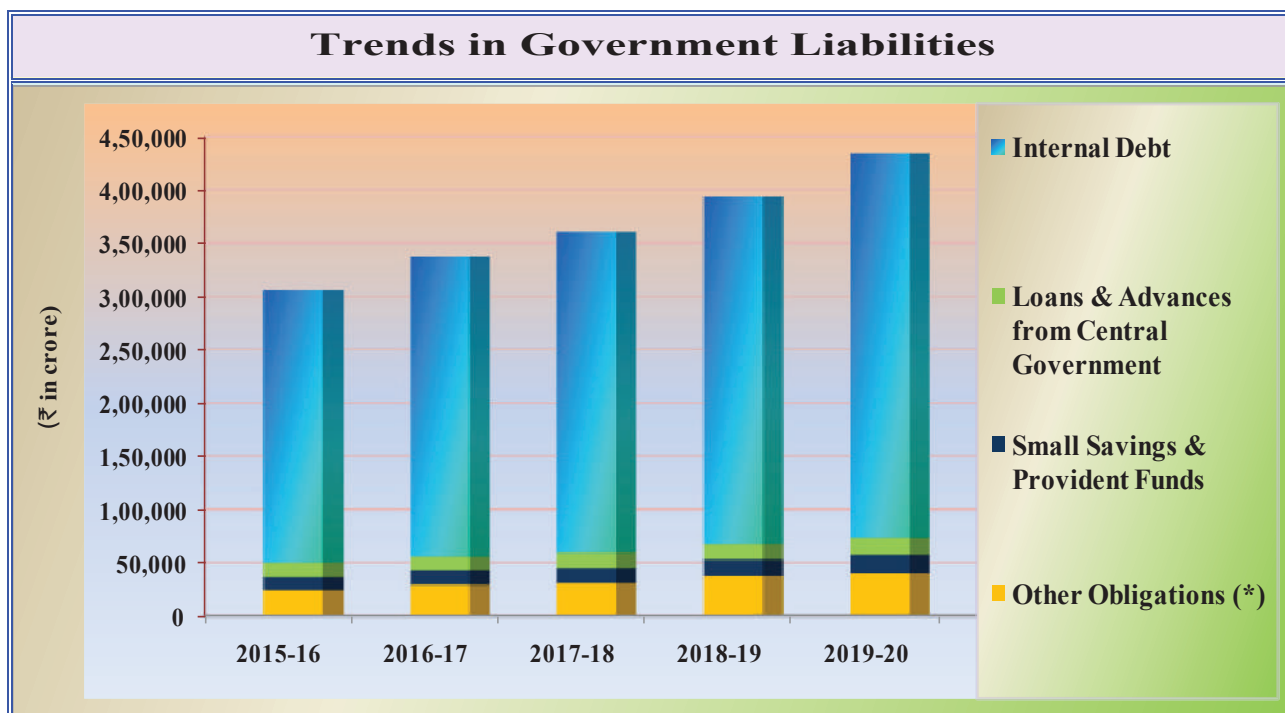
(₹ in Crore)

| Year | Public Debt | Percentage to GSDP | Public Account (*) | Percentage to GSDP | Total Liabilities | Percentage to GSDP |
|---------|-------------|-----------------------|-----------------------|-----------------------|----------------------|-----------------------|
| 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 |
| 2019-20 | 3,75,708 | 30 | 57,767 | 5 | 4,33,475 | 35 |

(*) Excludes suspense and remittance balances.

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

During last five years, Public Debt increased by 39 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 |
| 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 |
| 2019-20 | 14,228 | 8,178 | 34 |

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. During 2019-20 no contribution has been made to the Fund and the outstanding Guarantee as on 31 March 2019 was ₹6,593 crore.

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 2020 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 2019-20 were ₹13,980 crore. Of this, Loans and Advances to Government Corporations/Companies, Non-Government Institutions and Local Bodies amounted to ₹13,972 crore. During the year, ₹122 crore was received as interest.

