REPORT OF THE
COMPTROLLER AND AUDITOR GENERAL
OF INDIA

REPORT NO. 1
STATE FINANCES

FOR THE YEAR ENDED 31 MARCH 2011

GOVERNMENT OF WEST BENGAL

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PREFACE

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

Chapters 1 and 2 of this Report respectively contain Audit observations on matters arising from examination of Finance Accounts and Appropriation Accounts of the State Government for the year ended 31 March 2011. Information has also been obtained from the Government of West Bengal, wherever necessary.

Chapter 3 on 'Financial Reporting' provides an overview and status of the State Government's compliance with various financial rules, procedures and directives during the current year.

Findings of performance and compliance audits in various departments and observations arising out of audit of Statutory Corporations, Boards and Government Companies and the observations on Revenue Receipts are being presented in separate reports.

EXECUTIVE SUMMARY

The Report

Based on the audited accounts of the Government of West Bengal for the year 2010-2011, this report provides an analytical review of the Annual Accounts of the State Government. The financial performance of the State has been assessed based on the FRBM Act, Budget documents, Economic Review 2010-11, Thirteenth Finance Commission Report and other financial data obtained from various Government departments and organisations. The report is structured in three Chapters.

Chapter 1 is based on the audit of Finance Accounts and makes an assessment of West Bengal Government's fiscal position as on 31 March 2011. It provides an insight into trends in committed expenditure, borrowing patterns besides a brief account of Central funds transferred directly to the State implementing agencies through off budget route.

Chapter 2 is based on Appropriation Accounts and gives the grant by grant description of appropriations and the manner in which the allocated resources were managed by the service delivery departments.

Chapter 3 is an inventory of West Bengal Government's compliance with various reporting requirements and financial rules. The report also has an appendage of additional data collated from several sources in support of the findings.

Audit findings

Finances of the State Government:

Fiscal position of the State: The State Government has succeeded in improving the fiscal situation during 2010-11. Revenue Receipts grew at a healthy rate of 28 *per cent*, while the growth of Revenue Expenditure was contained to 10.32 *per cent*. During the year Revenue Receipts were ₹ 47264.20 crore as against Revenue Expenditure of ₹ 64538.16 crore resulting in Revenue Deficit of ₹ 17273.96 crore. However, the Fiscal Deficit during 2010-11 stood at ₹ 19534.95 crore which was 4.25 *per cent* of GSDP, as against the FRBM Act target of 3.50 *per cent*.

Enactment of Fiscal responsibility Legislation: The State introduced the West Bengal Fiscal Responsibility and Budget Management (WBFRBM) Act in July 2010 and amended it in February 2011 fixing the rolling fiscal targets for 2010-15. The Act aimed at prudence in fiscal management and fiscal stability by progressive elimination of revenue deficit and reduction in fiscal deficit and prudent

debt management consistent with fiscal sustainability and greater transparency. Government, however, did not prepare the detailed indicators and rolling plan for additional resources mobilization as of August 2011.

Prioritisation of Capital expenditure: Capital Expenditure as well as expenditure under Economic Sector is the major indicator of development activity. In both the cases, not only was the actual expenditure far below budget estimate, Capital Expenditure was remarkably low at only three per cent of total expenditure during 2010-11. This was indicative of failure of the State in utilising its high cost borrowed funds in increasing Capital Expenditure and accelerating development, as most of the high cost borrowed funds were utilised to meet Revenue Expenditure.

Transfer of fund to State implementing agency: During 2010-11, GoI directly transferred ₹ 8806.84 crore to the State implementing agencies compared to ₹ 6446.52 crore in 2009-10. Major portion went to Government Autonomous Bodies (₹ 7733 crore). There has been 37*per cent* increase in direct transfer of funds to such agencies in 2010-11 as compared to the previous year. Such direct transfer of funds runs the risk of improper utilisation of funds by these agencies. As these funds remain outside the State budget, there is no single agency monitoring fruitful utilisation. Resultantly, consolidated data is not available as to the quantum of total such funds actually available/spent in relation to Centrally sponsored schemes.

Review of Government investment: Government is getting very little return from its capital outlay on Irrigation works. Return on investment in Statutory Corporations, rural banks etc. depicted a grim picture, varying between zero and 0.08 *per cent*, while Government had to pay interest at the average rate of 7.58 to 9.22 *per cent* on its borrowings during 2006-07 to 2010-11 leading to substantial implicit subsidy.

Financial management and budgetary control:

There was an overall saving of ₹ 1836.70 crore, which was the result of saving of ₹ 10167.43 crore offset by excess of ₹ 8330.72 crore. Excess expenditure of ₹ 2405.26 crore was incurred in 51cases without any provision in the original estimates/supplementary demand. There were instances of inadequate provision

of funds and unnecessary/excessive re-appropriations. In many cases, the anticipated savings were not surrendered leaving no scope for utilising these funds for other development purposes. In violation of the provisions of Budget Manual and West Bengal Financial Rules, the Controlling Officers of test checked Departments did not monitor the progress of expenditure.

Financial Reporting

For ensuring proper utilisation of Government assistance received by autonomous bodies, timely submission of annual accounts assumes utmost importance. However, pendency in submission of annual accounts of autonomous bodies/ authorities coupled with delay in placement of Separate Audit Reports of some of the bodies in the Legislative Assembly diluted the financial control. There were considerable delays in finalising *pro forma* accounts of departmentally managed commercial undertakings indicating laxity in the accountability mechanism of both the management and Government in respect of public funds invested in those undertakings.

Accumulation of unadjusted AC bills and parking of developmental funds in Personal Deposit (PD) / Personal Ledger (PL) Accounts was a major area of concern, as substantial amounts were drawn from treasury or transferred out of the Consolidated Fund of the State without proper treasury checks and Legislative control.

Chapter 1

Finances of the State Government

Profile of West Bengal

West Bengal is an agrarian State with diverse agricultural products. A brief social and economic profile of the State is given in ***Appendix1.1***, which would show that on the social development front the State had fared better than the general category States' average[1] . The Gross State Domestic Product (GSDP) in West Bengal has grown at a lower rate[2] of 13.74 *per cent* in the past decade compared to the average GSDP growth of General Category States (14.68 *per cent*). Over half of its GSDP accrues from the services sector.

1.1 Introduction

This chapter provides a broad perspective of the finances of the Government of West Bengal during the current year and analyses critical changes in the major fiscal aggregates relative to the previous year keeping in view the overall trends during the last five years. The structure of Government Accounts and the layout of Finance Accounts are shown in ***Appendix 1.2.*** The methodology adopted in analysing the trends of State Government finances has been discussed in ***Appendix 1.3.***

The State Government introduced the West Bengal Fiscal Responsibility and Budget Management (WBFRBM) Act in July 2010. As recommended by the Thirteenth Finance Commission, the Act was amended in April 2011 by introduction of WBFRBM (Amendment) Act, in which *inter alia* annual targets for the period 2010-15 were set as Medium Term Fiscal Policy for Debt Stock, revenue deficit and fiscal deficit.

1.2 Summary of Current Year's Fiscal Transactions

Table 1.1 presents the summary of the State Government's fiscal transactions during the current year 2010-11 vis-à-vis the previous year while ***Appendix1.4*** provides details of receipts and disbursements as well as overall fiscal position during the current year.

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[1] *Table 1.21 may also be referred to*

[2] *Compound Annual Growth Rate (CAGR)*

Table 1.1 Summary of Current Year's Fiscal Operations (Rupees in crore)

Receipts			Disbursements				
2009-10		2010-11	2009-10		2010-11		
					Non-Plan	Plan	Total
Section-A: Revenue							
36921.65	Revenue Receipts	47264.20	58499.88	Revenue Expenditure	52491.40	12046.76	64538.16
16899.98	Tax Revenue	21128.74	26356.79	General services	28569.06	111.35	28680.41
2438.11	Non-Tax revenue	2380.49	23995.96	Social Services	18753.81	8589.28	27343.09
11648.16	Share of Union Taxes/Duties	15954.95	7741.84	Economic Services	4764.88	3325.62	8090.50
5935.40	Grants from Government of India	7800.02	405.29	Grants-in-aid and Contributions	403.65	20.51	424.16
Section-B: Capital							
-	Misc. Capital Receipts	-	3011.06	Capital Outlay	(-)6.08	2231.83	2225.75
387.10	Recoveries of Loans and Advances	372.49	752.44	Loans and Advances disbursed	71.16	336.57	407.73
28507.53	Public Debt receipts*	24800.66	7672.07	Repayment of Public Debt*	6846.29	-	6846.29
1.43	Contingency Fund	2.70	2.70	Contingency Fund	0.03	-	0.03
69055.12	Public Account receipts	76696.07	65056.63	Public Account disbursements	74227.77	-	74227.77
4907.45	Opening Cash Balance	4785.50	4785.50	Closing Cash Balance	5675.89	-	5675.89
139780.28	Total	153921.62	139780.28	Total			153921.62

Source: Finance Accounts

**Including net transactions under ways and means advances and overdraft.*

1.2.1 Budget Estimates vis-à-vis Actuals

Budget Estimates (BE) are the detailed estimates of the receipts and expenditure included in the budget for a financial year, which show actuals for the past year, revised estimates for the current year and the budget estimates for the ensuing year. These estimates are expected to prove useful for the Legislature to assess/anticipate the financial position of the Government and serve the departments with financial frameworks under which they have to carry out their operations. The overall responsibility of preparation of budget lies with Finance Department, which is based on the estimates prepared by the Departmental Controlling Officers, after obtaining inputs from the lower level functionaries.

A comparative analysis between budget estimates and actual in respect of certain selected fiscal parameters is brought out in the following table:

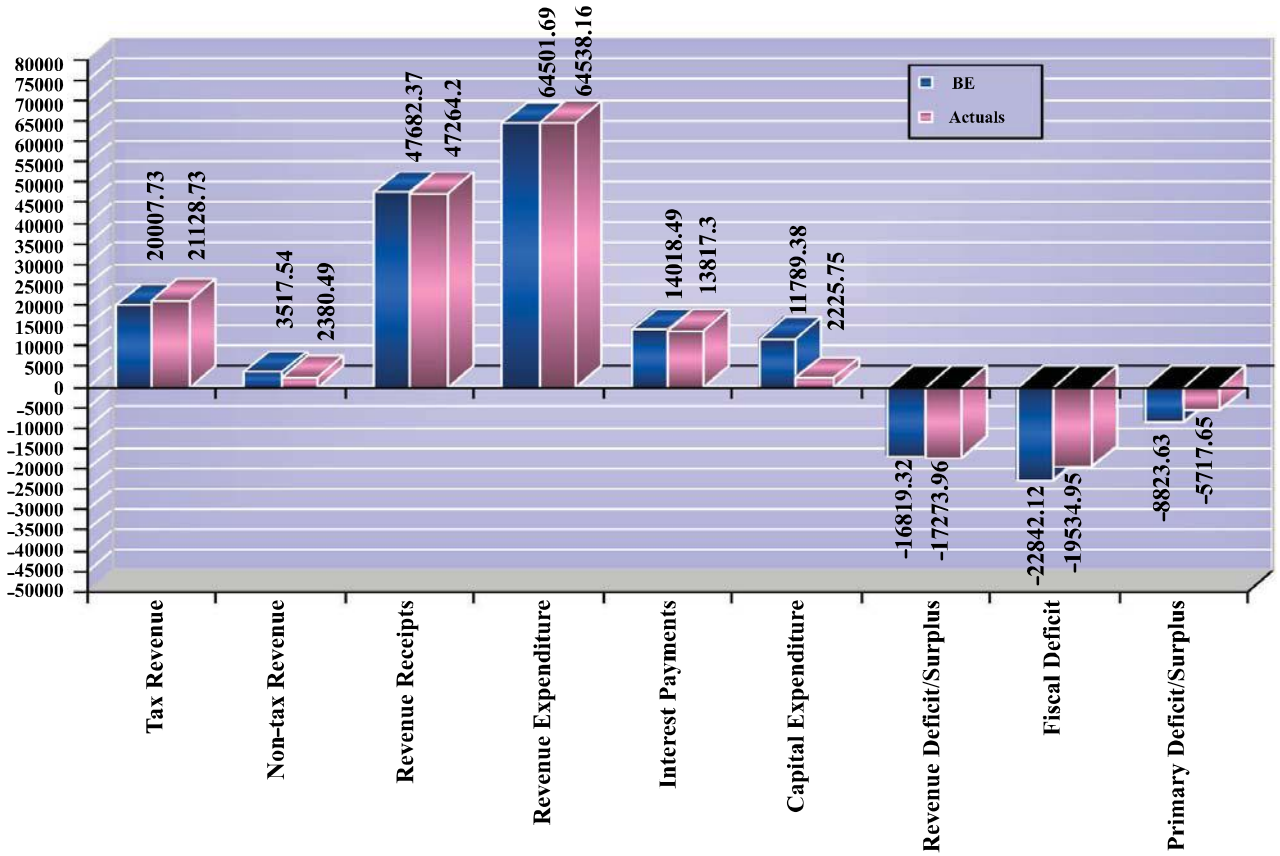
Table 1.2 : Budget Estimates vis-a-vis Actuals (Rupees in crore)

	Budget Estimates	Actual	Percentage variations
Tax Revenue	20007.73	21128.74	(+) 6
Non-Tax Revenue	3517.54	2380.49	(-) 33
Revenue Receipts	47682.37	47264.20	(-) 1
Revenue Expenditure	64501.69	64538.16	0
Interest Payment	14018.49	13817.30	(-) 1
Capital Expenditure	11789.38	2225.75	(-) 81
Revenue Deficit (-)/Surplus(+)	(-) 16819.32	(-) 17273.96	(+) 3
Fiscal Deficit(-)/Surplus(+)	(-) 22842.12	(-) 19534.95	(-) 14
Primary Deficit(-)/Surplus(+)	(-) 8823.63	(-) 5717.65	(-) 35

Source: Budget publications and Finance Accounts

The Position is depicted in the **Chart 1.1**

Chart 1.1 : Selected Fiscal Parameters : Budget Estimates vis-a-vis Actuals during 2010-11



From **Table 1.2** and **Chart 1.1** it can be seen that the actual Capital Expenditure fell drastically short (81 *per cent*) of estimate. The shortfall was mainly under capital outlay on Public Works, Irrigation & Waterways, Housing and Water Resources Investigation & Development. Thus, asset creation was not given as much priority as intended in the BE. Actual receipts under Tax Revenue was marginally higher (6 *per cent*) than that projected in the BE, mainly due to higher collection under Sales Tax. Similarly, Non-Tax Revenue also was 32 *per cent* lower than that projected in the BE, mainly because of less receipts under Interest Receipts and Food Storage & Warehousing compared to the BE. The State, however, managed to contain both Fiscal and Primary Deficits at much lower levels than what had been envisaged in Budget. *However, there is need for effective steps in strengthening tax base and tax realisation with simultaneous containment of Non-Plan Revenue Expenditure to improve the fiscal situation.*

1.2.2 Implementation of West Bengal Fiscal Responsibility and Budget Management (WBFRBM) Act

With a view to ensuring prudence in fiscal management and fiscal stability by progressive elimination of Revenue Deficit, reduction of Fiscal Deficit, prudent debt management and greater transparency in fiscal operation of the State Government, West Bengal Fiscal Responsibility and Budget Management Act, 2010 was passed by the West Bengal State Legislature in July 2010. In compliance with the Act, WBFRBM Rules, 2011 was introduced by the Finance Department in February 2011. The Act was amended with effect from 7 February 2011 by passing

the WBFRBM (Amendment) Act 2011 in April 2011. Extract of the WBFRBM Act 2010 and the Amendment Act are shown in ***Appendix 1.5.***

As per the Act, the State Government was required to bring out the following fiscal documents in prescribed proforma and table the same before the Legislative Assembly along with the Budget:

- Medium-term fiscal policy statement;
- Fiscal policy strategy statement;
- Documents in the nature of Budget in brief, containing separate statements on indicators of fiscal situation, components of State Government's liabilities and interest cost of borrowing, guarantee given by the State, Guarantee Redemption Fund, Statement of Assets etc.

Besides, the State Finance Minister was also required to make a statement before the Assembly to explain the significant changes in the accounting standards, policies and practices affecting compliance with fiscal indicators.

Such documents were not presented before the Legislature along with the Vote on Accounts presented till date. The Finance Department intimated (August 2011) that detailed indicators and rolling plan including definite plan for additional resource mobilization, Revenue Deficit and Fiscal Deficit would be worked out as per FRBM Act and Rules within three months. This was indicative of the fact that the Government was not fully prepared to fulfill the requirements under WBFRBM Act after more than one year from the date of passing of the Act in the Legislature.

Table 1.3 captures the fiscal rolling targets for the year 2010-11, as envisaged in the amended Act and the actual achievement there against:

Table 1.3: Targets envisaged under FRBM Act and achievements thereagainst

Indicators	Medium term fiscal policy target	Target for 2010-11	Actual for 2010-11
Debt Stock	34.30*per cent* of GSDP within 2014-15	40.60 *per cent* of GSDP *i.e.* ₹ 186789crore	₹ 192868crore *i.e.* 41.92*per cent*
Revenue Deficit	To be eliminated within 2014-15	3.60*per cent* of GSDP *i.e.* ₹ 16563crore	₹ 17274crore *i.e.* 3.75*per cent*
Fiscal Deficit	To be reduced to three *per cent* of GSDP within a period of four years i.e. by 2013-14	3.50 *per cent* of GSDP *i.e.* ₹ 16102crore	₹ 19535crore *i.e.* 4.25*per cent*

It would appear from above that in terms of all three indicators, actuals for 2010-11 indicated that targets set under the FRBM Legislation were not achieved.

1.2.3 Compliance with the recommendations of Thirteenth Finance Commission (13th FC)

The overall task of the Finance Commission is to discharge the mandate consistent with the principles of federal finance, taking into account the current and likely future macro economic and fiscal scenarios, so as to secure fiscal stability and adequate resource availability for the Centre, the States and the local bodies.

The terms of reference assigned to the 13th Finance Commission a specific 'macro policy task' to review the state of the finances of the Union and the States and the operation of the States' Debt Consolidation and Relief Facility (DCRF) 2005-10 and suggest measures to maintain a stable fiscal environment, consonant with equitable growth. A subsequent addition to terms of reference mandated to review the road map for fiscal adjustment and suggest a suitable revised road map that would maintain the fiscal consolidation through 2010-15.

13th FC projections vis-à-vis actuals in key segments

A comparative study of 13th Finance Commission projections vis-à-vis actuals in respect of certain key indicators of the State during the current year is given in **table 1.4**.

Table 1.4: 13th FC projections vis-à-vis actuals during 2010-11

(Rupees in crore)

Key segments	13th FC Projections	Actual	Percentage variations
Own Tax Revenue	23484	21129	(-) 10
Non-Tax revenue	3098	2380	(-) 23
Own Revenue Receipts	26582	23509	(-) 12
Annual growth rate of GSDP *(per cent)*	13.31	14.86	(+) 1.55
Tax-GSDP ratio *(per cent)*	5.44	4.59	(-) 0.85
Non-Plan Revenue Expenditure	40941	52491	(+) 28
Interest Payment	13695	13817	(+) 1
Salary (including Salaries paid under Grants-in-aid)	7902	24954	(+) 216
Pension	5883	8078	(+) 37

It would be evident from Table 1.4 that though the GSDP grew at rate higher than the TFC projections, there was considerable scope for improvement in all the key segments as the actual receipts trailed behind Finance Commission projections whereas on the expenditure side, actual expenditure surpassed the Finance Commission projections.

Debt Consolidation and Relief Facility (DCRF)

The Thirteenth Finance Commission *inter alia* recommended the following

- All Central loans outstanding at the end of 2009-10 given to State Government for Centrally Sponsored Schemes / Central Plan Schemes through Ministries other than Ministry of Finance were to be written off. As per recommendation of the Report, ₹ 224 crore stood outstanding against West Bengal as on 31 March 2008.
- NSSF loan contracted till 2006 - 07 and outstanding at the end of 2009-10 was to be reset at a common interest rate of 9 *per cent* in place of 10.5 *per cent* or 9.5 *per cent*.
- The benefit of debt consolidation as recommended by the Twelfth Finance Commission was to accrue to the State during the award period of Thirteenth FC (2010-15), subject to enactment of FRBM Act.

The State Government has intimated that no facility of debt waiver was availed by

the State during 2010-11. Department of Expenditure, Ministry of Finance, GoI intimated (April 2011) that total benefit of debt consolidation pertaining to 2010-11 to be allowed to West Bengal stood at ₹ 948.93 crore, which would be adjusted in 2011-12.

1.2.4 Trends and composition of GSDP

GSDP[3] of the State which was ₹ 262290.80 crore in the year 2006 - 07 registered a growth of 75 *per cent* and stood at ₹ 460071.47 in 2010 11. Annual growth rate of GSDP, however, ranged between 14 *per cent* and 18 *per cent*. Sector wise composition of GSDP is depicted in the table:

Table 1.5: Decomposition of GSDP of West Bengal by Broad Sectors:

(Rupees in crore)

Sector	2004-2005 (Base year)	2006-07	2007-08	2008-09 (P)	2009-10 (Q)	2010-11 (A)
Primary[4]	52778.43(25)	62816.40(24)	72569.42(24)	78907.03(23)	95974.70(24)	103244.34(23)
Secondary[5]	42163.15 (20)	52915.98(20)	59746.12(20)	67228.85(20)	72898.44(18)	84454.16(18)
Tertiary[6]	113915.00 (55)	146558.42(56)	166250.54(56)	194407.98(57)	231687.52(58)	272372.97(59)
Total	**208856.58**	**262290.80**	**298566.08**	**340543.86**	**400560.66**	**460071.47**

Source: Data furnished by Bureau of Applied Economics and Statistics, Development and Planning Department, Government of West Bengal
(Sectoral contribution to GSDP in parenthesis)

P: Provisional, Q: Quick, A: Advance

Chart 1.2: Trend in sectoral composition of GSDP

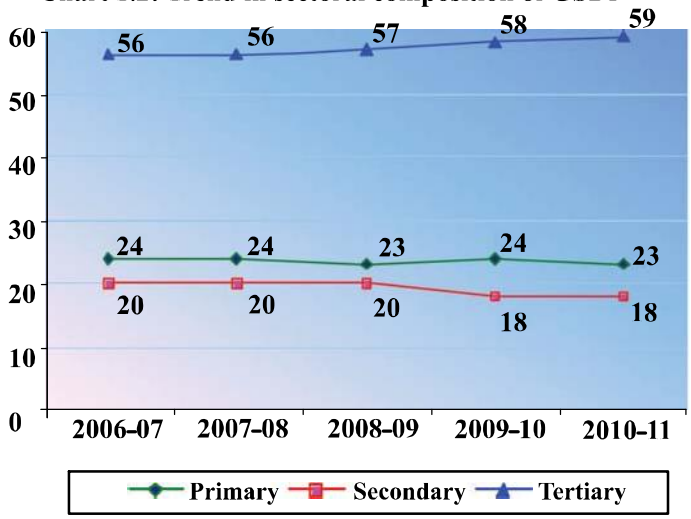


Table 1.5 would show that percentage share of primary and secondary sectors in GSDP declined over the period, while contribution of tertiary sector kept increasing during the five year period ending 2010-11. This indicated that financial health of the State was not seemingly secure and well-founded.

1.3 Resources of the State

1.3.1 Resources of the State as per Annual Finance Accounts

Revenue and Capital are the two streams of receipts that constitute the resources of the State Government. Revenue Receipts consist of Tax Revenues, Non-Tax Revenues, State's Share of Union Taxes and Duties and Grants-in-aid from the Government of India (GoI). Capital Receipts comprise Miscellaneous Capital Receipts such as proceeds from disinvestments, recoveries of loans and advances, debt receipts from internal sources (market loans, borrowings from financial

[3] *GSDP figures for the years 2006-07 to 2010-11 have been taken from the Economic Review 2010-11 published by the Bureau of Applied Economics and Statistics under Development and Planning Department,*
[4] *Primary Sector: Sector that depends on natural resources includes Agriculture, Forestry, Fishery, Mining and Quarrying.*
[5] *Secondary Sector: Sector that creates finished/usable products. This includes manufacturing, construction, etc.*
[6] *Tertiary Sector: Sector that creates services; this includes transport, trading, banking, public administration, etc.*

institutions/commercial banks) and loans and advances from GoI as well as accruals from Public Account. **Table-1.1** presents the receipts and disbursements of the State during the current year as recorded in its Annual Finance Accounts while **Chart 1.3** depicts the trends in various components of the receipts of the State during the years 2006-07 to 2010-11. **Chart 1.4** depicts the composition of resources of the State during the current year.

Chart 1.3: Trends in Receipts

(Rupees in crore)

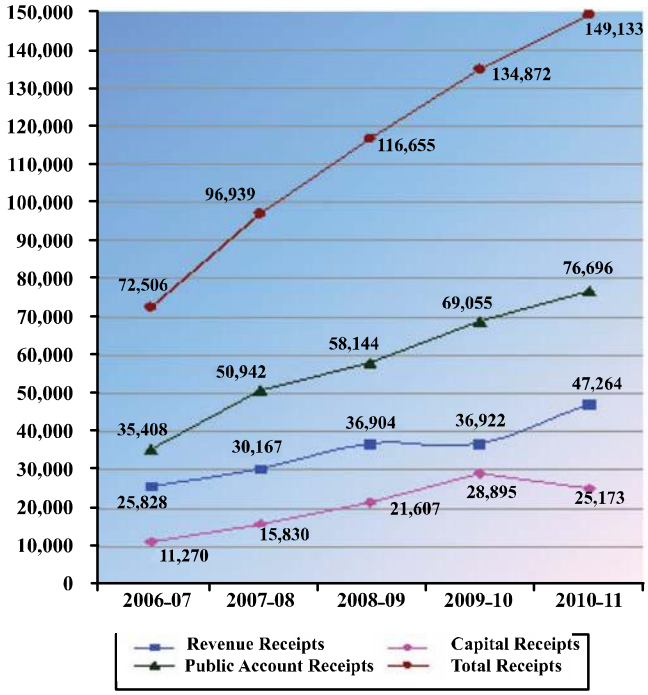


Chart 1.4 Composition of Receipts during 2010-11

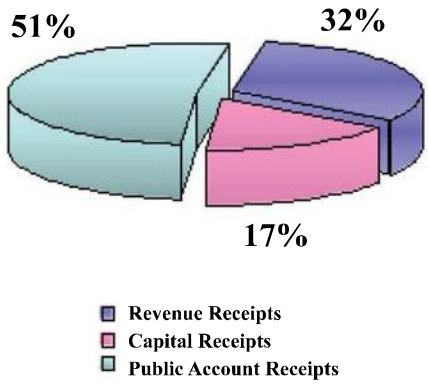


Chart 1.3 shows that the total receipts of the State increased by 132 *per cent* over the last five years. During 2010-11, almost 46 *per cent* of the total receipts came from Public Account receipts, remaining was contributed by Revenue (28 *per cent*) and Capital Receipts (26 *per cent*). Again, of the total Revenue Receipts, Tax Revenue accounted for 45 *per cent*, Non-Tax revenue had a contribution of about five *per cent*, while State's Share of Union Taxes and Duties contributed 34 *per cent*. Remaining share of Revenue Receipts (16 *per cent*) came from Government of India grants. Of capital receipts, more than 99 *per cent* was contributed by Public Debt receipts and recoveries of Loans and Advances contributed less than one *per cent*. In Public Accounts Receipts, Deposits and Advances accounted for 32 *per cent* and Suspense and Miscellaneous accounted for 57 *per cent.*

1.3.2 Funds transferred to State Implementing Agencies outside the State Budgets

The Government of India (GoI) transfers a sizeable quantum of funds directly to the State level/ district level project implementing agencies for implementation of various schemes/ programmes in social and economic sectors recognised as critical. Though these funds form a part of the total kitty of the State Government, Annual Finance Accounts do not capture the flow of these funds, as they are not routed through the State Budget / State Treasury System. Such transfers (only cases exceeding ₹ 10 crore) are shown in ***Appendix VII*** of the Finance Accounts. As such, State's receipts and expenditure as well as other fiscal variables/ parameters derived from them are underestimated to that extent.

The funds transferred directly to the State Implementing Agencies by various GoI Ministries outside the State budget are captured in the Central Plan Scheme Monitoring System (CPSMS) portal of the website of Controller General of Accounts (CGA). During 2010-11, out of total ₹ 14717.58 crore transferred by the GoI under various categories of schemes, ₹ 8806.84 crore was received outside the State budget as shown under:

Table 1.6: Overall position of release of funds by GoI Ministries

Type of Schemes / Recipient agency	Assistance to State Plan	Central Sector	Centrally sponsored	Total Amount released during 2010-11	Total Amount released during 2009-10
	(Rupees in crore)				
State PSUs	--	27.20	66.95	**94.15**	**68.42**
Statutory bodies	--	644.49	2.10	**646.59**	**375.47**
Local bodies	106.00	0.62	--	**106.62**	**147.84**
Government Autonomous bodies	--	856.25	6876.30	**7732.55**	**5686.82**
State Government institutions	--	3.84	79.45	**83.29**	**9.53**
NGOs	--	53.52	10.57	**64.09**	**53.36**
Other[7]	--	79.55	--	**79.55**	**105.08**
Total direct transfer	**106.00**	**1665.47**	**7035.37**	**8806.84**	**6446.52**

Source: Website of CGA

Thus, more than half of the plan funds released by GoI were received outside the State Budget. **Table 1.6** shows that there has been 37 *per cent* increase in direct transfer of funds in 2010-11 (₹ 8806.84 crore) as compared to previous year (₹ 6446.52 crore). *There is a need for an institutionalised mechanism to monitor utilisation and accountal of these funds, as direct transfers from the GoI to the State implementing agencies run the risk of poor oversight. Unless uniform accounting practices are followed by all these agencies and there is proper documentation and timely reporting of expenditure, meaningful monitoring over their end use will be difficult.*

The following table shows an illustrative list of schemes under which substantial amounts were received by various State implementing agencies directly from the Central Government during last two years.

Table 1.7: Funds released under major schemes by GoI outside State budget (Rupees in crore)

Name of the scheme (Funding pattern Centre:State)	Implementing agency	Amount received directly from GoI (Rupees in crore)	
		2009-10	2010-11
Accelerated Rural Water Supply Scheme*(50:50)	State Water and Sanitation Mission	250.43	**499.19**
Rashtriya Swasthya Bima Yojana (75:25)	Directorate of ESI (MB) Scheme	20.08	**50.63**
Member of Parliament Local Area Development (Fully funded by GoI)	District Magistrates	134.00	**106.00**
National River Conservation Plan (70:30)	Kolkata Metropolitan Development authority	57.26	**194.36**
Mahatma Gandhi National Rural Employment Guarantee Scheme*(90:10) (MGNREGS)	WB State Rural Development Agency	1787.29	**2117.61**
National Rural Health Mission* (85:15)	West Bengal State Health and Family Welfare Samiti	474.30	**414.42**
Pradhan Mantri Gram Sadak Yojana* (Fully funded by GoI)	WB State Rural Development Agency	375.28	**824.19**
Indira Awas Yojana* (75:25)	District Rural Development Cells	627.08	**630.14**
Sarva Shiksha Mission* (55:45 in 2010-11 and 60:40 in 2009-10)	Paschim Banga Sarva Shiksha Mission	1041.42	**1747.03**
Swarna Jayanti Gram Swarojgar Yojana (75:25)	District Rural Development Cells	120.21	**159.62**

Source: Finance Accounts * *Central Government Flagship Schemes*

[7] *Others include private sector companies, trusts, individuals and Central Government organisations*

Scrutiny of records of Paschim Banga Sarva Shiksha Mission (PBSSM), the agency for implementation of Sarva Shiksha Abhiyan (SSA) scheme (a comprehensive scheme to attain Universal Elementary Education in the country) in West Bengal revealed that as of March 2010, SSA funds of ₹ 262.55 crore were retained by PBSSM against ₹ 1925.91 crore available during the year. Accounts for 2010-11 were not yet finalized. Scrutiny revealed that ₹ 483.47 crore remained parked at the level of Cluster Resource Centre as of March 2011. Further, Chartered Accountant's reports published in Annual Reports of 2008-09 and 2009-10 indicated that in all the districts, funds transferred to the circles/clusters were booked as expenditure instead of advance, while the clusters/circles were not reconciling their balances with the bank balances. Besides, monitoring of actual utilisation of funds by theses clusters/circles was inadequate.

Further in West Bengal, the State Employment Guarantee Fund for implementation of MGNREGS (which guarantees 100 days wage employment in a year to rural households) is administered by the Panchayats and Rural Development Department, which releases the funds to the district level authorities for onward transmission to the end user, the Gram Panchayats. As of March 2011, ₹ 35.37 crore remained unspent in the State Employment Gurantee Fund.

Scrutiny of MGNREGS fund monitoring mechanism followed by the P&RD Department revealed that entire funds allotted by the department to first level functionaries during 2009-10 and 2010-11 were booked as expenditure. Further scrutiny showed that ₹ 382.19 crore, ₹ 263.39 crore and ₹ 236.33 crore remained parked in the bank account at the District level as of March 2009, March 2010 and March 2011 (provisional) respectively

1.4 Revenue Receipts

Revenue Receipts, which consist of the State's Own Tax and Non-Tax Revenues, Central tax transfers and Grants-in-aid from GoI, are shown in detail in Statement 11 of Finance Accounts. Trends and composition of Revenue Receipts over the period 2006-07 to 2010-11 are presented in ***Appendix 1.6*** and also depicted in **Charts 1.5** and **1.6** respectively.

Chart 1.5: Trends in Revenue Receipts during 2006-11

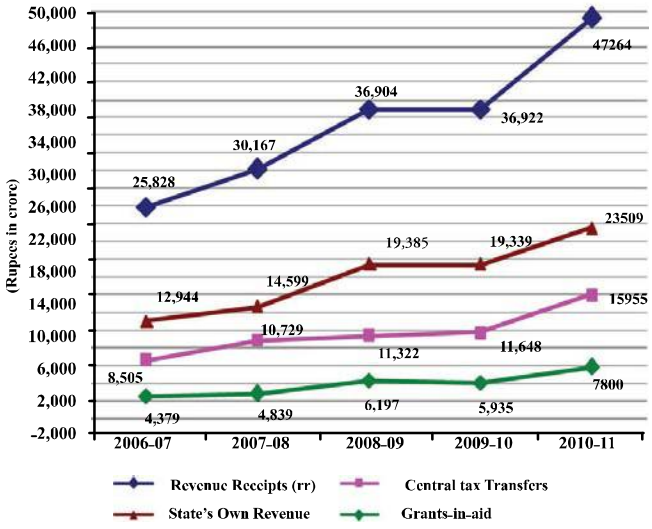
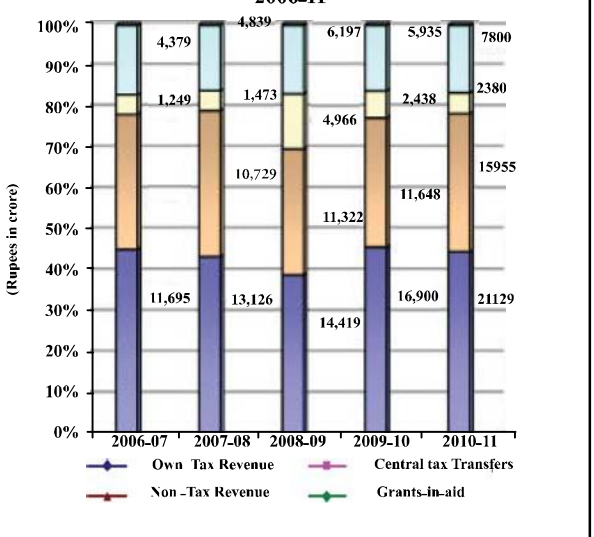


Chart 1.6: The composition of Revenue Receipts during 2006-11



Revenue Receipts during the year rose by ₹ 10342.55 crore (28 *per cent*) as against marginal increase of ₹ 17.25 crore during the last year. The trends in Revenue Receipts relative to Gross State Domestic Product (GSDP) are as follows:

Table 1.8: Trends in Revenue Receipts relative to GSDP

	2006-07	2007-08	2008-09	2009-10	2010-11
Revenue Receipts (RR) (Rupees in crore)	**25828**	**30167**	**36904**	**36922**	**47264**
Rate of growth of RR (*per cent*)	8.86	16.80	22.33	0.05	28.01
GSDP (Rupees in crore)	262291	298566	340544 (P)	400561(Q)	460071 (A)
Rate of growth of GSDP (*per cent*)	13.72	13.83	14.06	17.62	14.86
RR/GSDP (*per cent*)	9.85	10.10	10.84	9.22	10.27
Buoyancy Ratios[8]					
Revenue Buoyancy w.r.t GSDP	0.646	1.215	1.588	0.003	1.885
State's Own Tax Buoyancy w.r.t GSDP	0.92	0.89	0.70	0.98	1.68

Source: Finance Accounts

Revenue Receipts have shown progressive increase over the period 2006-07 to 2010 11 and the growth was highest (28 *per cent*) in 2010 11 over the previous year. The share of own taxes in Revenue Receipts ranged between 44 and 46 *per cent* during 2006-07 to 2010-11, except a dip (39 *per cent*) in 2008-09, which was attributable to Revenue Receipts figures being inflated owing to adjustment of loan waiver.

A scrutiny of relative shares of various other components of Revenue Receipts would reveal that share of Non-Tax Revenue in Revenue Receipts of the State hovered between five and seven *per cent* over the five years period, except for 2008-09. Relative share of Grants in aid in Revenue Receipts also remained almost static over the period 2006-11.

During 2010-11, while Tax Revenue registered a growth of 25 *per cent* over previous year, Non-Tax revenue had a negative growth of two *per cent*. State's share of Union Taxes and Duties registered a growth of 37 *per cent* and grants from GoI increased by 31 *per cent*.

1.4.1 State's own resources

Own Tax Revenue of the State consists of Sales Tax, Excise Duty, Stamp Duty, Registration Fees, Motor Vehicle and Passenger tax and others.

The Government of West Bengal enacted the WBVAT Act, 2003 with the objectives of generating more revenue by reduction of rate of tax, eliminating cascading effect of tax on goods both for exports and domestic sales and reducing evasion and avoidance of tax.

