सत्यमेव जयते

Accounts at a Glance
2021-22

लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest

Government of West Bengal

Laid on the table of the State Legislature on 25.07.2026

Accounts at a Glance

2021-22

Government of West Bengal

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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 inter-national 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**

PREFACE

This is the twenty fourth 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.

KOLKATA
Dated: 10.01.2023

(YASHODHARA RAY CHAUDHURI)
PRINCIPAL ACCOUNTANT GENERAL (A&E)
WEST BENGAL

CHAPTER-I

OVERVIEW

1.1. Introduction

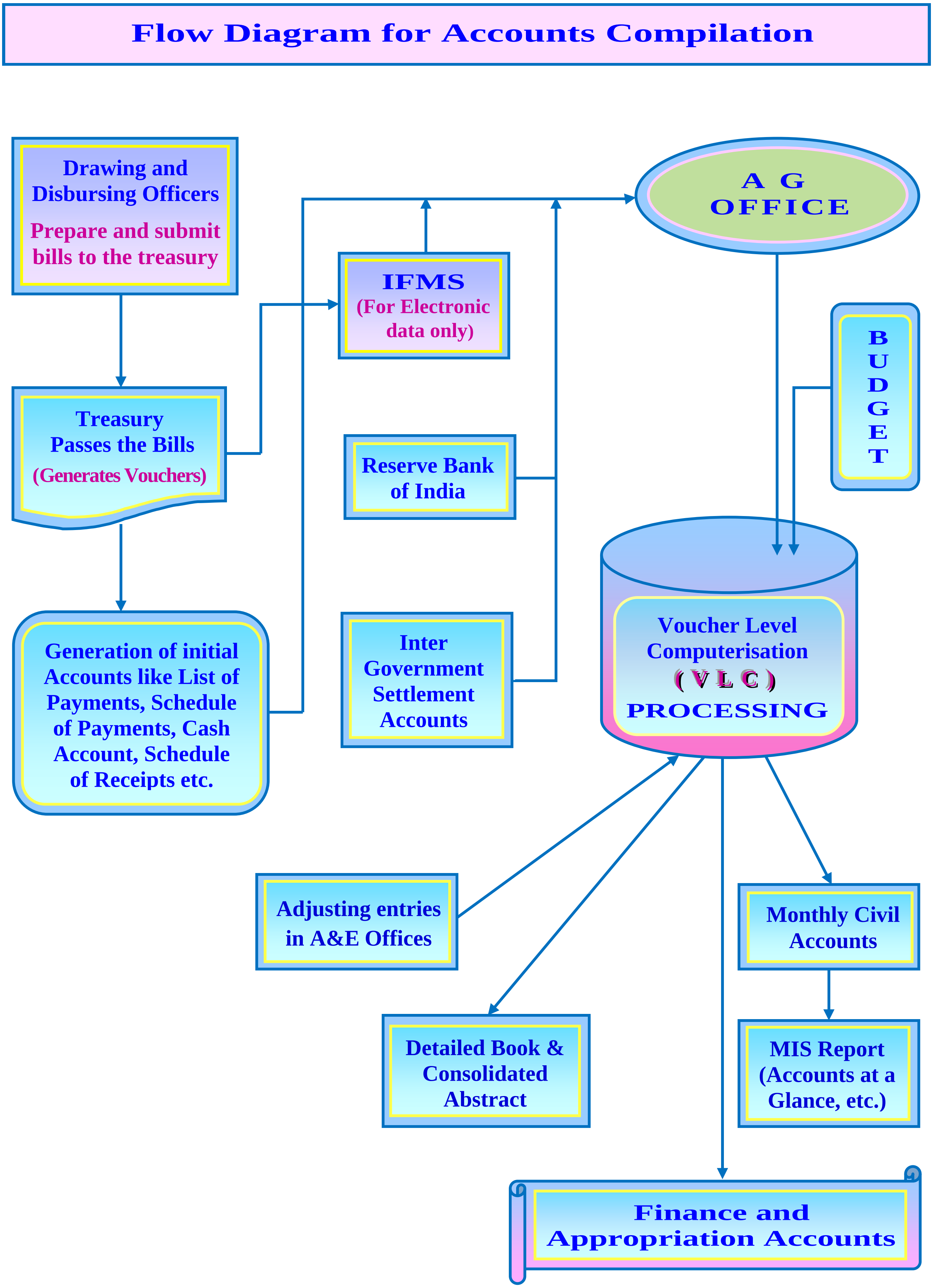
The Principal Accountant General (Accounts and Entitlement), West Bengal compiles the accounts of receipts and disbursements of the Government of West Bengal. This compilation is based on the initial accounts rendered by the State Treasuries, Pay and Accounts Offices (PAOs) located in Kolkata and New 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 Public 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 (Audit-I), 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 2021-22 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



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 "Report 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 Finance 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 2021-22 are detailed below:

(₹ in Crore)

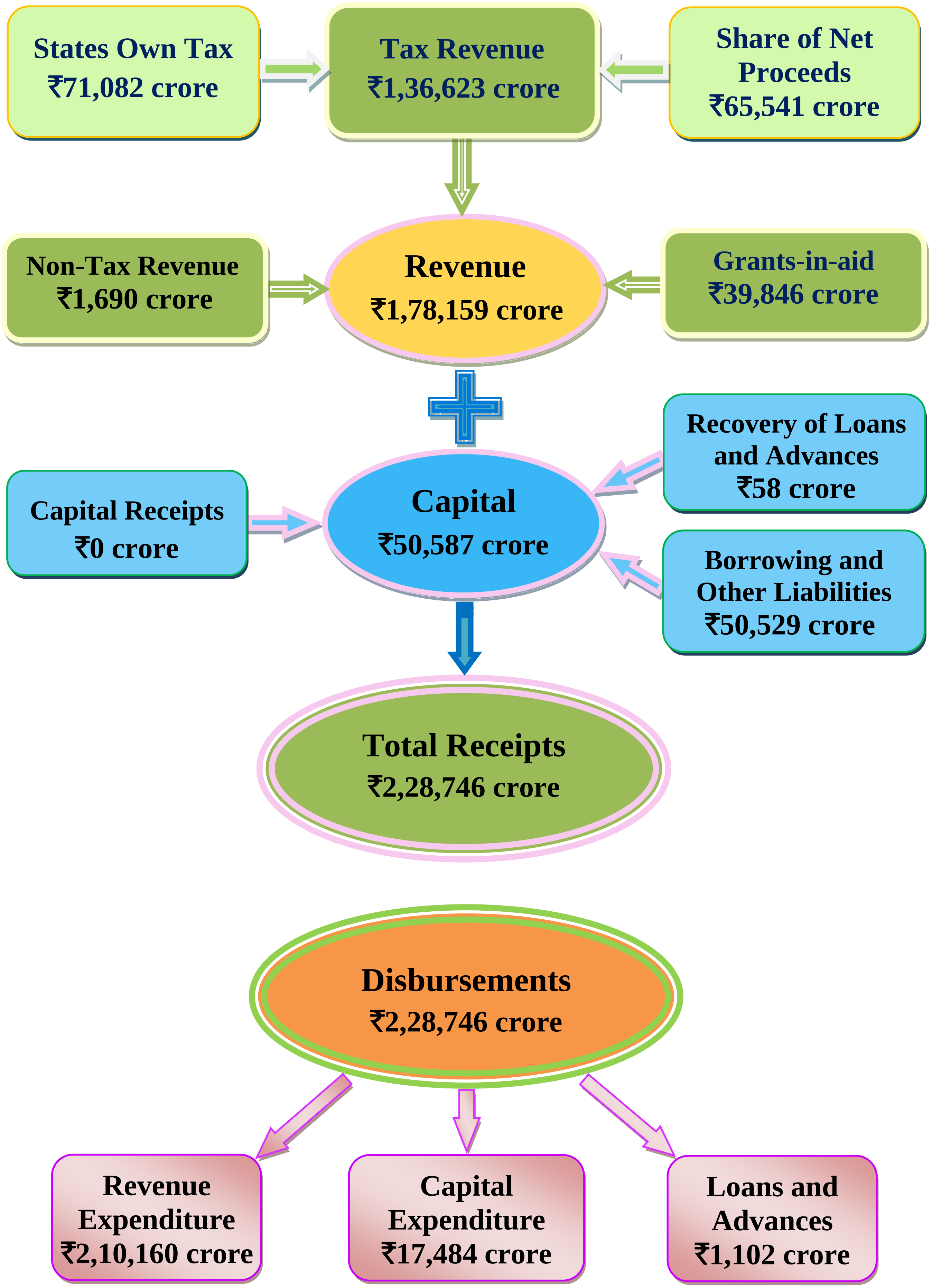
Receipts and disbursements in the year 2021-22

Receipts (Total: 2,28,746)	**Revenue (Total: 1,78,159)**	**Tax Revenue**	**1,36,623**
		(a) States Own Tax	**71,082**
		(b) Share of Net Proceeds	**65,541**
		Non-Tax Revenue	**1,690**
		Grants-in-aid	**39,846**
	Capital (Total: 50,587)	**Capital Receipts**	**0**
		Recovery of Loans and Advances	**58**
		Borrowing and other Liabilities (*)	**50,529**

Disbursements (Total: 2,28,746)	**Revenue**	**2,10,160**
	Capital	**17,484**
	Loans and Advances	**1,102**

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

Receipts and disbursements during the year 2021-22



This year, the Government of India directly released ₹25,369.53 crore (₹26,197.54 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 Government of West Bengal has 57 Voted Grants and 01 Charged Appropriation in the current year.

The gross Budget provision for Expenditure (charged and voted) for 2021-22 was ₹3,32,960.35 crore and reduction of expenditure (recoveries) of ₹3,481.80 crore. Against this, the actual gross expenditure was ₹2,63,082.72 crore and reduction of expenditure was ₹2,797.03 crore, resulting in net savings of ₹69,877.63 crore (20.99 *per cent*) in respect of expenditure and net savings of ₹684.77 crore (19.67 *per cent*) on reduction of expenditure. The gross expenditure includes ₹502.11 crore drawn on Abstract Contingent (AC) Bills (no. of AC Bills 992), which is still outstanding at the end of the year for want of supporting Detailed Contingent (DC) Bills.

During 2021-22, ₹1,296.38 crore was transferred from the Consolidated Fund to Personal Deposit (PD) Accounts under the Public Account, which are maintained by designated Administrators for specific purposes. Normally, unspent balances under PD accounts are to be transferred back to the Government at the end of the financial year. However, details of such transfers, if any, and outstanding balances in individual PD accounts are available only with the treasuries, since they are responsible for maintaining such records.

1.3.3. Efficiency on Budget preparation

At the end of the year, the actual expenditure of the Government of West Bengal against the Budget estimate, showed a net savings of ₹69,877.63 crore (20.99 *per cent* of estimates) and over- estimation of ₹684.77 crore (19.67 *per cent* of estimates) on reduction of expenditure. Certain grants, like those relating to, Finance, Panchayat & Rural Development, Urban Development & Municipal Affairs, Agriculture, Minority Affairs and Madrasah Education, Women & Child Development and Social Welfare, Public Health Engineering, Irrigation & Waterways, Industry, Commerce and Enterprises, Public Works, School Education, Micro, Small & Medium Enterprises and Textiles, Transport, Health and Family Welfare, Food and Supplies, Home and Hill Affairs, Paschimanchal Unnayan Affairs and North Bengal Development 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 2021-22, the Government of West Bengal resorted to Special Drawing Facilities only for one day, and no Normal Ways and Means Advances or OD facilities.

The Government of West Bengal availed Ways and Means Advances amounting to ₹193.36 crore from the RBI during 2021-22. The Government repaid the entire amount of Ways and Means Advance during 2021-22. The interest paid on the Ways and Means Advances during 2021-22 was ₹0.02 crore.

1.4.2. Funds flow statement

The State had a Revenue Deficit of ₹32,000.29 crore and a Fiscal Deficit of ₹50,528.42 crore representing 2.08 *per cent* and 3.29 *per cent* of the Gross State Domestic Product (GSDP)[1]. The Fiscal Deficit constituted 22.09 *per cent* of total expenditure. This deficit was met solely from Public Debt (₹46,040.94 crore). Around 47 *per cent* of the Revenue Receipts (₹1,78,159.35 crore) of the State Government was spent on committed expenditure like Salaries (₹20,628.21 crore), Interest payment (₹36,772.21 crore) and Pensions (₹26,675.80 crore).

[1] Except where indicated otherwise, Gross State Domestic Product (GSDP) figure for 2021-22 is ₹15,36,681.00 crore as available from Economic Review published by Government of West Bengal (unavailable from Ministry of Statistics and Programme Implementation).

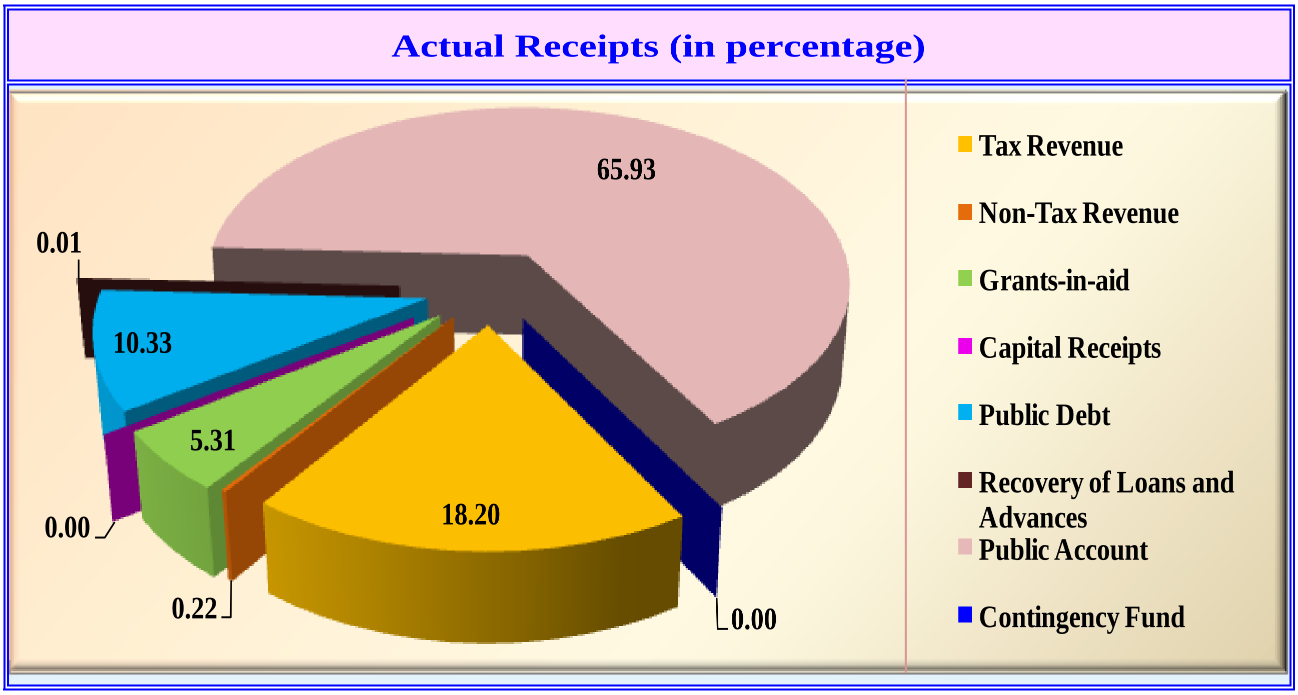
Sources and Application of Funds

(₹ in Crore)