7.3. Financial Assistance to Local Bodies and Others

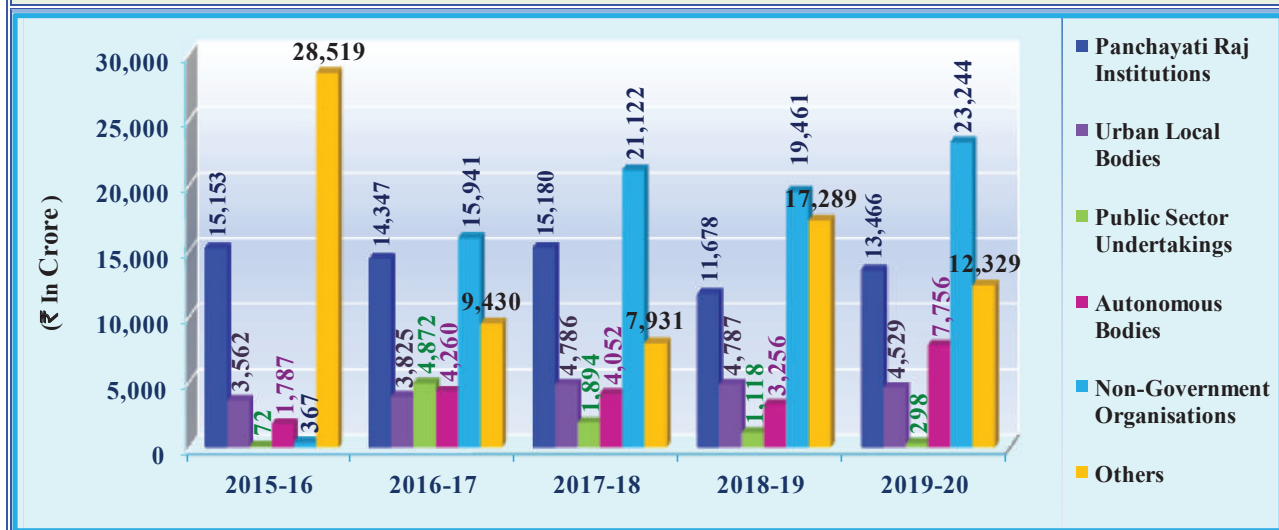
Expenditure on Grants-in-Aid to Local Bodies etc. represents 38 *per cent* of total Revenue Expenditure. Details of Grants-in-Aid for the past five years are as under:

(₹ in Crore)

| Sl. No. | Grantee Institutions | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---------|------------------------------|---------|---------|---------|---------|---------|
| 1. | Panchayati Raj Institutions | 15,153 | 14,347 | 15,180 | 11,678 | 13,466 |
| 2. | Urban Local Bodies | 3,562 | 3,825 | 4,786 | 4,787 | 4,529 |
| 3. | Public Sector Undertakings | 72 | 4,872 | 1,894 | 1,118 | 298 |
| 4. | Autonomous Bodies | 1,787 | 4,260 | 4,052 | 3,256 | 7,756 |
| 5. | Non-Government Organisations | 367 | 15,941 | 21,122 | 19,461 | 23,244 |
| 6. | Others [#] | 28,519 | 9,430 | 7,931 | 17,289 | 12,329 |
| Total | | 49,460 | 52,675 | 54,965 | 57,589 | 61,622 |

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 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--------------|------------------------------|-----------------|-----------------|-----------------|------------------|-----------------|
| 1. | Panchayati Raj Institutions | 1,617.60 | 1,205.59 | 3,551.12 | 5,360.77 | 6,153.73 |
| 2. | Urban Local Bodies | 1,390.88 | 1,779.09 | 2,083.56 | 2,335.53 | 1,060.02 |
| 3. | Public Sector Undertakings | 0.00 | 83.64 | 406.87 | 42.30 | 109.68 |
| 4. | Autonomous Bodies | 136.32 | 279.63 | 292.10 | 588.17 | 623.52 |
| 5. | Non-Government Organisations | 6.41 | 74.27 | 408.08 | 130.47 | 35.21 |
| 6. | Others | 846.60 | 1,823.01 | 618.43 | 1,556.61 | 267.13 |
| Total | | 3,997.81 | 5,245.23 | 7,360.16 | 10,013.85 | 8,249.29 |

