

**State Finances Audit Report of the
Comptroller and Auditor General of India
For the year ended 31 March 2020**

Government of Bihar
Report No. 4 of the year 2021



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PREFACE

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

This Report intends to assess the financial performance of the State during 2019-20 and to provide the State Legislature with inputs based on audit analysis of financial data. The Report also analyses the financial performance against the target envisaged by the Bihar Fiscal Responsibility and Budget Management (Amendment) Act, 2016, the XIV Finance Commission (FC) Report, Rules and Codes meant for management of Government function and the Budget Estimates of 2019-20. The Report is structured in four Chapters.

Chapter I analyses changes in major fiscal aggregates based on the audit of the Finance Accounts and an assessment of the Bihar Government's fiscal position as on 31 March 2020.

Chapter II provides an insight into deficit management of Government, trends in revenue and capital expenditure, contingent issues, committed and obligatory expenditure, subsidies, debt, investment, and borrowing patterns. It provides an audit perspective of the finances of the Government of Bihar for the year 2019-20 and analyses critical changes in major fiscal aggregates based on the details contained in the Finance Accounts of the State related to the previous years and an assessment of the fiscal position as on 31 March 2020.

Chapter III examines the budgetary control, expenditure controls and its accounting thereon. It is based on the audit of Appropriation Accounts and gives a grant-wise description of appropriations and the manner in which the allocated resources were managed by the service delivery departments.

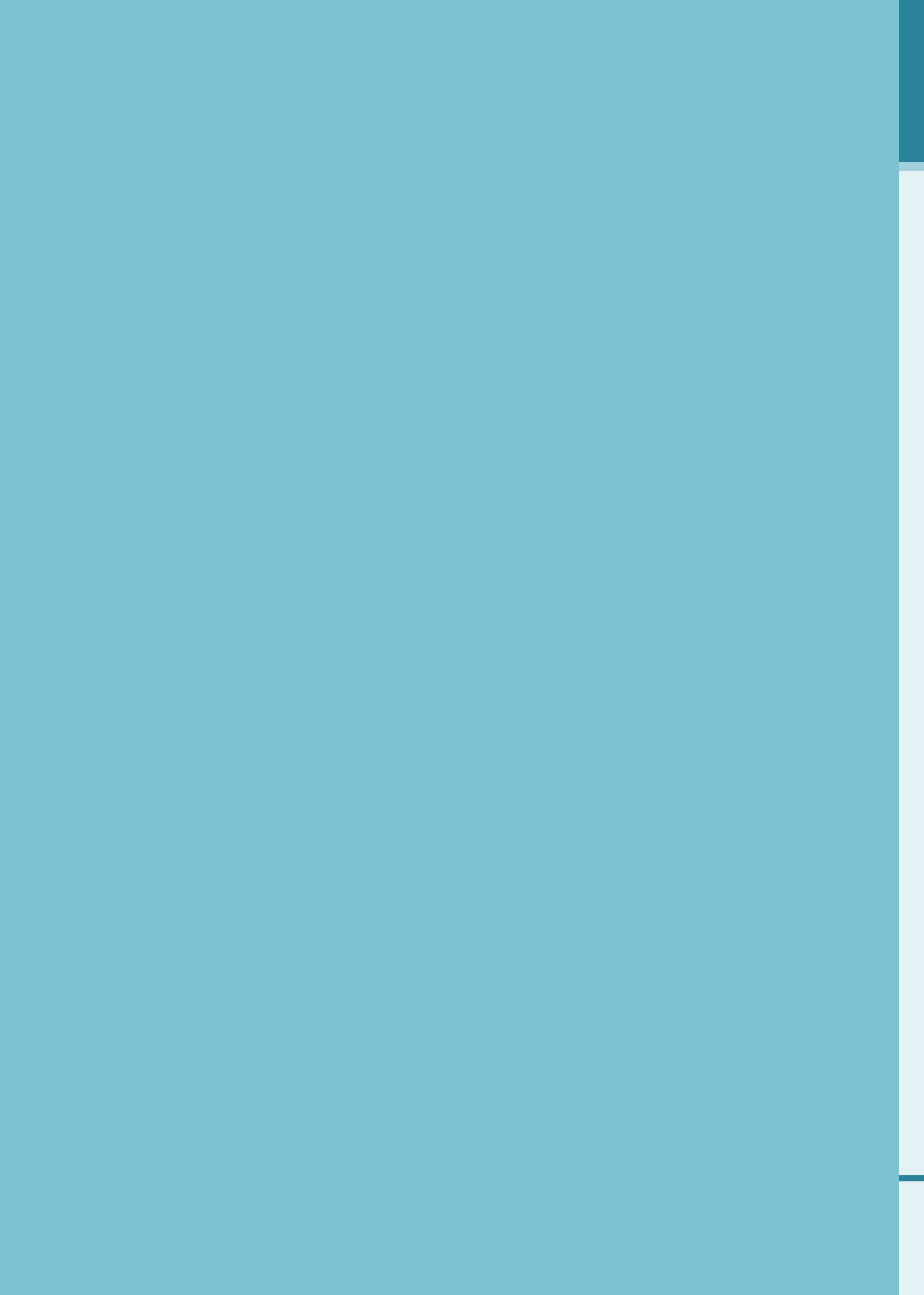
Chapter IV provides an overview of the quality of Accounts and compliance of the State Government in its financial reporting practices with prescribed financial rules, procedures and directives during the current year.

The Report containing the findings of performance audit and audit of transactions in various Departments and observations arising out of audit of Statutory Corporations, Boards and Government Companies and the Report containing observations on Revenue Receipts are presented separately.

The Audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.



EXECUTIVE SUMMARY



EXECUTIVE SUMMARY

Based on the audited accounts of the Government of Bihar for the year ended March 2020, this Report provides an analytical review of the finances of the State Government.

Audit Findings

Fiscal Position

The State recorded a Fiscal Deficit of ₹ 14,724 crore during the year which had increased by ₹ 917 crore over the previous year. During 2019-20, the State suffered a revenue deficit of ₹ 1,784 crore for the first time since 2008-09. There were instances of misclassification of revenue transactions under capital section and non-accountal of other liabilities, which would have pushed up the deficits to a further extent, as brought out in the Report.

Although the fiscal deficit as percentage of GSDP was within the targets of the revised BFRBM Act for the last two years, however, outstanding debt to GSDP was not within the target of BFRBM Act.

(Chapter I)

Finances of the State

The State witnessed a decrease of ₹ 7,561 crore (5.74 per cent) in Revenue Receipts during the year 2019-20 as compared to the previous year, primarily due to decrease in tax transfers from Government of India and Own Non-Tax Revenue .

Revenue Expenditure increased by ₹ 1,120 crore (0.90 per cent) mainly due to increase in committed expenditure during the year. Simultaneously, State Government has reduced the expenditure on asset creation by 41.57 per cent over the previous year.

Outstanding Public Debt at the end of the year has increased by ₹ 22,035 crore (17.47 per cent) over the previous year.

The liabilities of the State have been increasing year-on-year and over 74 per cent of the borrowings were utilised to its repayment during the year 2019-20, affecting the asset creation in the State.

(Chapter II)

Budgetary Management

Out of total savings of ₹ 78,845.26 crore, only 21.20 per cent was surrendered (₹ 16,713.67 crore) during the year resulting in non-surrender of savings aggregating to ₹ 62,131.59 crore (78.80 per cent of total savings).

During 2019-20, in 51 cases, supplementary provisions amounting to ₹ 21,084.50 crore (₹ one crore or more in each case) proved unnecessary and remained unutilised as the expenditure (₹ 1,14,219.75 crore) had not even reached up to the level of the original provision (₹ 1,62,210.58 crore).

(Chapter III)

Quality of Accounts and Financial Reporting practices

Contributions made to Building and Other Construction Workers Welfare Cess, Bihar District Mineral Foundations and District Society for Computerisation of Registration Offices were

kept in Scheduled Commercial Banks. Similarly, funds collected by Real Estate Regulatory Authority and Bihar Electricity Regulatory Commission were also kept in Scheduled Commercial Banks. This involves breach of Article 266(1) of the Constitution i.e., funds outside Consolidated Fund or Public Account of the State.

There were 158 PD accounts with a closing balance of ₹ 3,312.94 crore as of March 2020. An amount of ₹ 552.13 crore was shown to have been transferred to these accounts during the current year. It is imperative to curtail the usage of Personal Deposit Accounts to maintain the sanctity of budgetary process.

Further, there was a gap in the number of PD Accounts and the amount lying in these as per Comprehensive Financial Management System (CFMS) and Finance Accounts, primarily due to transferring of balances from old structure to the new structure outlined in Government. This requires reconciliation, as significant variations were observed between the balances of CFMS and of Finance Accounts.

As on 31 March 2020, Utilisation Certificates were outstanding for an amount of ₹ 79,690.92 crore which is fraught with the risk of misappropriation of funds and fraud.

It is observed that a total of 20,642 AC Bills amounting to ₹ 9,155.44 crore, had not been adjusted till March 2020. Out of these, 1383 AC Bills amounting to ₹ 644.13 crore (15.22 *per cent* of the total drawn AC Bills) were drawn in March 2020 alone. Non-submission of Detailed Contingent bills against drawal of Abstract Contingent bills has increased the possibility of wastage and misappropriation.

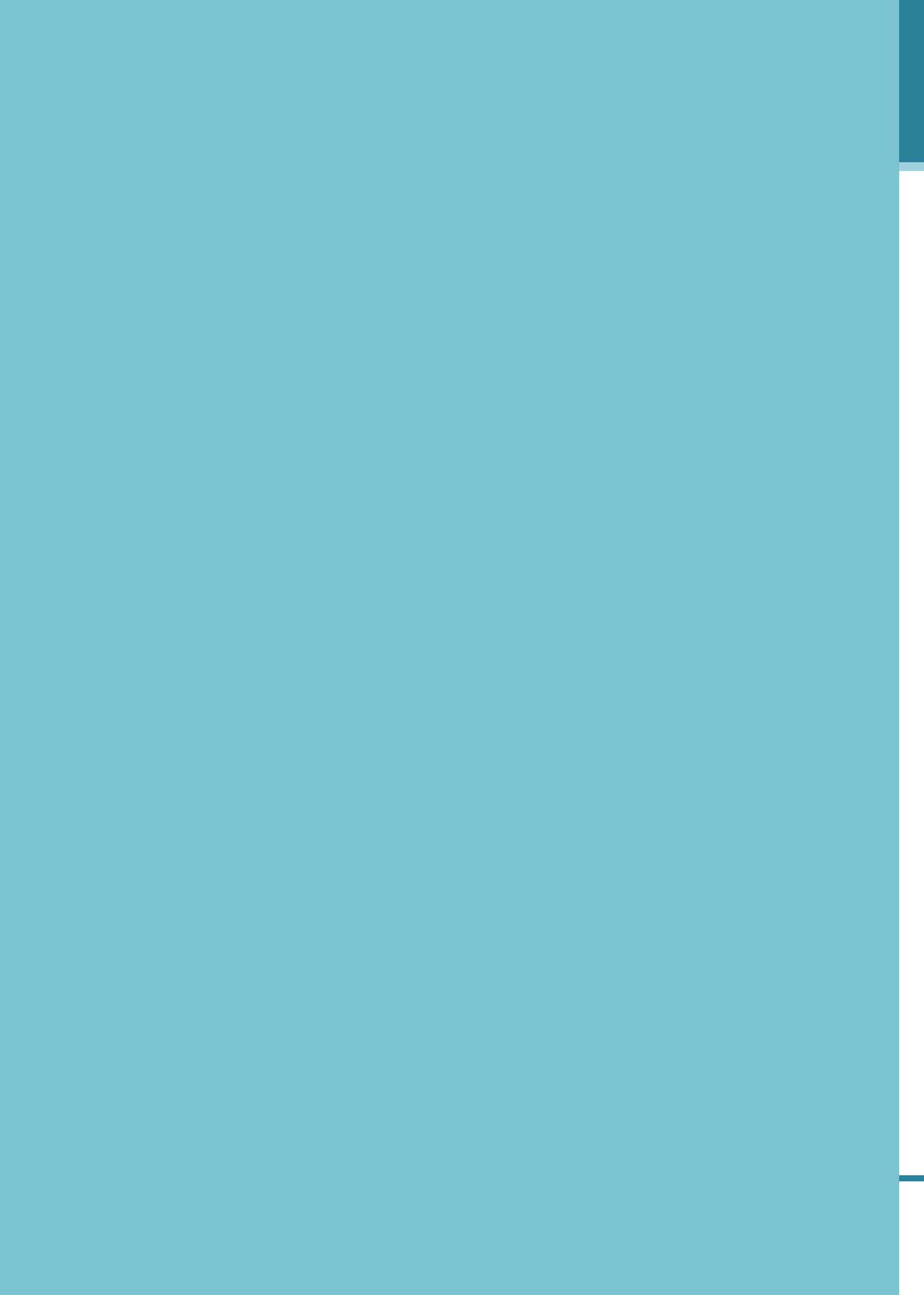
Funds under 102- Suspense Account-civil have remarkably increased (net Dr. 9,857.46 crore) during 2019-20 in comparison to the previous year 2018-19 (net Dr. 3,956.07 crore).

Indiscriminate operation of omnibus Minor Head 800 – Other Expenditure affected transparency in financial reporting and obscured proper analysis of allocative priorities and quality of expenditure. During 2019-20, expenditure of ₹ 640.26 crore was incurred through ‘800’ Minor Head out of total expenditure of ₹ 1,38,320.56 crore. The receipt of ₹ 948.22 crore (0.76 *per cent*) was booked through ‘800’ Minor Head out of total revenue receipt of ₹ 1,24,232.53 crore.

(Chapter IV)

CHAPTER I

OVERVIEW



This chapter analyses changes in major fiscal aggregates based on the audit of the Finance Accounts and an assessment of the Bihar Government's fiscal position as on 31 March 2020.

1.1 Profile of the State

Bihar is a landlocked State, bounded by West Bengal in the east, Uttar Pradesh in the west, Jharkhand in the south, and a long international border with Nepal in the north. It is the twelfth largest State in India in terms of geographical size (94,163 sq. km.) and the third largest by population (12.23 crore). The State of Bihar has 38 districts.

The economy of Bihar is primarily agrarian and the State does not possess any significant mineral wealth. As indicated in **Appendix 1.1**, the density of population has increased from 881 persons per sq. km. (2001) to 1106 persons per sq. km. (2011). Bihar has higher poverty levels as compared to the All-India average. However, the State has shown a minor increase in economic growth for the period 2011-12 to 2019-20 as the Compounded Annual Growth Rate (CAGR) of its Gross State Domestic Product has been 12 *per cent* as compared to 11.98 *per cent* amongst the General Category States. The per capita GSDP of the State stood at ₹ 50,735 at the end of 2019-20 while the per capita GSDP of the Jharkhand, Uttar Pradesh, Odisha and West Bengal was ₹ 87,127, ₹ 78,827, ₹ 1,21,382 and ₹ 1,26,121 respectively.

1.1.1 Gross State Domestic Product (GSDP)¹

Gross State Domestic Product (GSDP) is the value of all the goods and services produced within the boundaries of the State in a given period of time. Growth of GSDP is an important indicator of the State's economy, as it denotes the extent of changes in the level of economic development of the State over a period of time.

Changes in sectoral contribution to the GSDP are also important to understand the changing structure of the economy. The economic activity is generally divided into Primary, Secondary and Tertiary sectors, which correspond to the Agriculture, Industry and Service sectors.

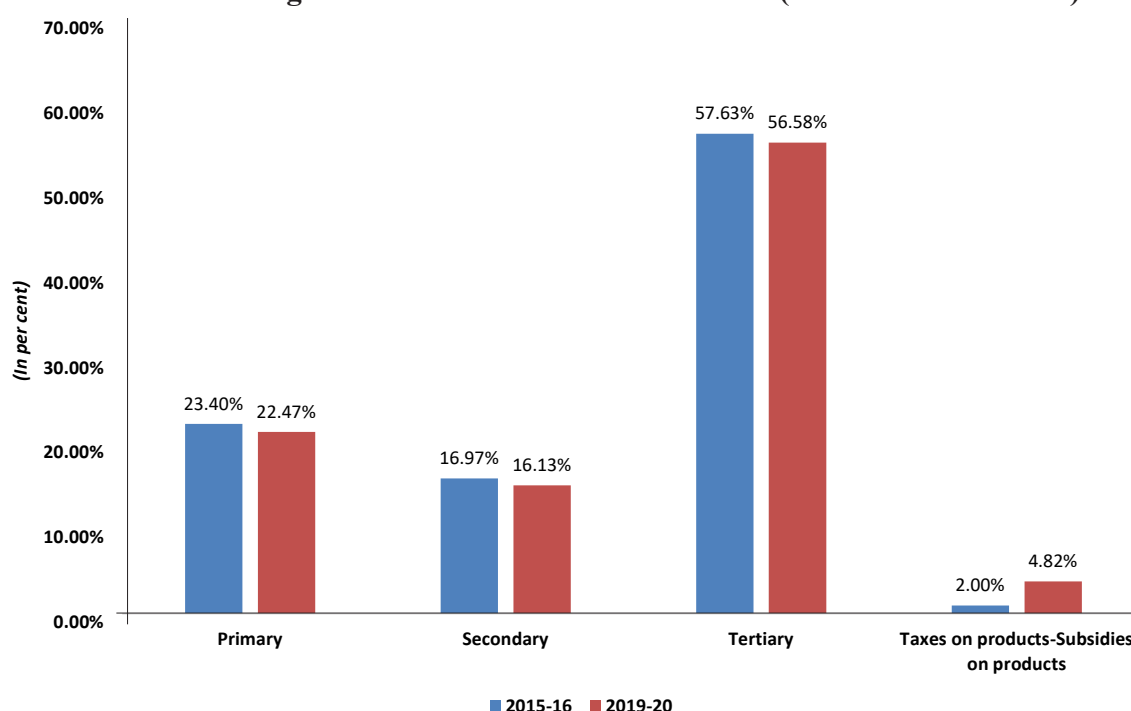
Table 1.1 Trends in GSDP compared to the national GDP

	(₹ in crore)				
Year	2015-16	2016-17	2017-18	2018-19	2019-20
National GDP at current prices (2011-12 Series)	1,37,71,874	1,53,91,669	1,70,98,304	1,89,71,237	2,03,39,849
Growth rate of GDP over previous year (in <i>per cent</i>)	10.46	11.76	11.09	10.95	7.21
State's GSDP at current prices (2011-12 Series)	3,71,602	4,21,051	4,68,746	5,30,363	6,11,804
Growth rate of GSDP over previous year (in <i>per cent</i>)	8.35	13.31	11.33	13.15	15.36

(Source of data: MoSPI Press Release dated 31.07.2020)

¹ GDP and GSDP are the market value of all officially recognised final goods and services produced within the country and the State respectively in a given period of time and are an important indicator of the country's and the State's economy.

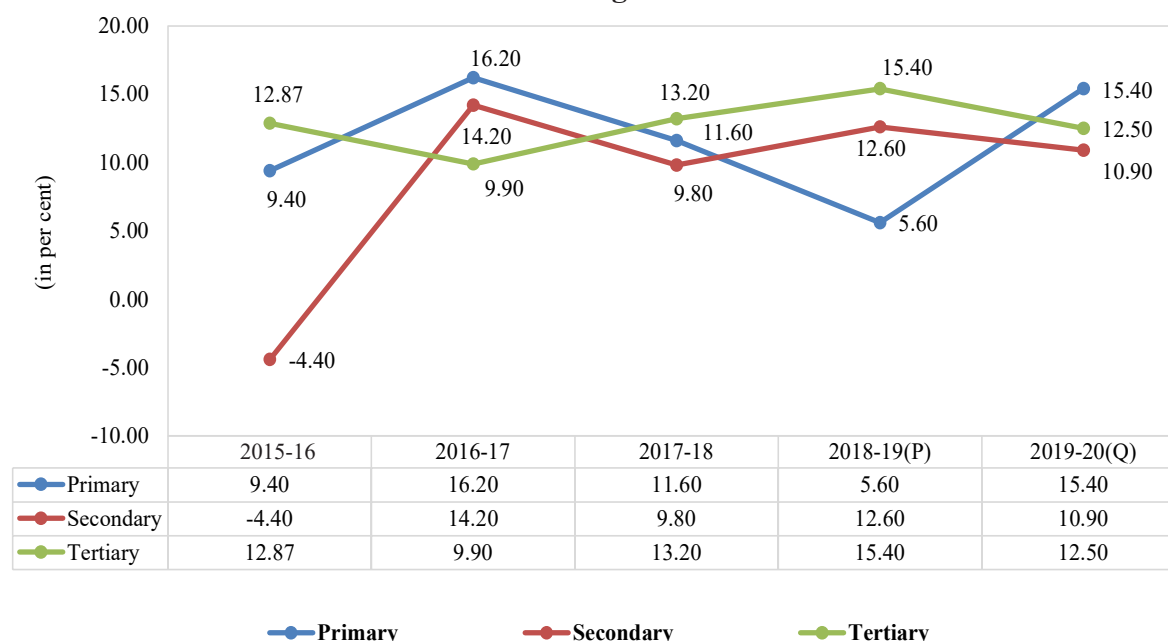
Chart 1.1 Change in sectoral contribution to GSDP (2015-16 and 2019-20)



(Source of data: Economic Survey of the State for the year 2020-21)

Tertiary sector, which contributed more than half of the GSDP of the State, has decreased its relative share by 1.05 *per cent* during 2019-20 over 2015-16. Relative share of Primary and Secondary sectors was contracted by 0.94 and 0.83 *per cent* respectively during 2019-20 over 2015-16. **Chart 1.2** captures the sectoral growth in GSDP for the period from 2015-16 to 2019-20.

Chart 1.2 Sectoral growth in GSDP



(Source of data: Economic Survey of the State for the year 2020-21)

The growth in Primary sector in the year 2019-20 compared to 2018-19 had drastically increased from 5.6 *per cent* to 15.40 *per cent* due to growth in mining and quarrying, livestock, forestry and logging. The rate of growth of Secondary and Tertiary sectors decreased compared to that of previous year.

1.2 Basis and Approach to State Finances Audit Report

In terms of Article 151 (2) of the Constitution of India, the reports of the Comptroller and Auditor General of India (CAG) relating to the accounts of a State are to be submitted to the Governor of the State, who shall cause them to be laid before the Legislature of the State. The State Finances Audit Report (SFAR) is prepared and submitted under Article 151 (2) of the Constitution of India.

Accountant General (Accounts & Entitlements) prepares the Finance Accounts and Appropriation Accounts of the State annually, from the vouchers, challans, and initial and subsidiary accounts rendered by the treasuries, offices and departments responsible for keeping of such accounts functioning under the control of the State Government, and the statements received from the Reserve Bank of India. These accounts are audited independently by the Accountant General (Audit) and certified by the CAG.

Finance Accounts and Appropriation Accounts of the State constitute the core data for this report. Other sources include the following:

- Budget of the State: for assessing the fiscal parameters and allocative priorities *vis-à-vis* projections, as well as for evaluating the effectiveness of its implementation and compliance with the relevant rules and prescribed procedures;
- Results of the Audit carried out by the Office of the Accountant General (Audit);
- Other data with Departmental Authorities and Treasuries (accounting as well as MIS);
- GSDP data and other State related statistics; and
- Various Audit Reports of the CAG of India.

The analysis is also carried out in the context of recommendations of the XIV Finance Commission (FC), Bihar Fiscal Responsibility and Budget Management (BFRBM) Act 2006, best practices and guidelines of the Government of India.

1.3 Report Structure

The SFAR is structured into the following four Chapters:

Chapter - I	Overview This chapter describes the basis and approach to the Report and the underlying data, provides an overview of the structure of government accounts, budgetary processes, macro-fiscal analysis of key indices, and the State's fiscal position including the deficits/ surplus.
Chapter - II	Finances of the State This chapter provides a broad perspective of the finances of the State, analyses the critical changes in major fiscal aggregates relative to the previous year, overall trends during the period from 2015-16 to 2019-20, debt profile of the State and key Public Account transactions, based on the Finance Accounts of the State.

Chapter - III	Budgetary Management This chapter is based on the Appropriation Accounts of the State and reviews the appropriations and allocative priorities of the State Government and reports on deviations from Constitutional provisions relating to budgetary management.
Chapter - IV	Quality of Accounts & Financial Reporting Practices This chapter comments on the quality of accounts rendered by various authorities of the State Government and issues of non-compliance with prescribed financial rules and regulations by various departmental officials of the State Government.

1.4 Government Account Structure and Budgetary Processes

The Accounts of the State Government are kept in three parts:

1. Consolidated Fund of the State (Article 266(1) of the Constitution of India)

This Fund comprises all revenues received by the State Government, all loans raised by the State Government (market loans, bonds, loans from the Central Government, loans from Financial Institutions, Special Securities issued to National Small Savings Fund, *etc.*), Ways and Means advances extended by the Reserve Bank of India and all moneys received by the State Government in repayment of loans. No moneys can be appropriated from this Fund except in accordance with law and for the purposes and in the manner provided by the Constitution of India. Certain categories of expenditure (*e.g.*, salaries of Constitutional authorities, loan repayments, *etc.*), constitute a charge on the Consolidated Fund of the State (Charged expenditure) and are not subject to vote by the Legislature. All other expenditure (Voted expenditure) is voted by the Legislature.

2. Contingency Fund of the State (Article 267(2) of the Constitution of India)

This Fund is in the nature of an imprest which is established by the State Legislature by law and is placed at the disposal of the Governor to enable advances to be made for meeting unforeseen expenditure pending authorisation of such expenditure by the State Legislature. The fund is recouped by debiting the expenditure to the concerned functional major head relating to the Consolidated Fund of the State.

3. Public Accounts of the State (Article 266(2) of the Constitution)

Apart from the above, all other public moneys received by or on behalf of the Government, where the Government acts as a banker or trustee, are credited to the Public Account. The Public Account includes repayables like Small Savings and Provident Funds, Deposits (bearing interest and not bearing interest), Advances, Reserve Funds (bearing interest and not bearing interest), Remittances, and Suspense heads (both of which are transitory heads, pending final booking). The net cash balance available with the Government is also included under the Public Account. The Public Account is not subject to the vote of the Legislature.

There is a constitutional requirement in India (Article 202) to present before the House or Houses of the Legislature of the State, a statement of estimated receipts and expenditures of the government in respect of every financial year. This ‘Annual Financial Statement’ constitutes the main budget document. Further, the budget must distinguish expenditure on the revenue account from other expenditures.

Revenue receipts consists of tax revenue, non-tax revenue, the share of Union Taxes/ Duties and grants from the Government of India (GoI).

Revenue expenditure consists of all those expenditures of the Government which does not result in the creation of physical or financial assets. It relates to those expenses incurred for the normal functioning of the Government Departments and various services, interest payments on debt incurred by the Government and grants given to various institutions (even though some of the grants may be meant for the creation of assets).

The **Capital Receipts** consists of:

- **Debt receipts:** Market Loans, Bonds, Loans from financial institutions, the Net transactions under Ways and Means Advances, Loans and Advances from Central Government, *etc.*;
- **Non-debt receipts:** Proceeds from disinvestment, Recoveries of loans and advances;

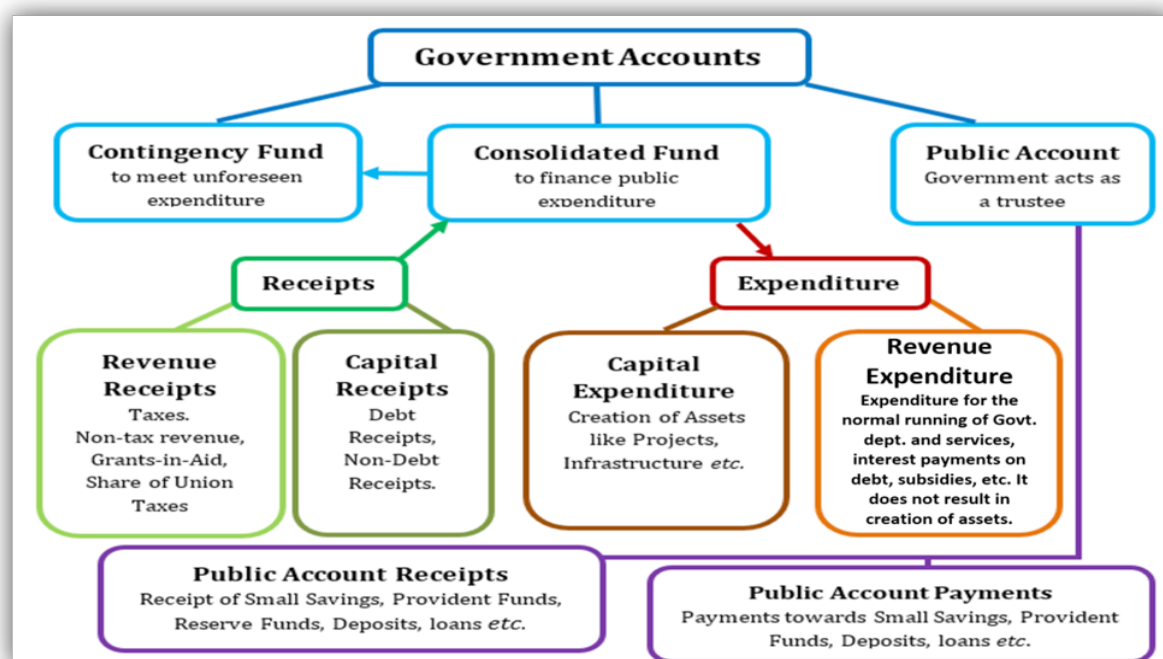
Capital Expenditure includes expenditure on the acquisition of land, building, machinery, equipment, investment in shares, and loans and advances by the government to PSUs and other parties.

At present, we have an accounting classification system in Government that is both functional and economic.

	Attribute of transaction	Classification
Standardised in List of Major and Minor Heads by CGA	Function - Education, Health, <i>etc.</i> /Department	Major Head under Grants (4-digit)
	Sub-Function	Sub Major head (2-digit)
	Programme	Minor Head (3-digit)
Flexibility left for States	Scheme	Sub-Head (2-digit)
	Sub scheme	Detailed Head (2-digit)
	Economic nature/Activity	Object Head-salary, minor works, <i>etc.</i> (2-digit)

The functional classification lets us know the department, function, scheme or programme and object of the expenditure. Economic classification helps organise these payments as revenue, capital, debt, *etc.* Economic classification is achieved by the numbering logic embedded in the first digit of 4-digit Major Heads. For instance, 0 and 1 are for revenue receipts, 2 and 3 for revenue expenditure, *etc.* Economic classification is also achieved by an inherent definition and distribution of some object heads. For instance, generally “salary” object head is revenue expenditure, “construction” object head is capital expenditure. Object head is the primary unit of appropriation in the budget documents.

Structure of Government Accounts



Budgetary Processes

In terms of Article 202 of the Constitution of India, the Governor of the State causes to be laid before the State Legislature, a statement of the estimated receipts and expenditure of the State for the year, in the form of an **Annual Financial Statement**. In terms of Article 203, the statement is submitted to the State Legislature in the form of Demands for Grants/ Appropriations and after approval of these, the Appropriation Bill is passed by the Legislature under Article 204 to provide for the appropriation of the required money out of the Consolidated Fund.

The State Budget Manual details the budget formulation process and guides the State Government in preparing its budgetary estimates and monitoring its expenditure activities. Results of audit scrutiny of budget and implementation of other budgetary initiatives of the State Government are detailed in **Chapter III** of this Report.

1.4.1 Snapshot of Finances

The following table provides the details of actual financial results vis-a-vis Budget Estimates for the year 2019-20 *vis a vis* actuals.

**Table 1.2 Actual financial results *vis-a-vis*
Budget Estimates for the year 2019-20 *vis-a-vis* actual of 2018-19**

(₹ in crore)

Sl. No.	Components	2018-19 (Actual)	2019-20 (Budget Estimate)	2019-20 (Actuals)	Percentage of Actual to B.E.	Percentage of Actuals to GSDP
1.	Tax Revenue	29,408.14	33,800.00	30,157.98	89.22	4.93
2.	Non-Tax Revenue	4,130.56	4,806.47	3,699.60	76.97	0.60
3.	Share of Union Taxes	73,603.13	89,121.79	63,406.33	71.15	10.36
4.	Grants-in-aid and Contributions	24,651.62	49,019.38	26,968.62	55.02	4.41
5.	Revenue Receipts (1+2+3+4)	1,31,793.45	1,76,747.64	1,24,232.53	70.29	20.31

Sl. No.	Components	2018-19 (Actual)	2019-20 (Budget Estimate)	2019-20 (Actuals)	Percentage of Actual to B.E.	Percentage of Actuals to GSDP
6.	Recovery of Loans and Advances	1,825.40	416.38	30.40	7.30	0.00
7.	Other Receipts	0.00	0.00	0.00	0.00	0.00
8.	Borrowings and other Liabilities	18,668.20	24,420.74	29,145.03	119.35	4.76
9.	Capital Receipts (6+7+8)	20,493.60	24,837.12	29,175.43	117.47	4.77
10.	Total Receipts (5+9)	1,52,287.05	2,01,584.76	1,53,407.96	76.10	25.07
11.	Revenue Expenditure	1,24,896.81	1,55,230.65	1,26,016.66	81.18	20.60
12.	Interest Payments	10,071.14	10,723.47	10,991.42	102.50	1.80
13.	Capital Expenditure	21,058.25	36,592.62	12,303.90	33.62	2.01
14.	Loan and Advances	1,470.56	75.50	666.30	882.52	0.11
15.	Total Expenditure (11+13+14)	1,47,425.62	1,91,898.77	1,38,986.86	72.43	22.72
16.	Revenue Surplus (5-11)	6,896.64	21,516.99	(-)1,784.13	(-)8.29	(-)0.29
17.	Fiscal Deficit {15-(5+6+7)}	13,806.77	16,101.05	14,723.93	91.45	2.41
18.	Primary Deficit (17-12)	3,735.63	5,377.58	3732.51	69.41	0.61

(Source of data: Finance Accounts of the State for the year 2019-20)

The revenue receipts of the State Government declined by 5.74 per cent. The Capital Receipts increased by 42.36 per cent, whereas, Capital Expenditure reduced by 41.57 per cent over the previous year. The share of Union taxes has decreased by ₹ 10,196.80 crore mainly due to less receipts under Corporation Tax by ₹ 3,977.90 crore and Taxes on Income other than Corporation Tax by ₹ 1,911.09 crore. The total expenditure of the State Government declined by 5.72 per cent over the previous year.