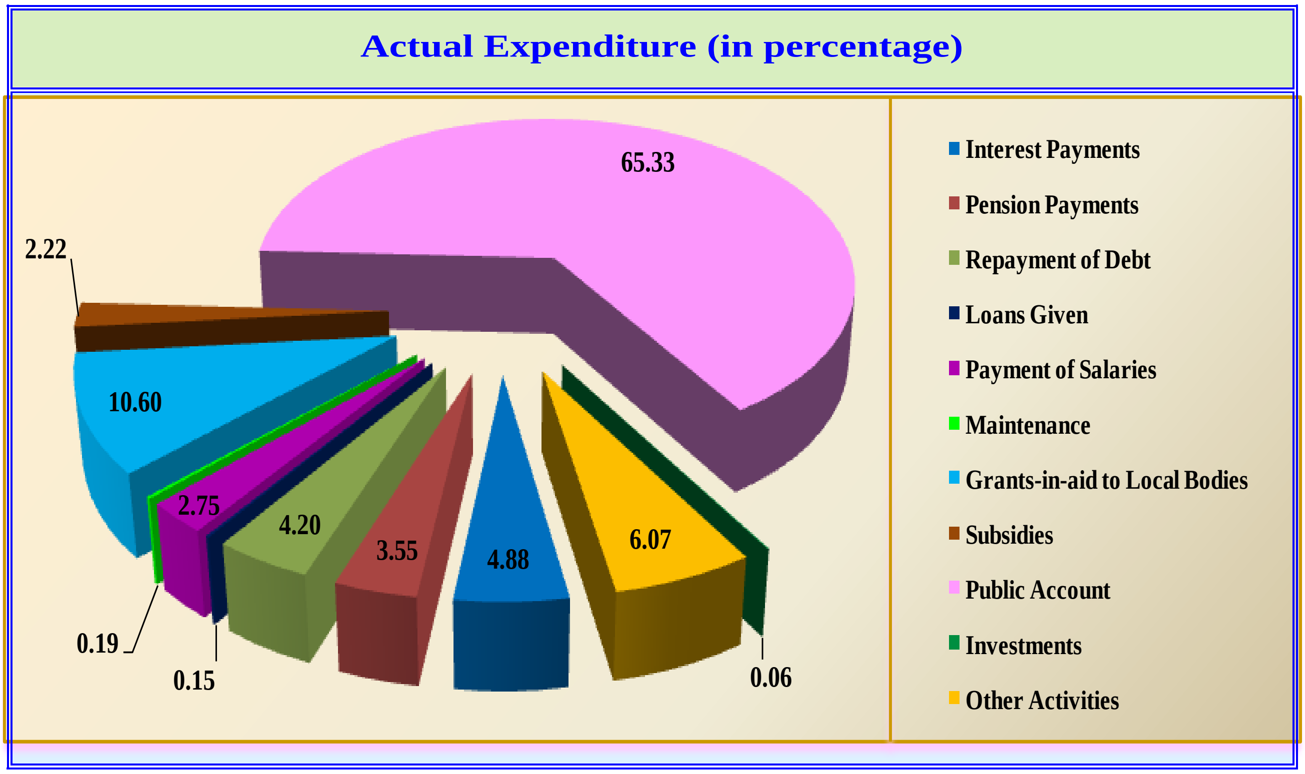
PARTICULARS		AMOUNT
SOURCES	Opening Cash Balance as on 1.4.2021	(-) 20
	Revenue Receipts	1,78,159
	Capital Receipts	0
	Recovery of Loans & Advances	58
	Public Debt	77,581
	Small Savings Provident Fund & Others	3,589
	Reserves & Sinking Funds	3,391
	Deposits Received	1,13,129
	Civil Advances Repaid	0
	Suspense Account	3,74,889
	Remittances	0
	Contingency Fund	0
	TOTAL	7,50,776
APPLICATION	Revenue Expenditure	2,10,160
	Capital Expenditure	17,484
	Loans Given	1,102
	Repayment of Public Debt	31,540
	Contingency Fund	52
	Small Savings, Provident Fund & Others	1,670
	Reserves & Sinking Funds	3,440
	Deposits Spent	1,10,992
	Civil Advances Given	0
	Suspense Account	3,74,342
	Remittances	(-) 13
	Closing Cash Balance as on 31.03.2022	7
	TOTAL	7,50,776

Note: The Suspense Accounts include ₹2,14,630.33 crore invested in Treasury Bills which is shown on the 'Application' side, and ₹2,15,508.33 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]	1,25,487	1,36,623	109	9
2.	Non-Tax Revenue	4,612	1,690	37	0
3.	Grants-in-aid & Contributions	56,583	39,846	70	3
4.	Revenue Receipts (1 + 2 + 3)	1,86,682	1,78,159	95	12
5.	Recovery of Loans and Advances	139	58	42	0
6.	Other Receipts [#]	0	0	*	0
7.	Borrowings & Other Liabilities [3]	60,864	50,529	83	3
8.	Total Capital Receipts (5 + 6 + 7)	61,003	50,587	83	3
9.	Total Receipts (4 + 8)	2,47,685	2,28,746	92	15
10.	Total Revenue Expenditure (13+ 15+17+19)	2,13,437	2,10,160	98	14
11.	Expenditure on Interest Payment	32,658	36,672	112	2
12.	Total Capital Expenditure (14 + 16+18)	32,774	17,484	53	1
13.	General Sector Revenue Expenditure	69,316	78,495	113	5
14.	General Sector Capital Expenditure	1,500	545	36	0
15.	Social Sector Revenue Expenditure	1,07,495	1,02,475	95	7
16.	Social Sector Capital Expenditure	12,818	7,437	58	0
17.	Economic Sector Revenue Expenditure	36,097	28,835	80	2
18.	Economic Sector Capital Expenditure	18,456	9,502	51	1
19.	Grant-in-aid Contributions	529	355	67	0
20.	Loans and Advances	1,474	1,102	75	0
21.	Total Expenditure (10 + 12+20)	2,47,685	2,28,746	92	15
22.	Revenue Deficit (4-10)	(-) 26,755	(-)32,000	120	(-) 2
23.	Fiscal Deficit (4 + 5 +6 -21)	(-) 60,864	(-)50,528	83	(-) 3
24.	Primary Deficit (23+11)	(-) 28,206	(-)13,856	49	(-) 1

[1] GSDP figure of West Bengal for 2021-22 is ₹15,36,681 crore as available from Economic Review published by Government of West Bengal (unavailable from Ministry of Statistics and Programme Implementation).

[2] Includes State's Share of net proceeds of Taxes of ₹65,541 crore.

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

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

* Denotes figure more than four digits/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 2022 is ₹32,000 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 2021-22. The performance of the State Government during 2021-22 depicted in the Overview of Fiscal Policy and Status of the State, included in the Fiscal Policy Strategy Statement for 2021-22 and as depicted in the Finance Accounts is given below:

Sl. No.	Targets	Achievements during the year as per the accounts and GSDP*
1.	Revenue Deficit shall not exceed 2.15 *per cent* of GSDP during the period 2021-22.	The Government of West Bengal had a Revenue Deficit of ₹32,000.29 crore in 2021-22 (2.08 *per cent* of GSDP).
2.	Fiscal Deficit shall not exceed 5.00 *per cent* of GSDP during the period 2021-22.	The Fiscal Deficit of ₹50,528.42 crore as per the accounts was 3.29 *per cent* of GSDP for 2021-22.
3.	Outstanding Debt expressed as percentage of GSDP shall be less than 34.30 *per cent* of GSDP during 2021-22.	The outstanding Debt for 2021-22 (₹5,36,478.14[@] crore) was 34.91 *per cent* of GSDP.
4.	Primary Deficit	₹13,856.21 crore

* **GSDP** (Gross State Domestic Product) of West Bengal for 2021-22 is ₹15,36,681.00 crore as available from Economic Review published by Government of West Bengal**.**

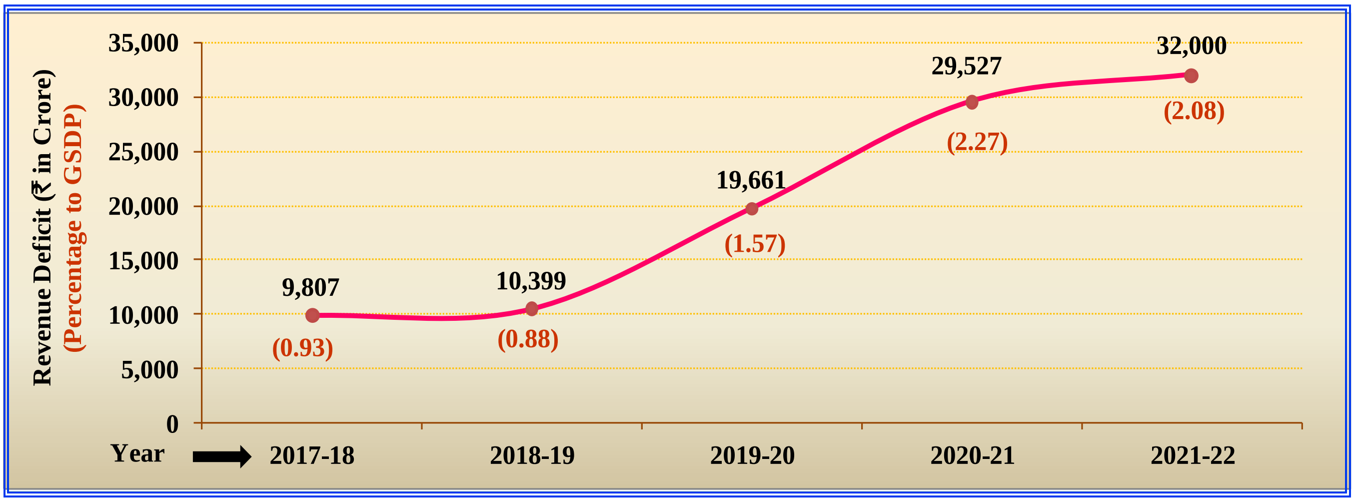
@ ₹6,425.28 crore which was passed on as Back to Back loans by GoI in lieu of shortfall in GST Compensation need not be taken into account for calculating total Debt for comparison vide GoI's letter No. F. No. 40(I) PF-S/2021-22 dated 10.12.2021, record subsequently. If this is taken into account the outstanding Debt for 2021-22 (₹5,30,052.86 crore) is 34.49 *per cent* of GSDP.

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 2021-22 as stipulated by the FRBM Act and Rules. In this context,

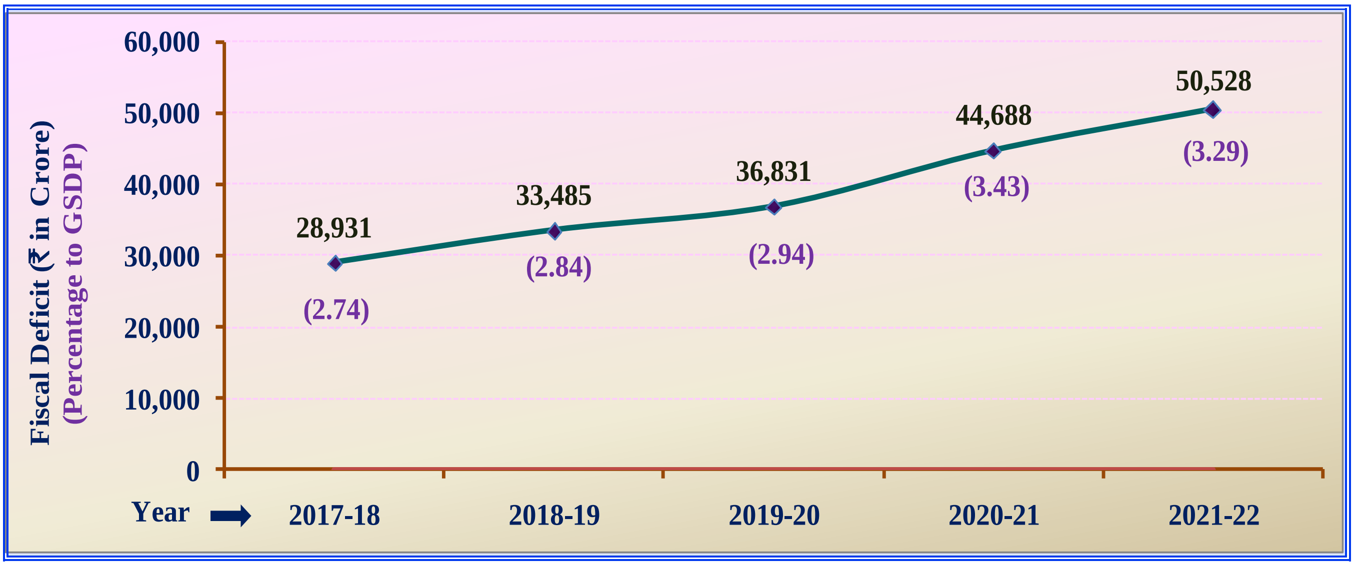
(i) no disclosure has been made on significant changes in the Accounting Standards, policies and practices affecting or likely to affect the compliance of the prescribed fiscal indicators; and

(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

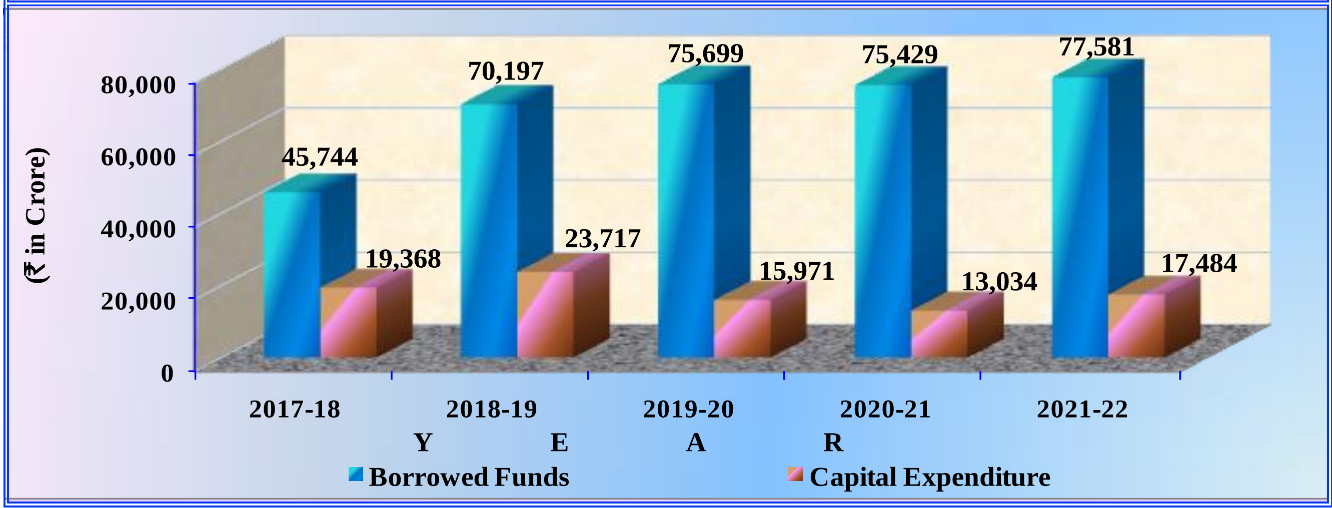


1.6.3. Proportion of borrowed funds spent on Capital Expenditure

(₹ in Crore)

Borrowed Funds and Capital Expenditure		
Year	**Capital Expenditure**	**Borrowed Funds**
2017-18	19,368	45,744
2018-19	23,717	70,197
2019-20	15,971	75,699
2020-21	13,034	75,429
2021-22	17,484	77,581

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 23 *per cent* of the borrowings of the current year (₹77,581 crore) on Capital Expenditure (₹17,484 crore). 77 *per cent* (₹60,097 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

CONSOLIDATED FUND-RECEIPTS

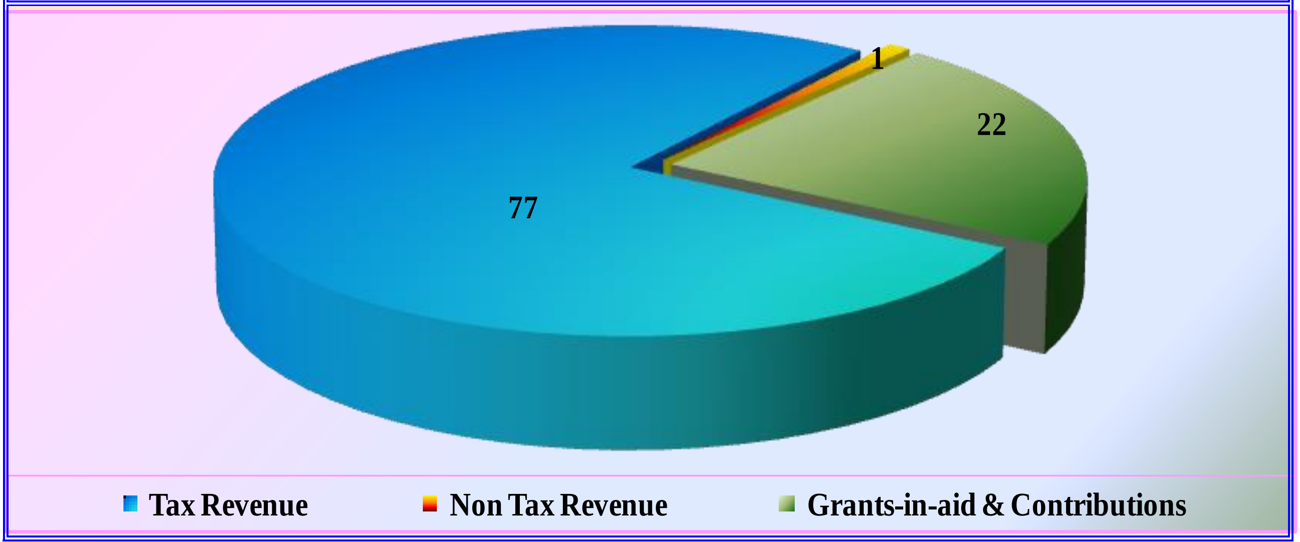
2.1. Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total receipts of the Government of West Bengal during 2021-22 were ₹2,28,746 crore.