7.4. Cash Balance and Investment of Cash Balance

(₹ in Crore)

| Component | As on 1 April 2019 | As on 31 March 2020 | Net increase(+)/ decrease(-) |
|--|--------------------|---------------------|------------------------------|
| Cash Balance | (-5) | (-20) | (-15) |
| Investments from cash balance (GOI Treasury Bills) | 5,977 | 13,159 | 7,182 |
| Investments from Earmarked Funds | 11,633 | 12,524 | 891 |
| (a) Sinking Fund | 10,939 | 11,788 | 849 |
| (b) Guarantee Redemption Fund | 511 | 552 | 41 |
| (c) Other Funds | 183 | 184 | 1 |
| Interest realized | 165 | 97 | (-68) |

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 2019-20, only 99.63 per cent (₹2,19,403.31 crore) of the total expenditure and 100 per cent (₹2,18,679.57 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 10.35 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 21 September 2020, DC Bills in respect of a total of 9,714 AC Bills amounting to ₹3,077.33 crore were not received as given below:

| Year | No. of unadjusted AC Bills | Amount(₹ in Crore) |
|--------------|----------------------------|--------------------|
| Upto 2017-18 | 7,753 | 1,675.51 |
| 2018-19 | 724 | 228.63 |
| 2019-20 | 1,237 | 1,173.19 |
| Total | 9,714 | 3,077.33 |

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 ₹2,00,772.17 crore, at the beginning of the year, ₹16.19 crore was cleared during 2019-20. As on 30 September 2020, 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 2017-18 | 2,88,660 | 1,57,937.31 |
| 2018-19 | 67,910 | 42,818.67 |
| 2019-20 | 46,394 # | 24,956.46 # |
| Total | 4,02,964 | 2,25,712.44 |

* The year mentioned above relates to "Due year" i.e. after twelve months of actual drawal.

Additions during the year 2019-20.

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 | 2017-18 | | 2018-19 | | 2019-20 | |
| | Dr. | Cr. | Dr. | Cr. | Dr. | Cr. |
| 8658-Suspense Accounts | | | | | | |
| 101-PAO Suspense | 184.67 | 8.10 | 168.06 | 3.91 | 187.76 | 5.63 |
| Net | Dr 176.57 | | Dr 164.14 | | Dr 182.13 | |
| 102-Suspense Account (Civil) | 757.78 | 809.61 | 1,103.81 | 1,103.03 | 1,261.17 | 1,338.14 |
| Net | Cr. 51.83 | | Dr 0.78 | | Cr 76.97 | |
| 110- RB Suspense CAO | 609.10 | 63.23 | 526.52 | 278.94 | 544.82 | 279.00 |
| Net | Dr. 545.87 | | Dr. 247.58 | | Dr 265.82 | |
| 112-TDS Suspense | 0.00 | 20.30 | 0.00 | 42.33 | 0.00 | 185.19 |
| Net | Cr. 20.30 | | Cr. 42.33 | | Cr. 185.19 | |
| 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. | | | | | | |
| 102-P.W. Remittances | 66,973.96 | 66,587.66 | 66,973.96 | 66,587.64 | 66,973.96 | 66,587.64 |
| Net | Dr. 386.30 | | Dr. 386.32 | | 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 ₹166.05 crore on account of decretal awards in favour of the Engineering Departments of the Government of West Bengal in different years including 2019-20. 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 2019-20 are analysed below:

(₹ in Crore)

| Type of Expenditure | Expenditure During the Year | During March 2020 | | Expenditure on last working day of March 2020 |
|--|-----------------------------|-------------------|---------------------------------|---|
| | | Expenditure | Percentage of total Expenditure | |
| Total Expenditure (excluding Pay vouchers) | 1,53,316.08 | 23,313.93 | 15.21 | 2,488.38 |
| Total Transfer Credit (including all deposit heads) | 26,405.31 | 5,063.25 | 19.17 | 382.92 |
| Amount of Transfer Credit to PD Accounts through Treasury vouchers (included in total Transfer Credit) | 1,788.76 | 452.38 | 25.29 | 13.89 |
| Amount of AC Bills drawn | 1,438.83 | 67.93 | 4.72 | 0.55 |

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 2019-2020 an amount of ₹25,17.78 crore was collected under detailed head '08-Cess'. The major cess collections (collection more than ₹0.10 crore) are given below:

a) Buildings and other Construction Workers Welfare Cess:

In West Bengal, Buildings and other Construction Workers Welfare Cess is recovered from the Contractor's bills by direct credit to the designated bank account of the West Bengal Building and other Construction Workers Welfare Board (WBB & OCWWB). During 2019-20, Government transferred an amount of ₹123.99 crore to the deposit head '8342-00-113-Solatum Fund-002- West Bengal Buildings and other Construction Workers Welfare Cess'.

Motor Transport Workers' Welfare Cess:

In West Bengal, Motor Transport Workers' Welfare Cess is collected from motor vehicles carrying passengers or goods for hire or reward for the financing of schemes to promote social security, health and welfare of motor transport workers. This Cess deposited under head '8443-00-116-002-Deposit of West Bengal Motor Transport Workers' Welfare Cess Act 2010'. During 2019-20, ₹35.41 crore was deposited under this head and ₹34.36 crore was withdrawn, leaving a balance ₹8.00 crore (Opening Balance as on 01 April 2019 ₹6.95 crore + ₹35.41 crore - ₹34.36 crore) at the end of 2019-20. However, during 2019-20 an amount of ₹22.20 crore only was credited to the deposit head '8342-00-113-Solatum Fund-003- West Bengal Motor Transport Workers' Welfare Cess', resulting in short credit of ₹12.16 crore (₹34.36 - ₹22.20).

b) Motor Spirit Cess:

In terms of West Bengal Transport Infrastructure Development Fund Act 2002, Motor Spirit Cess is collected on sale of Motor Spirit, High Speed Diesel and LPG used for Commercial & Industrial purposes. During 2019-20, State Government collected ₹561.40 crore as Motor Spirit Cess under Head of Account "0045-00-112-001-08". The entire amount of ₹561.40 crore was transferred to West Bengal Transport Infrastructure Development Fund under Major head '8225-Roads and Bridges Fund'.

c) Rural Employment Cess:

The West Bengal Rural Employment and Production Act 1976 was enacted with the objective to provide for additional resources for promotion of employment in rural areas and for implementing rural production program. The Act envisaged the creation of the West Bengal Rural Employment and Production Fund (WBREPF) for this purpose. No fund has been created by the State Government. During 2019-20 an amount of ₹1,534.16 crore was collected as Rural Employment Cess as detailed below. Non transfer of ₹1,534.16 crore being collection of Rural Employment Cess has resulted in overstatement of Revenue Receipts of the Government and understatement of Revenue Deficit and Fiscal Deficit.

| Sl No | Head of Account | Description of Cess | Amount (₹ in Crore) |
|--------------|--------------------|---|------------------------|
| 1 | 0029-00-103-006-08 | Rural Employment Cess on Coal Mines | 1,525.57 |
| 2 | 0029-00-103-004-08 | Rural Employment Cess other than Tea Estates and Coal Mines | 8.59 |
| TOTAL | | | 1,534.16 |

However, as the WBREPF was not created the expenditure incurred from the Cess proceeds was not ascertainable.