1.4.2 Snapshot of Assets and liabilities of the Government

Government accounts capture the financial liabilities of the Government and the assets created out of the expenditure incurred. The liabilities consist mainly of internal borrowings, loans and advances from GoI, receipts from the public account and reserve funds, and the assets comprise mainly the capital outlay and loans and advances given by the State Government and cash balances.

Table 1.3 Summarised position of Assets and Liabilities

Liabilities				Assets					
	2018-19	2019-20	Per cent increase		2018-19	2019-20	Per cent increase		
Consolidated Fund									
A	Internal Debt	1,14,359.69	1,36,082.09	18.99	A	Gross Capital Expenditure	2,05,175.42	2,17,479.32	6.00
B	Loans and Advances from GoI	11,785.37	12,098.16	2.65	B	Loans and Advances	20,814.33	21,450.23	3.06
	Contingency Fund	350	350			0	0		
Public Account									
A	Small Savings, Provident Funds, etc.	9,088.69	9,279.09	2.10	A	Advances	249.96	249.96	0.00
B	Deposits	33,661.25	35,373.24	5.09	B	Remittance	1,120.36	1,916.87	71.09

Liabilities				Assets					
	2018-19	2019-20	Per cent increase		2018-19	2019-20	Per cent increase		
C	Reserve Funds	4,921.55	6,289.49	27.79	C	Suspense and Miscellaneous	4,724.71	10,498.30	122.20
D	Suspense and Miscellaneous balances	0	63.85			Cash balance (including investment of Earmarked Fund)	20,837.31	24,912.65	
E	Inter-State Settlement	74.01	74.01						
F	Surplus on Government Accounts	78,681.53	76,897.40						
	Total	2,52,922.09	2,76,507.33	9.33	Total	2,52,922.09	2,76,507.33	9.33	

(Source of data: Finance Accounts of the year 2019-20)

1.5 Fiscal Balance: Achievement of deficit and total debt targets

The Government of Bihar (GoB) has passed BFRBM Act, 2006 and Amendment Act, 2016 with the objective of ensuring prudence in fiscal management by eliminating revenue deficit, reducing the fiscal deficit and overall/outstanding debt to an acceptable level, establishing improved debt management and improving transparency in a medium-term framework. In this context, the Act provides quantitative targets to be adhered to by the State with regard to deficit measures and debt level.

Table 1.4 Compliance with provisions of the BFRBM Act

Fiscal Parameters	Fiscal targets set in the Act	Achievement (₹ in crore)				
		2015-16	2016-17	2017-18	2018-19	2019-20
Revenue Deficit (-) / Surplus (+) (₹ in crore)	Revenue Surplus	12,507.16	10,819.81	14,823.01	6,896.64	(-) 1,784.13
		✓	✓	✓	✓	✗
Fiscal Deficit (-)/ Surplus (+) (as percentage of GSDP)	3.00 per cent	12,061.59 (3.25)	16,479.15 (3.91)	14,304.83 (3.05)	13,806.76 (2.60)	14,723.93 (2.41)
		✗	✗	✗	✓	✓
The ratio of total outstanding debt to GSDP (in per cent)	25.73 per cent	31.37	32.95	33.45	31.85	31.61
		✗	✗	✗	✗	✗

(Source of data: Finance Accounts of the respective year and BFRBM Act)

Table 1.5 Actuals vis-à-vis projection in MTFP² for 2019-20

(₹ in crore)

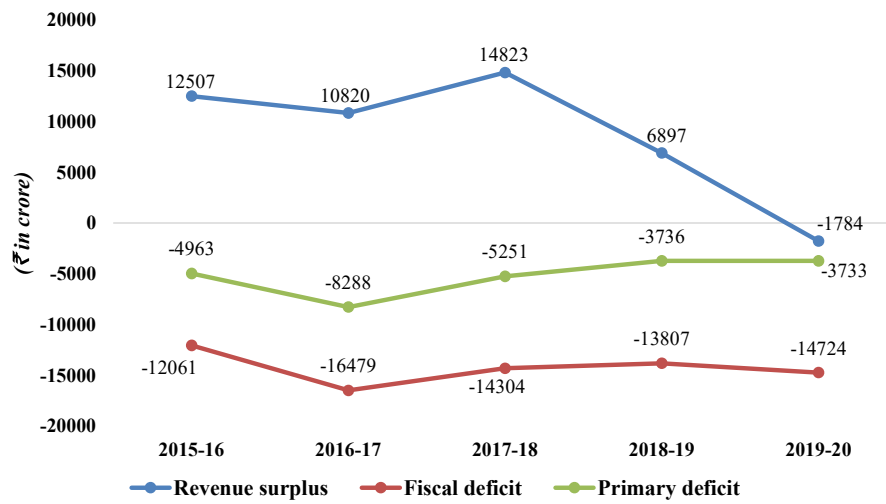
Sl. No.	Fiscal Variables	Projection as per MTFP	Actuals (2019-20)	Variation (in per cent)
1	Own Tax Revenue	33,800.00	30,157.98	(-)10.78
2	Non-Tax Revenue	4,806.47	3,699.60	(-)23.03
3	Share of Central Taxes	89,121.79	63,406.33	(-)28.85
4	Grants -in-aid from GoI	49,019.38*	26,968.62	(-)44.98
5	Revenue Receipts (1+2+3+4)	1,76,747.64	1,24,232.53	(-)29.71
6	Revenue Expenditure	1,55,230.65	1,26,016.66	(-)18.82
7	Revenue Deficit (-)/ Surplus (+) (5-6)	21,516.99	(-) 1,784.13	(-)108.29
8	Fiscal Deficit (-)/ Surplus (+)	(-)16,101.05	(-)14,723.93	8.55
9	Debt-GSDP ratio (per cent)	25.73	31.61	22.85
10	GSDP growth rate at current prices (per cent)	10.56	15.36	45.45

* As per Budget Estimate of GoB

(Source of data: Finance Accounts of the year 2019-20 and BFRBM Act)

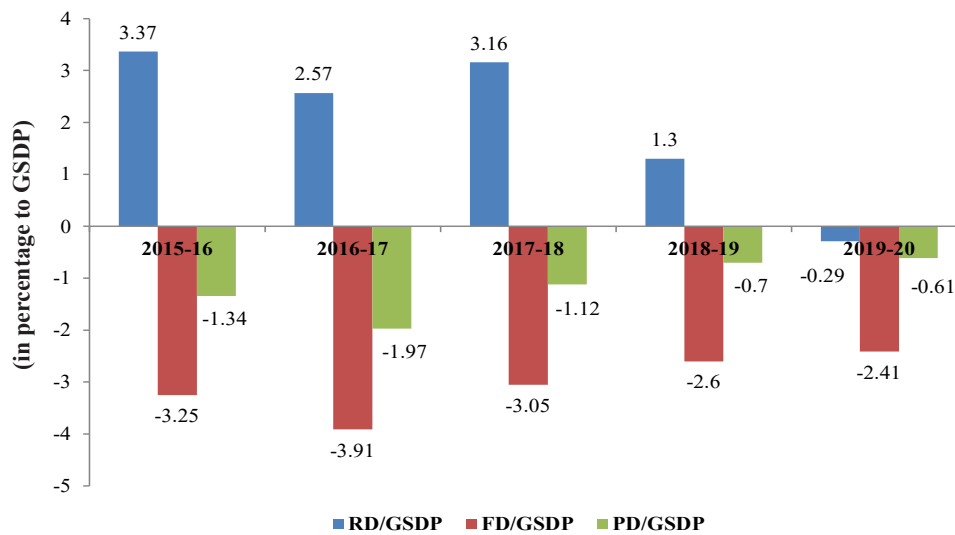
² MTFP- Medium Term Fiscal Policy

Chart 1.3 Trends in deficit parameters



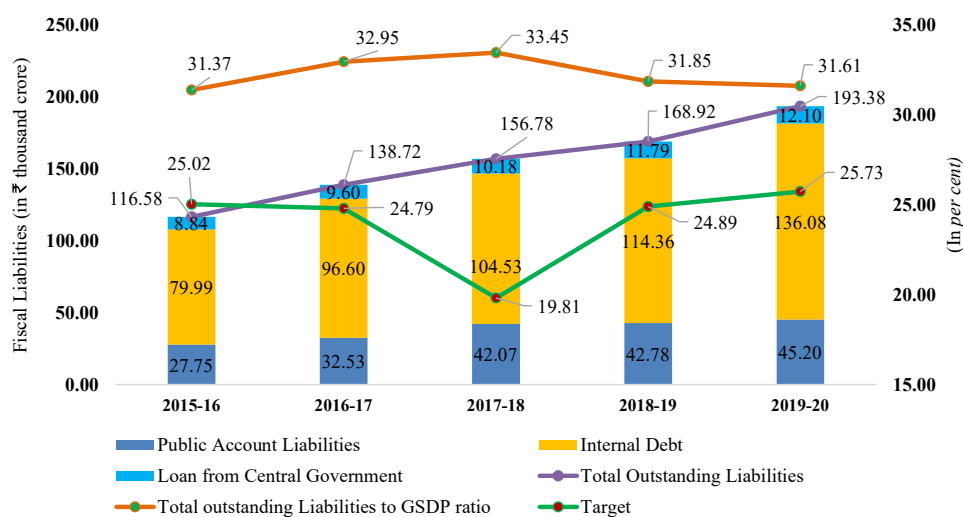
(Source of data: Finance Accounts of the respective year)

Chart 1.4 Trends in Surplus/Deficit relative to GSDP



(Source of data: Finance Accounts of the respective years)

Chart 1.5 Trends in Fiscal Liabilities and GSDP



(Source of data: Finance Accounts of the respective years)

1.6 Deficits after examination in audit

In order to present a better picture of the State Finances, there is a tendency to classify revenue expenditure as capital expenditure.

1.6.1 Post audit - Deficits

Misclassification of Revenue Expenditure as Capital impacts deficit figures. Besides, deferment of clear-cut liabilities, not depositing Cess/royalty to Consolidated Fund, short contribution to New Pension Scheme, Sinking and Redemption Funds, *etc.*, also impacts the revenue and fiscal deficit figures. In order to arrive at actual deficit figures, the impact of such irregularities may be seen in **Table 1.6**.

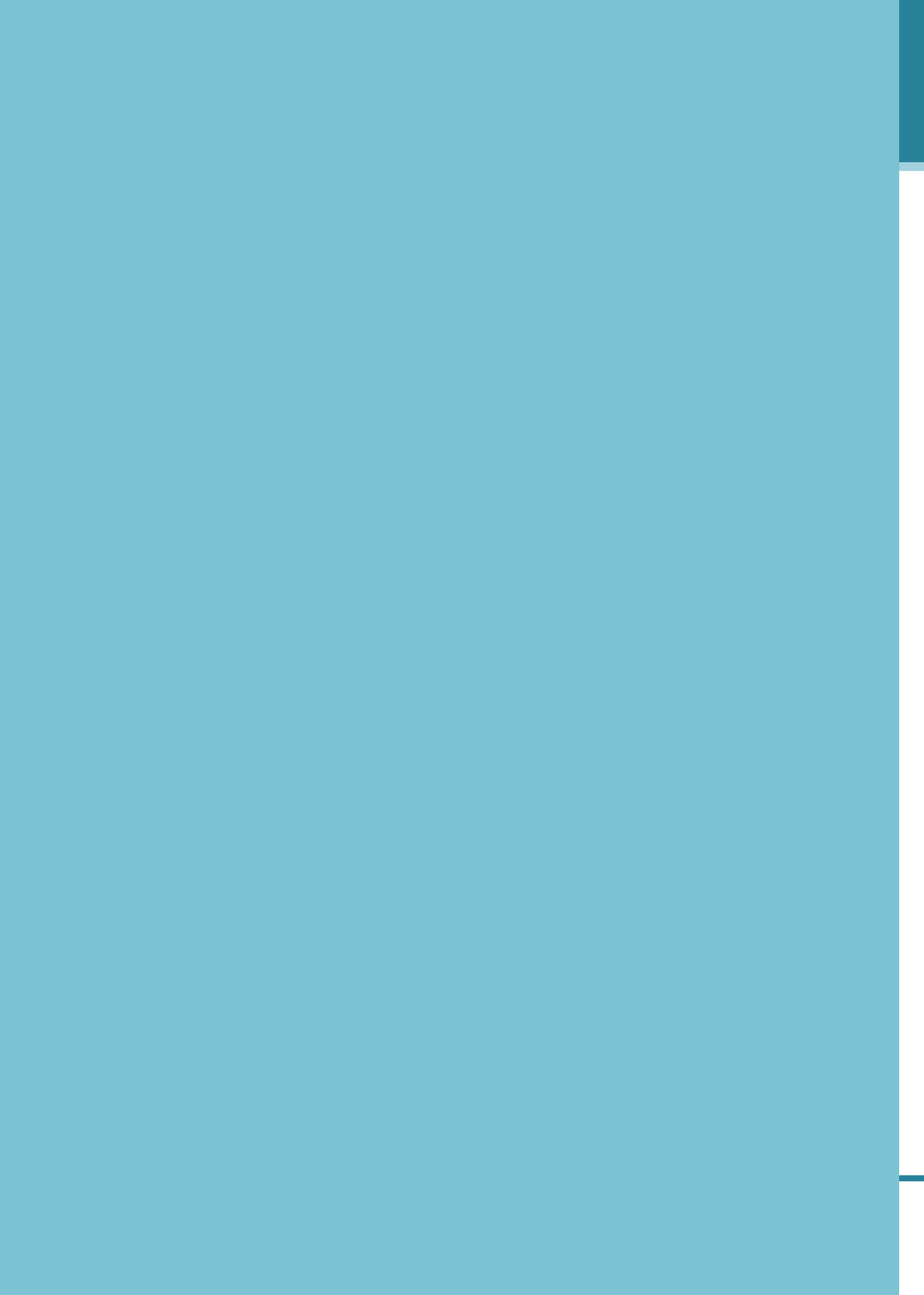
Table 1.6 Revenue and Fiscal Deficit, post examination by Audit

Particulars	Impact on Revenue Deficit (Understated (+)) (₹ in crore)	Impact on Fiscal Deficit (Understated(+)) (₹ in crore)	Para Reference
Non transfer of funds from MH-1601 to MH-8121 (SDRF)	553.17	553.17	2.5.2.2
Short contribution to New Pension Scheme	94.19	94.19	2.4.2.3
Deferment of clear cut liability to next Financial Year	-	123.80	4.2
Minor works budgeted/ booked under Capital Section instead of Revenue	50.45	-	3.3.2
Non discharge of Interest liabilities	560.33	560.33	4.3
Investments/ Loans made in companies, corporations or other bodies which are loss-making or whose net worth is completely eroded (issue of quality of CAPEX)	91.80	-	2.4.3.2
Total	1,349.94	1,331.49	

(Source: Finance Accounts and audit analysis)

In view of the above, the Revenue deficit and Fiscal deficit of the State which were ₹ 1,784.13 crore and ₹ 14,723.93 crore would actually be ₹ 3,134.07 crore and ₹ 16,055.42 crore respectively.

CHAPTER II
FINANCES OF THE STATE



This chapter provides an audit perspective of the finances of the GoB for the year 2019-20 and analyses critical changes in major fiscal aggregates based on the details contained in the Finance Accounts of the State related to the previous years and an assessment of the fiscal position as on 31 March 2020.

2.1 Major changes in Key fiscal aggregates vis-à-vis 2018-19

This section gives a bird's eye view of the major changes in key fiscal aggregates of the State during the financial year, compared to the previous year. Each of these indicators analyses in the following paragraphs.

Table 2.1: Changes in key fiscal aggregates in 2019-20 compared to 2018-19

Revenue Receipts	<ul style="list-style-type: none"> ✓ Revenue receipts of the State decreased by 5.74 per cent. ✓ Own Tax receipts of the State increased by 2.55 per cent. ✓ Own Non-tax receipts decreased by 10.43 per cent. ✓ State's Share of Union Taxes and Duties decreased by 13.85 per cent. ✓ Grants-in-Aid from the Government of India increased by 9.40 per cent.
Revenue Expenditure	<ul style="list-style-type: none"> ✓ Revenue expenditure increased by 0.90 per cent. ✓ Revenue expenditure on General Services increased by 7.59 per cent. ✓ Revenue expenditure on Social Services decreased by 0.80 per cent. ✓ Revenue expenditure on Economic Services decreased by 4.82 per cent. ✓ Expenditure on Grants-in-Aid decreased by 59.34 per cent.
Capital Expenditure	<ul style="list-style-type: none"> ✓ Capital expenditure decreased by 41.57 per cent. ✓ Capital expenditure on General Services decreased by 27.88 per cent. ✓ Capital expenditure on Social Services decreased by 30.99 per cent. ✓ Capital expenditure on Economic Services decreased by 48.03 per cent.
Loans and Advances	<ul style="list-style-type: none"> ✓ Disbursement of Loans and Advances decreased by 54.69 per cent ✓ Recoveries of Loans and Advances decreased by 98.33 per cent
Public Debt	<ul style="list-style-type: none"> ✓ Public Debt Receipts increased by 56.12 per cent. ✓ Repayment of Public Debt decreased by 1.66 per cent.
Public Account	<ul style="list-style-type: none"> ✓ Public Account Receipts increased by 19.67 per cent. ✓ Disbursement of Public Account increased by 21.36 per cent.
Cash Balance	<ul style="list-style-type: none"> ✓ Cash balance increased by ₹ 430.95 crores (19.56 per cent) during 2019-20 compared to the previous year.

2.2 Sources and Application of Funds

This section compares the components of the sources and application of funds of the State during the financial year compared to the previous year. The details are included in *Appendix 2.1*.

Table 2.2: Details of Sources and Application of funds during 2018-19 and 2019-20

(₹ in crore)

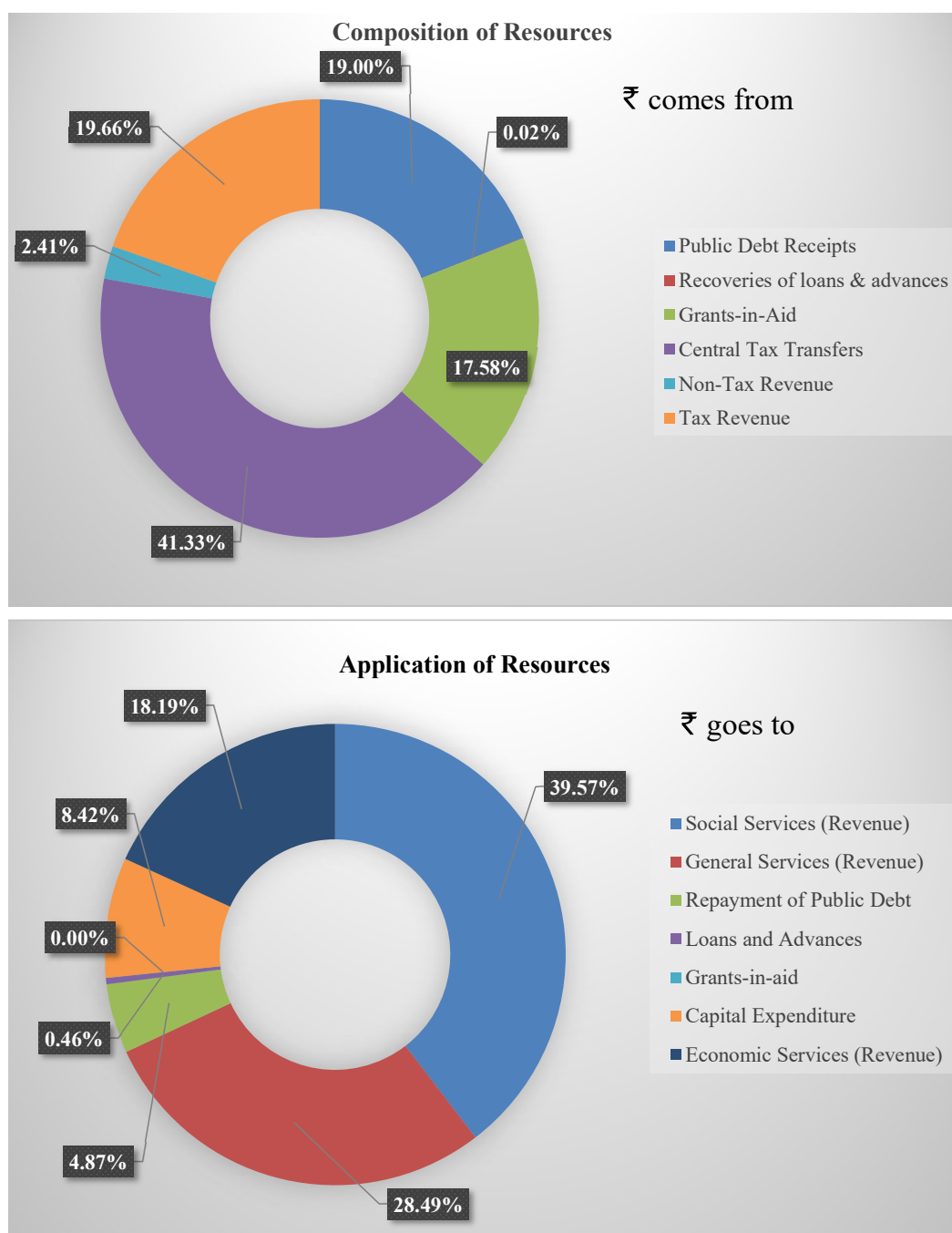
	Particulars	2018-19	2019-20	Increase/ Decrease
Sources	Opening Cash Balance with RBI	22,081	20,837	(-)1,244
	Revenue Receipts	1,31,794	1,24,233	(-)7,561
	Recoveries of Loans and Advances	1,825	30	(-)1,795
	Public Debt Receipts (Net)	11,438	22,035	10,597
	Public Account Receipts (Net)	1,124	(-)3,235	(-)4,359
	Total		1,68,262	1,63,900

	Particulars	2018-19	2019-20	Increase/ Decrease
Application	Revenue Expenditure	1,24,897	1,26,017	1,120
	Capital Expenditure	21,058	12,304	(-)8,754
	Disbursement of Loans and Advances	1,470	666	(-)804
	Closing Cash Balance with RBI	20,837	24,913	4,076
	Total	1,68,262	1,63,900	(-)4,362

(Source: Finance Accounts for the year 2019-20)

Charts 2.1 give the details of receipts into and expenditure from the Consolidated Fund during 2019-20 in terms of percentages.

Chart 2.1: Composition / Application of Resources



(Source: Finance Accounts for the year 2019-20)

Analysis revealed that:

- Revenue Expenditure was primarily met out of the Revenue Receipts with Public Debt also being a contributor;
- In the General Services (Revenue), Salaries and wages comprised 46.38 *per cent*;
- Beside Repayment of Public Debt (35.85 *per cent*), Interest Payments constituted 06.70 *per cent*, thereby taking overall Repayments to 42.55 *per cent* of the Consolidated Fund;
- The deficit financing was compensated through borrowings, which accounted for seven *per cent* of total resources.

2.3 Resources of the State

The resources of the State are described below:

1. **Revenue receipts** consist of tax revenue, non-tax revenue. State's share of Union taxes and duties and grants-in-aid from the Government of India (GoI).
2. **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 institutions/commercial banks), and loans and advances from GoI.

Both revenue and capital receipts form part of the Consolidated Fund of the State.

3. **Net Public Accounts receipts:** There are 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.

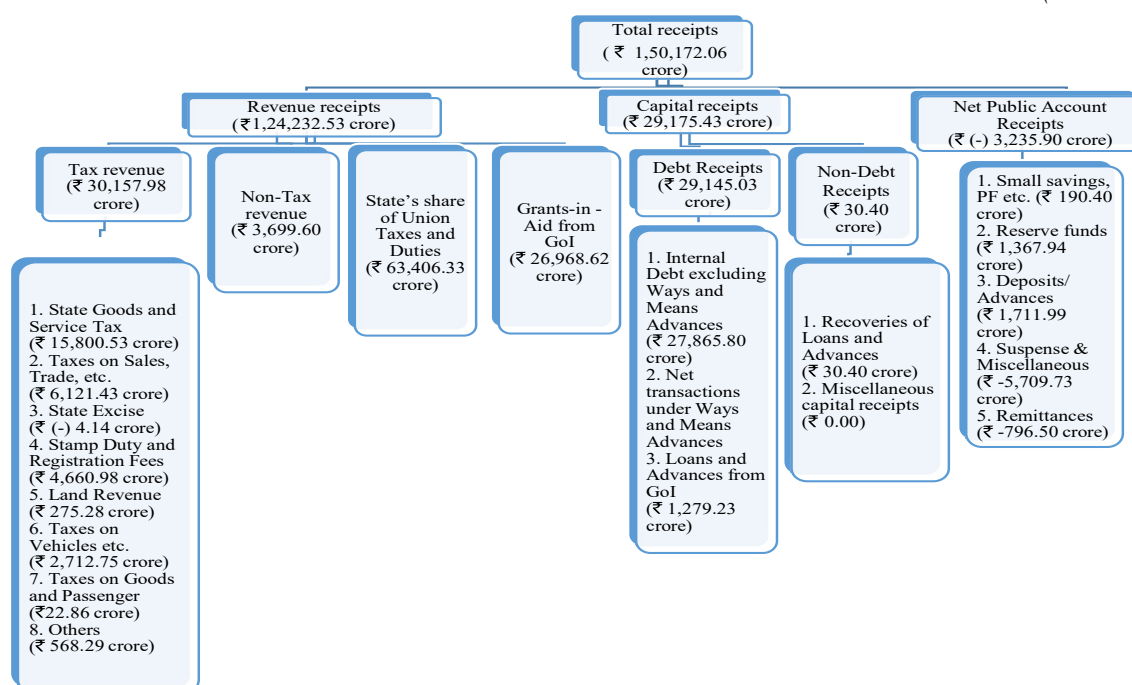
These are kept in the Public Account set up under Article 266 (2) of the Constitution and are not subject to vote by the State Legislature. Here, the Government acts as a banker. The balance after disbursements is the fund available with the Government for use.

2.3.1 Receipts of the State

It provides the composition of the overall receipts. Besides, the Capital and Revenue Receipts, funds available in the Public Account (net of disbursement made from it) are also utilised by the Government to finance its deficit.

Chart 2.2: Composition of receipts of the State during 2019-20

₹ in crore)



(Source: Finance Accounts for the year 2019-20)

Total receipts during 2019-20, contribution from Revenue Receipts, Capital Receipts and Net Public Account Receipts were 82.72 per cent, 19.43 per cent and (-) 02.15 per cent respectively, details of which have been discussed in subsequent paragraphs.

2.3.2 State's Revenue Receipts

It gives the trends in total revenue receipts and their components. It is followed by trends in the receipts bifurcated into receipts from the Central Government and State's own receipts.

2.3.2.1 Trends and growth of Revenue Receipts

The trends in revenue receipts relative to GSDP and the composition of revenue receipts are given in Table 2.3.

Table 2.3: Trend in Revenue Receipts

Parameters	2015-16	2016-17	2017-18	2018-19	2019-20
Revenue Receipts (RR) (₹ in crore)	96,123	1,05,585	1,17,447	1,31,794	1,24,233
Rate of growth of RR (per cent)	22.58	9.84	11.23	12.22	(-) 5.74
Own Tax Revenue	25,449	23,742	23,137	29,408	30,158
Non-Tax Revenue	2,186	2,403	3,507	4,131	3,700
Rate of growth of Own Revenue (Own Tax and Non-tax Revenue) (per cent)	23.88	(-) 5.39	1.91	25.88	0.95
Gross State Domestic Product Current Price (₹ in crore) (2011-12 Series)	3,71,602	4,21,051	4,68,746	5,30,363	6,11,804
Rate of growth of GSDP (per cent)	8.35	13.31	11.33	13.15	15.36
RR/GSDP (per cent)	25.87	25.08	25.06	24.85	20.31
Buoyancy Ratios ³					
Revenue Buoyancy w.r.t GSDP	2.7	0.74	0.99	0.93	(-) 0.37
State's Own Revenue Buoyancy w.r.t GSDP	2.86	(-) 0.40	0.17	1.97	0.06

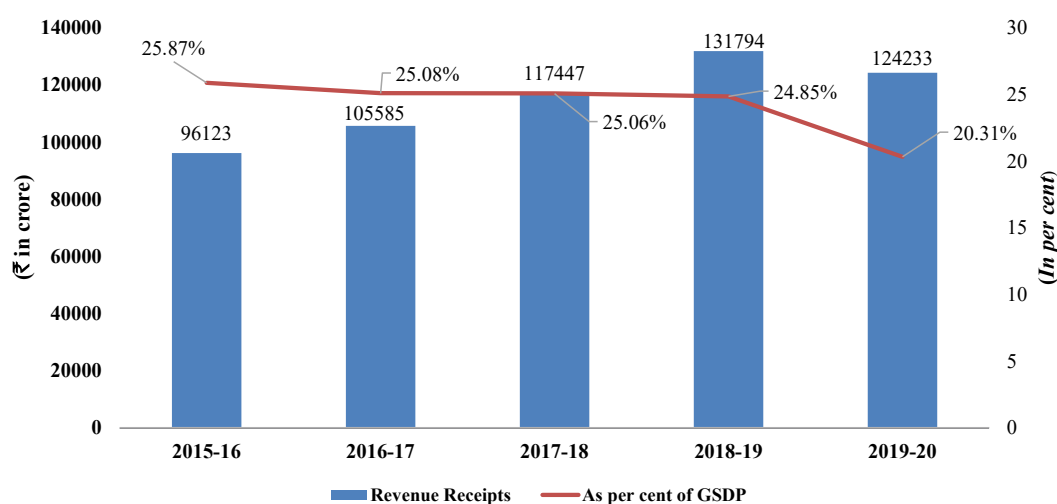
(Source of GSDP figures: MoSPI Press Release dated 31.07.2020)

³ Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable.

The rate of growth of revenue receipts in 2019-20 has decreased by 5.74 per cent as compared to that of the previous year. During this year, revenue buoyancy w.r.t GSDP has also been seen in negative. The percentage of revenue receipts to GSDP has lowered to 20.31 per cent during the last five years. The reason for the decrease in revenue receipts was less receipts under the share of union taxes by ₹ 10,196.80 crore and State's non-tax by ₹ 430.96 crore.

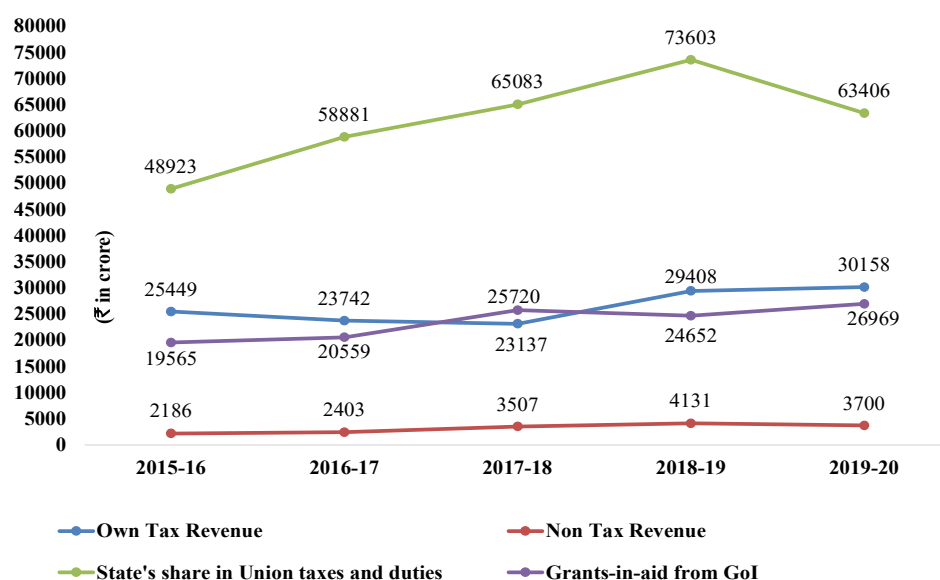
The State Government has got its net proceeds of union taxes mainly in the months of October 2019 (56 per cent), February 2020 (17 per cent), and March 2020 (19 per cent). Major chunk of Grants-in-aid (GIA) from Central Government was also received in October 2019 (about 32 per cent of GIA and March 2020 (about 38 per cent of GIA). Together, net proceeds of union taxes and GIA constitutes about 73 per cent of the State's total revenue receipts. Due to this, the State Government's revenue receipts have more fund flow in the above periods whereas fund receipts were nominal during the month of April 2019 to August 2019. Therefore, the State maintained its expenditure from April 2019 to August 2019 from Cash balance investment accounts, States own tax revenue and non-tax revenue.