2.2. Revenue Receipts

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

Revenue Receipts (in percentage)



2.2.1. Revenue Receipt Components

(₹ in Crore)

Components	Actuals
A. Tax Revenue	**1,36,623**
Goods and Services Tax	50,296
Taxes on Income & Expenditure	38,620
Taxes on Property and Capital Transactions	10,114
Taxes on Commodities & Services	37,593
B. Non-Tax Revenue	**1,690**
Interest Receipts, Dividends and Profits	464
General Services	376
Social Services	344
Economic Services	506
C. Grants-in-aid & Contributions	**39,846**
Total – Revenue Receipts	**1,78,159**

2.2.2. Trend of Revenue Receipts

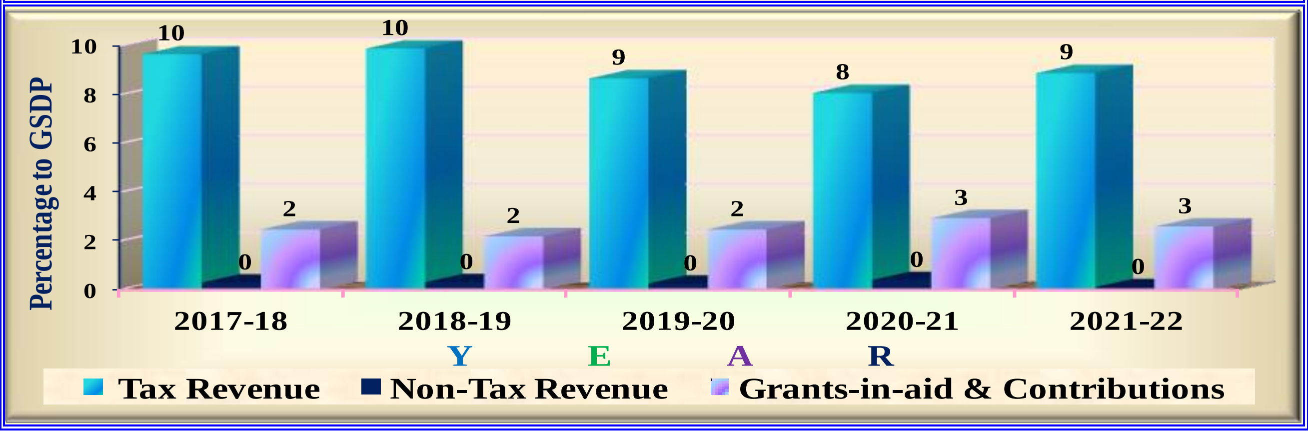
(₹ in Crore)

Components	2017-18	2018-19	2019-20	2020-21	2021-22
Tax Revenue	**1,02,042 (10)**	**1,16,508 (10)**	**1,08,718 (9)**	**1,05,024 (8)**	**1,36,623 (9)**
Non-Tax Revenue	**3,117 (0)**	**3,657 (0)**	**3,213 (0)**	**5,199 (0)**	**1,690 (0)**
Grants-in-aid and Contributions	**26,111 (2)**	**25,810 (2)**	**30,983 (2)**	**38,171 (3)**	**39,846 (3)**
Total Revenue Receipts	**1,31,270 (12)**	**1,45,975 (12)**	**1,42,914 (11)**	**1,48,394 (11)**	**1,78,159 (12)**
GSDP	**10,56,153**	**11,77,586**	**12,53,832**	**13,01,017**	**15,36,681**

Note: Figures in parentheses represent percentage to GSDP.

The GSDP increased by 18 *per cent* between 2020-21 and 2021-22 and the increase in revenue collection was 20 *per cent*. While tax revenue decreased by 3 *per cent*, non-tax revenues decreased by 67 *per cent*. The State’s own tax revenue increased by 18 *per cent* between 2020-21 (₹60,287 crore) and 2021-22 (₹71,082 crore), while share of Union taxes increased by 47 *per cent* (₹44,737 crore in 2020-21 and ₹65,541 crore in 2021-22).

Trend of Components of Revenue Receipts as proportion to GSDP



2.3. Tax Revenue

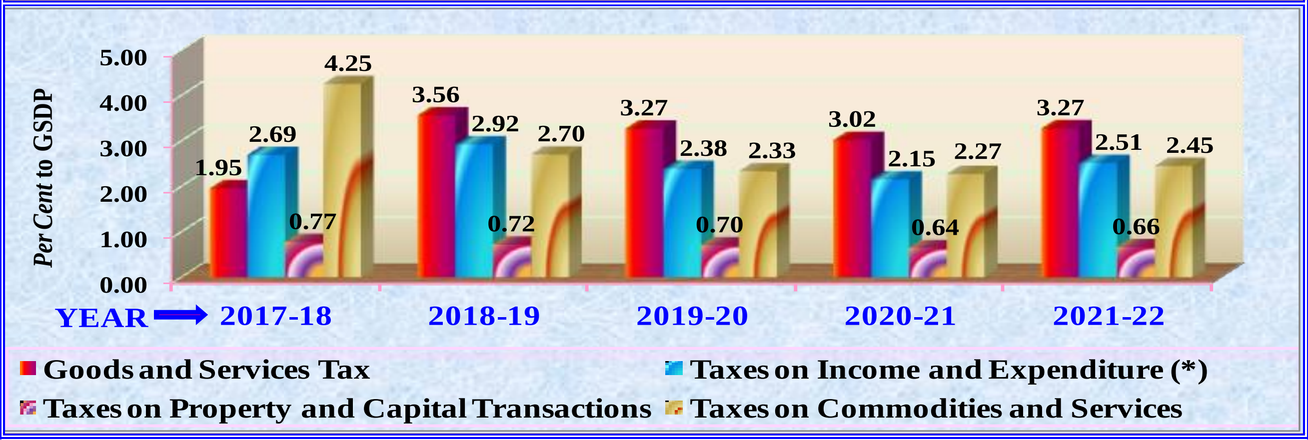
(₹ in Crore)

Sector-wise Tax Revenue

Description	2017-18	2018-19	2019-20	2020-21	2021-22
Goods and Services Tax	20,645	41,932	40,942	39,295	50,296
Taxes on Income and Expenditure	28,400	34,345	29,809	27,954	38,620
Taxes on Property and Capital Transactions	8,135	8,474	8,755	8,283	10,114
Taxes on Commodities and Services	44,862	31,757	29,212	29,492	37,593
Total Tax Revenue	1,02,042	1,16,508	1,08,718	1,05,024	1,36,623

The increase in total Tax Revenues is mainly attributable to higher collections under 'Central Goods and Services Tax (CGST)', 'State Goods and Services Tax (SGST)', 'Corporation Tax', 'Taxes on Income Other than Corporation Tax', 'Other Taxes on Income and Expenditure', 'Stamps and Registration Fees', 'Taxes on Wealth' 'Customs', 'Union Excise Duties', 'State Excise', 'Taxes on Sales, Trade, etc.', 'Taxes on Vehicles', 'Taxes and Duties on Electricity', 'Service Tax', 'Other Taxes and Duties on Commodities and Services', etc.

Trend of Major taxes in proportion to GSDP



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

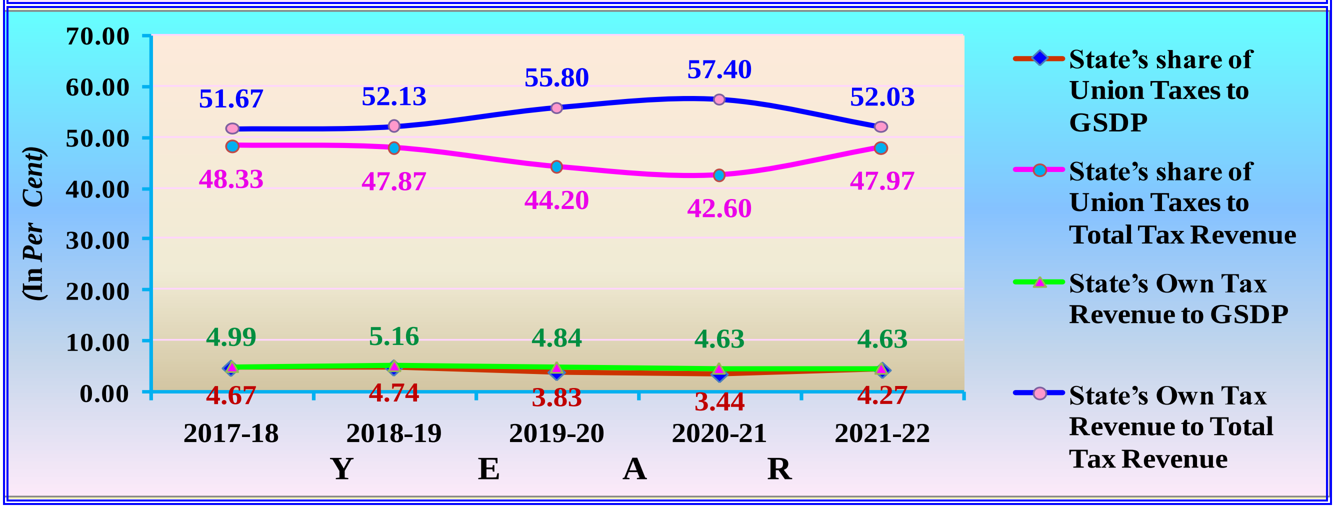
2.3.1. State's Own Tax and State's share of Union Taxes

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
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
2020-21	60,287	4.63	57.40	44,737	3.44	42.60
2021-22	71,082	4.63	52.03	65,541	4.27	47.97

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



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

(₹ in Crore)

Taxes	2017-18	2018-19	2019-20	2020-21	2021-22
Goods and Services Tax (SGST)	14,964	27,067	27,307	26,013	31,271
Land Revenue	2,875	2,847	2,728	2,756	2,743
Stamps and Registration Fees	5,261	5,620	6,026	5,528	7,366
State Excise	9,340	10,622	11,232	10,666	13,542
Sales Tax	12,999	7,813	7,161	9,394	9,951
Taxes on Goods and Passengers	1,532	435	34	322	5
Taxes on Vehicles	2,317	2,563	2,601	2,336	2,647
Other Taxes on Income and Expenditure	529	561	589	597	664
Others	2,904	3,204	2,991	2,675	2,893
Total State's Own Tax	52,721	60,732	60,669	60,287	71,082

2.4. Efficiency of Tax Collection

(₹ in Crore)

Taxes	2017-18	2018-19	2019-20	2020-21	2021-22
Goods and Services Tax					
Revenue Collection	**14,964**	**27,067**	**27,307**	**26,013**	**31,271**
Expenditure on Collection	**0**	**169**	**179**	**203**	**186**
Efficiency of Tax Collection (in *per cent*)	**0**	**0.62**	**0.66**	**0.78**	**0.59**
Land Revenue					
Revenue Collection	**2,875**	**2,847**	**2728**	**2,756**	**2,743**
Expenditure on Collection	**553**	**581**	**610**	**672**	**666**
Efficiency of Tax Collection (in *per cent*)	**19.23**	**20.41**	**22.36**	**24.38**	**24.28**
Stamps and Registration Fees					
Revenue Collection	**5,261**	**5,620**	**6026**	**5,528**	**7,366**
Expenditure on Collection	**137**	**149**	**166**	**179**	**188**
Efficiency of Tax Collection (in *per cent*)	**2.60**	**2.65**	**2.75**	**3.24**	**2.55**
State Excise					
Revenue Collection	**9,340**	**10,622**	**11,232**	**10,666**	**13,542**
Expenditure on Collection	**118**	**123**	**126**	**146**	**157**
Efficiency of Tax Collection (in *per cent*)	**1.26**	**1.16**	**1.12**	**1.37**	**1.16**
Taxes on Sales, Trade, etc.					
Revenue Collection	**12,999**	**7,813**	**7161**	**9,394**	**9,951**
Expenditure on Collection	**226**	**64**	**64**	**71**	**75**
Efficiency of Tax Collection (in *per cent*)	**1.74**	**0.82**	**0.89**	**0.76**	**0.75**
Taxes on Vehicles					
Revenue Collection	**2,317**	**2,563**	**2,601**	**2,336**	**2,647**
Expenditure on Collection	**26**	**30**	**52**	**45**	**45**
Efficiency of Tax Collection (in *per cent*)	**1.12**	**1.17**	**2.00**	**1.93**	**1.70**
Other Taxes on Income and Expenditure					
Revenue Collection	**529**	**662**	**589**	**597**	**664**
Expenditure on Collection	**5**	**5**	**5**	**6**	**6**
Efficiency of Tax Collection (in *per cent*)	**0.95**	**0.76**	**0.85**	**1.01**	**0.90**

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

(₹ in Crore)

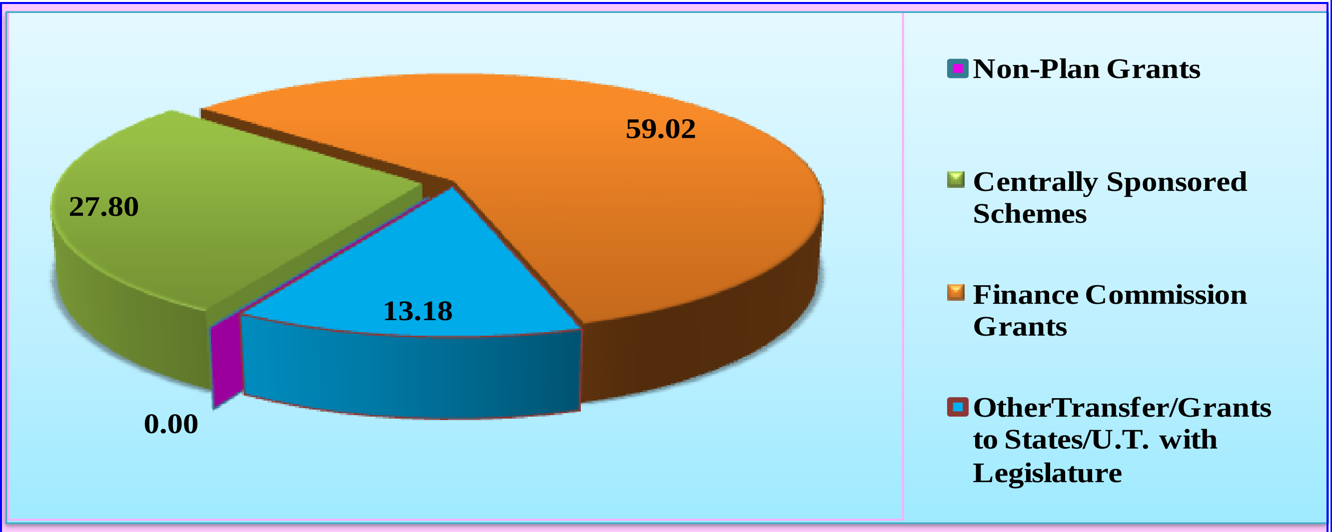
Description	2017-18	2018-19	2019-20	2020-21	2021-22
Goods and Services Tax	5,681	14,865	13,635	13,282	19,025
Corporation Tax	15,107	19,397	16,383	13,508	18,165
Taxes on Income other than Corporation Tax	12,757	14,285	12,837	13,849	19,791
Taxes on Wealth	–	7	1	0	4
Customs	4,979	3,954	3,046	2,368	4,892
Union Excise Duties	5,204	2,627	2,117	1,502	2,715
Service Tax	5,594	511	0	195	880
State's Share of Union Taxes	49,321	55,776	48,049	44,737	71,082
Other Taxes and Duties on Commodities and Services	0	130	30	33	69
Total Tax Revenue	1,02,042	1,16,508	1,08,718	1,05,024	1,36,623
Per cent of State's Share of Union Taxes & Duties to Total Tax Revenue	48	48	44	43	52

2.6. Grants-in-aid

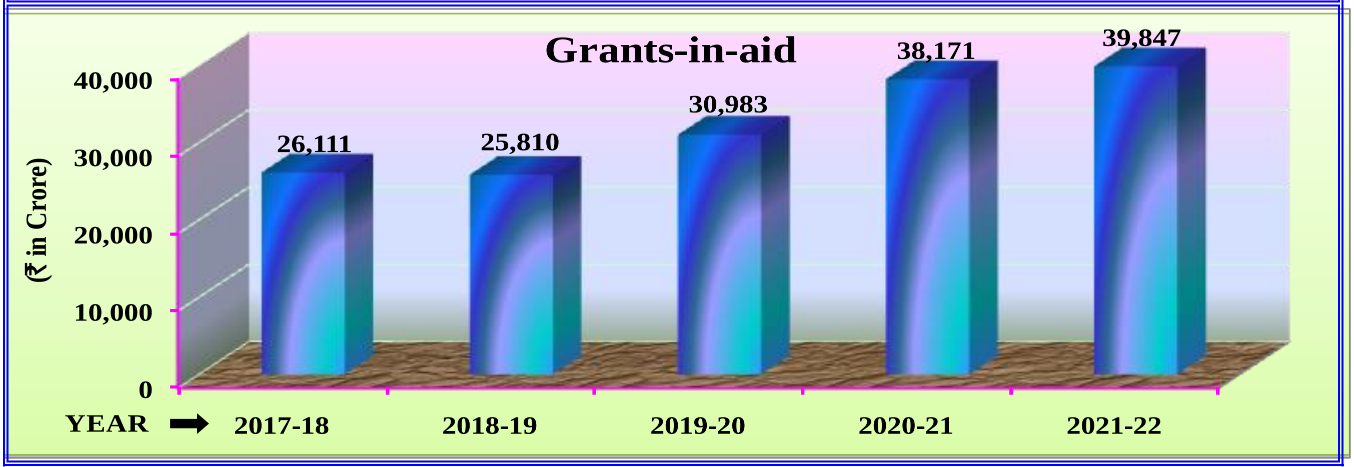
Grants-in-aid represent assistance from the Government of India, and comprise, Grants for Centrally Sponsored Schemes, Finance Commission Grants and Other Transfer/Grants to States/Union Territory with Legislature approved by the Planning Commission and accounted for under the Major Head "1601- Grants-in-aid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

The share of non-plan grants in total Grants-in-aid remains zero *per cent* during 2020-21 and 2021-22. The State received only ₹39,846.58 crore (70 *per cent* of the budget estimate of total grants of ₹56,583.50 crore) against ₹38,171.37 crore (99 *per cent* of the budget estimate of total grants of ₹38,490.00 crore) received last year. Total receipts during 2021-22 under Grants-in-aid were ₹39,846.58 crore and sector wise breakup is shown below:

Grants-in-aid



Trend of Grants-in-aid



2.7. Grants-in-aid received in kind from Government of India

As per note (4) below the Major Head '3601- Grants-in-aid to State Governments' in the List of Major and Minor Heads of Accounts of Union and States, the Grants-in-aid given in kind to the State Government will be credited the value of the material received as aid to the Major Head '1601- Grants-in-aid from Central Government' by contra debit to the functional Major Head, relevant to the functions/programme on which the material are proposed to be utilised.