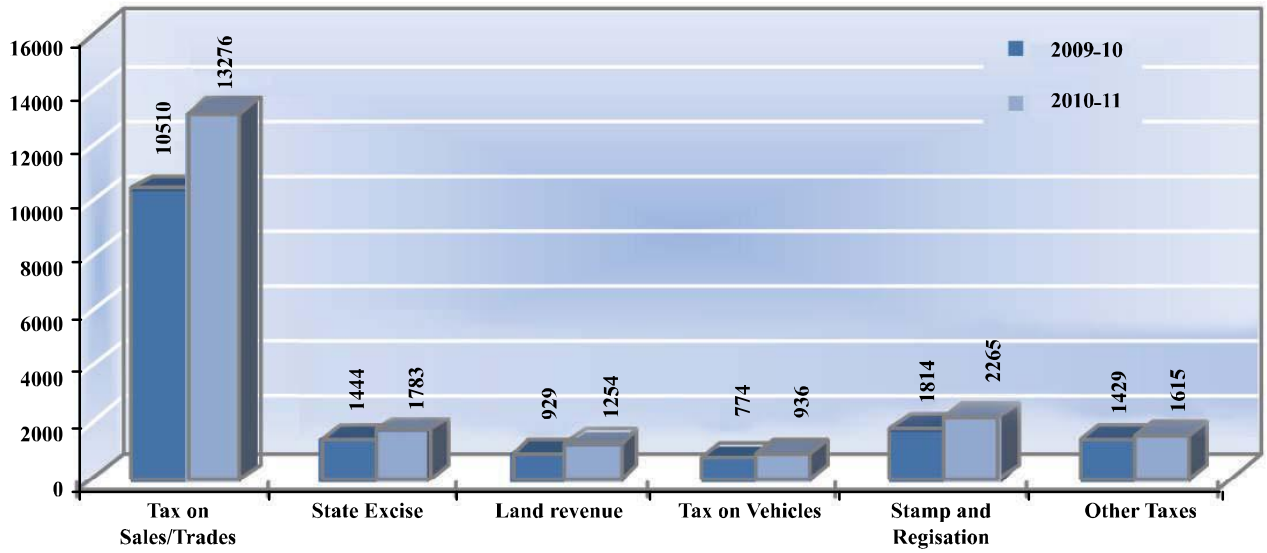
Tax Revenue: The Government of West Bengal enacted the West Bengal Value Added Tax (WBVAT) Act, 2003 with effect from April 2005. However, levy and collection of tax on sale of petrol, diesel, liquor, lottery tickets and aviation turbine fuel (ATF) continued to be governed under the WBST Act, 1994. During 2010-11, total Tax Revenue amounted to ₹ 21129 crore, registering an increase of ₹ 4229 crore (25 *per cent*) over the previous year.

[8]*Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. For instance, for 2010-11, revenue buoyancy at 1.885 implies that Revenue Receipts tend to increase by 1.885 percentage points, if the GSDP increases by one per cent.*

Under Tax Revenue, remarkable increase was registered in collection from Taxes on Sales Trade etc. (₹ 2766.13 crore), which was accountable to more receipts under Central Sales Tax. Substantial increases were also noticed under Land Revenue (₹ 324.73 crore), Stamps and Registration Fees (₹ 450.99 crore) and State Excise (₹ 339.53 crore).

The components of Tax Revenue during the current year vis-a-vis previous year are given in **Chart 1.7**

Chart 1.7: Comparative study of various components of Tax Revenue during 2009-10 and 2010-11 (Rupees in crore)

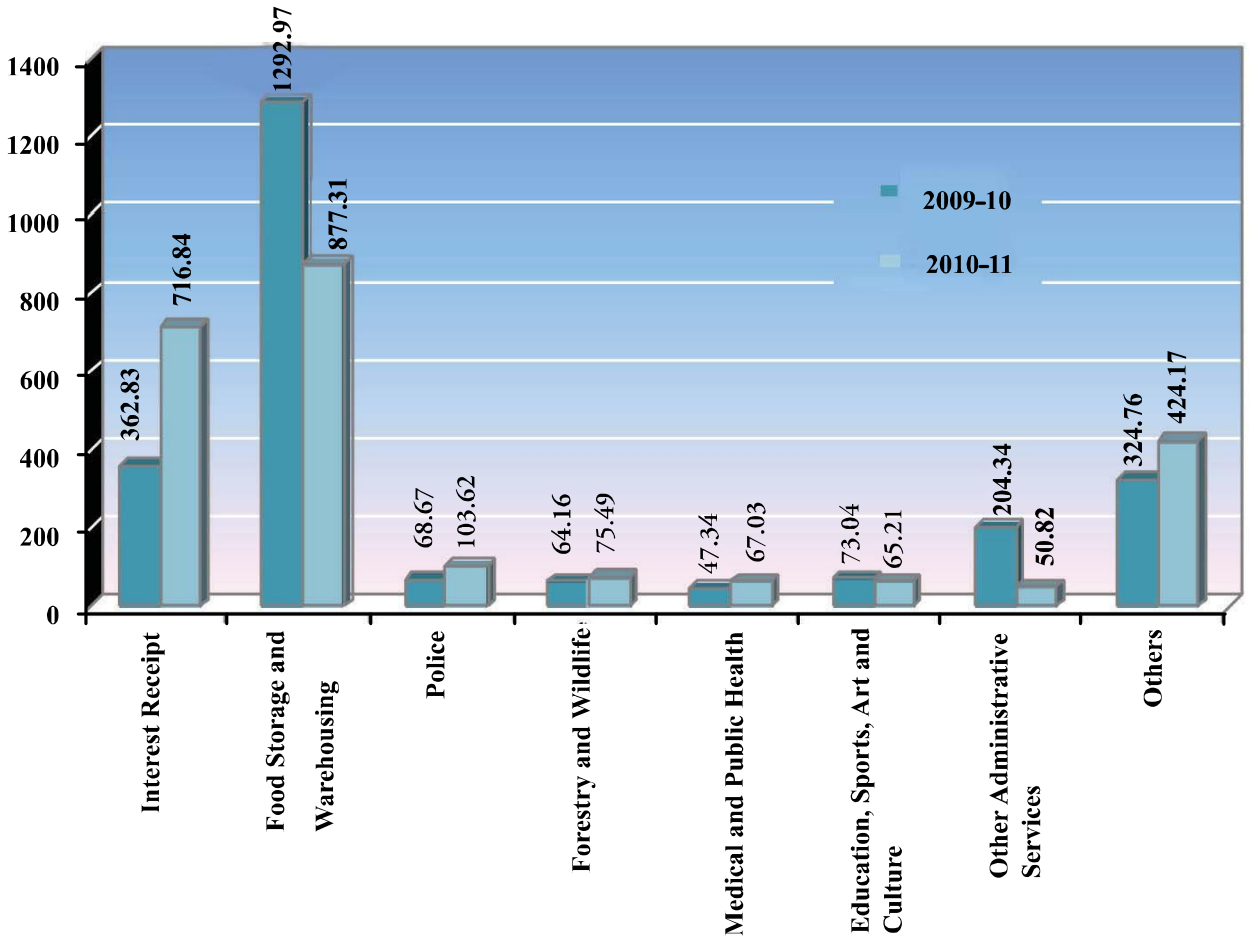


Thus, all the components of Tax Revenue registered increase in collection over those of the previous year.

Revenue from VAT and Sales Taxes contributed major share of Tax Revenue (63 *per cent*). Other significant contributors to the State's Tax Revenue included Land Revenue (six *per cent*), State Excise (eight *per cent*), Stamps and Registration fees (11 *per cent*) and taxes on vehicles (four *per cent*).

There was no significant variation among relative shares of the major components of Tax Revenue compared to the previous year. Contribution of Sales Tax maintained a steady trend ranging between 61 and 63 *per cent* over the five year period. Sales Tax collection shot up by ₹ 2766 crore (26 *per cent*) in 2010-11 over the previous year. This year, collection from Stamps and Registration and State Excise increased by ₹ 451 crore and ₹ 340 crore respectively. Increase in receipts under Sales Tax was attributable to increase in rate of tax on sales of foreign liquor, mobile phones, goods specified in schedule CA to WB VAT Act, 2003, consequential changes in the rate of tax applicable on taxable contractual transfer price. Increase in collection from Stamps and Registration was mainly due to increase in receipts on Registration Fees, Sale of other Non-Judicial Stamps and Duty on impressing of documents and State Excise duty increased mainly due to receipts of more Excise Duty from Country Spirits, Foreign Liquor and Spirits and from Fines and Confiscation.

Chart 1.8: Comparative study of various components of Non-Tax Revenue during 2009-10 and 2010-11 **(Rupees in crore)**



Non-Tax Revenue: Non-Tax Revenue (₹ 2380 crore) constituted five *per cent* of total Revenue Receipts during 2010-11. Collection was less by ₹ 58 crore than the previous year. Comparative study of various components of Non Tax Revenue during 2010-11 with those of 2009-10 is shown in **Chart 1.8.**

Thus, as compared to higher collections during 2010-11 under Food Storage and Warehousing and Other Administrative Services were offset by lesser collections under other sectors, especially interest receipts.

1.4.1.1 Variation between the budget estimates and actuals

Variation between budget estimates of Revenue Receipts and actual receipts under the principal heads of Tax and Non-Tax Revenue for the year 2010-11 is mentioned below:

Table 1.9: Actual collection vis-à-vis budget estimates (Rupees in crore)

	Revenue head	Budget estimates	Actual receipts	Percentage variation
Tax Revenue				
1	Taxes/VAT on sales, trade etc	12257.73	13275.77	8
2	State Excise	1759.78	1783.34	1
3	Stamp duty and registration fees	2358.57	2265.21	(-)4
4	Taxes on vehicles	890.13	936.01	5
5	Taxes and duties on electricity	710.90	769.09	8
6	Land revenue	1190.93	1253.66	5
7	Other Taxes and Duties on Commodities and Services	444.26	441.18	(-)1
8	Other Taxes on Income and Expenditure – Taxes on Professions, Trades, Callings and Employment	389.13	388.54	-
Non-Tax revenue				
1	Police	112.73	103.62	(-)8
2	Forestry and wild life	59.96	75.49	26
3	Interest receipts	987.07	716.84	(-)27
4	Food storage and Warehousing	1400.58	877.31	(-)37

There was significant short-collection under Stamp Duty and Registration, Interest Receipts, Food Storage and Ware Housing which calls for attention of the Government. Despite requisition (between May and October 2010), the concerned departments did not furnish (January 2011) the reasons for the variation.

1.4.1.2 Analysis of collection

The break-up of the total collection at the pre-assessment stage and after regular assessment of taxes on sales, trade etc., during the year 2010-11 and corresponding figures for the preceding four years as furnished by the Finance (Commercial Taxes) Department is mentioned below:

Table 1.10 : Analysis of collection of VAT (Rupees in crore)

Head of revenue	Year	Amount collected at pre-assessment stage	Amount collected after regular assessment	Penalty for delay in payment of taxes and duties	Amount refunded	Net collection as per department	Net collection as per Finance Account	Percentage of column 3 to 8
1	2	3	4	5	6	7	8	9
Taxes/ VAT on sales, trade etc	2006-07	6993.04	94.57	31.03	39.62	7079.02	7079.03	98.78
	2007-08	8223.06	99.87	33.17	32.12	8323.98	8060.46	102.01
	2008-09	8857.15	98.53	36.12	24.40	8967.40	8955.09	98.91
	2009-10	10600.09	96.37	41.27	114.05	10623.68	10509.64	100.86
	2010-11	13292.42	95.09	47.82	48.82	13386.51	13275.77	100.12

1.4.1.3 Revenue arrears

The arrears of revenue as on 31 March 2011 in respect of some principal heads of revenue, as furnished by the departments, amounted to ₹ 94.80 crore, of which

₹ 16.94 crore was outstanding for more than five years. Arrears related to taxes on Agricultural Income (₹ 13.97 crore), Entertainment Tax (₹ 13.12 crore), State Excise (₹ 10.12 crore) and Water Rates (₹ 57.59 crore). The position of arrears of revenue at the end of 2010-11 in respect of other departments was not furnished.

1.4.1.4 Refunds

The number of refund cases pending at the beginning of the year 2010-11, claims received during the year, refunds allowed during the year and cases pending at the close of the year (March 2011) as reported by the concerned Departments are mentioned below:

Table 1.11: Position of refunds of revenue during 2010-11

(Rupees in lakh)

	Particulars	Sales Tax		Agriculture Income Tax		State excise		Entertainment Tax	
		No. of cases	Amount	No. of cases	Amount	No. of cases	Amount	No. of cases	Amount
1	Claims outstanding at the beginning of the year	1,544	22,892.00	1	33.28	Nil	Nil	1	0.70
2	Claims received during the year	262	4,882.00	4	3.97	1	2.01	1	502.80
3	Refunds made during the year	287	8,261.00	2	34.18	1	2.01	1	502.80
4	Balance outstanding at the end of the year	1519	19513.00	3	3.07	Nil	Nil	1	0.70

1.4.1.5 Cost of collection

The gross collection from major taxes and expenditure incurred on collection during the years 2008-09 to 2010-11 along with All India average are given in the following table:

Table 1.12: Gross collection vis a vis expenditure on collection

	Year	Gross collection	Expenditure on collection	Percentage of expenditure to gross collection	
		Rupees in crore		State's figure	All India Average
Taxes/VAT on sales	2008-09	8955.09	100.34	1.12	0.88
	2009-10	10509.64	150.01	1.42	0.96
	2010-11	13275.77	165.18	1.24	–
State excise	2008-09	1082.94	65.76	6.07	3.66
	2009-10	1443.81	77.99	5.40	3.64
	2010-11	1783.34	92.43	5.18	–
Stamp duty & registration fees	2008-09	1509.49	53.61	3.55	2.77
	2009-10	1814.22	88.46	4.87	2.47
	2010-11	2265.21	94.31	4.16	–
Taxes on vehicles	2008-09	608.01	11.92	1.96	2.93
	2009-10	774.34	17.88	2.30	3.07
	2010-11	936.01	19.64	2.09	–

Source: Finance Accounts

The *percentage* of expenditure on collection of Sales Tax/VAT, State Excise and Stamp Duty and Registration Fees was well above the All India Average. Government should improve the efficiency of tax collection in respect of these departments. However, in respect of Taxes on Motor Vehicles, the *percentage* of expenditure on collection was lower than the All India Average.

1.4.2 Central Tax Transfers

Central Tax Transfers increased by ₹ 4307 crore over the previous year and constituted 34 *per cent* of Revenue Receipts. The increase was mainly under Corporation Tax (₹ 1442.53 crore), Taxes on Income other than Corporation Tax (₹ 625.20 crore), Custom Duties (₹ 1159.67crore) and Union Excise Duties (₹ 716.39 crore).

1.4.3 Grants-in-aid from Government of India

The trend of release of Grants-in-aid by GoI under Non-Plan, State Plan and Centrally Sponsored and Central Plan schemes is shown in the following table:

Table 1.13: Component-wise grants released by the Central Government (Rupees in crore)

	Grants released by Central Government			
	Non-Plan	State Plan	Central Plan and Centrally Sponsored	Total
2006-07	1492.32	1735.87	1150.99	4379.18
2007-08	971.90	2420.91	1446.09	4838.90
2008-09	1419.47	3015.94	1761.66	6197.07
2009-10	1394.98	2733.48	1806.94	5935.40
2010-11	2535.68	3126.78	2137.56	7800.02

Source: Finance Accounts

During 2010-11, Grants-in aid from GoI stood at ₹ 7800 crore with an increase of 31 *per cent* from ₹ 5935 crore in 2009-10. Non-Plan grants witnessed an increase of ₹ 1140.70 crore (82 *per cent*) this year, of which ₹ 735.54 crore came as contribution to State Disaster Response Fund, ₹ 355 crore came as Grants for upgradation-Elementary Education and ₹ 42.18 crore was received as 13th Finance Commission grant for improvement in justice delivery. Grants under State Plan Schemes also witnessed a rise of ₹ 393.30 crore (14 *per cent*) of which ₹ 216.30 crore came from Central Assistance under Accelerated Irrigation Benefit Programme, ₹166.48 crore from Additional Central Assistance under Stream II of Rashtriya Krishi Bikash Yojana, ₹ 120.58 crore from Special Central Assistance under Backward Region Grant Fund. There was also an increase of ₹ 330.61 crore (18 *per cent*) in receipts as grants for Central and Centrally Sponsored Plan Schemes.

1.5 Application of Resources

Analysis of the allocation of expenditure at the State Government level assumes significance since major expenditure responsibilities are entrusted with them. It is, therefore, important to ensure that the expenditure directed towards development and social sectors is maximised within its resources.

1.5.1 Growth and composition of expenditure

The total expenditure and its compositions during the years 2006-07 to 2010-11 were as follows:

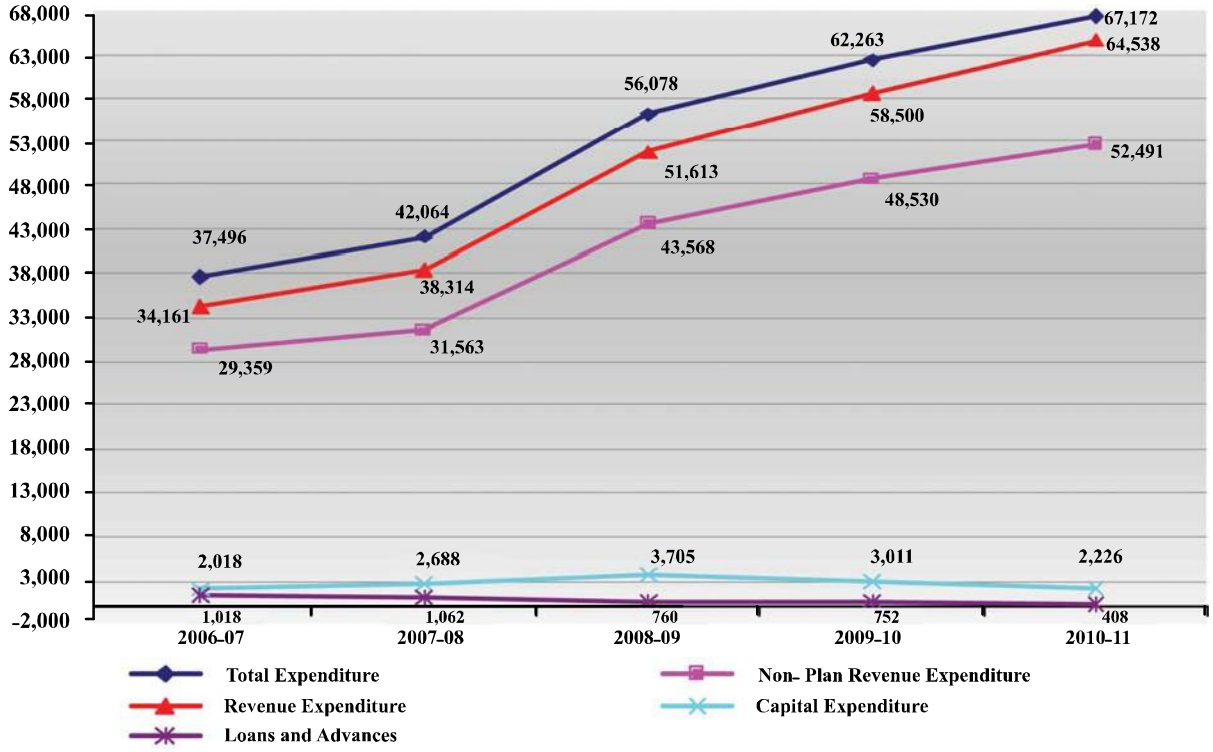
Table 1.14: Total expenditure and its composition **(Rupees in crore)**

	2006-07	2007-08	2008-09	2009-10	2010-11
Total Expenditure	**37496**	**42064**	**56078**	**62263**	**67172**
Revenue Expenditure	34161	38314	51613	58500	64538
Non-plan Revenue Expenditure	29359	31563	43568	48530	52491
Capital Expenditure	2018	2688	3705	3011	2226
Loans and Advances	1317	1062	760	752	408

Source: Finance Accounts

Chart 1.9 presents the trends in total expenditure over a period of five years (2006-07 to 2010-11) and its composition both in terms of 'economic classification' and 'expenditure by activities' is depicted in **Charts 1.10 and 1.11** respectively.

Chart 1.9: Total Expenditure : Trends and Composition



1.5.2 Total Expenditure

Total expenditure registered a moderate growth of eight *per cent* from 2009-10 to 2010 11. Over the last five years, it increased at an average growth rate of 16 *per cent*. The composition of total expenditure during 2010-11 indicates that Revenue Expenditure constituted 96 *per cent* (₹ 64538 crore) while Capital Expenditure and Loans and Advances disbursed constituted only three *per cent* (₹ 2226 crore) and one *per cent* (₹ 408 crore) respectively.

In terms of activities, total expenditure is composed of expenditure on General Services (including Interest Payments), Social and Economic Services, Grants in Aid and Loans and Advances.

The movement of the relative shares of these components indicates some significant change over the previous year **(Chart 1.11)**. Expenditure on general services (including interest payments) considered as non developmental, accounted for 43 *per cent* of total expenditure this year against 48 *per cent* in 2006-07. On the other hand, Developmental expenditure i.e. Social services and Economic services taken together rose to 56 *per cent* in 2010-11 from 48 *per cent* in 2006-07. However, the share of Social Services and Economic Services under Capital Expenditure decreased by ₹ 735 crore (26 *per cent*) over the previous year.

Chart 1.10: Total expenditure: trends in share of its components

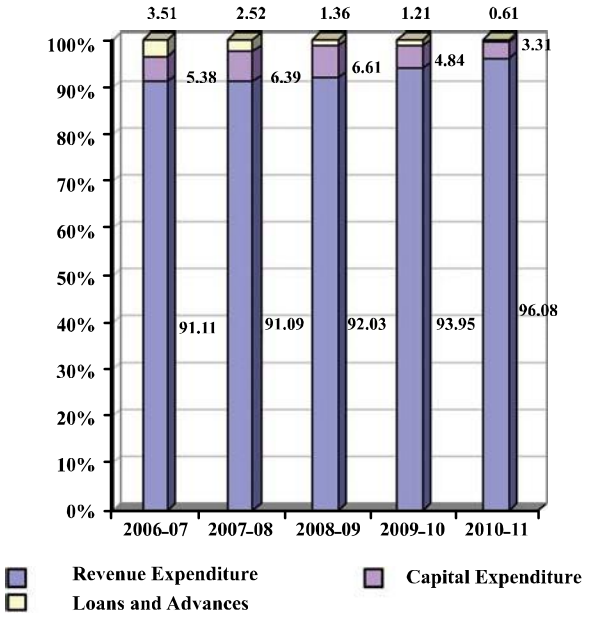
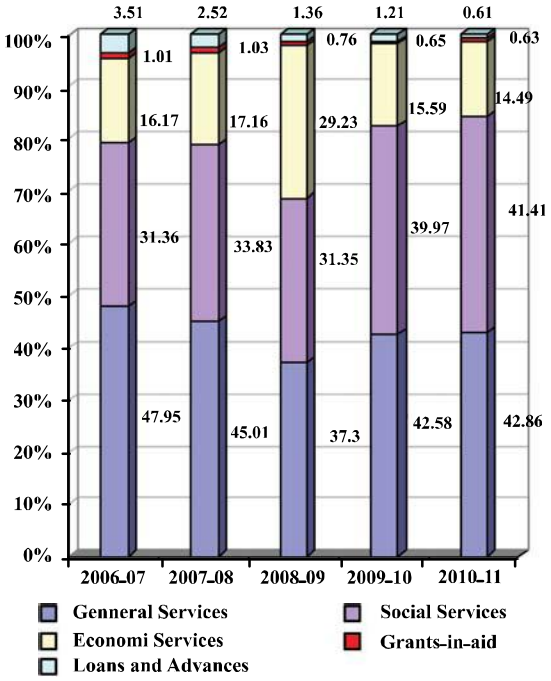


Chart 1.11: Total expenditure: trends in share of its components



1.5.3 Revenue Expenditure

Revenue Expenditure consistently increased from ₹ 34161 crore in 2006-07 to ₹ 64538 crore in 2010-11 at an average annual growth of 17.21 *per cent*. Compared to the previous year, Revenue Expenditure grew by 10.32 *per cent*. Non Plan Revenue Expenditure (₹ 52491 crore) constituted 81 *per cent* of the total Revenue Expenditure during 2010-11, while Plan Revenue Expenditure constituted only 19 *per cent* (₹ 12047 crore). *Non Plan Revenue Expenditure of the current year (₹ 52491crore) was substantially higher (by 28 per cent) than the normative projections of 13th Finance Commission (₹ 40941crore) and was marginally higher than Budget estimates of the Government (₹ 51061crore).*

Plan Revenue Expenditure increased during the period 2006-07 to 2010-11 both in terms of volume and percentage to total Revenue Expenditure, with some fluctuations in 2007-08. During the current year, it increased to ₹ 12047 crore (by 21 *per cent*) from ₹ 9970 crore in 2009-10. The increase was observed mainly under Education, Sports, Art and Culture (₹ 924.14 crore), Social Welfare and Nutrition (₹ 581.99 crore), and Water Supply, Sanitation Housing and Urban Development (₹ 377.20 crore).

Non Plan Revenue Expenditure not only constituted bulk of the Revenue Expenditure of the State, but it consistently increased during the period 2006 07 to 2010-11. During the current year it increased by ₹ 3961 crore (eight *per cent*) from the level of ₹ 48530 crore in 2009-10. This was mainly attributable to rise in expenditure under Education, Sports, Art and Culture (₹ 1386.49 crore), Health and Family Welfare (₹ 323.16 crore), Water Supply, Sanitation, Housing and Urban Development (₹ 164.08 crore). However, declining trend was noticed (86 to 81 *per cent*) in terms of percentage of NPRE in total Revenue Expenditure.

1.5.4 Capital Expenditure

Terms of reference of 13th Finance Commission requires the State to consider the objective of not only balancing the revenue account but also generating surplus for Capital investment. The following table depicts the trends of Capital Expenditure of the State during the last five years:

Table 1.15: Trends in Capital Expenditure and its components

Components of Capital Expenditure	2006-07	2007-08	2008-09	2009-10	2010-11
			(Rupees in crore)		
Total Expenditure	**37496**	**42064**	**56078**	**62263**	**67172**
Capital Expenditure (percentage to total expenditure)	**2018 (5)**	**2688 (6)**	**3705 (7)**	**3011 (5)**	**2226(3)**
Plan Capital Expenditure	2009	2669	3729	2883	2232
Plan Capital Expenditure under Social sector (percentage to Plan Capital Expenditure)	380 (19)	767 (29)	1214 (33)	894 (31)	480(22)
Plan Capital Expenditure under Economic sector (percentage to Plan Capital Expenditure)	1556 (77)	1883 (69)	2388 (64)	1834 (64)	1645(74)
Decomposition of Plan Capital Expenditure on Economic Sector (percentage to Plan Capital Expenditure on Economic Sector)					
Agriculture, Allied Activities	42 (3)	38 (2)	167 (7)	115 (6)	149(9)
Rural Development	-	-	-	3 (--)	2 (--)
Special Areas Programme	73 (5)	112 (6)	157 (7)	231 (13)	200(12)
Irrigation and Flood Control	208 (13)	312 (17)	383 (16)	494 (27)	546(33)
Energy	792 (51)	986 (52)	1090 (46)	190 (10)	45(3)
Industry & Minerals	120 (8)	47 (3)	101 (4)	92 (5)	66(4)
Transport	296 (19)	312 (17)	433 (18)	690 (38)	630(38)

Source: Finance Accounts

Though the quantum of Capital Expenditure increased up to 2008-09, it showed a downward trend thereafter. In 2010 11 it dipped by 26 *per cent* and accounted for a meagre three *per cent* of total expenditure. This was far below the level of Capital Expenditure incurred by General Category States on an average (*vide* para 1.6.1). Over the five year period, while Irrigation and Flood Control, Energy and Transport consumed bulk of Capital Expenditure on Economic Services, services like Agriculture and allied activities, Rural Development, Special Areas programme lagged behind. During the current year Irrigation and Flood Control, Energy, Industry and Minerals and Transport together consumed 58 *per cent* (₹ 1287 crore) of Plan Capital Expenditure as against 70 *per cent* (₹ 1416 crore) in 2006-07. Individually, Irrigation and Flood Control, which consumed 10 per cent of Plan Capital Expenditure in 2006 07, attained 24 *per cent* in 2010 11. Transport sector, which consumed 15 per cent of Plan Capital Expenditure in 2006-07 ended up in 2010-11 with 28 *per cent*. On the other hand, Energy sector which consumed 39 *per cent* of Plan Capital Expenditure in 2006-07, consumed only two *per cent* in 2010-11. The share of Industry & Minerals in Plan Capital Expenditure remained almost the same during the period.

1.5.5 Expenditure on Social and Economic Services

A comparative analysis between expenditure (Budget *vis-à-vis* Actual) on Social and Economic Services (both revenue and capital) for 2009-10 and 2010-11 is detailed below:

Table 1.16: Position of expenditure under Social and Economic services

	2010-2011		2009-2010
	BE	Actual	Actual
		(Rupees in crore)	
Education, Sports, Art & Culture	13872.09	14395.80(104)	12081.47
Health & Family Welfare	3442.10	3502.32(102)	3237.81
Water Supply, Sanitation, Housing and Urban Development	6202.74	3807.46(61)	3635.80
Total Social Services	**29851.13**	**27819.36**	**24886.01**
Agriculture and Allied Activities	2528.67	2099.87(83)	1942.89
Rural Development, Special Areas Programme	3862.60	3421.87 (89)	3524.40
Irrigation and Flood Control	2846.13	1374.31(48)	1309.40
Energy	1393.51	328.08(24)	398.69
Industry and Minerals	1069.86	599.79(56)	656.25
Transport	1826.40	1634.02(89)	1673.01
Total Economic Services	**13818.97**	**9733.12**	**9705.55**

(Figures in brackets represent percentage with respect to budget estimates)

Though actual expenditure on Social Services (₹ 27819.36 crore) during the current year was more than that incurred in 2009-10 (₹ 24886.01 crore), it was lower than the expenditure estimated in the budget (₹ 29851.13 crore). Excess expenditures under Education, Sports, Art and Culture and Health and Family Welfare than budget estimates were surpassed by savings (₹ 2395.28) under Water Supply, Sanitation, Housing and Urban Development. Expenditure on Economic Services also fell far short of estimated budget. Abnormally high savings were noticed under the sectors like Energy (76 *per cent*), Irrigation and Flood Control (52 *per cent*), Industry and Minerals (44 *per cent*) etc. These are indicative of aspirations reflected in the budget remaining unfulfilled.

1.5.6 Committed Expenditure

Committed expenditure of the State Government on revenue account mainly consists of interest payments, expenditure on salaries and wages, pensions and subsidies. Such expenditure, as charged first on the Government's resources, renders the expenditure management process less flexible. **Table 1.17** presents the trends in the expenditure on these components during 2006-2007 to 2010-11.

Table-1.17: Components of Committed Expenditure (Rupees in crore)

Components of Committed Expenditure	2006-07	2007-08	2008-09	2009-10	2010-11	
					BE	Actuals
Salaries & Wages, Of which*	10875.73(42)	12205.04(40)	13778.65(37)	21902.53 (59)	23212.81	24954.22(53)
Non-Plan Head	10350.45	11617.64	12996.04	20848.28		23728.08
Plan Head**	525.28	587.40	782.61	1054.25		1226.14
Interest Payments	10878.88 (42)	11383.56(38)	12068.99(33)	13305.12 (36)	14018.49	13817.30(29)
Expenditure on Pensions	3552.69(14)	3995.40(13)	4432.79(12)	6510.57 (18)	6253.77	8077.96(17)
Subsidies	459.55 (2)	732.93 (2)	1256.31(3)	2555.73 (7)	1022.27	2093.42(4)
Total Committed Expenditure	**25766.85**	**28316.93**	**31536.74**	**44273.95**		**48942.90**
Components other than committed	**8394.42**	**9997.49**	**20076.57**	**14225.93**		**15595.26**
Total Revenue Expenditure	**34161.27**	**38314.42**	**51613.31**	**58499.88**		**64538.16**
Total Revenue Receipt	**25828.32**	**30167.38**	**36904.40**	**36921.65**		**47264.20**

Source: Finance Accounts, Voucher Level Computerisation (VLC) done by PAG (A&E) and Budget Publications

*Figures in the parentheses indicate percentage to Revenue Receipts, * It also includes the salaries paid out of grants-in-aid,*

***Plan Head also includes the salaries and wages paid under Centrally Sponsored Schemes*

Despite declining trends noticed during 2006-07 to 2008-09 in percentage of expenditure in all the major components of committed expenditure in relation to Revenue Receipts, an upswing was observed during 2009-10, which was somewhat rationalised in 2010-11. Proportion of committed expenditure with respect to Revenue Expenditure remained almost static at 76 *per cent*, indicating little improvement in terms of flexibility enjoyed by the State in managing the resources.

Charts 1.12 and 1.13 show the percentage of various components of the committed expenditure in Revenue Expenditure during 2010-11 and the trends in committed expenditure during the years 2006-07 to 2010-11.

Chart 1.12: Decomposition of revenue expenditure in 2010-11

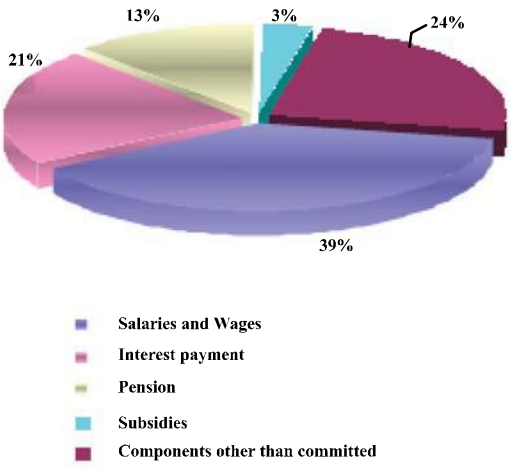
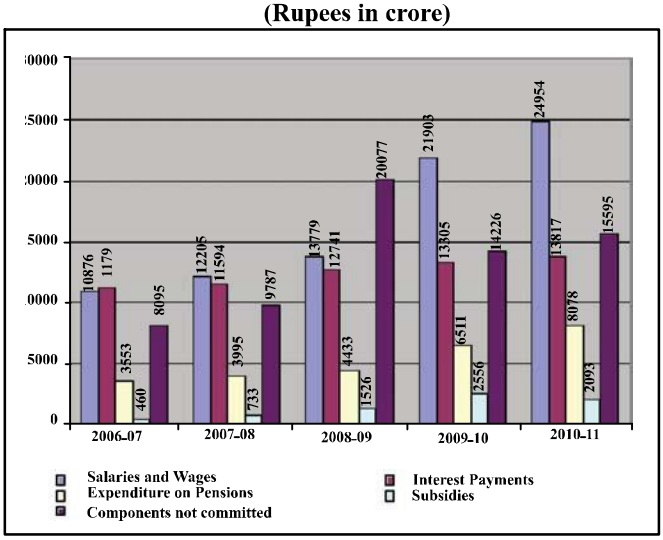


Chart 1.13: Trends in Committed expenditure during 2006-2011 (Rupees in crore)



Expenditure on salaries and wages:

Expenditure on salaries, which was ₹ 10875.73 crore in 2006-07, stood at ₹ 24954.22 crore in 2010-11, registering a growth of nearly 129 *per cent* during this period. Rate of increase in Salary expenditure, however, was 14 *per cent* during the current year as compared to 59 *per cent* in the previous year.

Compared to the projection of salary expenditure by 13th Finance Commission at ₹ 7901.59 crore for 2010-11, the actual salary expenditure exceeded by 216 per cent. During 2009-10, salary expenditure relative to Revenue Expenditure net of interest payment and pension was 57 per cent (as against 35 per cent recommended by the 12th Finance Commission), which further increased to 59 per cent during 2010-11.

Pension payments:

Expenditure on Pensions during 2010-11 increased by ₹ 1567.39 crore (24 *per cent*) over the last year. Sector-wise analysis revealed that substantial increases were noticed under Pensions to Employees of State Aided Educational Institutions' (₹ 418.68 crore), Superannuation and Retirement Allowances (₹ 404.61 crore), Leave Encashment (₹ 152.54 crore) and Commuted Value of Pension (₹ 318.36 crore). Payment of arrear Pension and Gratuity in compliance with the recommendations of the Fifth Pay Commission was the main reason behind such increase.

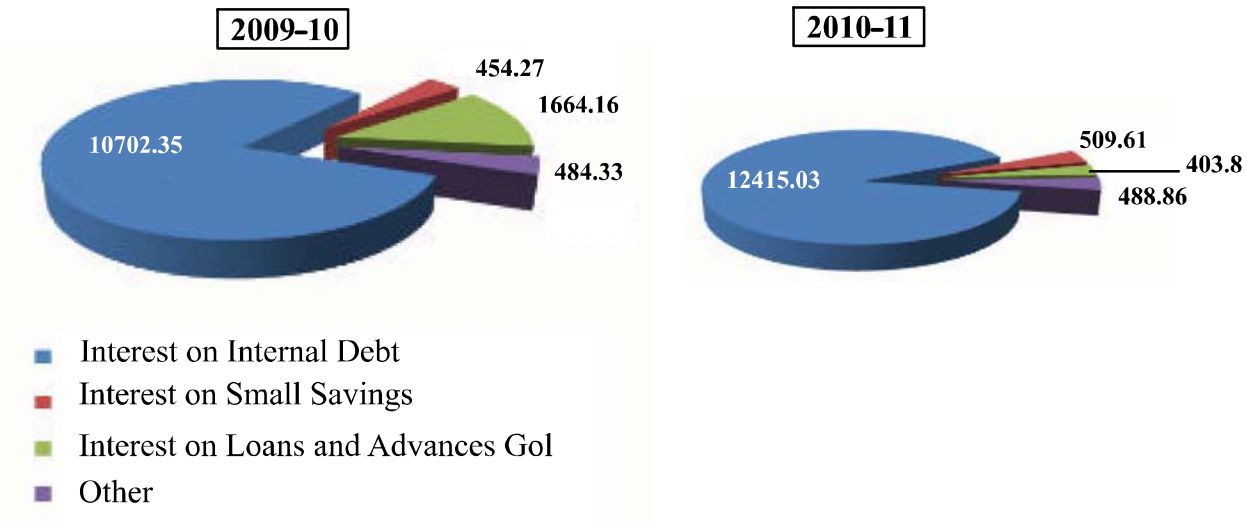
The expenditure on pension (₹ 8077.96 crore) surpassed the 13th Finance Commission projection (₹ 5883.07 crore) by 37 per cent in the current year.