d) Other Cess:

During 2019-20 State Government collected Cess amounting to ₹422.13 crore under Major Head “0029 - Land Revenue”. Details are given below:

(₹ in crore)

| SI No | Head of Account | Description of Cess | Amount |
|--------------|--------------------|--|---------------|
| 1 | 0029-00-103-001-08 | Public Works Cess | 8.63 |
| 2 | 0029-00-103-002-08 | Road Cess | 5.14 |
| 3 | 0029-00-103-008-08 | Education Cess on Coal Mines | 398.33 |
| 4 | 0029-00-103-010-08 | Education Cess other than Tea Estates and Coal Mines | 9.33 |
| 5 | 0029-00-103-003-08 | Miscellaneous receipt under the Cess | 0.70 |
| TOTAL | | | 422.13 |

7.12. Commitments on account of Incomplete Capital Works

The list of incomplete Capital Works/Project reported in Appendix-IX is prepared on the basis of the information received from the State Government (September 2020)

During the year 30 incomplete projects involving ₹474.38 crore are aged three 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 ₹474.38 crore was incurred upto 31 March 2020 on Incomplete Capital Projects/Works.

(₹ in Crore)

| ABSTRACT OF COMMITMENTS OF INCOMPLETE PUBLIC WORKS | | | | | | |
|---|-----------------------------|-------------------------|---|--|--|------------------------|
| Period | Buildings (No. of Works) | Roads (No. of Works) | OTHERS | | | Amount Involved |
| | | | Water Supply (PHE) (No. of Works) | Urban Development (No. of Works) | Rural Development (No. of Works) | |
| Upto 2005 | - | - | - | - | - | - |
| 2006-2010 | - | - | - | - | - | - |
| 2011-2015 | - | - | - | - | - | - |
| 2016-2020 | - | 445.73 (20) | - | 2.70 (02) | 22.64 (05) | 471.07 (27) |
| 2021-2025 | - | 2.00 (01) | - | 0.31 (01) | 1.00 (01) | 3.31 (03) |
| Total | - | 447.73 (21) | - | 3.01 (03) | 23.64 (06) | 474.38 (30) |

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 Account 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 73 Treasuries out of 91 treasuries in 2019-20 in respect of transactions for the year 2018-19, revealed that in 15 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. However, GoWB has intimated that the reconciliation of balance in PD accounts with the operators is under process and would be completed soon.

Details of PD accounts as on 31.03.2020 are given below:

(₹ in Crore)

| Opening Balance as on 1 April 2019 | | Addition during the year 2019-20 | | Closed/Withdrawal during the year 2019-20 | | Closing Balance as on 31 March 2020 | |
|------------------------------------|----------|----------------------------------|-----------|---|-----------|-------------------------------------|----------|
| Number of Administrator | Amount | Number of Administrator | Amount | Number of Administrator | Amount | Number of Administrator | Amount |
| 159 | 5,466.07 | 01 | 3,037.52* | Nil | 3,263.95* | 160 | 5,239.64 |

*Addition and clearance during the year 2019-20 under Personal Deposit Accounts, 8443-106.

- There has been reduction in the balance amounting to ₹226.43 crore during the year 2019-20.
- Net addition of balance amounting to ₹325.37 crore was made for more than one year and upto three years.
- Net addition in the balance amounting to ₹5,140.70 crore was made for more than three years.

During 2019-20, an amount of ₹1,788.76 crore was transferred from the Consolidated Fund of the State to these PD Accounts and an amount of ₹1,248.75 crore was credited through challans (T.R.Form-7). This includes. ₹768.15 crore transferred in March 2020 from the Consolidated Fund of the State. This is 25.29 per cent of the total yearly credit to PD account, of which, ₹13.89 crore was transferred on the last working day of March 2020.