As per record available at PFMS portal, Ministry of Health and Family Welfare, Government of India, issued 68 sanctions amounting to ₹192.86 crore for cost adjustment of vaccine supplies in kind given to the Government of West Bengal during 2021-22.

In absence of confirmation and necessary sanction orders from Government of West Bengal, this accounting adjustment was not carried out in the state accounts. Hence, booking under Major Head '1601-Grants-in-aid from Central Government' and the respective functional Major Head was understated to that extent.

2.8. Goods and Services Tax

Goods and Services Tax (GST) was introduced with effect from 1 July 2017. During the year 2021-22, the State GST collection was ₹31,271.07 crore compared to ₹26,013.41 crore in 2020-21, registering an increase of ₹5,257.66 crore (20.21 *per cent*).This includes Advance Apportionment of IGST amounted to ₹1,733.07 crore. In addition, the State received ₹19,024.77 crore as its share of net proceeds assigned to the State under Central Goods and Services Tax. The total receipts under GST were ₹50,295.84 crore. The State received compensation of ₹4,530.82 crore as Revenue receipt on account of loss of revenue arising out of implementation of GST during 2021-22.

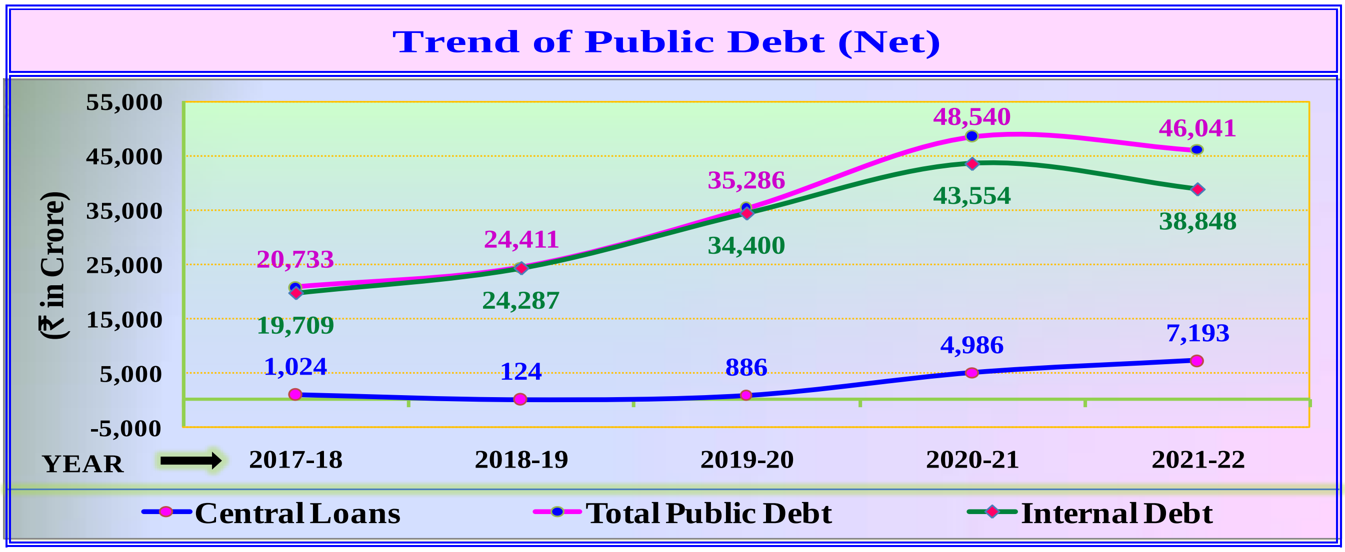
Further, the state also received ₹6,425.28 crore debt during 2021-22 (total debt of ₹4,70,288.35 crore as on 31 March 2022) as back-to-back loan from the Central Government in lieu of GST compensation which would not be treated as debt of the State for any norms which may be prescribed by the Finance Commission as per the decision of Department of Expenditure, Government of India.

2.9. Public Debt

(₹ in Crore)

Trend of Public Debt (Net) over the past five years					
Description	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2021-22**
Internal Debt	19,709	24,287	34,400	43,554	38,848
Central Loans	1,024	124	886	4,986	7,193
Total Public Debt	20,733	24,411	35,286	48,540	46,041

In 2021-22, 29 loans at par totaling ₹67,390 crore at interest rates varying from 6.65 *per cent* to 7.48 *per cent* and redeemable upto the year 2051-52 were raised from the open market. In addition, the State Government raised ₹1,676 crore from financial institutions (including other adjustments). Thus, the internal debt totaled ₹69,066 crore. During 2021-22 Government of West Bengal also received ₹8,515 crore from Government of India as loans and advances.



CHAPTER-III

CONSOLIDATED FUND-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 Scheme and Administrative Expenditure.

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 ₹2,10,160 crore for 2021-22 was 98 *per cent* of budget estimates of ₹2,13,437 crore. The shortfall/excess of expenditure against budget estimates under Revenue section during the past five years is given below:

(₹ in Crore)

Description	2017-18	2018-19	2019-20	2020-21	2021-22
Budget Estimates	1,42,644	1,61,703	1,81,536	1,94,702	2,13,437
Actuals	1,41,077	1,56,374	1,62,575	1,77,921	2,10,160
Gap	1,567	5,329	18,961	16,781	3,277
Percentage of gap over BE	1	3	10	9	2

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

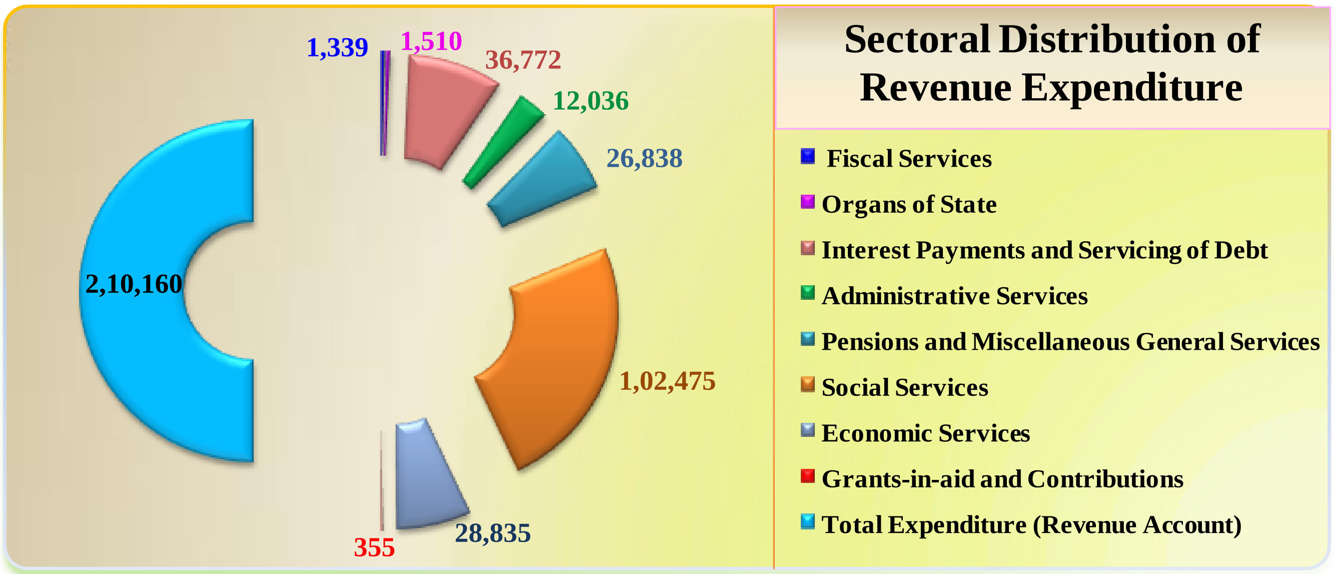
(₹ in Crore)

Components	2017-18	2018-19	2019-20	2020-21	2021-22
Total Revenue Expenditure	1,41,077	1,56,374	1,62,575	1,77,921	2,10,160
Committed Revenue Expenditure[#]	68,378	73,692	75,755	87,492	1,00,736
Percentage of Committed Revenue Expenditure to total Revenue Expenditure	48	47	47	49	48
Uncommitted Revenue Expenditure	72,699	82,682	86,820	90,429	1,09,424

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

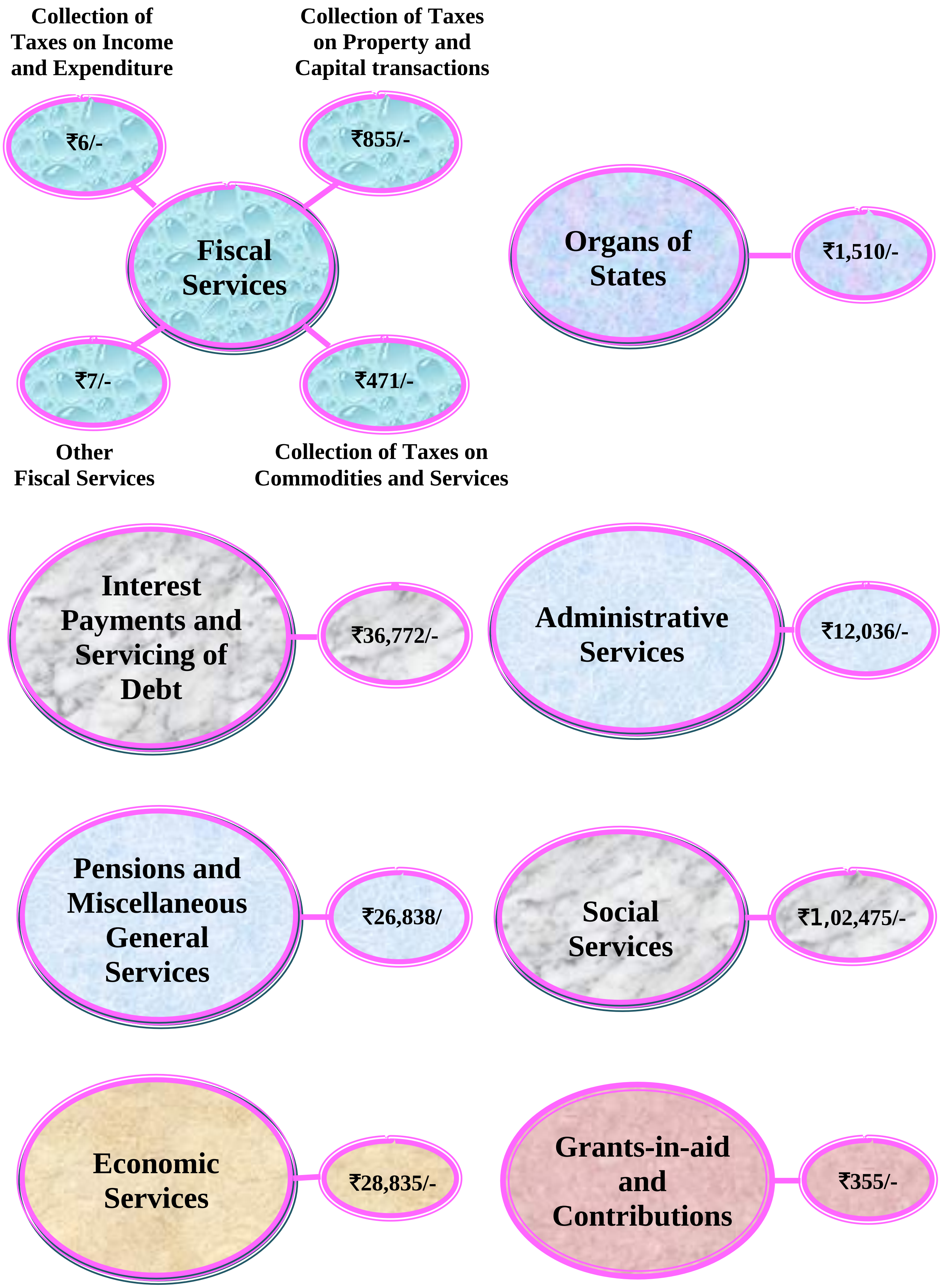
3.2.1. Sectoral Distribution of Revenue Expenditure

Components	Amount (₹ in Crore)	Percentage
A. Fiscal Services	1,339	0.63
(i) Collection of Taxes on Income and Expenditure	6	0.00
(ii) Collection of Taxes on Property and Capital transactions	855	0.41
(iii) Collection of Taxes on Commodities and Services	471	0.22
(iv) Other Fiscal Services	7	0.00
B. Organs of State	1,510	0.72
C. Interest Payments and Servicing of Debt	36,772	17.50
D. Administrative Services	12,036	5.73
E. Pensions and Miscellaneous General Services	26,838	12.77
F. Social Services	1,02,475	48.76
G. Economic Services	28,835	13.72
H. Grants-in-aid and Contributions	355	0.17
Total Expenditure (Revenue Account)	2,10,160	100.00



Distribution of Revenue Expenditure

(₹ in Crore)

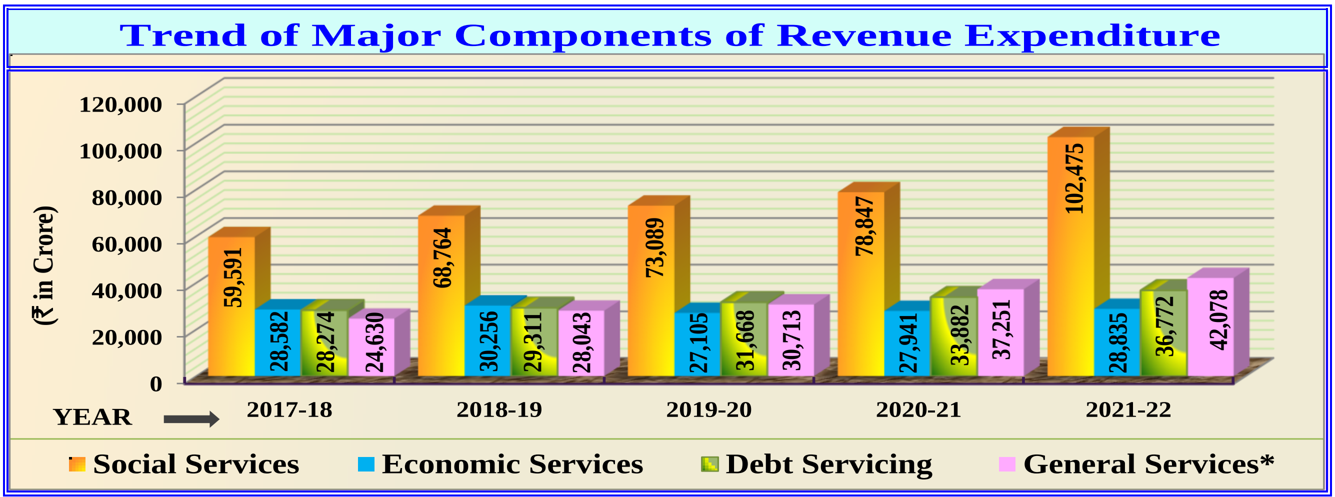


Major components of Revenue Expenditure

(₹ in Crore)

Components	2017-18	2018-19	2019-20	2020-21	2021-22
Social Services	59,591	68,764	73,089	78,847	1,02,475
Economic Services	28,582	30,256	27,105	27,941	28,835
Debt Servicing	28,274	29,311	31,668	33,882	36,772
General Services*	24,630	28,043	30,713	37,251	42,078