Chart 2.3: Trend of Revenue Receipts as well as relative share w.r.t GSDP



(Source: Finance Accounts of the respective year)

Chart 2.4: Trend of components of Revenue Receipts



(Source: Finance Accounts of the respective year)

Above **Chart 2.4** indicates that the major components of revenue receipts were Share of union taxes and duties (51 *per cent*) and Grants-in-aid from GoI (22 *per cent*). Only 27 *per cent* of revenue receipts is part of the State's own tax revenue which shows that the GoB is highly dependent on the GoI as 73 *per cent* of its revenue comes from GoI.

General trends relating to Revenue Receipts of the State are as follows:-

- Revenue Receipts decreased by ₹ 7,561 crore (5.74 *per cent*) during 2019-20 over the previous year. State's share of Union Taxes and Duties decreased by ₹ 10,197 crore (13.85 *per cent*) followed by non-tax revenue by ₹ 431 crore (10.43 *per cent*). Whereas tax revenue by 750 crore (2.55 *per cent*) and Grants-in-aid from GoI by ₹ 2,317 crore (9.40 *per cent*) increased.
- During 2019-20, 27.25 *per cent* of the Revenue came from the State's own resources and the balance was from GoI in the form of central tax transfers and grants-in-aid. This is indicative of the fact that Bihar's fiscal position is largely influenced by tax transfers and Grants-in-Aid from GoI.
- As can be seen from **Table 2.3**, Revenue Buoyancy though higher than two during 2015-16, dipped to less than two during 2019-20 indicating that Revenue Receipts remained less buoyant vis-à-vis GSDP. As GSDP grows, the ability of the State Government to mobilise its own revenue should also increase. **Table 2.3** also shows that the State was able to increase its own resources during 2018-19 keeping in tandem with GSDP. However, decrease in collection of non-tax revenue during 2019-20 decreased revenue buoyancy to a negative level.

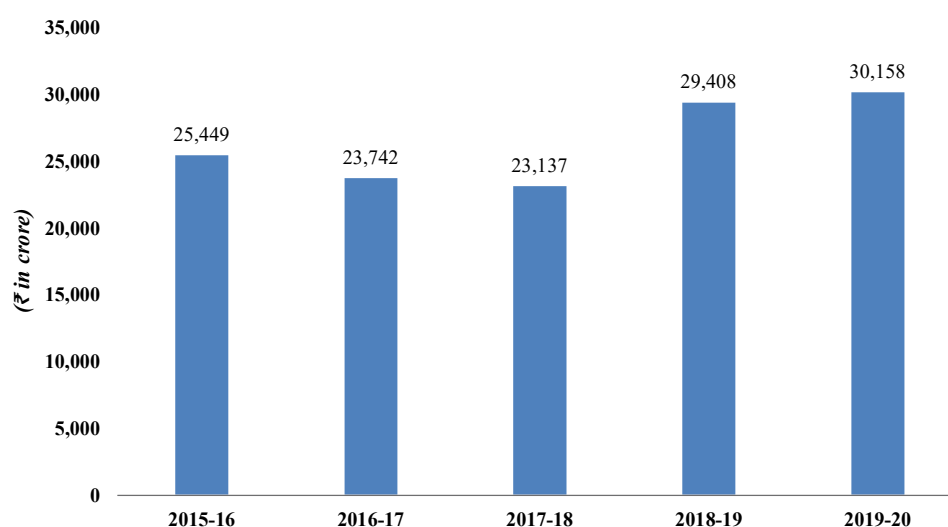
2.3.2.2 State's Own Resources

State's performance in mobilisation of additional resources can be assessed in terms of its own resources comprising revenue from its own tax and non-tax sources.

Own Tax revenue

Own tax revenues of the State consist of State GST, Stamp duty and Registration fees, taxes on vehicles, taxes on Sales, Trade, etc., land revenue, taxes on goods and passengers, etc.

Chart 2.5: Growth of Own Tax Revenue during 2015-20



(Source: Finance Accounts of the respective year)

Table 2.4: Components of State's own tax revenue(*₹ in crore*)

Component of State own tax Revenue						
	2015-16	2016-17	2017-18	2018-19	2019-20	Spark line
Taxes on Sales, Trade etc.	10,603	11,873	8,298	6,584	6,121	
SGST	0	0	6,747	15,288	15,801	
State excise	3,142	30	-3	-10	-4	
Stamp duty and Registration fees	3,409	2,982	3,726	4,189	4,661	
Taxes on vehicles	1,081	1,257	1,599	2,086	2,713	
Land revenue	695	971	779	477	275	
Tax on goods and passengers	6,087	6,245	1,645	399	23	
Other Taxes	432	384	346	395	568	
Total	25,449	23,742	23,137	29,408	30,158	

(Source: Finance Accounts of the respective year)

*Other taxes includes⁴

The decrease in taxes on Sales, Trade, etc., and Goods and Passengers were due to the implementation of the Goods and Service Tax (GST) from July 2017. The increase in SGST was mainly due to more receipts under Tax and input tax credit cross utilisation of SGST and IGST. In addition, an increase in Stamp duty and Registration fees was due to increase in Duty of Impressing of documents and fees for registering documents. Decrease in state excise duty was due to prohibition imposed in the state from April 2016. The negative balance appeared was due to refunds.

As per monthly civil accounts, the State receives less revenue in April 2019 and May 2019, whereas a major chunk was received in months of September 2019 (20 per cent) owing to high receipts in SGST Head and March 2020 (15 per cent) due to receipts through sales and trade head.

State Goods and Service Tax (SGST)

According to GST (Compensation to the States) Act 2017, Central Government will compensate the States for loss of revenue arising on account of implementation of GST considering an annual growth of 14 per cent from the base year, for a period of five years. The Centre levies the Integrated GST (IGST) on inter-state supply of goods and services, and apportions the state's share of tax to the State where the goods or services are consumed.

The protected revenue for the year 2019-20 (1st April 2019 to 31st March 2020) in accordance with the base year figure was ₹ 21,315.60 crore. Against the protected revenue of ₹ 21,315.60 crore, the revenue receipt of the State Government under GST during the year 2019-20 was ₹ 15,869.97 crore (excluding ₹ 326.00 crore received for 2018-19). The compensation received during 2019-20 by GoB was ₹ 3,198.78 crore. The deficit on account of implementation of GST, ₹ 2246.85 crore (₹ 2265.20 crore) was received as compensation in next financial year i.e. 2020-21 (₹ 18.35 crore was received in excess of its actual compensation).

⁴ Taxes on Professions, Trades, Callings and Employment, Taxes on Duties on Electricity and Other Taxes and Duties on Commodities and Services

Further, the Government of India's decision to provide access to Pan-India data at GSTN (Goods and Service Tax Network) premises was conveyed on 22nd June 2020. No access to GST backend data was provided by the State Government till 31 March 2020. Though, access to GST back-end systems data, user ID and password of the concerned officials has been created (February 2021), however, access to only MIS information was provided rather than original documents generated in GST portal. The accounts for the year 2019-20 have, therefore, been certified on the basis of test audit, as was being done when records were being maintained manually, pending full implementation of the Government of India's decision to provide access to GSTN data to Audit.

Analysis of arrears of revenue and arrears of assessment

The arrears of revenue indicate delayed realisation of revenue due to the Government. Similarly, arrears of assessment indicate potential revenue which is blocked due to delayed assessment. Both deprive the State of potential revenue receipts and affect ultimately the revenue deficit. Details of arrears of revenue are in **Table 2.5**.

Table 2.5: Arrears of revenue

(₹ in crore)

Sl. No.	Head of revenue	Name of Department	Total amount outstanding as on 31 March 2019	Total amount outstanding as on 31 March 2020	Amount outstanding for more than five years
1.	Taxes on vehicles	Transport	179.30	187.07	-
2.	State excise	Prohibition, excise and registration	46.54	53.19	17.38
3.	VAT/Sales trade etc.	Commercial tax	3,351.16	3,696.69	2,782.00
4.	Non-ferrous Mining and Metallurgical Industries	Mines and Geology	-	360.33	218.12
5.	Revenue & Land Reform	Revenue & Land Reform	-*	256.96	115.10
Total			3,577.00	4,554.24	3,132.60

(Source: Concerned departments)

* Information has not been provided by the Department for 2018-19

It can be seen from the above table that arrears of revenue increased in VAT/Sales Trade by ₹ 345.53 crore (10.31 per cent) compared to the previous year (₹ 3,351.16 crore) 2018-19. The various reasons observed for the arrears of revenue were recoveries of arrears of land revenue, recoveries stayed by Courts/Appellate authorities, recoveries held up due to assesses/dealers becoming insolvent, etc.

Details of evasion of tax detected by the Department, refund cases, etc.

The cases of evasion of tax detected by the Excise & Taxation Department, cases finalised and the demands for additional tax raised are important indicators of revenue collection efforts of the State Government. Promptness in the disposal of refund cases is an important indicator of the performance of the Department. Evasion of tax detected is in **Table 2.6**.

Table 2.6: Evasion of Tax Detected

Sl. No.	Head of revenue	Cases pending as on 31 March 2019	Cases detected during 2019-20	Total	No. of cases in which assessment / investigation completed and additional demand with penalty etc. raised		No. of cases pending for finalisation as on 31 March 2020
					No. of cases	Amount of demand (₹ in crore)	
1.	Taxes/GST on sales, Trade	-	266	266	223	554.08	43
2.	Excise	11	-	11	-	0.44	11
Total		11	266	277	223	554.52	54

(Source: Concerned departments of GoB)

During the year, 266 cases were detected in VAT/Sales Trade/GST for assessment/ investigation. Out of which assessment of 223 cases had been completed and additional demand with the penalty of ₹ 554.08 crore was raised. Total 54 cases were pending for finalisation as on 31st March 2020. Further in State Excise Department, an amount of ₹ 62.28 crore was still outstanding in nine cases.

Non Tax Revenue

Non-Tax revenue consists of interest receipts, dividends, and profits, mining receipts, departmental receipts, etc. Components of non-tax revenue of the State are depicted in Table 2.7.

Table 2.7: Components of State's non-tax revenue

(₹ in crore)

Component of Non-tax Revenue						
	2015-16	2016-17	2017-18	2018-19	2019-20	Spark line
Interest Receipts	583.66	939.91	1,577.24	1,371.94	1,416.48	
Dividends and Profits	14.84	3.73	1.34	13.67	1.62	
Other non-tax receipts	1,587.14	1,459.48	1,928.16	2,744.95	2,281.50	
(a) Major and medium irrigation	20.25	16.58	27.43	52.77	24.32	
(b) Road Transport	0.14	0.19	0.17	0.19	0.20	
(c) Urban Development	0.00	0.71	7.43	0.94	4.80	
(d) Education	41.30	17.09	21.47	18.85	17.13	
(e) Non-ferrous mining	971.34	997.60	1,082.67	1,560.65	1,572.07	
(f) Other or misc.	554.11	427.31	788.99	1,111.55	662.98	
Total	2,185.64	2403.12	3,506.74	4,130.56	3,699.60	

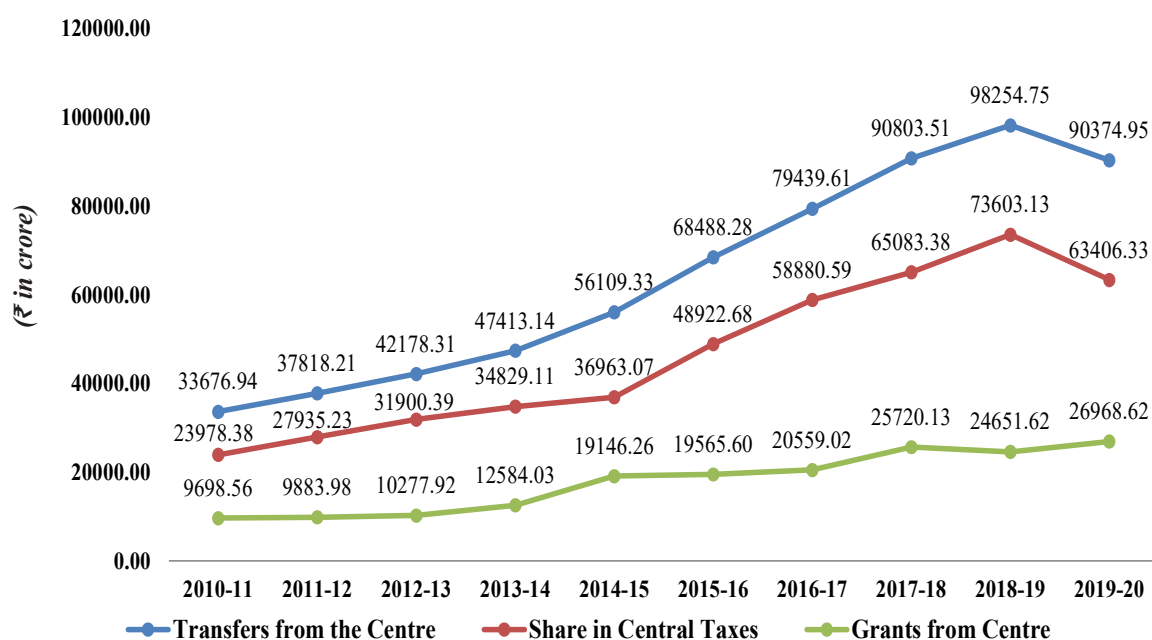
(Source: Finance Accounts of the respective year)

The Non-tax revenue has decreased from ₹ 4,130.56 crore to ₹ 3,699.60 crore during the year. It was mainly due to less receipts under contribution and recoveries towards pension and other retirement benefits by ₹ 557.13 crore (apportionment of pension liabilities between successor States shall be on the basis of population ratio). Further, dividends and profits of the State have decreased by ₹12.05 crore. However, an increase in interest receipts was attributed to interests from the investment of cash balances (₹ 938.84 crore), co-operative societies (₹ 121.64 crore), and other receipts (₹ 478.09 crore).

2.3.2.3 Transfers from the Centre

Fund transfers from the Centre mainly depends upon Finance Commission recommendations and it constitutes around more than 70 per cent of Revenue receipts of the State for the last five years. Details of GoI grants are given below in **Chart 2.6**.

Chart 2.6: Trends in transfers from Centre



(Source: Finance Accounts of the respective year)

Transfers from the Centre increased from ₹ 33,676.94 crore in 2010-11 to ₹ 90,374.95 crore in 2019-20 but decreased significantly in comparison to the previous year due to decrease in share in central taxes by ₹ 10,196.80 crore.

Central tax transfer

Table 2.8: Central Tax Transfers

Head	2015-16	2016-17	2017-18	2018-19	2019-20
Central Goods and Services Tax (CGST)	-	-	925.48	18,166.79	17,992.97
Integrated Goods and Services Tax (IGST)	-	-	6,572.00	1,449.80	0.00
Corporation Tax	15,377.40	18,889.20	19,935.56	25,596.84	21,618.94
Taxes on Income other than Corporation Tax	10,643.04	13,128.06	16,834.16	18,850.99	16,939.90
Customs	7,849.43	8,125.40	6,570.00	5,217.40	4,019.07
Union Excise Duties	6,577.11	9,278.51	6,867.50	3,467.28	2,794.34
Service Tax	8,430.37	9,416.01	7,379.29	673.31	0.00
Other Taxes ⁵	45.33	43.41	(-) 0.61	180.72	41.11
Central Tax transfers	48,922.68	58,880.59	65,083.38	73,603.13	63,406.33
Percentage of increase over previous year	32.36	20.35	10.53	13.09	(-)13.85
Percentage of Central tax transfers to Revenue Receipts	50.90	55.77	55.42	55.85	51.04

(Source: Finance Accounts of the respective year)

⁵ Include Taxes on Wealth, Other Taxes on Income and Expenditure, Other Taxes and Duties on commodities and Services

Central tax transfers decreased by ₹ 10,196.80 crore (13.85 per cent) over the previous year due to the reduced share of net proceeds assigned to the State. During the year, devolution in IGST has gone to zero compared to ₹ 1,449.80 crore in the previous year.

Grants-in-aid from GoI

The State Government receives grants-in-aid and share of Union taxes and duties, based on recommendations of the Finance Commission. Details of GoI grants are given below in Table 2.9.

Table 2.9: Grants-in-aid from Government of India

Head	(₹ in crore)				
	2015-16	2016-17	2017-18	2018-19	2019-20
Non-Plan Grants	3,434.43	4,505.51	(-) 5.00	-	-
Grants for State Plan Schemes	13,886.33	13,952.92	(-) 2.20	(-) 2.82	(-) 40.27
Grants for Central Plan Schemes*	2,083.98	1,422.91	-	-	-
Grants for Centrally Sponsored Schemes (CSS)	-	-	13,312.26	16,322.72	15,302.04
Grants for Centrally Sponsored Plan Schemes	160.86	677.68	(-) 1.00	-	-
Finance Commission Grants	-	-	4,525.06	4,775.20	7,343.61
Other transfers/Grants to States/Union Territories with Legislature	-	-	7,891.01	3,556.52	4,363.24
Total	19,565.60	20,559.02	25,720.13	24,651.62	26,968.62
Percentage of increase over the previous year	2.19	5.08	25.10	(-) 4.15	9.40
Percentage of GIA to Revenue Receipts	20.35	19.47	21.90	18.70	21.71

(Source: Finance Accounts of the respective year)

*There are no figures since the nomenclature of plan and non-plan grants was removed with effect from the year 2017-18 and replaced by Grants for CSS, Finance Commission Grants, and Other Grants to States.

Grants-in-aid from the GoI have increased from ₹19,565.60 crore in 2015-16 to ₹ 26,968.62 crore in 2019-20. The increase was shown mainly due to grants released under GST Compensation (37.10 per cent) and Finance Commission Grants (53.79 per cent). During 2019-20, GoB received ₹ 15,302.04 crore for implementation of Centrally Sponsored Schemes (Appendix-V of Finance Accounts 2019-20) which was 6.25 per cent less than from the previous year. The trend of total grants from GoI as a percentage of revenue receipts ranged between 18.70 per cent to 21.90 per cent during 2015-20. Some of the major components are grants for timely education (Primary education)- ₹ 2524.96 crore and National Disaster Response Fund (NDRF)- ₹ 553.17 crore in which allocation was not made in the previous year. Grants for Rural Local Bodies increased by ₹ 1475 crore under Finance Commission Grants over the previous year. Major portion of GIA has been received in months i.e. October 2019 (₹ 8,756.40 crore) and March 2020 (₹ 10,277.09 crore). The rest of the months have received nominal amounts.

2.3.3 Capital receipts

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 institutions/commercial banks), and loans and advances from GoI.

Table 2.10: Trends in growth and composition of capital receipts(*₹ in crore*)

Sources of State's Receipts	2015-16	2016-17	2017-18	2018-19	2019-20
Capital Receipts	18,402	21,600	13,191	20,493	29,175
Recovery of Loans and Advances	19	23	22	1,825	30
Public Debt Receipts	18,383	21,577	13,169	18,668	29,145
<i>Internal Debt</i>	<i>17,565</i>	<i>20,065</i>	<i>11,771</i>	<i>16,134</i>	<i>27,866</i>
<i>Growth rate</i>	<i>33.08</i>	<i>14.23</i>	<i>(-)41.34</i>	<i>37.07</i>	<i>72.72</i>
<i>Loans and advances from GoI</i>	<i>818</i>	<i>1,512</i>	<i>1,398</i>	<i>2,534</i>	<i>1,279</i>
<i>Growth rate</i>	<i>14</i>	<i>85</i>	<i>(-) 8</i>	<i>81</i>	<i>(-) 50</i>
Rate of growth of debt Capital Receipts	32	17	(-) 39	42	56
Rate of growth of non-debt capital receipts	(-) 99	21	(-) 4	8,195	(-) 98
Rate of growth of GSDP	8.35	13.31	11.33	13.15	15.36
Rate of growth of Capital Receipts (<i>per cent</i>)	19	17	(-) 39	55	42

(Source: Finance Accounts and for GSDP– MoSPI dated 31.07.2020)

Capital receipts increased mainly due to an increase in internal debt from the previous year by 72.72 per cent. The share of public debt receipt in capital receipts was 99.89 per cent. The rate of growth of debt capital receipts was increasing in trend over the previous year. This was mainly because of increase in revenue deficit during the year.

Capital Receipts (₹ 29,175 crore) in the current year increased by ₹ 8,682 crore (42.36 per cent) over 2018-19. This was owing to increase in market borrowings by 107.02 per cent. In the current year, ₹ 22,572.54 crore was taken as borrowings (as discussed in para 2.6.1). Its contribution in capital receipts increased to 77.36 per cent from 53.20 per cent in 2018-19. Loans and advances from GoI decreased by 49.52 per cent.

Net Public Debt Receipts with respect to GSDP in the current year (3.60 per cent) remained more buoyant than the previous year (2.15 per cent). This was due to increase in net borrowings of ₹ 11,669.47 crore (107.02 per cent) over the increase of ₹ 10,903.07 crore (22.39 per cent) in 2018-19.

Non-debt capital receipts in the shape of recoveries of loans and advances shown reduced due to book adjustment in recovery of loans from PSEs/Bodies/Authorities during previous year.

Although Capital Receipts increased by 42.36 per cent over the previous year, the Capital Expenditure decreased by 41.57 per cent over previous year.

2.3.4 State's performance in the mobilisation of resources

State's performance in mobilisation of resources is assessed in terms of its own resources comprising own-tax and non-tax sources.

The State's own resources (tax and non-tax revenue) have slightly increased from ₹ 33,539 crore in 2018-19 to ₹ 33,858 crore in 2019-20. The State's tax revenues and non-tax revenues vis-à-vis budget projections are shown in Table 2.11.

Table 2.11: Tax and non-tax receipts vis-à-vis projections(*₹ in crore*)

	FC projections	Budget Estimates	Actual	Percentage variation of actual over	
				Budget estimates	FC projections
Own Tax revenue	68,956	33,800	30,158	(-)10.78	(-)56.26
Non-tax revenue	4,015	4,806	3,700	(-)23.01	(-)7.85

(Source: Finance Accounts 2019-20, Finance Commission Report and Budget Estimates of GoB)

Thus, it can be seen that State's own tax revenue, as well as non-tax revenue, was less than the Budget estimates of the State and Finance Commission's projection as well.

2.4 Application of resources

The State Government is vested with the responsibility of incurring expenditure within the framework of fiscal responsibility legislations, while at the same time ensuring that the ongoing fiscal correction and consolidation process of the State is not at the cost of expenditure directed towards the development of capital infrastructure and social sector.

2.4.1 Growth and composition of expenditure

Trend analysis of overall expenditure and its components along with their percentage of GSDP is depicted in **Table 2.12**.

Table 2.12: Total expenditure and its composition

(₹ in crore)					
Parameters	2015-16	2016-17	2017-18	2018-19	2019-20
Total Expenditure (TE)	1,08,203	1,22,087	1,31,774	1,47,425	1,38,987 ⁶
Revenue Expenditure (RE)	83,616	94,765	1,02,624	1,24,897	1,26,017
Capital Expenditure (CE)	23,966	27,208	28,907	21,058	12,304
Loans and Advances	621	114	243	1,470	666
As a percentage of GSDP					
TE/GSDP	29.12	29.00	28.11	27.80	22.72
RE/GSDP	22.50	22.51	21.89	23.55	20.60
CE/GSDP	6.45	6.46	6.17	3.97	2.01
Loans and Advances/GSDP	0.17	0.03	0.05	0.28	0.11

(Source: Finance Accounts of respective years)

From the above table, it can be seen that the State's capital expenditure has decreased by ₹ 8,754 crore (41.57 per cent), during 2019-20 w.r.t. 2018-19, indicating that the State has spent less on the creation of capital assets. Around 89 per cent of total expenditure was met from revenue receipts. The overall revenue and capital expenditure as a percentage of GSDP were very low 20.60 per cent and 2.01 per cent respectively in the last five years. During 2018-19 to 2019-20, the CAGR of total expenditure (-2.59 per cent) was lower than the growth rate of General Category State (4.09 per cent) and also lower than neighbouring states Odisha (9.83 per cent) and Jharkhand (5.85 per cent).

Changes in the composition of the expenditure in terms of economic classification and expenditure by activities are depicted in **Table 2.13**.

Table 2.13: Relative share of various sectors of expenditure

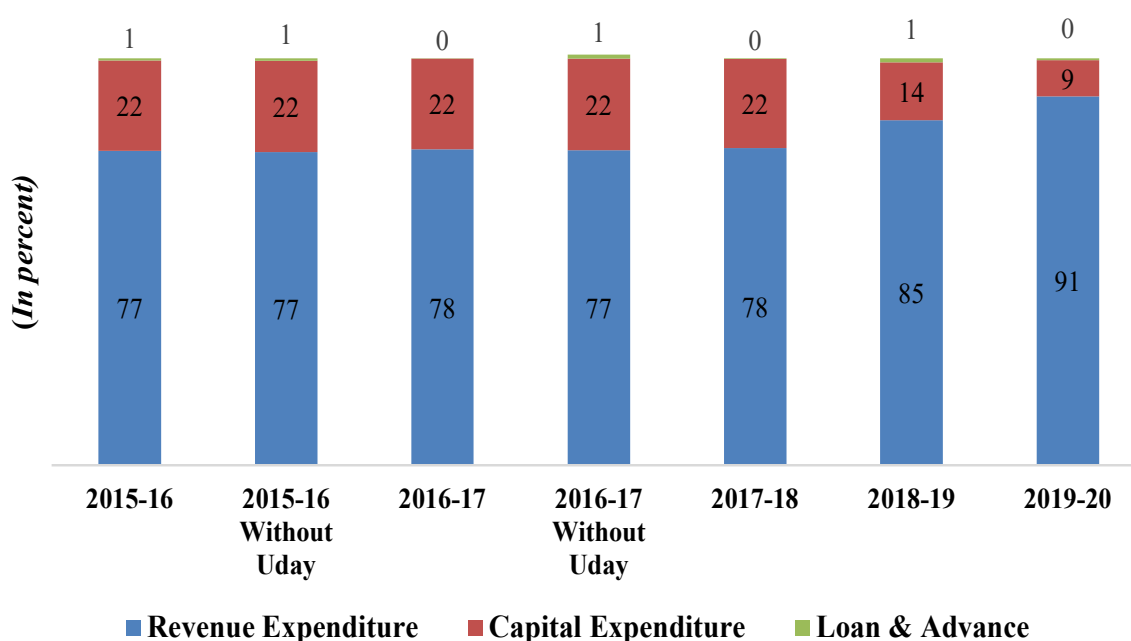
(₹ in crore)					
Parameters	2015-16	2016-17	2017-18	2018-19	2019-20
General Services	31,589 (29.19)	32,697 (26.78)	36,139 (27.43)	42,002 (28.49)	44,016 (31.67)
Social Services	38,683 (35.75)	44,329 (36.31)	50,028 (37.97)	62,345 (42.29)	60,619 (43.61)
Economic Services	37,306 (34.48)	44,943 (36.81)	45,360 (34.42)	41,604 (28.22)	33,684 (24.24)
Others (Grants to Local Bodies and Loans and Advances)	625 (0.58)	118 (0.10)	247 (0.19)	1,474 (1)	668 (0.48)
(Figures in parentheses indicate percentage to Total expenditure)					

(Source: Finance Accounts of respective years)

⁶ Excludes expenditure of ₹7149.67 crore kept under suspense account as disclosed in para 4(XXV) of NTA.

From the above table, it can be seen that the State Government has spent more amount in general services w.r.t economic services whereas marginal variation has been seen in social services in activity components of total expenditure during 2019-20. The major increase in expenditure was seen in election (₹ 491.96 crore), interest payments (₹ 920.27 crore) and pension and other retirement benefits (₹ 1082.62 crore) over the previous year under general services. It shows that the State Government is spending less on developmental expenditure compared to the previous year. Further, in economic services, the State has spent the lowest amount in the last five years. These are the major components where less expenditure vis-à-vis previous years were irrigation and flood control (35.95 per cent), power (13.69 per cent), non ferrous mining and metallurgical industries (19.57 per cent) and tourism (76.06 per cent) etc. **Chart 2.7** presents the trends in share of components of total expenditure during 2015-20.

Chart 2.7: Total Expenditure: Trends in share of its components



(Source: Finance Accounts of respective years)

Chart 2.7 implies that State's total expenditure has about 9 per cent in capital formation and the remaining 91 per cent of expenditure goes into day-to-day expenses i.e., revenue expenditure. Further, the debt of DISCOMs which have been taken by the State did not impact much on the State debt profile. In 2015-16, only one per cent of State debt increased and in 2016-17 it did not change percentage-wise. The loans and advances given by the State are negligible.

2.4.2 Revenue Expenditure

Revenue expenditure is incurred to maintain the current level of services and payment for the past obligation. As such, it does not result in any addition to the State's infrastructure and service network. Trend analysis of the growth of revenue expenditure is depicted in **Table 2.14**.

Table 2.14: Revenue Expenditure – Basic Parameters*(₹ in crore)*

Parameters	2015-16	2016-17	2017-18	2018-19	2019-20
Total Expenditure (TE)	1,08,203	1,22,087	1,31,774	1,47,425	1,38,987
Revenue Expenditure (RE)	83,616	94,765	1,02,624	1,24,897	1,26,017
Rate of Growth of RE (per cent)	15.22	13.33	8.29	21.70	0.90
RE as a percentage of TE	77.28	77.62	77.88	84.72	90.67
RE/GSDP (per cent)	22.5	22.51	21.89	23.55	20.60
RE as a percentage of RR	86.99	89.75	87.38	94.77	101.44
The buoyancy of RE with					
GSDP (ratio)	1.82	1.00	0.73	1.65	0.06
Revenue Receipts (ratio)	0.67	1.35	0.74	1.78	(-)0.16

(Source: Finance Accounts of the respective years)

Revenue expenditure constituted 90.67 per cent of the total expenditure and only 8.85 per cent was left for capital expenditure. State has revenue deficit because revenue expenditure is higher than revenue receipts during this year for the 1st time since 2008-09. In addition to this, revenue receipts decreased by 5.74 per cent whereas revenue expenditure increased by 0.90 per cent. Consequently, the gap has been met by States public debt. Revenue expenditure as a percentage of revenue receipts has been increasing for the last five years except 2017-18. The buoyancy ratio of revenue expenditure with revenue receipts as well as GSDP is lowest in the last five years which is not a good sign of the State's finances.

2.4.2.1 Major changes in Revenue Expenditure

Significant variations under various Heads of Account with regard to revenue expenditure of the State during the current year and the previous year are given in **Table 2.15**.

Table 2.15: Variation in Revenue Expenditure during 2019-20 compared to 2018-19*(₹ in crore)*

Major Heads of Account	2018-19	2019-20	Increase (+)/ Decrease (-)
2245-Relief on account of Natural Calamities	1,607.14	3,592.41	1,985.27
2071-Pensions and Other Retirement Benefits	16,027.75	17,110.38	1,082.63
2235-Social Security and Welfare	5,127.47	6,050.00	922.53
2049-Interest Payments	10,071.14	10,991.42	920.28
2210-Medical and Public Health	5,427.11	6,117.98	690.87
3054-Roads and Bridges	1,696.02	2,293.99	597.97
2015-Elections	122.51	614.47	491.96
2070-Other Administrative Services	768.64	1,141.86	373.22
2515-Other Rural Development Programmes	9,416.39	9,774.24	357.85
2406-Forestry and Wild Life	314.77	619.15	304.38
2215-Water Supply and Sanitation	5,387.28	2,071.76	(-)3,315.52
2801-Power	6,909.68	5,950.24	(-)959.44
3055-Road Transport	1,095.51	189.64	(-)905.87

(Source: Finance Accounts of the year 2019-20)

Table 2.15 indicates that expenditure increased in relief on account of natural calamities (especially in gratuitous relief) and pension and other retirement benefits (under government contribution to defined contributory pension scheme) were one of the reasons for increase in the State's revenue expenditure. In water supply and sanitation, less expenditure occurred under sanitation services and the special component plan for scheduled castes. Scrutiny of budget estimates revealed that revenue expenditure on water supply and sanitation showed less expenditure (only 35 per cent) despite having sufficient budget provision of ₹ 5,967.18 crore during the year. In road transport, though the expenditure in 2018-19 was 93 per cent of the budget provision (₹ 1,175.00 crore) in which assistance to public sector and other undertaking (₹ 1,016.14 crore) was major component. Only 28 per cent of the last year's budget (₹ 329.00 crore) was provisioned for the current year, out of which department was able to spend only 58 per cent. Further, social security and welfare have spent 64 per cent of the budget provision in the previous year whereas 72 per cent was spent against its budget provision during 2019-20.