Interest payments:

Expenditure on Interest Payments rose to ₹ 13817.30 crore in 2010-11 from ₹ 10878.88 crore in 2006-07 *i.e.* a growth of over 27 *per cent* in five years. Rate of growth in 2010-11 was four *per cent* over the previous year. *Against the 13th Finance Commission projection of ₹ 13694.95 crore during 2010-11 actual expenditure incurred on interest payment was higher by one per cent.*

The position of the major of interest payment during 2009-10 and 2010-11 is shown in the following charts:

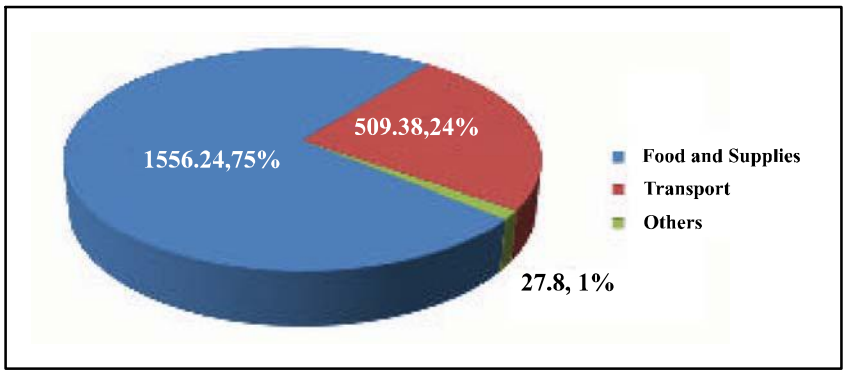
Chart 1.14: Major components of interest payments during 2009-10 and 2010-11



Payment of subsidies:

Subsidies paid by the Government of West Bengal are given in Appendix III of the Finance Accounts. During 2010-11, the Government paid ₹ 2093.42 crore as subsidy, which were explicitly booked under sub-heads meant for subsidy. The same was lower by ₹ 462.31 crore than the amount (₹ 2555.73 crore) paid in the previous year. The Sectoral segregation of subsidies paid during 2010-11 revealed that almost 74 *per cent* (₹ 1556.24 crore) of the subsidy paid during 2010-11 related to Food and Supplies as shown in the following chart:

Chart 1.15: Sectoral break-up of subsidy during 2010-11



However, over and above these amounts audit scrutiny revealed more cases of subsidies camouflaged under other heads during 2010-11. A few instances are discussed below:

- Subsidy to Small Farmers for Construction and Improvement of Storage Structure amounting to ₹ 48.75 lakh was booked under 2408-Food, Storage and Warehousing (under minor heads 800-other expenses and 796-Tribal Area Sub Plan- 50 office expenses).
- Rupees 12.60 crore was released as Subsidy for agricultural inputs to small and marginal farmers and agricultural labourers (under the head 2245-Relief under Natural Calamities-01-drought-101-Gratuitous Relief).
- Rupees 37.50 lakh was released as Supply of Inputs and Incentives / Subsidies to the Farmers under 2403-Animal Husbandry- 102-Cattle and Buffalo Development.
- Under 2425-Co-operation, ₹ 5.40 crore was released as Subsidies for interest liabilities in respect of Share Croppers, Small Farmers and Self-employed Persons under the minor head 107-Assistance to Credit Co-operatives; Under the same major and minor heads ₹ 11.34 crore was released as Interest Subvention to Co-operative Banks relating to Financing of Crop Loans to Farmers .

1.5.7 Financial assistance by State Government to local bodies and other institutions

The quantum of assistance provided by way of grants and loans to local bodies and others during the current year relative to the previous years are presented below:

Table 1.18: Financial Assistance to Local Bodies/Institutions etc

Financial Assistance to Local Bodies/Institutions	2006-07	2007-08	2008-09	2009-10	2010-11*
	(Rupees in crore)				
Educational Institutions (Aided Schools, Aided Colleges, Universities, etc.)	5420.44	6790.49	7811.01	11634.00	14882.58
Municipal Corporations and Municipalities	963.02	1279.17	1802.54	946.60	2445.51
Zilla Parishads and Other Panchayati Raj Institutions	1148.06	3085.27	2998.77	1327.98	3022.82
Development Agencies	235.27	122.14	340.33	4204.66	2306.72
Hospitals and Other Charitable Institutions	137.59	149.40	226.84	393.12	588.50
Other Institutions	811.06	927.77	802.74	1084.36	409.96
Total	8715.44	12354.24	13982.23	19590.72	23656.09
Assistance as per percentage of RE	25.51	32.24	27.09	33.49	36.65

Source: Figures generated through VLC

**Figures of 2010-11 include grants for creation of capital assets which increased the figures under Municipal corporations and Municipalities and Zilla Parishad and PRIs*

The table above indicates that as compared to last year, assistance provided to Local Bodies this year rose by ₹ 4065.37 crore i.e. approximately 21 *per cent*. Substantial increase in assistance was noticed under Educational Institutions (₹ 3248.58 crore), Municipal Corporations and Municipalities (₹ 1498.91 crore), Zilla Parishads and other Panchayati Raj Institutions (₹ 1694.84 crore), counterbalanced by decrease in assistance provided to Development Agencies (₹ 1897.88 crore) and Other Institutions (₹ 674.40 crore). Funds were released as capital grants for buildings, salary grants, deficit grants, development schemes under District Rural Development Cell, Small Farmer Development Agency (SFDA), Command Area Development Authority (CADA), Kolkata Metropolitan Development Authority (KMDA) etc.

1.6 Quality of Expenditure

The availability of better social and physical infrastructure in the State generally reflects the quality of its expenditure. The improvement in the quality of expenditure basically involves three aspects, *viz.*, adequacy of the expenditure (*i.e.* adequate provisions for providing public services); efficiency of expenditure use and the effectiveness (assessment of outlay-outcome relationships for selected services).

1.6.1 Adequacy of Public Expenditure

Expenditure responsibilities relating to social sector and economic infrastructure are largely assigned to State Governments. Enhancing human development levels requires the States to step up their expenditure on key social services like education and health etc. The percentage of the expenditure incurred by a State in a certain sector with respect to aggregate expenditure and comparing the same with the all comparable States' average gives an indicator of the priority level it assigns to that sector. Low fiscal priority is attached to a particular sector in the State if it is below the respective General Category States' average. **Table 1.19** analyses fiscal priority and per capita expenditure of the State Government with regard to Development Expenditure (DE), Social Sector Expenditure (SSE), Capital Expenditure (CE) and expenditure under Education[9] and Health[10] Sector during 2007-08 and 2010-11.

[9] *Education, Sports, Art and Culture sector*
[10] *Health and Family Welfare sector*

Table-1.19: Fiscal priority of the State for 2007-08 and 2010-11:

		AE/GSDP	DE/AE	SSE/AE	CE/AE	Expenditure on Education /AE	Expenditure on Health /AE
2007-08	**General category* States' Average (Percentage)**	**16.85**	**64.28**	**32.54**	**16.14**	**14.64**	**3.98**
	West Bengal's figure (Percentage)	14.09	53.96	34.03	6.39	16.85	4.49
2010-11	**General category States' Average(Percentage)**	**16.65**	**64.42**	**36.75**	**13.27**	**17.42**	**4.35**
	West Bengal's figure (Percentage)	14.60	56.51	41.62	3.31	21.43	5.21

**All Indian States excluding the North Eastern States, Himachal Pradesh, Uttarakhand and Jammu and Kashmir which are under special category*

Source: Ratios relating to West Bengal were arrived at on the basis of Finance Accounts figures

AE: Aggregate Expenditure; DE: Development Expenditure; SSE: Social Sector Expenditure; CE: Capital Expenditure

- The above table shows that during both the years, **the ratio of aggregate expenditure to the GSDP** for West Bengal was lower when compared to that of General Category States.
- Expenditure incurred on Social and Economic Sectors taken together is considered as **Developmental Expenditure**. Low prioritisation in Development Expenditure was apparent from lower proportion of those expenditures as compared to corresponding all General Category States' average.
- On the **Social Sector**, level of expenditure has been higher than the average of all General Category States' expenditure in both the years. The State also incurred higher percentage of expenditure on Health and Education sectors, as compared to what the General Category States were spending on an average.
- Though the State is spending higher proportion of money on Social Sector, Development Expenditure remains low, which was due to low priority being accorded to the Economic Sector. It is desirable that level of Development Expenditure be raised by enhancement of expenditure in Economic sector, without compromising Social Sector. Otherwise, not only the financial growth of the State would be jeopardised, but it would also not be possible for the State to sustain the current level of expenditure under the Social Sector.
- Low proportion of Capital Expenditure (only 6.39 and 3.31 *per cent* as compared to General Category States' average of 16.14 and 13.27 *per cent* during 2007-08 and 2010-11 respectively) in aggregate expenditure is a matter of concern.

1.6.2 Efficiency of Expenditure Use

In view of the importance of public expenditure on development heads from the point of view of social and economic development, it is important for State Governments to take appropriate expenditure rationalisation measures and lay

emphasis on provision of core public and merit goods[11] . Apart from improving the allocation towards development expenditure[12], particularly in view of the fiscal space being created on account of decline in debt servicing in recent years, the efficiency of expenditure use is also reflected by the ratio of Capital Expenditure to Total Expenditure (and/or GSDP) and proportion of Revenue Expenditure being spent on operation and maintenance of the existing Social and Economic Services. The higher the ratio of these components to total expenditure (and/or GSDP), the better would be the quality of expenditure. While **Table 1.20** and **Chart 1.16** present the trends in Development Expenditure relative to the aggregate expenditure of the State during the current year *vis-à-vis* that budgeted and of the previous years, **Table 1.20** provides the details of Capital Expenditure and the components of Revenue Expenditure incurred on the maintenance of selected social and economic services.

Table-1.20: Development Expenditure **(Rupees in crore)**

Components of Development Expenditure	2006-07	2007-08	2008-09	2009-10	2010-11	
					BE	Actuals
Development Expenditure (a to c)	**19139 (51)**	**22700 (54)**	**34732 (61)**	**35284 (57)**	**42135**	**37958 (57)**
a. Development Revenue Expenditure	15884(42)	19017(45)	30410(54)	31738(51)	36413	35434(53)
b. Development Capital Expenditure	1938(5)	2621(6)	3562(6)	2854 (5)	5186	2119(3)
c. Development Loans and Advances	1317(4)	1062(3)	760(1)	752 (1)	536	406(1)

Source: Finance Accounts and Budget Publications
Figures in parentheses indicate percentage to aggregate expenditure

During 2010-11, the level of Development Expenditure remained same as in 2009-10, as increase under Revenue Section was counter-balanced by fall in Capital Section. It would also be seen from above that the growth of Development Revenue Expenditure which stood at ₹ 15884 crore during 2006-07, was 123 *per cent*; rate of growth in the current year being 12 *per cent*. In terms of percentage to aggregate expenditure, development Revenue Expenditure rose steadily from 42 *per cent* in 2006-07 to 53 *per cent* in 2010-11. The Development Capital Expenditure, after hovering between five and six *per cent* during 2006-2010, went down to three *per cent* in 2010-11.

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[11] *Core public goods are which all citizens enjoy in common in the sense that each individual's consumption of such a good leads to no subtractions from any other individual's consumption of that good, e.g. enforcement of law and order, security and protection of our rights; pollution free air and other environmental goods and road infrastructure etc. Merit goods are commodities that the public sector provides free or at subsidised rates because an individual or society should have them on the basis of some concept of need, rather than ability and willingness to pay the government and therefore wishes to encourage their consumption. Examples of such goods include the provision of free or subsidised food for the poor to support nutrition, delivery of health services to improve quality of life and reduce morbidity, providing basic education to all, drinking water and sanitation etc.*

[12] *The analysis of expenditure data is disaggregated into development and non development expenditure. All expenditure relating to Revenue Account, Capital Outlay and Loans and Advances is categorised into social services, economic services and general services. Broadly, the social and economic services constitute development expenditure, while expenditure on general services is treated as non-development expenditure.*

Chart 1.16: Trend in Development Expenditure during 2006-2011

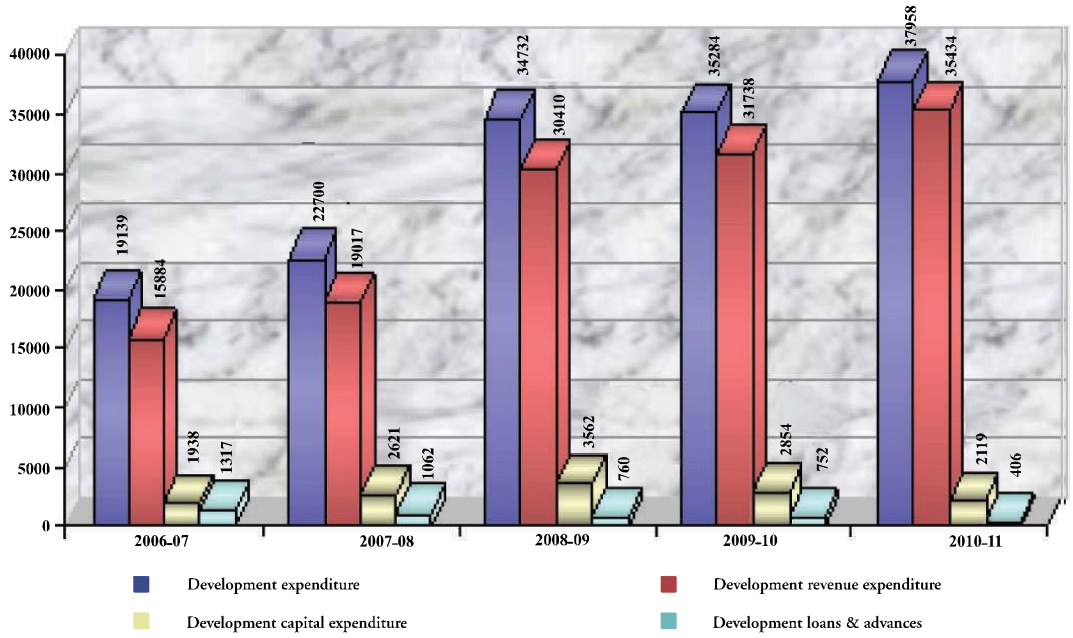


Table 1.21 -Efficiency of Expenditure Use in Selected Social and Economic Services

Social/Economic Infrastructure	2009-10			2010-11		
	Ratio of CE to TE	In RE, the share of		Ratio of CE to TE	In RE, the share of	
	In *per cent*	S &W	O&M**	In *per cent*	S &W	O&M**
		Rupees in crore			Rupees in crore	
Social Services (SS)						
General Education	0.59	10110.00	1.02	0.52	11695.64	1.97
Health and Family Welfare	6.57	2281.00	13.40	5.34	2554.33	11.43
WS, Sanitation, & HUD	14.72	1121.00	165.23	4.35	1240.28	118.19
Total (SS)	3.58	14387.29	183.51	1.71	16573.15	135.44
Economic Services (ES)						
Agriculture & Allied Activities	5.48	1065.00	8.52	7.04	1162.42	8.56
Irrigation and Flood Control	37.48	559.00	105.09	39.70	585.45	88.76
Power & Energy	47.53	1.00	-	13.72	1.16	-
Transport	41.22	145.00	313.17	38.56	153.67	197.84
Total (ES)	**20.23**	**2978.80**	**428.64**	**16.88**	**3342.11**	**296.54**
Total (SS+ES)	**8.25**	**17366.09**	**612.15**	**5.64**	**19915.26**	**431.98**

*TE: Total Expenditure; CE: Capital Expenditure; RE: Revenue Expenditure; S&W: Salaries and Wages; O&M: Operations & Maintenance ** As could be identified, may not reflect the complete picture*

Source: Finance Accounts and VLC

In conformity with the overall trend, fall in percentage of CE with respect to TE was noticed during 2010 11 in all three spheres of Social Services. Under Economic Services, percentage of CE with respect to TE witnessed rise in Agriculture and Allied Activities and Irrigation and Flood Control, which was counter-balanced by lower percentage of CE under Power and Transport.

A comparative study of various components of expenditure on Social and Economic Services with particular focus on the trends in salary and wage for 2009-10 and

2010-11 reveal that share of salary and wage in all the components has gone up in 2010-11. Twelfth Finance Commission considered provision for Education and Health to be integral to any plan for restructuring public finances. Salary and Wage component in NPRE on Education which stood at ₹ 10015.90 crore in 2009-10 increased to ₹ 11604.04 crore in 2010-11 *i.e.* a rise of ₹ 1588.14 crore (16 *per cent*). Likewise shares on Health which was ₹ 1968.43 crore in 2009 10, rose to ₹ 2241.59 crore in 2010-11 indicating a rise of ₹ 273.16 crore (14 *per cent*).

During the current year, though non-salary components under education increased by a commendable 37 per cent *over that in previous year, non-salary expenditure under Health and Family Welfare was lower by one per cent from that of previous year which is a matter of concern.*

1.6.3 Plan schemes: Position of allotment and expenditure

The Finance Accounts indicates the position of expenditure under various State Plan schemes as well as Central Plan schemes, for which Central funds are received through State Budget. As regards the Central Plan Schemes (including Central Flagship Schemes like SSA, NREGA, PMGSY, etc.) for which funds are not routed through the State budget, the position of allotment has been shown under para 1.3.2 *supra.* **Table 1.22** below shows the receipt and expenditure of funds under some other flagship schemes, which were transacted through the State budget.

Table 1.22: Expenditure *vis-à-vis* availability of funds under the flagship schemes implemented in West Bengal during 2010-11 (funds routed through the State budget)

	Funds received from GoI	State budget provision (inclusive of GoI share)	Expenditure	Under-Utilisation (percentage of under utilization)	Expenditure during 2009-10	Reduction of expenditure w.r.t 2009-10	Variation with respect to previous year
Mid Day Meal	786.10	937.00	709.08 (-7)	227.92 (24)	759.05	(-) 49.97	(-) 7
National Social Assistance Programme (NSAP) including Annapurna	-	623.95	774.41 (11)	(-) 150.46	696.52	77.89	11
Integrated Child Development Project	659.91	389.58	424.37 (5)	(-) 34.79	405.51	18.86	5
Rashtriya Krishi Vikash Yojana (RKVY)	-	427.07	322.51 (125)	104.56 (24)	143.44	179.07	125
Macro Management of Agriculture	38.45	61.89	26.68 (-51)	35.21 (57)	54.34	(-) 27.66	(-) 51
Accelerated Irrigation Benefit Programme		157.99	13.56 (-60)	144.43 (91)	34.13	(-) 20.57	(-) 60
Pre-Matric Scholarship for Minorities	76.54	34.00	75.09 (276)	(-) 41.09	19.98	55.11	276
Integrated Scheme on Oilseeds, Pulses and Maize	6.14	5.12	3.79 (-61)	1.33 (26)	9.82	(-) 6.03	(-) 61
Jute Technology Mission	1.33	6.80	1.17 (-43)	5.63 (83)	2.04	(-) 0.87	(-) 43

Source: Finance Accounts

Substantial under-utilisation of funds was noticed under Mid-Day Meal, RKVY, Macro Management of Agriculture, AIBP etc. Under-utilisation of plan scheme funds under the economic sector (namely, RKVY, AIBP, Macro Management of Agriculture etc.) may be viewed with marginal increase in the expenditure under Economic services.

However, substantial increase in expenditure was noticed in 2010-11 under NSAP, RKVY and Pre-Matric Scholarship for Minorities as compared to 2009-10.

1.7 Financial Analysis of Government Expenditure and Investments

1.7.1 Financial Results of Irrigation Works

Works in Irrigation Department are classified as productive or unproductive according to the net revenue (gross revenue less working expenses) derived from each work on the expiry of ten years from the date of closure of the construction and from the fact whether it covers or does not cover the prescribed annual interest charges on capital invested. If a work, classified as productive fails to yield the prescribed return for three successive years, it is transferred to the unproductive category. Similarly, if a work classified as unproductive, succeeds in yielding prescribed return for three successive years, it becomes a productive one. Revenue realised from 15 schemes during 2010 11 was only ₹ 4.61 crore (nearly 0.22 *per cent* of the capital outlay of ₹ 2073.88 crore). None of these schemes succeeded in earning Revenue Receipts so as to cover even direct working expenses. After meeting working expenses and interest charges, 15 schemes suffered a net loss of ₹ 207.18 crore. The major loss making projects were Damodar Valley Project: (₹ 61.05 crore), Kangsabati Reservoir Project: (₹ 56.48 crore), Mayurakshi Reservoir Project (₹ 29.56 crore) and Teesta Barrage Project (₹ 44.34 crore).

1.7.2 Incomplete projects

As of March 2011, there were 305 incomplete capital works[13] each costing more than ₹ 1 crore. A total of ₹ 349.34 crore was invested in these projects by the Government.

Table 1.23: Work-wise Profile of Incomplete Projects (Rupees in lakh)

Types of Works	Number	Estimated cost of works	Expenditure up to March 2011*	Cases for which revised estimates were available		
				Number	Original estimates	Revised estimates
Buildings	13	5669.96	1967.00	9	3636.90	5516.48
Roads	217	139297.27	18599.79	6	23146.02	22582.17
Canal	19	8472.25	1716.50	–	–	–
Irrigation	33	34490.87	6858.74	2	23059.61	204472.17
Others	23	14815.05	5792.25	2	6160.80	7862.27
Total	**305**	**202745.40**	**34934.28**	**19**	**56003.33**	**240433.09**

Source: Finance Accounts

** Progressive expenditure up to March 2011 was not available in many cases*

Thus, there have been cost over-runs, since initial budgeted costs have been scaled up in the cases of time over-run. In 19 out of 305 cases, for which original as well as revised estimates were available, there were escalation of ₹ 1844.30 crore (329 *per cent*) over the estimated cost.

1.7.3 Investment and returns

As on 31 March 2011, Government had invested ₹ 10850.42 crore in statutory corporations, rural banks, joint stock companies and co operatives (**Table 1.24**). The average return on this investment was negligible while the Government paid an average interest rate of 8.59 *per cent* on its borrowings during 2006-11.

[13] *works costing ₹ one crore and above have been included. Works with incomplete information, works which have not been commenced and works clubbed under broad scheme names were excluded*

Table-1.24: Return on Investment

Investment/Return/Cost of Borrowings	2006-07	2007-08	2008-09	2009-10	2010-11
Investment at the end of the year (Rupees in crore)	7641.58	8847.89	10163.21	10675.98	10850.42
Return (Rupees in crore)	2.34	6.22	6.05	0.48	1.07
Return (*per cent*)	0.03	0.08	0.06	–	0.01
Average rate of interest on Government return (*per cent*)	9.22	8.87	8.54	8.32	7.58
Difference between interest rate and borrowing (*per cent*)	9.19	8.79	8.48	8.32	7.57

Source: Finance Accounts

Government investment, which was ₹ 10675.98 crore in 2009-10, rose to ₹ 10850.42 crore in 2010-11, *i.e.* a rise of ₹ 174.44 crore (two *per cent*). This was mainly on account of investment in Government companies and Joint Stock companies, which rose together by ₹ 139.25 crore and ₹ 35.19 crore in Banks & Co-operatives Societies, etc. The return on investment was less than 0.1 *per cent*, while Government paid interest at the average rate of 7.58 to 9.22 *per cent* on its borrowings during 2006-07 to 2010-11. The difference between the rate of return on Government investment and the average interest rate on the outstanding liabilities represented implicit subsidy of ₹ 3869 crore during the period 2006-07 to 2010-11.

Further scrutiny showed that in many cases the companies having Government's investment have suffered substantial losses leading to reduction of net worth to negative. **Table 1.25** shows an illustrative list of some such companies.

Table 1.25: Government investment in Companies / Corporations with negative net-worth **(Rupees in crore)**

		Period of accounts	Paid up Capital	Accumulated profit (+) / Loss (-)	Negative Net Worth	Government Investment up to 2010-11
1	2	3	4	5	6	7
1	West Bengal Tea Development Corporation Limited	2010-11	37.98	- 175.02	- 137.04	37.98
2	West Bengal Agro Industries Corporation Limited	2010-11	8.40	- 74.70	- 66.30	8.41
3	West Bengal Fisheries Development Corporation Limited	2010-11	2.70	-33.76	- 31.06	2.70
4	West Bengal Handicraft Development Corporation Limited	2008-09	15.30	- 20.43	- 5.13	16.45
5	The West Bengal Small Industries Development Corporation Limited (WBSIDC Limited)	2009-10	24.48	- 30.84	- 6.36	35.52
6	Greater Calcutta Gas Supply Corporation Limited	2010-11	41.15	- 274.77	- 233.62	41.15
7	The Kalyani Spinning Mills Limited	2009-10	12.63	- 443.38	- 430.75	14.63
8	North Bengal State Transport Corporation	2008-09	10.70	- 480.39	- 469.69	3.63
9	South Bengal State Transport Corporation	2009-10	11.01	- 352.90	- 341.89	10.06
	Total				**-1715.84**	**177.53**

Source: Accounts of the Companies

The Possibility of any return out of Government investments made in these companies is remote.

1.7.4 Investment in Public Private Partnership projects

With the aim to create durable and high quality infrastructure and to give quality services to the public, State Government has been undertaking projects under Public Private Partnership (PPP). PPPs, while bringing in private capital and expertise, involve transfer of valuable assets as well as foregoing of future revenues in the form of concessions. No comprehensive list of PPP projects was furnished by the Departments, except the Development and Planning Department, which had furnished (May 2011) a list of urban infrastructure projects under Urban development Department. As per information furnished, the following was the position of PPP projects:

Table 1.26: List of PPP projects under UD Department (Rupees in crore)

Types of projects	Number of projects	Cost
Completed projects		
Residential complexes	6	81.50
Shopping complex	1	5.20
Real Estate Projects	3	314.00
Others	5	110.80
Total completed	15	511.50
Projects under Implementation		
Residential complexes	8	1558.00 (assessed)
Shopping complex	4	563.00 (assessed)
Real Estate Projects	4	3543.65 (assessed)
Others	15	2890.50 (assessed)
Total under implementation	**31**	**8555.15 (assessed)**
Projects under planning/pipeline		
Road	1	96.94 (assessed)
Others	8	246.50* (assessed)
Total under implementation	**Nine**	**343.44 (assessed)**

Source: Information furnished by Development and & Planning Department
** Estimated cost of only three projects has been ascertained by the Department.*

The Health and Family Welfare Department intimated (June 2011) that it had formulated a policy for PPP projects in 2006 to make available basic medical facilities to common people at cheaper price by establishing CT scan/ MRI/Audio-vestibular laboratory, night shelters and toilet complexes, ambulance services, diagnostic centres, mobile health care services and establishment of Medical Colleges and Hospitals. It was further intimated that many PPP schemes under H&FW Department were service oriented and not on project mode and no financial investment of Government except some infrastructural support was involved.

1.7.5 Departmental Commercial Undertakings

Activities of quasi-commercial nature are performed by departmental undertakings of certain Government Departments. The department-wise position of investment made by the Government up to the year for which *pro forma* accounts were finalised, net profits/loss as well as return on capital invested in these undertakings are given

in ***Appendix 1.7*** read with ***Appendix 3.5.*** Scrutiny reveals the following:

- An amount of ₹ 2459.71 crore (*vide* ***Appendix 3.5***) had been invested by the State Government in 19 undertakings at the end of financial year up to which their accounts were finalised.
- Of all undertakings (19), only one undertaking viz. Scheme for Public Distribution of Foodgrains, could earn net profit amounting to ₹ 2.62 crore as of March 2006 (accounts are due from 2006-07) against the capital investment of ₹ 420.26 crore (*vide* ***Appendix 3.5***) thereby yielding the rate of return of 0.62 *per cent*.
- Of the loss making undertakings, 13 incurred losses (aggregating ₹ 1970.16 crore) against total capital investment of ₹ 2039.45 crore continuously for more than five years and five undertakings have turned into non-performing ones (*vide* ***Appendix 3.5***).
- Failure to achieve production targets, under utilisation of plant capacity, capacity mismatch, shortage of raw material, high production cost due to higher administrative cost, low selling price, inadequate market demand, excess process/distribution loss etc. were the attributable reasons.

1.7.6 Loans and advances by State Government

In addition to investments in Co-operative societies, Corporations and Companies, Government also provided loans and advances to many of these institutions/ organisations. **Table 1.27** presents the outstanding loans and advances as on 31 March 2011, interest receipts *vis-à-vis* interest payments during the last five years.

Table-1.27: Average interest received on loans given by the State

(Rupees in crore)

Quantum of Loans/Interest Receipts/ Cost of Borrowings	2006-07	2007-08	2008-09	2009-10	2010-11	
					BE	Actuals
Opening Balance	16792.83	17872.19	18437.67	13581.49		13946.83
Amount advanced during the year	1317.26	1062.12	759.65	752.44	536.35	407.73
Amount repaid during the year	237.90	496.64	5615.83	387.10*		372.49
Closing Balance	**17872.19**	**18437.67**	**13581.49**	**13946.83**		**13982.07**
Of which Outstanding balance for which terms and conditions have not been settled	1186.96	1239.71	1050.09	1435.42		1300.30
Net addition	1079.36	565.48	(-) 4856.18	365.34		35.24
Interest Receipts	549.14	558.51	3865.93[14]	234.20		580.47
Interest receipts as *per cent* to outstanding Loans and advances	3.17	3.08	24.15	1.70		4.16
Interest payments as *per cent* to outstanding fiscal liabilities of the State Government.	**9.22**	**8.87**	**8.54**	**8.32**		**7.58**
Difference between interest payments and interest receipts (per cent)	6.05	5.79	(-) 15.61	6.62		3.42

Source: Finance Accounts ** including ₹ 4.02 crore written off*

Out of 168 loanees, only 14 loanees accepted the loan balances of 2009-10. As of March 2011 verification and acceptance of loan balances in respect of loans for ₹ 12560.74 crore were not available. In absence of the said confirmation, the quality of accounts could not be vouchsafed.

Of the total outstanding loans of ₹ 13982.07 crore, terms and conditions had not been settled in respect of 1725 loans for ₹ 1300.30 crore. *The earliest of such loans, the terms and conditions for which remain unsettled, pertained to 1966-67.*

[14] *Of ₹ 3865.93 crore, ₹ 3245.50 crore was book adjustment.*

Scrutiny revealed that loans amounting to ₹ 869.05 crore relating to 15 departments remained unaltered for long period. Thirteen of these departments had such loans worth more than ₹ 1 crore, shown in the following table:

Table 1.28: Cases of old loans without any recovery **(Rupees in crore)**

	Name of the Department	Loans with no recovery	Period of sanction
		Amount	
1	Industrial Reconstruction	152.58	1977-78 to 2005-06
2	Public Health Engineering	2.44	1983-84 to 1997-98
3	Municipal Affairs	1.61	1965-66 to 1969-70
4	Heath and Family Welfare	18.48	198081 to 1994-95
5	Agriculture	27.50	1984-85 to 1992-93
6	Fisheries	1.73	1977-78 to 1993-94
7	Commerce and Industries	58.17	1975-76 to 2003-04
8	Micro & Small Scale Enterprises and Textiles	39.27	1974-75 to 2007-08
9	Public Undertaking	2.55	1976-77 to 1985-86
10	Public Enterprise	185.39	1975-76 to 2006-07
11	Food Processing Industries and Horticulture	2.21	1988-89 to 1998-99
12	Home (Transport)	8.89	1982-83 to 1989-90
13	Water Resources & Investigation Department	15.23	1984-85 to 1990-91
	Total	**516.05**	

Source: Compiled by Pr. Accountant General (Accounts and Entitlement)

Some instances of deficient loan management noticed in audit are discussed as under:

- Between March 1981 and March 2009, Siliguri Jalpaiguri Development Authority (SJDA), an autonomous body under Urban Development Department, drew State Government loans aggregating ₹ 58.42 crore. SJDA neither paid interest nor repaid principal to Government till March 2011, when the overdue installments of loan and interest stood at ₹ 120.06 crore (principal: ₹ 53.62 crore and interest ₹ 66.44 crore). The Department did not take any action for recovery of dues. Similarly, overdue amounts in respect of Asansol Durgapur Development Authority as of March 2011 stood at ₹ 30.67 crore (principal) and ₹ 32.49 crore (interest) respectively. Ignoring non-repayment of earlier loans by SJDA and ADDA, fresh loans of ₹ 1.57 crore and ₹ 2.05 crore were released by the Urban Development Department to these authorities respectively during 2010-11.
- Transport Department sanctioned loan amounting to ₹ 1 crore to North Bengal State Transport Corporation (NBSTC) for repayment of medium term loan taken from West Bengal State Co-operative Bank. NBSTC diverted (the actual purpose of utilization of the said amount was neither on record nor furnished by the department) the amount instead of repaying its loan liability to WBSCB. Subsequently, the Department again released additional funds for the same purpose and the loan was repaid therefrom.
- M/s Adhesive and Chemicals (A&C), a sick small scale industrial unit under private ownership, with negative net worth, had total liabilities of ₹ 5.47 crore and fixed assets worth ₹ 0.44 crore. Those assets had already been mortgaged with Allahabad Bank. In April 2001, A&C approached Industrial Reconstruction Department with a revival scheme under 'West Bengal Industrial Renewal Scheme, 2001' (WBIRS). The revival plan, however, envisaged receipt of bank loans for sustaining business. Though Allahabad Bank had informed (September 2000) that it would not further increase its exposure to A&C, the

Department sanctioned (October 2001) a soft loan of ₹ 1.10 crore without any collateral security. A&C, however, failed to achieve the performance level envisaged in the revival plan owing to non-availability of need based working capital loan from Bank and finally closed down in November 2006, thereby hardly leaving any scope for realisation of the dues of the Government with interest thereon. *(The issue has been discussed in details in Report No 2 (Civil) for the year ended March 2011 under the category "Expenditure without justification").*

Thus, sanction of loan without assessing the loan repayment capacity of the loanee coupled with poor monitoring resulted in huge accumulation of unpaid loan for years together which has resulted in adverse fund position of the State Government.

1.7.7 Cash balances and investment of cash balances

Under an agreement with the Reserve Bank of India, the State Government has to maintain with the Bank a daily minimum balance of ₹ 2.48 crore with effect from 1 May 2000. If the balance falls below the agreed minimum limit on any day, the deficiency is made good by taking special or normal ways and means advance/overdraft from the bank. During the year 2010-11, the State Government had to resort to special and normal ways and means advances and overdrafts for 79, 53 and 62 days respectively (total 194 days) indicating increasing mismatch between State's flow of resources and its expenditure obligations. During this year quantum of such advances was ₹ 19979.88 crore (of which ₹ 19373.79 was repaid within the year), including overdraft of ₹ 5303.50 crore. The State had to bear ₹ 27.79 crore as interest on ways and mean advances (₹ 23.92 crore) and overdrafts: (₹ 3.87 crore). Treasury bills amounting to ₹ 19762.11 crore and ₹ 20366.12 crore respectively were purchased and sold during the period 2010-11. An amount of ₹ 63.96 crore was received as interest on investment under treasury bills during the year. The investment made out of general cash balance and earmarked funds up to end of March 2011 are given in the following table.

Table-1.29: Cash Balances and Investment of Cash balances (Rupees in crore)

	As on 1 April 2010	As on 31 March 2011	Increase/ Decrease
Cash balance	**4785.49**	**5675.89**	**(+) 890.40**
Cash in Treasuries	0.35	0.47	(+) 0.12
Deposits with Reserve Bank of India	101.25	168.77	(+) 67.52
Local remittances	-	-	-
Departmental cash balances	38.84	24.75	(-) 14.09
Permanent imprest		1.63	1.63
Investments from Cash Balances (a to d)			
a. Securities of Government of India-	-	-	-
b. GoI Treasury Bills	603.31	(-) 0.69	(-) 602.62
c. Other Securities	-	-	-
d. Other Investments	-	-	-
Funds-wise Break-up of Investment from Earmarked balances (a and b)	**4040.12**	**5480.96**	**1440.84**
a. Sinking Funds	4039.52	5480.36	1440.84
b. Development of Welfare Fund	0.60	0.60	-
Interest Realised	57.86	63.96	6.10

Source: Finance Accounts

The cash balance of the State as at the end of 2010-11 stood at ₹ 5675.89 crore registering an increase of 19 *per cent* over the previous year. Cash balances were

wholly invested in GoI securities. Treasury Bills amounting to ₹ 19762.11 crore and ₹ 20366.12 crore were purchased and sold respectively during the current year. An amount of ₹ 63.96 crore was received as interest on investment under Treasury bills during the year.

1.8 Assets and Liabilities

1.8.1 Growth and composition of Assets and Liabilities

In the existing Government accounting system, comprehensive accounting of fixed assets like land and buildings owned by the Government is not done. However, the Government accounts do capture the financial liabilities of the Government and assets created out of the expenditure incurred. ***Appendix 1.4*** gives an abstract of such Assets and Liabilities as on 31 March 2011, compared with the corresponding position on 31 March 2010. While the liabilities consist mainly of internal borrowings, loans and advances from the GoI, receipts from the Public Account and Reserve Funds, assets comprise mainly the capital outlay and loans and advances given by the State Government and cash balances. During 2006-07 to 2010-11, assets-liability ratio hovered around 0.26 to 0.33 and during the current year, the ratio came down to 0.26 from 0.27 in the previous year. This indicated that only 26 *per cent* of the liabilities had the asset back-up which needs to be addressed.

1.8.2 Fiscal Liabilities

There are two sets of liabilities namely, public debt and other liabilities. Public debt consists of internal debt of the State and is reported in the Annual Financial Statements under the Consolidated Fund - Capital Accounts. It includes market loans, special securities issued by RBI and loans and advances from the Central Government. The Constitution of India provides that a State may borrow, within the territory of India, upon the security of its Consolidated Fund, within such limits, as may from time to time, be fixed by the Act of its Legislature and give guarantees within such limits as may be fixed. Other liabilities, which are part of public account, include deposits under small savings scheme, provident funds and other deposits.