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



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

3.3. Capital Expenditure

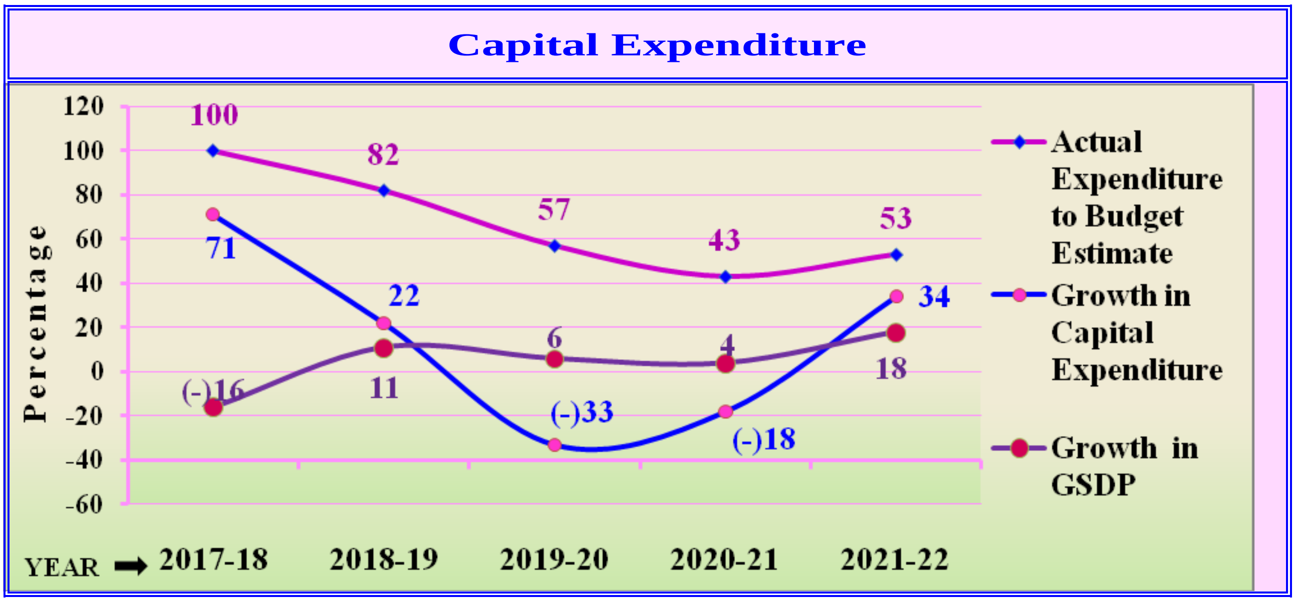
Capital disbursements for 2021-22 amounting to ₹18,586 crore (including Loans and Advances) at 1.21 *per cent* of GSDP. Over the last five years, Capital Expenditure has declined with respect to its budget. This can be viewed from the table given below:

(₹ in Crore)

Sl.No.	Components	2017-18	2018-19	2019-20	2020-21	2021-22
1.	Budget (B.E.)	19,285	28,781	27,977	30,478	32,774
2.	Actual Expenditure(#)	19,368	23,717	15,971	13,034	17,484
3.	Percentage of Actual Expenditure to B.E.	100	82	57	43	53
4.	Growth in Capital Expenditure (in *per cent*)	71	22	(-) 33	(-) 18	34
5.	GSDP (*)	10,56,153	11,77,586	12,53,832	13,01,017	15,36,681
6.	Growth in GSDP (in *per cent*)	(-) 16	11	6	4	18

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

(*) GSDP figure used in this publication is adopted as per availability of source either from the Ministry of Statistics and Programme Implementation or 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 2021-22 , the Government spent ₹4,207 crore on Transport, ₹2,031 crore on Irrigation and Flood Control, ₹1,316 crore on Energy, ₹482 crore on Rural Development Programme, ₹475 crore on Industry and Minerals, ₹454 crore on Agriculture and Allied Activities and ₹433 crore on Special Areas Programmes. In Social Services, the Government spent ₹5,654 crore on Water Supply, Sanitation, Housing and Urban Development, ₹1,091 crore on Health and Family Welfare, ₹234 crore on Education, Sports and Culture and ₹261 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		2017-18	2018-19	2019-20	2020-21	2021-22
1.	General Services	Capital	1,003	927	748	546	545
		Revenue	52,416	56,865	61,931	70,684	78,495
2.	Social Services	Capital	7,606	7,324	5,439	3,950	7,437
		Revenue	59,591	68,764	73,089	78,847	1,02,475
3.	Economic Services	Capital	10,759	15,467	9,783	8,538	9,502
		Revenue	28,582	30,256	27,105	27,941	28,835
4.	Grants-in-aid and Contribution	Capital	--	--	--	--	--
		Revenue	54,965	57,589	61,622	63,131	79,966

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

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

3.4. Bookings under Minor Head 800-Other Expenditure

The Minor Head 800-Other Expenditure is to be operated only when the appropriate minor head has not been provided in the accounts. Routine operation of Minor Head 800 should be discouraged, since it renders the accounts opaque.

During the year 2021-22, ₹7,039.10 crore under 64 Major Heads of accounts, constituting 3.09 *per cent* of the total Revenue and Capital expenditure (₹2,27,643.73 crore) was classified under the Minor Head 800-Other Expenditure in the accounts. During the previous year 2020-21, ₹6,705.82 crore under 62 Major Heads of accounts, constituting 3.51 *per cent* of the total Revenue and Capital expenditure (₹1,90,955.02 crore) was classified under the Minor Head 800-Other Expenditure in the accounts.

3.5. Liabilities under Retirement benefits

The expenditure on "Pension and other Retirement Benefits" for State Government employees during the year 2021-22 was ₹26,669.50 crore during the year (excluding expenditure on National Pension System of All India Service officers).

3.6. Transfer of Funds to various Implementing Agencies

The State Government provides funds to State/District Level Agencies/Autonomous Bodies and Authorities, Societies, Non-Governmental Organizations etc., as grants for implementation of Central Sector Schemes, Centrally Sponsored Schemes and State Schemes. During 2021-22, an amount of ₹79,966.05 crore was given by the State Government to various implementing agencies for implementation of Government schemes/works/programmes. The aggregate amount of unspent balances in the accounts of the implementing agencies kept outside the Government Accounts (in bank Accounts) is not readily ascertainable. The Government expenditure as reflected in the Accounts to that extent is, therefore, not final.

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

As per the PFMS portal of the CGA, ₹25,369.53 crore was directly received by the implementing agencies in the State during 2021-22. Out of total amount of ₹25,369.53 crore, ₹25,368.26 crore being the Central Assistance/Share was transferred to the intermediaries (*i.e.*, NGOs., Societies, *etc*.) and ₹1.27 crore directly to the beneficiaries.

The direct transfer of fund to the implementing agencies has decreased by 3.16 *per cent* as compared to 2020-21 (from ₹26,197.54 crore in 2020-21 to ₹25,369.53 crore in 2021-22).

3.8. 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 Accountant General (A&E), but has not been confirmed by the concerned departments (including Finance) and the investee entity. The Government invested ₹416.63 crore in 2021-22. Government investment of ₹18,704.95 crore as on 31 March 2022 yielded dividend of ₹157.94 crore (0.84 *per cent*) during 2021-22. Details of Government investment as on 31 March 2022 are given in next page:

(₹ in Crore)

Sl. No.	Category	Number of entities	Investment at the end of the year 2021-22
1.	Statutory Corporation	7	875.38
2.	Government Companies	62	16,551.00
3.	Other Joint Stock Companies and Partnership	38	324.15
4.	Co-operative Banks & Societies	2,095	954.42
Total:		**2,202**	**18,704.95**

3.9. Personal Deposit (PD) Accounts

PD accounts enable designated Drawing Officers to incur expenditure for specific purposes pertaining to a scheme; by debiting the service heads in the Consolidated Fund of the State and crediting the Personal Deposits under the Major Head 8443-Civil Deposits and the Minor Head 106-Personal Deposits. 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.

During 2021-22, an amount of ₹1,296.38 crore was transferred to these PD Accounts. This includes ₹228.56 crore transferred in March 2022, of which, ₹85.15 crore was transferred on the last working day of March 2022.

In terms of Rule 6.08(5) of West Bengal Treasury Rules, 2005, 34 Administrators of Personal Deposit Account (out of 160) had reconciled and verified their balances with the treasury figures and 34 annual verification certificates were furnished by them to the Treasury officer for onward submission to Accountant General office. 126 Administrators of Personal Deposit Accounts had not reconciled and verified their balances with the treasury figures.

Details of PD accounts as on 31.03.2022 are given below:

(₹ in Crore)

Opening Balance as on 1 April 2021		Addition during the year 2021-22		Closed/Withdrawal during the year 2021-22		Closing Balance as on 31 March 2022	
Number of Administrators	Amount	Number of Administrators	Amount	Number of Administrators	Amount	Number of Administrators	Amount
160	**3,465.33**	**0**	**1,296.38**	**0**	**1,564.43**	**160**	**3,197.28**

The information regarding Lapsable and Non-Lapsable PD accounts has not been made available from the Government of West Bengal.

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

In emergent circumstances, Drawing and Disbursing Officers (DDOs) are authorized to draw sums of money through Abstract Contingent (AC) bills. In terms of the West Bengal Treasury Rules, 2005, DDOs are required to present Detailed Contingent (DC) bills containing vouchers in support of final expenditure within one month from the date of completion of the purpose for which the advance was drawn, and in no case, beyond the period of sixty days from the date of drawal of such advance, unless otherwise permitted by the Administrative Department with the concurrence of the Finance Department.

Out of 1,696 AC bills amounting to ₹1,157.21 crore drawn during the year 2021-22, 291 AC bills amounting to ₹45.24 crore (3.91 *per cent*) were drawn in March 2022. DC Bills in respect of a total of 7,999 AC bills amounting to ₹1,638.07 crore as on 31.03.2022 were not received. Details of unadjusted AC bills pending submission of the DC bills as on 31 March 2022 are given below:

Year	No. of unadjusted AC Bills	Amount (₹ in Crore)
Upto 2019-20	6,487	902.00
2020-21	520	233.96
2021-22	992	502.11
Total	**7,999**	**1,638.07**

3.11. Utilisation Certificates (UCs) for Grants-in-aid not received

In terms of Subsidiary Rules 330A of the West Bengal Treasury Rules and Subsidiary Rules (WBTR & SR), 1997 read with Finance Department (Audit Branch)'s Memorandum No. 7019-F dated 4 August 2005, Utilization Certificates (UCs) in respect of Grants-in-aid received by the grantee should be furnished by the grantee to the authority that 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, there is a risk that the amount shown in Finance Accounts may not have reached the beneficiaries.

During the year 2021-22, ₹47.77 crore pertaining to outstanding UCs for the period 2020-21 was cleared. The position of outstanding UCs as on 31.03.2022 are given below:

Year*	Number of UCs outstanding	Amount (₹ in Crore)
Upto 2019-20	3,22,705	1,91,079.69
2020-21	61,092	33,212.91
2021-22	57,726	41,692.68 [#]
Total	**4,41,523**	**2,65,985.28**

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

[#] Indicates outstanding UCs against GIA Drawn during 2020-21. UCs for GIA drawn during 2021-22 would be due in 2022-23.

3.12. Restructuring of Centrally Sponsored Schemes (CSSs)/Additional Central Assistance (ACA) excluding Block Grants

Consequent to the merger of Plan/Non-Plan classification, the Central Assistance release is now classified as Central Assistance/Share under Centrally Sponsored Schemes.

The total expenditure booked under both 'Central Sector Scheme and Centrally Sponsored Scheme' as on 31 March 2022, is ₹20,824.78 crore (Revenue Expenditure ₹18,945.56 crore and Capital Expenditure ₹1,879.22 crore), which includes expenditure out of Central Assistance and State share for Centrally Sponsored Schemes.

3.13. Expenditure on Ecology and Environment

The expenditure incurred by the State Government towards environment is depicted in the Finance Accounts up to the level of Minor Head under various functional head of accounts. During the year 2021-22, the Government of West Bengal incurred ₹19.35 crore against the budget allocation of ₹78.50 crore under Major Heads 3435-Ecology and Environment. During the previous year 2020-21, the Government of West Bengal incurred ₹8.04 crore against the budget allocation of ₹27.98 crore under Major Heads 3435-Ecology and Environment.

3.14. 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.

During the year 11 incomplete projects involving ₹32.28 crore are aged three years and more. The escalation in estimated cost of these projects due to delay in completion of the projects/works was not provided by the Government of West Bengal.

Intimation collected from Chief Engineers of various State Government Departments reveals that an expenditure of ₹32.28 crore was incurred upto 31 March 2022 on Incomplete Capital Projects/Works.

(₹ in Crore)

Abstract of Commitments of Incomplete Capital Works

Period	Buildings Amount (No. of Works)	Roads Amount (No. of Works)	OTHERS		Total Amount Involved (No. of Works)
			Urban Development Amount (No. of Works)	Rural Development Amount (No. of Works)	
Upto 2005	–	–	–	–	–
2006-2010	–	–	–	–	–
2011-2015	–	–	–	–	–
2016-2020	–	–	–	–	–
2021-2025	3.38 (03)	4.22 (02)	23.58 (02)	1.10 (04)	32.28 (11)
Total	3.38 (03)	4.22 (02)	23.58 (02)	1.10 (04)	32.28 (11)

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

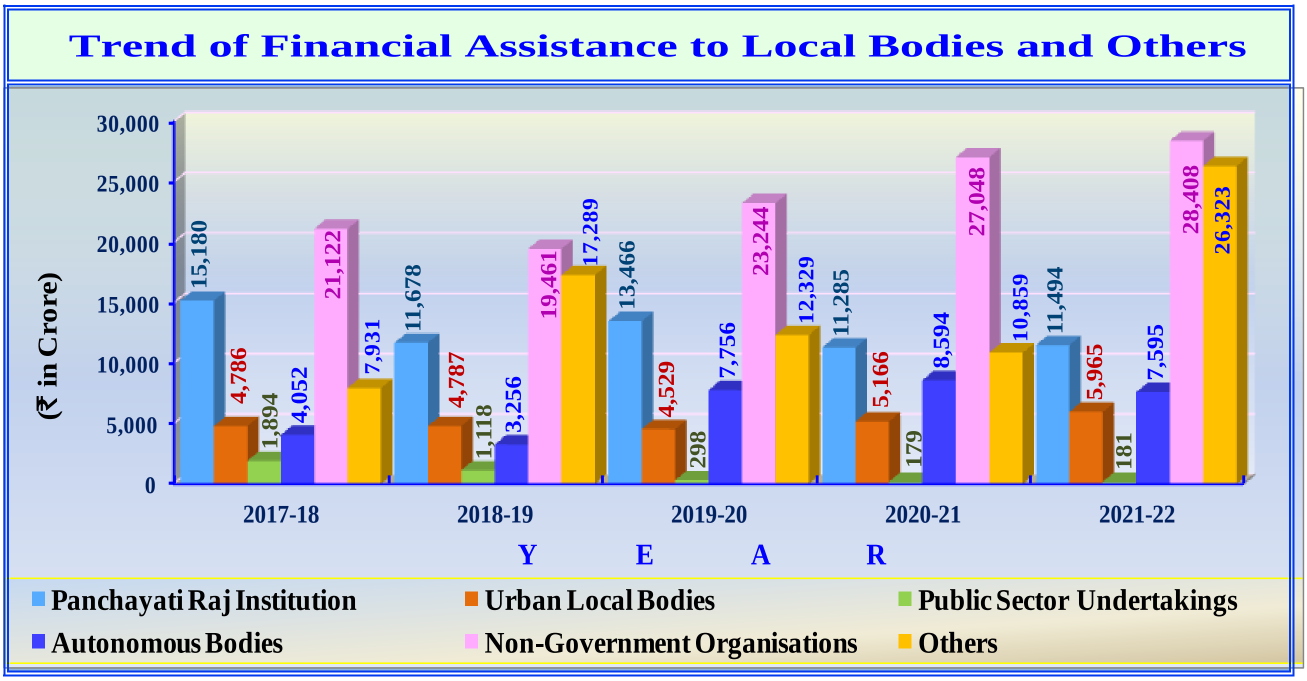
3.15. Financial Assistance to Local Bodies and Others

Expenditure on Grants-in-aid to Local Bodies etc. represents 35 *per cent* of total Revenue Expenditure. Details of Grants-in-aid for the past five years are given below:

(₹ in Crore)

Sl. No.	Grantee Institutions	2017-18	2018-19	2019-20	2020-21	2021-22
1.	Panchayati Raj Institutions	15,180	11,678	13,466	11,285	11,494
2.	Urban Local Bodies	4,786	4,787	4,529	5,166	5,965
3.	Public Sector Undertakings	1,894	1,118	298	179	181
4.	Autonomous Bodies	4,052	3,256	7,756	8,594	7,595
5.	Non-Government Organisations	21,122	19,461	23,244	27,048	28,408
6.	Others#	7,931	17,289	12,329	10,859	26,323
	Total	54,965	57,589	61,622	63,131	79,966

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.



Note: Figures based on expenditure under the Object Head "31-Grants-in-aid" and "36-Salary Grants" 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 are given below:

(₹ in Crore)

Sl. No.	Grantee Institutions	2017-18	2018-19	2019-20	2020-21	2021-22
1.	Panchayati Raj Institutions	3,551.12	5,360.77	6,153.73	8,966.91	6,951.30
2.	Urban Local Bodies	2,083.56	2,335.53	1,060.02	833.62	2,834.70
3.	Public Sector Undertakings	406.87	42.30	109.68	62.41	42.92
4.	Autonomous Bodies	292.10	588.17	623.52	351.35	420.58
5.	Non-Government Organisations	408.08	130.47	35.21	12.26	18.36
6.	Others	618.43	1,556.61	267.13	223.23	103.18
Total		7,360.16	10,013.85	8,249.29	10,449.78	10,371.04

3.16. Misclassification between Revenue and Capital Expenditure

During the year 2021-22 Government of West Bengal incorrectly booked expenditure of ₹2,007.89 crore under Capital Section instead of Revenue Section as has been determined from the purpose of expenditure. The impact of misclassification on the Revenue Deficit of the State is given under Para 9.8.