2.4.2.2 Committed expenditure

The committed expenditure of the State Government on revenue account consists of interest payments; expenditure on salaries and wages and pensions. It has the first charge on Government resources. The upward trend on committed expenditure leaves the Government with lesser flexibility for the development sector. Trend analysis of committed expenditure is depicted in **Table 2.16**.

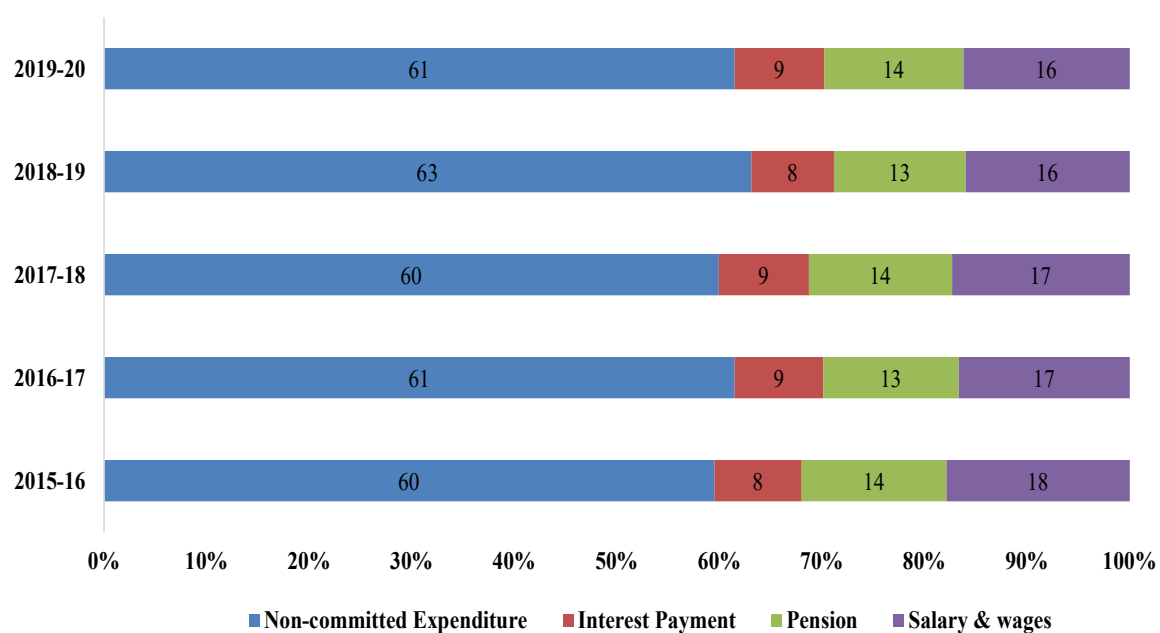
Table 2.16: Components of Committed Expenditure

(₹ in crore)					
Components of Committed Expenditure	2015-16	2016-17	2017-18	2018-19	2019-20
Salaries & Wages ⁷	14,923.73	15,784.04	17,778.74	19,968.39	20,418.41
Expenditure on Pensions	11,830.46	12,514.52	14,293.48	16,027.75	17,110.38
Interest Payments	7,097.69	8,190.70	9,053.78	10,071.14	10,991.42
Total	33,851.88	36,489.26	41,126.00	46,067.28	48,520.21
As a percentage of Revenue Receipts (RR)					
Salaries & Wages	15.53	14.95	15.14	15.15	16.44
Expenditure on Pensions	12.31	11.85	12.17	12.16	13.77
Interest Payments	7.38	7.76	7.71	7.64	8.85
Total	35.22	34.56	35.02	34.95	39.06
As a percentage of Revenue Expenditure (RE)					
Salaries & Wages	17.85	16.66	17.32	15.99	16.20
Expenditure on Pensions	14.15	13.21	13.93	12.83	13.58
Interest Payments	8.49	8.64	8.82	8.06	8.72
Total	40.49	38.51	40.07	36.88	38.50

(Source: Finance Accounts of the respective years)

Trend analysis of committed expenditure in total revenue expenditure is depicted in **Chart 2.8**.

⁷ The expenditure on grants-in-aid (Salary), which reflects salaries for employees of grantee bodies (e.g. aided schools and colleges), as distinct from government servants, may also be shown, but separately.

Chart 2.8: Share of committed expenditure in total revenue expenditure

(Source: Finance Accounts of the respective years)

During the year, the total committed expenditure was ₹ 48,520.22 crore and it was 38.50 per cent of total revenue expenditure and 39.06 per cent of revenue receipts. This comprises of spending on salaries (16.44 per cent), pension (13.77 per cent) and interest payment (8.85 per cent) of revenue receipts. A larger proportion of the budget allocated for committed expenditure items limits the state's flexibility to decide the other expenditure priorities such as capital outlay.

2.4.2.3 Undischarged liabilities in National Pension System

State Government employees recruited on or after 1 September 2005 are covered under the National Pension System (NPS), which is a Defined Contributory Pension Scheme. Under the Scheme, the employee contributes 10 per cent of his basic pay and dearness allowance and an equal contribution is made by the State Government. The State Government has increased its contribution to 14 per cent from July 2019. The entire amount (employees' contribution and employer's contribution) is to be transferred to the designated Fund Manager through the National Securities Depository Limited (NSDL)/Trustee Bank.

During the year 2019-20, employees' contribution was ₹ 688.65 crore and the Government was required to contribute ₹ 910.77 crore to NPS. An amount of ₹ 1,505.23 crore (employees' contribution ₹ 688.65 crore and employer's contribution ₹ 816.58 crore) was transferred to MH-8342-117 and ₹ 0.01 crore to MH 8011-106 under Public Account during the year. The entire amount of ₹ 1,505.24 crore (₹ 1,505.23 crore + ₹ 0.01 crore) was required to be deposited to NSDL. There was a short contribution of ₹ 94.19 crore (₹ 910.77 crore minus ₹ 816.58 crore) by the Government during the year which has resulted in understatement of Revenue deficit to that extent.

The State Government deposited ₹ 1,302.58 crore with NSDL/Trustee Bank during the year. As on 31 March 2020, ₹ 390.97 crore (₹ 349.85 crore under MH-8342-117 and ₹ 41.12 crore under MH-8011-106) lying in the Public Account as closing balance which

is yet to be deposited to the NSDL/Trustee Bank. This includes ₹ 188.32 crore for earlier years and ₹ 202.65 crore for FY-2019-20.

During the year 2018-19, an amount of ₹188.32 crore was left in the account as a closing balance which was not transferred to NSDL/Trustee Bank. The State Government was required to pay interest of ₹ 15.06 crore on the closing balance of ₹ 188.32 crore. However, no interest was paid by the State Government during the year 2019-20. Non-payment of interest of ₹15.06 crore and short contribution of ₹ 94.19 crore by the Government to NPS has resulted in understatement of revenue deficit and fiscal deficit by ₹ 109.25 crore (₹ 15.06 crore + ₹ 94.19 crore).

2.4.2.4 Subsidies

In any welfare State, it is common to provide subsidies/subventions to disadvantaged sections of the society. Subsidies are dispensed not only explicitly but also implicitly by providing subsidised public services to the people. Budgetary support to financial institutions, inadequate returns on investments and poor recovery of user charges from social and economic services provided by the Government fall in the category of implicit subsidies.

The total subsidies during the current year were ₹ 7,121.27 crore which was 14.45 *per cent* less than the previous year and constituted 5.73 *per cent* of revenue receipts. Trend analysis of expenditure on subsidies is depicted in **Table 2.17**.

Table 2.17: Expenditure on subsidies during 2015-20

Particular	2015-16	2016-17	2017-18	2018-19	2019-20
Subsidies (₹ in crore)	9,010.45	8,757.44	5,023.06	8,323.97	7,121.27
Subsidies as a percentage of Revenue Receipts	9.37	8.29	4.27	6.32	5.73
Subsidies as a percentage of Revenue Expenditure	10.78	9.24	4.89	6.66	5.65

(Source: Finance Accounts of the respective years)

Due to less subsidies given by the State Government to Transport Department by ₹ 785.60 crore and to Energy Department by ₹ 544.03 crore, the total subsidies have decreased by ₹ 1,202.70 crore compared to the previous year.

2.4.2.5 Financial assistance by the 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 compared to the previous years is presented in **Table 2.18**.

Table 2.18: Financial Assistance to Local Bodies etc.

(₹ in crore)

Financial Assistance to Institutions	2015-16	2016-17	2017-18	2018-19	2019-20
(A) Local Bodies					
Municipal Corporations and Municipalities	1,826.28	3,135.50	1,794.52	2,892.56	1,533.24
Panchayati Raj Institutions	3,178.20	2,659.04	7,572.94	7,517.61	9,971.64
Total (A)	5,004.48	5,794.54	9,367.46	10,410.17	11,504.88

Financial Assistance to Institutions	2015-16	2016-17	2017-18	2018-19	2019-20
(B) Others					
Educational Institutions (Aided Schools, Aided Colleges, Universities, etc.)	2,924.50	3,101.99	4,683.27	1,905.37	3,925.89
Development Authorities	5,356.39	11,645.91	1,786.76	5,860.77	5,839.49
Hospitals and Other Charitable Institutions	0.00	0.00	0.00	0.00	0.00
Other Institutions ⁸	13,140.84	15,666.90	27,521.24	33,587.98	25,311.28
Total (B)	21,421.73	30,414.8	33,991.27	41,354.12	35,076.66
Total (A+B)	26,426.21	36,209.34	43,358.73	51,764.29	46,581.54
Revenue Expenditure	83,615.94	94,765.18	1,02,623.73	1,24,896.81	1,26,016.66
Assistance as percentage of Revenue Expenditure	31.60	38.21	42.25	41.45	36.96

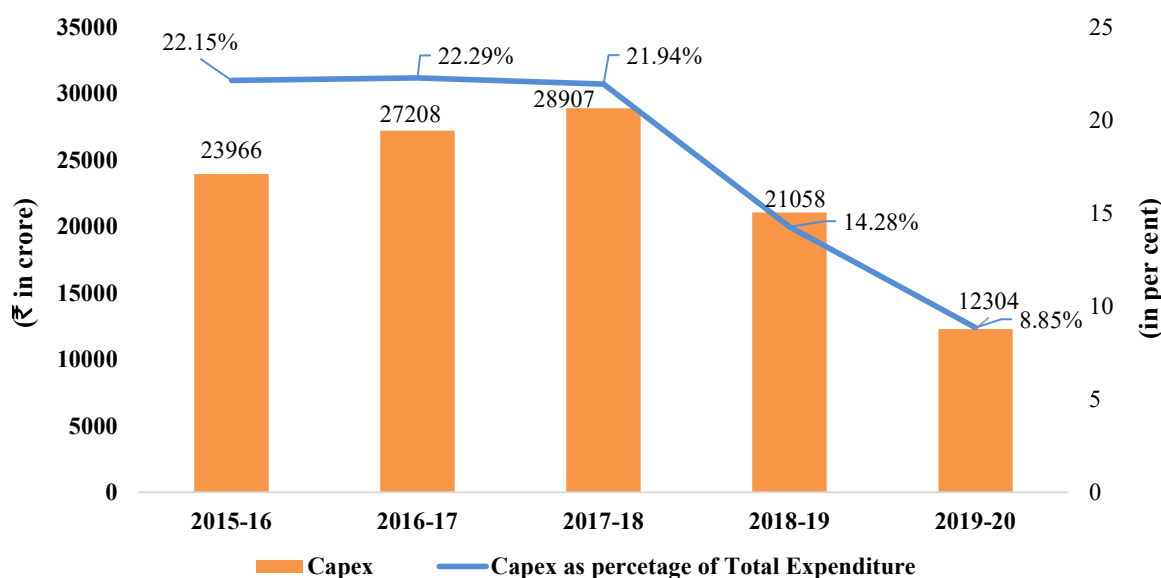
(Source: Finance Accounts of the respective years)

Financial assistance to Local Bodies and Other Institutions by the State Government has decreased by ₹ 5,128.75 crore during this year and its percentage of revenue expenditure has decreased to 36.96 per cent. Release of financial assistance without insisting on rendering timely accounts is detrimental to public accountability and indicated poor financial management (detailed in Para 4.15).

2.4.3 Capital Expenditure

Capital Expenditure (capex) is primarily expenditure on the creation of fixed infrastructure assets such as roads, buildings, etc. Capex in the State is being met from budgetary support and extra-budgetary resources. Trend analysis of Capex is depicted in **Chart 2.9**.

Chart 2.9: Capital expenditure in the State



(Source: Finance Accounts of the respective years)

The capital expenditure was 66.38 per cent lower than the assessment made by the State Government in budget estimates. The State spent only 8.85 per cent on capital formation and 91.15 per cent of its total expenditure occurred for routine expenditure. During the analysis, it observed that capital expenditure decreased in general service from ₹ 3,311.32 crore

⁸ Other institutions involves- PSUs, Autonomous Bodies, Co-operative Institutions

to ₹ 2,388.26 crore, social service from ₹ 4,061.21 crore to ₹ 2,802.51 crore and the major decrease was seen in economic services from ₹ 13,685.70 crore to ₹ 7,113.13 crore over the previous year 2018-19. The ratio of capital expenditure to capital receipts was decreasing trend during the last three years which impact of overall economic downturn. It shows the State's poor resource capitalisation. Further, the amount of capital expenditure is only treated as book expenditure as its major chunk has been parked in the Public Account of the State. The detailed analysis has been covered in *Para 4.5 of Chapter IV* of this Report.

2.4.3.1 Major changes in Capital Expenditure

Significant variations under various Major Heads of Account with regard to capital expenditure of the state during the current year compared to the previous year are depicted in **Table 2.19**.

Table 2.19: Capital expenditure during 2019-20 compared to 2018-19

(₹ in crore)

Major Heads of Accounts	2018-19	2019-20	Increase (+)/ Decrease (-)
4059-Capital Outlay on Public Works	1,781.73	1,029.04	(-)752.69
4202-Capital Outlay on Education, Sports, Art, and Culture	1,056.22	197.68	(-)858.54
4210-Capital Outlay on Medical and Public Health	1,145.71	862.34	(-)283.37
4515-Capital Outlay on other Rural Development Programmes	960.40	1,590.73	630.34
4700-Capital Outlay on Major Irrigation	636.98	379.92	(-)257.06
4711-Capital Outlay on Flood Control Projects	1,243.88	(-)39.10	(-)1,282.97
4801-Capital Outlay on Power Projects	5,035.36	3,067.32	(-)1,968.04
5053-Capital Outlay on Civil Aviation	0.00	152.44	152.44
5054-Capital Outlay on Roads and Bridges	5,263.69	1,202.05	(-)4,061.64
5075-Capital Outlay on other Transport Services	3.00	160.00	157.00

(Source: Finance Accounts of the respective years)

The expenditure on capital account decreased mainly due to a decrease in capital expenditure on roads and bridges programmes by ₹ 4,061.64⁹ crore, power projects by ₹ 1,968.04 crore and flood control projects by ₹ 1,282.97 crore. Scrutiny of budget estimates revealed that capital outlay on flood control projects showed negative expenditure (recoveries) despite having sufficient budget provision of ₹ 2,212.77 crore during the year. Further, roads and bridges have spent more than 90 per cent of the budget provision in the previous year whereas only 22 per cent was spent against its budget provision during 2019-20. In power project, major component backward region grant fund (₹ 1,391.33 crore) was not utilised.

2.4.3.2 Quality of capital expenditure

If the State Government keeps on making investments in loss-making government companies, whose net worth is completely eroded, there are no chances of return on investment. Similarly, experience has shown the inevitability of the write-off of the loans given to loss-making corporations and other bodies such as sugar mills, financial corporations, etc. Requisite steps have to be taken to infuse transparency in such financial operations. This section presents an analysis of investments and other capital expenditures undertaken by the Government during the current year.

⁹ Includes under State Highway- Bridges-₹ 367.96 crore, Major Roads-₹ 412.48 crore, Central Road Fund-₹ 141.33 and Roads-₹ 379.22. Major Roads-₹ 365.85 under Special component plan for Scheduled Caste.

Quality of investments in the companies, corporations, and other bodies

Capital expenditure in the companies, corporations, and other bodies, which are loss-making or where net worth is completely eroded is not sustainable.

Return on investment in share capital invested in PSUs and history of repayment of loans given to various bodies is an important determinant of quality of capital expenditure. Trend analysis of return on investment is given in **Table 2.20**.

Table 2.20: Return on Investment

	(₹ in crore)				
Investment/return/ cost of borrowings	2015-16	2016-17	2017-18	2018-19	2019-20
Investment at the end of the year (₹ in crore)	9,940.24	15,916.47	23,037.29	28,327.00	31,667.39
Return (₹ in crore)	14.84	3.73	1.34	11.34	1.62
Return (<i>per cent</i>)	0.15	0.02	0.01	0.04	0.01
Average rate of interest on Government Borrowings (<i>per cent</i>)	6.58	6.42	6.13	6.18	6.07
Difference between interest rate and return (<i>per cent</i>)	5.94	5.88	5.82	6.14	6.06
Difference between interest on Government borrowings and return on investment (₹ in crore)[#]	590.45	935.89	1,340.77	1,739.28	1,919.04

(Source: Finance Accounts of the respective years)

Investment at the end of the year

Over the past five years, the State Government has incurred a notional loss of ₹ 1,919.04 crore on return on investment in various entities on account of difference between the Government borrowing cost and the return on investment. It was noticed that the State Government had extended the budgetary support of ₹ 91.80 crore in the form of equity to one loss-making PSU during 2019-20. Investments made in loss-making companies are depicted in **Table 2.21**.

Table 2.21: Investments made in loss-making companies

(₹ in crore)				
Sl. No.	Company/ Corporation	Accumulated Loss	Investment made during the year	Cumulative investment as on 31 March 2020
1	Bihar State Minority Finance Corporation Ltd.	7.58	91.80	528.75

(Source: Finance Accounts 2019-20)

Further, ₹ 3,338.47 crore which was actually invested in four PSUs has been classified as capital expenditure during the year 2019-20. Accordingly, the effective capital expenditure during this year was ₹ 8,965.43 crore. Capital expenditure treated as Investments is depicted in **Table 2.22**.

Table 2.22: Capital expenditure treated as Investments

(₹ in crore)			
Sl. No.	Company/ Corporation	Major Head of Capital Expenditure	Amount
1	Bihar State Minority Finance Corporation Ltd.	5465	91.80
2	Bihar State Electronics Development Corporation Ltd.	5465	19.35
3	Bihar State Power (Holding) Company Ltd.	4801	3,067.32
4	Patna Metro Rail Corporation Ltd.	5075	160.00
Total			3,338.47

(Source: Finance Accounts 2019-20)

State Government has not formulated any Dividend policy of PSUs as on 31 March 2020. As per Finance Accounts, only one company i.e., Bihar Rajya Pul Nirman Nigam Limited (₹ 1.05 crore) and two co-operatives (₹ 0.57 crore) have contributed dividends during the year.

In addition to investments in co-operative societies, corporations and companies, the government has also provided loans and advances to many of these institutions & organisations. Details are given in **Table 2.23**.

Table 2.23: Quantum of loans disbursed and recovered during five years

(₹ in crore)

Quantum of loans disbursed and recovered	2015-16	2016-17	2017-18	2018-19	2019-20
Opening Balance of loans outstanding	20,255.00	20,857.73	20,948.29	21,169.17	20,814.33
Amount advanced during the year	621.23	113.87	242.78	1,470.56	666.30
Amount recovered during the year	18.50	23.31	21.89	1,825.40	30.40
Closing Balance of the loans outstanding	20,857.73	20,948.29	21,169.18	20,814.33	21,450.23
Net addition	602.73	90.56	220.89	(-) 354.84	635.90
Interest received	-	-	-	-	-
Interest rate on loan and advances given by the government	Not ascertainable				
Rate of interest paid on the outstanding borrowings of the government	6.09	5.90	5.77	5.96	5.68
Difference between the rate of interest paid and interest received (<i>per cent</i>)	Not ascertainable				

(Source: Finance Accounts of the respective years)

As per Finance Accounts, it appears that the interest received by the State Government against loans given is zero. Scrutiny of documents revealed that in many cases, even the rate of interest charged by the Government is not finalised with the loanee. In some cases, the rate of interest is not disclosed with the loan amount. In consequence, it is not ascertainable for audit to determine the rate of interest charged by the government to the loanee.

Capital locked in incomplete projects

An assessment of trends in capital blocked in incomplete capital works would also indicate the quality of capital expenditure. Blocking of funds on incomplete projects/ works impinges negatively on the quality of expenditure and deprives the State of the intended benefits for prolonged periods. Further, the funds borrowed for the implementation of these projects during the respective years lead to the extra burden in terms of servicing of debt and interest liabilities. The details of the incomplete project are depicted in **Table 2.24**.

Table 2.24: Capital locked in incomplete projects

Table: Age profile of incomplete projects as on 31 March 2020 (₹ in crore)				Table : Department-wise profile of incomplete projects during 31 March 2020 (₹ in crore)			
Year	No. of incomplete projects	Estimated cost	Expenditure (as on 31 March)	Department	No. of incomplete projects	Estd. cost	Expenditure
2011-12	380	3,395.35	1,579.46	Water Resources Department	43	803.03	254.93
2012-13	298	3,829.75	1,487.57	Public Health Engineering Department	36	126.54	58.09

Table: Age profile of incomplete projects as on 31 March 2020 (₹ in crore)				Table : Department-wise profile of incomplete projects during 31 March 2020 (₹ in crore)			
Year	No. of incomplete projects	Estimated cost	Expenditure (as on 31 March)	Department	No. of incomplete projects	Estd. cost	Expenditure
2013-14	227	3,129.86	1,273.67	Building Construction Department	26	227.82	202.85
2014-15	211	3,404.88	1,300.78	Local Area Engineering Organisation	9	15.92	6.84
2015-16	144	1,728.18	731.56	Road Construction Department	27	2,181.07	477.20
2016-17	130	2,269.08	1,521.31	Rural works	2	2.26	1.04
2017-18	127	1,819.64	892.21				
2018-19	68	790.99	315.11				
2019-20	143	3,396.64	1,000.95	Total	143	3,396.64	1,000.95

(Source: Finance Accounts of the respective years)

Out of ₹ 3,396.64 crore of estimated cost, only ₹ 1,000.95 crore has been spent till 2019-20 and out of 143 projects, costs were revised for eight projects only. The details are presented in Appendix IX of Finance Accounts Vol-II. Since the details of the remaining 135 projects with an estimated cost of ₹ 3,195.82 crore were not furnished by the Departments, their revised cost was not exhibited in the Finance Accounts and was thus not ascertainable.

Implementation of Ujwal Discom Assurance Yojana (UDAY)

The Ministry of Power, Government of India (GoI) had launched (November 2015) the Ujwal Discom Assurance Yojana (UDAY) Scheme for the financial turnaround of Power Distribution Companies (DISCOMs).

With an objective to improve the operational and financial efficiency of the State DISCOMs, a tripartite Memorandum of Undertaking (MoU) was executed between the Ministry of Power (GoI), the concerned State Government and the State Power Distribution Companies. This scheme facilitated State Governments to take over 75 per cent of DISCOM's outstanding debt over a period of two years.

The outstanding debt of the DISCOMs was taken over in the form of equity, loan and grant/subsidy. The loan extended to DISCOMs under UDAY has to be converted into grant and equity in the subsequent three years. Accordingly, the States had to convert the loan into equity and subsidy.

Further, the State Government will have to takeover losses, if any, of the DISCOMs in a graded manner as mentioned in Table 2.25.

Table 2.25: Loss to be taken over by State

Year	2015-16	2016-17
Loss to be taken over by State.	50% of loss of 2015-16	25% of loss of 2016-17

(Source: Finance Accounts of the respective years)

Under the scheme, State was to take over 75 per cent of the DISCOM debt (₹ 3,109.05 crore) as on 30 September 2015 by issuing Non-SLR Bonds to take over the debt and transfer the

proceeds to DISCOMs in the form of grants, loans, and equity. The liability of the State Government under the package was ₹ 2,331.78 crore depicted in **Table 2.26**.

Table 2.26: Position of Equity/Loan/ Subsidy under UDAY

(₹ in crore)

Year	Equity Investment	Loan	Subsidy	Total
2015-16	-	-	1,369.89	1,369.89
2016-17	-	-	961.89	961.89
Total			2,331.78	2,331.78

(Source: Finance Accounts of the respective years)

Provisional Accounts of DISCOMs for the year 2019-20 revealed that the return on capital employed of both the DISCOMs was yielding negative return and the same (-) 39.55 per cent (SBPDCL) and (-) 13.42 per cent (NBPDC). Further as on 31 March 2020, ₹ 3,000.99 crore of loan was outstanding on both the DISCOMs (SBPDCL ₹ 1,519.72 crore and NBPDC ₹ 1,481.27 crore). The State Government has paid interest of ₹ 191.36 crore in 2019-20 on the bonds issued under the UDAY Scheme.

Despite all tariff subsidies and loan obligations being met by the State Government, the DISCOMs are still having operational losses.

2.4.4 Expenditure priorities

Enhancing human development levels requires the States to step up their expenditure on key social services like education, health, etc. Low fiscal priority (ratio of expenditure under a category to aggregate expenditure) is attached to a particular sector if the allocation is below the respective national average. The higher the ratio of these components to total expenditure, the quality of expenditure is considered to be better. Analysis on Expenditure priority of the State with regards to Health, Education and Capital expenditure are depicted in **Table 2.27**.

Table 2.27: Expenditure priority of the State with regards to Health, Education and Capital expenditure during 2019-20

(In per cent)

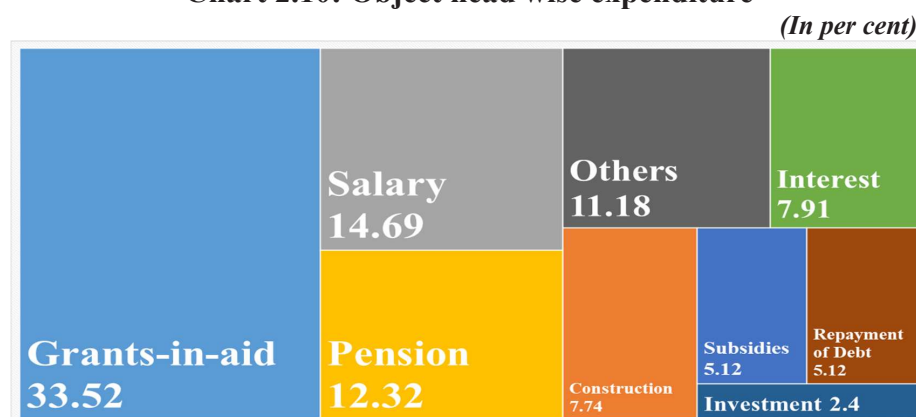
	AE/GSDP	CE/AE	Education/AE	Health/ AE
All India Average/ General Category States Average (2014-15)	15.99	13.98	16.54	4.92
State	26.56	19.93	18.15	3.96
All India Average/ General Category States Average (2019-20)	15.15	12.97	15.91	5.21
State	23.47	13.52	18.77	5.34

(Source: MoSPI & Finance Accounts)

The expenditure priority of the State with regards to health, education and capital expenditure was better than All India Average (General Category States Average) during 2019-20, which is a good sign for the state for capacity building.

2.4.5 Object head wise expenditure

Object head wise expenditure is depicted in **Chart 2.10** below.

Chart 2.10: Object head wise expenditure

(Source: VLC system)

From above **Chart 2.10**, it can be seen that a larger proportion of budget allocated for committed expenditure items¹⁰ (40 per cent) which limits the flexibility to increase the other developmental expenditure priorities such as investment, construction, etc. Further, the expenditure on salary was 2.25 per cent higher than the previous year, 3.34 per cent of GSDP and constituted 16.20 per cent of revenue expenditure. The expenditure on pension was 6.75 per cent higher the previous year, 2.80 per cent of GSDP and 13.59 per cent of revenue expenditure. This shows that the major components committed expenditure are increasing year on year. During 2019-20, expenditure on committed liabilities was 34.9 per cent while capital expenditure was only 8.85 per cent of total expenditure which is not a good sign for the state's financial health.

2.5 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. The Government acts like a banker in respect of these. The balance after disbursements during the year is the fund available with the Government for use for various purposes.

2.5.1 Net Public Account Balances

The component-wise net balances in the Public Account of the State are given in **Table 2.28**.

Table 2.28: Component-wise net balances in Public Account as of 31 March of the year 2020

(₹ in crore)

Sector	Sub Sector	2015-16	2016-17	2017-18	2018-19	2019-20
I. Small Savings, Provident Funds, etc.	Small Savings, Provident Funds, etc.	(-)73.58	99.63	(-)80.24	277.79	190.40
J. Reserve Funds	(a) Reserve Funds bearing Interest	(-)401.15	(-)712.03	(-)696.39	0.01	522.95
	(b) Reserve Funds not bearing Interest	0	0	0	0	0

¹⁰ Salaries, Pension, Interest Payments, Repayment of debt

Sector	Sub Sector	2015-16	2016-17	2017-18	2018-19	2019-20
K. Deposits and Advances	(a) Deposits bearing Interest	15.46	24.46	(-)1.62	60.25	202.65
	(b) Deposits not bearing Interest	3,722.89	5,369.64	10,317.65	368.13	1509.34
	(c) Advances	(-)6.67	(-)0.71	(-)1.72	(-)96.85	0
L. Suspense and Miscellaneous	(b) Suspense	(-)571.80	(-)894.39	579.80	(-)345.13	(-)5773.58
	(c) Other Accounts	(-)4,674.15	(-)4,772.25	(-)4,393.75	2,138.36	(-)2735.55
	(d) Accounts with Governments of Foreign Countries	(-)0.01	0	0	(-)0.01	(-)0.01
	(e) Miscellaneous	-	-	-	-	-
M. Remittances	(a) Money Orders, and other Remittances	6.06	(-)7.05	(-)2.76	76.05	(-)2.44
	(b) Inter-Governmental Adjustment Account	0	0	0	0	(-)794.07
Total		(-)1982.95	(-)892.70	5,720.97	2478.60	(-)6,880.31*

Note: (+ve) denotes debit balance and (-ve) denotes credit balances

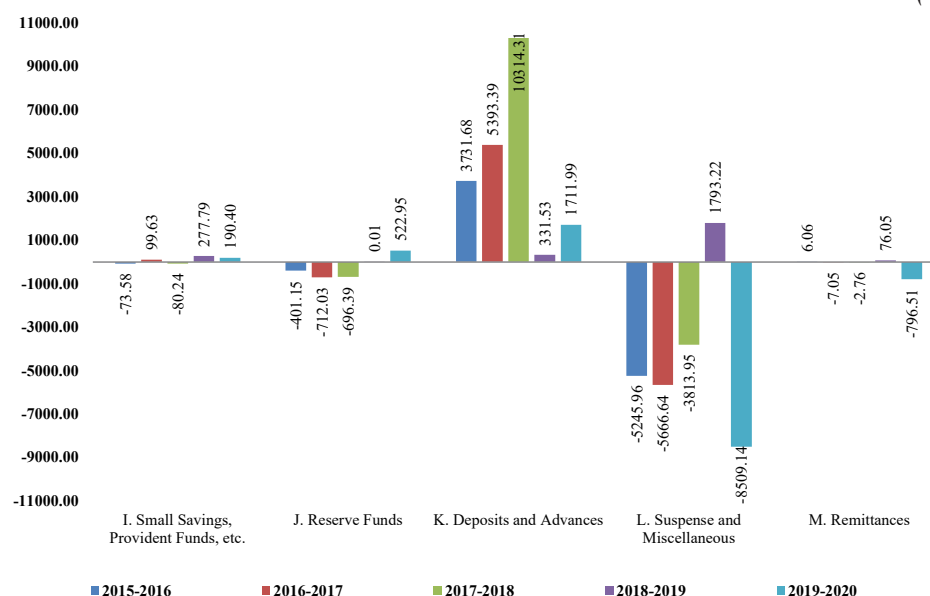
* this includes Cash Balance Investment Accounts and Sinking Fund Investment Accounts.

(Source: Finance Accounts of the respective years)

The outstanding cash balance of the Public Account has increased due to negative balances under suspense and miscellaneous funds particularly shown in the suspense account (civil). Negative figures could not be taken to the final head of expenditure or receipts due to the non-availability of vouchers. Office of AG (A&E) has made objection of vouchers amounting to ₹ 7,149.67 crore and challan amounting to ₹ 63.59 crore. Inter Governmental adjustment account was also increased due to transactions made on behalf of other States. During 2019-20, the State Government received ₹ 522.95 crore for credit to the CAMPA Fund under reserve funds bearing interest. The State Government did not incur any expenditure out of the fund.

Chart 2.11: Yearly changes in the composition of Public Account balances

(₹ in crore)



(Source: Finance Accounts of the respective years)

2.5.2 Reserve Funds

Reserve Funds are created for specific and defined purposes under the Public Account of the State Government. These funds are met from contributions or grants from the Consolidated Fund of the State.