The trends in outstanding fiscal liabilities of the State are presented in ***Appendix 1.6***. However, the compositions of fiscal liabilities during the current year *vis-à-vis* the previous year are presented in **Charts 1.17** and **1.18.**

Chart 1.17: Composition of Outstanding Fiscal Liabilities as on 31.3.2011 (Rupees in core)

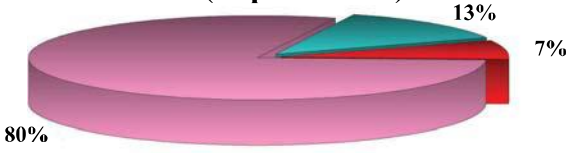


Chart 1.18: Composition of Outstanding Fiscal Liabilities as on 31.3.2011 (Rupees in core)



Fiscal Liabilities of the State, their rate of growth, ratio of these liabilities to GSDP, Revenue Receipts and own resources are brought out in **Table 1.30:**

Table-1.30: Trend in Fiscal Liabilities of the State

(Rupees in crore and ratios in percentage)

	2006-07	2007-08	2008-09	2009-10	2010-11
Fiscal Liabilities	122398	134402	148110	171693	192868
Rate of growth		9.81	10.20	15.92	12.33
Ratio of Fiscal Liabilities to					
GSDP	46.66	45.02	43.49	42.86	41.92
Revenue Receipts	473.90	445.53	401.34	465.02	408.07
Own resources	945.60	920.62	764.04	887.85	820.40

Source: Finance Accounts

Overall fiscal liabilities of the State increased from ₹ 171693 crore in 2009-10 to ₹ 192868 crore in 2010-11 with a growth rate of 12.33 *per cent*. The ratio of fiscal liabilities to GSDP which was 42.86 *per cent* in 2009-10, though declined to 41.92 *per cent* in 2010-11, was higher than that prescribed by 13th Finance Commission (40.6 *per cent*). These liabilities stood at more than four times of the Revenue Receipts and eight times the State's own resources as at the end of 2010-11. The rate of growth of GSDP, which was 17.62 *per cent* in 2009-10 over previous year, came down to 14.86 *per cent* this year; whereas, that of fiscal liabilities, which was 15.92 *per cent* last year, declined to 12.33 *per cent* this year.

1.8.3 Reserve Funds

As on 31 March 2011, there was an aggregate closing balance of ₹ 5454.18 crore in 17 Reserve Funds. Out of ₹ 5454.18 crore, Government had invested ₹ 5480.96 crore in earmarked funds as of the end of the year. During the year, an amount of ₹ 2119.63 crore was transferred as annual contribution in various Reserve Funds. The Reserve Funds of the State decreased by ₹ 1192.08 crore over the previous year. The position of the closing balances of some major Reserve Funds as of March 2011 and amount contributed therein during 2010-11 was as under:

Table 1.31: Closing balances and contribution in respect of some major reserve fund

(Rupees in lakh)

Name of the Fund (reference of Major-Minor Head)	Closing Balance as on 31 March 2011	Contribution made during 2010-11
State Disaster Response Fund (8121-123)	(-) 25597.23 (Cr)	32837.82
Consolidated Sinking Fund (8222-01-101)	548036.64 (Cr)	144084.25
State Roads and Bridges Fund (8225-101)	17448.86 (Cr)	34002.03
Calamity Relief Fund (8235-111)	1568.92 (Cr)	Nil

Source: Finance Accounts

Further, it was seen that 10 Reserve Funds with aggregate closing balance of ₹ 5.98 crore as of March 2011 have been lying in-operative since 2004-05.

1.8.4 Status of Guarantees - Contingent liabilities

Guarantees are liabilities contingent on the Consolidated Fund of the State in case of default by the borrower for whom the guarantee has been extended. The West Bengal Ceiling on Government Guarantees Act, 2001 stipulated that the total outstanding Government guarantees as on the first day of April of any year shall not exceed 90 *per cent* of the State Revenue Receipts of the second preceding year.

As per Finance Accounts, the maximum amount for which guarantees were given by the State and outstanding guarantees for the last five years is given in **Table 1.32.**

Table-1.32: Guarantees given by the Government of West Bengal

(Rupees in crore)

	1 April 2007	1 April 2008	1 April 2009	1 April 2010	1 April 2011
Maximum amount guaranteed	21826.39	23117.70	19974.48	20298.38	19860.49
Outstanding amount of guarantees	13136.64	13683.86	11972.75	10354.63	11943.44
Ceiling fixed by State Government Act (90 *per cent* of Revenue Receipt of the second preceding year)	17926	21353	23245	27150	33214
Percentage of outstanding amount guaranteed to Revenue Receipts of second preceding year	66	58	46	34	32

Source: Finance Accounts

The total guarantee of the Government decreased from ₹ 20298.38 crore in 2009-10 to ₹ 19860.49 crore in 2010-11. Outstanding guaranteed loan amount, however, increased from ₹ 10354.63 crore in 2009-10 to ₹ 11943.44 crore in 2010-11. Over the last five years outstanding amount of Government guarantee was consistently well within the ceiling permissible under the relevant Act.

Further, in terms of Section 10 of West Bengal Act I of 2002 the loanee for whom the State Government provided guarantee to the financial institutions, was required to pay the guarantee commission at the rate of one *per cent* (minimum) on the total amount guaranteed. However, ₹ 142.32 crore towards guarantee commission in respect of three test-checked departments remained outstanding as on 31 March 2011(Power: ₹ 103.12 crore, Urban Development: ₹ 22.20 crore, Finance (IF): ₹ 17 crore). Nothing was on records to show whether any action was initiated by the Departments to recover outstanding guarantee fees.

1.9 Debt Sustainability

Debt sustainability[15] is defined as the ability to maintain a constant debt-GSDP ratio over a period of time. In simple terms, public debt is considered sustainable as long as the rate of growth of income exceeds the interest rate or cost of public borrowings subject to the condition that the primary balance is either positive or zero. Given the rate spread (GSDP growth rate - interest rate) and quantum spread (Debt * rate spread), debt sustainability condition states that if quantum spread together with primary deficit is zero, debt GSDP ratio would be constant or sustainable. On the other hand, if it is negative, debt GSDP ratio would rise and

[15] *Debt sustainability is defined as the ability of the State to maintain a constant debt-GDP ratio over a period of time and also embodies concern about the ability to service its debt. Sustainability of debt therefore also refers to sufficiency of liquid assets to meet current or committed obligations and the capacity to keep balance between costs of additional borrowings with returns from such borrowings. It means that rise in fiscal deficit should match the increase in capacity to service the debt.*

if it turns positive, it would fall. **Table 1.33** analyses debt sustainability of the State according to these indicators for the period of five years beginning from 2006-07.

Table 1.33: Debt Sustainability: Indicators and Trends (Rupees in crore)

Indicators of Debt Sustainability	2006-07	2007-08	2008-09	2009-10	2010-11
Debt Stabilisation (Quantum Spread + Primary Deficit)	4757 {5308+(-)551}	6353 {6369+(-)16}	6308 {7797+ (-)1489}	3222 {14871+ (-)11649}	7551 {13270+ (-)5719}
Debt-GSDP ratio	0.467	0.450	0.435	0.429	0.419
Sufficiency of Non-debt Receipts (Resource Gap)	(-)1829	(+)30	(-)2158	(-)11396	(+)5418
Net Availability of Borrowed Funds	(-)2372.92	(+) 198.17	(+) 533	(+) 9302	(+) 5888
Debt redemption/Debt receipt	1.11	1.00	0.99	0.85	0.92
Burden of Interest Payments (IP/RR Ratio)	0.43	0.38	0.35	0.36	0.29

Source: Finance Accounts

Debt Stabilisation[16] **:** debt sustainability condition states that if quantum spread together with primary deficit is zero, debt-GSDP ratio would be constant or debt would stabilise eventually. On the other hand, if primary deficit together with quantum spread turns out to be negative, debt-GSDP ratio would rise and in case it is positive, debt-GSDP ratio would eventually fall. The sum of quantum spread with primary deficit was positive during all five years.

WBFRBM Act 2010 envisaged that during 2010-11 the Debt-GSDP ratio should be 40.60 *per cent* (medium term target being 34.30 *per cent* within 2014-15). Against the target, the same stood at 41.92 *per cent* during the current year.

Sufficiency of non-debt receipts: For debt sustainability the incremental non-debt receipts of the State should be adequate to cover incremental interest liabilities and incremental primary expenditures. Debt sustainability could be significantly facilitated if the incremental non-debt receipts could meet the incremental interest burden and the incremental primary expenditure. During 2010-11 there was noticeable improvement in terms of sufficiency in non-debt receipts, as Resource Gap turned positive with substantial magnitude as compared to the last year, indicating growing capacity of the State to sustain the debt. There has also been an increase of non-debt receipts by ₹ 10327 crore during the current year, which had its positive impact on the States financial health. The debt-GSDP ratio, which was 0.467 in 2006-07, came down to 0.429 in 2009-10 and 0.419 in 2010-11.

Net availability of borrowed funds: This is defined as the ratio of debt redemption (Principal + Interest Payments) to total debt receipts and indicates the extent to which debt receipts are used in debt redemption indicating net availability of borrowed funds. Though availability of borrowed funds remained positive during last four years, quantum of the same came down from ₹ 9302 crore in the previous year to ₹ 5888 crore this year.

[16] *A necessary condition for stability states that if the rate of growth of economy exceeds the interest rate or cost of public borrowings, the debt-GDP ratio is likely to be stable provided primary balances are either zero or positive or are moderately negative. Given the rate spread (GSDP growth rate - interest rate) and quantum spread (Debt*rate spread).*

Burden of interest payments: This is measured by interest payments to Revenue Receipts ratio. *The Twelfth Finance Commission recommended that in case of all the States the level of interest payments relative to Revenue Receipts should fall to about 15 per cent by 2009-10. In case of West Bengal, this was 36 per cent in 2009-10, which came down to 29 per cent in 2010-11. Interest payment of the State at ₹13817.30 crore was marginally higher than the projections of the Thirteenth Finance Commission at ₹13694.95 crore.*

Maturity profile of the State Debt: A look at the maturity profile (*vide* **Table 1.34**) of State Government's debt (both market loan as well as GoI loans) would reveal that annual liability towards redemption of State debt would be on the rise in coming years.

Chart 1.19: Maturity Profile of State Debt

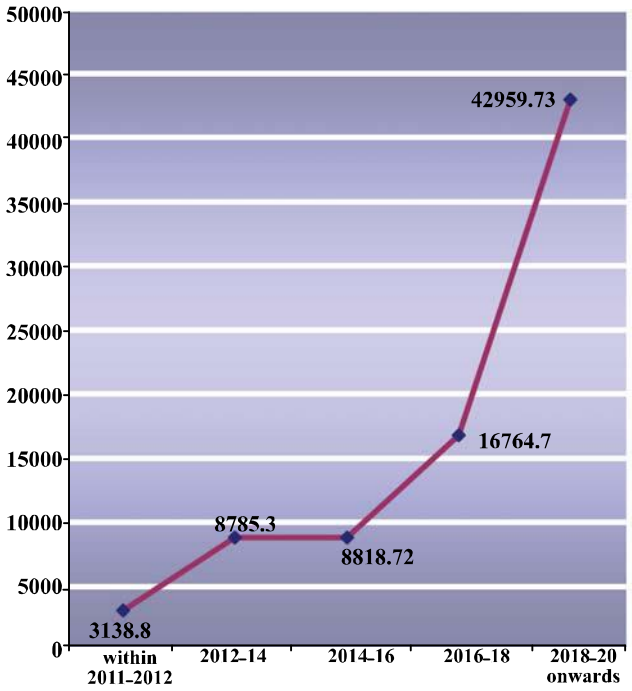


Table 1.34: Maturity Profile of State Debt

Period	Amount to be matured
Details of Maturity year not available	₹ 86974.86crore
Within 2011-12	₹ 3138.80crore
2012-13 to 2013-14rs	₹ 8785.30crore
2014-15 to 2015-16	₹ 8818.72crore
2016-17 to 2017-18	₹ 16764.70crore
2018-19 onwards	₹ 42959.73crore
Total redeemable debt	**₹ 167442.11crore**

Source: Finance Accounts

Non-availability of maturity profile of ₹ 86974.86 crore (52 *per cent*) of the State debt would seriously affect the planning and preparedness of the State in repaying its debt, as bunching of debt repayments calls for a careful strategy to redeem the debt without either resorting to very high borrowings or cutting down operational expenditure

1.10 Fiscal Imbalances

Three key fiscal parameters - Revenue, Fiscal and Primary Deficits - indicate the extent of overall fiscal imbalance in Government finances. Deficit in Government accounts represents the gap between receipts and expenditure. Nature of deficit is an indicator of prudence of fiscal management of the Government. Further, the ways in which the deficit is financed and the resources raised are applied are important pointers to its fiscal health. This section presents trends, nature, magnitude and the manner of financing these deficits and also the assessment of actual levels of Revenue and Fiscal Deficits for the financial year 2010-11.

1.10.1 Trends in Deficits

Charts 1.20 and **1.21** present trends in deficit indicators over the period 2006-07 to 2010-11.

Chart 1.20: Trends in Deficit Indicator

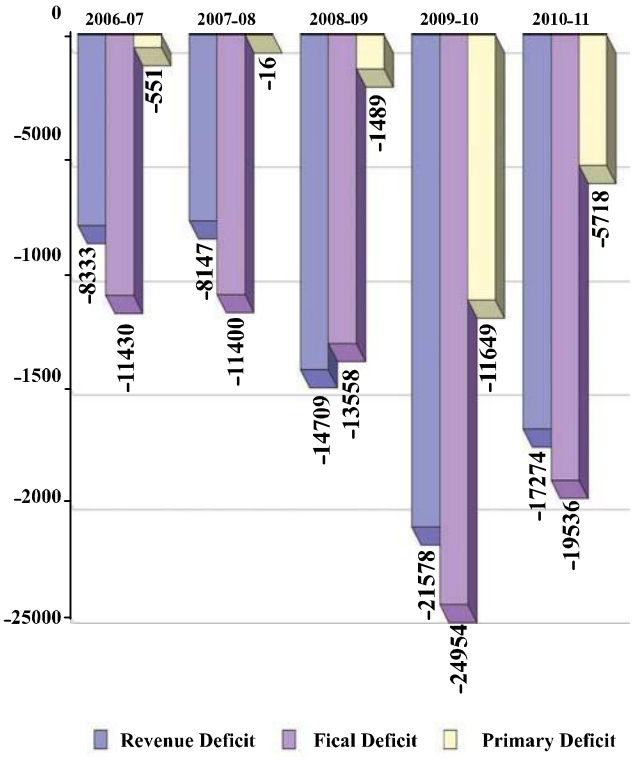
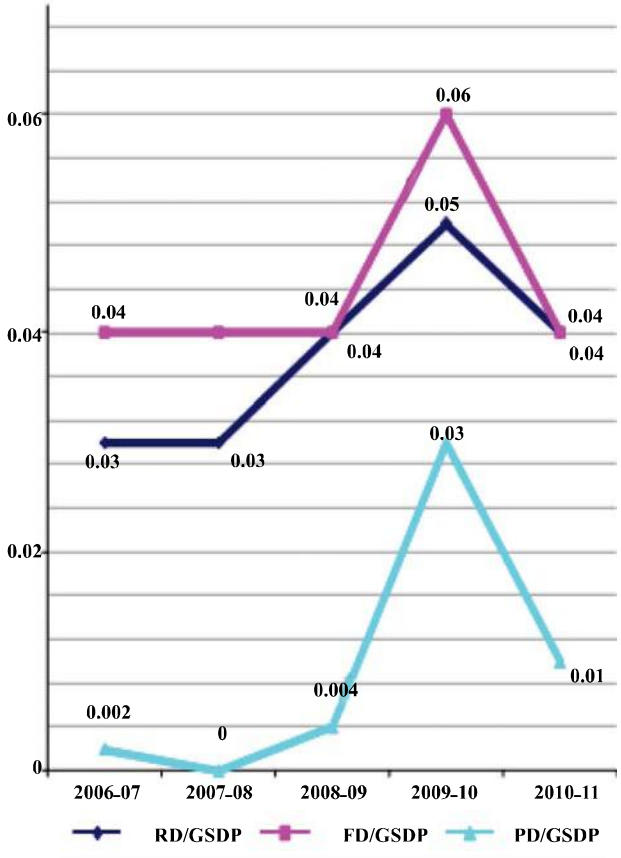


Chart 1.21: Trends in Deficit Indicator indicatots relative GSDP



Revenue Deficit, which was ₹ 8333 crore in 2006-07, shot up steeply to ₹ 14709 crore in 2008-09 and went higher to ₹ 21578 crore in 2009-10. It however, came down to ₹ 17274 crore in 2010-11. Thus, there was a growth of about 107 *per cent* over the five year period. Fiscal Deficit which was ₹ 11430 crore in 2006-07 increased sharply to ₹ 24954 crore in 2009-10. It however, came down to ₹ 19536 crore 2010-11. The WBFRBM Amendment Act 2011 envisaged containment of Fiscal Deficit within 3.5 *per cent* of GSDP. Against this target, the Fiscal Deficit stood at 4.25 *per cent* during 2010-11.

1.10.2 Components of Fiscal Deficit and its financing pattern

Financing pattern of fiscal deficit has undergone a compositional shift as reflected in **Table 1.35**.

Table 1.35: Components of Fiscal Deficit and its Financing Pattern

(Rupees in crore)

	Particulars	2006-07	2007-08	2008-09	2009-10	2010-11		
Decomposition of Fiscal Deficit		**11430(4.35)**	**11400(3.82)**	**13558(3.98)**	**24954 (6.23)**			**19536(4.25)**
1	Revenue Deficit	8333 (3.18)	8147 (2.73)	14709 (4.32)	21578 (5.39)			17274(3.75)
2	Net Capital Expenditure	2018	2688	3705	3011			2226
3	Net Loans and Advances	1079	565	(-) 4856	365			36
4	Fiscal deficit	(-) 11430	(-) 11400	(-) 13558	(-) 24954			(-) 19536
Financing Pattern of Fiscal Deficit						**Receipts**	**Disbursement**	**Net**
1	Market Borrowings	843	10740	11543	15605	10556	2111	8445
2	Loans from GoI	(-)658	(-) 623	(-) 585	(-)1009	296	544	(-) 248
3	Special Securities Issued to NSSF	8245	936	520	6431	12189	2101	10088
4	Loans from Financial Institutions	(-)1104	(-)293	(-) 335	(-)191	21133	21464	(-) 331
5	Small Savings, PF etc	314	319	355	738	2385	1256	1129
6	Deposits and Advances	893	789	1231	1364	23444	22574	870
7	Suspense and Miscellaneous	2628	501	712	2614	63895	63735	160
8	Remittances	244	133	274	58	5270	5535	(-) 265
						139168	**119320**	**19848**
9	**Overall Surplus/Deficit**	**(-) 18**	**(+)1102**	**(+)157**	**(+)656**			**(+) 312**

Source: Finance Accounts

It is evident that in financing this high magnitude of deficit, Government had to resort to market borrowings and Special Securities Issued to National Small Savings Fund. As regards cost of these borrowings of the two main sources of funds it was noticed that the rates of interest on Market borrowings and Special Securities issued to NSSF, as prevailing in 2010-11 were 8.11 to 8.58 per cent and nine per cent respectively.

The State Government was yet to repay matured market loan of ₹ 4.63 crore, as of March 2011.

1.10.3 Quality of Deficit/Surplus

The ratio of Revenue Deficit to Fiscal Deficit and the decomposition of Primary Deficit into Primary Revenue Deficit and Capital Expenditure (including Loans and Advances) indicate the quality of deficit. The ratio of Revenue Deficit to Fiscal Deficit indicates the extent to which borrowed funds were used for current consumption. Further, persistently high ratio of Revenue Deficit to Fiscal Deficit also indicates that asset base of the State was continuously shrinking and a part of borrowings (Fiscal Liabilities) did not have asset backup. The bifurcation of Primary Deficit **(Table 1.36)** indicates the extent to which deficit has been on account of enhancement in Capital Expenditure which is desirable for improvement of the productive capacity of the State's economy.

Table 1.36: Primary deficit/Surplus – Bifurcation of factors (Rupees in crore)

	Non-debt receipts	Primary Revenue Expenditure	Capital Expenditure	Loans and Advances	Primary Expenditure	Primary revenue deficit (-) /surplus (+)	Primary deficit (-) / surplus (+)
1	2	3	4	5	6 (3+4+5)	7 (2-3)	8 (2-6)
2006-07	26066	23282	2018	1317	26617	(+)2784	(-) 551
2007-08	30664	26930	2688	1062	30680	(+)3734	(-) 16
2008-09	42520	39544	3705	760	44009	(+)2976	(-) 1489
2009-10	37309	45195	3011	752	48958	(-)7886	(-) 11649
2010-11	47636	50721	2226	408	53355	(-)3085	(-)5719

Source: Finance Accounts

Further, proportion of Capital Expenditure with respect to total expenditure worked out only three *per cent* which was lowest in last five years. During 2010-11, Primary Deficit decreased to ₹ 5719 crore from ₹ 11649 crore in 2009-10 as the Non Debt Receipt increased significantly during the year. Ideally, incremental Non-Debt Receipt every year should cover not only Primary Expenditure, but also incremental interest burden. It would be seen from the table above that during the years 2008-09 to 2010-11, Non-Debt Receipt could not meet the Primary Expenditure.

1.11 Conclusion and Recommendations

Fiscal position of the State: The State Government has improved its fiscal situation during 2010-11. Revenue Receipts grew at a healthy rate of 28 *per cent*, while the growth of Revenue Expenditure contained to 10.32 *per cent*. As a result, there was reduction in both Revenue and Fiscal Deficits. However, the Fiscal Deficit during 2010-11 was 4.25 *per cent* of GSDP as against the FRBM Act target of 3.50 *per cent.*

Enactment of Fiscal Responsibility Legislations: The State introduced the FRBM Legislation in July 2010 and amended it in February 2011 fixing the rolling fiscal targets for 2010-15. However, detailed indicators and rolling plan for additional resource mobilization were not yet prepared.

Preparation of all the requisite fiscal documents connected to implementation of FRBM should be expedited.

Prioritisation of Capital expenditure: Capital Expenditure as well as expenditure under Economic Sector is the major indicators of development activity. In both the cases, not only was the actual expenditure far below budget estimate, Capital Expenditure was remarkably low at only three *per cent* of total expenditure. Thus, most of the high cost borrowed funds were utilised to meet Revenue Expenditure.

The State should consider assigning greater priority to expenditure on Economic Sector and Capital Expenditure. Terms of reference of 13th Finance Commission requires the State to consider the objective of not only balancing the revenue account but also generating surplus for Capital investment.

Transfer of fund to State implementing agency: During 2010-11, GoI directly transferred ₹ 8806.84 crore to the State implementing agencies compared to ₹ 6446.54 crore in 2009-10. A Major portion went to Government Autonomous Bodies (₹ 7733 crore). Such direct transfer of funds runs the risk of improper utilisation of funds by these agencies. As these funds remain outside the State budget, there is no single agency monitoring fruitful utilisation. Resultantly, consolidated data is not available as to the quantum of total such funds actually available/spent in relation to Centrally sponsored schemes.

A system has to be put in place to ensure proper accounting of these funds and the updated information should be validated by the State Government as well as the Office of the Accountant General.

Review of Government investment : Government is getting very little return from its capital outlay on Irrigation works. Return on investment in Statutory Corporations, rural banks etc. depicted a grim picture, varying between zero and 0.07 *per cent*, while Government had to pay interest at the average rate of 7.58 to 9.22 *per cent* on its borrowings during 2006-07 to 2010-11 leading to substantial implicit subsidy.

State Government should ensure better value for money in investments and prioritise projects with high socio-economic returns. Efforts are needed to implement the recommendations of the Thirteenth Finance Commission on clearance of arrear accounts of all PSUs, closure of non-working PSUs as well as divestment of non-viable PSUs.

Chapter 2

Financial Management and Budgetary Control

2.1 Introduction

2.1.1 Appropriation Accounts are accounts of expenditure, voted and charged, of the Government for each financial year as compared with amounts of voted grants and appropriations charged for different purposes as specified in the schedules appended to the Appropriation Acts. These Accounts list original budget estimates, supplementary grants, surrenders and re-appropriations distinctly and indicate actual capital and revenue expenditure on various specified services *vis-à-vis* those authorised by the Appropriation Act. Appropriation Accounts thus facilitate management of finances and monitoring of budgetary provisions and are, therefore, complementary to Finance Accounts.

2.1.2 Audit of appropriations by the Comptroller and Auditor General of India seeks to ascertain whether the expenditure actually incurred under various grants is within the authorisation given under the Appropriation Act and the expenditure required to be charged under the provisions of the Constitution is so charged. It also ascertains whether expenditure so incurred is in conformity with the law, relevant rules, regulations and instructions.

2.2 Summary of Appropriation Accounts

The summarised position of actual expenditure during 2010-11 against 61 grants/appropriations is given in **Table 2.1**:

Table 2.1: Summarised Position of Actual Expenditure vis-à-vis Original/Supplementary provisions

(Rupees in crore)

	Nature of expenditure	Original grant/ appropriation	Supplementary grant/ appropriation	Total	Actual expenditure	Saving (-)/ Excess (+)
Voted	I Revenue	49488.48	6088.23	55576.71	51350.04	(-) 4226.67
	II Capital	5745.36	294.20	6039.56	2483.34	(-) 3556.22
	III Loans and Advances	491.76	4.00	495.76	407.73	(-) 88.03
	IV. Public Debt	-	-	-	-	-
Total Voted		**55725.60**	**6386.43**	**62112.03**	**54241.11**	**(-) 7870.92**
Charged	V Revenue	15354.21	299.72	15653.93	14633.19	(-) 1020.74
	VI Capital	-	8.37	8.37	7.88	(-) 0.49
	VII Public Debt- Repayment	14844.25	4320.38	19164.63	26220.08	(+) 7055.45
Total Charged		**30198.46**	**4628.47**	**34826.93**	**40861.15**	**(+) 6034.22**
Appropriation to Contingency Fund (if any)		-	-	-	-	-
Grand Total		**85924.06**	**11014.90**	**96938.96**	**95102.26**	**(-) 1836.70**

Source: Appropriation Accounts

Note: Actual expenditure was overstated to the extent of ₹ 384.30 crore drawn on Abstract Contingent bills during 2010-11, which remained un-adjusted at the end of the year.

The overall saving of ₹ 1836.70 crore was the result of saving of ₹ 10167.43 crore in 47 grants and 22 appropriations under Revenue Section and 48 grants and 19 appropriations under Capital Section, **offset by excess of ₹ 8330.72 crore** in 13

grants and seven appropriations under Revenue Section and onegrant and six appropriations under Capital Section.

The savings/excesses (Detailed Appropriation Accounts) were intimated (June 2011) to the Departmental Controlling Officers requesting them to explain the significant variations. Out of 1536 sub-heads, explanations for variations were not received in respect of 1346 sub-heads (Saving: 1010 sub-heads and Excess: 336 sub-heads). Substantial savings occurred in Education (Higher), Food and Supplies, Panchayat and Rural Development, Public Health Engineering, Housing, Irrigation and Waterways and Disaster Management Departments. Substantial excess occurred in Education (School), Finance, Civil Defence, Housing, Irrigation and Waterways and Public Works Departments. Reasons for savings and excesses were not furnished by the Departments as of September 2011.

2.3 Financial Accountability and Budget Management

2.3.1 Appropriation vis-à-vis Allocative Priorities

The outcome of the appropriation audit reveals that in 104 cases, savings exceeded ₹10 crore in each case or by more than 20 *per cent* of total provision (***Appendix 2.1***). Against the total savings of ₹10167.43 crore, savings of ₹ 6958.63 crore (68 *per cent*) occurred in 18[1] cases relating to 13 grants as indicated in **Table 2.2.**

Table 2.2: List of Grants with savings of ₹ 50 crore and above

(Rupees in crore)

Sl. No.	No. and name of the Grant	Original	Supplementary	Total	Actual expenditure	Savings
	Revenue-Voted					
1	13-Education (Higher)	1958.45	-	1958.45	1802.41	156.04
2	21-Food and Supplies	2182.31	5.66	2187.97	1734.10	453.87
3	36-Land and Land Reforms	881.67	-	881.67	769.09	113.58
4	38-Minority Affairs and Madrasah Education	730.96	257.01	987.97	798.50	189.47
5	39-Municipal Affairs	3035.89	-	3035.89	2478.80	557.09
6	40-Panchayat and Rural Development	3535.14	-	3535.14	3051.14	484.00
7	44-Public Enterprises	107.33	37.18	144.52	27.88	116.64
8	45-Public Health Engineering	330.33	343.21	673.54	479.04	194.50
9	47-Disaster Management	724.27	1504.63	2228.90	1012.06	1216.84
10	54-Urban Development	1873.22	-	1873.22	1105.82	767.39
11	56-Women and Child Development and Social Welfare	1359.65	499.42	1859.07	1748.94	110.13
	Total					**4359.55**
	Capital-Voted					
1	25-Public Works	998.05	-	998.05	779.77	218.28
2	28-Housing	571.66	-	571.66	112.20	459.46
3	32-Irrigation and Waterways	1459.08	-	1459.08	463.31	995.77
4	43-Power and Non-Conventional Energy Sources	200.15	165.52	365.67	120.32	245.35
5	45-Public Health Engineering	181.20	-	181.20	0.82	180.38

[1] *Exceeding ₹ 100 crore in each case*

Sl. No.	No. and name of the Grant	Original	Supplementary	Total	Actual expenditure	Savings
6	51-Technical Education and Training	203.38	-	203.38	51.80	151.58
7	55-Water Resources Investigation and Development	430.50	-	430.50	82.24	348.26
						2599.08
	Total					**6958.63**

Source: Appropriation Accounts

Under grant numbers 47, 56 and 43 the departments attributed such savings to augmentation of funds by supplementary provisions made in March 2011. However, reasons for non-utilisation of the augmented funds were not explained by the departments.

2.3.2 Persistent Savings

In 21 cases, during the last five years, there were persistent savings of more than ₹ 1 crore in each case. The savings were also 10 *per cent* or more of the total grant except in six cases (***Appendix 2.2*).** Departments with such major cases were Irrigation and Waterways, Municipal Affairs, Health and Family Welfare, Water Resources and Investigations, Minority Affairs and Madrasah Departments.

While 16 departments did not furnish the reasons for the persistent savings, the reasons intimated by five departments (38-Minority Affairs and Madrasah Education, 36-Land and Land Reforms, 5-Agriculture, 34-Judicial and 44-Public Enterprises) indicated that savings were mainly due to unnecessary/excessive supplementary grants in March each year.

2.3.3 Excess over provisions during 2010-11 requiring regularisation

Table 2.3 contains the summary of total excess expenditure under 13 grants and ten appropriations amounting to ₹ 8330.72 crore from the Consolidated Fund of the State over the amounts authorised by the State Legislature during 2010-11 which requires regularisation under Article 205 of the Constitution.

Table 2.3: Excess over provisions requiring regularisation during 2010-11

Sl. No	Number and title of grant/appropriation		Total grant/ appropriation	Expenditure	Excess
			(Rupees in crore)		
	Voted Grants				
1	4-Revenue	Agricultural Marketing	24.82	28.28	3.46
2	5-Revenue	Agriculture	720.31	729.88	9.57
3	15-Revenue	Education (School)	11475.85	11911.70	435.85
4	18-Revenue	Finance	8403.79	8646.44	242.65
5	20-Revenue	Fisheries	135.12	136.07	0.95
6	22-Revenue	Food Processing Industries and Horticulture	67.26	74.25	6.99
7	23-Revenue	Forest	316.69	322.07	5.38
8	25-Revenue	Public Works	979.09	1267.76	288.67
9	27-Revenue	Home	3134.03	3338.57	204.54
10	33-Revenue	Jails	148.51	152.46	3.95
11	35-Revenue	Labour	397.09	411.57	14.48
12	46-Revenue	Refugee Relief and Rehabilitation	59.80	62.43	2.63
13	60-Revenue	Civil Defence	265.18	285.75	20.57
Total		Voted			**1239.69**

Sl. No	Number and title of grant/appropriation		Total grant/ appropriation	Expenditure	Excess
			(Rupees in crore)		
	Charged Appropriations				
1	11-Revenue	Micro and Small Scale Enterprises	0.41	0.46	0.05
2	18-Capital	Finance	19068.04	26125.85	7057.81
3	23-Revenue	Forest	-	0.05	0.05
	23-Capital	Forest	-	0.06	0.06
4	27-Revenue	Home	1.30	5.44	4.13
	27-Capital		-	2.83	2.83
5	35-Capital	Labour	0.55	1.48	0.93
6	42-Capital	Personnel and Administrative Reforms	-	0.01	0.01
7	43-Revenue	Power and Non-Conventional Energy Sources	27.17	27.23	0.06
8	45-Capital	Public Health Engineering	0.46	0.64	0.19
9	47-Revenue	Disaster Management	18.01	25.09	7.08
10	53-Revenue	Transport	-	7.27	7.27
	53-Capital		-	10.56	10.56
Total		Charged			7091.03
Grand total					**8330.72**

Source : Appropriation Accounts

2.3.4 Excess expenditure of previous years requiring regularisation

As per Article 205 of the Constitution of India, it is mandatory for a State Government to get the excess over a grant/appropriation regularised by the State Legislature. The time limit for regularisation of expenditure has, however, not been prescribed under the Article. Regularisation of excess expenditure is done after the completion of discussion of the Appropriation Accounts by the Public Accounts Committee (PAC). However, excess expenditure amounting to ₹ 16637.64 crore for the years 2006-2010 was yet to be regularised as of December 2011 as detailed in **Table 2.4.**

Table 2.4: Excess over provisions relating to previous years requiring regularisation

Year	Number of		Amount of excess over provision (Rupees in crore)
	Grants	Appropriations	
2006-07	12 (Grant Nos. 8, 9, 11, 13, 20, 26, 28, 30, 31, 43, 45, 54)	8 (Grant Nos. 5, 6, 20, 23, 27, 42, 47, 53)	293.31
2007-08	14 (Grant Nos. 3, 4, 5, 9, 18, 20, 21, 26, 32, 43, 44, 46, 50, 56)	8 (Grant Nos. 6, 9, 18, 23, 34, 42, 53, 55)	12145.54
2008-09	13 (Grant Nos. 4, 9, 18, 20, 21, 25, 27, 35, 50, 52, 53, 54, 59)	4 (Grant Nos. 12, 18, 39, 53)	705.89
2009-10	16 (Grant No. 4, 5, 19, 20, 21, 23, 24, 25, 27, 28, 33, 35, 40, 43, 53, 56)	6 (Grant No. 5, 18, 20, 29, 32, 43)	3492.90
Total	**55**	**26**	**16637.64**

Source : Appropriation Accounts

Thus, excess expenditure for the years 2006-07 to 2010-11 worth ₹ 24968.36 crore[2] needs regularization. In case of most of the grants, obtaining inadequate supplementary provision led to excess expenditure, which indicates lack of control over financial management by the controlling officers.

[2] *₹ 16637.64 crore pertaining to 2006-10 plus ₹ 8330.72 crore pertaining to 2010-11*

2.3.5 Significant excess expenditure

In eighteen cases, expenditure aggregating ₹ 53408.20 crore exceeded the approved provisions by ₹ 1 crore or more in each case or by more than 20 *per cent* of the total provisions. Details are given in ***Appendix 2.3***.

2.3.6 Expenditure without Provision

As per the Budget Manual, expenditure should not be incurred on a scheme/service without provision of funds. It was, however, noticed that expenditure of ₹ 2705.26 crore was incurred in 51 cases as detailed in ***Appendix 2.4*** without any provision in the original estimates/supplementary demand and without any re-appropriation orders to this effect. In none of the cases, reasons for incurring expenditure without any budget provision were intimated by the Departments (September 2011).

2.3.7 Unnecessary/Excessive/Inadequate supplementary provision

Supplementary provision aggregating ₹ 548.64 crore obtained in 13 cases (₹ 10 lakh or more in each case) during the year proved unnecessary as the expenditure did not come up to the level of original provision as detailed in ***Appendix 2.5.*** On the other hand, in nine cases, supplementary provision of ₹ 7282.70 crore proved insufficient by more than ₹ 1 crore in each case leaving an aggregate uncovered excess expenditure of ₹ 7982.46 crore **(*Appendix 2.6*).**

Under **Capital-Voted Section of Grant No. 43-Power and Non-conventional Energy Sources**, savings out of original provision stood at ₹ 79.83 crore, supplementary provision of ₹ 165.52 crore further inflated the savings.

Under **Revenue-Charged Section of Grant No. 18-Finance**, savings out of original provision was ₹ 717.29 crore, further supplementary provision of ₹ 280.87 crore proved to be unnecessary.

All these indicated lack of control on the part of the controlling authorities towards budget formulation.

2.3.8 Excessive/unnecessary re-appropriation of funds

Re-appropriation is transfer of funds within a grant from one unit of appropriation, where savings are anticipated, to another unit where additional funds are needed. Cases were noticed where injudicious re-appropriation proved excessive or insufficient leading to savings of ₹ 953.68 crore (in 30 sub heads under 13 grants) and excess expenditure of ₹ 355.64 crore (in 22 sub-heads under 14 grants) as detailed in ***Appendix 2.7.***

2.3.9 Surrender in excess of actual saving

Under Grant number **39-Municipal Affairs (Revenue-Voted),** out of total grant/appropriation of ₹ 3035.89 crore, there were savings of ₹ 557.09 crore. The Department, however, surrendered of ₹ 570.36 crore indicating excess surrender of ₹ 13.27 crore.

Under Grant number **4-Agriculture Marketing (Revenue-Voted),** out of total grant/appropriation of ₹ 24.82 crore, there were excess expenditure of ₹ 3.46 crore. The department, however, unrealistically surrendered ₹ 6.36 crore.

Similarly, under Grant number **5-Agriculture (Revenue-Voted),** out of total grant/appropriation of ₹ 720.31 crore, there were excess expenditure of ₹ 9.57 crore. Despite the same the Department surrendered ₹ 4.55 crore, which was unrealistic

Absence of budgetary control led to such excess surrenders.

2.3.10 Anticipated savings not surrendered

As per Budget Manual, the spending departments are required to surrender the grants/appropriations or portion thereof to the Finance Department as and when savings are anticipated. At the close of the year 2010-11, under 48 grants and 16 Appropriations, no part of the aggregate savings of ₹ 8172.68 crore was surrendered by the concerned Departments, as detailed in ***Appendix 2.8.*** Such un-surrendered savings accounted for 80 *percent* of the total savings of ₹ 10167.43 crore during 2010-11.

Similarly, out of total savings of ₹ 1319.01 crore under nine other grants (saving of ₹ 1 crore and above in each case), only ₹ 1052.21 crore was surrendered leaving un-surrendered balances aggregating ₹ 265.80 crore (20 *percent* of savings under those grants), details of which are given in ***Appendix 2.9.***

Besides, in nine cases under seven grants, (surrender of funds in excess of ₹ 10 crore), ₹ 1746.81 crore were (***Appendix 2.10***) surrendered on the last working day of March 2011 indicating inadequate financial control and the fact that these funds could not be gainfully utilised for other development purposes.

2.3.11 Rush of expenditure

According to Rule 389 A of West Bengal Financial Rules, rush of expenditure in the closing month of the financial year should be avoided. Contrary to this, in respect of four major-heads, 67 *per cent* of the total expenditure for the year was incurred in March 2011. **Table 2.5** presents the major heads where more than 50 *percent* expenditure was incurred during the last month of the financial year.