7.14. Liability under Retirement benefits

The expenditure on “Pension and other Retirement Benefits” for State Government employees during the year 2019-20 was ₹17,462.47 crore (excluding expenditure on National Pension System of All India Service officers), constituting 10.74 *per cent* of total Revenue Expenditure (₹1,62,575.12 crore).

7.14.1. National Pension System

The National Pension System is not applicable for State Government employees. 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. In terms of the Scheme, the employee contributes 10 *per cent* of his/her basic pay and dearness allowance, and 14 *per cent* of basic pay and dearness allowance is contributed 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 2019-20, total contribution to Defined Contribution Pension Scheme was ₹7.89 crore (Government contribution ₹4.57 crore + AIS Officers’ contribution ₹2.79 crore + Contribution of other Central/State Government Employees on deputation to the State ₹0.53 crore). The Government transferred entire amount of ₹7.89 crore to the Public Account under Major Head 8342-117 - Defined Contribution Pension scheme. The Government contribution to NPS was less by ₹0.08 crore which resulted in understatement of Revenue deficit and Fiscal deficit to that extent.

During the year 2019-20, ₹7.79 crore was transferred to NSDL/Trustee Bank. The balance amount of ₹0.10 crore (₹7.89 crore *minus* ₹7.79 crore) is yet to be transferred to NSDL. 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 ₹11,677.11 crore to the implementing agencies in West Bengal in 2019-20 which shows increase by 101.34 *per cent* as compared to 2018-19 (₹5,799.70 crore).

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 Principal Accountant General (A&E), but has not been confirmed by the concerned departments (including Finance) and the investee entity. The Government invested ₹727.16 crore in 2019-20. Government investment of ₹18,154.37 crore as on 31 March 2020 yielded dividend/interest of ₹81.97 crore (0.45 per cent) during 2019-20.

In 2019-20, Government has drawn four bills under detailed head '54-Investment' for the purposes which are not in the nature of investment:

| Sl. No. | Name of the Concern | Debit Head | Amount (₹ in crore) | Purpose of Expenditure |
|---------|--|------------------------|---------------------|--|
| 1 | Durgapur Chemicals Ltd | 4857-01-190-00-003-54 | 5.93 | Settlement of outstanding dues of DCL to WBIDFC. |
| 2 | West Bengal Small Industries Development Corporation Ltd | 4851-00-102-00-023 -54 | 0.86 | Drainage system around Biswa Bazar at Shibpur by SSDA. |
| 3 | West Bengal Transport Infrastructure development Corporation Ltd | 5075-60-190-00-001-54 | 0.75 | Compensation for acquisition of land for Joka-BBD Bag Metro Project. |
| 4 | Commissioner, Commercial Taxes, West Bengal | 5465-01-190-00-002-54 | 7.83 | Contribution of West Bengal for advance user charges of GSTN for the year 2019-2020. |

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 through Budget Publication no. 6 of 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 ₹14,227.78 crore. The outstanding guarantees of ₹6,593.31 as on 1 April 2019, work out to 5.02 per cent of the State Revenue Receipts of the year 2017-2018 (₹1,31,270.39 crore) and are within the limits prescribed.

During 2019-20, the State Government received ₹3.96 crore towards guarantee commission, which constituted 0.07 per cent of the guaranteed amount during 2019-20 (₹5,614.98 crore). Under the guidelines, the Government shall charge a minimum of one per cent of the guaranteed amount as guarantee commission which works out to ₹56.15 crore.

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 utilisation.

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

Statements 7 and 18 of the Finance Accounts 2019-20 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) and detailed accounts maintained by the Principal Accountant General (A&E) in respect of loans and advances made to Government servants.

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 more than 50 years old.
- b)** Nine (9) Departments sanctioned 6,604 nos. Government Loans aggregating to ₹14,729.50 crore to 31 Autonomous Bodies/Authorities, etc. till the end of 2019-20, 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.
- c)** Terms and conditions of repayment of loans have not been settled for loans amounting to ₹8,757.60 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 ₹14,995.40 crore was overdue at the end of the year (details in Statement 7, Section 3).