As per the Finance Accounts, the State Government has nine active Reserve Funds (three¹¹ interest-bearing and six¹² non-interest bearing). The total accumulated balance at the end of 31 March 2020 in these funds was ₹ 549.27 crore. Out of which, ₹ 522.95 crore was under interest-bearing Reserve Funds and ₹ 26.32 crore under Non-interest bearing Reserve Funds.

Further, Reserve Funds valued at ₹ 26.32 crore have not been operated since 2001-02. Details of such Reserve Funds are given in **Table 2.29**.

Table 2.29- Information regarding in-operative Reserve Funds

(₹ in lakh)

Sl. No.	Major and Minor heads with nomenclature		No. of Reserve Fund	Balance as on 31 March 2020		Year of the last transaction
1	8115	103-Depreciation Reserve Funds-Government Commercial Department and Undertakings	Not available	Cr.	0.15	2018-19
2	8223	101- Famine Relief Fund	Not available	Cr.	33.98	*
		102- Famine Relief Fund Investment Account	Not available	Dr.	9.61	*
3	8229	101- Development Funds for Educational Purposes	Not available	Cr.	0.54	*
4	8235	101-General Reserve Funds for Government Commercial Departments/ Undertakings	Not available	Cr.	314.41	2001-02
		102-Zamindari Abolition Fund	Not available	Cr.	206.55	*
		200- Other Funds	Not available	Cr.	2,085.99	2001-02
Grand Total				Cr.	2,632.01	

(Source: Finance Accounts for the year 2019-20)

* Inherited figure from undivided Bihar. Since 15 November 2000, no transaction took place.

2.5.2.1 Consolidated Sinking Fund (CSF)

The 12th Finance Commission had recommended that States should set up sinking funds for amortisation of all loans including loans from banks, liabilities on account on national small savings fund, etc., and that these funds should not be used for any other purpose, except for the redemption of loans. The guidelines of the Reserve Bank of India (RBI), which is responsible for administering the fund, stipulate a minimum annual contribution of 0.5 per cent of outstanding liabilities at the beginning of the year. Further, the entire fund is invested by RBI and the details of investment are given in Statement-22 of Finance Accounts.

The State Government set up a Consolidated Sinking Fund in 2008-09 which was only for amortisation of market loans and from 2014-15, it was to be utilised for the redemption of

¹¹ Depreciation Reserve Funds-Government Commercial Department and Undertaking, State Disaster Response Fund and State Compensatory Afforestation Fund (SCAF)

¹² Sinking Fund Investment Account, Famine Relief Fund-Investment Account, Development Funds for Educational Purposes, General Reserve Funds of Government Commercial Departments/Undertaking, Zamindari Abolition Fund and Other Funds.

the outstanding liabilities of the Government. However, it has not been utilised since its inception. The closing balance of the fund as on 31 March 2020 was ₹ 5,740.12 crore. The accrued interest as on 31 March 2020 is ₹ 150.44 crore.

2.5.2.2 State Disaster Response Fund

The government of India (GoI) replaced the erstwhile Calamity Relief Fund with the State Disaster Response Fund (SDRF) with effect from 1 April 2010. In terms of the guidelines of the Fund, the Centre and States are required to contribute to the Fund in a certain proportion. The contributions are to be transferred to the Public Account to Major Head – 8121. Expenditure during the year is incurred by operating Major Head – 2245.

The State Governments are required to pay interest to the SDRF at the rate applicable to overdrafts under overdraft Regulation Guidelines of the RBI. The interest is to be credited on a half yearly basis. The accretions to the SDRF together with the income earned on the investment of SDRF are to be invested in Central Government dated Securities, auctioned Treasury Bills and other interest earning deposits with Scheduled Commercial Banks.

The SDRF is to be used only for meeting the expenditure for providing immediate relief to the victims of a disaster and the provision for disaster preparedness, restoration, reconstruction and mitigation should not be a part of SDRF. Such expenditure has to be built into the normal budgetary heads/ State Plan Funds, etc. Details of expenditure charged to SDRF are depicted in **Table 2.30**.

Table 2.30: Details of expenditure charged to SDRF

(₹ in crore)

2245	Relief on account of Natural Calamities-	Establishment and Committed	Scheme		Expenditure during 2019-20
			State Scheme	CSS/ CAS	
<i>01 Drought</i>					
101	Gratuitous Relief	597.57	0.00	0.00	597.57
102	Drinking Water Supply	0.00	0.00	0.00	0.00
282	Public Health	12.39	0.00	0.00	12.39
911	Deduct - Recoveries of Overpayments	(-)0.11	0.00	0.00	(-)0.11
Total: 01		609.85	0.00	0.00	609.85
<i>02 Floods, Cyclones, etc.</i>					
001	Direction and Administration	0.00	0.00	0.00	0.00
101	Gratuitous Relief	2,229.06	0.00	0.00	2,229.06
102	Drinking Water Supply	0.21	0.00	0.00	0.21
104	Supply of Fodder	0.51	0.00	0.00	0.51
106	Repairs and restoration of damaged roads	105.44	0.00	0.00	105.44
109	Repairs and restoration of damaged water supply, drainage and sewerage works	0.41	0.00	0.00	0.41
112	Evacuation of population	37.08	0.00	0.00	37.08
113	Assistance for repairs/reconstruction of Houses	7.95	0.00	0.00	7.95
114	Assistance to Farmers for purchase of agricultural inputs	528.21	0.00	0.00	528.21
117	Assistance to Farmers for purchase of livestock	0.40	0.00	0.00	0.40
118	Assistance for repairs/replacement of damaged boats and equipment for fishing	0.13	0.00	0.00	0.13
122	Repairs and restoration of damaged Irrigation and flood control works	3.73	0.00	0.00	3.73
799	Suspense	(-)0.13	0.00	0.00	(-)0.13
800	Other Expenditure	15.50	0.00	0.00	15.50

2245	Relief on account of Natural Calamities-	Establishment and Committed	Scheme		Expenditure during 2019-20
			State Scheme	CSS/ CAS	
911	Deduct - Recoveries of Overpayments	(-)6.28	(-)1.24	0.00	(-)7.52
Total: 02		2,922.22	(-)1.24	0.00	2,920.99
<i>05 State Disaster Relief Fund</i>					
101	Transfer to Reserve Funds and Deposit Accounts- State Disaster Response Fund	1,241.50	0.00	0.00	1,241.50
901	Deduct- Amount met from State Disaster Response Fund	(-)1,241.50	0.00	0.00	(-)1,241.50
Total : 05		(-)0.00	0.00	0.00	(-)0.00
<i>06 Earthquake</i>					
113	repairing of home-assistance	0.01	0.00	0.00	0.01
Total: 06		0.01	0.00	0.00	0.01
<i>80 General</i>					
001	Direction and Administration	22.35	0.00	0.99	23.34
102	Management of Natural Disasters- Contingency Plans in disaster -prone areas	41.34	0.11	0.00	41.45
800	Other Expenditure	0.00	0.40	0.00	0.40
911	Deduct - Recoveries of Overpayments	(-)3.52	(-)0.00	0.00	(-)3.53
Total: 80		60.16	0.51	0.99	61.66
Total : 2245		3,592.14	(-)0.73	0.99	3,592.41

(Source: Finance Accounts for the year 2019-20)

Further, an amount of ₹ 553.17 crore of National Disaster Response Fund from the Central Government has been received which has not been transferred to the fund under MH-8121 in the Public Accounts. This resulted in an understatement of revenue deficit and fiscal deficit to that extent.

2.5.2.3 Guarantee Redemption Fund

State Government constitutes 'Guarantee Redemption Fund' for meeting the payment obligations arising out of the guarantees issued by the Government in respect of bonds issued and other borrowings by the State Public Sector Undertakings or other Bodies and invoked by the beneficiaries. The accumulations in the Fund are to be utilised only towards payment of the guarantees issued by the Government and not paid by the institutions on whose behalf the guarantee was issued.

The State Government has neither created a Guarantee Redemption Fund in terms of the recommendations of the 12th Finance Commission nor framed any rules for fixing a ceiling on guarantees. The State Government did not make a minimum annual contribution of ₹ 27.51 crore (0.5 per cent of outstanding guarantees of ₹ 5,501.86 crore at the beginning of the year 2019-20) in terms of those recommendations.

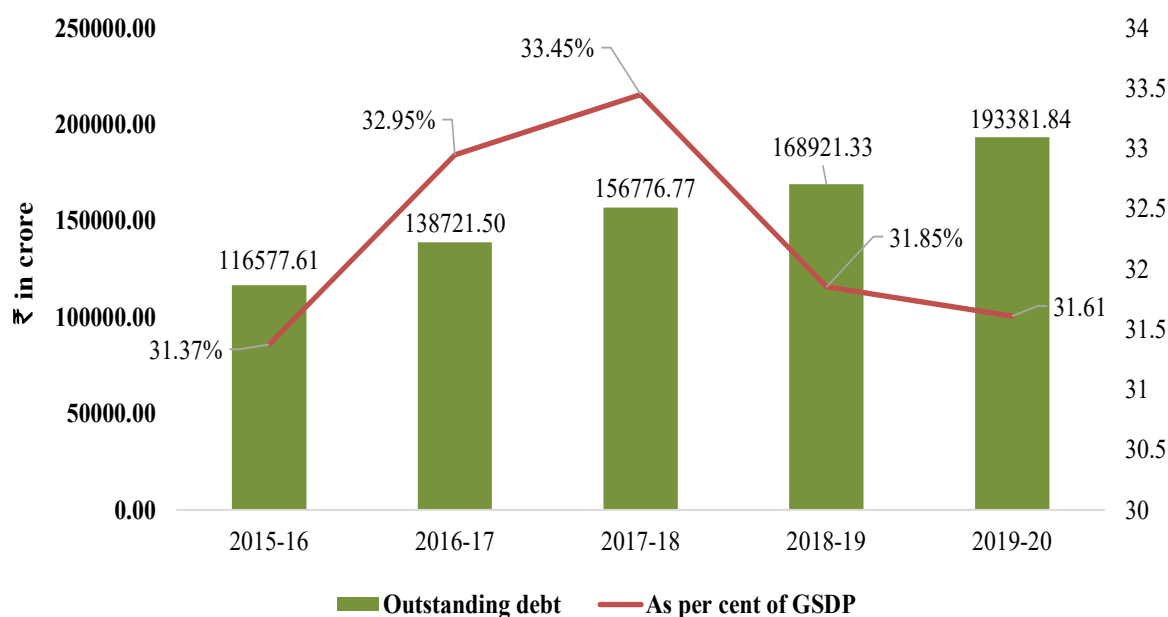
The State Government was required to contribute an amount equivalent to at least 0.5 per cent of the outstanding guarantees at the end of the second financial year preceding the current financial year as reflected in the books of accounts maintained by the Accountant General (A&E). The funds are invested by the RBI.

2.6 Debt management

Debt management is the process of establishing and executing a strategy for managing the Government's debt in order to raise the required amount of funding, achieve its risk and cost objectives, and meet any other sovereign debt management goals that the Government may

have set through enactment or any other annual budget announcements. Trend analysis of outstanding debt of the state is depicted in **Chart 2.12**.

Chart 2.12: Outstanding debt of the State



(Source: Finance Accounts & MoSPI of the respective years)

Debt as a percentage of GSDP had however reduced to 31.61 in 2019-20 from 31.85 in 2018-19 but far away from the BFRBM target 25.73 per cent.

2.6.1 Debt profile: Components

Total debt of the State Government typically constitutes of Internal debt of the State (market loans, ways and means advances from RBI, special securities issued to National Small Savings Fund and loans from financial institutions, etc.), loans and advances from the Central Government, and Public Account Liabilities. Component wise debt trends are shown in **Table 2.31**.

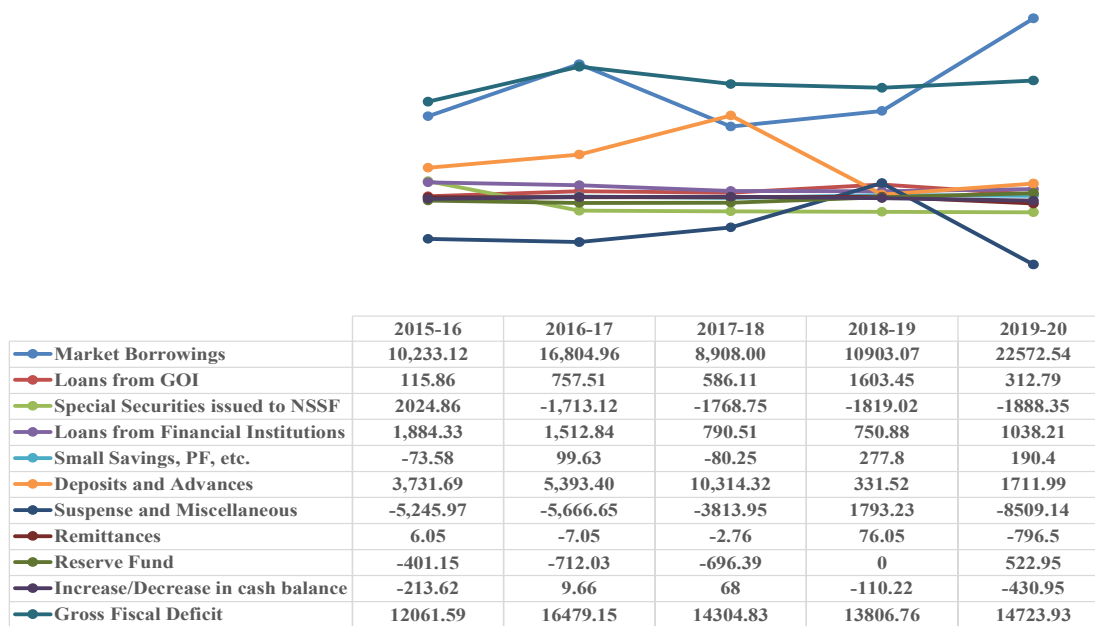
Table 2.31: Component wise debt trends

		(₹ in crore)				
		2015-16	2016-17	2017-18	2018-19	2019-20
Outstanding Overall Debt		1,16,577.60	1,38,721.50	1,56,776.77	1,68,921.33	1,93,381.85
Public Debt	Internal Debt	79,990.32	96,595.00	1,04,524.76	1,14,359.69	1,36,082.09
	Loans from GoI	8,838.30	9,595.81	10,181.92	11,785.37	12,098.16
Liabilities on Public Account		27,748.98	32,530.69	42,070.09	42,776.27	45,201.60
Rate of growth of outstanding Overall debt (percentage)		17.69	18.99	13.02	7.75	14.48
Gross State Domestic Product (GSDP)		3,71,602	4,21,051	4,68,746	5,30,363	6,11,804
Debt/GSDP (per cent)		31.37	32.95	33.45	31.85	31.61
Total Debt Receipts		56,030.22	72,845.19	59,412.45	73,806.02	94,193.12
Total Debt Repayments		38,508.43	50,701.29	41,357.18	61,661.46	69,732.59
Total Debt Available		17,521.79	22,143.90	18,055.27	12,144.56	24,460.53
Debt Repayments/Debt Receipts (percentage)		68.73	69.60	69.61	83.55	74.03

(Source: Finance Accounts & MoSPI of the respective years)

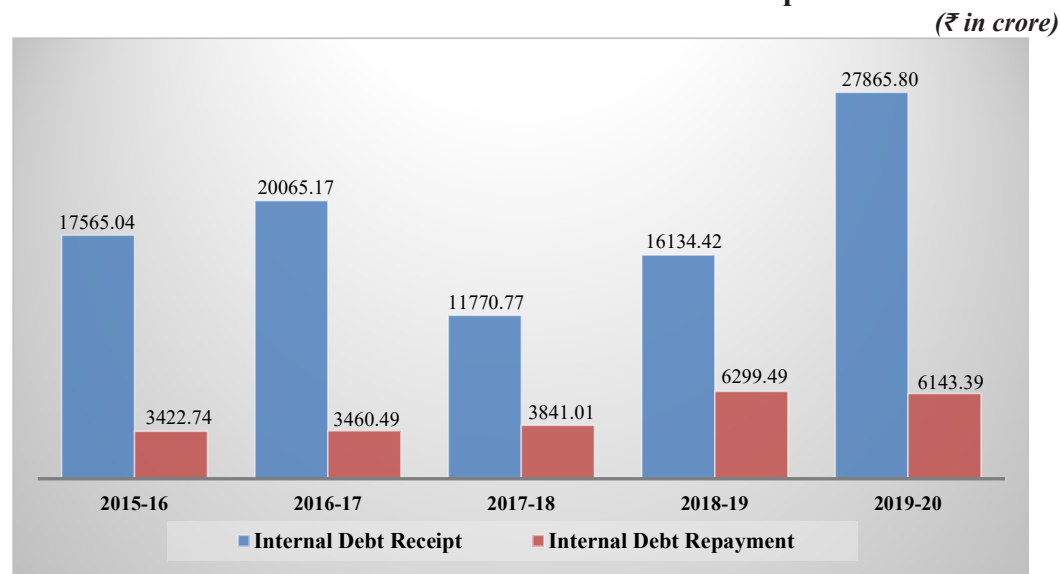
From the above table, it can be seen that the outstanding debt to GSDP ratio ranged from 31.37 per cent to 33.45 per cent during 2015-20. State's overall debt has been increasing for the last five years. The major component was internal debt (68 per cent to 70 per cent) which includes market borrowings. The debt to GSDP ratio is almost constant compared to the previous year but still higher than State's budget estimate. The debt to GSDP ratio is higher than the projection in FFC (24.93 per cent) and BFRBM (25.73 per cent). The outstanding liabilities of Public Account have also increased from the previous year which was 7.38 per cent of GSDP and 23.37 per cent of outstanding overall debt. The outstanding overall debt was growing at the rate of 14.48 per cent. During 2019-20, the state suffered a revenue deficit for the 1st time since 2008-09 and this has been compensated from Public debt. The ratio of capital expenditure to capital receipts was showing a decreasing trend during the last three years, which had an impact of overall economic downturn.

Chart 2.13: Component wise debt trends



(Source: Finance Accounts of the respective years)

Chart 2.14: Internal debt taken vis-a-vis repaid



(Source: Finance Accounts of the respective years)

Table 2.32: Components of fiscal deficit and its financing pattern

(₹ in crore)

Particulars	2015-16	2016-17	2017-18	2018-19	2019-20
Composition of Fiscal Deficit					
1 Revenue Surplus(+) /Deficit(-)	12,507.16	10,819.81	14,823.01	6,896.65	(-)1784.13
2 Net Capital Expenditure	23,966.02	27,208.40	28,906.95	21,058.25	12,303.90
3 Net Loans and Advances	602.73	90.56	220.90	(-)354.84	635.90
Financing Pattern of Fiscal Deficit					
1 Market Borrowings	10,233.12	16,804.96	8,908.00	10,903.07	22,572.54
2 Loans from GOI	115.86	757.51	586.11	1,603.45	312.79
3 Special Securities issued to NSSF	2,024.86	(-)1,713.12	(-)1,768.75	(-)1,819.02	(-)1,888.35
4 Loans from Financial Institutions	1,884.33	1,512.84	790.51	750.88	1,038.22
5 Small Savings, PF, etc.	(-)73.58	99.63	(-)80.25	277.8	190.40
6 Deposits and Advances	3,731.69	5,393.40	10,314.32	331.52	1,711.99
7 Suspense and Miscellaneous	(-)5,245.97	(-)5,666.65	(-)3,813.95	1,793.23	(-)8,509.14
8 Remittances	6.05	(-)7.05	(-)2.76	76.05	(-)796.50
9 Reserve Fund	(-)401.15	(-)712.03	(-)696.39	0	522.95
10 Overall Deficit					15,154.89
11 Increase/Decrease in cash balance	(-)213.62	9.66	68	(-)110.22	(-)430.95
12 Fiscal Deficit	12,061.59	16,479.15	14,304.83	13,806.76	14,723.93

(Source: Finance Accounts of the respective years)

Fiscal Deficit (FD), both in quantitative terms and also in comparison to GSDP (2.41 per cent) decreased over the previous year (2.60 per cent). During 2019-20 Capital expenditure was 41.57 per cent of the previous year indicates that creation of productive assets from the FD was much lower in the current year.

2.6.2 Debt profile: Maturity and Repayment

Debt maturity and repayment profile indicate a commitment on the part of the Government for debt repayment or debt servicing.

Table 2.33: Debt Maturity profile of repayment of State debt

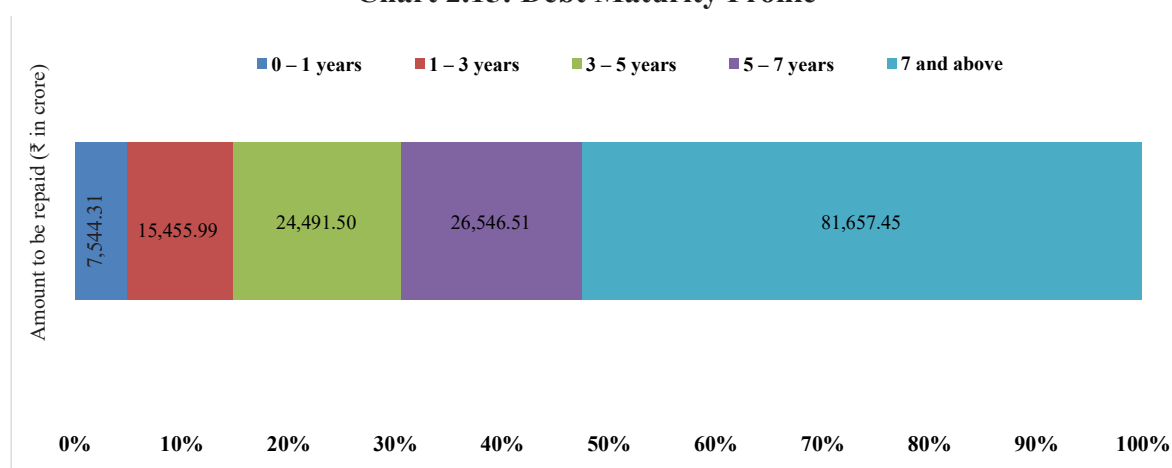
Period of repayment (Years)	Amount (₹ in crore)	Percentage (w.r.t. Public debt)
0 – 1	7,544.31	4.85
1 – 3	15,455.99	9.92
3 – 5	24,491.50	15.73
5 – 7	26,546.51	17.05
7 and above	81,657.45	52.45
Others ¹³	0	-
Total	1,55,695.76	100.00

(Source: Finance Accounts for the year 2019-20)

From the above table, it can be noticed that more than 50 per cent of the State's debt is due for seven and above years. The maturity profile of the States debt indicates a year-on-year increase in its repayment burden.

¹³ Payment schedule of this amount is not being maintained by the Accountant General (A&E).

Chart 2.15: Debt Maturity Profile



(Source: Finance Accounts for the year 2019-20)

2.7 Debt Sustainability Analysis (DSA)

Debt sustainability indicates the ability of the State to service its debts in the future. Apart from the magnitude of debt of the State Government, it is important to analyse various indicators that determine the debt sustainability of the State. **Table 2.34** presents indicators of debt sustainability for the period 2015-20.

Table 2.34: Trends in debt Sustainability indicators

Debt Sustainability Indicators	₹ in crore)				
	2015-16	2016-17	2017-18	2018-19	2019-20
Outstanding Public Debt*	88,828.63	1,06,190.81	1,14,706.68	1,26,145.06	1,48,180.25
Rate of Growth of Outstanding Public Debt	19.12	19.55	8.02	9.97	17.47
GSDP	3,71,602	4,21,051	4,68,746	5,30,363	6,11,804
Rate of Growth of GSDP	8.35	13.31	11.33	13.15	15.36
Debt/GSDP	0.24	0.25	0.24	0.24	0.24
The debt Maturity profile of repayment of State debt – including default history, if any	4,124.85	4,214.57	4,653.55	7,229.82	7,109.83
Average interest Rate of Outstanding Public Debt (<i>per cent</i>)	7.68	7.67	7.73	7.68	7.58
Percentage of Interest payment to Revenue Receipt	6.53	7.09	7.27	7.02	8.37
Percentage of Debt Repayment to Debt Receipt	22.44	19.53	35.34	38.73	24.39
Net Debt available to the State [#]	7,980.99	9,881.42	(-) 24.97	2,190.02	11,631.63
Net Debt available as <i>per cent</i> to Debt Receipts	43.42	45.80	(-) 0.19	11.73	39.91
Debt Stabilisation (Quantum spread + Primary Deficit)	64,569.49	6,06,690.61	4,17,593.18	6,93,163.81	11,55,222.71

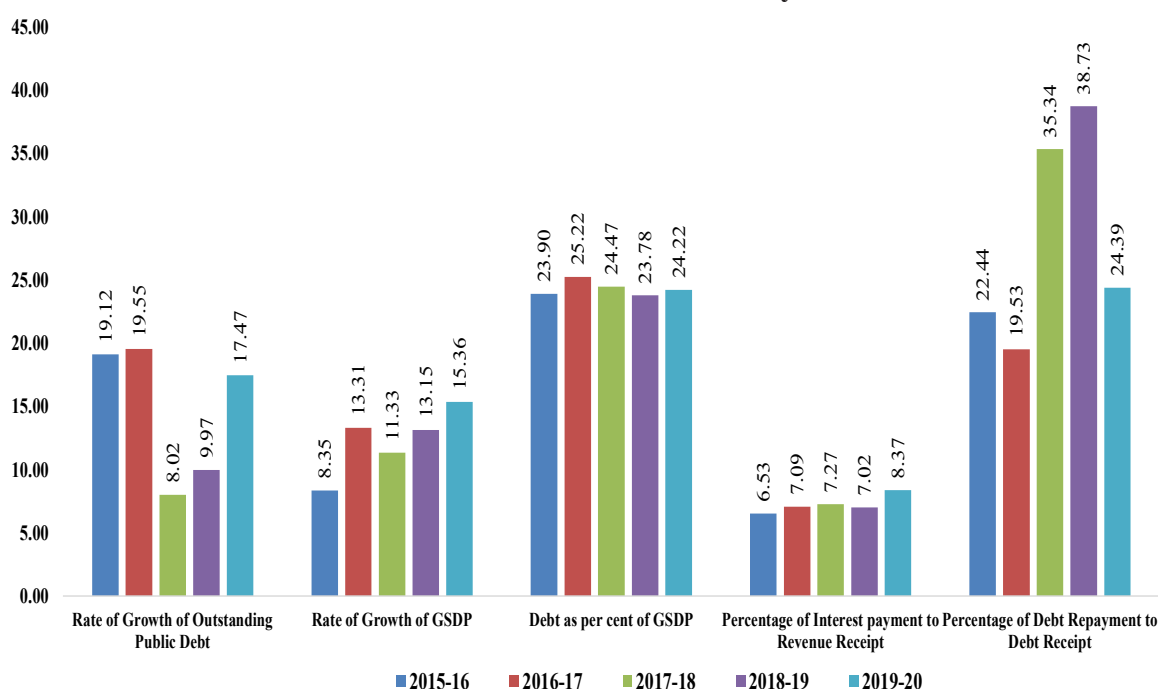
(Source: Finance Accounts of the respective years)

*Outstanding Public Debt is the sum of outstanding balances under the heads 6003-Internal Debt and 6004- Loans and Advances from the Central Government.

[#]Net debt available to the State Government is calculated as the excess of Public debt receipts over Public debt repayment and interest payment on Public Debt.

The growth rate of public debt is higher than the growth rate of GSDP during the year, which is not good sign of fiscal indicator. The percentage of interest payment to revenue receipts is highest among last five years and above from the projection of FFC (6.03 per cent) but within the limit of BFRBM (less than 10 per cent of revenue receipts). Percentage of debt repayment to debt receipt has been decreasing from the previous year which indicates that State has more debt after repayment for other purposes. The rate of growth of States public debt shows an increasing trend but the rate of growth of capital expenditure shows a negative trend for the last three years. This implies that State's public debt is not being utilised for capital creation.

Chart 2.16: Trends of Debt Sustainability indicators



(Source: Finance Accounts of the respective years)

2.7.1 Utilisation of borrowed funds

Borrowed funds should ideally be used to fund capital creation and developmental activities. Using borrowed funds for meeting current consumption and repayment of interest on outstanding loans is not sustainable. Utilisation of borrowed funds is shown in Table 2.35 below.

Table 2.35: Utilisation of borrowed funds

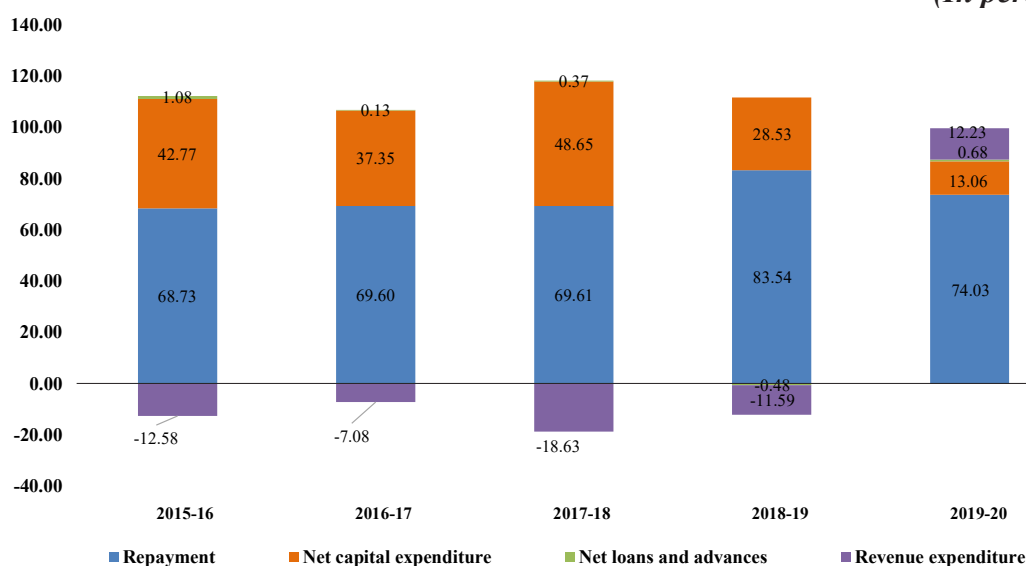
		(₹ in crore)				
Year		2015-16	2016-17	2017-18	2018-19	2019-20
Total Borrowings	2	56,030.22	72,845.19	59,412.45	73,806.02	94,193.12
Repayment of earlier borrowings (Principal) (percentage)	3	38,508.43	50,701.29	41,357.18	61,661.46	69,732.59
Net capital expenditure (Percentage)	4	23,966.02	27,208.40	28,906.95	21,058.25	12,303.90
Net loans and advances	5	602.73	90.56	220.90	(-354.84)	635.90
Portion of Revenue expenditure met out of net available borrowings	6= 2-3-4-5	(-)7,046.96	(-)5,155.06	(-)11,072.58	(-)8,558.85	11,520.73

(Source: Finance Accounts of the respective years)

From the above table, it can be seen that the state's total borrowings have been spent for repayment of earlier borrowings and capital expenditure but during 2019-20, an amount of ₹ 11,520.73 crore has been spent on revenue expenditure met out of net available borrowings.

Chart 2.17: Trends of Utilisation of borrowed funds

(In percentage)



(Source: Finance Accounts of the respective years)

From the above chart, it can be seen that more than 60 per cent of state debt is being spent for repayment of previous debts for the last five years. This leaves little room for utilization of borrowed funds capital expenditure, as the trend shows a reducing trend for Capex from borrowed funds. For the year 2019-20, 12.23 per cent has been utilised as revenue expenditure because of State's revenue deficit.

2.7.2 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 State Governments have come out with legislations or instructions with regard to the cap on the guarantees. For instance, in some States, the Government guarantees are to be restricted to a certain percentage of the State's Tax and Non-Tax Revenue of the second preceding year. Guarantees given by the State Government are shown in **Table 2.36**.

Table 2.36: Guarantees given by the State Government

(₹ in crore)

Guarantees	2015-16	2016-17	2017-18	2018-19	2019-20
Ceiling applicable to the outstanding amount of guarantees including interest (Criteria)	9,763.37	13,459.21	20,581.52	21,181.52	21,181.52
Outstanding amount of guarantees including interest	4,838.64	4,637.62	5,271.70	5,501.86	5,484.56

(Source: Finance Accounts of the respective years)

The composition of the outstanding amount guaranteed was towards power (₹ 12,166.91 crore), co-operatives (₹ 1268.84 crore), irrigation (₹ 4.93 crore), road and transport (₹ 2,000.00 crore),

State Financial Corporation (₹ 183.57 crore), Urban development and housing (₹ 90.00 crore), other infrastructure (₹ 33.76 crore) and others (₹ 5,086.09 crore).

In order to enable PSUs to obtain financial assistance from banks and financial institutions, the State government gives a guarantee subject to limits prescribed by the Constitution of India for which a guarantee fee is charged. As per the resolution of GoB 7498 dated 5th of July, 1974 the PSUs are liable to pay a guarantee fee at 1/8 per cent annually on the guarantee amount of more than ₹ 10 lakh. There was no clause in the guarantee deed for the recovery of the guarantee fee. GoB also did not claim the guarantee fee from the PSUs. However, a guarantee fee amounting to ₹ 3.13 crore was received from only one company (Bihar State Food and Civil Supplies Corporation) in 2019-20.