Table 2.5: Cases of rush of expenditure towards the end of the financial year 2010-11

(Rupees in crore)

	Major Head	Expenditure during the year	Expenditure during last quarter of the year		Expenditure during March 2011	
			Amount	Percentage of total expenditure	Amount	Percentage of total expenditure
1	2015-Election	205.77	176.65	86	167.04	81
2	4070-Capital Outlay on Other Administrative Services	15.45	11.21	73	9.21	60
3	4210-Capital Outlay on Medical and Public Health	187.17	108.03	58	94.73	51
4	4857-Capital Outlay on Chemical and Pharmaceutical Industries	17.10	13.30	78	13.30	78

Source: Expenditure booked by Pr. AG (A&E)

High percentage of expenditure under 2015-Election may, however, be viewed with the fact that the Assembly General Election was held in April-May 2011. However, as regards other three major heads as shown in **Table 2.5** was indicative of the fact that uniform flow of expenditure during the year, a primary requirement of budgetary control, was not maintained.

2.4 Advances from Contingency Fund

The Contingency Fund of the State has been established under the Act in terms of provisions of Article 267 (2) and 283 (2) of the Constitution of India. Advances from the Fund are permissible only for meeting expenditure of an unforeseen and emergent character, postponement of which, till its authorisation by the Legislature, would be undesirable. Advances from West Bengal Contingency Fund may be given for meeting expenditure in the circumstances where (i) provision could not be made in annual/supplementary budget, (ii) expenditure could not be foreseen and (iii) the expenditure cannot be postponed till vote of Legislature is obtained. The Fund is in the nature of an imprest and has a corpus of ₹ 20 crore.

An amount of ₹ 2.70 crore remaining un-recouped under the Contingency Fund at close of 2009-10 has since been recouped under the Major Head "2210-Medical and Public Health". At the end of 2010-11, ₹ 0.03 crore remains to be recouped to the Major Head "2059-Public Works". This has a direct impact on the Revenue Deficit of the State

2.5 Review of budgetary process and financial management

One basic tenet of efficient financial management is realistic preparation of budget. Under Article 202 (1) of the Constitution of India, the overall responsibility of preparation of budget lies with Finance Department. The materials based on which budget estimates are to be prepared should be obtained from the local budgeting officers. The responsibility for preparation of annual budget estimate for a department by collecting necessary inputs from the lower level functionaries (DDOs) lies with the Departmental Controlling Officer of that department. The detailed procedure for the same and time schedule for submission of the same to the Finance department have been stipulated in the West Bengal Financial Rules as well as the West Bengal Budget Manual.

The systems of preparation of budget as well as expenditure control followed by two departments namely, Backward Classes Welfare (BCW) and Fisheries Departments during 2006-07 to 2009-10 were reviewed in Audit. Various deficiencies in budget preparation process, control over expenditure as well as lack of prudence in financial management were observed, as discussed in the succeeding paragraphs:

2.5.1 Budget preparation process

Under the provisions of West Bengal Financial Rules (WBFR) and West Bengal Budget Manual, the departmental budget estimates are required to be prepared by the respective department after obtaining budget proposals from the subordinate offices.

A) Delay in submission of budget estimates

In terms of Rule 333 of WBFR it is essential that the time table prescribed for submission of Budget Estimate should be strictly adhered to so that the realistic estimates may be prepared by the Administrative Department for onward transmission to Finance Department and it may be laid before the Legislature on due date. The schedule for submission of Budget Estimate for the year 2010-11 alongwith Revised Estimate for 2009-10 and Actual of 2008-09 were as under:-

Table 2.6: Statement showing target date and actual dates of submission of budget proposals by two Departments

Sl. No.	Grant No.	Name of the Department	Scheduled date of receipt from Department	Actual date of submission	No. of days delayed
1	20	Fisheries	15.10.2009	19.11.2009	35
2	07	Backward Classes Welfare	15.10.2009	14.12.2009	60

From the above, it transpired that the budget was prepared on presumption as the proposal of the department was submitted much later.

B) Watch over progress of expenditure

In terms of Rule 384 read with 385 of WBFR, the Departmental Controlling Officer (DCO) or a Disbursing Officer under whose disposal the grant is placed is required to keep a constant watch over the progress of expenditure every month under different units of appropriation in order to take early steps for obtaining supplementary grants or surrendering any probable savings as may be necessary. Further, the DCOs are required to keep up-to-date information of expenditures incurred by various DDO and reconcile the expenditure with those compiled by the Accountant General (A&E). Both BCW and Fisheries Departments neither obtained any monthly expenditure statement nor reconciled the departmental figures with those compiled by the Accountant General (A&E).

2.5.2 Budget Management in selected Grants

A review of budgetary and expenditure control during 2006-07 to 2010-11 in respect of these grant numbers revealed substantial savings discussed as under:

Table 2.7: Persistent savings under two grants

(Rupees in crore)

Grant No	Section	2006-07	2007-08	2008-09	2009-10	2010-11
		Quantum of savings (percentage to total allocation)				
7 BCW	Revenue	58.83 (16)	64.11 (15)	37.98 (7)	31.04 (6)	72.36 (11)
	Capital	5.96 (31)	29.55 (79)	5.35 (15)	8.40 (24)	23.68 (52)
20 Fisheries	Capital	24.51 (51)	57.06 (75)	6.87 (13)	10.86 (15)	32.08 (36)

Major head-wise analysis showed that in case of the following major heads, expenditures fell short of budget allotments by substantial amounts

Table 2.8: Cases of excess/savings under grants 7 and 20

(Rupees in lakh)

Major Head	2006-07	2007-08	2008-09	2009-10	2010-11
Grant number: 07 – Backward Classes Welfare					
2225-Welfare of Scheduled Caste, Scheduled Tribe and Other Backward Classes Welfare (Voted)	(-) 5828.88 (16)	(-) 6379.47 (15)	(-) 3772.72	(-) 3118.20	(-) 7228.97 (11)
4225-Capital Outlay on Welfare of Scheduled Caste, Scheduled Tribe and Other Backward Classes (Voted)	(-) 536.50 (29)	(-) 2885.09 (78)	(-) 514.43 (15)	(-) 822.62 (24)	(-) 2366.71 (52)

Source: Appropriation Accounts
(percentage of variations with respect to net budget allotments have been shown in brackets)
Cases where variations were within 10 per cent of budget provision are not indicated

A) Non-utilisation of budget provisions and non-surrender.

Scrutiny of records Backwards Classes Welfare Department and Fisheries Department for the year from 2006-07 to 2010-11 revealed that the savings made in respect of certain grants were not surrendered

Table 2.9: Non-surrender of savings under Grants number 7 and 20 (Rupees in crore)

Grant 7: Backward Classes Welfare			Grant 20: Fisheries		
2006-07	(Revenue-Voted)	58.33	2006-07	(Capital-Voted)	5.49
	(Capital-Voted)	5.36		(Capital-Charged)	19.02
2007-08	(Revenue-Voted)	64.06	2007-08	(Rev-Charged)	2.36
	(Capital-Voted)	28.85		(Capital-Voted)	35.06
2008-09	(Revenue-Voted)	37.88		(Capital-Charged)	22.00
	(Capital-Voted)	5.14	2008-09	(Capital-Voted)	6.76
2009-10	(Revenue-Voted)	31.03		(Revenue-Charged)	4.13
	(Capital-Voted)	8.23	2009-10	(Capital-Voted)	6.52
2010-11	(Revenue-Voted)	72.29		(Capital-Charged)	4.34
	(Capital-Voted)	23.67	2010-11	(Capital-Voted)	21.75
	(Revenue-Charged)	0.07		(Revenue-Charged)	1.08
	(Capital-Charged)	0.02		(Capital-Charged)	10.33
		334.93			**138.84**

B) Unnecessary/injudicious re-appropriation

Under Grant Number 20: Fisheries, instances were noticed where re-appropriation orders were either insufficient (sl 1 and 3) or injudicious (sl 2).

Table 2.10: Cases of unnecessary / injudicious re-appropriations under grant number 7 and 20

(Rupees in lakh)

	Description	Head of Account	Re-appropriation	Final Excess(+)/ Saving (-)
1	2008-09	2515-Other Rural Development Programmes-00-800-Other Expenditure-Non-Plan-012-Development of Tank Fisheries in the Selected CD Blocks in State (FI)	(+) 5.34	(+) 142.00
2	2009-10	2515-Other Rural Development Programmes-800-Other Expenditure-Non-Plan-012-Development of Tank Fisheries in the Selected CD Blocks in State (FI)	(-) 2.75	(+) 1526.85
3	2010-11	2401-Crop Husbandry-00-800-Other Expenditure-Plan-State Plan(Annual Plan and Eleventh Plan)-SP012-Additional Central Assistance Schemes under Rastriya Krishi Vikash Yojana (RKVY)(FI)	(+) 215.18	(+) 870.89

2.6 Major policy Initiatives in State Budget

The Budget documents as presented by the State Finance Minister for the year 2010-11 disclosed the major initiatives under social and economic sectors. Though it was not ascertainable from the Finance and Appropriation Accounts, whether

these initiatives were translated into actual expenditure, shortfall noticed in four departments[3] are discussed below:

Table 2.11: Major policy initiatives in State Budget *vis-à-vis* actual expenditure:

<table>
<tr><th>Budget commitments</th><th>Actual expenditures</th></tr>
<tr><td colspan="2">Social Sector</td></tr>
<tr><td>With special priority towards expansion of vocational and technical education at all levels, setting up of 2000 additional vocational training centres and 25 new ITIs were proposed in the budget. The plan outlay of the Department of Technical Education and Training was proposed to increase from ₹ 284.0 crore in 2009-10 to ₹ 374 crore in 2010-11.</td><td>Appropriation Accounts showed that against total grant of ₹ 305.23 crore in the Revenue side of Grant number 51: Technical Education and Training, there were savings of ₹ 59.27 crore (19 per cent), while under Capital section there was savings of ₹151.59 crore (75 per cent of total grant of ₹ 203.38 crore). Scrutiny further revealed that substantial savings occurred under various plan heads related to vocational training :
(Rupees in crore)
<table>
<tr><th>Head of Account (Plan)</th><th>Grant</th><th>Actual</th><th>Savings</th></tr>
<tr><td>2203-00-Plan-SP003-New Scheme for Training Facilities and Vocational Education Facilities for Special Programme Community Polytechnics</td><td>1.70</td><td>0.68</td><td>1.02</td></tr>
<tr><td>2203-SP- Introduction of Vocational Education and Training under WBSCVE&T</td><td>14.50</td><td>9.35</td><td>5.15</td></tr>
<tr><td>2203-SP- Introduction of Vocational Education and Training under WBSCVE&T</td><td>1.50</td><td>0.61</td><td>0.89</td></tr>
<tr><td>2203-SP-800-Other Expenditure-Introduction of Vocational Education and Training under WBSCVE&T</td><td>136.00</td><td>94.37</td><td>41.63</td></tr>
<tr><td>4202-800-Construction of Vocational Training Centres</td><td>3.70</td><td>nil</td><td>3.70</td></tr>
<tr><td>4202-SP008-Introduction of Vocational Education & Training under WBSCVE&T</td><td>17.00</td><td>0.01</td><td>16.99</td></tr>
</table>
Thus, the objective of the initiatives taken for vocational training were not achieved due to large savings..</td></tr>
<tr><td>In order to address the problem of unemployment in urban areas, the Budget envisaged introduction of West Bengal Urban Employment Scheme from 2010-11 with an allocation of ₹ 250 crore.</td><td>As per the Appropriation Accounts, expenditure of ₹ 137.18 crore was incurred for West Bengal Urban Employment Scheme under various minor heads of the Major Head 2217: Urban Development.</td></tr>
</table>

[3] *Technical Education and Training, Urban Development, Food Processing and Horticulture, Water Resource Investigation and Development*

Economic Sector	
In order to ensure fair price to the farmers for their produce, growth of agro-industries and protection of interest of consumers, along with increase in the production of fruits and vegetables, priority has been accorded to establishment of multipurpose cold storages and cold chain arrangements. The plan outlay of the department of Food Processing and Horticulture was increased from ₹ 39.30 crore in 2009-10 to ₹ 61.30 crore in 2010-11.	There was 80 *per cent* savings under Capital section of Grant number 22: Food Processing Industries and Horticulture (savings of ₹ 29.83 crore out of total allocation of ₹ 37.25 crore). Excess expenditure over allocation was, however, noticed in the Revenue side, where in against voted budget grant of ₹ 67.26 crore, actual expenditure stood at ₹ 74.25 crore.
For improvement of irrigation and drainage system to increase agricultural production, plan outlay of the department of Water Resource Investigation and Development was increased from ₹ 209 crore in 2009-10 to ₹ 459 crore in 2010-11.	The actual expenditure under Grant Number 55-Water Resources Investigation and Development showed 81 *per cent* savings under Capital Section (₹ 348.26 crore was not spent out of allocation of ₹ 430.50 crore) during 2010-11. On Revenue side, actual expenditure (₹ 384.64 crore) fell short of budget grant (₹476.37 crore) by 19 *per cent*.

Despite provision of additional funds for the new initiatives spelt out in the budget, the intended objectives were not fully achieved due to large savings.

2.7 Conclusion and Recommendations

Deficient budgetary control in Government departments was apparent from the instances of injudicious supplementary provisions, unnecessary/excessive re-appropriations, inadequate provision of funds etc. The procedure of preparation of budget as prescribed in the budget manual was also not properly followed. Excess expenditure amounting to ₹ 24968.36 crore pertaining to 2006-07 to 2010-11 requires regualrisation by the Legislature. During 2010-11, ₹ 2405.26 crore was incurred in 51 cases without any provision in the original estimates/supplementary demand. Besides, the anticipated savings were either not surrendered or surrendered on the last day of the year leaving no scope for utilising these funds for other development purposes. The Controlling Officers of two test checked departments did not monitor the progress of expenditure.

The following suggestions are made:

- ***The Controlling Officers should keep constant watch over progress of expenditure as required under Rules 384 and 385 of West Bengal Financial Rules, so that possibility of savings/excess is anticipated well in advance.***
- ***Non-surrendering of anticipated savings by various departments needs to be seriously viewed for fruitful utilisation of surplus fund.***

Chapter 3

Financial Reporting

This Chapter provides an overview and status of the State Government's compliance with various financial rules, procedures and directives during the current year.

3.1 Delay in furnishing Utilisation Certificates

Subsidiary Rule 330A under the West Bengal Treasury Rules stipulates that for the grants provided for specific purposes, Utilisation Certificates (UCs) should be obtained by the departmental officers from the grantees within one year from the date of release of grant, unless specified otherwise, and after verification, these should be forwarded to the Accountant General. The year-wise position of non-furnishing of UCs is shown in **Table 3.1**.

Table 3.1: Age-wise arrears of Utilisation Certificates

(Rupees in crore)

	Year	Number of UCs awaited	Amount involved
1	Up to 2007-08	143288	25451.76
2	2008-09	12474	4512.11
3	2009-10	19624	6012.13
4	2010-11	10225	5858.59
		185611	**41834.59**

Source : Finance Accounts 2010-11

Out of 185611 number of cases involving ₹ 41834.59 crore mentioned above, submission of UCs for 175386 cases involving ₹ 35976 crore, though became overdue, remained outstanding as of March 2011. Of these 143288 cases (₹ 25451.76 crore) remained outstanding for more than three years. Non-submission of the UCs in time may result in misutilisation of the grants. The large pendency in submission of UCs indicates lack of monitoring of utilisation of grants and loans released to the grantees by the departments.

3.2 Non-submission/delay in submission of accounts by ULBs/PRIs

In order to identify the institutions which attract audit under Sections 14 and 15 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, the Government/Heads of the Department are required to furnish to Audit every year detailed information about the financial assistance given to various institutions, the purpose of assistance granted and the total expenditure of the institutions. Examiner of Local accounts, West Bengal, under the Accountant General (Receipts, Works and Local Bodies Audit), West Bengal is the statutory Auditor of Autonomous Local Bodies.

As of June 2011, 427 annual accounts of 138 autonomous bodies/ authorities due up to 2009-10 had not been received by the Examiner of Local accounts,

West Bengal, under the Accountant General (Receipts, Works and Local Bodies Audit), West Bengal. The details of these accounts are given in ***Appendix 3.1*** and their age-wise pendency is presented in **Table 3.2**

Table 3.2: Age-wise arrears of Annual Accounts due from Government Bodies

Delay in Number of Years	No. of the Bodies/ Authorities*
0 - 1	5
1 - 3	105
3 - 5	24
5 - 7	2
7 - 9	1
9 & above	1
	138

Source : Office of the AG (RW & LBA)

** Note: As Grants released to Urban Local Bodies/Urban Development Authorities are not classified separately and since all the units are not audited in a particular year, complete picture of grants released is not readily available.*

Audit scrutiny of accounts of 17 bodies and authorities during 2010-11, for the period from 2005-06 to 2009-10[1] revealed that grants aggregating ₹ 90.20 crore, meant for development and miscellaneous purposes were lying unspent with 14 bodies (one District Primary School Council, two Universities and eleven Urban Local Bodies). The details are given in ***Appendix 3.2.*** The concerned bodies did not furnish reasons for non-utilisation and non-refund of the Government grants. There was nothing on record to show whether any action have been taken to adjust/refund the unutilised grants. Moreover, the amount of unutilised grants in the Darjeeling DPSC (2005-10), Bengal Engineering and Science University (2009-10) and University of Burdwan (2008-10) could not be ascertained in audit due to non-production / non-maintenance of basic records.

Further, scrutiny of Panchayati Raj Institutions revealed that as of March 2011 grants aggregating to ₹ 729.05 crore had been lying unspent in respect of 18 Zila Parishads (ZPs). Out of these, balances in six ZPs[2] accounted for ₹ 361.29 crore (50 *per cent*). Reasons for non-utilisation of these grants were not furnished by most of the ZPs. The details are given in ***Appendix 3.3.***

3.3 Delays in Submission of Accounts/Audit Reports of Autonomous Bodies

Several autonomous bodies have been set up by the State Government in various fields namely, area development, animal resources, human rights, legal services, housing etc. A large number of these bodies are audited by the CAG under Sections 19 and 20 (1) of the C&AG's DPC Act 1971, with regard to theverification of their

[1] *including transaction audit of 154 accounts*

[2] *North 24 Parganas ZP : ₹ 92.35 crore, South 24 Parganas ZP: ₹ 75.42 crore, Malda ZP: ₹ 49.59 crore, Paschim Medinipur: ₹ 49.41 crore, Nadia ZP: ₹ 47.60 crore and Murshidabad ZP: ₹ 46.92 crore*

transactions, operational activities and accounts, conducting regulatory compliance audit of all transactions scrutinised in audit, review of internal management and financial control, review of systems and procedures etc. The audit of accounts of 46 bodies in the State has been entrusted to the Comptroller and Auditor General of India. The status of entrustment of audit, rendering of accounts to Audit, issuance of Separate Audit Report (SAR) and its placement in the Legislature in respect of 32 bodies, on which SARs are to be placed before the Legislature are indicated in ***Appendix 3.4***. The frequency distribution of autonomous bodies according to the delays in submission of accounts to Audit and placement of Separate Audit Reports in the legislature after the entrustment of Audit to CAG is summarised in **Table 3.3.**

Table 3.3: Delays in Submission of Accounts and tabling of Separate Audit Reports

Delays in submission of Accounts (In Months)	Number of Autonomous Bodies	Delays in submission of SARs in Legislature (in Years)	Number of Autonomous Bodies
1 - 6	35	0 - 1	5
6 - 12	3	1 - 2	1
12 - 18	4	2 - 3	26
18 – 24	2	3 - 4	-
24 & above	11	4 - 5	-
Total	**55**	5 & above	-
		Total	**32**

Source : Concerned Department

None of these 32 autonomous bodies (*vide* ***Appendix 3.4***) has submitted accounts for the year 2010-11, while only nine have submitted accounts up to 2009-10. The remaining did not submit accounts for various years starting from 1990-91 (Darjeeling Gorkha Hill Council). Further, Separate Audit Reports on 67 annual accounts of 15 bodies are yet to be tabled as of October 2011. This has diluted the basic tenet of legislative control over expenditure of public funds.

3.4 Departmental Commercial Undertakings

The departmental undertakings of certain Government departments performing activities of quasi-commercial nature are required to prepare *pro forma* accounts in the prescribed format annually showing the working results of financial operations, so that the Government can assess the efficiency and economy of their working. The finalised accounts of departmentally managed commercial and quasi-commercial undertakings reflect their overall financial health and efficiency in conducting their business. In the absence of timely finalisation of accounts, the investment of the Government remains outside the scrutiny of the Audit/State Legislature. Consequently, corrective measures, if any required, for ensuring accountability and improving efficiency cannot be taken in time. Besides, the delay in all likelihood may also render the system susceptible to risk of fraud and leakage of public money.

The Heads of Department in the Government are to ensure that the undertakings prepare such accounts and submit the same to Accountant General for audit within a specified time frame.

As of June 2011, there were 19 such undertakings; of these five[3] had not prepared their accounts since inception. Four undertakings had prepared their up to date accounts and the accounts of remaining 10 units were in arrears ranging from one to 23 years. The Comptroller and Auditor General had repeatedly commented in the Audit Reports of the State on the failure of the Heads of Departments and the management of undertakings in timely preparation of *pro forma* accounts. Principal Accountant General (Audit) had also been periodically reminding the Principal Secretary (Finance) and the Secretaries of the concerned departments in this matter.

During the period July 2010 to June 2011, six undertakings finalised six *proforma* accounts for the years 2009-10 and earlier. Consequently, there was hardly any accountability of the Management and Government in respect of public funds spent by these undertakings.

The department-wise position of arrears in preparation of *pro forma* accounts and investment made by the Government therein are given in ***Appendix 3.5.*** It appears that fourteen undertakings were incurring losses continuously for more than five years. Accumulated loss as per latest accounts received up to June 2011 amounted to ₹ 1970.16 crore.

3.5 Misappropriations, losses, defalcations, etc.

As per Rule 39 of the West Bengal financial rules, any loss of public money, departmental revenue of receipts, stores or other property, caused by defalcation or otherwise, should be immediately reported to the Accountant General. On the other hand, if the irregularity is detected by Audit in the first instance, the Accountant General will report it immediately to the administrative authority concerned.

No such intimation was, however, furnished by the State Government since 2001. As of March 2011, there were 1039 cases[4] of misappropriation, defalcation, etc. involving Government money amounting to ₹ 88.16 crore on which final action was pending. The department-wise break up of pending cases and age wise analysis is given in ***Appendix 3.6*** and nature of these cases is given in ***Appendix 3.7.*** The age-profile of the pending cases and the number of cases pending in each category – theft and misappropriation/loss as emerged from these appendices are summarized in **Table 3.4.**

Table 3.4: Profile of Misappropriations, losses, defalcations, etc.

Age-Profile of the pending cases			Nature of the pending cases		
Range in years	**Number of cases**	**Amount involved (₹ in lakh)**	**Nature/characteristics of the cases**	**Number of cases**	**Amount involved (₹ in lakh)**
0 - 5	211	6177.85	Theft	328	1536.58
5 - 10	128	1729.70			
10 - 15	121	386.32	Misappropriation/Loss of material	713	7279.79
15 - 20	69	315.36			
20 - 25	71	150.55	Total	1041	8816.37
25 & above	439	56.31	Cases of losses written off during the year	2	0.28
Total	**1039**	**8816.09**	**Total Pending cases**	**1039**	**8816.09**

Source : Detected by Audit and as reported by DDOs

[3] *1. Silk Reeling Scheme; 2. Government Sales Emporia in Calcutta & Howrah; 3. Central Lock Factory; 4. Training cum Production Centre, Mechanical Toys, Hooghly and 5. Industrial Estate, Maniktala*

[4] *Excluding cases included in the Civil Audit Reports as separate audit paragraphs, progress of which are monitored separately.*

3.6 Non-reconciliation of Departmental figures

3.6.1 Un-reconciled receipts / expenditure

To enable controlling officers of Departments to exercise effective control over expenditure to keep it within budget grants and to ensure accuracy of their accounts, Financial Rules (Rule 385 of West Bengal Financial Rules) stipulate that expenditure recorded in their books be reconciled every month during the financial year with that recorded in the books of the Accountant General.

Out of 185 Controlling Officers[5] (COs), 98 COs (53 *per cent*) did not reconcile their departmental figures for the year 2010-11. As a result, only 29 *per cent* (₹ 13833.58 crore) of total receipts and nine *per cent* (₹ 6073.12 crore) of total expenditure were reconciled by the State Government.

Such laxity on the part of the Department can potentially affect the quality of accounts.

3.6.2 Pendency in submission of Detailed Contingent Bills against Abstract Contingent Bills

Administrative Departments issue sanction orders with the concurrence of Finance Department, authorizing different Drawing and Disbursing Officers (DDOs) to draw advances on Abstract Contingent (AC) bills. Under Rule 4.138 of West Bengal Treasury Rules 2005, these AC bills are required to be adjusted within one month from the date of completion of the purpose for which the same were drawn and in no case beyond 60 days from the date of drawal of the respective AC bill. Sub Rule (5) and (6) of Rule 4.138 further stipulate that every drawing officer has to certify in each abstract contingent bill that detailed bills for all contingent charges drawn by him prior to the first of the current month have been forwarded to the respective Controlling Officers for countersignature and transmission to the Accountant General.

However, in contravention of the said provisions of WBTR, ₹ 815.29 crore[6] drawn during 2002-03 to 2010-11 through 11314 AC bills remained unadjusted as of March 2011, which was substantially higher (71 *per cent* in terms of value and 32 *per cent* in terms of number) than the position as of March 2010. The position of drawal of AC bills and submission of adjustment there against were as under:

Table 3.5: Position of drawal and adjustment of AC bills **(Rupees in crore)**

Year	Opening balance		AC Bills drawn		DC Bills received		Outstanding AC Bills	
	No. of Bills	Amount	No. of Bills	Amount	No. of Bills	Amount	No. of Bills	Amount
2006-07	7977	247.84	4026	257.65	3198	172.86	8805	332.63
2007-08	8805	332.63	3544	262.52	3356	191.19	8993	403.96
2008-09	8993	403.96	3246	101.85	3657	17.08	8582	488.73
2009-10	8582	488.73	4054	276.94	4074	290.33	8562	475.35
2010-11	8562	475.35	3885	405.59	1133	65.65	11314	815.29

Source : Records of Pr AG (A&E), WB

It would be evident from the above table that the number of DC bills submitted in Treasuries during 2010-11 was much lower than that of previous year, which is a matter of concern. Moreover, as against 8562 bills outstanding as on 31 March 2010, only 677 DC bills (eight *per cent*) were submitted during 2010-11. Out of

[5] *As per old list maintained by the AG (A & E)*

[6] *Of the unadjusted amounts, pendency of the bills was as under: since 2002-03: ₹19.15 crore, 2003-04: ₹ 26.95 crore, 2004-05: ₹ 29.76 crore, 2005-06: ₹ 36.35 crore, 2006-07: ₹ 29.67 crore, 2007-08: ₹ 61.21 crore, 2008-09: ₹ 68.52 crore, 2009-10: ₹ 159.38 crore, 2010-11: ₹ 384.30 crore.*

11314 outstanding bills, 7885 bills involving ₹ 430.99 crore were outstanding for more than one year. As amounts drawn through AC bills are not subjected to Treasury check, non-adjustment of AC bills for years together indicates dilution of the basic tenet of Treasury check and Legislative control. Moreover, such long pendency of DC bills is fraught with the risk of misuse of Government funds.

Test check of the records of 28 Drawing and Disbursing Officers (DDOs) revealed that ₹ 588.14 crore (2550 bills) was drawn through AC bills during 2005-06 to 2010-11. Adjustments of 1713 bills for ₹ 363.59 crore were submitted during this period leaving an outstanding balance of 1120 bills worth ₹ 254.20 crore as of March 2011.

Scrutiny of records further revealed the following:

- Total number of unadjusted bills and their amounts in these units increased steadily from 439 (₹ 49.33 crore) in March 2006 to 1120 (₹ 254.20 crore) in March 2011.
- Out of test checked 28 DDOs, in case of 16[7] DDOs, unadjusted amount as of March 2011 accumulated to more than ₹ 1 crore.
- Advance of ₹ 1.69 crore drawn by the Director General, Fire and Emergency Services, West Bengal between 2007-08 and 2009-10 in five bills in connection with shifting of tower, purchase of motor chasis, purchase of vehicle and compensation payment to deceased family remained unadjusted as of March 2011 for reasons not on record.
- There were discrepancies in the position of adjustment of AC bills between records maintained by DDO and Treasury/ PAO, which have not been reconciled for years together as shown below. These discrepancies were a matter of concern which needs immediate reconciliation.

Table 3.6: Discrepancies between the records of DDO and Treasury/PAO:

(Amounts in Rupees)

	Name of the DDO	*No of Bills*	*Amount*
Number of bills and amount shown adjusted in the DDO's record but found outstanding in the Treasury/PAO records			
1	Director General of Fire Services, Kolkata	54	108878627
2	Commandant, SAP, 6th Bn, Barrackpore	33	78552300
3	SDO, Barrackpore	29	22991196
4	Addl. DG & IG of police	6	1407630
5	AO Pool Car Office, Transport Deptt.	3	78144
Bills and amount shown adjusted in the Treasury record but found outstanding in the DDO's record			
1	Director (Supply & Accounts) RRR Directorate	1	127293
2	Dy. Commandant, Water Wing, Civil Defense, WB	1	71700
3	Commandant. SAP, 2nd Bn, Barrackpore	5	29460529

Source : Records of DDOs amd the Treasuries

[7] *AO, Kolkata Police (₹ 90.99 crore), Secretary, PSC (₹ 6.38 Crore), AO, WB Secretariat (₹ 13.24 crore), DG, Fire & Emergency Services (₹ 2.25 crore), DG&IG of Police IB (₹ 14.36 crore), DM, Howrah (₹ 9.49 crore), Commandant, SAP, 3rd Bn (₹ 1.36 crore), SDO, Barrackpore (₹ 3.04 crore), Commandant, SAP, 6th Bn (₹ 33.25 crore), DM North 24 Parganas (₹ 13.69 crore), DM, Hoogly (₹ 10.18 crore), SDO Barasat (₹ 2.70 crore), RR Commissioner (₹ 6.84 crore), Commandant, SAP, 2nd Bn (₹.30.96 crore), DM Nadia (₹ 10.61 crore), SP South 24 Parganas (₹ 1.42 crore).*

3.6.3 Personal Deposit Accounts

Funds Transferred to Personal Deposit (PD) Accounts are booked as expenditure under the service heads from which the money was transferred.

In terms of Rule 6.09 West Bengal Treasury Rules, Personal Deposit (PD) Account or Personal Ledger Account (PLA) is created by debit to the Consolidated Fund of the State other than those created under any law or rule having the force of law by transferring fund from the consolidated fund of the state for discharging liabilities of the Government arising out of special enactments, shall be closed at the end of financial year by minus debit of the balance to the relevant service heads in the consolidated fund of the state. As per West Bengal Treasury Rules any PD Account not operated for two consecutive years and there is a reason to believe that the need for such accounts has ceased, the same shall be closed.

In West Bengal, the closing balance under 8443- 106 - PD Accounts at the end of 2010-11 was ₹ 2430.57 crore and the balances were increasing every year, as shown below:

Table 3.7: Amounts received and disbursed in PD accounts during last three years

	Opening balance	Receipt	Disbursement	Closing balances
	Rupees in crore			
2008-09	1561.76	1127.37	991.66	1697.47
2009-10	1697.47	1299.92	988.65	2008.74
2010-11	2008.74	1600.93	1179.10	2430.57

Source : Finance Accoounts

There were 148 PL Accounts in operation in the State as of March 2011. Total amounts remaining parked in PL Accounts of the State increased from ₹ 743.95 crore as of March 2005 to ₹ 2430.57 crore as of March 2011. During 2007-08, 2008-09, 2009-10 and 2010-11, amounts transferred to 8443-106-Personal Deposits Accounts (PL Accounts) stood at ₹ 270.44 crore, ₹ 304.63 crore, ₹ 549.87 crore and ₹ 655.94 crore respectively, indicating an increasing trend. Given the fact that these amounts have been booked as final expenditure under service heads and final expenditures would not be subjected to Treasury checks, this trend assumes seriousness.

Test-check of 31 PLAs maintained by 30 DDOs under five departments, opened between 1962-63 and 2007-08, revealed the following irregularities:

- Out of 31 PLAs maintained by 30 DDOs, 19 were required to be closed at the end of each financial year. It was seen that of the same, excepting two[8] no other PLAs were closed though required under rules. Amount parked in the PLAs of 11 DMs stood at ₹ 473.29 crore as on 31 March 2011. Details are given in ***Appendix 3.8***. Moreover, five[9] accounts with a total balance of ₹ 1.97 crore remained in-operative for a period ranging between four and 13 years.

[8] *Secretary, West Bengal Legislative Assembly.and Secretary Public Service Commission.*

[9] *1. DG&IG of Police, West Bengal, 2.Principal, Dr. R. Ahmed Dental College & Hospital, Kolkata, 3. MSVP, Calcutta National Medical College & Hospital, 4. MSVP, Medical College & Hospital, Kolkata and 5. Directorate of Animal Resources & Animal Health, Kolkata*

- As per order (October 2008) of School Education Department, all funds relating to cooked Mid-Day Meal Programme should be transferred to the savings bank account to be opened exclusively for transacting funds meant for this Programme. However, six DMs[10] retained Mid Day Meal programme funds of ₹ 7.25 crore as of March 2011 in their PL Account.
- Unspent balances of ₹ 69.15 lakh were not deposited to Government Account by DMs, Murshidabad, North 24-Parganas, Bankura and South 24 Parganas even though the works for which the funds received were completed.
- Six DDOs had discrepancies (between PLA Cash Book balances and Treasury Pass Books balances due to non-reconciliation required under Rule 6.08(5) of WBTR 2005 ***(Appendix 3.9)***.
- As of March 2011, 12 District Magistrates retained various major developmental funds (BADP, BEUP, UUP, PUP etc.) of ₹ 300.81 crore pertaining to 2010-11 in PLAs, indicating that the expenditure booked under State Consolidated Fund was inflated to that extent.
- Eight DDOs did not spend any part of ₹ 21.89 crore till date which were originally received for different purposes during various years starting from 1996-97 as detailed in ***Appendix 3.10***.

3.6.4 Booking under minor head 800: Other Receipts and 800: Other Expenditure

With increasing range and diversification of Government activities and programmes, existing Minor heads often fall short in accommodating all transactions under some projects. In case of non-availability of accurate classification, the residuary Minor head 800: Other expenditure or 800: Other Receipts are used to book transactions in the Accounts.

During 2010-11, ₹ 2,855.13 crore under 98 Major Heads of Account (representing functions of the Government) was classified under the Minor Head "800-Other Expenditure" in the accounts and this amount constituted 4.27 *per cent* of the total expenditure recorded under various Major Heads. The major Schemes such as, Grants to WBSEDCL for implementation of RE Schemes in the district which have not been covered by RGGVY Schemes, Bidhayak Elaka Unnayan Prakalpa, New Incentive Scheme for encouraging the setting up of New Industrial Units, Grants to CMC/HMC for adjustment of Energy Bills of CESC etc, are not depicted distinctly in the Finance Accounts, though the details of these expenditure are depicted at the sub-head (scheme) level or below in the Detailed Demands for Grants and corresponding head-wise Appropriation Accounts forming part of the State Government Accounts.

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[10] *1. DM,Burdwan (₹ 0.40 lakh), 2. DM, Bankura (₹ 0.79 crore), 3. DM, Jalpaiguri (₹ 0.60 crore), 4 DM, Cooch Behar (₹ 4.67 crore) and 5 DM, North 24-Parganas (₹ 1.15 crore), 6.DM Uttar Dinajpur (₹ 0.04 crore).*

Similarly, ₹ 4,755.26 crore under 62 Major Heads of Account, constituting more than 10 *per cent* of total recorded receipts, was classified under "800-Other Receipts" in the accounts.

High incidence of transactions under minor head 800 is fraught with the risk of affecting the transparency of the accounts.

3.6.5 Analysis of balances of Suspense and Remittance

Clearance of Suspense and Remittance balance depends on the details furnished by the Government Departments/Works and Forest Divisions/ Central Ministries/PAOs/RBI etc.

In West Bengal, net Debit balances under 8658-Suspense Accounts[11] increased from ₹ 276.05 crore in 2009-10 to ₹ 615.33 crore in 2010-11. Similarly, Credit balances under Suspense head 8658[12] increased from ₹140.52 crore in 2009-10 to ₹ 153.91 crore in 2010-11.

However, under 8782-Cash Remittances and Adjustments etc. there was a decline from ₹ 478.52 crore during the previous year to ₹ 212.64 crore in the current year.

Further, the balances under Suspense and Remittance heads as of March 2011, which may impact the cash balances are shown in the table below:

Table 3.8: Suspense and Remittance Balances that impact the cash balance

A Suspense Balances

(Rupees in crore)

Sl. No.	Head of Account Ministry/Department with which pending	Balance as on 31 March 2011		Impact on outstanding cash balance
		Dr.	Cr.	
1	8658-Suspense Accounts (a) Ministry of Transport and Highways	87.33	(-) 0.37	Cash balance to increase on settlement
2	Account with Defence CDAP Allahabad	178.80	170.35	
3	109-Reserve Bank Suspense- Head Quarters	(-) 1.20	(-) 16.41	
4	110-Reserve Bank Suspense- Central Accounts Office	1600.82	1172.87	Cash balance will decrease on settlement
5	112-Tax, deducted at source Suspense	(-) 0.04	78.07	
6	129-Material purchase settlement Suspense Account	-	75.80	

[11] *101 – PAO suspense, 102- Suspense Civil, 107-Cash settlement and 110-RB suspense CAO*
[12] *112 DS suspense and 129 MPSSA*

B Remittance Balances

(Rupees in crore)

Sl. No.	Head of Account Ministry/Department with which pending	Balance as on 31 March 2011		Impact on outstanding cash balance
		Dr.	Cr.	
1	102-PW Remittances I-Remittances into Treasuries	7313.85	7206.07	Cash balance to increase on clearance
2	103-Forest Remittances I-Remittances into Treasuries	1540.88	1216.71	
3	8793-Inter State Suspense Account	7.27	(-) 0.08	
4	II- PW Cheques	28341.36	29144.36	Cash balance to decrease on clearance
5	Forest Cheques	2938.35	3270.16	

Source : Finance Accoounts

Sustained efforts are needed to clear the balances so as to depict true and fair picture of the State accounts.