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 7 out of the 124 loanees have confirmed the balances.

Details of information awaited from Departmental/Treasury Officers for Reconciliation of Balances have been provided in Appendix-VII of Finance Accounts.

7.21. Non-compliance of IGAS Standards

| Sl. No. | Accounting Standards | Non-Compliance by State Government |
|---------|--|---|
| 1 | IGAS-1: Guarantees given by the Government | Information regarding the followings were not given by the Government- (i) Invocation of Guarantees during 2019-20 (ii) Automatic debit mechanism and structured arrangement. |
| 2 | IGAS-2: Accounting Classification of Grants-in-Aid | No information has been received from the Government regarding Grants-in-Aid given in kind. |
| 3 | IGAS-3: Loans and Advances made by the Government | (i) No confirmation of loan balances has been received from departmental officers maintaining detailed accounts of loans. (ii) The information on loan in perpetuity is not available from the Government. |

7.22. Booking under Capital expenditure for work executed by Zila Parisad

During 2019-20 out of total Capital expenditure amounting to ₹15,752.44 crore booked under detailed head of account '53-Major Works/Land & Buildings', ₹13,291.00 crore (84.37 per cent) was transferred to different deposit heads (8336, 8443, 8448 & 8449).

Out of total transfer credited amount of ₹13,291.00 crore, ₹222.71 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.

7.23. Interest Bearing Reserve Fund

7.23.1. State Compensatory Afforestation Fund

In compliance to the instructions issued by the Ministry of Environment and Forests, Government of India's vide their letter No. 5-1/2009 - FC dated 28 April, 2009 and guidelines of 2 July 2009, the State Governments are required to establish the State Compensatory Afforestation Fund Management and Planning Authority which will administer the amount received and utilize the monies collected for undertaking compensatory afforestation, assisted natural regeneration, conservation and protection of forests, infrastructure development, wildlife conservation and protection and other related activities and for matters connected therewith or incidental thereto. The Authority will set up the State Compensatory Afforestation Fund for this purpose.

7.23.1.1. Accounting Arrangements

The monies received by the State Governments from the User Agencies need to be credited in 'State Compensatory Afforestation Deposits' under interest bearing section in Public Account of the State at Minor head level below the Major Head 8336-Civil.Deposits. As per Section 3 (4) of the Compensatory Afforestation Fund Act, 2016, 90 per cent of the fund needs to be transferred to the Major Head 8121-

General and Other Reserve Funds in Public Account of State and balance 10 *per cent* shall be credited into the National Fund on yearly basis provided that, the credit of 10 *per cent* Central share of funds should be ensured on monthly basis so that the same is transferred to the National Fund.

The applicable rate of interest on balances available under 'State Compensatory Afforestation Deposits' under '8336-Civil Deposits' and 'State Compensatory Afforestation Fund' under 8121- General and other Reserve Funds will be as per the rate declared by the Central Government on year to year basis.

7.23.1.2. Status of the State Compensatory Afforestation Fund

During the year 2019-20, the State Government received ₹236.48 crore, for credit to the CAMPA Fund, under Major Head '8121- General and Other Reserve Fund' from National Compensatory Afforestation deposit. The State Government did not credit any interest nor incurred any expenditure out of the Fund during the year. Hence, the total balance in the State Compensatory Afforestation Fund as on 31 March 2020 was ₹236.48 crore.

7.23.2. State Disaster Response Fund (SDRF)

In April 2011, Government of India replaced the existing Calamity Relief Fund (under Major Head- '8235 General & other Reserve Funds') with the State Disaster Response Fund (under Major Head-'8121 General & other Reserve Funds' which is under interest bearing section).