2.7.3 Management of Cash Balances

As per an agreement with the Reserve Bank of India, State Governments have to maintain a minimum daily cash balance with the Bank. If the balance falls below the agreed minimum on any day, the deficiency is made good by taking ordinary Ways and Means Advances (WMA)/Special Ways and Means Advances (SWMA)/Overdrafts (OD) from time to time. The limit for ordinary WMA to the State Government is revised by the RBI from time to time.

State Government invests its surplus cash balance in short and long-term GoI Securities and Treasury Bills. The profits derived from such investments are credited as receipts under the head '0049-Interest Receipts'. The cash balances are invested in the Consolidated Sinking Fund Guarantee Redemption Fund as well.

It is not desirable that State Government take recourse to market loans despite having large cash balances leading to further accretion to cash balances without putting it to productive use. Details of Cash Balances and their investment and Cash Balance Investment Accounts are shown in Table 2.37 and 2.38 respectively.

Table 2.37: Cash Balances and their investment

(₹ in crore)

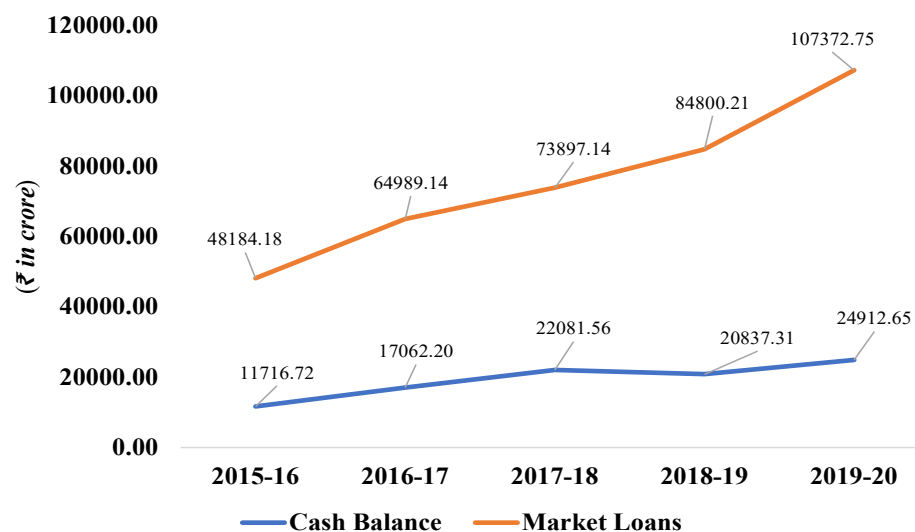
	Opening balance on 1 April 2019	Closing balance on 31 March 2020
A. General Cash Balance		
Cash in treasuries	-	-
Deposits with Reserve Bank of India	157.12	588.07
Deposits with other Banks	-	-
Remittances in transit – Local	-	-
Investments held in Cash Balance investment account	14,791.80	17,588.74
Total (A)	14,948.92	18,176.81
B. Other Cash Balances and Investments		
Cash with departmental officers viz., Public Works, Forest Officers	234.65	234.65
Permanent advances for contingent expenditure with department officers	758.52	760.97
Investment in earmarked funds	4,895.22	5,740.22
Total (B)	5,888.39	6,735.84
Total (A + B)	20,837.31	24,912.65
Interest realised	909.08	938.84

(Source: Finance Accounts for the year 2019-20)

Table 2.38: Cash Balance Investment Account (Major Head-8673)(*₹ in crore*)

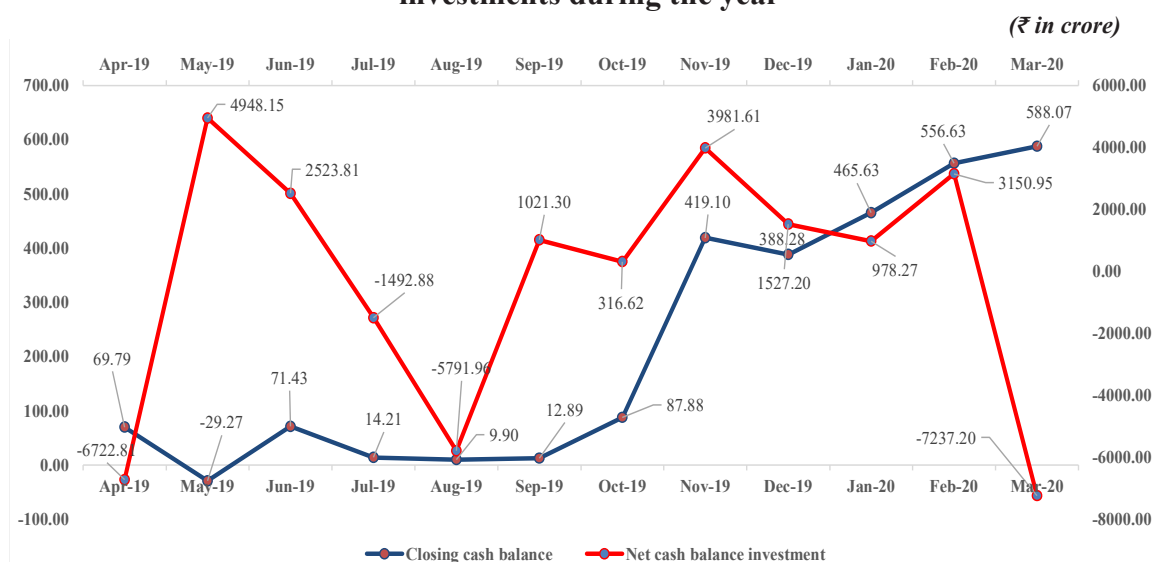
Year	Opening Balance	Closing Balance	Increase (+) / decrease (-)	Interest earned
2015-16	3,528.80	8,199.24	4,670.44	453.33
2016-17	8,199.24	13,001.71	4,802.47	804.44
2017-18	13,001.71	17,395.63	4,393.92	799.82
2018-19	17,395.63	14,791.80	(-)2,603.83	909.08
2019-20	14,791.80	17,588.74	2,796.94	938.84

(Source: Finance Accounts of the respective years)

Chart 2.18: Market loans vis-à-vis Cash Balance

(Source: Finance Accounts of the respective years)

The Government took recourse to market loans despite having the closing balance of ₹ 17,588.74 crore in the Cash Balance investment account whereas the net market loan for this year is ₹ 22,572.54 crore. It is worth mentioning that the amount of Cash Balance Investment Account is cumulative.

Chart 2.19: Month wise movement of Cash Balances and net cash balance investments during the year

(Source: Monthly Civil Accounts for the year 2019-20)

The chart above shows that the cash balances in the second half of the year are higher than the first half owing to the majority of funds from GoI (73 per cent) coming in this period. Further, the same period also shows that State has been debiting the cash balance investment accounts in this period owing to surplus cash.

2.8 Conclusion and recommendations

Deficit indicators, revenue augmentation and expenditure management are major yardsticks for judging the fiscal performance of the Government.

Positive indicators	Negative indicators
Fiscal Deficit was well within the limit of the State's FRBM Act.	Revenue receipts of the State decreased
The State's own resources (tax and non-tax revenue) has slightly increased.	Decreasing percentage of capital expenditure to the total expenditure
Grants-in-aid from the Government of India has increased.	Increasing committed expenditure
Investment in sinking fund investment account has been increased.	Increasing debt to GSDP ratio beyond FRBM Act ceiling.
	Worsening debt sustainability indicators
	Non-creation of Guarantee Redemption Fund.

Recommendations

The Finance Department should review

- The budget preparation exercise, so that the persisting gap between budget estimates and actual may be bridged.
- Devise a mechanism to ensure that arrears of revenue can be collected expeditiously so that the burden of the State on fiscal deficit may be mitigated.
- To ensure that employee's deductions are fully deducted, fully matched by government contributions, and fully transferred to NSDL in a timely manner.
- A mechanism to ensure timely completion of projects. The revised estimates of all the incomplete projects should be prepared and approved on priority so as to have a realistic assessment of the funds required to complete these projects.
- Investment in entities whose financial performance does not even meet the borrowing cost of capital, no investment should be made or loans extended to entities whose accounts were in arrears.
- All reserve funds which have had no transactions for the past several years should be closed.
- To constrain its interest payment to make achieving the budgeted fiscal deficit target.

CHAPTER III
BUDGETARY MANAGEMENT

3.1 Introduction

This chapter reviews the integrity, transparency, and effectiveness of the budgetary process and allocative priorities, including supplementary grants, and the concomitant financial management, assessing whether decisions taken at the policy level are implemented at the administrative level without the diversion of funds. It is based on the audit of Appropriation Accounts and gives a grant-wise description of appropriations and the manner in which the allocated resources were managed by the service delivery Departments.

3.1.1 Budget Process

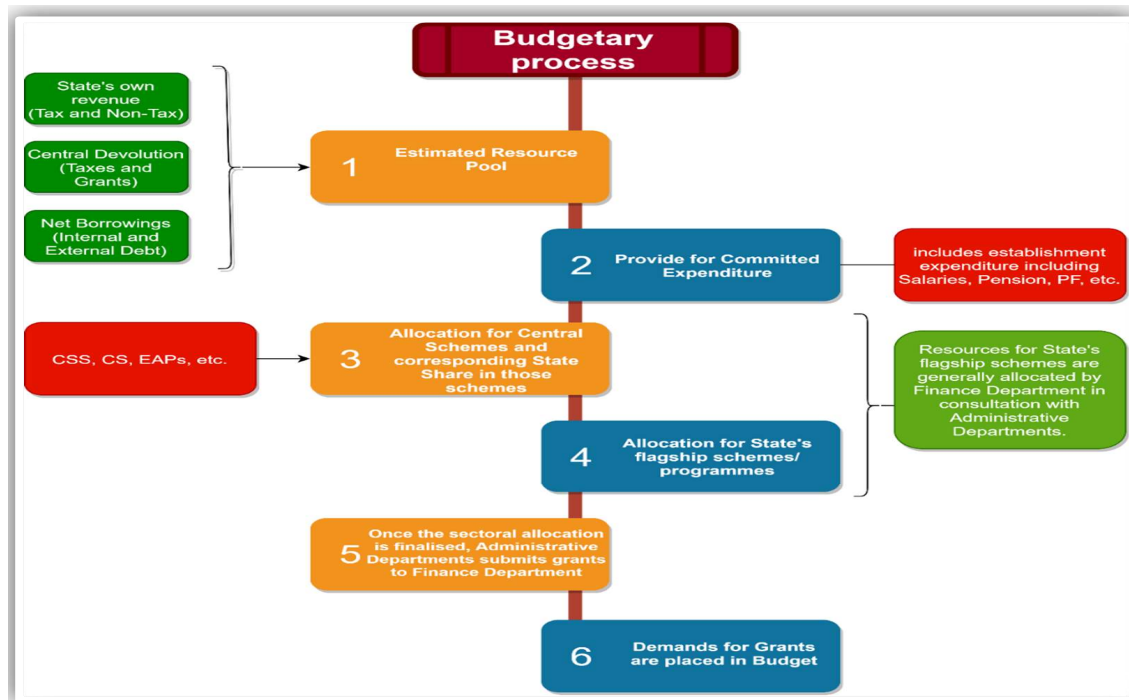
The annual exercise of budgeting is a means for detailing the roadmap for efficient use of public resources. The Budget process commences with the issuance of the Budget Circular by the Finance Department containing instructions to be followed by all Departments in the preparation of revised estimates for the current year and the Budget Estimates for the next financial year, normally in August-September each year.

GoB has initiated a project for seamless integration of all financial activities in the form of Comprehensive Financial Management System (CFMS) from 01 April-2019 which replaces the present Comprehensive Treasury Management Information System (CTMIS). Budget Preparation is one of the sub-modules of Budget Management under CFMS.

Legislative authorisation is the *sine qua non* for the incurrence of all expenditure by the State Government. The State Government has framed financial rules and provided for delegation of financial powers for the incurrence of expenditure and the levels authorised to sanction such expenditure together with restrictions on appropriation and re-appropriations. Apart from supplementary grants, Re-appropriation can also be used to re-allocate funds within a Grant.

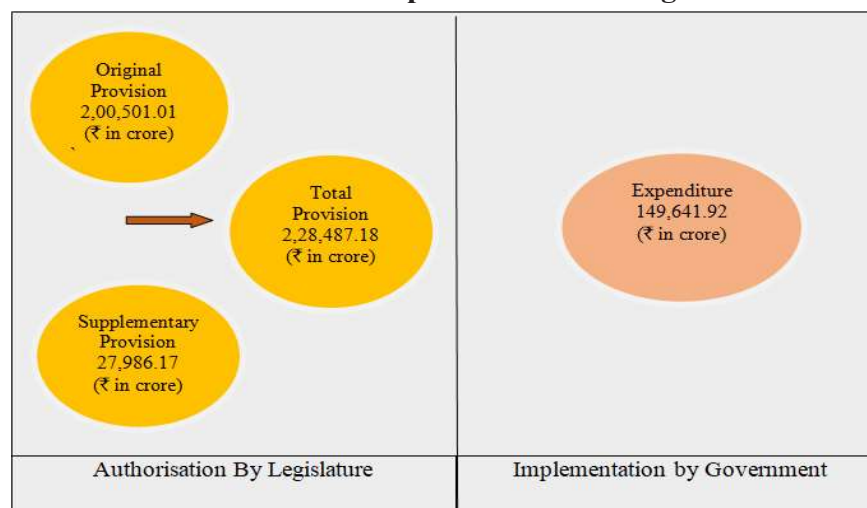
A typical budget preparation process in a State is given in Chart 3.1:

Chart 3.1: Budgetary Process



The various components of the budget are depicted in the chart below:

Chart 3.2: Components of the budget



The supplementary provision was completely unnecessary in many grants as the expenditure was not even upto the level of original provision (details are discussed in **para 3.4**).

3.1.2 Summary of total provisions, actual disbursements and savings during the financial year

A summarised position of total budget provision, disbursement, and saving/ excess with its further bifurcation into voted and charged is as under.

Table 3.1: Budget provision, disbursement and saving/excess during 2019-20

(₹ in crore)

	Total Budget Provision		Disbursements		Saving/Excess	
	Voted	Charged	Voted	Charged	Voted	Charged
Revenue	1,65,461.84	12,190.51	1,15,075.82	12,025.85	50,386.02	164.66 ¹⁴
Capital	43,167.30	7,667.53	15,430.42	7,109.83	27,736.88	557.70
Total	2,08,629.14	19,858.04	1,30,506.24	19,135.68	78,122.90	722.36

(Source: Appropriation Accounts of the year 2019-20)

3.1.3 Charged and voted disbursements

Break-up of total disbursement into charged and voted during the last five years (2015-20) is depicted in Table 3.2.

Table 3.2: Charged and Voted Expenditure during 2015-16 to 2019-20

(₹ in crore)

Year	Disbursements		Saving/Excess	
	Voted	Charged	Voted	Charged
2015-16	1,01,450.02	11,848.75	34,905.20	227.61
2016-17	1,14,849.67	13,148.65	40,976.08	377.23
2017-18	1,26,263.69	14,683.63	45,757.76	638.90
2018-19	1,42,022.59	18,294.88	48,352.56	819.60
2019-20	1,30,506.24	19,135.68	78,122.90	722.36

(Source: Appropriation Accounts for respective years)

¹⁴ Includes the Excess Expenditure of ₹ 2.30 crore in Grant no 32.

3.2 Appropriation Accounts

Appropriation Accounts depict the original budget provision, 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 in respect of both Charged and Voted items of the budget. Appropriation Accounts thus facilitate understanding the utilisation of funds, the management of finances, and monitoring of budgetary provisions.

Audit of appropriations by the CAG seeks to ascertain whether the expenditure actually incurred under various grants is in accordance with the authorisation given under the Appropriation Act and that the expenditure required to be charged under the provisions of the Constitution (Article 202) is so charged. It also ascertains whether the expenditure incurred is in conformity with the laws, relevant rules, regulations, and instructions.

3.3 Comments on the integrity of Budgetary and accounting process

Budget integrity means public funds are to be spent properly and according to the interest of the public. The budget must be credible and the information contained in the fiscal and financial report must be reliable. Budget integrity and accountability would ultimately depend on the capacity of the department to program the expenditure realistically, implement their programmes and schemes timely and efficiently. By improving the capacity of the department to produce accurate and timely budget reports, the Government would improve budget integrity and strengthen accountability in the use of public funds.

3.3.1 Expenditure incurred without the authority of law

No money is to be withdrawn from the Consolidated Fund of the State except under appropriation made by law passed in accordance with the provisions of the article 204 of the Constitution of India. Expenditure on a new scheme should not be incurred on a scheme/service without provision of funds except after obtaining additional funds by re-appropriation, supplementary grant, appropriation, or an advance from the Contingency Fund of the State. Details of expenditure without budget provision are depicted in **Table 3.3**.

Table 3.3: Details of Expenditure without Budget Provision

(₹ in lakh)

Sl. No	Grant No	Description of Accounts	Expenditure
1.	17	2040-00-101-0001-District Charges	1.63
2.	20	2211-00-001-0104-Health and Medical Education in Human Resources	3.61
3.	22	2055-00-111-0001-Drive against Ticketless Travelers	2.71
4.		2055-00-800-0001-Expenditure on Deputation of Para Military Force	0.45
5.		2055-00-800-0004-Expenditure on security in Terrorism affected Areas (Recoupment by Central Government)	0.06
6.	48	2217-80-800-0125-e-Governance/Urban Reforms Programmes and equivalent programme thereof	4.80
7.	51	2236-02-101-Scheme for distribution of nutritious food to pregnant women, children, and nursing mother	5.32
Total			18.58

(Source: Detailed Appropriation Accounts for the year 2019-20)

These expenditures incurred without any original/supplementary budgetary provision, lead to breach of the constitutional provision. Reply awaited (May 2021).

3.3.2 Misclassification of Revenue Expenditure as Capital Expenditure and vice versa

Capital Expenditure is broadly the expenditure incurred with the objective of creating/acquiring/increasing concrete assets of a material and permanent character or reducing permanent liabilities. All other expenditure incurred for the running of the entity including the establishment and administrative expenditure and for maintenance of its assets is classified as Revenue Expenditure. During 2019-20, there was an expenditure of ₹ 50.45 crore incurred on the establishment, and administrative heads which was classified as Capital expenditure. Details are depicted in **Table 3.4**.

Table: 3.4 Misclassification of Revenue expenditure as Capital expenditure

(₹ in crore)

Sr. No.	Type of Misclassification	Amount
1.	Salary	42.49
2.	Commercial and Special Services	4.58
3.	Office expenses	2.58
4.	Traveling expenses	0.10
5.	Other Administrative Expenses	0.32
6.	Dress and Uniform	0.06
7.	Rent Rate and taxes	0.26
8.	Medical Reimbursement	0.06
	Total	50.45

(Source: Finance Account 2019-20)

Misclassification of the revenue expenditure as capital expenditure resulted in the overstatement of capital expenditure.

3.3.3 Unnecessary or excessive supplementary grants

When such additional expenditure is found to be inevitable and there is no possibility of effecting savings within the Grant to cover the excess by Re-Appropriation, the Secretary in the Department concerned proposes to the Finance Department for Supplementary or Additional Grant or Appropriation.

During 2019-20, in 51 cases (39 grants/appropriations), supplementary provisions amounting to ₹ 21,084.50 crore (₹ 1 crore or more in each case) proved unnecessary and remained cent *per cent* unutilised as the expenditure (₹ 1,14,219.75 crore) had not even reached up to the level of the original provision (₹ 1,62,210.58 crore) as detailed in **Appendix 3.1**.

However, there were seven significant cases where supplementary provision of ₹ 15,070.29 crore (1,000 crore and above in each case) which proved unnecessary as evident from the table below.

Table 3.5: Cases where supplementary provisions (₹ 1,000 Crore or more in each case) proved unnecessary

(₹ in crore)

Sl. No.	Number and Name of the Grant	Original Provision	Supplementary Provision	Expenditure	Savings out of Original Provision
	Revenue (Voted)				
1.	16- Panchayati Raj Department	11,956.31	1,420.04	8,689.62	3,266.69
2.	20- Health Department	7,693.06	1,590.75	6,960.84	732.22
3.	21- Education Department	34,027.21	3,033.56	25,958.41	8,068.80

Sl. No.	Number and Name of the Grant	Original Provision	Supplementary Provision	Expenditure	Savings out of Original Provision
4.	39-Disaster management Department	4,314.76	3,037.12	3,621.18	693.58
5.	42- Rural Development Department	15,639.03	2,924.05	9,692.46	5,946.57
6.	48- Urban Development and Housing Department	5,148.79	1,086.25	2,984.53	2,164.26
(A)	Total for Revenue (Voted)	78,779.16	13,091.77	57,907.04	20,872.12
	Capital (Voted)				
7.	49-Water Resources Department	2,529.66	1,978.52	954.33	1,575.33
(B)	Total Capital (Voted)	2,529.66	1,978.52	954.33	1,575.33
	Grand Total	81,308.82	15,070.29	58,861.37	22,447.45

(Source: Appropriation Accounts for the year 2019-20)

In absence of adequate justification, Supplementary Grants were obtained despite savings against Original Grants. Thus, other departments could not avail funds for incomplete schemes.

3.3.4 Unnecessary and Excessive re-appropriation

Re-appropriation of ₹ 202.73 crore under 30 grants/appropriations involving 67 detailed heads proved unnecessary as ₹ 143.33 crore was surrendered and the final savings were ₹ 880.95 crore (*Appendix 3.2*).

It was also seen that ₹ 1,008 crore provided through re-appropriation in eight grants/appropriations involving 16 detailed heads, proved excessive in view of savings (more than 50 lakh in each case) of ₹ 324.49 crore (*Appendix 3.3*). This indicates injudicious re-appropriation without assessing actual requirements.

In 59 cases under 15 grants/appropriations out of 51 grants, an amount of ₹ 106.67 crore was re-appropriated for which re-appropriation orders were issued on 31 March 2020 as depicted in *Appendix 3.4*. The re-appropriation without a specific reason for it indicates an inadequate expenditure control mechanism.

Augmentation of provision through re-appropriation orders proved unnecessary/excessive because expenditure did not come up to the level of original/supplementary budget provision.

3.3.5 Unspent amount and surrendered appropriations and/or Large Savings/Surrender

The Administrative and Finance Departments should in checking the estimates, apply unrelentingly the proven and well-tried check of the average of previous actuals with known or reasonably foreseeable facts, which may modify that average.

During 2019-20, there were 51 cases of savings under voted and charged expenditure related to 49 grants, each exceeding ₹ 100 crore and above, amounting to ₹ 77,502.41 crore (37.49 per cent of total provisions of ₹ 2,06,717.97 crore) as detailed in *Appendix 3.5*.

Further, there were significant variations (20 per cent and above in each case) between the total grant/appropriation and expenditure incurred leading to savings of ₹ 72,976.16 crore under 42 grants/ appropriations, the reasons for which have not been appropriately explained in the Appropriation Accounts as detailed in *Appendix 3.6*.

Scrutiny of savings of ₹ 100 crore and above in each grant/appropriation during the last five years revealed that in 29 cases involving 26 grants, there were persistent total savings of ₹ 29,680.66 crore and above during each of the five years as detailed in **Appendix 3.7**. Persistent saving indicates that the budget allocation was made without considering the previous year's expenditure. Budget utilisations less than 50 per cent in 2019-20 are depicted in **Table 3.6**.

Table 3.6: Grants/Appropriations with Budget utilisation less than 50 per cent (in 2019-20)

(₹ in crore)

Sl. No.	Grant No.	2015-16	2016-17	2017-18	2018-19	2019-20	Number of Years*	Budget 2019-20
1.	3	59.06	50.78	51.50	72.75	29.78	1	5,988.35
2.	4	71.54	78.95	60.02	62.03	49.19	1	618.89
3.	5	76.99	78.57	70.42	84.69	4.31	1	30.89
4.	9	67.16	66.55	78.62	62.61	25.77	1	2,302.61
5.	23	71.77	77.53	73.35	85.01	46.78	1	930.47
6.	30	90.25	87.52	50.68	57.59	48.98	1	510.22
7.	37	84.45	94.55	68.71	34.37	29.41	2	12,067.97
8.	39	14.09	32.90	65.60	34.07	49.22	4	7,357.68
9.	41	88.18	90.56	88.33	90.51	36.50	1	7,605.56
10.	46	67.98	19.34	83.84	43.72	16.23	3	314.74
11.	48	62.80	73.07	64.11	61.52	49.17	1	6,395.04
12.	49	87.62	74.95	69.74	94.17	31.97	1	5,669.12
13.	50	52.59	57.97	61.01	81.10	31.30	1	1,629.69

(Source: Appropriation Accounts of the respective years)

* Number of years with utilisation below 50 per cent

Out of these 13 Grants, there were three Grants having budget utilisation less than 50 per cent more than two or more times over the last five years. Main savings under Grant 37 (Rural Works Department) was mainly under capital schemes like Pradhan Mantri Gram Sadak Yojana, Mukhyamantri Gram Sampark Yojana, and Gramin Sampark Nischay Yojana. Savings under Grant 39 (Disaster Management Department) was under Revenue Schemes as Repairs and Restoration of damaged roads and bridges, Repairs of damaged irrigation system and flood control system and Agriculture input grant (for damaged crops). Grant 46 (Tourism Department) shows the savings under Capital Schemes as Development of Tourism Structures.

Scrutiny of amount surrendered at the end of March 2020 (₹ 100 crore and above in each case) revealed there was a surrender of ₹ 16,198.55 crore under 16 grants as depicted in **Table 3.7**. Supplementary provisions under 15 grants, proved unnecessary as the expenditure not even reached up to the level of the original provision indicating inaccurate estimation of funds.

Table 3.7: Details of surrender of funds in excess of ₹ 100 crore and above at the end of March 2020

(₹ in crore)

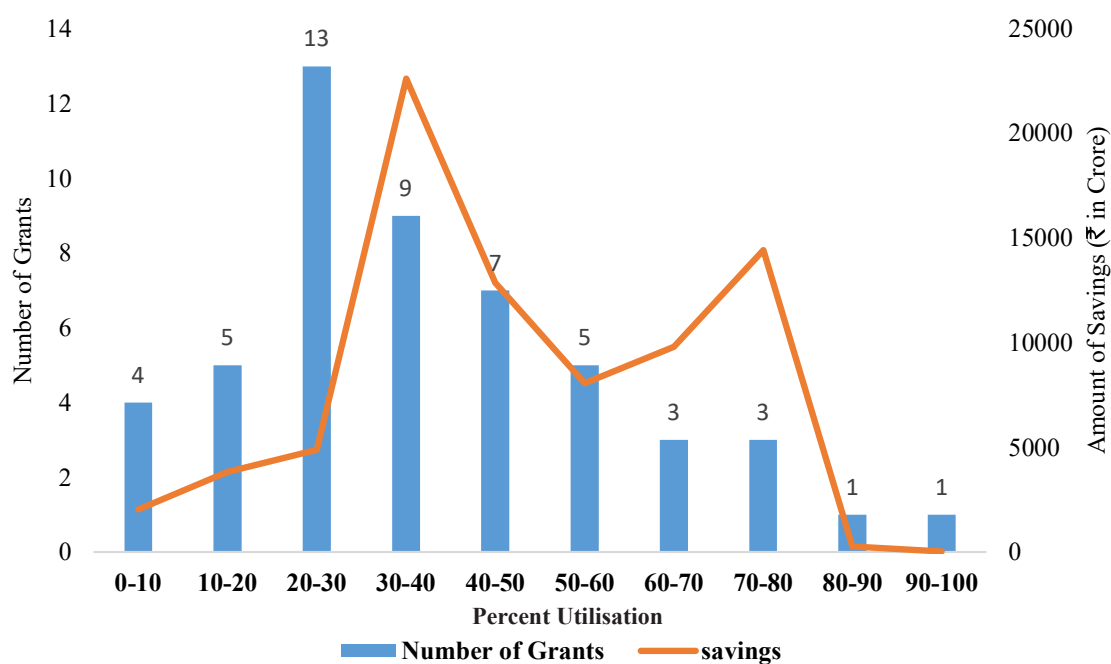
Sr. No.	Grant Number	Original Provision	Supplementary Provision	Total provision	Actual Expenditure	Savings	Amount Surrendered
1.	1	2,958.77	660.07	3,618.84	2,152.49	1,466.35	423.06
2.	3	5,375.06	613.29	5,988.35	1,783.34	4,205.01	250.00
3.	6	536.51	398.28	934.79	610.85	323.94	160.00
4.	9	1,997.71	304.90	2,302.61	593.29	1,709.32	139.35

Sr. No.	Grant Number	Original Provision	Supplementary Provision	Total provision	Actual Expenditure	Savings	Amount Surrendered
5.	12	2,049.96	80.07	2,130.03	1,645.52	484.51	245.90
6.	16	12,206.31	1,420.04	13,626.35	8,734.75	4,891.60	146.68
7.	21	34,798.69	3,425.98	38,224.67	26,084.00	12,140.67	1,413.94
8.	23	821.39	109.08	930.47	435.26	495.21	102.50
9.	35	2,488.95	67.15	2,556.10	1,372.42	1,183.68	151.86
10.	37	10,917.97	1,150.00	12,067.97	3,549.02	8,518.95	4,746.66
11.	39	4,320.56	3,037.12	7,357.68	3,621.18	3,736.50	1,594.41
12.	40	886.80	85.11	971.91	561.72	410.19	140.31
13.	41	7,005.56	600.00	7,605.56	2,776.07	4,829.49	1,487.78
14.	42	15,669.04	2,924.05	18,593.09	9,692.46	8,900.63	3,382.74
15.	49	3,652.30	2,016.82	5,669.12	1,812.40	3,856.72	306.47
16.	51	7,037.73	2,677.60	9,715.33	7,376.09	2,339.24	1,506.89
	Total	1,12,723.31	19,569.56	1,32,292.87	72,800.86	59,492.01	16,198.55

(Source: Appropriation Accounts for the year 2019-20)

The above table shows that out of 16 grants having surrender of more than 100 crore, despite having supplementary provisions, the original provisions were not utilised, making supplementary provisions fruitless. Further, in six grants the amount of surrender was even more than supplementary provisions. In addition, Grant Nos¹⁵ 3, 37, 41, and 49 show saving more than 70 per cent of their budget provisions is also the departments responsible mainly for incurring the capital expenditure. The Grant 49 pertaining to Water Resources Department has shown savings of 106 per cent of the original budget provisions.

Chart: - 3.3 Number of Grants/Appropriations grouped by the percentage of Savings along with their total savings of year 2019-20



(Source: Appropriation Accounts for the year 2019-20)

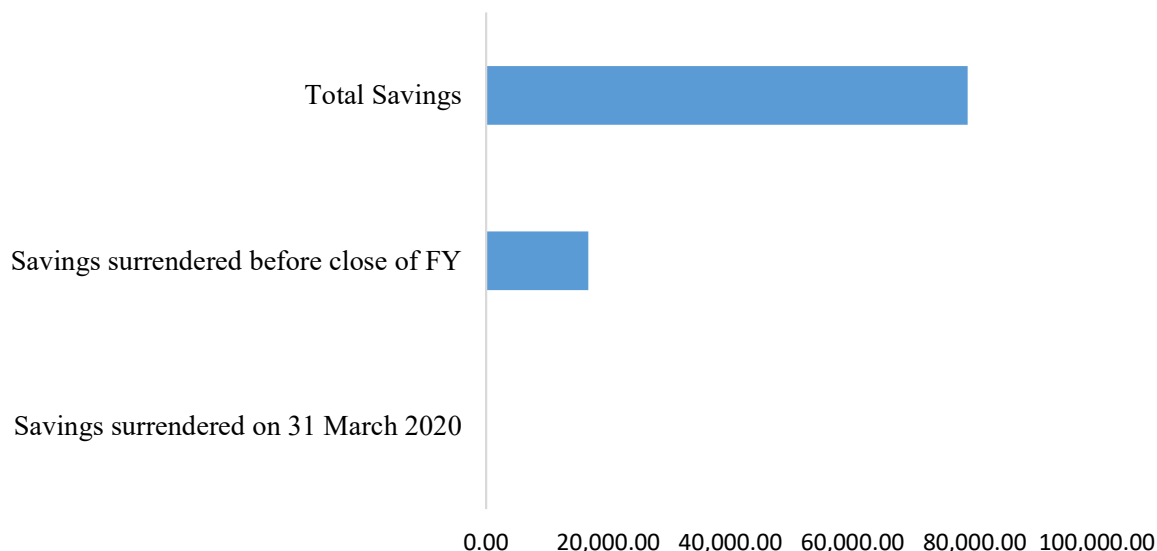
Above chart shows that 31 grants out of 51 grants have less than 40 per cent utilisation and only 2 Grants have utilisation more than 80 per cent of the budget provisions. Therefore, the

¹⁵ 3- Building Construction Department, 37- Rural Works Department, 41- Road Construction Department, 49 – Water Resources Departments

State should look into their budgeting methodology, as 60 per cent of the grants are not able to utilize even 40 per cent of their budget provisions.