3.7 Conclusion and Recommendations

Pendency in submission of annual accounts of autonomous bodies/ authorities coupled with delay in placement of Separate Audit Reports in the State Legislative Assembly diluted the financial control. There were considerable delays in finalising *pro forma* accounts of departmentally managed commercial undertakings indicating laxity in the accountability mechanism of both the management and Government in respect of public funds invested in those undertakings.

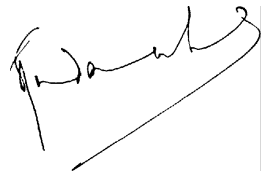
Accumulation of unadjusted AC bills and increasing trend of parking of developmental funds in PL Accounts was also a major area of concern, as substantial amounts were drawn from treasury or transferred out of the Consolidated Fund of the State without proper treasury checks and Legislative control. Some departments were negligent in reconciling the expenditure / receipt figures with those of the Accountant General.

The following suggestions are made

- ***Controlling Officers should ensure submission of outstanding accounts of autonomous bodies within the stipulated period;***

- ***Controlling Officer should ensure timely submission of adjustment bills against the advances drawn by DDOs on Abstract Contingent (AC) bill;***

- ***Immediate steps need to be taken for review of status of Personal Ledger Accounts and closure of the inoperative ones.***



(SUDARSHANA TALAPATRA)
Principal Accountant General (Audit)
West Bengal

Kolkata
The

Countersigned



New Delhi
The

(VINOD RAI)
Comptroller and Auditor General of India

APPENDIX 1.1

(Refer Profile of West Bengal Page 1)

A brief profile of West Bengal

A General Data

S.No.	Particulars		Figures
1	Area		
2	Population		88,752 Sq. km.
	a.	As per 2001 Census	8.02 crore
	b.	As per 2011 Census	9.13 crore
3	a.	Density of Population (as per 2001 Census) (All India Density = 325 persons per Sq. Km.)	903 person per Sq. km.
	b.	Density of Population (as per 2011 Census) (All India Density = 382 persons per Sq. Km.)	1,029 person per Sq. km.
4	*Population Below Poverty Line (BPL) (All India Average = 27.5 per cent)		*24.7 per cent*
5	a.	Literacy (as per 2001 Census) (All India Average = 64.8 per cent)	*68.64 per cent*
	b.	Literacy (as per 2011 Census) (All India Average = 74.0 per cent)	*77.08 per cent*
6	Infant mortality*** (per 1000 live births) (All India Average = 50 per 1000 live births)		33
7	Life Expectancy at birth** (All India Average = 63.5 years)		64.9 years
8	Gini Coefficient****		
	a.	Rural (All India = 0.30)	0.27
	b.	Urban (All India = 0.37)	0.38
9	Gross State Domestic Product (GSDP) 2010-11 at current price		₹ 4,60,071 crore
	Per capita GSDP CAGR (2001-02 to 2010-11)	West Bengal	*10.85 per cent*
		General Category States	*11.32 per cent*
10	GSDP CAGR (2001-02 to 2010-11)	West Bengal	*13.74 per cent*
		General Category States	*14.68 per cent*
11	Population Growth (2001 to 2011)	West Bengal	*13.93 per cent*
		General Category States	*17.56 per cent*

B Financial Data

Particulars				
CAGR		2001-02 to 2009-10		2001-02 to 2010-11
		General Category States	West Bengal	West Bengal
		(In Per cent)	*(In Per cent)*	*(In Per cent)*
a.	of Revenue Receipts	15.20	12.36	13.98
b.	of Own Tax Revenue	14.53	12.61	13.91
c.	of Non Tax Revenue	13.87	15.39	13.25
d.	of Total Expenditure	13.53	11.26	10.87
e.	of Capital Expenditure	22.61	11.44	6.47
f.	of Revenue Expenditure on Education	12.73	12.92	13.59
g.	of Revenue Expenditure on Health	11.97	10.89	10.74
h.	of Salary and Wages	11.45	12.38	12.53
i.	of Pension	14.09	14.18	15.22

* Source of General data: BPL (Planning Commission and NSSO data, 61 Round), **Life Expectancy of birth (Office of the Registrar General of India, Ministry of Home Affairs) Economic Review 2010-11, ***Infant Mortality rate (SRS Bulletin January 2011), Financial data is based on Finance Accounts of the States Government, ****Gini-coefficient (Unofficial estimates of Planning Commission and NSSO data, 61 Round 2004-05 MRP).

Gini-coefficient is a measure of inequality of income among the population. Value rate is from zero to one, closer to zero inequality is less; closure to one inequality is higher.

APPENDIX 1.2

(Refer Paragraph 1.1, Page 1)

Structure and Form of Government Accounts

Part A: Structure of Government Accounts	
The accounts of the State Government are kept in three parts (i) Consolidated Fund, (ii) Contingency Fund and (iii) Public Account. **Part I: Consolidated Fund :** All revenues received by the State Government, all loans raised by issue of treasury bills, internal and external loans and all moneys received by the Government in repayment of loans shall form one consolidated fund entitled 'The Consolidated Fund of State' established under Article 266(1) of the Constitution of India. **Part II: Contingency Fund :** Contingency Fund of the State established under Article 267(2) of the Constitution is in the nature of an imprest placed at the disposal of the Governor to enable him to make advances to meet urgent unforeseen expenditure, pending authorisation by the Legislature. Approval of the Legislature for such expenditure and for withdrawal of an equivalent amount from the Consolidated Fund is subsequently obtained, whereupon the advances from the Contingency Fund are recouped to the Fund. **Part III: Public Account:** Receipts and disbursements in respect of certain transactions such as small savings, provident funds, reserve funds, deposits, suspense, remittances etc which do not form part of the Consolidated Fund, are kept in the Public Account set up under Article 266(2) of the Constitution and are not subject to vote by the State Legislature.	
	PART B: Layout of Finance Accounts
Statement No.	**Volume 1**
1	Presents statement of Financial Position.
2	Contains Statement of Receipts and Disbursements
3	Contains Statement of Receipts in Consolidated Fund
4	Contains statement of Expenditure in Consolidated Fund
	A Expenditure by Function
	B Expenditure by Nature
Volume 2	
	PART-I
5	Contains Statement of Progressive Capital Expenditure
6	Gives Statement of Borrowings and other Liabilities
	i) Statement of Public Debt and Other Liabilities
	ii) Service of Debt
7	Gives Statement of Loans and Advances given by the Government.
	i) Sectors/Loanee Group-wise Loans and Advances
	ii) Repayment of Loans by Statutory Bodies, etc.
	iii) Recoveries in Arrears on account of Loans paid to Statutory Bodies, etc.
8	Depicts Statement of Grants-in-aid given by the Government
9	Shows Statement of Guarantees given by the Government.
10	Indicates Statement of Voted and Charged Expenditure

	PART-II
11	Indicates detailed Statement of Revenue and Capital Receipts by Minor Heads
12	Provides detailed Statement of Revenue Expenditure by Minor Heads
13	Depicts detailed Statement of Capital Expenditure
14	Shows Detailed Statement of Investments of the Government
	Section-1 : Comparative summary of Government Investments, etc.
	Section-2 : Details of Investments upto 2010-11
	Section-3 : Major and Minor Head-wise details of Investments during the year
15	Depicts Detailed Statement on Borrowings and other Liabilities
	(a) Statement of Public Debt and Other Interest Bearing Obligations
	(b) Maturity Profile
	(i) Maturity Profile of Internal Debt payable in Domestic Currency
	(ii) Maturity Profile of Loans and Advances from the Central Government
	(c) Interest Profile of Outstanding Loans
	(i) Internal Debt of the State Government
	(ii) Loans and Advances from the Central Government
16	Gives detailed Statement of Loans and Advances given by the Government
	Section-1:Major and Minor Head with summary of Loans and Advances
	Section-2:Details of Loans advanced during the year for Plan purposes, etc.
17	Presents detailed Statement on Sources and Application of funds for expenditure other than on revenue account
18	Provides detailed Statement on Contingency Fund and other Public Account transactions
19	Gives detailed Statement on Investments of earmarked funds

APPENDIX 1.3

(Refer Paragraph 1.1, Page 1)

Methodology adopted for the Assessment of Fiscal Position

The norms/Ceilings prescribed by the Twelfth/Thirteenth FinanceCommission for selected fiscal variable along with its projections for a set of fiscal aggregates and the commitments/projections made by the State Governments in their Fiscal Responsibility Acts and in other Statements required to be laid in the legislature under the Act. **The Fiscal Responsibility and Budget Management Act has been enacted only in July 2010.** In absence of the Act, normative projections made by the TFC are used to make qualitative assessment of the trends and pattern of major fiscal aggregates during the year. Assuming that GSDP is the good indicator of the performance of the State's economy, major fiscal aggregates like tax and non-tax revenue, revenue and capital expenditure, internal debt and revenue and fiscal deficits have been presented as percentage to the Gross State Domestic Product (GSDP) at current market prices. The buoyancy coefficients for relevant fiscal variables with reference to the base represented by GSDP have also been worked out to assess as to whether the mobilisation of resources, pattern of expenditure etc, are keeping pace with the change in the base or these fiscal aggregates are also affected by factors other than GSDP.

The trends in GSDP for the last five years at the current prices with base year 2004-05, are indicated below:

Trends in Gross State Domestic Product (GSDP)

	2004-05 (Base year)	2006-07	2007-08	2008-09	2009-10	2010-11
Gross State Domestic Product (Rupees in crore)	208857	262291	298566	340544 (P)	400561 (Q)	460071 (A)
Growth rate of GSDP		13.72	13.83	14.06	17.62	14.86

Source: Bureau of Applied Economics and Statistics, Development and Planning Department, Government of West Bengal
P: Provisional, Q: Quick ; A: Advance

The definitions of some of the selected terms used in assessing the trends and pattern of fiscal aggregates are given below:

Terms	Basis of calculation
Buoyancy of a parameter	Rate of Growth of the parameter/GSDP Growth
Buoyancy of a parameter (X) With respect to another parameter (Y)	Rate of Growth of parameter (X)/ Rate of Growth of parameter (Y)
Rate of Growth (ROG)	[(Current year Amount /Previous year Amount)-1]* 100
Development Expenditure	Social Services + Economic Services
Average interest paid by the State	[Interest payment/{(Amount of previous year's Fiscal Liabilities + Current year's Fiscal Liabilities)/2}]*100
Interest spread	GSDP growth – Average Interest Rate
Quantum spread	Debt stock *Interest spread
Interest received as *per cent* to Loans Outstanding	[Interest Received /{(Opening balance + Closing balance of Loans and Advances)/2}]*100
Revenue Deficit	Revenue Receipt – Revenue Expenditure
Fiscal Deficit	Revenue Expenditure + Capital Expenditure + Net Loans and Advances – Revenue Receipts – Miscellaneous Capital Receipts
Primary Deficit	Fiscal Deficit – Interest payments
Balance from Current Revenue (BCR)	Revenue Receipts **minus** all Plan grants and Non-plan Revenue Expenditure excluding expenditure recorded under the major head 2048 – Appropriation for reduction of Avoidance of debt

APPENDIX 1.4

(Refer paragraph 1.2, Page 1)

Part A : Abstract of Receipts and Disbursements for the year 2010-2011

		Receipt				Disbursements				
2009-2010				2010-2011	2009-2010					2010-2011
		(R u p e e s			i n	c r o r e)				
							Non-Plan	Plan	Total	
Section A : Revenue										
36921.65	I	**Revenue Receipts**		**47264.20**	**58499.88**	I **Revenue Expenditure**	**52491.41**	**12046.75**	**64538.16**	**64538.16**
					26356.79	**General Services**	**28569.06**	**111.35**	**28680.41**	
16899.98		- Tax revenue	21128.73		**23995.96**	**Social Services**	**18753.82**	**8589.28**	**27343.10**	
					12009.84	- Education, Sports, Arts and Culture	11468.33	2852.14	14320.47	
2438.11		- Non-tax revenue	2380.49							
					3025.17	- Health and Family Welfare	2711.54	603.61	3315.15	
11648.16		- State's share of Union taxes and duties	15954.96							
					3100.70	- Water Supply, Sanitation, Housing and Urban Development	1681.41	1960.57	3641.98	
1394.98		- Non-Plan grants	2535.68							
					61.41	- Information and Broadcasting	76.61	1.68	78.29	
					514.38	- Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	158.05	398.74	556.79	
2733.48		- Grants for State Plan Scheme	3126.78							
1806.94		- Grants for Central and Centrally sponsored Plan Schemes	2137.56							
					144.61	- Labour and Labour Welfare	116.95	39.34	156.29	
					4976.39	- Social Welfare and Nutrition	2460.92	2696.19	5157.11	
					163.46	- Others	80.00	37.01	117.01	
					7741.84	**Economic Services**	**4764.88**	**3325.61**	**8090.49**	
					1836.45	- Agriculture and Allied Activities	1275.21	676.75	1951.96	
					2598.47	- Rural Development	1077.40	1360.43	2437.83	
					692.38	- Special Areas Programmes	366.17	415.83	782.00	
					818.59	- Irrigation and Flood Control	787.04	41.69	828.73	
					209.19	- Energy	1.16	281.92	283.08	
					421.99	- Industry and Minerals	143.08	392.09	535.17	
					983.40	- Transport	888.41	115.58	1003.99	
					35.58	- Science, Technology and Environment	0.59	28.14	28.73	
					145.79	- General Economic Services	225.82	13.19	239.01	
					405.29	**Grants-in-aid and Contributions**	**403.65**	**20.51**	**424.16**	
21578.23	II	-Revenue deficit carried over to Section B		**17273.96**						
58499.88				**64538.16**	**58499.88**	**Total**	**52491.41**	**12046.75**	**64538.16**	**64538.16**

Differences of 0.01 due to rounding

Receipt							Disbursements				
2009-2010				2010-2011	2009-2010						2010-2011
(R u p c c s i n c r o r c)											
								Non-Plan	Plan	Total	
Section B Capital											
4907.45	III	Opening Cash Balance including Permanent Advances and Cash Balance Investment		**4785.50**	-	III	Opening Overdraft from RBI				-
Nil	IV	Miscellaneous Capital receipts		**Nil**	**3011.06**	IV	**Capital Outlay**	**(-) 6.08**	**2231.83**	**2225.75**	**2225.75**
					157.31		**General Services**	**0.54**	**106.32**	**106.86**	
					890.05		**Social Services**	**(-) 4.03**	**480.31**	**476.28**	
					71.63		- Education, Sports, Arts And Culture	-	75.33	75.33	
					212.64		- Health and Family Welfare	-	187.17	187.17	
					535.10		- Water Supply, Sanitation, Housing and Urban Development	(-) 4.03	169.51	165.48	
					1.00		- Information and Broadcasting	-	0.21	0.21	
					25.64		- Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	-	21.67	21.67	
					25.81		- Social Welfare and Nutrition	-	4.90	4.90	
					-		- Social Security and Welfare	-	-	-	
					18.23		- Other Social Services	-	21.52	21.52	
					1963.71		**Economic Services**	**(-) 2.59**	**1645.20**	**1642.61**	
					106.44		- Agriculture and Allied Activities	(-) 1.48	149.39	147.91	
					2.64		- Rural Development	-	1.82	1.82	
					230.91		- Special Areas Programmes	-	200.23	200.23	
					490.81		- Irrigation and Flood Control	-	545.58	545.58	
					189.50		- Energy	-	45.00	45.00	
					234.26		- Industry and Minerals	(-) 1.13	65.75	64.62	
					689.61		- Transport	-	630.03	630.03	
					-		- Environment	-	-	-	
					19.54		- General Economic Services	0.02	7.41	7.43	
387.10*	V	Recoveries of Loans and Advances		**372.48**	**752.44**	**V**	**Loans and Advances disbursed**	**71.16**	**336.57**	**407.73**	**407.73**
273.45		- From Power Projects	34.21	-	455.44		- For Power Projects	-	71.32	71.32	
24.36		- From Government Servants	20.85		2.07		- To Government Servants	2.18	-	2.18	
85.27		- From others	317.42		294.93		- To Others	68.98	265.25	334.23	

** ₹4.02 crore written off*

		Receipt					Disbursements				
2009-2010				2010-2011	2009-2010						2010-2011
(	R	u	p	e	e	s	i	n	c	r	o	r	e	)
									Non-Plan	Plan	Total	
					21578.23	VI	**Revenue deficit brought down**				**17273.96**
28507.53	**VII**	**Public debt receipts**		**24800.66**	**7672.07**	**VII**	**Repayment of Public Debt**				**6846.29**
28207.70		- Internal debt other than Ways and Means Advances and Overdraft	23898.69		6363.72		- Internal debt other than Ways and Means Advances and Overdraft			6301.57	
-		- Ways and Means Advances	606.09		-		- Ways and Means Advances			-	
299.83		- Loans and Advances from Central Government	295.88		1308.35		- Repayment of Loans and Advances to Central Government			544.72	
1.43	**VIII**	**Amount transferred to Contingency Fund**		**2.70**	**2.70**	**VIII**	**Expenditure from Contingency Fund**				**0.03**
69055.12	**IX**	**Public Account receipts**		**76696.07**	**65056.63**	**IX**	**Public Account disbursements**				**74227.76**
1831.72		- Small Savings and Provident Funds	2384.99		1093.80		- Small Savings and Provident Funds			1255.66	
1633.35		- Reserve Funds	2119.63		957.82		- Reserve Funds			927.55	
39355.94		- Suspense and Miscellaneous	43477.59		38193.29		- Suspense and Miscellaneous			43935.75	
5232.82		- Remittances	5270.24		5174.58		- Remittances			5534.77	
21001.29		- Deposits and Advances	23443.62		19637.14		- Deposits and Advances			22574.03	
					Nil		- Miscellaneous Government Account			Nil	
Nil	**X**	**Closing Overdraft from Reserve Bank of India**		**Nil**	**4785.50**	**X**	**Cash balance at end**				**5675.89**
					0.35		- Cash in Treasuries and Local Remittances			0.47	
					101.25		- Deposits with Reserve Bank			168.77	
					40.47		- Departmental Cash Balance including Permanent Advances			26.38	
					4040.12		- Investment in earmarked funds			5480.96	
					603.31		- Cash Balance Investment			(-) 0.69	
102858.63		**Total**		**106657.41**	**102858.63**		**Total**				**106657.41**

*Minus balance under reconciliation with RBI

APPENDIX 1.4 (Continued)

(Reference Paragraph 1.8.1, Page 34)

Part B : Summarised financial position of the Government of West Bengal as on 31 March 2011

As on 31.03.2010	Liabilities		As on 31.03.2011
136920.94	**Internal Debt**		**155124.15**
58727.00	Market Loans bearing interest		67171.18
3.15	Market Loans not bearing interest		4.02
16.71	Loans from Life Insurance Corporation of India		12.92
9508.96	Loans from other Institutions		8576.40
-	Ways and means Advances		606.09
-	Overdrafts from Reserve Bank of India		-
68665.12	Special securities issued to NSS fund of GOI		78753.54
12566.80	**Loans and Advances from Central Government**		**12317.96**
2.17	Pre 1984-85 Loans		2.17
2520.02	Non-Plan Loans		1624.03
9989.18	Loans for State Plan Schemes		10637.13
3.50	Loans for Central Plan Schemes		3.50
51.93	Loans for Centrally Sponsored Plan Schemes		51.13
17.30	**Contingency Fund**		**19.97**
6795.00	**Small Savings, Provident Funds, Etc.**		**7924.33**
11177.51	**Deposits**		**12047.74**
3632.61	**Suspense and Miscellaneous Balances**		**3174.45**
4262.10	**Reserve Funds**		**5454.17**
(+) 412.59	**Remittance Balances**		**148.06**
	Assets		
28950.65	**Gross Capital Outlay on Fixed Assets**		**31176.41**
10675.98	Investments in shares of Companies, Corporations, etc.		10850.42
18274.67	Other Capital Outlay		20325.99
13946.83	**Loans and Advances**		**13982.07**
8797.71	Loans for Power Projects		8526.98
5073.43	Other Development Loans		5397.49
75.69	Loans to Government servants and Miscellaneous loans		57.60
4040.12	**Reserve Fund Investments**		**5480.96**
29.31	**Advances**		**29.95**
	Suspense and Miscellaneous Balances		
745.38	**Cash**		**194.93**
0.35	Cash in Treasuries and Loan Remittances		0.47
101.25	Deposits with Reserve Bank		168.77
40.47	Departmental Cash Balance including Permanent Advances		26.38
603.31	Cash Balance Investments		(-) 0.69
128072.55	**Deficit on Government Account**		**145346.51**
21578.23	(i) add Revenue Deficit of the current year		17273.96
-	(ii) Miscellaneous Deficit		-
106494.32	Accumulated deficit at the beginning of the year		128072.55

** Difference of 0.01 due to rounding*

Explanatory Notes for Appendices 1.3 and 1.4

The abridged accounts in the foregoing statements have to be read with comments and explanations in the Finance Accounts. Government accounts being mainly on cash basis, the deficit on Government account, as shown in Appendix 1.3, indicates the position on cash basis, as opposed to accrual basis in commercial accounting. Consequently, items payable or receivable or items like depreciation or variation in stock figures, etc., do not figure in the accounts. Suspense and Miscellaneous balances include cheques issued but not paid, payments made on behalf of the State and other pending settlements, etc.

APPENDIX 1.5

(Refer paragraph 1.2.2, Page 4)

Extracts from the West Bengal Fiscal Responsibility and Budget Management Act, 2010.

Fiscal policy statement to be laid before West Bengal Legislative Assembly

(1) The State Government shall lay in every financial year before the West Bengal Legislative Assembly along with the budget, a medium-term fiscal policy statement and a fiscal policy strategy statement.

(2) The medium-term fiscal policy statement shall set forth in such form as may be prescribed, the fiscal management objectives of the State Government and three years' rolling targets for fiscal indicators with specification of underlying assumptions.

(3) In particular and without prejudice to the provisions contained in sub-section (2), the medium-term fiscal policy statement shall include assessment of sustainability relating to –

(a) the balance between revenue receipts and revenue expenditure;

(b) use of capital receipts including open market borrowing for generating productive assets.

(4) The Fiscal Policy Strategy statement shall be in such form as may be prescribed and shall, *inter alia*, contain –

(a) policies of State Government for the ensuing financial year relating to taxation, expenditure;

(b) borrowings and other liabilities, lending and investment and such other activities like underwriting and guarantees and activities of Public Sector Undertakings which have potential budgetary implications;

(c) the strategic priorities of the State Government for the ensuing financial year in the fiscal area;

(d) evaluation as to how current policies of the State Government are in conformity with the fiscal management principles as set out in section 4 and the objectives set out in medium-term fiscal policy statement.

Fiscal management principles

(1) The State Government shall take appropriate measures to reduce the revenue deficit and build up an adequate revenue surplus by following such principles as may be prescribed.

(2) In particular and without prejudice to the generality of the foregoing provision, the State Government shall progressively reduce –

(a) revenue deficit to nil within a period of five years, -

(i) with reducing revenue deficit upto 1.6 *per cent* of the Gross State Domestic Product (GSDP) during the financial year commencing from the 1st day of April, 2011, and

(ii) with reducing revenue deficit to zero during the financial year ending on the 31st day of March, 2015, and

(iii) build up surplus amount of revenue and utilize such amount for discharging liabilities in excess of assets;

(b) fiscal deficit to 3 *per cent* of the estimated Gross State Domestic Product (GSDP) within a period of four years, -

(i) with reducing fiscal deficit upto 3.5 *per cent* of the Gross State Domestic Product (GSDP) during the financial year commencing from the 1st day of April 2011, and

(ii) with reducing fiscal deficit to 3 *per cent* of the Gross State Domestic Product (GSDP) during the financial year ending on the 31st Day of March 2011;

Provided that the revenue deficit and the fiscal deficit may exceed such limit due to the ground of such natural calamity, or such other exceptional circumstances, as the State Government may, by order published in the *Official Gazette*, specify.

Provided further that every order made under the first proviso, shall be laid, as soon as may be after it is made, before the West Bengal Legislative Assembly.

Measure for fiscal transparency

(1) The State Government shall take suitable measures to ensure greater transparency in its fiscal operations and minimize as far as practicable in public interest official secrecy in the preparation of budget:

Provided that the State Government shall have the power to reserve any such information which would adversely affect the interest of the State Exchequer.

(2) In particular and without prejudice to the generality of the foregoing provision, the State Government shall, at the time of presentation of budget, disclose in such manner as may be prescribed, -

(a) the significant changes in the accounting standards, policies and practices affecting or likely to affect the compliance of the prescribed fiscal indicators;

(b) as far as practicable, all outstanding contractual liabilities, revenue demand raised, but not realized, committed liability in respect of major works and supply contracts, losses incurred in providing public goods and services, off budget borrowings and contingent liabilities created by way of guarantees having potential budgetary implications.

Extracts from the WBFRBM (Amendment) Act, 2011

State Government shall progressively reduce –

(a) debt stock to 34.3 *per cent* of the Gross State Domestic Product (GSDP) within a period of five years commencing from the year 2010-11 and ending on the 2014-15, in the manner as mentioned below :-

Year	Maximum debt stock as *per centum* of Gross State Domestic Product (GSDP)
2010-11	40.6
2011-12	39.1
2012-13	37.7
2013-14	35.9
2014-15	34.3

(b) revenue deficit to nil within a period of five years commencing from the year 2010-11 and ending on the 2014-15, in the manner as mentioned below:

Year	Maximum revenue deficit as *per centum* of Gross State Domestic Product (GSDP)
2010-11	3.6
2011-12	1.6
2012-13	1.1
2013-14	0.5
2014-15	0.0

(c) fiscal deficit to 3 *per cent* of the Gross State Domestic Product (GSDP) within a period of four years commencing from the year 2010-11, in the manner as mentioned below :

Year	Maximum fiscal deficit as *per centum* of Gross State Domestic Product (GSDP)
2010-11	3.5
2011-12	3.5
2012-13	3.5
2013-14	3.0
2014-15	3.0

Provided that the debt stock, the revenue deficit and the fiscal deficit may exceed such limit due to the ground of such natural calamity, or such other exceptional circumstances, as the State Government may, by order published in the Official Gazette, specify ;

Provided further that every order made under the first proviso, shall be laid , as soon as may be after it is made, before the West Bengal Legislative Assembly.

APPENDIX 1.6

(Refer Paragraph 1.4, Page 9)

Time series data on the State Government finances

(Rupees in crore)

	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
	(Rupees in Crore)				
Part A. Receipts					
1. Revenue Receipts	**25828**	**30167**	**36904**	**36922**	**47264**
(i) Tax Revenue	11695(45)	13126(44)	14419(39)	16900(46)	21129(45)
Taxes on Agricultural Income	1	(-) 3	4	9	16
Taxes on Sales, Trade, etc.	7079(61)	8060(61)	8955(62)	10510(62)	13276(63)
State Excise	817(7)	935(7)	1083(7)	1444(9)	1783(8)
Taxes on Vehicles	509(4)	532(4)	608(4)	774(5)	936(4)
Stamps and Registration fees	1259(11)	1417(11)	1509(11)	1814(11)	2265(11)
Land Revenue	953(8)	1040(8)	984(7)	929(5)	1254(6)
Other taxes	1077(9)	1145(9)	1276(9)	1420(8)	1599(8)
(ii) Non Tax Revenue	1249(5)	1473(5)	4966(13)	2438(7)	2380(5)
(iii) State's share of Union taxes and duties	8505(33)	10729(35)	11322(31)	11648(31)	15955(34)
(iv) Grants in aid from GOI	4379(17)	4839(16)	6197(17)	5935(16)	7800(16)
2. Misc. Capital Receipts	Nil	Nil	Nil	Nil	Nil
3. Total revenue and Non debt capital receipts (1+2)	**25828**	**30167**	**36904**	**36922**	**47264**
4. Recoveries of Loans and Advances	**238**	**497**	**5616**	**387**	**372**
5. Public Debt Receipts	**11032**	**15333**	**15991**	**28508**	**24800**
Internal Debt (excluding Ways and Means Advances and Overdrafts)	10411(94)	14639	15591	28208	23898
Net transactions under Ways and Means Advances and Overdrafts	-	-	-	-	606
Loans and Advances from Government of India[1]	621(6)	694	400	300	296
6. Total receipts in the Consolidated Fund (3+4+5)	**37098**	**45997**	**58511**	**65817**	**72436**
7. Contingency Fund Receipts	2	7	6	1	3
8. Public Account receipts	35408	50942	58144	69055	76696
9. Total receipts of the State (6+7+8)	**72508**	**96946**	**116661**	**134873**	**149135**
Part B. Expenditure /Disbursement					
10. Revenue Expenditure	**34161 (91)**	**38314 (91)**	**51613 (92)**	**58500 (94)**	**64538(96)**
Plan	4802(14)	6751(18)	8045(16)	9970(17)	12047(19)
Non-Plan	29359(86)	31563(82)	43568(84)	48530(83)	52491(81)
General Services (including Interests Payments)	17901(53)	18867(49)	20103(40)	26357(45)	28680(44)
Social Services	11380(33)	13463(35)	16385(32)	23996(41)	27343(42)
Economic Services	4504(13)	5554(15)	14025(27)	7742(13)	8091(13)
Grants-in-aid and Contribution	376(1)	431(1)	428(1)	405(1)	424(1)
11. Capital Expenditure	**2018 (5)**	**2688 (6)**	**3705 (7)**	**3011 (5)**	**2226(3)**
Plan	2009(100)	2669(99)	3729(101)	2883(96)	2232(100)
Non-Plan	9	19(1)	(-)24(-1)	128(4)	(-)6
General Services	80(4)	67(2)	144(4)	157(5)	107(5)
Social Services	379(19)	766(29)	1214(32)	890(30)	476(21)
Economic Services	1559(77)	1855(69)	2368(64)	1964(65)	1643(74)
12. Disbursement of Loans and Advances	**1317**	**1062**	**760**	**752**	**408**
13. Total (10+11+12)	**37496**	**42064**	**56078**	**62263**	**67172**
14. Repayments of Public Debt	**3706**	**4580**	**4855**	**7672**	**6846**
Internal Debt (excluding Ways and Means Advances and Overdrafts)	2428	3263	3870	6364	6302
Net transactions under Ways and Means Advances and Overdrafts	-	-	-	-	-
Loans and Advances from Government of India	1278	1317	985	1308	544
15. Appropriation to Contingency Fund	-	-	-	-	-
16. Total disbursement out of Consolidated Fund (13+14+15)	**41202**	**46644**	**60933**	**69935**	**74018**
17. Contingency Fund disbursements	**7**	**7**	**-**	**3**	**-**
18. Public Account disbursements	**33185**	**49077**	**54915**	**65057**	**74228**
19. Total disbursement by the state (16+17+18)	**74394**	**95728**	**115848**	**134995**	**148246**
Part C Deficits					
20. Revenue Deficit (1-10)	**- 8333**	**- 8147**	**-14709**	**- 21578**	**-17274**
21 Fiscal Deficit (3+4-13)	**- 11430**	**-11400**	**-13558**	**- 24954**	**-19535***
22. Primary Deficit (21-23)/Surplus	**- 551**	**- 16**	**-1489**	**- 11649**	**-5718**
Part D Other data					
23. Interest Payments (included in revenue exp.)	10879	11384	12069	13305	13817
24. Arrears of Revenue	1588	NA	153#	107#	103#
25. Financial Assistance to local bodies etc.	8715	12354	13982	19591	23656
26. Ways and Means Advances/Overdraft availed (days)	7	65	166	95	194
27. Interest on WMA/Overdraft	-	33	13	13	28
28. Gross State Domestic Product (GSDP)	262291	298566	340544 (P)	400561(Q)	460071 (A)
29. Outstanding Debt (year end)	122398	134402	148110	171693	192868
30. Outstanding guarantees (year end)	13137	13684	11973	10355	11943
31. Maximum amount guaranteed(year end)	21826	23118	19974	20298	19860
32. Number of incomplete projects	NA	NA	NA	NA	NA
33. Capital blocked in incomplete projects[2]	1653	1814	1881	1646	1410
Part E Fiscal health Indicators					
1. Resource Mobilisation					
34. Own Tax Revenue/GSDP	0.045	0.044	0.042	0.042	0.046
35. Own Non-Tax Revenue/GSDP	0.005	0.005	0.015	0.006	0.005
36. Central Transfers/GSDP	0.032	0.036	0.033	0.029	0.035
II. Expenditure Management					
37. Total Expenditure/GSDP	14.30	14.10	16.50	15.50	14.60

[1] *Includes Ways and Means Advances from GOI*

[2] *Represents progressive amount blocked in incomplete projects at the end of the year based on figures collected from departmental heads.*

Incomplete figure, as all the Departments did not submit information.

P: Provisional, Q: Quick ; A: Advance

Note : Figures in brackets represent percentage (rounded)

** Due to rounding*

	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
38. Total Revenue Expenditure/Receipts	68.88	71.72	65.81	88.88	136.55
39. Revenue expenditure/Total Expenditure	91.11	91.09	92.04	93.96	96.08
40. Expenditure on Social Service/Total Expenditure	30.35	32.00	29.22	39.97	41.41
41. Expenditure on Economic Services / Total Expenditure	12.01	13.20	25.00	15.59	14.49
42. Capital Expenditure/Total Expenditure	5.58	6.56	6.70	4.84	3.31
43.Capital Expenditure on Social and Economic Services/Total Expenditure	5.17	6.23	6.35	4.58	3.15
III Management of Fiscal Imbalances					
44. Revenue Deficit (Surplus)/GSDP	(-) 3.18	(-) 2.73	(-) 4.32	(-) 5.39	(-)3.76
45. Fiscal Deficit/GSDP	(-) 4.36	(-) 3.82	(-) 3.98	(-) 6.23	(-)4.25
46. Primary Deficit (Surplus)/GSDP	(-) 0.21	0.01	(-) 0.44	(-) 2.91	(-)1.24
47. Revenue Deficit/Fiscal Deficit	72.90	71.46	108.49	86.47	88.42
48. Primary Revenue Balance/GSDP	0.009	0.011	(-) 0.008	(-) 0.021	(-) 0.008
IV Management of Fiscal Liabilities					
49. Fiscal Liabilities/GSDP	46.66	45.02	43.49	42.86	41.92
50. Fiscal Liabilities/RR	473.90	445.53	401.34	465.02	408.07
51. Primary Deficit vis-à-vis quantum spread (Rupees in crore)	5308/(-) 551	6369/(-) 16	7797/(-) 1489	14871/ (-)11649	13270/ (-) 5719
52. Debt Redemption (Principal +interest)/Total Debt Receipts	1.11	1.00	0.99	0.85	0.92
V Other Fiscal health Indicators					
53. Return on Investment	0.03	0.08	0.06	-	0.01
54. Balance from Current Revenue (Rupees in crore)	(-) 6118	(-) 5053	(-) 10770	(-) 15416	(-)9791
55. Financial assets/Liabilities	0.32	0.33	0.28	0.27	0.26

Figures in brackets represent percentages (rounded) to total of each sub-heading

@ GSDP figures communicated by the Government adopted.