CHAPTER-IV

CONTINGENCY FUND

4.1. Contingency Fund

In exercise of the powers conferred by Section 2 of the West Bengal Contingency Fund Act, 1950, the State Government made the West Bengal Contingency Fund Rules, 1955, for regulating all matters connected with or ancillary to the custody of, payment of monies into, and the withdrawal of monies from, the Contingency Fund of the State of West Bengal. The Contingency Fund of the State of West Bengal has a corpus of ₹20.00 crore. At the end of 2021-22, ₹58.47 crore remained un-recouped under various heads. The details are as below:

(₹ in Crore)

Sl. No.	Major Heads	Amount
1.	2049-Interest Payments	56.10
2.	2055-Police	0.36
3.	2210-Medical and Public Health	0.05
4.	2405-Fisheries	0.08
5.	4701-Capital Outlay on Major and Medium Irrigation	0.14
6.	5054-Capital outlay on Roads and Bridges	1.74
Total		**58.47**

As on 31 March 2022, Contingency Fund balance was ₹(-)38.47 crore.

Non-recoupment of Contingency Fund has resulted in understatement of Revenue Deficit and Fiscal Deficit as depicted in Para 9.8.

CHAPTER-V

PUBLIC ACCOUNTS

5.1. National Pension System

The National Pension System is not applicable for State Government employees. All India Services (AIS) officers and other Central Government employees on deputation to the State recruited on or after first January 2004 are covered under the National Pension System (NPS) which is a Defined Contribution Pension Scheme.

During the year 2021-22, total contribution to the NPS which is a Defined Contribution Pension Scheme was ₹10.73 crore (Employees' contribution ₹4.45 crore and Government's contribution ₹6.28 crore). The detailed information on government contribution is available in Statement No. 15 of the Finance Accounts. The Government transferred ₹10.73 crore to the Public Account under Major Head 8342-117 Defined Contribution Pension scheme. The Government's contribution to the NPS was excess by ₹0.05 crore which resulted in overstatement of Revenue deficit and Fiscal deficit to that extent.

5.2. Interest Bearing Reserve Fund

5.2.1. State Compensatory Afforestation Fund

In compliance with the instructions issued by the Ministry of Environment, Forests and Climate Change, Government of India, the State Governments are required to establish the State Compensatory Afforestation Fund under interest bearing section in Public Account of the State for amounts received from user agencies for undertaking Compensatory Afforestation.

5.2.1.1. 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* to 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.

5.2.1.2. Status of the State Compensatory Afforestation Fund

During the year 2021-22, the State Government has not received any amount from the user agencies. No amount has been remitted to the National fund during the year 2021-22. The Government has also not received any amount from National Compensatory Afforestation Deposit. The total balance in the State Compensatory Afforestation Fund as on 31 March 2022 was ₹240.20 crore.

5.2.2. State Disaster Risk Management Fund (SDRMF)

As per recommendation of Fifteenth Finance Commission and as accepted by the Central Government, the State Disaster Risk Management Fund (SDRMF) has been created for disaster response and disaster mitigation and the amount which would be received on account of State Disaster Risk Management Fund will be required to be divided into 80:20 basis to the State Disaster Response Fund (SDRF) and State Disaster Mitigation Fund (SDMF).

The State Disaster Response Fund and the State Disaster Mitigation Fund will be constituted with the nomenclature "State Disaster Response Fund" and "State Disaster Mitigation Fund" in the Public Account under the Reserve Fund bearing interest in the Major Head 8121- General and other Reserve Fund-00-122 and 8121-General and other Reserve Fund-00-130 respectively in the accounts of the State Government. The Government of India will contribute 75 *per cent* of the total yearly allocation in the form of a non-plan grant and the balance 25 *per cent* will be contributed by the State Government concerned.

During the year 2021-22, the State Government received ₹1,011.00 crore as Central Government's share (₹606.60 crore towards SDRF and ₹404.40 crore towards SDMF). The State Government's share during the year is ₹337.00 crore (₹202.20 towards SDRF and ₹134.80 crore towards SDMF). The State Government transferred ₹1,348.00 crore (Central share ₹1,011.00 crore, State share ₹337.00 crore) to the Fund under Major Head 8121-122 SDRF and Major Head 8121-130 SDMF. The State received ₹350.13 crore from the Central Government towards NDRF.

The contributions to the Fund, expenditure and the balance therein are given below:

(₹ in Crore)

Fund	Opening balance (01 April 2021)	Contribution by Centre	State Share	Interest Received	Receipts under NDRF	Total receipts during the year	Amount set off (MH 2245)	Balance in the fund	Invested by RBI/State Government during the year
SDRF	1,692.61	606.60 [1]	202.20[3]	157.65 [5]	350.13	1,316.58	1,480.22	1,528.97	200.00
SDMF	0.00	404.40[2]	134.80[4]	---	---	539.20	57.34	481.86	---
TOTAL	1,692.61	1,011.00	337.00	157.65	350.13	1,855.78	1,537.56	2,010.83	200.00

[1] Central share during 2021-22 ₹808.80 crore *minus* transferred from SDRF to SDMF for 2020-21 ₹202.20 crore.
[2] Central share during 2021-22 ₹202.20 crore *plus* transferred to SDMF from SDRF for 2020-21 ₹202.20 crore.
[3] State share during 2021-22 ₹269.60 crore *minus* transferred from SDRF to SDMF for 2020-21 ₹67.40 crore.
[4] State share during 2021-22 ₹67.40 crore *plus* transferred to SDMF from SDRF for 2020-21 ₹67.40 crore.
[5] ₹157.65 crore includes ₹56.09 crore pertains to 2020-21 and ₹101.56 crore for 2021-22.

The entire expenditure of ₹1,537.56 crore incurred on natural calamities was set off (MH 2245) against the Fund balance of ₹3,548.39 crore. The balance lying under the Fund (SDRF and SDMF) as at the end of 31 March 2022 was ₹2,010.83 crore

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

Government is liable to pay/adjust interests in respect of balances under category J-Reserve Funds (a. Reserve Funds bearing interest) and K-Deposit and Advances (a. Deposits bearing interest), and for this purpose, specific Sub-Major Heads are provided in the List of Major and Minor Heads of Account.

Details of these Funds/Deposits and interests paid by the Government during the year 2021-22 are given below:

(₹ in Crore)

Funds/Deposits		Balance on 1 April 2021	Interest due	Interest paid	Interest short(+)/ Excess(-) paid
J. Reserve Funds (a. Reserve Funds bearing interest)	State Compensatory Afforestation Fund	233.16	7.81	7.81	0.00
	State Disaster Response Fund	1,508.98	90.54	101.56	(-)11.02
K. Deposit and Advances (a. Deposits bearing interest)	Civil Deposits	21,117.55	1,499.35	1,346.85	152.50
	Deposits of local Funds & Other Deposits	1,810.67	-	-	-
	Total		**1,597.70**	**1,456.22**	**141.48**

Short payment of the interest amounting to ₹141.48 crore has resulted in understatement of Revenue and Fiscal Deficit by ₹141.48 crore.

5.3. Reserve Funds not bearing Interest

5.3.1. Consolidated Sinking Fund

The Government of West Bengal set up the Consolidated Sinking Fund for amortization of loans in 2008-09. According to the guidelines of the Fund, States may contribute a minimum of 0.5 *per cent* of their outstanding liabilities (internal debt + public account) as at the end of the previous year to the Consolidated Sinking Fund. Following are the transactions in the Fund:

(₹ in Crore)

Opening balance As on 01 April 2021	Additions to the Fund (Contribution and interest)		Payments out of the Fund	Total balance in the Fund	Amount invested by RBI during the year	Closing balance as on 31 March 2022
	Required contribution (0.5 per cent of the outstanding liabilities as on 31 March 2021)	Contribution and interest added during the year				
10,196.77	**2,432.15**	**904.89** @	**0.00**	**11,101.66**	**904.89**	**11,101.66**#

@ Includes investment of ₹100.00 crore and re-investment of interest of ₹804.89 crore.

\# The entire amount has been invested by the RBI.

5.3.2. Guarantee Redemption Fund

The State Government constituted the Guarantee Redemption Fund in 2014 vide notification No. 1240-FB dated 02 January 2015 that is administered by RBI. The latest amendment to the Fund notification issued by the State Government, effective from the year 2014-15, stipulates that the State Government shall initially contribute a minimum of 1 *per cent* and thereafter at the rate of 0.5 *per cent* of outstanding guarantees at the end of the previous year to achieve a minimum level of 3 *per cent* in next five years. The Fund shall be gradually increased to a desirable level of 5 *per cent*.

During the year Government contributed only ₹50.00 crore as against ₹38.64 crore it was required to contribute to the Fund. The total accumulation of the Fund was ₹747.87 crore as on 31 March 2022 (₹645.89 crore as on 31 March 2021). The details are given below.

(₹ in Crore)

Opening balance (as on 01 April 2021)	Additions to the Fund (contribution and interest)			Payments out of the Fund	Total balance in the Fund	Required balance in the Fund (Minimum of 3% of the Total outstanding Guarantees as on 31 March 2021)	Amount invested by RBI during the year 2021-22	Closing balance (as on 31 March 2022)
	Required contribution (0.50 % of Total outstanding Guarantees as on 31 March 2021)	Actuals during 2021-2022						
		Contribution (0.65 % of Total outstanding Guarantees as on 31 March 2021)	Interest					
645.89	**38.64**	**50.00**	**51.98**	**0.00**	**747.87**	**245.35**	**101.98**	**747.87**

5.4. Central Road Fund (CRF)

Government of India provides annual grants under the CRF to the State Government to incur expenditure on specific road projects. In terms of the extant accounting procedure, the grants are to be initially booked as Revenue Receipts under Major Head "1601 Grants-in- aid". Thereafter the amount so received is to be transferred by the State Government to the Public Account under Major Head "8449-Other Deposits-103 Subvention from Central Road Fund", through Revenue Expenditure Major Head "3054 Roads and Bridges". This process ensures that receipt of the grants do not result in overstatement of Revenue Surplus or understatement of Revenue Deficit in the accounts. The expenditure on prescribed road works under CRF will first be accounted for under the relevant Capital or Revenue Expenditure section (Major Heads 5054 or 3054) and reimbursed out of the Public Account under Major Head 8449 as a deduct expenditure to the concerned Major Head (5054 or 3054 as the case may be).

During the year 2021-22 the State Government has not received any grants towards CRF and hence transferred of amount to the Deposit Head 8449 through expenditure Head 3054 does not arise. No amount has been incurred from the fund during the year. Therefore, the closing balance in the fund was ₹69.90 crore as on 31 March, 2022.

5.5. 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 in next page:

(₹ in Crore)

Suspense and Remittance balances						
Name of the Major/Minor Head	**2019-20**		**2020-21**		**2021-22**	
8658-Suspense Accounts	**Dr.**	**Cr.**	**Dr.**	**Cr.**	**Dr.**	**Cr.**
101-PAO Suspense	187.76	5.63	34.99	(-)1.13	(-)18.47	2.81
Net	**Dr. 182.13**		**Dr. 36.12**		**Cr. 21.28**	
102-Suspense Account (Civil)	1,261.17	1,338.14	714.73	338.41	252.96	722.22
Net	**Cr. 76.97**		**Dr. 376.32**		**Cr. 469.26**	
110- RB Suspense CAO	544.82	279.00	82.36	(-)0.02	(-)8.81	(-)164.10
Net	**Dr. 265.82**		**Dr. 82.38**		**Dr. 155.29**	
112-TDS Suspense	0.00	185.19	0.00	269.40	0.00	(-)397.16
Net	**Cr. 185.19**		**Cr. 269.40**		**Dr. 397.16**	
129-MPSSA	0.02	67.46	0.02	67.46	0.02	67.46
Net	**Cr. 67.44**		**Cr. 67.44**		**Cr. 67.44**	
8782 Cash Remittances and Adjustments, etc.	**Dr.**	**Cr.**	**Dr.**	**Cr.**	**Dr.**	**Cr.**
102-P.W. Remittances	66,973.96	66,587.64	66,973.96	66,587.64	66,973.96	66,587.64
Net	**Dr. 386.32**		**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 ₹169.20 crore on account of decretal awards in favour of the Engineering Departments of the Government of West Bengal in different years including 2021-22 . 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.

5.6. Major Cesses collected by the State Government

5.6.1. Buildings and other Construction Workers Welfare Cess

The Government of India enacted the Building and Other Construction Workers Welfare Cess Act, 1996 (Cess Act) to levy and collect cess for providing benefits to the workers.

During the year 2021-22, the Government collected ₹158.28 crore (2020-21: ₹360.66 crore) as Labour Cess under Major Head '8342-00-113-Solatium Fund-002-West Bengal Building and Other Construction Workers Welfare Cess' and transferred ₹18.62 crore (2020-21: ₹9.02 crore) to the Building and Other Construction Workers Welfare Board. Thus, the un-transferred amount from the Major head '8342-00-113-Solatium Fund-002-West Bengal Building and Other Construction Workers Welfare Cess' was ₹139.66 crore as on 31 March 2022 (₹351.64 crore as on 31 March 2021).

5.6.2. Motor Transport Workers' Welfare Cess

In terms of 'West Bengal, Motor Transport Workers Welfare Cess Act 2010', cess is collected on motor vehicles carrying passengers or goods by road for hire or reward for the financing of schemes to promote social security, health and welfare of motor transport workers and for matters connected therewith and incidental thereto. This cess so collected is deposited in the Public Account under the Major Head '8443-00-116-002-Deposit of West Bengal Motor Transport Workers' Welfare Cess Act 2010'.

During 2021-22, the Government collected ₹28.73 crore and deposited the amount so collected under Major Head '8443-00-116-002-Deposit of West Bengal Motor Transport Workers' Welfare Cess Act 2010'. An amount of ₹14.28 crore was withdrawn, leaving a balance ₹52.91 crore (Opening Balance as on 01 April 2021 ₹38.46 crore *plus* ₹28.73 crore *minus* ₹14.28 crore) at the end of 31 March 2022.

5.6.3. Other Cess

During the year 2021-22, the Government collected ₹2,012.81 crore (2020-21: ₹2,134.84 crore) being the collection of cess (other than Labour Cess and West Bengal Motor Transport Workers Welfare Cess). Out of total collection of ₹2,012.81 crore (2020-21: ₹2,134.84 crore), no amount was transferred to the designated fund as the same has not been created by the State Government. Non-transfer of cess of ₹2,012.81 crore to the relevant Fund has resulted in understatement of Revenue Deficit and Fiscal Deficit to that extent. The impact of non-transfer of cess on Revenue and Fiscal Deficit is given in Para 9.8.

5.7. Adverse Balance

Minus balances appearing in the accounts during the year are given below. The minus balances under these heads were due to misclassification and are under review/corrections.

(₹ in Crore)

Major Heads	Major Head Description	Minus balance
7610	Loans to Government Servants etc.	0.04
8011	Insurance and Pension Funds	246.59
8342	Other Deposits	168.85
Total		**415.48**

5.8. Cash Balance

The Cash balance as on 31 March 2022 as per the record of Accountant General was ₹6.90 crore (Debit) and that reported by the RBI was ₹43.45 crore (Debit). There was a net difference of ₹36.55 crore (Debit), mainly due to non-reconciliation of figures by RBI and the agency bank branches. The difference is under reconciliation.

The differentials in Cash Balance for the previous years are given below:

(₹ in Crore)

Year	Cash Balance
Upto 2017-18	42.69 (Dr.)
2018-19	17.33 (Cr.)
2019-20	18.64 (Cr.)
2020-21	19.38 (Cr.)
2021-22	36.55 (Dr.)