Chart 3.4: Savings and surrenders before the close of financial year 2019-20

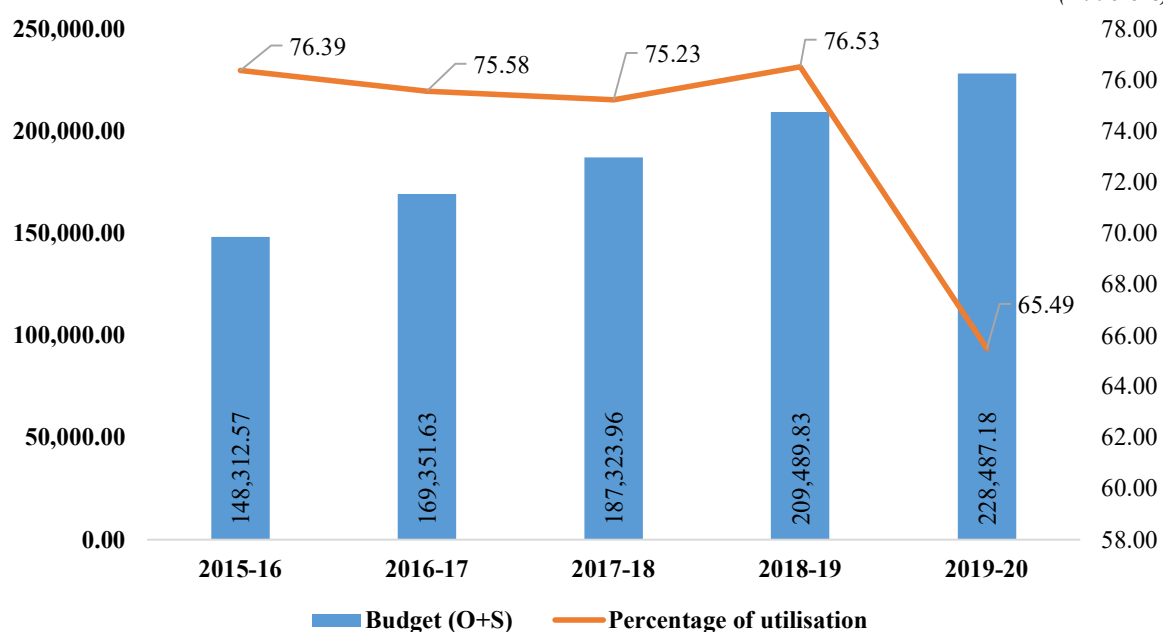
(₹ in crore)



(Source: Appropriation Accounts for the year 2019-20)

Chart 3.5: Budget Utilisation during 2015-16 to 2019-20

(₹ in crore)



(Source: Appropriation Accounts of respective years)

One of the reason for the significant savings under different Grants may be the late receipt of the funds from the Central Government, as the major part of central funds were received in October 2019 (55.91 per cent), February 2020 (17.08 per cent), and March 2020 (18.51 per cent).

Audit analysed that the reasons for excessive savings/surrenders are budgetary allocations based on unrealistic proposals, poor expenditure monitoring mechanism, weak scheme implementation capacities/ weak internal controls, and release of funds towards the end of the financial year. Excessive savings also deprives other Departments of the funds, which they could have utilised.

3.3.6 Excess expenditure and its regularisation

Article 205(1)(b) of the Constitution provides that if any money has been spent on any service during a financial year in excess of the amount granted for that service and for that year, the Governor shall cause to be presented to the Legislative Assembly of the State, demand for such excess. This implies that it is mandatory for a State Government to get excesses over grants/appropriations regularised by the State Legislature for the Financial Year.

Although no time limit for regularisation of excess expenditure has been prescribed under the Article, the regularisation of excess expenditure is done after the completion of discussion of the Appropriation Accounts by the Public Accounts Committee. Failure to do so is in contravention of constitutional provisions and defeats the objective of ensuring accountability by the Legislature of the executive over utilisation of public money.

3.3.6.1 Excess expenditure relating to FY for which Report Proposed

Excess expenditure over the provision for the year is a contravention of the provisions requiring Legislative sanction, which could be avoided by keeping track of expenditure progression with the budget made for the purpose.

During audit of Appropriation Accounts of the year 2019-20 it was noticed that there was an excess expenditure of ₹ 2.30 crore in Grant 32- Legislature, under Revenue (charged) section as depicted in **Table 3.8** below.

Table 3.8: Excess disbursements over grants/appropriations during the financial year
(₹ in crore)

		Grant No. and Name	Total Grant	Expenditure	Excess
Charged	Revenue	32- Legislature	1.16	3.46	2.30

(Source: Appropriation Accounts for the year 2019-20)

The reason for the final excess has not been intimated (January 2021).

3.3.6.2 Regularisation of excess expenditure of the previous financial year

During scrutiny, it was noticed that 10 cases of excess expenditure pertaining to the period 1987-88 to 1996-97 under Animal Husbandary department amounting ₹ 657.98 crore were *sub-judice* and one case of 1989-90 under Health Department amounting ₹ 0.35 crore was recommended for regularisation on 04 February 2021.

Excess expenditure relating to previous years (2015-20) was examined and it was noticed that in one case of 2015-16 under the Planning and Development Department excess expenditure amounting ₹ 119.01 crore was regularised (13 April 2018).

Table 3.9: Expenditure relating to previous years requiring regularisation(*₹ in crore*)

Year	Grant/Appropriation details	Amount of excess required to be regularised as commented in the Appropriation Accounts	Status of regularisation
1987-88	Animal Husbandry	6.92	Matter is sub-judice
1988-89		6.13	
1989-90		8.65	
1990-91		29.29	
1991-92		70.72	
1992-93		87.77	
1993-94		125.03	
1994-95		170.61	
1995-96		146.49	
1996-97		6.37	
Total		657.98	

(Source: Information furnished by PAC section of O/o Accountant General (Audit), Bihar)

3.4 Budget projection and the gap between expectation and actual

Efficient management of tax administration/other receipts and public expenditure holds the balance for the achievement of various fiscal indicators. Summarised position of Actual Expenditure vis-à-vis Budget (Original/ Supplementary) provisions during the financial year 2019-20 are depicted in **Table 3.10**.

Table 3.10: Summarised position of Actual Expenditure vis-à-vis Budget (Original/ Supplementary) provisions during the financial year 2019-20(*₹ in crore*)

Nature of Expenditure	Original Grant/ Appropriation	Supplementary Grant/ Appropriation	Total Grant/ Appropriation	Actual Expenditure	Savings	Amount surrendered	Amount surrendered in March 2020	Percentage of savings surrendered in March 2020 (Col.8/Col.6*100)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Voted								
I-Revenue	1,43,374.97	22,086.87	1,65,461.84	1,15,075.82	50,386.02	9,416.97	719.63	1.42
II-Capital	36,592.62	4,955.17	41,574.79	14,764.12	26,783.67	7,068.30	1,302.54	4.86
III-Loans and Advances	1,441.81	177.70	1,619.51	666.30	953.21	228.40	0	0
Total Voted	1,81,409.40	27,219.74	2,08,629.14	1,30,506.24	78,122.90	16,713.67	2,022.17	2.59
Charged								
IV-Revenue	11,855.68	334.83	12,190.51	12,025.85	164.66	0	0	0
V-Capital	0	0	0	0	0	0	0	0
VI-Public Debt- Repayment	7,235.93	431.60	7,667.53	7,109.83	557.70	0	0	0
Total Charged	19,091.61	766.43	19,858.04	19,135.68	722.36	0	0	0
Grand Total	2,00,501.01	27,986.17	2,28,487.18	1,49,641.92	78,845.26	16,713.67	2,022.17	2.56

Note: The expenditure includes recoveries/refund of revenue expenditure amounting to ₹ 1,085.01 crore and recoveries of capital expenditure amounting to ₹ 2,460.21 crore adjusted as reduction of expenditure.

(Source: Appropriation Accounts for the year 2019-20)

As evident from the table above, the expenditure incurred during the year was only ₹ 1,49,641.92 crore (65.49 per cent) against the total provision of ₹ 2,28,487.18 crore. This shows that the supplementary provision of ₹ 27,986.17 crore was avoidable since the expenditure did not even reach the level of the original provision (₹ 2,00,501.01). Overall savings of ₹ 78,845.26 crore resulted from savings of ₹ 50,550.68 crore in 46 grants and eight Appropriations under Revenue section and savings of ₹ 27,994.58 crore in 35 grants

under Capital section including seven grants under Loans and Advances and one grant under Public Debt Repayments.

Out of total savings of ₹ 78,845.26 crore, only 21.20 *per cent* was surrendered (₹ 16,713.67 crore) during the year resulting in non-surrender of savings aggregating to ₹ 62,131.59 crore (78.80 *per cent* of total savings). Total saving was 281.73 *per cent* more than the supplementary provision. Trends in the percentage of overall savings and excess against the overall provision in the budget are shown in **Table 3.11**.

Table 3.11: Original Budget, Revised Estimate and Actual Expenditure during 2015-20
(₹ in crore)

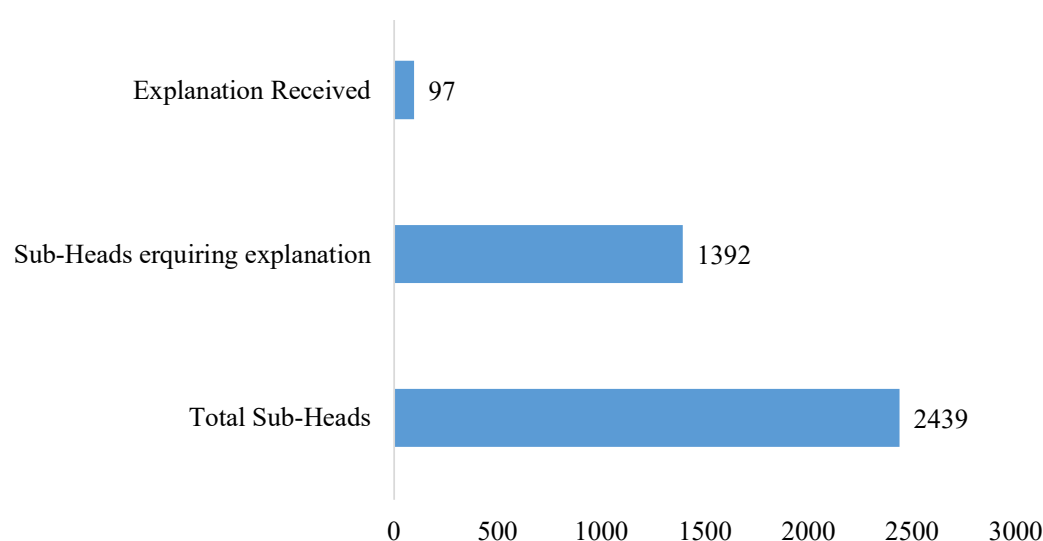
	2015-16	2016-17	2017-18	2018-19	2019-20
Original Budget	1,20,585.34	1,44,696.29	1,60,085.70	176,990.27	2,00,501.01
Supplementary Budget	27,627.23	24,655.30	27,258.26	32,499.56	27,986.17
(% of Original Budget)	(22.91)	(17.04)	(17.03)	(18.36)	(13.96)
Revised Estimate	1,32,849.48	1,54,327.47	1,72,884.28	1,90,918.72	2,17,759.54
Actual Expenditure	1,13,298.77	1,27,998.32	1,40,947.31	1,60,317.66	1,49,641.92
Saving /excess	35,013.80	41,353.31	46,396.66	49,172.17	78,845.26
Percentage of Saving	23.62	24.42	24.77	23.47	34.51

(Source: Appropriation Accounts and Budget documents GoB of respective years)

Trend analysis revealed that overall savings ranged from 23.47 *per cent* to 34.51 *per cent* during the last five years in respect of appropriation, which is significant. This indicates inaccurate estimation of funds and failure of the Finance Department to ensure effective budgetary control.

Further, there were cases of cent *per cent* non-utilisation of the entire provision of ₹ 9,419.90 crore in 498 detailed head of accounts under 46 grants/ appropriations. Out of these cases, the total provision of ₹ 8,606.35 crore in 87 cases under 31 grants/ appropriations was unutilised (₹ 10 crore and above in each case) as detailed in **Appendix 3.8**. Non-utilisation of funds indicated that either the budgeting was done without due prudence or there were serious slippages in programme implementation. Status of explanations received in case of variations in Appropriation Accounts requiring explanation is depicted in chart 3.6.

Chart 3.6: Summary of Explanation for Variation in Appropriation Accounts



(Source: Appropriation Accounts for the year 2019-20)

3.4.1 Supplementary budget and opportunity cost

At times, while obtaining supplementary provision, the Departments report to legislature, large additional requirements for different purposes under various schemes/activities; but finally they are unable to spend even the original budget provision rendering the entire supplementary provision or parts thereof unnecessary. As a result, the unutilised funds could not be used by other needy departments. Sometimes, some of the schemes remained incomplete due to want of funds.

During 2019-20 it was observed that 143 incomplete projects, as mentioned in Appendix IX of Finance Accounts, were to be completed during the year. Against the estimated cost of ₹ 3,396.64 crore, the expenditure of only ₹ 1,000.85 crore was made upto March 2020. Details of Incomplete Projects, which were due for completion during 2019-20, are given Table 3.12.

Table 3.12: Details of Incomplete Projects during 2019-20

(₹ in crore)

Sl. No	Name of Scheme/Project (having estimated cost of ₹ 100 crore or more)	Scheduled date of completion	Estimated cost of scheme/project	Expenditure during 2019-20	Expenditure as of 31 March 2020	Pending Payments
1	Residual work for construction of Mandai Weir, Afflux Bund, Guide Bundh Head Regulator its Distribution System in Jehanabad District	2019-20	232.84	2.85	30.10	82.44
2	Western Gandak Canal System Bihar (Saran Main Canal and its Distribution System), Bihar (New Major ERM) Group-02 (Old Group-07) in Saran District	2019-20	201.52	0.54	6.42	0 ¹⁶
	Total		434.36	3.39	36.52	82.44

(Source: Finance Accounts for the year 2019-20)

The intended benefit of the unfinished schemes could not be extended to the public at a large. Further, this leads to escalation of the project cost.

3.4.2 Major policy pronouncements in budget and their actual funding for ensuring implementation

During the financial year 2019-20, the State Government has made several major policy pronouncements in the budget regarding social welfare and other schemes under various departments. 13 out of 44 Departments have replied on this issue.

The audit observed that there were some major policy initiatives taken during the budget process but were not executed due to revision in estimation or no expenditure was made which are given in the table below.

¹⁶ Data not made available by the department.

Table 3.13: Policies for which provisions were made but were withdrawn in the revised estimation

(₹ in crore)

Sl. No.	Name of Department	Name of scheme	Budget estimation	Revised estimation
1.	Minority Welfare Department	Coaching for minorities students for preparation of competitive examination of Public Service Commission	5.00	0.00
2.		Training of minority artisan and literate youth work man (Mukhya Mantri)	5.00	0.00
3.		Multi Sectoral Development Programme (Merit-cum-Means, Pre Matric and Post Matric scholarship)	1.00	0.00

(Source: Data received from the department)

Table 3.14: Policies for which provision were made but no expenditure was incurred.

(₹ in crore)

Sl. No.	Name of Department	Name of scheme	Budget estimation	Revised estimation	Expenditure
1.	Minority Welfare	Maintenance and protection of Wakf properties	5.00	1.00	0.00
2.		Bihar State Madarsa Strengthening Scheme	40.00	22.50	0.00
3.		Minority Residential School	12.00	9.00	0.00
4.	Rural Works	Pradhanmantri Gram Sadak Yojna	1200.00	400.00	0.00

(Source: Data received from the departments)

This deprives the beneficiaries of intended benefits. Savings in such schemes deprive other departments of the funds, which they could have utilised.

3.4.3 Financial power being flouted –in relation to re-appropriation

Scrutiny of data related to Re-appropriation during 2019-20, revealed that expenditure of ₹ 0.90 crore under five grants incurred using Re-appropriation on an object for which no provision exists in the budget where Re-appropriation orders sanctioned from the Finance Department. In 24 cases under 12 grants amounting to ₹ 148.73 crore, Re-appropriation were made from supplementary grants, which was voted for a definite purpose defeating the objective of supplementary grant. During the audit of the Grant Audit Register, neither any case was found where Re-appropriation was made which involves the undertaking of liability, which is likely to be extended beyond the financial year nor there any deviation from the prescribed format of Re-appropriation.

Permissible Re-appropriations within the Grant or Appropriations of a year should be sanctioned at any time within the year but not after the expiry of the year. There were three cases under two Grants in which Re-appropriation were made after 31 March 2020 as depicted in Table 3.15.

Table 3.15: Re-appropriation made after 31 March 2020

(₹ in crore)

Sl. No.	Grant No. and name	letter no. and date of Department		Date of receipt in Finance Department	letter no. and date of approval by Finance Department		Amount
		Letter no.	Date		Letter no.	Date	
1.	1- Agriculture department	1326	28.04.2020		433	31.03.2020	0.10
2.	2- Animal and	1092	24.03.2020	20.04.2020	454	31.03.2020	1.20
3.	Fisheries Resource department	1093			455	31.03.2020	0.06
Total							1.36

(Source: Re-appropriation letters from the departments)

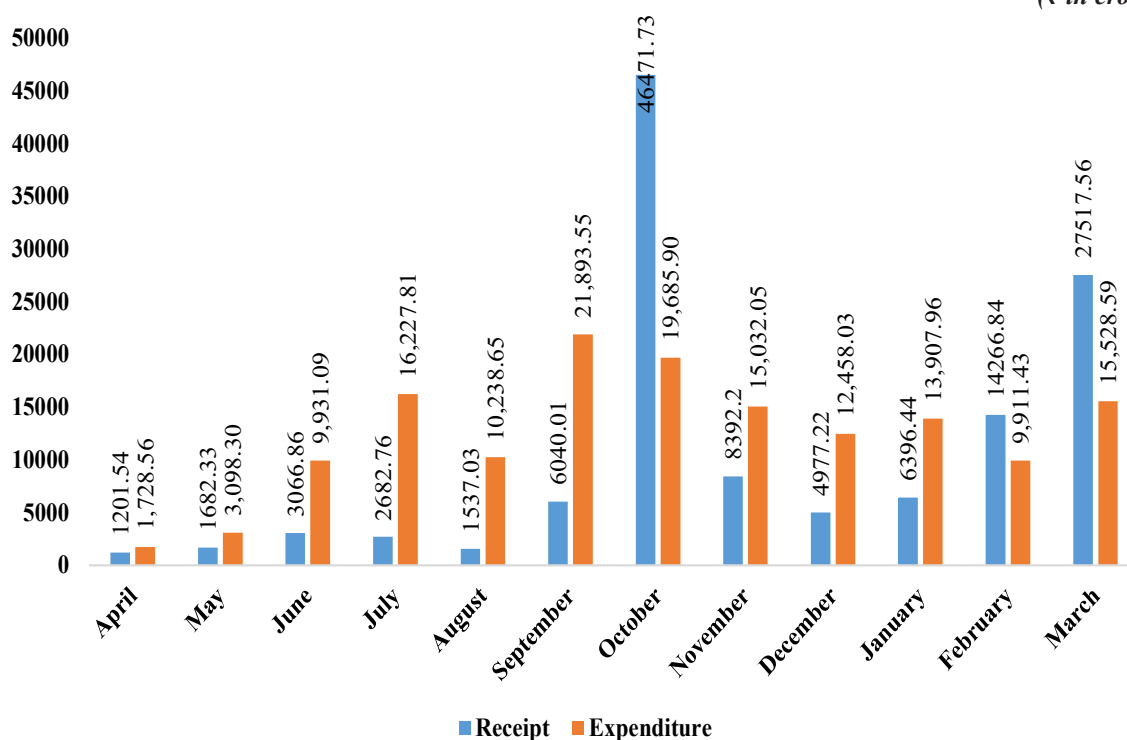
3.4.4 Rush of Expenditure

The BBM stipulates that late allotments should be avoided unless they are inevitable. Funds placed at the disposal of a Disbursing Officer late in the year are very often an invitation to extravagance or rush of expenditure. Uniform flow of expenditure is essential to ensure that the primary requirement of budgetary control is maintained.

Scrutiny of expenditure during the last quarter of the year and in the month of March 2020 revealed that in nine Departments, expenditure (₹ 4,890.92 crore) incurred during the last quarter was 61.17 per cent of total expenditure (₹ 7,995.88 crore) during the year and expenditure incurred (₹ 4,172.75 crore) in the month of March 2020 was 52.19 per cent of total expenditure as detailed in **Appendix 3.9**. There were cases of expenditure of the entire provision of ₹ 1,020.75 crore in the month of March 2020 under 30 detailed heads under 13 grants as detailed in **Appendix 3.10**. Month wise trend of receipts and expenditure for the financial year is shown in **chart 3.7**.

Chart 3.7: Monthly Receipts and Expenditure during the FY for the State

(₹ in crore)

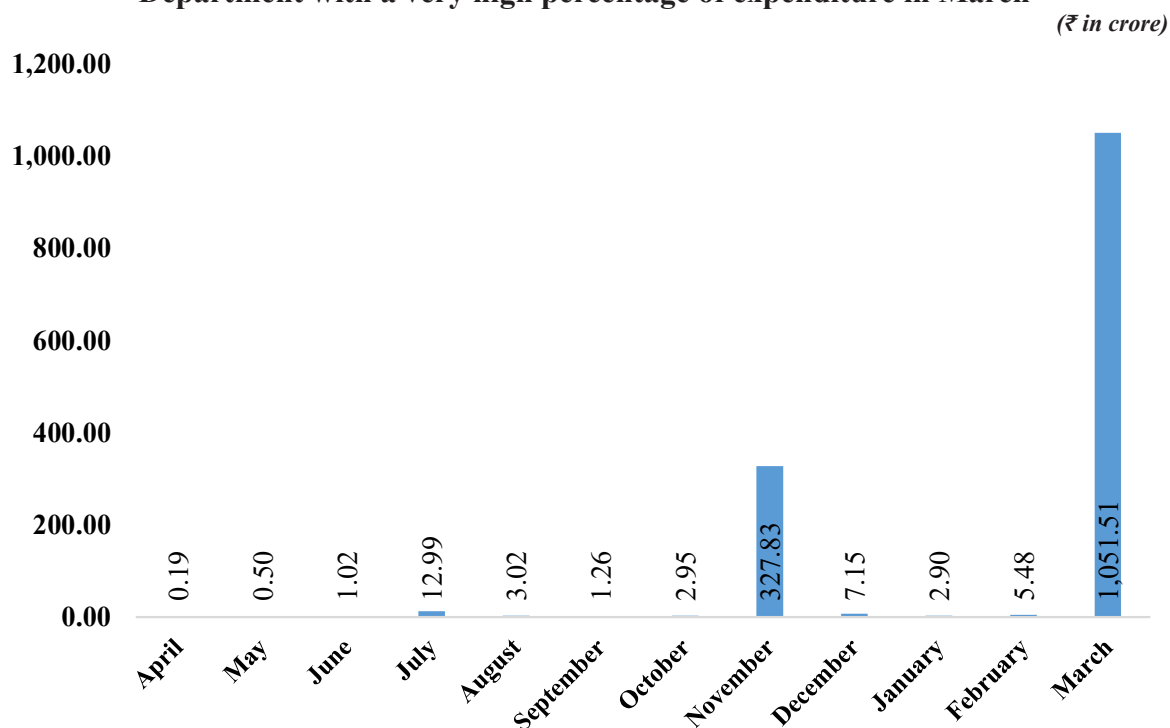


(Source: Monthly Expenditure Report 2019-20)

Major part of net proceeds of Union taxes (56 per cent) and GIA from GoI (32 per cent) was received in October 2019. Similarly, Union taxes (19 per cent) and GIA (38 per cent) was received in March 2020. The expenditure was accordingly increased from October to March.

Further, **Appendix 3.9** shows that there was maximum expenditure in March 2020 under the Backward and Most Backward Class Welfare Department (74.22 per cent). The month wise expenditure is depicted in **chart 3.8** below.

Chart 3.8: Month wise expenditure of Backward and Most Backward Class welfare Department with a very high percentage of expenditure in March



(Source: Monthly Expenditure Report 2019-20)

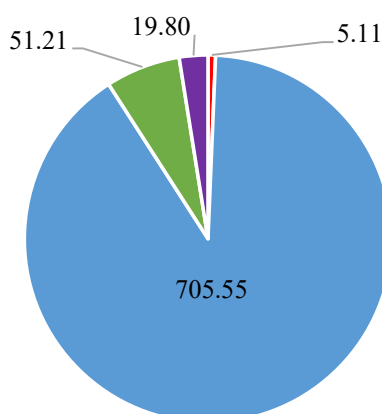
Thus, a substantial amount of expenditure incurred by the department at the fag end of the year indicates deficient financial management and inadequate expenditure control. The rush of expenditure towards the end of the financial year is a breach of financial propriety.

3.4.5 Advance from Contingency Fund

The Contingency Fund of the State was established under the Bihar Contingency Fund Act, 1950 in terms of the provisions of Articles 267 (2) and 283 (2) of the Constitution of India.

Through the Bihar Contingency Fund (Amendment) Act 2015, the State Government increased the corpus of the Contingency Fund from ₹ 350 crore to ₹ 8,020.04 crore, on a temporary basis, for the period 1 April 2019 to 30 March 2020. This was for relief on natural calamities like drought and earthquake and to meet the State share of GoI sponsored projects for which budget provisions have not been made and expenditure was to be made immediately. Fifty *per cent* of the total amount so enhanced was to be used only for relief and rehabilitation measures due to natural calamities. In comparison, the corpus of the Contingency Fund of GoI was only ₹500 Crore which is far less. It was observed that the State Government made 85 withdrawals amounting to ₹ 3,529.76 crore from the Contingency Fund, out of which 33 withdrawals amounting to ₹ 781.67 crore (22.15 *per cent*) were made for foreseeable nature as detailed in *Appendix 3.11*.

Chart 3.9: Non-contingent expenditure from Contingency Fund
(₹ in crore)



■ Purchase of motor vehicles ■ Capital Nature ■ Payment of salaries, pension & other to employee ■ Other

(Source: Records of Finance Department, Government of Bihar)

Thus, instead of providing funds mentioned above in a regular budget, the same was sanctioned from Contingency Fund violating the Constitutional provisions. Further, analysis of the Contingency Fund revealed that it had been regularly enhanced¹⁷ during the past five years on temporary basis, for relief on natural calamities and meeting the State share of GoI sponsored projects. However, the expenditure on natural calamities during the last five years ranged from 34.52 to 78.77 per cent of the funds drawn from the Contingency Fund as shown in **Table 3.16**.

Table 3.16: Expenditure on natural calamities from the Contingency Fund

(₹ in crore)

Sl. No.	Year	Total expenditure from Contingency Fund	Expenditure on natural calamities	Percentage of total expenditure
1	2015-16	6,117.60	2,205.00	36.04
2	2016-17	4,416.63	1,524.42	34.52
3	2017-18	4,949.21	3,898.33	78.77
4	2018-19	4,353.49	1,725.00	39.62
5	2019-20	3,529.76	2,332.00	66.07

(Source: Records of Finance Department)

However, it was incumbent on the Finance Department to make budgetary provisions for the above routine expenditure and secure prior legislative approval as contemplated in the Constitution as part of the annual budgetary exercise. The Finance Department has failed to comply with these Constitutional provisions and the Contingency Fund is being used as an imprest account.

3.5 Review of selected grants

A review of the budgetary procedure and control over expenditure was conducted in respect of Grant No.-16-Panchayati Raj Department and Grant no.-51-Social Welfare Department on the basis of savings, excess, and magnitude of the Grants and Supplementary demands made during the year 2019-20. The results of the review are detailed below:

¹⁷ Raised to ₹ 1,800 crore in 2013-14, to ₹ 2,000 crore in 2014-15, to ₹ 4,827.41 in 2015-16 to ₹ 5,787.85 crore in 2016-17, ₹ 6,403.42 in 2017-18, ₹ 7079.61 crore in 2018-19, and ₹ 8,020.04 crore in 2019-20.

3.5.1 Grant No. 16 “Panchayati Raj Department”

In pursuance of the provisions made in the 73rd Constitution (Amendment) Act, 1992, the Bihar Panchayat Raj Act, 2006 has been enacted, which provides for the establishment of Gram Panchayat at the village level, Panchayat Samiti at Block level, and Zila Parishad at District level. At present, 8,386 Gram Panchayats, 534 Panchayat Samitis, and 38 Zila Parishads are functional in the State.

There were four major heads (2515, 4515, 2015, and 3451) operated by the Department of Panchayati Raj under Grant No. 16 during the financial year 2019-20 as summarised in Table 3.17.

Table 3.17: Position of summarised appropriation for 2019-20

(₹ in crore)

Budget estimate	Original Provision	Supplementary Provision	Total Provision	Total Expenditure	Savings	Saving in percentage
Revenue voted	11,956.31	1,420.04	13,376.35	8,689.62	4,686.73	35.04
Capital voted	250.00	0.00	250.00	45.13	204.87	81.95
Total	12,206.31	1,420.04	13,626.35	8,734.75	4,891.60	35.90

(Source: Appropriation Accounts for the year 2019-20)

Scrutiny of records for the year 2019-20 revealed the following:

Savings of ₹ 4891.60 crore (35.90 per cent) shows the improper estimation of provision by the Department. Analysis of last four years data revealed that saving under revenue section was for the reason of less spending under recently implemented (in 2018-19) scheme namely National Rural Swaraj Campaign (0 per cent), Chief Minister Nischaya Yojana (39 per cent), and Headquarter Panchayat Establishment (02 per cent). Further, saving under capital section was for the reason of less spending under scheme Panchayat Government Building (0 per cent) in 2018-19 (18 per cent) in 2019-20.

Expenditure of only ₹ 8,217.97 crore under Major Head 2515 incurred against the original provision of ₹ 10,887.47 crore resulted in savings of ₹ 2,669.50 crore. However, despite saving under the original provision, a supplementary provision of ₹ 1,420.04 crore was made which was unnecessary (*Appendix 3.12*). These are the schemes Chief Minister Nishchaya Yojana, Contribution to District Councils, Block Panchayat, and Gram Panchayat in the light of recommendation of State Finance Commission where Supplementary provision was made proved unnecessary.

Expenditure to the extent of 63.90 per cent of the total expenditure of ₹ 15.90 crore in two schemes under two Major Heads i.e. 2015 and 2515 was incurred in the month of March 2020 (*Appendix 3.13*).

Proper reconciliation was not carried out by the Department, resulting in differences in the figure of expenditure to the tune of ₹ 181.08 crore (*Appendix 3.14*).

AC bills for ₹ 91.48 crore were outstanding for which DC bills were not submitted by concerned DDOs (*Appendix 3.15*)

UCs worth ₹ 19,975.51 crore pertaining to 2003-04 to 2018-19 remained outstanding as on 31 March 2020 (*Appendix 3.16*).

The entire provision of ₹ 99.78 crore of five sub-heads under major head 2515 remained completely unutilised and was surrendered. The reply for entire non-utilisation of allotment and consequent surrender is awaited (February 2021).

Table 3.18: 100 per cent non-utilisation and Surrender of funds

(₹ in crore)

Sl. No.	Scheme	Total provision	Expenditure	Surrender
1	2515-00-796-0220- Rastriye Gram Swaraj Abhiyan (RGSA)	0.97	00	0.97
2	2515-00-198-0215- Rastriye Gram Swaraj Abhiyan (RGSA)	62.75	00	62.75
3	2515-00-789-0214- Rastriye Gram Swaraj Abhiyan (RGSA)	12.06	00	12.06
4	2515-00-101-0514- Panchayati Raj System and Human Resource Development (Externally Aided Project)	9.00	00	9.00
5	2515-00-789-0513-Panchayati Raj System and Human Resources Development (EAP)	15.00	00	15.00
Total		99.78	00	99.78

(Source: Appropriation Accounts 2019-20)

3.5.2 Grant No. 51 - “Social Welfare Department”

Social Welfare Department is one of the important Department of the State for the upliftment of Women, Children, Divyangjan, Old age people, and other deprived section for the protection and promotion of the society. Women Development Corporation (WDC) and the State Society for Ultra Poor and Social Welfare (SAKSHAM) have also been functioning as autonomous institutions.

There were five major heads (2210, 2235, 2236, 2251, and 4235) operated under this grant in the financial year 2019-20. A summarised position of total budget provision, disbursement, and saving/excess under voted expenditure is mentioned in **Table 3.19**.

Table 3.19: Budget provision, disbursement and savings/excess during the financial year 2019-20

(₹ in crore)

Total Budget provision	Disbursements (Expenditure)	Saving/Excess	Percentage of saving
Voted	Voted	Voted	
9,715.33	8,208.44	1,506.89	15.51

(Source: Appropriation Accounts of the year 2019-20)

As evident from the table above, the incurred expenditure was ₹ 8,208.43 (84 per cent) crore against the total provisions of ₹ 9,715.33 crore.