In terms of guidelines on constitution and administration of the SDRF, the Central and State Governments are required to contribute to the fund in the proportion of 75:25. During the year 2019-20, the State Government transferred ₹722.67 crore (Central share ₹650.40 crore, including ₹179.40 crore pertain to 2018-19 + State share ₹72.27 crore, including ₹19.93 crore pertain to 2018-19) to the Fund (under Major Head 8121-122 SDRF).

In terms of guidelines on constitution and administration of the SDRF, the accretions to the SDRF together with the income earned on the investment of the SDRF shall be invested. No fresh investment was made during 2019-20.

7.23.3. Interest on balances under 'interest bearing' Reserve Funds and Deposits

The state Government is liable to pay/adjust interest in respect of balances under categories 'J-Reserve Funds (a) reserve Funds bearing Interest' and 'K-deposits and Advances (a) deposits bearing Interest'.

The position of adjustment in this respect in 2019-20 was as below:

- (a) There was an outstanding balances of ₹264.70 crore at the beginning of the 2019-20 under J(a) Reserve Fund bearing Interest. Out of ₹264.70 crore, ₹183.63 crore was invested under '8235-00-112' in J(a)- Reserve Fund not bearing interest. Interest payments towards remaining balance has been estimated at ₹4.45 crore (taking average Ways and Means interest rate as 5.49 *per cent* for the year 2019-20). However, the State Government had not paid any interest thereon.

(b) Similarly, there was an outstanding balance of ₹16,838.11 crore at the beginning of the year 2019-20 under K(a) Deposit bearing interest excluding balances (₹0.58 crore) under Minor Head 8342-117-Defined Contribution National Pension System (NPS). Adjustment towards interest payments have been estimated ₹924.41 crore during the year 2019-20 (taking average Ways and Means interest rate as 5.49 *per cent* for the year 2019-20, excluding NPS for which the applicable interest being GPF interest rate i.e. 7.95 *per cent*, 7.90 *per cent* for first six months and last six months respectively). The State Government had paid ₹1,431.13 crore during 2019-20.

7.24. Expenditure on Ecology and Environment

The National Environment Policy, 2006 is intended to mainstream environmental concerns in all developmental activities. The Budget and Expenditure data relating to “Environment”, “Waste Management”, “Prevention and Control of Pollution”, “Environment Research and Education”, “Environmental Protection”, etc. are compiled from the vouchers/budget documents etc. rendered by the State Government.

The expenditure incurred by the State Government towards environment is depicted in the Finance Accounts upto the level of Minor Head under various functional head of accounts. Normally the expenditure relating to environment protection is booked under the Major Head 3435- Ecology and Environment. During the year, the Government of West Bengal incurred ₹25.91 crore against the budget allocation of ₹69.99 crore under MH 3435-Ecology and Environment. The trend of expenditure incurred during 2017-18, 2018-19 and 2019-20 was ₹27.24 crore, ₹41.38 crore and ₹25.91 crore, i.e. 0.02 *per cent*, 0.03 *per cent* and 0.02 *per cent* of the total Revenue Expenditure respectively.

7.25. Non accounting of Interest on Provident Fund deposits

The Principal Accountant General (A&E), West Bengal maintains the General Provident Fund (GPF) accounts of all State Government employees except Class IV employees whose accounts are maintained by the Directorate of Pension, Provident Fund and Group Insurance (DPPG). Accordingly, the amount booked under Major Head 2049-Interest Payment is based on the information received from the Principal Accountant General, and from the DPPG who maintains the PF accounts of Class IV employees of the State Government and employees of non-government educational institutions and local authorities like Municipalities, etc.

Since the Directorate did not inform the Principal Accountant General (A&E) of the interest payable on the Provident Fund accounts maintained by them as on 31 March 2020, it has not been possible to estimate the total interest payable and its impact on the finances of the State Government. However, the State Government had budgeted for an expenditure of ₹2,618.25 crore towards interest payable on Provident Fund (₹1,408.25 crore for interest on State Provident Funds and ₹1,210.00 crore for interest on Provident Fund maintained by the Directorate) for the year 2019-20.

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