5.9. Cash Balance and Investment of Cash Balance

(₹ in Crore)

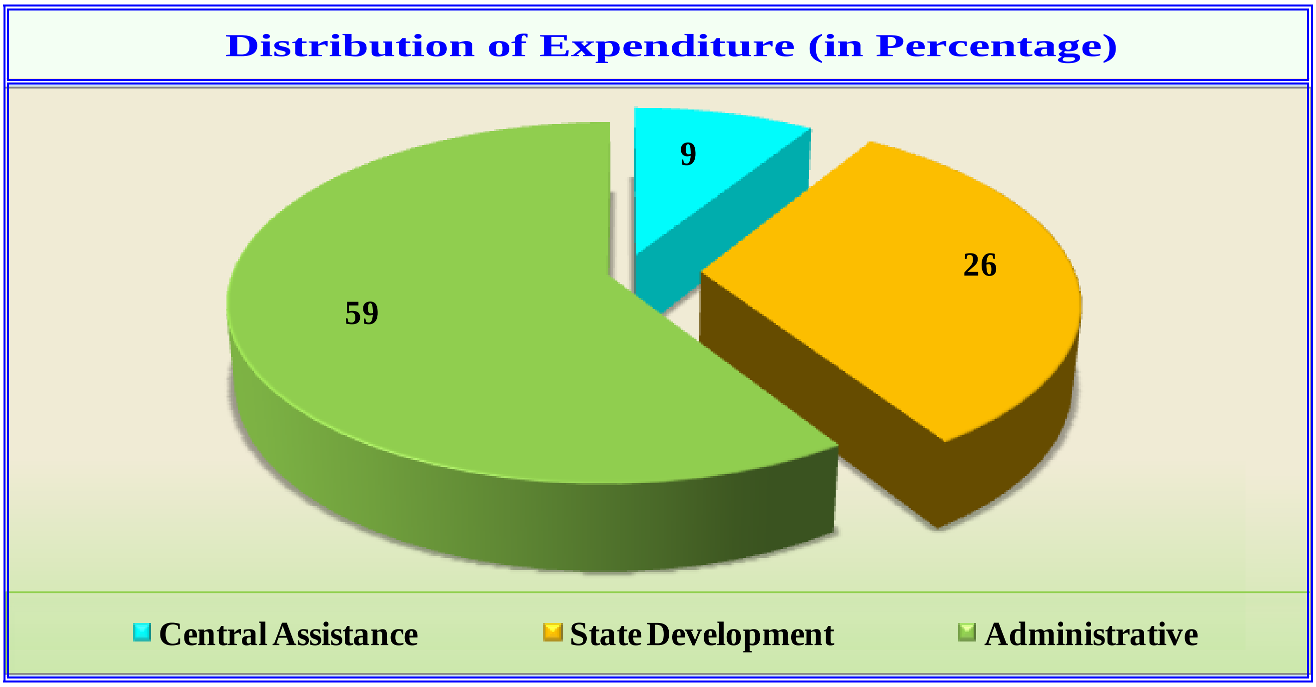
Component	As on 1 April 2021	As on 31 March 2022	Net increase(+)/ decrease(-)
Cash Balance	(-) 20	7	27
Investments from cash balance (GOI Treasury Bills)	21,238	20,360	(-) 878
Investments from Earmarked Funds	11,026	12,233	1,207
(a) Sinking Fund	10,197	11,102	905
(b) Guarantee Redemption Fund	646	748	102
(c) Other Funds	183	383	200
Interest realised	63	95	32

CHAPTER-VI

SCHEME & ADMINISTRATIVE EXPENDITURE

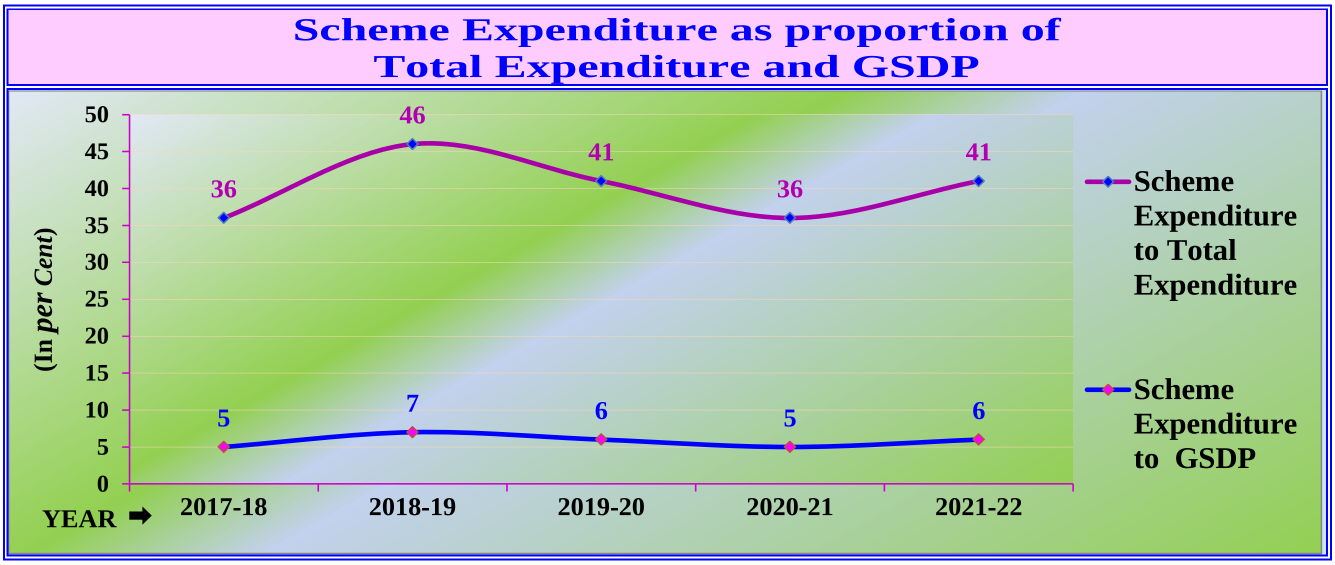
6.1. Distribution of Expenditure

The total expenditure during the year was ₹2,28,746 crore representing State Development expenditure of ₹72,817 crore, Central Assistance expenditure of ₹20,750 crore and Administrative expenditure of ₹1,35,179 crore.



6.2. Scheme Expenditure

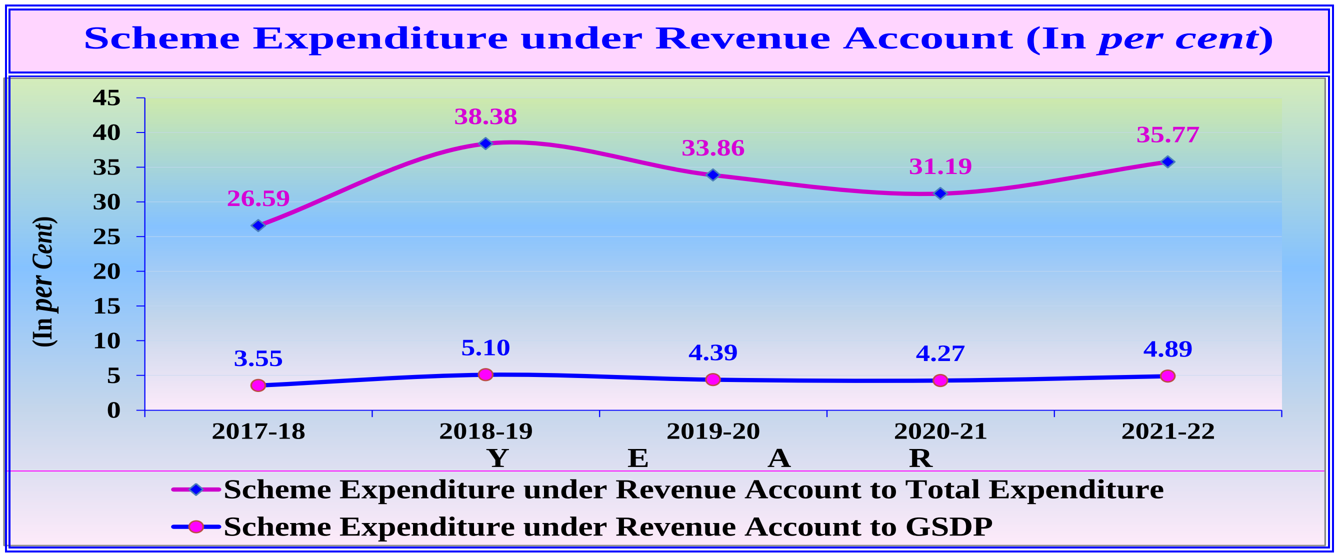
During 2021-22, Scheme expenditure, representing 41 *per cent* of total disbursements, was ₹93,567 crore [₹71,813 crore under State Development Scheme, ₹20,493 crore under State Development (Central Assistance) Scheme, ₹332 crore under Central Sector Scheme and ₹929 crore on Loans and Advances].



6.2.1. Scheme Expenditure under Revenue Account

(₹ in Crore)

Description	2017-18	2018-19	2019-20	2020-21	2021-22
Total Revenue Expenditure	1,41,077	1,56,374	1,62,575	1,77,921	2,10,160
Revenue Expenditure (Scheme)	37,515	60,022	55,044	55,497	75,177
Percentage of Revenue Expenditure (Scheme) to Total Revenue Expenditure	27	38	34	31	36

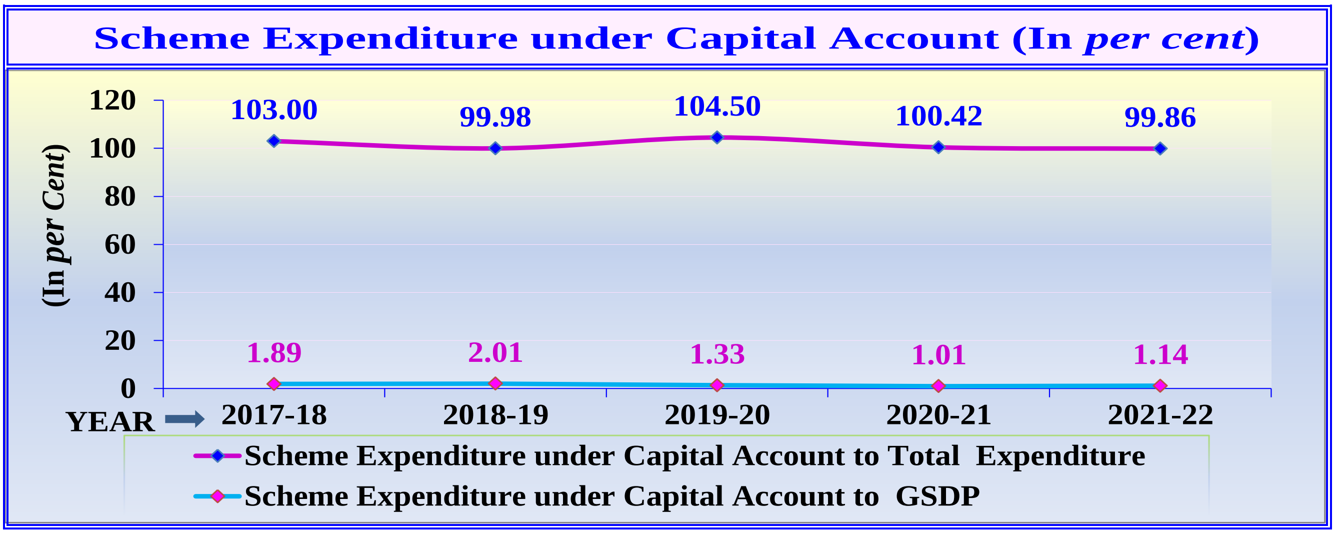


6.2.2. Scheme Expenditure under Capital Account

(₹ in Crore)

Description	2017-18	2018-19	2019-20	2020-21	2021-22
Total Capital Expenditure	19,338	23,717	15,971	13,034	17,484
Capital Expenditure (Scheme)	19,919	23,712	16,690	13,089	17,460
Percentage of Capital Expenditure (Scheme) to Total Capital Expenditure	103	100	105	100	100

Note: Capital Expenditure excludes Loans and Advances.



6.2.3. Scheme Expenditure on Loans and Advances

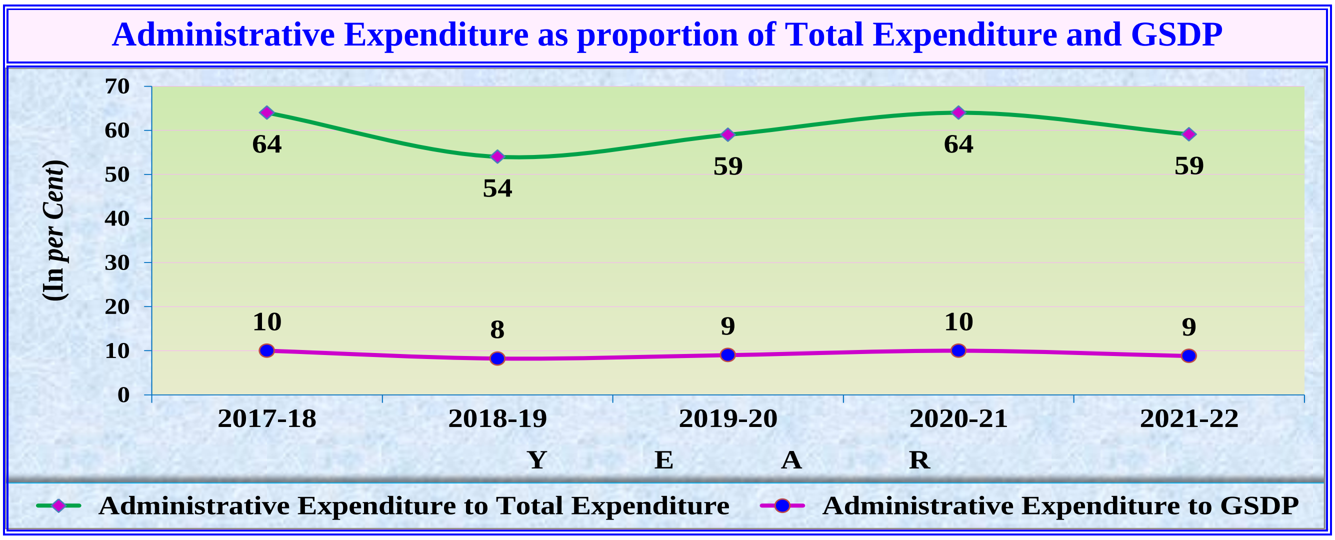
Significant disbursements of Loans and Advances were as under:

(₹ in Crore)

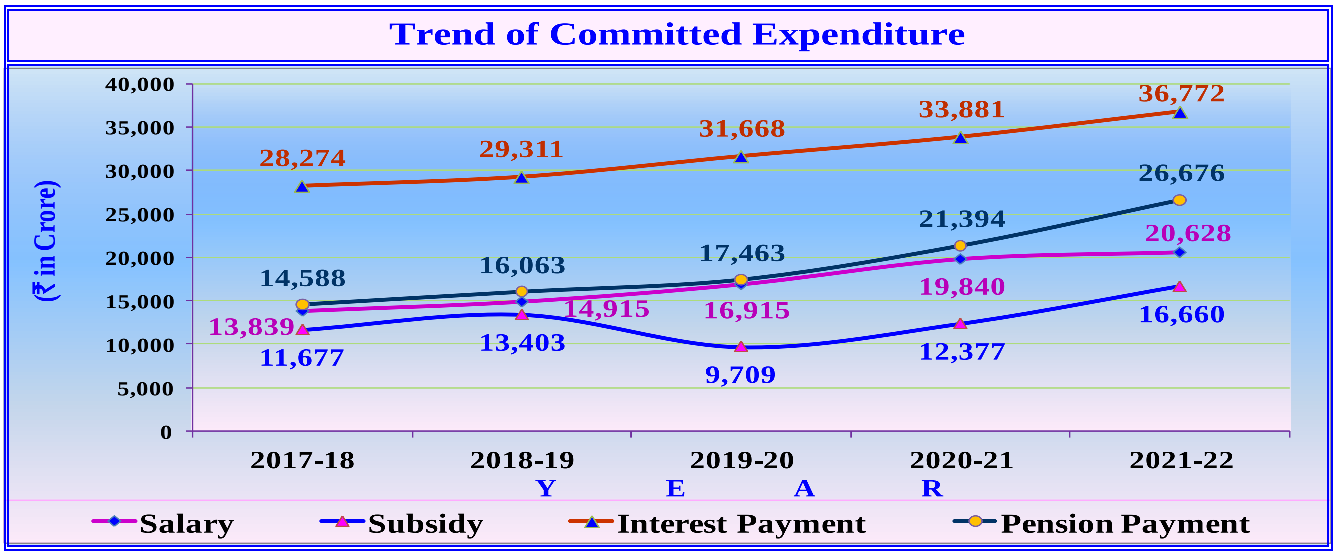
Description	Amount	Details
MH – **6217 -** Loans for Urban Development	**257.25**	Loan to Kolkata Municipal Corporation for Kolkata Environmental Improvement Investment Program (KEIIP) (ADB) [EAP].
MH – **6225 -** Loans for Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes and Minorities	**35.00**	Loans to meritorious and needy students on minority communities studying professional/Technical/Vocational
MH – **6801 -** Loans for Power Project	**500.00**	Loan to Consumers' Co-operatives for Distribution of Consumers' Article in Rural Areas
MH – **6851-** Loans for Village and Small Industries	**0.11**	Loan to Back to Back Loan for Repayment of CCL raised for Jai Bangla Schme & payment of Interest thereon [PN].
MH – **6860 -** Loans for Consumer Industries	**7.72**	Loan to Modernisation of Tamralipta Co-operative Spinning Mills Ltd.
MH – **7055 -** Loans for Road Transport	**100.58**	Loans to Calcutta State Transport Corporation ₹19.00 crore, North Bengal State Transport Corporation ₹12.75 crore, South Bengal State Transport Corporation ₹19.83 crore, West Bengal Surface Transport Corporation Ltd ₹6.50 crore, Calcutta Tramways Company Ltd. ₹24.00 crore, Calcutta State Transport Corporation ₹4.20 crore, North Bengal State Transport Corporation ₹2.00 crore, South Bengal State Transport Corporation ₹3.56 crore, Calcutta State Transport Corporation ₹3.30 crore, North Bengal State Transport Corporation ₹1.75 crore and South Bengal State Transport Corporation ₹3.69 crore for development of road transport services.
MH – **7056 -** Loans for Inland water Transport	**20.52**	Loans to West Bengal Surface Transport Corporation Ltd. for development and maintenance of IWT Service ₹15.03 crore and Shalimar Works (1980) Ltd. ₹5.49 crore.
MH – **7452 -** Loans for Tourism	**3.00**	Loans to W.B.T.D.C.L.(West Bengal Tourism Development Corporation Ltd)
MH – **7465 -** Loans for General Financial and Training Institutions	**5.00**	Loans to West Bengal Mineral Development and Trading Corporation

6.3. Administrative Expenditure

During 2021-22, Admtntstrative expenditure representing 59 *per cent* of total disbursements, was ₹1,35,179 crore, (₹1,34,982 crore under Revenue and ₹197 crore under Capital).