APPENDIX 1.7

(Refer Paragraph 1.7.5, Page 31)

Summarised Financial Statement of Departmentally Managed Commercial/Quasi-commercial Undertakings

Sl. No.	Name of the Undertakings	Period of Accounts	Mean Government capital	Block assets at depreciated cost	Depreciation provided during the year	Turnover	Net profit/loss	Interest on capital	Total return (8+9)	Percentage return on capital
			(Rupees in lakh)							
1	Greater Calcutta Milk Supply Scheme	2009-10	64804.78	475.92	10.86	2700.50	(-) 6319.33	597.17	(-) 5722.16	
2	Burdwan Milk Supply Scheme	2009-10	2170.68	43.13	1.08	-	(-) 209.37	9.31	(-) 200.06	
3	Durgapur Milk Supply Scheme	2009-10	3503.50	20.84	0.57	105.80	(-) 1032.15	439.97	(-) 592.18	
4	Krishnanagar Milk Supply Scheme	2009-10	2225.45	43.61	0.43	-	(-) 48.34	-	(-) 48.34	
5	Directorate of Brick Production (Mechanised)	2002-03	3284.14	80.51	10.74	107.89	(-) 826.04	403.14	(-) 422.90	
6	Directorate of Brick Production (Manual)	1995-96	802.25	27.95	1.67	455.05	(-) 116.77	95.08	(-) 21.69	
7	Directorate of Cinchona and Other Medicinal Plants	2008-09	24344.14	1141.42	128.69	5.65	(-) 2713.49	326.08	(-) 2387.41	
8	Public Distribution System of Foodgrains	2005-06	17932.39	506.60	55.11	150903.32	(+) 452.28	6160.85	(+) 6613.13	36.88
9	Central Engineering Organisation Dasnagar, Howrah	2000-01	323.70	1.23	0.11	51.78	(-) 68.96	73.78	(-) 4.82	
10	Oriental Gas Company's Undertaking	1989-90	1540.12	159.86	0.70	32.08	(-) 339.03	31.09	(-) 307.94	
			120931.15	**2501.07**						
11	Training-cum-production centre for Wood Industries, Siliguri	Non-working since November 2006								
12	Integrated Wood Industries Scheme, Durgapur.	Non-working since November 2006								
13	Integrated Wood Industries Scheme,Kalyani	Non-working since November 2006								
14	Undertaking of Darjeeling Ropeway Company Limited	Non-working since April 2006								
15	Scheme for production of shark liver oil, fish meal, etc.	Non-working since 1992-93								

APPENDIX 2.1

(Refer Paragraph 2.3.1; Page 44)

Statement of various grants/appropriations where saving was more than ₹ 10 crore each or more than 20 *per cent* of the total provision

(Rupees in Crore)

Sl. No.	Grant No	Name of the Grant/Appropriation	Total Grant/ Appropriation	Savings	Percentage
(1)	(2)	(3)	(4)	(5)	(6)
		Revenue (Voted)			
1	3	Council of Ministers	6.13	1.94	32
2	6	Animal Resources Development	519.35	51.07	10
3	7	Backward Classes Welfare	633.52	72.29	11
4	8	Co-operation	245.62	41.60	17
5	9	Commerce and Industries	408.19	96.84	24
6	10	Consumer Affairs	40.49	10.21	25
7	11	Micro and Small Scale Enterprises and Textiles	286.22	62.99	22
8	12	Development and Planning	389.30	28.26	7
9	13	Education (Higher)	1958.45	156.04	8
10	14	Education (Mass)	209.69	37.61	18
11	16	Environment	32.22	7.91	25
12	21	Food and Supplies	2187.97	453.87	21
13	26	Hill Affairs	331.63	33.16	10
14	30	Information and Cultural Affairs	117.63	18.42	16
15	31	Information Technology	85.61	71.99	84
16	32	Irrigation and Waterways	506.05	25.97	5
17	34	Judicial	351.82	44.53	13
18	36	Land and Land Reforms	881.67	113.58	13
19	37	Law	5.33	1.29	24
20	38	Minority Affairs and Madrasah Education	987.97	189.48	19
21	39	Municipal Affairs	3035.89	557.09	18
22	40	Panchayat and Rural Development	3535.14	484.01	14
23	41	Parliamentary Affairs	5.96	1.27	21
24	42	Personnel and Administrative Reforms	34.55	10.05	29
25	44	Public Enterprises	144.52	116.64	81
26	45	Public Health Engineering	673.54	194.50	29
27	47	Disaster Management	2228.90	1216.84	55
28	48	Science and Technology	14.09	6.21	44
29	49	Sports and Youth Services	118.31	48.52	41
30	50	Sunderban Affairs	108.76	58.33	54
31	51	Technical Education and Training	305.23	59.27	19
32	52	Tourism	39.68	19.99	50
33	53	Transport	682.34	74.99	11
34	54	Urban Development	1873.22	767.39	41
35	55	Water Resources Investigation and Development	476.37	91.73	19
36	56	Women and Child Development and Social Welfare	1859.07	110.13	6
37	57	Bio-Technology	12.63	9.44	75
38	58	Paschimanchal Unnayan Affairs	64.91	17.31	27
39	59	Self-Help Groups and Self Employment	194.96	63.71	33
		Capital (Voted)			
1	1	Legislative Assembly Secretariat	6.00	4.86	81
2	4	Agricultural Marketing	44.33	18.73	42
3	5	Agriculture	79.75	62.40	78
4	6	Animal Resources Development	53.86	39.02	72
5	7	Backward Classes Welfare	45.34	23.67	52
6	8	Co-operation	30.38	19.74	65

Sl. No.	Grant No	Name of the Grant/Appropriation	Total Grant/ Appropriation	Savings	Percentage
		Capital (Voted)			
7	9	Commerce and Industries	54.79	32.53	59
8	11	Micro and Small Scale Enterprises and Textiles	133.30	47.92	36
9	13	Education (Higher)	22.28	9.87	44
10	14	Education (Mass)	13.49	12.35	92
11	15	Education (School)	74.90	49.45	66
12	17	Excise	9.00	6.58	73
13	18	Finance	91.80	88.48	96
14	19	Fire and Emergency Services	27.00	11.59	43
15	20	Fisheries	69.53	21.75	31
16	21	Food and Supplies	17.05	12.91	76
17	22	Food Processing Industries and Horticulture	37.25	29.83	80
18	24	Health and Family Welfare	279.14	97.74	35
19	25	Public Works	998.06	218.28	22
20	27	Home	135.68	27.89	21
21	28	Housing	571.66	459.46	80
22	29	Industrial Reconstruction	11.50	9.20	80
23	30	Information and Cultural Affairs	7.25	4.67	64
24	31	Information Technology	9.10	5.60	62
25	32	Irrigation and Waterways	1459.08	995.76	68
26	33	Jails	15.44	10.67	69
27	34	Judicial	38.00	30.40	80
28	36	Land and Land Reforms	27.44	20.07	73
29	38	Minority Affairs and Madrasah Education	105.50	99.14	94
30	39	Municipal Affairs	232.83	59.90	26
31	40	Panchayat and Rural Development	3.00	1.17	39
32	42	Personnel and Administrative Reforms	46.00	17.07	37
33	43	Power and Non-Conventional Energy Sources	365.67	245.35	67
34	45	Public Health Engineering	181.20	180.38	99
35	46	Refugee, Relief and Rehabilitation	20.05	16.93	84
36	47	Disaster Management	1.65	0.54	33
37	51	Technical Education and Training	203.38	151.59	75
38	52	Tourism	14.09	10.27	73
39	53	Transport	292.33	83.83	29
40	54	Urban Development	15.74	4.32	27
41	55	Water Resources Investigation and Development	430.50	348.26	81
42	58	Paschimanchal Unnayan Affairs	15.00	13.57	90
43	59	Self Help Group and Self Employment	10.00	9.87	99
44	60	Civil Defence	12.02	9.78	81
		Revenue (Charged)			
1	6	Animal Resources Development	0.04	0.02	50
2	7	Backward Classes Welfare	0.10	0.07	70
3	8	Co-operation	3.90	1.21	31
4	18	Finance	15462.58	998.17	6
5	19	Fire and Emergency Services	0.44	0.09	20
6	22	Food Processing Industries and Horticulture	0.17	0.04	24
7	24	Health and Family Welfare	0.07	0.05	71
8	28	Housing	3.20	0.69	22
9	32	Irrigation and Waterways	0.13	0.04	31
10	34	Judicial	98.93	27.04	27
11	36	Land and Land Reforms	1.20	1.20	100
12	45	Public Health Engineering	0.25	0.14	56
13	46	Refugee Relief and Rehabilitation	7.75	7.69	99
14	49	Sports and Youth Services	0.22	0.22	100

Sl. No.	Grant No	Name of the Grant/Appropriation	Total Grant/ Appropriation	Savings	Percentage
		Capital (Charged)			
1	6	Animal Resources Development	0.07	0.02	29
2	8	Co-operation	10.50	2.62	25
3	11	Micro and Small Scale Enterprises and Textiles	1.13	0.56	50
4	20	Fisheries	20.00	10.33	52
5	32	Irrigation and Waterways	0.22	0.20	91
6	47	Disaster Management	8.93	2.03	23
7	55	Water Resources Investigation and Development	2.99	2.99	100

Appendix 2.2

(Refer paragraph 2.3.2, page 45)

Statement showing persistent savings under some grants *(Rupees in Crore)*

	Number and Name of the grant	Amount of savings				
		2006-07	2007-08	2008-09	2009-10	2010-11
Revenue-Voted						
1	1-Legislative Assembly Secretariat	5.69 (25)	4.95 (17)	7.41 (25)	6.15 (17)	8.02 (19)
2	7-Backward Classes Welfare	58.33 (16)	64.06 (15)	37.88 (7)	31.03 (6)	72.29 (11)
3	10-Consumer Affairs	4.85 (20)	6.47 (25)	5.26 (18)	5.78 (15)	10.21 (25)
4	31-Information and Technology	14.49 (52)	17.77 (33)	13.96 (30)	6.43 (10)	71.99 (84)
5	34-Judicial	20.80 (14)	30.48 (17)	34.10 (17)	53.50 (20)	44.53 (13)
6	38-Minority Affairs and Madrasah Education	16.34 (79)	128.64 (54)	154.79 (38)	91.39 (17)	189.48 (19)
7	39-Municipal Affairs	42.43 (39)	269.88 (17)	69.75 (4)	536.87 (20)	557.09 (18)
8	44-Public Enterprises	1.78 (11)	0.64 (35)	43.06 (43)	150.50 (99)	116.64 (81)
Capital-Voted						
1	5-Agriculture	6.14 (42)	14.74 (87)	4.93 (58)	75.67 (93)	62.40 (78)
2	9-Commerce and Industries	11.65 (21)	9.42 (18)	237.72 (83)	16.95 (47)	32.53 (59)
3	15-Education (School)	4.11 (68)	14.35 (72)	7.68 (56)	7.89 (55)	49.45 (66)
4	19-Fire Services	3.39 (38)	5.68 (38)	6.44 (26)	4.64 (19)	11.59 (43)
5	22-Food Processing Industries and Horticulture	4.51 (55)	17.20 (85)	3.38 (41)	18.66 (78)	29.83 (77)
6	23-Forest	12.86 (86)	12.37 (49)	1.20 (5)	3.64 (13)	8.88 (19)
7	24-Health and Family Welfare	62.67 (54)	67.83 (52)	59.54 (30)	66.27 (24)	97.74 (35)
8	25-Public Works	310.31 (43)	240.03 (29)	53.84 (8)	71.53 (8)	218.28 (22)
9	32-Irrigation and Waterways	180.58 (52)	126.14 (35)	186.50 (43)	348.90 (48)	995.77 (68)
10	36-Land and Land Reforms	7.52 (30)	2.21 (19)	13.90 (43)	20.55 (63)	20.07 (73)
11	39-Municipal Affairs	42.43 (39)	35.41 (30)	41.66 (22)	119.08 (61)	59.90 (26)
12	51-Technical Education and Training	9.08 (70)	2.63 (43)	1.44 (5)	42.78 (46)	151.59 (75)
13	55-Water Resources Investigation and Development	61.52 (66)	43.42 (39)	17.60 (11)	69.18 (36)	348.26 (81)

APPENDIX 2.3

(Reference: Paragraph 2.3.5; Page 47)

Statement of various grants/appropriations where expenditure budget provision either by more than ₹ 1 crore or by more than 20 *per cent* of total provision

Sl. No	Number and title of grant/appropriation		Total grant/ appropriation	Expenditure	Excess	Percent age
			(Rupees in crore)			
	Voted Grants					
1	4-Revenue	Agricultural Marketing	24.82	28.28	3.46	14
2	5-Revenue	Agriculture	720.31	729.88	9.57	1
3	15-Revenue	Education (School)	11475.85	11911.70	435.85	4
4	18-Revenue	Finance	8403.79	8646.44	242.65	3
5	22-Revenue	Food Processing Industries and Horticulture	67.26	74.25	6.99	10
6	23-Revenue	Forest	316.69	322.07	5.38	2
7	25-Revenue	Public Works	979.09	1267.76	288.67	29
8	27-Revenue	Home	3134.03	3338.57	204.54	7
9	33-Revenue	Jails	148.51	152.46	3.95	3
10	35-Revenue	Labour	397.09	411.57	14.48	4
11	46-Revenue	Refugee Relief and Rehabilitation	59.80	62.43	2.63	4
12	60-Revenue	Civil Defence	265.18	285.75	20.57	8
	Voted			**27231.16**		**1238.74**
	Charged Appropriations					
1	18-Capital	Finance	19068.04	26125.85	7057.81	37
2	27-Revenue	Home	1.30	5.44	4.13	318
	27-Capital		-	2.83	2.83	--
3	47-Revenue	Disaster Management	18.01	25.09	7.08	
4	53-Revenue	Transport	-	7.27	7.27	39
	53-Capital		-	10.56	10.56	--
Total		Charged		**26177.04**		**7089.68**
				53408.20		**8328.42**

Source: Appropriation Accounts

APPENDIX 2.4

(Reference: Paragraph 2.3.6; Page 47)

Expenditure incurred without provision during 2010-11 (Rupees in crore)

Number and names of		Expenditure incurred without provisions
Grants	**Appropriations**	
6-Animal Resources Development-Revenue (Voted)-2403-Animal Husbandry-00-001-Direction and Administration-Plan Centrally Sponsored (New Schemes)-CS 002-18th Quinquennial Livestock Census		3.84
11-Micro and Small Scale Enterprises-Capital (Voted)-6851-Loans for Village and Small Industries-00-195-Loans to Composite Village and Small Industries-Non-Plan-010-Loans to Handloom Industries (WB State Handloom weavers Co-op Society Ltd.)		1.68
18-Finance-Revenue (Voted)-2052-Secretariat General Services-00-090-Secretariat-Non-Plan-022-Finance Department-State Finance Commission (FA)		1.49
20-Fisheries-Revenue (Voted)-2405-Fisheries-00-800-Other Expenditure-Plan-Central Sector (New Scheme)-CN 003-Oceanographic Research and Other Research Scheme (FI)		0.89
	18-Finance-Revenue(Charged)-2049-Interest Payments-01-Interest on Internal Debt-101-Interest on Market Loans (Charged)	
	094-8.60 *per cent* West Bengal Government Stock, 2018 (FA)	39.18
	113-8.58 *per cent* West Bengal Government Stock, 2020	85.80
	114-8.51 *per cent* West Bengal Government Stock, 2020(FA)	21.28
	115-8.28 *per cent* West Bengal Government Stock, 2020	62.10
	116-8.11 *per cent* West Bengal Government Stock, 2020	40.55
	117-8.17 *per cent* West Bengal Government Stock, 2020	40.85
	118-8.38 *per cent* West Bengal Government Stock, 2020	41.98
	119-8.39 *per cent* West Bengal Government Stock, 2020	20.89
	120-8.44 *per cent* West Bengal Government Stock, 2020	21.10
	012-10.50 *per cent* West Bengal Government (NSSF)(Non-Transferable) Speical Securities, 2001 (FA)	6.30
	18-Finance-Revenue(Charged)-2049-Interest Payments-01-Interest on Internal Debt-123-Interest on Special Securities issued to NSSF of the Central Government by the State Government-Non-Plan	
	013-10.50 *per cent* West Bengal Government (NSSF)(Non-Transferable) Special Securities, 2003 (FA)	68.48
	014-9.50 *per cent* West Bengal Government (NSSF)(Non-Transferable)	19.15

Number and names of		Expenditure incurred without provisions
Grants	Appropriations	
	Special Securities, 2000 (FA)	
	015-9.50 *per cent* West Bengal Government (NSSF)(Non-Transferable) Special Securities, 2002 (FA)	0.55
	04-Interest on Loans and Advances from Central Government-104-Interest on Loans for Non-Plan Schemes (Charged)-Non-Plan-033-Interest on Loans for Share of Small Savings Collections (FA)	45.38
	18-Finance-Capital (Charged)-6003-Internal Debt of the State Government-00-101-Market Loans-Non-Plan-Bearing Interest	
	M 013-11.50 *per cent* West Bengal Loan, 2010	178.45
	M 043-10.52 *per cent* West Bengal Loan, 2010	372.56
	M 044-11.80 *per cent* West Bengal Loan, 2010	250.00
	M 045-12 *per cent* West Bengal Loan, 2010	104.81
	18-Finance-Capital (Charged)-6003-Internal Debt of the State Government-00-101-Market Loans-Non-Plan-Not-Bearing Interest	
	N 036-11.50 *per cent* West Bengal Loan, 2009 (FA)	0.25
	N 042-10.50 *per cent* West Bengal Loan, 2011	149.98
	110-Ways and Means Advances from the Reserve Bank of India- Non-Plan- 003-Ways and Means Advances from Reserve Bank of India-Shortfall (FA)	17.36
	111-Special Securities issued to National Small Savings Fund of the Central Government-Non-Plan	
	009-10.50 *per cent* West Bengal Government (NSSF)(Non-Transferable) Special Securities, 2003	69.63
	012-9.50 *per cent* West Bengal Government (NSSF)(Non-Transferable) Special Securities, 2005 (FA)	126.33
	6004-Loans and Advances from the Central Government-01-non-Plan-Loans-102-Share of Small Savings Collections-Non-Plan-001-Share of Small Savings Collections (FA)	769.93

Number and names of		Expenditure incurred without provisions
Grants	**Appropriations**	
22-Food Processing Industries and Horticulture –Capital (Voted)-4860-Capital Outlay on Consumer Industries		
60-Other-102-Food and Beverages-Plan-State Plan (Annual Plan and Eleventh Plan)-SP 003-Setting up of Radiation Processing Plan for Food and Agro Products at Chinsurah, Hooghly (FP)		2.20
SP-004-Equity Participation for Jangipur Bengal Food Park Ltd.		3.09
23-Forest-Revenue(Voted)-2406-Forestry and Wild Life-		
01-Forestry-101-Forest Conservation Development and Regeneration-Plan-State Plan (Annual Plan and Eleventh Plan)-SP 007-Additional Central Assistance (ACA) for Accelerated Programme of Restoration and Regeneration of Forest Cover		1.22
24-Health and Family Welfare-Capital (Voted)-4210-Capital Outlay on Medical and Public Health-		
03-Medical Education, Training and Research-105-Allopathy- Plan-State Plan (Annual Plan and Eleventh Plan)-SP 017-ACA for setting up of Murshidabad Medical College and Hospital (GOI)(ACA)(HA)		29.70
25-Public Works-Revenue(Voted)-3054-Roads and Bridges		
01-National Highways-337-Road Works-Non-Plan-003-Expenditure on Repairing and Maintenance of National Highway (PR)		10.44
03-State Highways-800-Other Expenditure-Non-Plan-002-Maintenance of State Highways and Bridges as per recommendation of the Twelfth Finance Commission (PR)		2.01
27-Home-Revenue(Voted)-2049-Interest Payment-		
04-Interest on Loans and Advances from Central Government-104-Interest on Loans for Non-Plan Schemes (Charged)-Non-Plan-004-Interest on Loans for Modernisation of Police Force (FA)		5.39
35-Labour-Revenue(Voted)-2230-Labour and Employment-		
02-Employment-004-Research, Survey and Statistics-Plan-State Plan (Annual Plan and Eleventh Plan)-SP 003-Udiyaman Swarnirbhar Karmasansthan Prakalpa, 2008		8.01
39-Municipal Affairs-Revenue (Voted)-2217-Urban Development		
05-Other Urban Development Schemes-191-Assistance to Municipal Corporations-Non-Plan-021-Assistance to Urban Local Bodies as General Basic Grants as recommended by the Thirteenth Finance Commission		50.09
789-Special Component Plan for SC-Plan-State Plan (Annual Plan and Eleventh Plan)-SP 002-Programme for Liberation for Scavengers by Convertion of Privics into Sanitary Latrines in Municipal Town (State Share)(MA)		0.82
SP 004-Basic Minimum Service		0.90

Number and names of		Expenditure incurred without provisions
Grants	**Appropriations**	
40-Panchayat and Rural Development-Revenue(Voted)		
2235-Social Security and Welfare – 60-Other Social Security and Welfare Programmes-789-Speical Component Plan for SC-Plan-State Plan (Annual Plan and Eleventh Plan)-SP 005-Provision against ACA for National Family Benefit Schemes (Central Share)(NSAP)(PN)		2.69
51-Technical Education and Training-Capital (Voted)-		
4202-Capital Outlay on Education, Sports, Arts and Culture-02-Technical Education-800-Other Expenditure-Plan-State Plan (Annual Plan and Eleventh Plan)-SP 001-Lump Provision to Zilla Parishads/Urban Local Bodies for Capital Works		2.29
53-Transport-		
	Revenue (charged) - 2049-Interest payment-04-103-NP-044-Loans for construction of four terminals for ferry services across Hooghly River	0.30
	2049-Interest payment-04-104-NP-046-Loans for construction of second bridge over Hooghly River including Kona Expressway	6.97
	Capital (charged) - 6004-01-800-NP-010- Loans for construction of second bridge over Hooghly River including Kona Expressway	10.32
	6004-04-800-NP-047-Loans for construction of terminal facilities for ferry services across river Hooghly	0.24
55-Water Resources Investigation and Development-Revenue (Voted)-		
2705-Command Area Development-00-001-Direction and Administration- Plan-State Plan (Annual Plan and Eleventh Plan)-SP 001-Command Area Development and Water Management Programme (State Share)(WI)		3.93
4705-Capital Outlay on Command Area Development-00-789-Special Component Plan for SC- Plan-State Plan (Annual Plan and Eleventh Plan)-SP 002-Command Area Development and Water Management Programme (State Share)(WI)		0.81
800-Other Expenditure- Plan-State Plan (Annual Plan and Eleventh Plan)-SP 002-Command Area Development and Water Management Programme (State Share)(WI)		2.60
	25-Public Works-Capital(Charged)-6004-Loans and Advances from the Central Government-Capital (Charged)	
	04-Loans for Centrally Sponsored Planned Schemes-800-Other Loans-Non-Plan-044-State Roads of Economic or Inter State Importance (PR)	0.15
	45-Public Health Engineering-Revenue(Charged)-2049-Interest Payments-04-Interest on Loans and Advances from Central Government-104-Interest on Loans for Non-Plan Schemes (Charged)-	
	Non-Plan-013-Loans for Neorakhola	0.11

Number and names of		Expenditure incurred without provisions
Grants	**Appropriations**	
	Water Supply Schemes	
	45-Public Health Engineering-Capital (Charged)-6004-Loans and Advances from Central Government-	
	01-Non-Plan Loans-800-Other Loans-Non-Plan-009-Loans for Neorakhola Water Supply Scheme (PH)	0.19
Total		**2705.26**

Source: Appropriation Accounts

Expenditure of ₹5303.50 crore incurred without provisions for Special Ways and Means Advances and Overdraft under Grant no 18 (6003- internal debt of the State Government) has not been included in the list.

APPENDIX 2.5

(Reference: Paragraph 2.3.7; Page 47)

Statement showing Cases where supplementary provision (₹10 lakh or more in each case) proved unnecessary

(Rupees in lakh)

	Number and Name of the Grant	Original Provision	Actual expenditure	Savings out of Original provision	Supplementary provision
A-	**Revenue (Voted)**				
1-	Legislative Assembly Secretariat	4092.90	3521.51	571.39	230.44
6-	Animal Resources Development	50012.60	46827.62	3184.98	1922.11
14-	Mass Education	19406.42	17207.94	2198.48	1562.15
21-	Food and Supplies	218231.17	173410.34	44820.83	565.92
26-	Hill Affairs	32211.75	29847.57	2364.18	951.65
34-	Judicial	34533.20	30729.37	3803.83	649.24
37-	Law	466.86	404.35	62.51	66.08
42-	Personnel and Administrative Reforms	3414.55	2450.19	964.36	40.60
44-	Public Enterprises	10733.50	2787.82	7945.68	3718.16
61-	Chief Minister's Office	171.53	160.92	10.61	17.85
Total for Revenue (Voted)		**373274.48**	**307347.63**	**65926.85**	**9724.20**
B-	**Capital (Voted)**				
18-	Finance	8680	332.31	8347.69	500
43-	Power and Non-Conventional Energy Sources	20015	12031.68	7983.32	16552
Total for Capital (Voted)		**28695**	**12363.99**	**16331.01**	**17052**
Total for (Voted)		**401969.48**	**319711.62**	**82257.86**	**26776.20**
	Revenue (Charged)				
18-	Finance	1518170.81	1446441.47	71729.34	28087.30
Total for Charged		**1518170.81**	**1446441.47**	**71729.34**	**28087.30**
Grand Total		**1920140.29**	**1766153.09**	**153987.20**	**54863.50**

APPENDIX 2.6

(Reference: Paragraph 2.3.7; Page 47)

Statement of various grants/appropriation where supplementary provision proved insufficient by more than ₹1 crore each

(Rupees in crore)

Sl. No.	Grant Number	Name of the Grants and Appropriation	Original Provision	Supplementary provision	Total	Expenditure	Excess
1	4	**Agricultural Marketing**					
		Revenue (Voted)	23.58	1.24	24.82	28.28	3.46
2	5	**Agriculture-**					
		Revenue (Voted)	639.70	80.61	720.31	729.88	9.57
3	15	**Education (School)**					
		Revenue (Voted)	10708.35	767.50	11475.85	11911.70	435.85
4	18	**Finance**					
		Revenue (Voted)	6866.56	1537.23	8403.79	8646.44	242.65
		Capital (Charged)	14752.27	4315.77	19068.04	26125.85	7057.81
5	23	**Forest**					
		Revenue (Voted)	314.23	2.46	316.69	322.07	5.38
6	27	**Home**					
		Revenue (Voted)	2588.63	545.40	3134.03	3338.57	204.54
7	46	**Refugee Relief and Rehabilitation**					
		Revenue (Voted)	57.77	2.03	59.80	62.43	2.63
8	60	**Civil Defence**					
		Revenue (Voted)	234.72	30.46	265.18	285.75	20.57
				7282.70			**7982.46**

APPENDIX 2.7

(Reference: Paragraph 2.3.8; Page 47)

Excess/unnecessary/insufficient re-appropriation of funds

(Rupees in lakh)

Sl No.	Grant No.	Description	Head of Account	Re-appropriation	Final Excess(+)/ Saving (-)
1	5	Agriculture	2235-Social Security and Welfare-60-Other Social Security and Welfare Programmes-102-Pension under Social Security Scheme-Non-Plan-002-Grant of Old Age Pension to Marginal Farmers, Share Croppers and Agricultural Labourers (AG)	(-) 523.48	(-) 2513.43
2	13	Education (Higher)	2202-General Education-03-University and Higher Education-102-Assistance to Universities-Plan-State Plan (Annual Plan and Eleventh Plan) SP 001-Development of Universities (EH)	(-) 350.00	(-) 1278.56
3	15	Education (School)	2202-General Education-01-Elementary Education-112-National Programme of Mid-Day Meals in Schools-Non-Plan- 001-Mid-Day Meals for Children (ES)	(-) 8.86	(-) 3074.63
			02-Secondary Education-800-Other Expenditure-Non-Plan-021-West Bengal School Service Commission for the Recruitment of Teachers in Non-Government Secondary School (ES)	(-) 16.15	(-) 669.01
4	24	Health and Family Welfare	2210-Medical and Public Health-01-Urban Health Services-Allopathy-110-Hospital and Dispensaries-Non-Plan-001-Kolkata Hospitals and Dispensaries(HF)	(-) 1416.00	(-) 4216.22
			2210-Medical and Public Health-06-Public Health-101-Prevention and Control of Diseases-Non-Plan-001-Malaria-Control and Eradication of Malaria (HF)	(-) 2.83	(-) 1294.03
5	25	Public Works	80-General-001-Direction and Administration-Non-Plan-002-Public Works (Roads) Directorate (PW)	(-) 40.00	(-) 1028.46
			796-Tribal Areas Sub-Plan-04- District and Other Roads-337-Road Works-Plan-State Plan (Annual Plan and Eleventh Plan)- SP 003-Development of State Roads-Rural Roads (PR)	(-) 1816.23	(-) 2075.43
			03-State Highway-337-Road Work-Plan- State Plan (Annual Plan and Eleventh Plan)-SP 001-Development of State Roads (Construction)	(+) 239.88	(-) 1888.61

Sl No.	Grant No.	Description	Head of Account	Re-appropriation	Final Excess(+)/ Saving (-)
			04-District and Other Roads-789-Special Component Plan for SC-Plan-State Plan (Annual Plan and Eleventh Plan)-SP 003-Scheme under RIDF (Roads)	(+) 88.32	(-) 1061.49
6	27	Home	4059-Capital Outlay on Public Works-01-Office Buildings-051-Construction-General Pool Accommodation-Plan-State Plan (Annual Plan and Eleventh Plan)-SP 009-Police-District Police	(+) 23.41	(-) 402.80
			4055-Capital Outlay on Police-00-207-State Police-Plan-State Plan (Annual Plan and Eleventh Plan)-SP-001-Construction of different Police Station etc. under the scheme of Modernisation of Police Force	(-) 23.41	(-) 647.51
7	28	Housing	2216-Housing-01-Government Residential Buildings-700-Other Housing-Non-Plan-005-Estate Management-Estate Directorate	(+) 6.75	(-) 393.43
			80-General-001-Direction and Administration-Non-Plan-001-Housing Directorate	(-) 7.59	(-) 139.93
			2852-Industries-08-Consumer Industries-600-Others-Non-Plan-004(ii) Operation and Maintenance	(-) 10.25	(-) 104.74
8	32	Irrigation and Waterways	2701-Medium Irrigation-80-General-001-Direction and Administration-Non-Plan-001-General Administration	(-) 0.92	(-) 426.62
			2701-Medium Irrigation-Plan-State Plan (Annual Plan and Eleventh Plan)-SP-011-Computerisation of Different Offices of the I&W Directorate (IW)	(-) 11.96	(-) 382.34
			4711-Capital Outlay on Flood Control Projects-01-Flood Control-103-Civil Works-Plan-State Plan (Annual Plan and Eleventh Plan)-SP-560-Critical Flood Control and River Management Works under Centrally Assisted Flood Management Programme during Eleventh Plan (State Share)	(-) 470.18	(-) 15746.62
			4711-Capital Outlay on Flood Control Projects-789-Special Component Plan for SC-Plan-State Plan (Annual Plan and Eleventh Plan)-SP-009-Critical Flood Control and River Management Works under Centrally Assisted "Flood Management Programme" during XI th Plan (State Share)	(-) 212.73	(-) 6708.07
			4711-Capital Outlay on Flood Control Projects-03-Drainage-103-Civil Works-Plan-State Plan (Annual Plan and Eleventh Plan)-SP-310-Drainage Schemes including construction/ remodelling of Sluices in North and South 24 Parganas districts under Eastern Circle and Greater Calcutta Drainage Circle (IW)	(-) 4.29	(-) 438.55

Sl No.	Grant No.	Description	Head of Account	Re-appropriation	Final Excess(+)/ Saving (-)
9	34	Judicial	2014-Administration of Justice-00-105-Civil and Session Courts- Plan-Central Sector (New Schemes)-CN 001-Establishment of Fast Track Court	(-) 77.05	(-) 458.47
10	39	Municipal Affairs	2217-Urban Development-05-Other Urban Development Schemes-191-Assistance to Municipal Corporations-Non-Plan-020-Dearness Concession to the Employees of Municipal Corporations and Other UL Bodies in KMD and Non-KMD Areas (MA)	(+) 10249.30	(-) 5028.99
11	40	Panchayat and Rural Development	2235-Social Security and Welfare-60-Other Social Security and Welfare Programmes-800-Other Expenditure-Non-Plan-002-Implementation of Sahay Programme	(-) 34.18	(-) 1094.57
12	45	Public Health Engineering	2215-Water Supply and Sanitation-01-Water Supply-102-Rural Water Supply Programmes-Plan-State Plan (Annual Plan and Eleventh Plan)-SP 005-Piped Water Supply Schemes for Rural Areas (State Share-NRDWP)(PH)	(-) 287.30	(-) 9524.41
			789-Special Component Plan for SC-Plan-State Plan(Annual Plan and Eleventh Plan)-SP 020-Piped Water Supply Schemes (NRDWP-State Share)(PH)	(-) 110.50	(-) 1777.09
			796-Tribal Areas Sub-Plan-Plan-State Plan (Annual Plan and Eleventh Plan)-SP 022-Piped Water Supply Schemes for Tribal Areas Sub-Plan (NRDWP-State Share)(PH)	(-) 44.20	(-) 686.04
13	47	Disaster Management	02-Social Welfare-800-Other Expenditure-Non-Plan-004-Provision for Normal GR-Food and Clothes (Relief Deptt)	(-) 68.76	(-) 424.73
			01-Drought-800-Other Expenditure-Non-Plan-001-Sinking of Tubewells, Maintenance of Existing Minor Irrigation, Installations, etc.	(+) 1100.00	(-) 2047.35
			2245-Relief on account of Natural Calamities-01-Drought-101-Gratutious Relief-Non-Plan-002-Food and Clothings-Food	(-) 12802.26	(-) 24161.67
			2245-Relief on account of Natural Calamities-01-Droght-102-Drinking Water Supply-Non-Plan-002-Sinking/Re-Sinking/Repair of Sources of drinking water	(+) 4600.04	(-) 5674.00
					95367.80
1	4	Agriculture Marketing	2401-Crop Husbandry-00-800-Other Expenditure-Plan-State Plan (Annual Plan and Eleventh Plan)-SP-009-Additional Central Assistance Scheme under Rastriya Krishi Vikash Yojana (AM)	(-) 279.19	(+) 1000.44
2	14	Education (Mass)	2202-General Education-80-General-	(+) 1.48	(+) 811.93

Sl No.	Grant No.	Description	Head of Account	Re-appropriation	Final Excess(+)/ Saving (-)
			001-Direction and Administration-Non-Plan-006-Directorate of Library Sciences (EM)		
3	15	Education (School)	2202-General Education-01-Elementary Education-107-Teachers Training-Non-Plan-001-Primary Teachers Training Institute (Government Sponsored and Non-Government Aided)(ES)	(+) 16.15	(+) 316.91
4	20	Fisheries	2401-Crop Husbandry-00-800-Other Expenditure-Plan-State Plan(Annual Plan and Eleventh Plan)-SP 012-Additional Central Assistance Schemes under Rastriya Krishi Vikash Yojana (RKVY)(FI)	(+) 215.18	(+) 870.89
5	21	Food and Supply	2408-Food-Storage and Warehousing-01-Food-001-Direction and Distribution	(-) 1.50	(+) 167.96
6	23	Forest	2406-Forestry and Wild Life-019-Social Forestry (South) Circle	(+) 23.01	(+) 491.14
7	24	Health and Family Welfare	2210-Medical and Public Health-01-Urban Health Services—Allopathy-110-Hospital and Dispensaries-Non-Plan-013-District and Sub-Divisional Hospitals (HF)	(-) 30.73	(+) 6105.04
			05-Medical Education, Training and Research-105-Allopathy-Non-Plan-007-Institute of Post Graduate Medical Education	(-) 16.24	(+) 826.98
8	25	Public Works	5054-Capital Outlay on Roads and Bridges-03-State Highways-800-Other Expenditure-Plan-State Plan (Annual Plan and Eleventh Plan)- SP 001-Development of State Roads (Other than BMS)(PR)	(-) 1675.32	(+) 858.49
			04-District and Other Roads-337-Road Works- Plan-State Plan (Annual Plan and Eleventh Plan)- SP 002-Development of State Roads and District Roads	(-) 3523.60	(+) 2512.84
			337-Road Works-Plan-State Plan (Annual Plan and Eleventh Plan)-SP 006-Scheme under RIDF-PW (Roads) Department	(-) 100.23	(+) 1714.84
9	27	Home	2055-Police-00-109-District Police-Non-Plan-001-West Bengal Police	(-) 8.01	(+) 9228.27
10	32	Irrigation and Waterways	2701-Medium Irrigation-80-General-799-Suspense-Non-Plan-001-Cash Settlement Suspense Account (IW)	(-) 35.23	(+) 1132.02
11	33	Jails	2056-Jails-00-101-Jails-Non-Plan-002-Central Jails	(+) 32.99	(+) 365.25
			003-District Jails	(+) 78.10	(+) 938.19
			004-Subsidiary Jails	(+) 14.49	(+) 587.40
12	34	Judicial	2014-Administration of Justice-00-114-Legal Advisers and Councils-Non-Plan-002-Legal Remembrancer	(+) 1.46	(+) 364.63
13	39	Municipal Affairs	2217-Urban Development-05-Other Urban Development Schemes-191-	(-) 681.51	(+) 2026.14

Sl No.	Grant No.	Description	Head of Account	Re-appropriation	Final Excess(+)/ Saving (-)
			Assistance to Municipal Corporations-Plan-State Plan (Annual Plan and Eleventh Plan)-SP 035-Calcutta Environmental Improvement Project (ADB), Central Share (Normal)(EAP)		
			6217-Loans for Urban Development-60-Other Urban Development Schemes-789-Special Component Plan for SC-Plan-State Plan (Annual Plan and Eleventh Plan)-SP 007-Loans to Kolkata Municipal Corporation for Kolkata Environmental Improvement Project (ADB)(EAP)(MA)	(-) 386.42	(+) 1183.49
			796-Tribal Areas Sub-Plan-Plan-State Plan (Annual Plan and Eleventh Plan)-SP 001-Loans for Kolkata Municipal Corporation for Kolkata Environmental Improvement Project (ADB)	(-) 115.32	(+) 236.70
			800-Other Loans-Plan-State Plan (Annual Plan and Eleventh Plan)-SP 001-Loans to Kolkata Municipal Corporation for Kolkata Environmental Improvement Project (ADB)(EAP)(MA)	(-) 870.95	(+) 3307.46
14	56	Women and Child Development and Social Welfare	2235-Social Security and Welfare-02-Social Welfare-102-Child Welfare-Non-Plan-003-Family and Child Welfare Projects	(-) 12.82	(+) 516.59
					35563.60

APPENDIX 2.8

(Reference Paragraph 2.3.10; Page 48)

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

(Rupees in crore)

Sl. No.	Grant No.	Number and Name of grant/appropriation		Saving
I – Grant				
1	1	Legislature Assembly Secretariat	(Revenue-Voted)	8.02
			(Capital-Voted)	4.86
2	3	Council of Ministers	(Revenue-Voted)	1.94
3	5	Agriculture	(Capital-Voted)	62.40
4	6	Animal Resources Development	(Revenue-Voted)	51.07
			(Capital-Voted)	39.02
5	7	Backward Classes Welfare	(Revenue-Voted)	72.29
			(Capital-Voted)	23.67
6	8	Co-operation	(Revenue-Voted)	41.60
			(Capital-Voted)	19.74
7	10	Consumer Affairs	(Revenue-Voted)	10.21
8	11	Micro and Small Scale Enterprises and Textiles	(Revenue-Voted)	62.98
			(Capital-Voted)	47.92
9	12	Development and Planning	(Revenue-Voted)	28.26
			(Capital-Voted)	1.60
10	13	Education (Higher)	(Revenue-Voted)	156.04
			(Capital-Voted)	9.87
11	14	Education (Mass)	(Revenue-Voted)	37.61
			(Capital-Voted)	12.35
12	15	Education (School)	(Capital-Voted)	49.45
13	17	Excise	(Revenue-Voted)	7.60
			(Capital-Voted)	6.58
14	18	Finance	(Capital-Voted)	88.48
15	19	Fire and Emergency Services	(Revenue-Voted)	3.31
			(Capital-Voted)	11.59
16	20	Fisheries	(Capital-Voted)	21.75
17	21	Food and Supplies	(Revenue-Voted)	453.87
			(Capital-Voted)	12.91
18	22	Food Processing Industries and Horticulture	(Capital-Voted)	29.83
19	23	Forest	(Capital-Voted)	8.88
20	24	Health and Family Welfare	(Revenue-Voted)	4.41
			(Capital-Voted)	97.74
21	27	Home	(Capital-Voted)	27.89
22	28	Housing	(Revenue-Voted)	9.02
			(Capital-Voted)	459.46
23	31	Information Technology	(Revenue-Voted)	71.99
			(Capital-Voted)	5.60
24	32	Irrigation and Waterways	(Revenue-Voted)	25.97
			(Capital-Voted)	995.76
25	33	Jails	(Capital-Voted)	10.68
26	36	Land and Land Reforms	(Revenue-Voted)	113.58
			(Capital-Voted)	20.07
27	37	Law	(Revenue-Voted)	1.29
28	38	Minority Affairs and Madrasah Education	(Revenue-Voted)	189.48
			(Capital-Voted)	99.14
29	40	Panchayat and Rural Development	(Revenue-Voted)	484.01
			(Capital-Voted)	1.18
30	41	Parliamentary Affairs	(Revenue-Voted)	1.27