6.4. Committed Expenditure



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

(₹ in Crore)

Component	2017-18	2018-19	2019-20	2020-21	2021-22
Committed Expenditure	68,378	73,692	75,755	87,492	1,00,736
Revenue Expenditure	1,41,077	1,56,374	1,62,575	1,77,921	2,10,160
Revenue Receipts	1,31,270	1,45,975	1,42,914	1,48,394	1,78,159
Percentage of Committed Expenditure to Revenue Receipts	52	50	53	59	57
Percentage of Committed Expenditure to Revenue Expenditure	48	47	47	49	48

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

CHAPTER-VII

APPROPRIATION ACCOUNTS

The Appropriation Accounts of the Government of West Bengal for the year 2021-22 present the Accounts of sums expended in the year ended 31 March 2022 compared with the sums specified in the Schedules appended to the Appropriation Act passed under Articles 204 and 205 of the Constitution of India.

7.1. Summary of Appropriation Accounts

(₹ in Crore)

Nature Of Expenditure		Original Grant	Supple-mentary Grant	Surrender (by way of Re-appro-priation)	Total	Actual Expenditure	Savings(-) Excess(+)
Revenue	Voted	1,82,887	13,596	--	1,96,483	1,75,407	(-) 21,076
	Charged	*33,229*	*4,817*	--	*38,046*	*37,031*	*(-)1,015*
Capital	Voted	33,560	1,621	--	35,181	17,964	(-)17,217
	Charged	*16*	*61*	--	*77*	*39*	*(-)38*
Public Debt	Voted	--	--	--	--	--	--
	Charged	*61,043*	*472*	--	*61,515*	*31,540*	*(-)29,975*
Loans and Advances	Voted	1,474	185	--	1,659	1,102	(-) 557
	Charged	--	--	--	--	--	--
Total		3,12,209	20,752	--	3,32,961	2,63,083	(-)69,878

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

(₹ in Crore)

Year	Savings (-)/Excess (+)				
	Revenue	Capital	Public Debt	Loans & Advances	Total
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
2020-21	(-) 15,979	(-) 18,006	(-) 21,440	(-) 1,737	(-) 57,162
2021-22	(-) 22,091	(-) 17,255	(-) 29,975	(-) 557	(-) 69,878

7.3. 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 in next page:

(In *per cent*)

Grant No.	Name of Grant	2017-18	2018-19	2019-20	2020-21	2021-22
01	Legislative Assembly Secretariat	42	38	32	30	20
04	Agricultural Marketing	62	41	62	81	78
05	Agriculture	33	13	52	58	28
10	Consumer Affairs	23	32	40	35	35
16	Environment	40	36	47	71	63
22	Food Processing Industries & Horticulture	60	45	65	66	59
32	Irrigation and Waterways	45	40	42	46	39
38	Minority Affairs and Madrasah Education	32	19	43	50	46
52	Tourism	62	41	40	74	74
55	Water Resources Investigation & Development	25	20	24	35	38
75	Industry, Commerce and Enterprises	26	48	73	99	70

During 2021-22, out of total Supplementary Grants of ₹20,751 crore, an amount of ₹11,713 crore proved to be unnecessary in 10 grants where there were significant savings at the end of the year even against original allocations. The instances are given below:

(₹ in Crore)

Grant No.	Name of Grant	Original	Supple-mentary	Actual Expenditure
7	Backward Classes Welfare	2,172	220	2,019
18	Finance	1,17,981	5,441	96,202
40	Panchayats & Rural Development	23,988	150	17,729
53	Transport	1,902	567	1,571
55	Water Resources Investigation & Development	1,468	141	991
68	Home and Hill Affairs	11,950	743	11,708
71	Planning and Statistics	401	158	323
72	Urban Development and Municipal Affairs	12,464	1,459	11,170
73	Disaster Management and Civil Defence	3,955	406	3,593
74	Women & Child Development and Social Welfare	16,047	2,428	15,361

Under the Following Department, there was excess expenditure at the end of the year even after Supplementary allocations were made:

(₹ in Crore)

Grant No.	Name of Grant	Original	Supplementary	Actual Expenditure
43	Power	2,599	612	3,404

CHAPTER-VIII

ASSETS AND LIABILITIES

8.1. 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 ₹18,704.95 crore at the end of 2021-22. However, dividends received during the year were ₹157.94 crore (0.84 *per cent*) on investment. During 2021-22, investment increased by ₹416.63 crore, while dividend income increased by ₹155.95 crore.

Cash Balance with RBI stood at (-) ₹20.37 crore as on 31 March 2021 and decreased to ₹6.90 crore as on 31 March 2022. In addition Treasury Bills amounting to ₹2,14,630.33 crore were purchased and Treasury Bills amounting to ₹2,15,508.33 crore were sold during the period from 01.04.2021 to 31.03.2022. An amount of ₹77.92 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 2021	**Purchased During 2021-22**	**Sold* During 2021-22**	**Closing Balance as on 31 March 2022**
21,237.69	**2,14,630.33**	**2,15,508.33**	**20,359.69**

(*) Sold excludes ₹77.92 crore as interest.

8.2. 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)

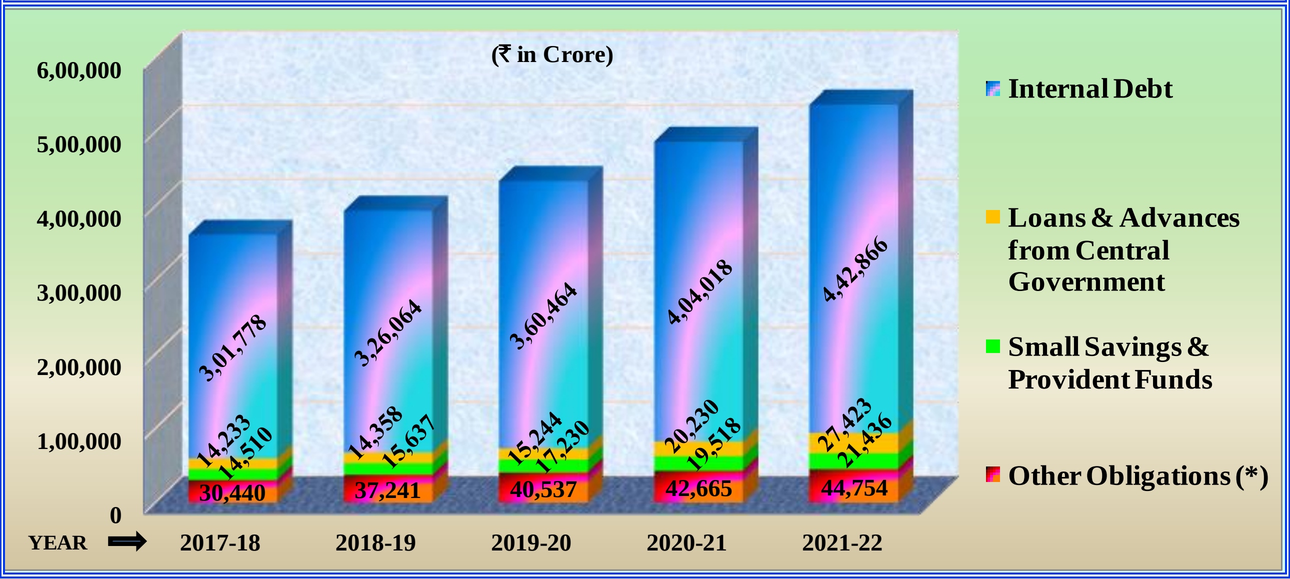
Year	Public Debt	Percentage to GSDP	Public Account (*)	Percentage to GSDP	Total Liabilities	Percentage to GSDP
2017-18	3,16,011	30	44,950	4	3,60,961	34
2018-19	3,40,422	29	52,878	4	3,93,300	33
2019-20	3,75,708	30	57,767	5	4,33,475	35
2020-21	4,24,247	32	62,182	5	4,86,430	37
2021-22	4,70,288	31	66,190	4	5,36,478	35

(*) Excludes suspense and remittance balances.

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

During last five years, Public Debt increased by 49 *per cent*.

Trends in Government Liabilities



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

8.3. Guarantees given by the Government

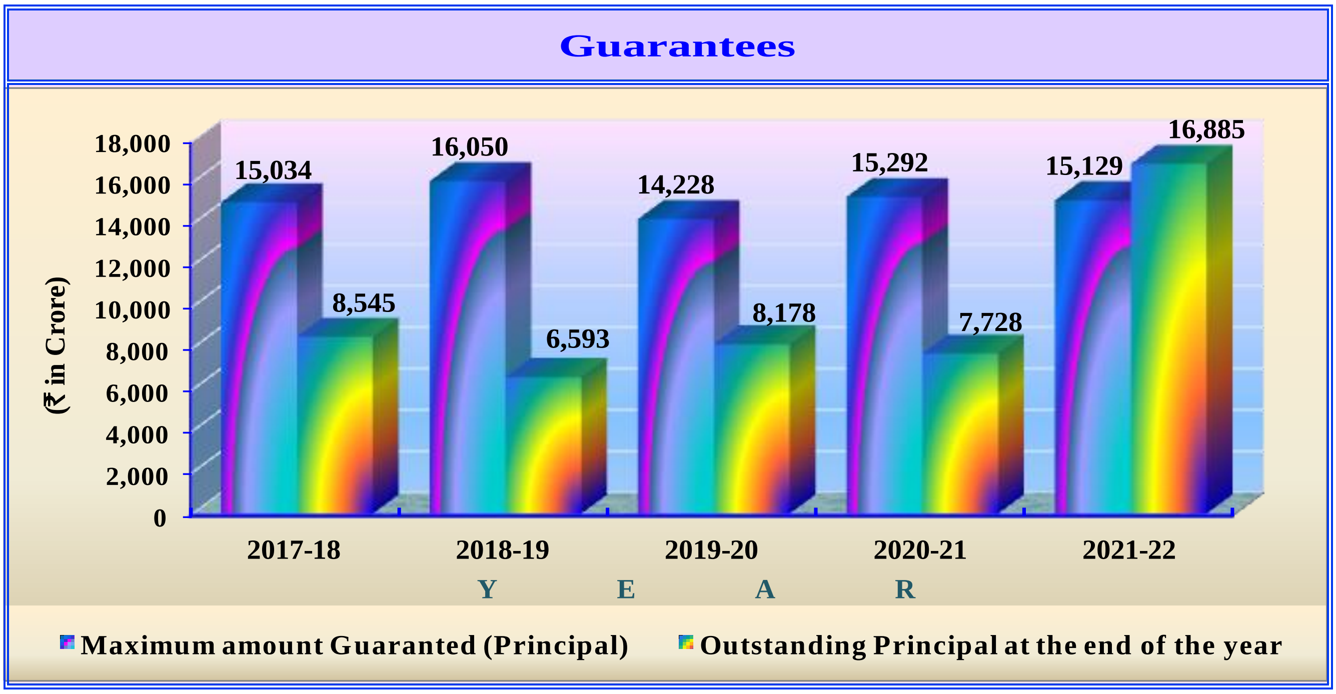
In terms of the West Bengal Ceiling on Government Guarantees Act, 2001, the total outstanding Government Guarantees as on 01 April of any year shall not exceed 90 *per cent* of the State Revenue Receipts of the second preceding year. During the year, the State Government issued guarantee of ₹9,775.14 crore. The outstanding guarantees of ₹12,204.89 crore as on 01 April 2021, work out to 8.54 *per cent* of the State Revenue Receipts of the year 2019-2020 (₹1,42,914.21 crore) and are within the limits prescribed.

During 2021-22, the State Government did not receive any amount towards guarantee commission. Under the Government Guarantee Act 2001, the Government shall charge a minimum of one *per cent* of the guaranteed amount as guarantee commission which works out to ₹97.75 crore.

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
2017-18	15,034	8,545	25
2018-19	16,050	6,593	29
2019-20	14,228	8,178	34
2020-21	15,292	7,728	93
2021-22	15,129	16,885	0



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 2021-22 State Government has contributed ₹50.00 crore and Interest accrued ₹51.98 crore. Outstanding Guarantee as on 01 April 2021 was ₹12,204.89 crore.

CHAPTER-IX

OTHER ITEMS

9.1. 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 Public Works and Forest Divisions. During the year, average delay in submission of monthly accounts by the treasuries was 23.89 days. However, there was no exclusion of accounts at the end of the year.

9.2. Reconciliation of Receipts and Expenditure between CCOs and Pr. Accountant General (A&E)

All Controlling Officers are required to reconcile receipts and expenditure of the Government with the figures accounted for by the Accountant General (A&E), West Bengal. During the year 2021-22, receipts amounting to ₹2,55,798.24 crore (100 *per cent* of total receipts) and expenditure amounting to ₹2,60,285.69 crore (100 *per cent* of total expenditure) were reconciled by the State Government.

9.3. Loans and Advances by the State Government

Total Loans and Advances made by the State Government at the end of 2021-22 were ₹17,150.33 crore. Of this, Loans and Advances to Government Corporations/Companies, Non-Government Institutions and Local Bodies amounted to ₹17,143.96 crore. During the year, ₹96.73 crore was received as interest.

9.4. Opening of New Sub Heads/Detailed Heads of Accounts without advice

According to Article 150 of the Constitution of India, the accounts of the State are to be kept in the form as advised by the Comptroller and Auditor General of India. During 2021-22, the Government of West Bengal opened 52 new Heads (Five under the Revenue Section, Five under Capital section and 16 under both Revenue and Capital and 26 under Public Account) in the budget, without seeking the advice of the Comptroller and Auditor General as required under the Constitution. The State Government provided budget provisions under 15 heads and incurred expenditure of ₹5,986.61 crore under the Revenue Section and ₹1.99 crore under the Capital Section in these heads during 2021-22.

9.5. Off-Budget Liabilities of State Government

The Fifteenth Finance Commission recommended that all committed expenditure and developmental expenditure are met from the augmented borrowing space without resort to off-budget or any non-transparent means of financing for any expenditure. The State Government did **not disclose** the off-budget liabilities in their budget documents/annual financial statements.

9.6. Disclosures in accordance with Indian Government Accounting Standards (IGAS)

9.6.1. Guarantees given by Governments (IGAS-1)

IGAS-1 requires that sector-wise and class-wise disclosures on guarantees given by the State Government should be incorporated in Finance Accounts. Statements 9 and 20 show the details of Guarantees given by the

State Government and the interest on the guaranteed amount. Both sector-wise and class-wise details have been disclosed in Finance Accounts of the State. However, information regarding invocation of Guarantees during 2021-22 and automatic debit mechanism and structured arrangement were not provided by the State Government.

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.

9.6.2. Accounting and Classification of Grants-in-aid (IGAS-2)

As per IGAS-2, expenditure relating to Grants-in-aid should be classified as revenue expenditure even if it involves creation of assets, except in cases specifically authorized by the President on the advice of the Comptroller and Auditor General of India. Requirements regarding accounting and classification of Grants-in-aid given by the State Government have been depicted in Statement 10 and Appendix III which are prepared as per the requirements of IGAS 2. No amount towards Grants-in-aid was booked under Capital Heads. Detailed information in respect of Grants-in-aid given in kind has not been furnished by the State Government.

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

In compliance with the IGAS 3, Loans and Advances made by the State Government are disclosed in Statements 7 and 18 of the Finance Accounts. The closing balances depicted in Statements as on 31 March 2022 have not been reconciled with the Loanee Entities /State Government. The State Government has also not furnished the figures in respect of certain loans and advances for which they maintain detailed accounts.

In respect of old loans [detailed accounts of which are maintained by the Principal Accountant General (A&E)] amounting to ₹547.48 crore involving 12 Departments, recoveries of principal and interest have not been effected during the past several years and 6,788 such loans are more than 10 years old.

Terms and conditions of repayment of loans have not been settled for loans amounting to ₹9,498.01 crore to Statutory Bodies/Other entities (details are in additional disclosures to Statement 18 of the Finance Accounts). Consequently, the receivables of the State Government on this account could not be estimated.

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 13 out of the 119 loanees have confirmed the balances either fully or partially. Details of information awaited from Departmental Officers for Reconciliation of Balances have been provided in Appendix-VII of Finance Accounts.

9.7. Cheques and Bills

Credit balance under MH 8670 Cheques and Bills indicates cheques issued but remaining un-encashed. The opening balance as on 01 April 2021 was ₹6,123.49 crore (Credit). During 2021-22, cheques worth ₹1,59,205.42 crore were issued, against which cheques worth ₹1,59,467.43 crore were encashed, leaving a closing balance of ₹5,861.48 crore (Credit) as on 31 March 2022. The closing balance represents expenditure originally booked in various financial years under different functional Major Heads, which has not resulted in any cash outflow to the Government of West Bengal till 31 March 2022.

9.8. Impact on the Revenue Deficit and Fiscal Deficit

The impact on the Revenue Deficit and Fiscal Deficit of the Government of West Bengal as brought out in the preceding paras is tabulated below:-

(₹ in Crore)

Para No.	Item (Illustrative)	Impact on Revenue Deficit		Impact on Fiscal Deficit	
		Overstatement	Understatement	Overstatement	Understatement
3.16	Misclassification between revenue and capital	--	2,007.89	--	--
4.1	Non-recoupment of Contingency Fund drawal	--	56.59	--	58.47
5.1	National Pension System (NPS)	0.05	--	0.05	--
5.3.1	Non-contribution to Consolidated Sinking Fund	--	1,527.26	--	1,527.26
5.6.3	Non-Transfer of Cess	--	2,012.81	--	2,012.81
Total (Net) Impact		**5,604.50 Understatement**		**3,598.49 Understatement**	

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