Sl. No.	Grant No.	Number and Name of grant/appropriation		Saving
31	42	Personnel and Administrative Reforms	(Revenue-Voted)	10.05
			(Capital-Voted)	17.07
32	43	Power and Non-Conventional Energy Sources	(Revenue-Voted)	7.07
			(Capital-Voted)	245.35
33	44	Public Enterprises	(Revenue-Voted)	116.64
			(Capital-Voted)	6.35
34	45	Public Health Engineering	(Revenue-Voted)	194.50
			(Capital-Voted)	180.38
35	46	Refugee Relief and Rehabilitation	(Capital-Voted)	16.93
36	47	Disaster Management	(Revenue-Voted)	1216.84
			(Capital-Voted)	0.54
37	49	Sports and Youth Services	(Revenue-Voted)	48.52
38	50	Sunderban Affairs	(Revenue-Voted)	58.33
			(Capital-Voted)	4.91
39	51	Technical Education and Training	(Revenue-Voted)	59.27
			(Capital-Voted)	151.59
40	52	Tourism	(Revenue-Voted)	19.99
			(Capital-Voted)	10.27
41	53	Transport	(Capital-Voted)	83.83
42	55	Water Resources Investigation and Development	(Revenue-Voted)	91.73
			(Capital-Voted)	348.26
43	56	Women and Child Development and Social Welfare	(Revenue-Voted)	110.13
44	57	Bio-Technology	(Revenue-Voted)	9.44
45	58	Paschimanchal Unnayan Affairs	(Revenue-Voted)	17.31
			(Capital-Voted)	13.57
46	59	Self Help Group and Self Employment	(Revenue-Voted)	63.71
			(Capital-Voted)	9.87
47	60	Civil Defence	(Capital-Voted)	9.78
48	61	Chief Minister's Office	(Revenue-Voted)	0.28
				7120.08
II - Appropriation				
1	8	Co-operation	(Revenue-Charged)	1.21
			(Capital-Charged)	2.61
2	9	Commerce and Industries	(Revenue-Charged)	0.16
3	11	Micro and Small Scale Enterprises	(Capital-Charged)	0.56
4	18	Finance	(Revenue-Charged)	998.17
5	19	Fire and Emergency Services	(Capital-Charged)	0.13
6	20	Fisheries	(Revenue-Charged)	1.08
			(Capital-Charged)	10.33
7	25	Public Works	(Revenue-Charged)	0.59
			(Capital-Charged)	0.12
8	28	Housing	(Revenue-Charged)	0.69
9	32	Irrigation and Waterways	(Capital-Charged)	0.19
10	34	Judicial	(Revenue-Charged)	27.04
11	36	Land and Land Reforms	(Revenue-Charged)	1.20
12	40	Panchayat and Rural Development	(Revenue-Charged)	0.17
13	43	Power and Non-Conventional Energy Sources	(Capital-Charged)	0.30
14	45	Public Health Engineering	(Revenue-Charged)	0.14
15	46	Refugee Relief and Rehabilitation	(Revenue-Charged)	7.69
16	49	Sports and Youth Services	(Revenue-Charged)	0.22
		Total		**1052.60**
				8172.68

APPENDIX 2.9

(Reference Paragraph 2.3.10; Page 48)

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

(Rupees in crore)

Sl. No.	Number and Name of Grants/Appropriation		Saving	Surrender	Saving which remained to be surrendered
1	4-Agriculture Marketing	(Capital-Voted)	18.73	14.47	4.26
2	9-Commerce and Industries	(Revenue-Voted)	96.84	91.00	5.84
		(Capital-Voted)	32.53	30.52	2.01
3	16-Environment	(Revenue-Voted)	7.91	5.66	2.25
4	25-Public Works	(Capital-Voted)	218.28	128.43	89.85
5	30-Information and Cultural Affairs	(Revenue-Voted)	18.41	0.01	17.40
		(Capital-Voted)	4.67	2.83	1.84
6	34-Judicial	(Revenue-Voted)	44.53	1.05	43.48
		(Capital-Voted))	30.40	23.04	7.36
7	47-Disaster Management	(Revenue-Voted)	767.39	748.73	18.66
8	53-Transport	(Revenue-Voted)	74.99	3.40	71.59
9	54-Urban Development	(Capital-Voted)	4.33	3.07	1.26
			1319.01	**1052.21**	**265.80**

APPENDIX - 2.10

(Reference Paragraph 2.3.10; Page 48)

Statement showing cases of surrender of funds in excess of ₹10 crore on 31 March 2011

(Rupees in crore)

Sl. No.	Grant No.	Major Head	Amount of Surrender	Percentage of total Provision
1.	4	4401,4435 (Capital-Voted)	14.47	33
2.	9	2058, 2852, 2853 (Revenue-Voted) 4059, 4407, 4551, 4857, 4860, 6407, 6551, 6860, 6885 and 7465 (Capital-Voted)	91.00 30.52	22 56
3.	25	4059, 5054 (Capital-Voted)	128.43	13
4.	26	2551 (Revenue-Voted)	33.79	10
5.	34	4059 (Capital-Voted)	23.04	61
6.	39	2211, 2215, 2217, 3604 (Revenue-Voted) 4217, 6217 (Capital-Voted)	570.36 106.47	19 46
7.	54	2215, 2217, 3604, (Revenue-Voted)	748.73	40
		Total	**1746.81**	

APPENDIX 3.1

(Refer Paragraph 3.2, Page 56)

Names of bodies and authorities (other than PRIs), the accounts of which had not been received

Sl. No.	Name of the Institutions	Period of Transaction/ Accounts audited	Period of Arrears in preparation of Accounts	Number of Annual Accounts in arrear
University				
1	Bidhan Chandra Krishi Viswavidyalaya	2005-06	2006-07 to 2009-10	4
2	Bardhaman	1997-98	1998-99 to 2009-10	12
3	Calcutta	2008-09	2009-10	1
4	Jadavpur	2003-04	2004-05 to 2009-10	6
5	Kalyani	2003-04	2004-05 to 2009-10	6
6	North Bengal	2007-08	2008-09 to 2009-10	2
7	Rabindra Bharati	2006-07	2007-08 to 2009-10	3
8	Vidyasagar	2008-09	2009-10	1
9	Uttar Banga Krishi Viswavidyalaya	-	2002-03 to 2009-10	8
10	Bengal Engineering and Science University	2008-09	2009-10	1
	Total			**44**
Other Local Bodies				
11	Kolkata Improvement Trust	2007-08	2008-09 to 2009-10	2
12	Howrah Improvement Trust	2005-06	2006-07 to 2009-10	4
	Total			**6**
Kolkata Metropolitan Area (KMA) – Municipal Corporation				
13	Chandernagar	2005-06	2006-07 to 2009-10	4
14	Horwah	2006-07	2007-08 to 2009-10	3
KMA – Municipality				
15	Baidyabati	2005-06	2006-07 to 2009-10	4
16	Bally	2007-08	2008-09 to 2009-10	2
17	Bansberia	2006-07	2007-08 to 2009-10	3
18	Baranagar	2006-07	2007-08 to 2009-10	3
19	Barasat	2005-06	2006-07 to 2009-10	4
20	Barrackpore	2007-08	2008-09 to 2009-10	2
21	Baruipur	2005-06	2006-07 to 2009-10	4
22	Bhadreswar	2005-06	2006-07 to 2009-10	4
23	Bhatpara	2005-06	2006-07 to 2009-10	4
24	Bidhannagar	2006-07	2007-08 to 2009-10	3
25	Budge Budge	2005-06	2006-07 to 2009-10	4
26	Champdani	2006-07	2007-08 to 2009-10	3
27	Dum Dum	2005-06	2006-07 to 2009-10	4
28	Garulia	2005-06	2006-07 to 2009-10	4
29	Gayeshpur	2007-08	2008-09 to 2009-10	2
30	Halisahar	2005-06	2006-07 to 2009-10	4
31	Hooghly Chinsurah	2007-08	2008-09 to 2009-10	2
32	Kalyani	2005-06	2006-07 to 2009-10	4
33	Kamarhati	2006-07	2007-08 to 2009-10	3
34	Kanchrapara	2005-06	2006-07 to 2009-10	4
35	Khardah	2005-06	2006-07 to 2009-10	4
36	Konnagar	2005-06	2006-07 to 2009-10	4
37	Madhyamgram	2007-08	2008-09 to 2009-10	2
38	Maheshtala	2005-06	2006-07 to 2009-10	4
39	Naihati	2006-07	2007-08 to 2009-10	3
40	New Barrackpur	2006-07	2007-08 to 2009-10	3
41	North Barrackpur	2005-06	2006-07 to 2009-10	4

Sl. No.	Name of the Institutions	Period of Transaction/ Accounts audited	Period of Arrears in preparation of Accounts	Number of Annual Accounts in arrear
42	North Dum Dum	2007-08	2008-09 to 2009-10	2
43	Panihati	2006-07	2007-08 to 2009-10	3
44	Pujali	2007-08	2008-09 to 2009-10	2
45	Rajarhat Gopalpur	2007-08	2008-09 to 2009-10	2
46	Rajpur Sonarpur	2005-06	2006-07 to 2009-10	4
47	Rishra	2006-07	2007-08 to 2009-10	3
48	Serampore	2005-06	2006-07 to 2009-10	4
49	South Dum Dum	2005-06	2006-07 to 2009-10	4
50	Titagarh	2005-06	2006-07 to 2009-10	4
51	Uluberia	2005-06	2006-07 to 2009-10	4
52	Uttarpara Kotraung	2005-06	2006-07 to 2009-10	4
	Total			**134**
Non KMA – Municipal Corporation				
53	Asansol	2006-07	2007-08 to 2009-10	3
54	Durgapur	2006-07	2007-08 to 2009-10	3
55	Siliguri	2006-07	2007-08 to 2009-10	3
Non KMA - Municipality				
56	Alipurduar	2006-07	2007-08 to 2009-10	3
57	Arambag	2007-08	2008-09 to 2009-10	2
58	Ashokenagar Kalyangarh	2006-07	2007-08 to 2009-10	3
59	Baduria	2006-07	2007-08 to 2009-10	3
60	Balurghat	2006-07	2007-08 to 2009-10	3
61	Bankura	2006-07	2007-08 to 2009-10	3
62	Basirhat	2008-09	2009-10	1
63	Beldanga	2006-07	2007-08 to 2009-10	3
64	Berhampur	2006-07	2007-08 to 2009-10	3
65	Birnagar	2006-07	2007-08 to 2009-10	3
66	Bishnupur	2006-07	2007-08 to 2009-10	3
67	Bolpur	2006-07	2007-08 to 2009-10	3
68	Bongaon	2006-07	2007-08 to 2009-10	3
69	Burdwan	2008-09	2009-10	1
70	Chakdaha	2007-08	2008-09 to 2009-10	2
71	Chandrakona	2006-07	2007-08 to 2009-10	3
72	Contai	2006-07	2007-08 to 2009-10	3
73	Coochbehar	2006-07	2007-08 to 2009-10	3
74	Coopers' Camp NAA	2006-07	2007-08 to 2009-10	3
75	Dainhat	2006-07	2007-08 to 2009-10	3
76	Dalkhola	2006-07	2007-08 to 2009-10	3
77	Dankuni	2006-07	2007-08 to 2009-10	3
78	Darjeeling	2006-07	2007-08 to 2009-10	3
79	Dhulian	2006-07	2007-08 to 2009-10	3
80	Dhupguri	2006-07	2007-08 to 2009-10	3
81	Diamond Harbour	2006-07	2007-08 to 2009-10	3
82	Dinhata	2006-07	2007-08 to 2009-10	3
83	Dubrajpur	2006-07	2007-08 to 2009-10	3
84	Egra	2006-07	2007-08 to 2009-10	3
85	English Bazar	2006-07	2007-08 to 2009-10	3
86	Gangarampur	2006-07	2007-08 to 2009-10	3
87	Ghatal	2007-08	2008-09 to 2009-10	2
88	Gobardanga	2007-08	2008-09 to 2009-10	2
89	Guskara	2006-07	2007-08 to 2009-10	3
90	Habra	2006-07	2007-08 to 2009-10	3
91	Haldia	2007-08	2008-09 to 2009-10	2
92	Haldibari	2006-07	2007-08 to 2009-10	3
93	Islampur	2006-07	2007-08 to 2009-10	3
94	Jainagar-Majilpur	2006-07	2007-08 to 2009-10	3

Sl. No.	Name of the Institutions	Period of Transaction/ Accounts audited	Period of Arrears in preparation of Accounts	Number of Annual Accounts in arrear
95	Jalpaiguri	2006-07	2007-08 to 2009-10	3
96	Jamuria	2006-07	2007-08 to 2009-10	3
97	Jangipur	2006-07	2007-08 to 2009-10	3
98	Jhalda	2006-07	2007-08 to 2009-10	3
99	Jhargram	2006-07	2007-08 to 2009-10	3
100	Jiagunj-Azimgunj	2006-07	2007-08 to 2009-10	3
101	Kaliagunj	2006-07	2007-08 to 2009-10	3
102	Kalimpong	2006-07	2007-08 to 2009-10	3
103	Kalna	2007-08	2008-09 to 2009-10	2
104	Kandi	2006-07	2007-08 to 2009-10	3
105	Katwa	2006-07	2007-08 to 2009-10	3
106	Kharagpur	2006-07	2007-08 to 2009-10	3
107	Kharar	2006-07	2007-08 to 2009-10	3
108	Khirpai	2006-07	2007-08 to 2009-10	3
109	Krishnanagar	2006-07	2007-08 to 2009-10	3
110	Kulti	2006-07	2007-08 to 2009-10	3
111	Kurseong	2006-07	2007-08 to 2009-10	3
112	Mal	2006-07	2007-08 to 2009-10	3
113	Mathabhanga	2007-08	2008-09 to 2009-10	2
114	Medinipur	2006-07	2007-08 to 2009-10	3
115	Mekhligunj	2006-07	2007-08 to 2009-10	3
116	Memari	2007-08	2008-09 to 2009-10	2
117	Mirik	2006-07	2007-08 to 2009-10	3
118	Murshidabad	2006-07	2007-08 to 2009-10	3
119	Nabadwip	2006-07	2007-08 to 2009-10	3
120	Nalhati	2006-07	2007-08 to 2009-10	3
121	Old Malda	2006-07	2007-08 to 2009-10	3
122	Panskura	2006-07	2007-08 to 2009-10	3
123	Purulia	2006-07	2007-08 to 2009-10	3
124	Raigung	2006-07	2007-08 to 2009-10	3
125	Ramjibanpur	2007-08	2008-09 to 2009-10	2
126	Rampurhat	2006-07	2007-08 to 2009-10	3
127	Ranaghat	2006-07	2007-08 to 2009-10	3
128	Raghunathpur	2006-07	2007-08 to 2009-10	3
129	Ranigunj	2006-07	2007-08 to 2009-10	3
130	Saithia	2006-07	2007-08 to 2009-10	3
131	Santipur	2006-07	2007-08 to 2009-10	3
132	Sonamukhi	2006-07	2007-08 to 2009-10	3
133	Suri	2006-07	2007-08 to 2009-10	3
134	Taherpur	2006-07	2007-08 to 2009-10	3
135	Taki	2007-08	2008-09 to 2009-10	2
136	Tamluk	2006-07	2007-08 to 2009-10	3
137	Tarakeswar	2007-08	2008-09 to 2009-10	2
138	Tufangunj	2006-07	2007-08 to 2009-10	3
	Total			**243**

Source: Information furnished by the Departments concerned

APPENDIX 3.2

(Refer Paragraph 3.2, Page 56)

Unutilised Government grants during the year 2010-11 (Other than PRIs)

Sl. No.	Name of the Institution	Period of Transaction/ Accounts audited	Unutilised grants (Rupees in lakh)
District Primary School Council			
1	North 24 Parganas	2008-10	2438.76
	Total		**2438.76**
Urban Local Bodies			
2	Asansol	2009-10	371.66
3	Dalkhola	2008-10	26.51
4	Dubrajpur	2008-10	465.68
5	Gayeshpur	2008-10	58.95
6	Kalna	2007-10	4.76
7	Kamarhati	2009-10	18.66
8	Kanchrapara	2008-10	38.81
9	Kulti	2008-09	25.04
10	Maheshtala	2009-10	4202.52
11	Nabadwip	2008-10	207.43
12	Naihati	2009-10	647.44
	Total		**6067.46**
University			
13	Calcutta University	2008-09	150.79
14	Uttar Banga Krishi Viswavidyalaya	2009-10	362.51
	Total		**513.30**
	Grand Total		**9019.52**

APPENDIX – 3.3

(Refer Paragraph 3.2; Page 56)

Statement showing unutilised Government grants during the year 2010-11 (in respect of PRIs)

Sl. No.	Name of the PRI	Year of accounts audited	Unutilised grants (Rupees in crore)
1	Bankura Zilla Parishad	2009-10	31.44
2	Bardhaman Zilla Parishad	2009-10	35.45
3	Birbhum Zilla Parishad	2009-10	30.42
4	Coochbehar Zilla Parishad	2009-10	31.22
5	Dakshin Dinajpur Zilla Parishad	2009-10	31.24
6	Hooghly Zilla Parishad	2009-10	28.69
7	Howrah Zilla Parishad	2009-10	17.23
8	Jalpaiguri Zilla Parishad	2009-10	43.86
9	Malda Zilla Parishad	2009-10	49.59
10	Murshidabad Zilla Parishad	2009-10	46.92
11	Nadia Zilla Parishad	2009-10	47.60
12	North 24 Parganas Zilla Parishad	2009-10	92.35
13	Paschim Medinipur Zilla Parishad	2009-10	49.41
14	Purba Medinipur Zilla Parishad	2009-10	37.26
15	Purulia Zilla Parishad	2009-10	34.26
16	Siliguri Mahakuma Parishad	2009-10	12.51
17	South 24 Parganas Zilla Parishad	2009-10	75.42
18	Uttar Dinajpur Zilla Parishad	2009-10	34.18
	Total		**729.05**

APPENDIX 3.4

(Refer paragraph 3.3, Page 57)

Performance of Autonomous Bodies

Sl No	Name of the Body/ Authority	Period upto which audit is entrusted	Year upto which Accounts due for submission	Year upto which Accounts were submitted	Period upto which Audit Report had been issued	Date of issue of Audit Report	Year upto which Audit Report had been laid before the legislature	Remarks
1	West Bengal Comprehensive Area Development Corporation	2013-14	2010-11	2009-10	2007-08	03.11.2009	2005-2006	Concerned authorities have been reminded in June 2011 for laying previous AR and submission of accounts.
2	West Bengal University of Animal & Fishery Sciences	2014-15	2010-11	2003-04	2003-04	08.05.2008	1999-2000	Concerned authorities have been reminded in June 2011 for laying previous AR and submission of accounts
3	Darjeeling Gorkha Hill Council	2012-13	2010-11	1990-91	1990-91	11.07.2008	Nil	Concerned authorities have been reminded in June 2011 for laying previous AR and submission of accounts
4	West Bengal Commission for Women	2011-12	2010-11	2009-10	2008-09	08.06.2011	2006-07	Concerned authorities have been reminded in June 2011 for laying previous AR and submission of accounts
5	West Bengal Human Rights Commission	Permanent entrustment	2010-11	2009-10	2008-09	12.05.2011	2007-08	Concerned authorities have been reminded in April 2011 for laying previous AR and submission of accounts
6	State Legal Services Authority, West Bengal	Permanent entrustment	2010-11	2009-10	2005-06	22.06.2007	1997-98	Concerned authorities have been reminded for laying previous AR and submission of accounts in June 2011 and April 2011 respectively.
7	West Bengal Heritage Commission	2010-11	2010-11	2009-10	2007-08	10.02.2010	2007-08	Concerned authorities have been reminded (April 2011) for submission of accounts.
8	West Bengal Commission for Backward Classes	2012-13	2010-11	Not at all submitted				Concerned authorities have been reminded (April 2011) for submission of accounts.
9.	West Bengal Bio-diversity Board	2013-14	2010-11	2007-08	2007-08	01.02.2010	2007-08	Concerned authorities have been reminded (April 2011) for submission of accounts.
10	Commissioners for Rabindra Setu	2013-14	2010-11	2009-10	2009-10	04.02.2011	2008-09	-
11	Hooghly River Bridge Commissioners	2008-13	2010-11	2009-10	2009-10	13.01.2011	2007-08	-
12	Kolkata Metropolitan Development Authority	2007-12	2010-11	2009-10	2008-09	03.11.2010	2008-09	Concerned authorities have been reminded (August 2011) for submission of accounts.
13	West Bengal Housing Board	2007-12	2010-11	2009-10	2009-10	24.01.2011	2008-09	-
14	District Legal Services Authority, Purba Medinipur	Permanent entrustment	2010-11	2007-08	2007-08	07.07.2009	Nil	Concerned authorities have been reminded for laying previous AR and submission of accounts in June 2011 and April 2011 respectively.

Sl No	Name of the Body/ Authority	Period upto which audit is entrusted	Year upto which Accounts due for submission	Year upto which Accounts were submitted	Period upto which Audit Report had been issued	Date of issue of Audit Report	Year upto which Audit Report had been laid before the legislature	Remarks
15	District Legal Services Authority, Bardhaman	Permanent entrustment	2010-11	2007-08	2007-08	09.09.2009	Nil	Concerned authorities have been reminded for laying previous AR and submission of accounts in June 2011 and April 2011 respectively.
16	District Legal Services Authority, Hooghly	Permanent entrustment	2010-11	2006-07	2006-07	07.09.2009	Nil	Reminder for laying previous AR in June 2011, latest reminder for submission of accounts issued in April 2011.
17	District Legal Services Authority, Howrah	Permanent entrustment	2010-11	2008-09	1998-99 to 2008-09	07-10-2011	Nil	Concerned authorities have been reminded (April 2011) for submission of accounts
18	District Legal Services Authority, Bankura	Permanent entrustment	2010-11	2005-06	1998-99 to 2005-06	12-09-2011	Nil	Concerned authorities have been reminded (April 2011) for submission of accounts
19	District Legal Services Authority, Dakshin Dinajpur	Permanent entrustment	2010-11	2007-08	2007-08	11.12.2009	Nil	Concerned authorities have been reminded for laying previous AR and submission of accounts in June 2011 and April 2011 respectively.
20-32	DLSAs of rest 13 districts**	Permanent entrustment	2010-11	Not at all submitted				Concerned authorities have been reminded (April 2011) for submission of accounts

** Coochbehar, Purulia, Birbhum, 24 Parganas (North), 24 Parganas (South), Nadia, Murshidabad, Malda, Uttar Dinajpur, Jalpaiguri, Medinipur West, Darjeling and Kolkata

APPENDIX 3.5

(Refer paragraphs 3.4, Page 58 and 1.7.5, page 31)

Statement of finalisation of accounts and the Government investment in departmentally managed Commercial and Quasi-Commercial undertakings

Sl. No.	Department	Number of undertakings under the Department	Name of undertakings	Year of formation	Accounts finalised upto	Investment as per last Accounts (Rupees in crore)	Accumulated loss as per latest account received upto June,2011 (Rupees in crore).
Working Government Undertakings							
1.	Food Processing Industries and Horticulture	1	Directorate of Cinchona and other Medicinal plants	1888	2009-2010	486.88	448.49
2	Micro & Small Scale Enterprises and Textiles	4	Central Engineering Organisation, Howrah	1956	2001-2002	7.21	6.20
			Training-cum-production centre for Wood Industries, Siliguri	1956	1998-1999	2.95	2.76
			Integrated Wood Industries Scheme, Durgapur.	1956	1998-1999	4.45	3.90
			Integrated Wood Industries Scheme, Kalyani	1956	1998-1999	6.36	4.96
3.	Public Enterprise	1	Undertaking of Darjeeling Ropeway Company Limited	1977	1983-1984	0.26	0.18
4	Housing	2	Directorate of Brick Production (Manual)	1965	1996-1997	16.05	7.05
			Mechanical Brick Factory, Palta	1965	2003-2004	65.68	66.80
5	Animal Resources Development	4	Durgapur Milk Supply Scheme	1972	No Arrear	65.67	100.02
			Krishnanagar Milk Supply Scheme	1977	No Arrear	44.51	47.30
			Burdwan Milk Supply Scheme	1982	No Arrear	43.32	43.12
			Greater Calcutta Milk Supply Scheme	1990	No Arrear	1296.10	1239.38
6.	Food and Supplies	1	Scheme for Public Distribution of Foodgrains (PDS)	1986	2006-2007	420.26	Accumulated Profit of ₹ 2.62 crore
7.	Fisheries, Aqua Culture, Aquatic resources and Fishing Harbours Department	1	Scheme for production of shark liver oil, fish meal, etc.	1961	1994-1995	0.01	NA
Total working		**14 Undertakings under Seven Departments**				**2459.71**	**1970.16**
Non-working Government Undertakings							
1	Training-cum-production centre for Wood Industries, Siliguri			Non-working since November 2006			
2	Integrated Wood Industries Scheme, Durgapur.			Non-working since November 2006			
3	Integrated Wood Industries Scheme,Kalyani			Non-working since November 2006			
4	Undertaking of Darjeeling Ropeway Company Limited			Non-working since April 2006			
5	Scheme for production of shark liver oil, fish meal, etc.			Non-working since 1992-93			

APPENDIX – 3.6

(Refer Paragraph 3.5; Page 58)

Department wise/duration wise break-up of the cases of misappropriation, defalcation, etc. (Cases where Final action was pending at the end of March 2011)

Sl. No.	Name of the Department	Up to 5 years	5 to 10 years	10 to 15 years	15 to 20 years	20 to 25 years	25 years or More	Total No. of Cases
1	Agriculture	-	1	3	-	7	33	44
2	Animal Resources Development	-	11	1	1	1	7	21
3	Board of Revenue	4	6	2	3	5	269	289
4	Cottage and Small Scale Industries	-	1	-	-	-	-	1
5	Finance	1	1	-	-	1	5	8
6	Finance (Taxation)	-	-	-	1	-	2	3
7	Fisheries	-	-	-	1	-	-	1
8	Food and Supplies	-	-	-	1	-	2	3
9	Food Processing and Horticulture	-	-	-	1	-	-	1
10	Forest	-	11	2	2	-	-	15
11	Health and Family Welfare	12	19	17	3	5	21	77
12	Home (Civil) Defence	-	-	-	-	1	-	1
13	Home (Police)	1	-	-	-	3	6	10
14	Housing	5	1	4	2	-	-	12
15	Irrigation and Waterways	50	23	21	12	9	6	121
16	Information and Cultural Affairs	1	-	-	-	-	-	1
17	Judicial	-	1	-	-	1	2	4
18	Labour	-	-	-	1	-	10	11
19	Land and Land Reforms	-	2	-	1	2	39	44
20	Mass Education	-	2	-	-	-	1	3
21	Micro and Small Scale Enterprises and Textiles	2	-	-	-	-	-	2
22	Minor Irrigation	-	-	-	-	7	-	7
23	Municipal Affairs	-	-	1	-	-	-	1
24	Public Works	37	12	15	3	3	3	73
25	Public Works (RD)	33	11	19	9	3	2	77
26	Public Works (CB)	5	-	4	1	1	-	11
27	Public Health Engineering	28	10	10	9	4	-	61
28	Relief	2	-	3	-	1	-	6
29	Rural Development	-	3	3	4	6	16	32
30	School Education	-	5	-	-	-	-	5
31	Social Welfare	-	-	-	3	-	-	3
32	Sports and Youth Services	-	-	1	-	-	-	1
33	Sunderban Affairs	-	-	-	1	-	-	1
34	Technical Education and Training	3	-	2	-	8	-	13
35	Transport	2	-	-	-	-	-	2
36	Urban Development	-	-	1	3	-	-	4
37	Water Investigation and Development	25	8	12	7	2	16	70
	TOTAL	211	128	121	69	70	440	1039

APPENDIX – 3.7

(Refer Paragraph 3.5; Page 58)

Department/category-wise details in respect of cases of loss to Government due to theft, misappropriation/loss of Government material

Sl. No.	Name of the Department	Theft Cases		Misappropriation/ Loss of Government Material		Total	
		Number of Cases	Amount (Rupees in lakh)	Number of Cases	Amount (Rupees in lakh)	Number of Cases	Amount (Rupees in lakh)
1	Agriculture	1	0.01	43	15.48	44	15.49
2	Animal Resources Development	-	-	21	16.55	21	16.55
3	Board of Revenue	2	0.10	287	52.40	289	52.50
4	Cottage and Small Scale Industries	-	-	1	9.98	1	9.98
5	Finance	1	0.71	7	9.44	8	10.15
6	Finance (Taxation)	-	-	3	3.69	3	3.69
7	Fisheries	-	-	1	9.12	1	9.12
8	Food and Supplies	-	-	3	0.50	3	0.50
9	Food Processing and Horticulture	1	1.50	-	-	1	1.50
10	Forest	5	2.23	10	35.62	15	37.85
11	Health and Family Welfare	-	-	77	62.18	77	62.18
12	Home (Civil) Defence	-	-	1	1.91	1	1.91
13	Home (Police)	1	0.07	9	7.73	10	7.80
14	Housing	9	7.84	3	148.53	12	156.37
15	Irrigation and Waterways	73	377.06	48	1015.75	121	1392.81
16	Information and Cultural Affairs	-	-	1	0.06	1	0.06
17	Judicial	-	-	4	5.87	4	5.87
18	Labour	-	-	11	1.68	11	1.68
19	Land and Land Reforms	-	-	44	7.59	44	7.59
20	Mass Education	-	-	3	21.87	3	21.87
21	Micro and Small Scale Enterprises and Textiles	-	-	2	8.97	2	8.97
22	Minor Irrigation	7	0.44	-	-	7	0.44
23	Municipal Affairs	-	-	1	1.87	1	1.87
24	Public Works	51	100.18	22	1969.04	73	2069.22
25	Public Works (RD)	54	96.36	23	1235.70	77	1332.06
26	Public Works (CB)	6	4.92	5	24.24	11	29.16
27	Public Health Engineering	53	505.55	8	2385.97	61	2891.52
28	Relief	-	-	6	22.80	6	22.80
29	Rural Development	1	0.01	31	45.29	32	45.30
30	School Education	-	-	5	54.04	5	54.04
31	Social Welfare	-	-	3	22.28	3	22.28
32	Sports and Youth Services	-	-	1	3.24	1	3.24
33	Sunderban Affairs	-	-	1	0.41	1	0.41
34	Technical Education and Training	-	-	13	23.58	13	23.58
35	Transport	-	-	2	20.57	2	20.57
36	Urban Development	4	5.13	-	-	4	5.13
37	Water Investigation and Development	57	434.19	13	35.84	70	470.03
	TOTAL	326	1536.30	713	7279.79	1039	8816.09

Appendix 3.8

(Refer Paragraph 3.6.3; Page 61)

Statement showing DDOs operating PLAs and continuing the same over the years

(Rupees in crore)

Sl No.	Name of the DDO	Year of opening of PLA	Closing balance as on 31.03.2011	Whether the A/c s are operative/ inoperative
1	DM, South 24-Parganas	1990-91	73.74	Operative
2	DM, North 24-Parganas	1990-91	39.59	Operative
3	DM, Jalpaiguri	1993-94	65.69	Operative
4	DM, Uttar Dinajpur	1994-95	67.67	Operative
5	DM, Malda	1990-91	44.12	Operative
6	DM, Murshidabad	1990-91	61.17	Operative
7	DM, Bardhaman	1994-95	45.10	Operative
8	DM, Bankura	1994-95	30.01	Operative
9	DM, Cooch Behar	1990-91	19.70	Operative
10	DM, Hooghly	NA	13.76	Operative
11	DM, Birbhum	1990-91	12.74	Operative
Sub total :11 DMs			**473.29**	
1	Spl. LAO, South 24-Parganas	NA	284.81	Operative
2	Rent Controller South 24-Parganas	NA	0.41	Operative
3	Rent Controller Kolkata	1959-60	99.85	Operative
4	Spl. LAO, Bardhaman	NA	291.76	Operative
5	Rent Controller Bardhaman	NA	0.11	Operative
6	Spl. LAO, Howrah	1978-79	77.33	Operative
7	Spl LAO, Howrah (BGR)	1983-84	12.85	Operative
8	Spl. LAO, Nadia	1992-93	15.79	Operative
9	Spl. LAO, Birbhum	1978-79	4.36	Operative
10	Superintendent, Dum Dum Central Correctional Home	1986-87	0.05	Permanent nature
11	Superintendent, Presidency Correctional Home	NA	0.10	Permanent nature
12	Superintendent, Alipore Correctional Home	1962-63	0.11	Permanent nature
Sub Total: Nine PL Accounts of permanent nature			**787.53**	
1	Secretary Public Service Commission	Since Long	0.00005	Operative
2	West Bengal Legislative Assembly	2007-08	00	Operative
3	Directorate of Animal Resources & Animal Health, Kolkata	1966-67	0.04	Operative
Sub total: Three PL			**0.04005**	
1	Directorate of Animal Resources & Animal Health, Kolkata	1975-76	0.33	Inoperative since December 2006
2	Principal, Dr. R. Ahmed Dental College & Hospital	1973-74	0.03	Inoperative since December 2003
3	DG &IG of Police, West Bengal	1994-95	0.18	Inoperative since January 2003
4	MSVP, Calcutta National Medical College & Hospital.	1997-98	0.48	Inoperative since May 1999
5	MSVP, Medical College & Hospital, Kolkata	1997-98	0.95	Inoperative since 1997-98
Sub total: Five inoperative PL accounts			**1.97**	
Grand total: 31 PL Accounts administered by 30 DDOs			**1262.83**	**23 operative Eight inoperative**

Appendix 3.9

(Refer Paragraph 3.6.3; Page 62)

Statement showing the discrepancy between PLA Cash Book and Treasury Pass Book in respect of closing balances as on 31 March 2011

Sl No	Name of the DDO	Balance as per PLA cash book	Balance as per Treasury/RBI Pass Book	Discrepancy involved	
				Excess in PLA Cash Book	Excess in Treasury/RBI Pass Book
		(I n R u p e e s)			
1	DM, North 24 Parganas	395908151.22	396577404.26		669253.04
2	DM, Birbhum	127373740.06	148723422.06		21349682.00
3	DM, Malda	441249288.89	469226449.89		27977161.00
4	DM, Burdwan	451027383.00	463436589.00		12409206.00
5	DM, Murshidabad	611686196.95	652424101.04		40737904.09
6	Spl LAO, Birbhum	43564490.87	40516027.39	3048463.48	
				3048463.48	**103143206.13**

Appendix 3.10

(Refer Paragraph 3.6.3; Page 62)

Funds not utilized at all by various DDOs

Sl No	Name of the DDO	Name of scheme/purpose for which fund received	Amount (Rs)	Year of receipt	Closing Balance as on March 2011 (Rs)
1.	DM, Burdwan	Rastriya Krishi Vikash Yojana	18000000	2007-08	18000000
2.	DM, Malda	Construction/ electrification of Malda Museum	802533.00	2007-08	802533.00
3.	DM, Jalpaiguri	Bank commission charges	1737400.00	1996-97	1737400.00
		Implemen-tation of Pilot project to provide foodgrains to under-nourised pregnant & lactating mothers and adolescent girls	12800000	2004-05	12800000
4.	DM, Bankura	Bus terminus complex of SBSTC at Bishnupur	1400000	1997-98	1400000
		Tribal Sub-Plan fund	533400	2005-06	533400
		Vocational Training Programme Fund	1150000	2007-08	1150000
		SC/ST Sub-Plan Fund	356393	2007-08	356393
5.	DM, South 24-Parganas	Aliah University	163600000	2008-09	163600000
		Chash O– Basobaser janya Bhumi Dan Prakalpa	5000000	2006-07	5000000
		-do-	2500000	2007-08	2500000
		Procurement of Mechanized boat	997000	2001-02	997000
		Development & Planning	4524451	2005-06	4524451
6.	DM, Cooch Behar	MSK	579500	2005-06	579500
		Fund for KMAULBS	50000	2008-09	50000
7	DM, Hooghly	Upgradation of Institutes Museum	368077.00	2008-09	368077.00
		Software plan under CBSP	877000.00	2008-09	877000.00
8	DM, North 24-Parganas	BADP	1200000	2005-06	1200000
		BADP	508276	2001-02	508276
		Seminar and Awareness	20000	1996-97	20000
		Seminar and Awareness	20000	1997-98	20000
		BEUP	1829774	2002-03	1829774
-		**Total**	**218853804**		**218853804**

LIST OF ABBREVIATIONS USED

Abbreviations	Full form
A&C	M/s Adhesive and Chemicals
A&E	Accounts and Entitlement
ADDA	Asansol Durgapur Development Authority
AE	Aggregate Expenditure
AIBP	Accelerated Irrigation Benefit Programme
ARWSP	Accelerated Rural Water Supply Programme
ATF	Aviation Turbine Fuel
BE	Budget Expenditure
BUUSPL	M/s Bengal Unitech Universal Siliguri Projects Ltd
CADA	Command Area Development Authority
CAGR	Compound Annual Growth Rate
CE	Capital Expenditure
CGA	Controller General of Accounts
CO	Controlling Officer
CPSMS	Central Plan Scheme Monitoring System
DE	Development Expenditure
EIIMS	Eastern India Institute of Medical Sciences and Research Hospitals Limited
EIMTL	Engel India Machine and Tools Limited
ES	Economic Services
FD	Fiscal Deficit
FRBM Act	Fiscal Responsibility and Budget Management Act
GoI	Government of India
GS	General Services
GSDP	Gross State Domestic Product
HD	Haringhata Dairy
HUD	Housing and Urban Development
IAY	Indira Awas Yojana
ICDS	Integrated Child Development Project
JVU/JVC	Joint Venture Unit /Joint Venture Companies
KMDA	Kolkata Metropolitan Development Authority
KPT	Kolkata Port Trust
LF Account	Local Fund Account
MDM	Mid Day Meal
NBSTC	North Bengal State Transport Corporation
NEGP	National e-Governance Action Plan

Abbreviations	Full form
NGO	Non-Government Organisation
NPRE	Non Plan Revenue Expenditure
NRHM	National Rural Health Mission
NSAP	National Social Assistance Programme
NSAP	National Social Assistance Programme
NSSF	National Social Security Fund
O&M	Operation and Maintenance
OBC	Other Backward Classes
PAO	Pay and Accounts Offices
PCDE	Per Capita Development Expenditure
PD	Primary Deficit
PE Department	Public Enterprises Department
PLA	Personal Ledger Account
PMGSY	Pradhan Mantri Gram Sadak Yojana
PPP	Public Private Partnership
PRE	Plan Revenue Expenditure
RBI	Reserve Bank of India
RD	Revenue Deficit
RE	Revised Estimate/ Revenue Expenditure
RKVY	Rashtriya Krishi Vikash Yojana
RR	Revenue Receipts
S&W	Salary and Wages
SC	Scheduled Castes
SFDA	Small Farmer Development Agency
SJDA	Siliguri Jalpaiguri Development Authority
SS	Social Sector
SSE	Social Sector Expenditure
ST	Scheduled Tribes
TE	Total Expenditure
TFC	Twelfth Finance Commission
UC	Utilisation Certificate
VAT	Value Added Tax
WBFRBM	West Bengal Fiscal Responsibility and Budget Management
WBIRS	West Bengal Industrial Renewal Scheme
WBSCB	West Bengal State Co-operative Bank
WBVAT Act	West Bengal Value Added Tax Act