Total disbursement under voted expenditure with trend analysis during the last five year (2015-20) is mentioned in **Table 3.20**.

Table 3.20: Disbursements and savings during 2015-20

(₹ in crore)

Year	Total Budget Provision	Disbursements (Expenditure)	Saving/Excess (in percentage)
	Voted	Voted	Voted
2015-16	6,830.25	5,367.46	1,462.79 (21.42)
2016-17	6,819.83	5,210.65	1,609.18 (23.60)

Year	Total Budget Provision	Disbursements (Expenditure)	Saving/Excess (in percentage)
	Voted	Voted	Voted
2017-18	6,131.88	5,837.28	294.60 (4.80)
2018-19	9,755.93	6,395.16	3,360.77 (34.45)
2019-20	9,715.33	8,208.44	1,506.89 (15.51)

(Source: Appropriation Accounts 2015-16 to 2019-20, Government of Bihar)

It was seen from the above table that savings during 2015-16 to 2019-20 ranged between 4.80 and 34.45 per cent.

On being pointed out, it was replied (February 2021) that savings were mainly due to less number of beneficiaries, and non-receiving of contribution from the Rural Development Department, etc.

Scrutiny of records for the year 2019-20 revealed the following:

- Supplementary provision amounting to ₹ 136.01 crore (₹ 1 crore or more in each case) proved unnecessary as even the full original provision was not utilised during the year 2019-20 (**Appendix 3.17**). Out of ₹ 7,816.96 crore, an expenditure of ₹ 7,154.07 crore was incurred, and an amount of ₹662.89 crore was surrendered on 31 March 2020. Savings were mainly due to excess provision in certain items, non-receiving of Grants-in-aid as central share by GoI, fund less sanctioned/fund not sanctioned by GoI, scheme not sanctioned, change of categories of beneficiaries by GoI, etc. (**Appendix 3.18**). During test check of records relating to the scheme, it was found that due to less spending, the execution of schemes/programmes was badly hampered.
- In 21 Schemes/ Programmes run by the Department, expenditure incurred ranged from 26 per cent to 94 per cent in the month of March 2020, and in five Schemes/ Programmes cent per cent expenditure was incurred only in March 2020. This indicates that a uniform flow of expenditure was not maintained, which was the primary requirement of budgetary control.

It was replied (February 2021) that the GoI funds were received in installments, hence, the problem occurs in allotment to the proportional fund of GoI and GoB. Therefore, the withdrawal in the month of March became more than other months.

- During 2003-19, an amount of ₹33,899.23 crore in form of GIA was sanctioned against which UCs amounting to ₹23,340.75 crore only were submitted and resultantly UCs to the tune of ₹10,558.48 crore remained outstanding as of September 2020. UCs were pending even after a lapse of more than 17 years which was in violation of provisions of BFR. Age-wise arrears in the submission of utilisation certificates are detailed in **Appendix 3.19**.
- During 2002-2020, an amount of ₹ 2,412.82 crore was withdrawn on AC bills against which DC bills of ₹ 2,213.62 crore were submitted upto March 2020. Hence, DC bills amounting ₹ 199.20 crore remained outstanding till March 2020. This leads to possible overstatement of the expenditure. Details of outstanding AC bills awaiting adjustment as on 31 March 2020 are given in **Appendix 3.20**. Further, during 2015-20, an amount of ₹ 94.37 crore was withdrawn on AC bills where ₹19.22 crore (20.37 per cent) was withdrawn in the last month of the financial year (March), as depicted in **Table 3.21**. Audit observed that during 2016-17 and 2017-18, withdrawal of funds through AC bills

in the last month of the financial year indicates that this was primarily done to exhaust the budgetary provision.

Table 3.21: Trend analysis of drawal on AC bills in the month of March

(₹ in crore)

Year	Withdrawal on AC bills	Withdrawal on AC bills in the month of March	Percentage of Withdrawal on AC bills in the month of March
2015-16	39.44	10.31	26.14
2016-17	13.47	13.47	100
2017-18	0.41	0.34	82.93
2018-19	58.10	9.70	16.70
2019-20	1.32	0.10	7.57
Total:	94.37	19.22	20.37

(Source: VLC database maintained in the O/o A.G. (A &E), Bihar)

- As per Rule 194 of BTC 2011, the drawal of contingent charges on items of expenditure by a State Government, for which final classification and supporting vouchers is not available at the time of drawal are made on 'Abstract Contingent' (AC) Bills. Expenditure through AC Bill should be done only for meeting contingent expenses and not for carrying out planned activities. During 2015-20, the audit observed that an amount of ₹11.36 crore (12 per cent) was drawn on AC bills but expended on Capital head (4235) as depicted in **Table 3.22**.

Table 3.22: Trend analysis of AC bills drawn for Capital head during 2015-20

(₹ in crore)

Year	Total amount drawn on AC bills	AC bill drawn for Capital head (Percentage)
2015-16	39.44	3.74 (9.48)
2016-17	13.47	7.18 (53.30)
2017-18	0.41	0.33 (80.48)
2018-19	58.10	0
2019-20	1.32	0.11 (8.33)
Total:	94.37	11.36 (12.04)

(Source: VLC database maintained in the A.G. (A &E), Bihar)

Trend analysis shows that year-on-year Department has been incurring capital expenditure through AC Bills except for in 2018-19. Capital Expenditure should have been planned in advance and the AC Bills route for meeting the expenses shouldn't have been taken. It only indicates a lack of object-level planning, a lack of knowledge about items of expenditure at the time of drawal of the amount, and a tendency to circumvent surrendering of the sanctioned amount. Hence, AC bills for incurring capital expenditure were drawn against the provision of the Bihar Treasury Code 2011.

- Scrutiny of Voucher Level Computerisation (VLC) data provided by A.G. (A&E), it was observed that in Social Welfare Department during 2017-18 Grants-in-Aid amounting to ₹ 70.00 crore was misclassified as Capital Expenditure.

In scrutiny of the schemes, the following was observed:

➤ Unnecessary Retention of Funds

During a test check of records (Jan 2021 to March 2021) relating to the District Programme Officer, Patna it was observed that 16 bills amounting to ₹ 4.02 crore were withdrawn from the treasury between 2014-15 and 2018-19 for the purchase of materials

and providing training. The expenditure incurred in this period was ₹3.05 crore and subsequently ₹ 0.97 crore was lying idle in the closing balance of cash book. Thus, withdrawn money remained idle with the DPO ranging from One year five months to Five years nine months in violation of the Bihar Treasury Code.

It was observed that in 24 cases, an amount of ₹ 46.33 crore was drawn against AC bills under Major Heads 2235, 2236 and 4235 during the period 2005-06 to 2016-17, out of which DC bills were submitted for the amount of ₹ 5.18 crore only. Among these DC bills, an amount of ₹ 4.95 crore (96 *per cent*) was remitted into the Treasury after retention for periods ranging from one year eight months to 13 years and five months.

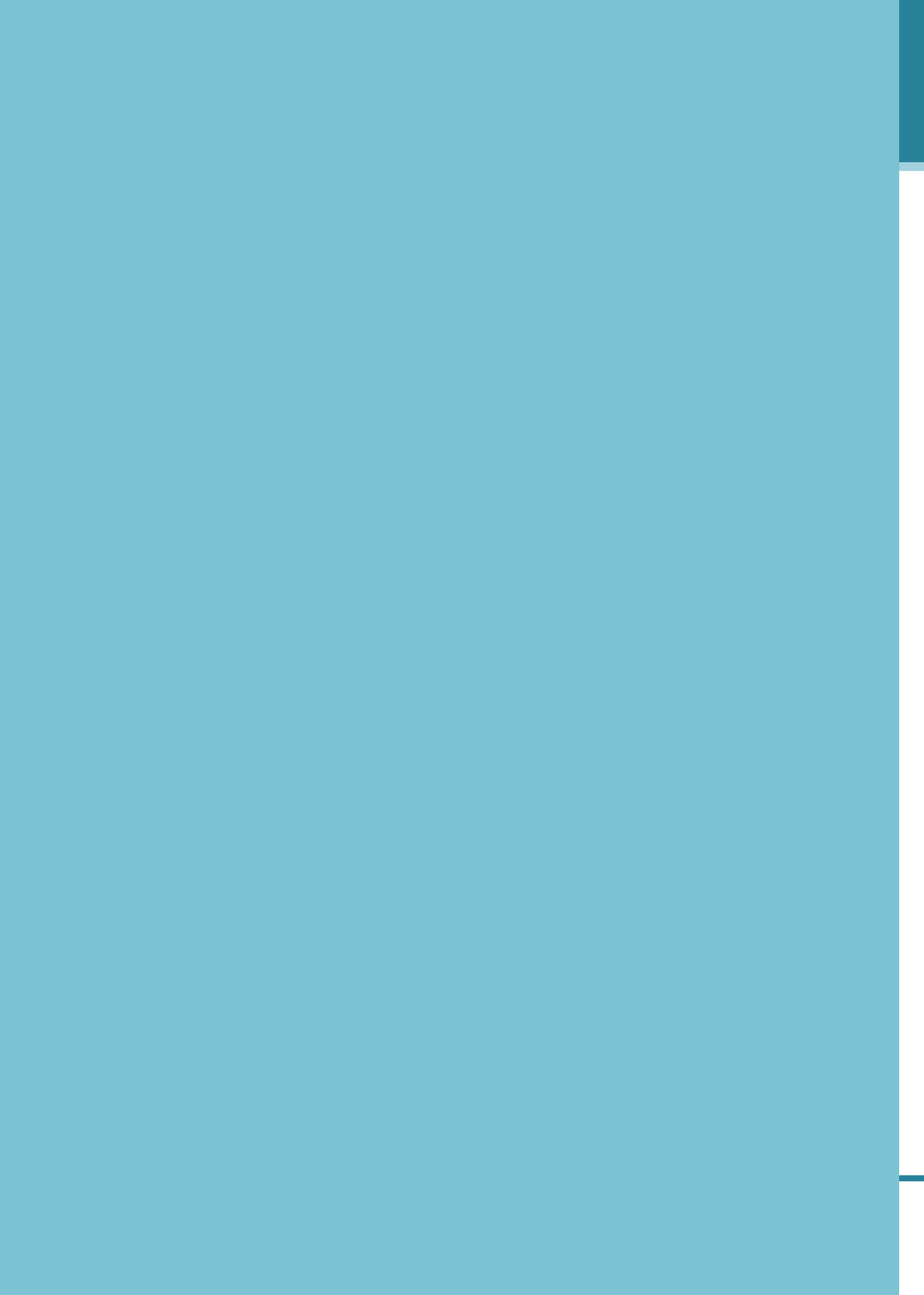
It was also observed that GIA was sanctioned amounting to ₹ 56.42 crore in four cases under Major Head 2235 during 2003-04 to 2017-18. Test check of submitted UCs disclosed that a total ₹ 24.15 crore were remitted back in Treasury after a delay ranging from one year 10 months to 13 years 10 months.

3.6 Recommendations

The Finance Department should monitor the trend of expenditure by Departmental Controlling Officers so that unnecessary provisions are not made, funds are not retained unnecessarily, and are surrendered at the earliest, without resorting to last-minute surrenders and lapsing of allocations. The Government should:

- ensure that all anticipated savings are surrendered on time so that the funds can be utilised for other development purposes.
- review the reasons for persistent savings and take necessary steps to avoid such situations to ensure optimum utilisation of the amount allocated.
- agree to Re-appropriation proposals from grant controlling officers only if the trend of expenditure warrants these.
- ensure timely surrender of funds and evolve a system of timely budgetary releases to departments to minimise the surrenders.
- frame rules to control the rush of expenditure during the fag end of the financial year.
- devise a Management Information System (MIS) which helps in bringing out the unspent amount of AC bills drawn at DDOs level who draw funds and fail to transfer unspent balances to Consolidated Fund before the closure of the financial year.

CHAPTER IV
QUALITY OF ACCOUNTS AND FINANCIAL
REPORTING PRACTICES



This Chapter provides an overview of the quality of Accounts and compliance of the State Government in its financial reporting practices with prescribed financial rules, procedures, and directives with regard to completeness, transparency, measurement and disclosure.

A sound internal financial reporting system with relevant and reliable information significantly contributes to efficient and effective governance by the State Government. Compliance with financial rules, procedures, and directives as well as the timeliness and quality of reporting on the status of such compliance is, thus, one of the attributes of good governance. Reports on compliance and controls, if effective and operational, assist the Government in meeting its basic stewardship responsibilities including strategic planning and decision-making.

4. Issues related to completeness of Accounts

4.1 Funds outside Consolidated Fund or Public Account of the State

Article 266 (1) subject to the provisions of Article 267 provides that all revenues received by the Government of a State, all loans raised by that Government by the issue of treasury bills, loans or ways and means advances, and all moneys received by that Government in repayment of loans shall form one consolidated fund to be entitled the Consolidated Fund of the State.

As per Rule 5(1) of Bihar Financial Rules, all moneys received by or deposited with any officer employed in connection with the affairs of the State in his capacity as such other than revenue of public money raised or received by Government shall be paid into the Public Account.

Collection of levies

Three levies that are operational in the State were scrutinised in Audit and the following was observed:

- **Building and Other Construction Workers Welfare Cess:**

The Building and Other Construction Workers (BOCW) Welfare Board was constituted by the State Government¹⁸ in February 2008. The main function of the Board is to provide funds under various welfare schemes to construction workers of the State. The Board collects funds at the rate of one *per cent* of the total expenditure incurred on ongoing construction works under GoI, GoB, Semi-Government and Private Sector in the State during the financial year.

The Departments booked the collection of Labour Cess under Major Head 8443-Civil Deposit-108-Public Works Deposits which contains many other receipts apart from Labour Cess. Consequently, the amount of Labour Cess collected by various Departments could not be ascertained. However, a separate Sub-Head 8443-00-108-0004 was opened by the Government in June 2019 for the booking of Labour Cess collected by various Departments executing projects involving labour. The Sub-Head

¹⁸ Notification No. 04/F1-302/2006/L.E 865 dated 18.02.2008

was, however, not in operation as on date. During 2017-18 to 2019-20, an amount of ₹ 925.77 crore was collected out of which ₹ 289.75 crore pertained to 2019-20 while a cumulative total of ₹ 1,383.64 crore was collected as on March 2020 and deposited in Scheduled Commercial Banks.

- **Bihar District Mineral Foundations (BDMF)**

It has been formed as per powers conferred by sub-section (4) of Section 15A read with section 9B of the Mines and Minerals (Development and Regulation) Act, 1957 (Act 67 of 1957), as amended in 2015 for the interest and benefit of persons and areas affected by mining-related operations. Funds are being collected from the holders of mineral concessions at the rates specified by the government; all interest accrues on the deposits, voluntary contributions, etc. The Funds are utilised as per 'Pradhan Mantri Khanij Kshetra Kalyan Yojana'. It is being kept in a Scheduled Bank or Bank designated for this purpose by the Government through a Savings Bank Account. An amount of ₹ 68.55 crore was collected during 2017-18 to 2019-20 in this account and deposited in Scheduled Commercial banks.

- **District Society for Computerisation of Registration Offices (DISCORE)**

The GoB had decided (March 2005) to computerise all the registration offices in the State through System for Computerised Registration (SCORE) Software. As per the Bihar Registration Rules, 2008, computerisation was carried out through the State-level society namely Bihar Society for Computerisation of Registration offices (BISCORE) and one each at the district level namely DISCORE. The service charge was being levied for the automated registration process and preservation of documents in soft copies whereas no additional service was being provided. However, the Department levied service charges besides registration fees without providing any additional service. DISCORE collected ₹ 33.88 crore as service charge for the period 2019-20 and kept in bank accounts.

Thus, the Government of Bihar illegally framed provisions for the collection of service charges in the Bihar Registration Rule. This issue has already been pointed out in Report No. 1 of the 2021, Revenue Sector Report for the year 2018-19.

Contributions made to Labour Cess, BDMF and DISCORE were kept in Scheduled Commercial Banks. This involves breach of Article 266(1) of the Constitution.

Funds of Regulators outside Government Accounts

The Regulatory Authorities are 'State' within the meaning of Article 12 of the Constitution of India. Moneys received by them are on account of discharge of functions 'on behalf of the Government'. Hence, their funds need to be housed in the Public Account of the States. Article 266 (2) provides that all other public moneys received by or on behalf of the Government of a State shall be credited to the Public Account of the State, as the case may be.

There are two Regulators working in the State. During scrutiny of Accounts of Regulators, the following was observed:

- **Real Estate Regulatory Authority (RERA)**

The RERA was formed under the Real Estate (Regulation and Development) Act, 2016 (No. 16 of 2016) for regulation and promotion of the real estate sector and to ensure the sale of plot, apartment or building, as the case may be, or sale of real estate project.

As per section 75 (1) and (2) of the Act, the funds are collected as Government Grants received, the fees received and the interest accrued on the amounts. The funds are to be utilised on the salaries and allowances payable to the chairperson and other members and expenses on the discharge of authority's functions. Further, funds collected are being kept in Scheduled Commercial Banks by RERA. An amount of ₹ 21.68 crore was collected up to 2018-19 and deposited in scheduled commercial banks.

- **Bihar Electricity Regulatory Commission (BERC)**

The BERC was established under Section 17 of the Electricity Regulatory Commissions Act, 1998 vide GoB Notification no. 1284 dated 15 April 2002. As per the provision, the funds are collected as any grants and loans made to the state commission, all fees received, all sums received by the commission from any other source, and the funds are utilised on the payment of the salary, allowances and other remuneration of Chairperson, members, employees, etc., and expenses on the discharge of commission's functions. An amount of ₹ 22.38 crore was collected during 2017-18 to 2019-20 out of which ₹ 7.90 crore pertained to 2019-20. Further, Funds were being kept in Scheduled Commercial Banks in the form of Fixed Deposits and in saving accounts.

Both Regulators have deposited the collected money in Scheduled Commercial Banks which is a breach of Article 266 (2) of the Constitution of India.

4.2 Non-inclusion of clear cut liabilities incurred during the Financial Year

In years of tight fiscal conditions, there is a tendency to postpone certain payments due, especially in the last quarter of the financial year to the next financial year. These could include subsidy-related payments and other contracted payments for which bills have been submitted.

During the financial year 2019-20, an amount of ₹ 123.80 crore was due for payments in 49 incomplete projects (*Appendix 4.1*). Deferred or withheld payments of bills to contractors despite delivery of work and submission of bills create the liabilities for the government and show incompleteness and non-transparency of Accounts. Thus, the Fiscal deficit was understated by ₹ 123.80 crore on the overall liability of the Government.

4.3 Non-discharge of liability in respect of interest towards interest-bearing deposits

The Government has a liability to provide and pay interest on the Interest-bearing Deposits (Major Head of Accounts 8011 and 8342) as detailed in **Table 4.1**.

Table 4.1: Non-discharge of liability in respect of interest towards interest-bearing deposits

(₹ in crore)

Sl. No.	Name of the Interest bearing deposit	Balance as on 31 st March 2020	Amount of Interest not provisioned
1.	8342-Other Deposits-117- Defined Contribution Pension Scheme for Government Employees	349.85	15.06
2.	8011-Insurance and other funds 106- Other Insurance and Pension Funds	41.12	
Total		390.97	15.06*

*Interest on deposit of ₹ 188.32 crore @ 8 per cent GPF interest rate
(Source: Finance Accounts 2019-20)

The Government has not provided funds for interest liability towards Interest-bearing Deposits of ₹ 188.32 crore, which was the closing balance as on 31 March 2019. Thus, there was an understatement of ₹ 15.06 crore on Revenue deficit and Fiscal deficit on the overall liability of the Government.

4.3.1 Interest liability on General Provident Fund (GPF)

During the year 2019-20, the State Government has not discharged interest liability on General Provident Fund completely as required. The quantum of short payment of interest to General Provident Fund is given in the following table.

Table 4.2: Details of short payment of interest to General Provident Fund

(₹ in crore)

GPF Category	Balance at the beginning of 2019-20	Interest due	Interest Credited
General Provident Fund	10,250.52	820.04	280.93
All India Services Provident Fund	227.03	18.16	12.00
Total	10,477.55	838.20	292.93

(Source: Finance Accounts, 2019-20)

Short payment of interest to General Provident Fund has resulted in understatement of Revenue deficit and Fiscal deficit by ₹545.27 crore (₹838.20 crore minus ₹292.93 crore). Further, short payment of interest may also lead to adverse balance in the fund.

4.4 Funds transferred directly to State implementing agencies

The Union Government transfers substantial funds directly to State Implementing Agencies/ Non-Governmental Organisations for implementation of various Schemes and Programmes. Since these funds are not routed through the State Budget, these are not reflected in the Accounts of the State Government. These transfers are exhibited in Appendix VI of Volume II of the Finance Accounts of the respective year.

During 2019-20, GoI had directly transferred ₹ 10,170.12 crore to the State implementing agencies which were 79.09 per cent more than the previous year (₹ 5,678.88 crore) (Appendix-VI of Finance Accounts 2019-20).

During test check of four¹⁹ implementing agencies for analysis of transfers and actual utilisation, it was found that ₹ 47.97 crore, (Bihar State Milk Co-operative Federation Ltd.) and ₹ 27.02 crore (Bihar State Tourism Development Corporation Ltd) were lying unspent, which leads to the parking of funds as detailed in **Table 4.3**.

¹⁹ Road Construction Department, Bihar, Bihar State Milk Co-operative Federation Ltd., Bihar State Tourism Development Corporation Ltd. and Bihar State Food & Civil Supplies Corporation Ltd. (BSFCSCCL)

Table 4.3: GoI releases directly to State implementing Agencies during 2019-20
(₹ in crore)

Sl. No.	Name of the Implementing Agencies	Name of the Schemes of Government of India	Financial Year	O.B	Government of India releases during 2019-20	Fund Utilised	Refund	Balance
1.	Bihar State Milk Co-operative Federation Ltd.	National Programme for Dairy Development	2017-18		35.67	1.09	0.00	34.58
			2018-19	34.58	37.93	41.02	0.00	31.50
			2019-20	31.50	19.72	23.92	0.61	26.69
		Rashtriya Gokul Mission	2017-18	0.47	15.00	2.83	0.00	12.64
			2018-19	12.64	9.50	9.52	0.00	12.62
			2019-20	12.62	12.31	3.65	0.00	21.28
2.	Bihar State Tourism Development Corporation Ltd.	Integrated Development of Tourists Circuits around specific themes (Swadesh Darshan)	2017-18	20.20	46.80	12.16	0.00	54.84
			2018-19	54.84	36.32	46.89	0.00	44.26
			2019-20	44.26	56.11	73.35	0.00	27.02

(Source: Data furnished by concerned deptts.)

4.5 Deposit of Local Funds

State Panchayati Raj Act provides that Zila Parishad (ZP), Panchayat Samiti (PS) and Gram Panchayat (GP) would maintain ZP fund, PS fund and GP fund respectively (under Major Head 8448-Deposits of Local Funds-109-Panchayat Bodies Funds). These would include all the moneys realised or realisable under the Act and all moneys otherwise received by the Panchayati Raj Institutions (PRIs), such as grants received from Central Finance Commission and State Government as part of the State Finance Commission award and its own revenue, which includes tax and non-tax receipt of a Panchayat. The Municipal Act also envisages that the Municipal Fund is to be held by the Municipality. All moneys realised or realisable under this Act and all moneys otherwise received by the Municipalities are kept in the Municipal Fund under the Major Head 8448- Deposits of Local Funds-102-Municipal Funds. Deposits of Local Funds under Municipal Fund and Panchayat Bodies Fund are as detailed in **Table 4.4**.

Table 4.4: Deposits of Local Funds

(₹ in crore)

Year				2015-16	2016-17	2017-18	2018-19	2019-20
Municipal Fund	(8448-102)	Opening Balance	1	1436.53	1738.35	2330.64	2742.77	3307.66
		Receipt	2	1525.00	2122.51	1968.32	2712.09	2469.66
		Expenditure	3	1223.19	1530.22	1556.19	2147.20	2033.77
		Closing Balance	4	1738.35	2330.64	2742.77	3307.66	3743.56
Panchayat Bodies Fund*	(8448-109)	Opening Balance	5	319.72	140.38	434.93	631.61	650.49
		Receipt	6	955.67	650.99	695.52	735.54	374.78
		Expenditure	7	1135.01	356.44	498.84	716.67	270.29
		Closing Balance	8	140.38	434.93	631.61	650.49	754.98

*Zila Parishad and Panchayat Samiti fund included

(Source: Finance Accounts of the respective year)

It is evident from the above table that parking of funds has increased from ₹ 1738.35 crore to ₹ 3743.56 crore in Major Head 8448-102 (Municipal Fund) and from ₹ 140.38 crore to

₹ 754.98 crore in Major Head 8448-109 (Panchayat Bodies Fund) during the period from 2015-16 to 2019-20.

Audit also observed that over the last several years, the Government of Bihar has been transferring amounts from Consolidated Fund to Public Account (Deposit accounts specifically), by debiting revenue and capital major heads of accounts. The amounts so transferred are taken as expenditure for the year in the accounts when actual expenditure may or may not have occurred during the year. In respect of amounts transferred over the years by depicting expenditure, deposit accounts, as on 31 March 2020, retain an accumulated amount of ₹ 24,942.26 crore as depicted in **Table 4.5**.

Table 4.5: Trend analysis of Transfer of fund to Deposit of Local Funds

(₹ in crore)

Year	Revenue			Capital			Total	Closing Balance of 8448
	Revenue expenditure as per Finance Accounts	Amount transferred to MH 8448	Percentage of Amount	Capital expenditure as per Finance Accounts	Amount transferred to 8448	Percentage of Amount		
1	2	3	4	5	6	7	8 (3+6)	
2015-16	83,616	4,807	5.75	23,966	4,048	16.89	8855	8449.00
2016-17	94,765	6,007	6.34	27,208	14,862	54.62	20869	13110.29
2017-18	1,02,624	7,135	6.95	28,907	15,069	52.13	22204	21728.33
2018-19	1,24,897	9,306	7.45	21,058	13,606	64.61	22912	23181.78
2019-20	1,26,017	14,531	11.53	12,304	11,314	91.95	25845	24942.26

(Source: Finance Accounts for the respective years)

Trend analysis revealed that funds booked under capital expenditure transferred to Major Head-8448 range from 16 per cent to 91 per cent whereas under revenue expenditure range from 5 per cent to 11 per cent during the last five years, leading to parking of funds. Funds parked in Public Account indicate overstatement of actual capital expenditure incurred.

Issues related to transparency

4.6 Delay in the submission of Utilisation Certificates (UCs)

Rule 341(2) of Bihar Financial Rules (BFR) stipulate that the grants should be paid during the financial year as are likely to be spent during that year. The authority signing or countersigning a bill for Grant-in-Aid (GIA) under Rule 431 of Bihar Treasury Code (BTC) should see that money is not drawn in advance of requirement. There should be no occasion for rush for payment of these grants in the month of March. Further, the Finance Department's (F.D) executive order dated 06 January 1975, prescribed a time of one year from the date of sanction for submission of UCs. This deadline was increased to 18 months by F.D, GoB executive order dated 19 October 2011.

As per the Finance Department's letter dated 10.10.2013, UCs for the amount of GIA which have been drawn on or after 01.10.2011 will be submitted in the form BTC 42A to the A.G (A&E), Bihar. Year wise break-up of outstanding UCs is depicted in the **Table 4.6**.

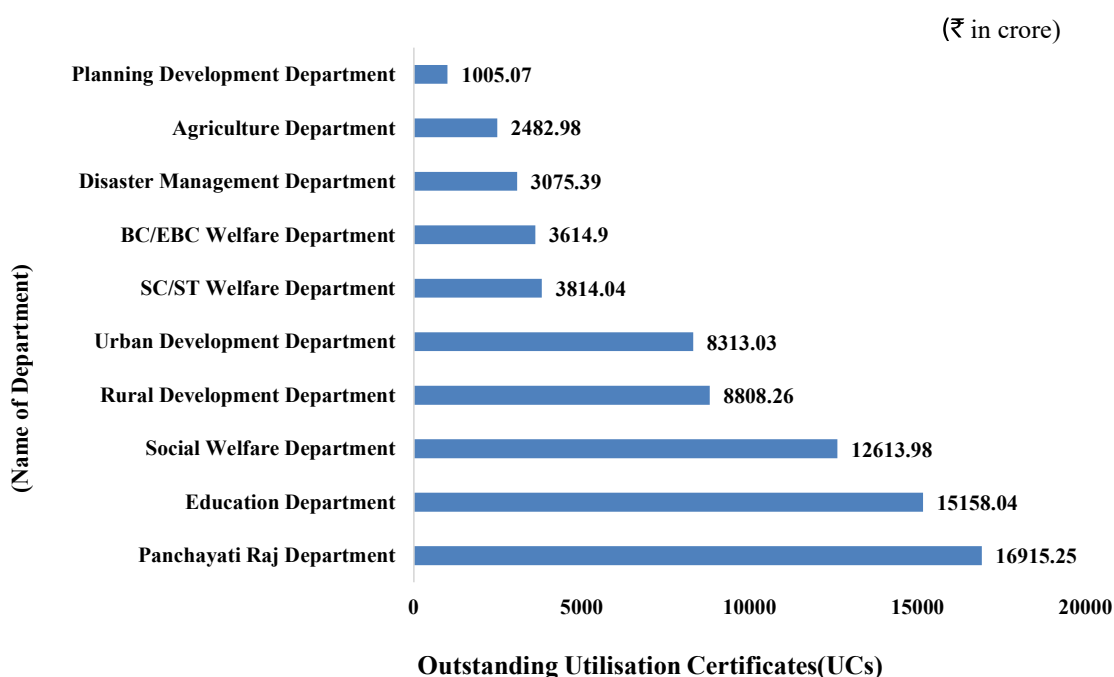
Table 4.6: Year-wise break up of outstanding UCs

Year	Number of UCs	Amount
Up to 2010-11	336	3239.46
2011-12	148	1513.50
2012-13	175	1400.00
2013-14	219	1364.39
2014-15	179	2556.26
2015-16	203	2968.25
2016-17	186	4891.98
2017-18	301	13015.00
2018-19	516	27293.34
2019-20	327	21448.74
Total	2590	79690.92

(Source: Data provided by O/o the Pr.A.G.(A&E), Bihar, Patna)

It was observed that a major amounts of outstanding UCs as on March 2020, were found in the Departments like Panchayati Raj Department (₹ 16,915.25 crore), Education Department (₹ 15,158.04 crore), Social Welfare Department (₹ 12,613.98 crore) and Rural Development Department (₹ 8,808.26 crore) etc., as depicted in Chart 4.1.

Chart 4.1: Outstanding UCs in respect of 10 major Departments for the grants paid up to August 2018



(Source: Finance Accounts of the State)

Data regarding the number of pending UCs with respect to the creation of capital assets, False UCs/Misreporting of UCs, keeping funds in Fixed Deposit Account or any other type of account with lesser return could not be ascertained due to non-availability of data at the department level or in AG (A&E) Bihar, Patna.

Though such instances of non-submission of UCs feature in the reports of C&AG regularly, there has been no improvement in the situation. In many cases, the same recipients continue

to receive further grants from the same departments, even while the UCs for earlier grants are pending. High pendency of UCs is fraught with the risk of misappropriation of funds and fraud.

Non-submission of the UCs means that the authorities have not explained how funds were spent over the years. Loss of opportunity cost due to keeping funds in Accounts is also a major concern. There is also no assurance that the intended objectives of providing these funds have been achieved.

4.6.1 Recording of Grantee Institution as “Others”

There should be a mechanism in States of giving institute code to various bodies and authorities receiving GIA from the Government. These grants are also recorded in the Voucher Level Computerization (VLC) system of the Accountant General (A&E) office and the submission of UCs is monitored against outstanding amounts against each institute. If GIA constitutes a significant portion of the total expenditure of the State, it is essential that the Government provides the details and nature of the Grantee institution to which it is providing funds, in the interests of transparency of Accounts.

During scrutiny, it was observed that Institute Code has not been provided by any concerned department, the sanctioned amount of GIA and UCs thereof have been recorded in VLC System and department-wise monitoring was done through VLC System. It was also observed that ₹ 24,374.29 crore (52.33 per cent) was recorded as ‘Others’ out of total GIA amounting to ₹ 46,581.53 crore during 2019-20 (*Appendix-III, Finance Accounts, 2019-20*).

In absence of proper code, outstanding amounts against all institutions could not be worked out, which affects the transparency of Accounts.

4.7 Abstract Contingent (AC) Bills

Rule 177 of Bihar Treasury Code (BTC), 2011 provides that a certificate shall be furnished by the Drawing and Disbursing Officer (DDO) to the effect that money withdrawn on the contingent bill shall be spent within the same financial year and that unspent amount shall be remitted to the Treasury before 31 March of the year. Further, as per Rule 194 of the BTC, 2011, countersigned Detailed Contingent (DC) Bill shall be submitted within six months, following the month in which the abstract bill was drawn and no abstract bill shall be cashed after the end of the period of six months unless the detailed bill has been submitted. Year-wise progress in the submission of DC bills against the AC bills is depicted in **Table 4.7**.

Table 4.7: Year-wise progress in the submission of DC bills against the AC bills

(₹ in crore)

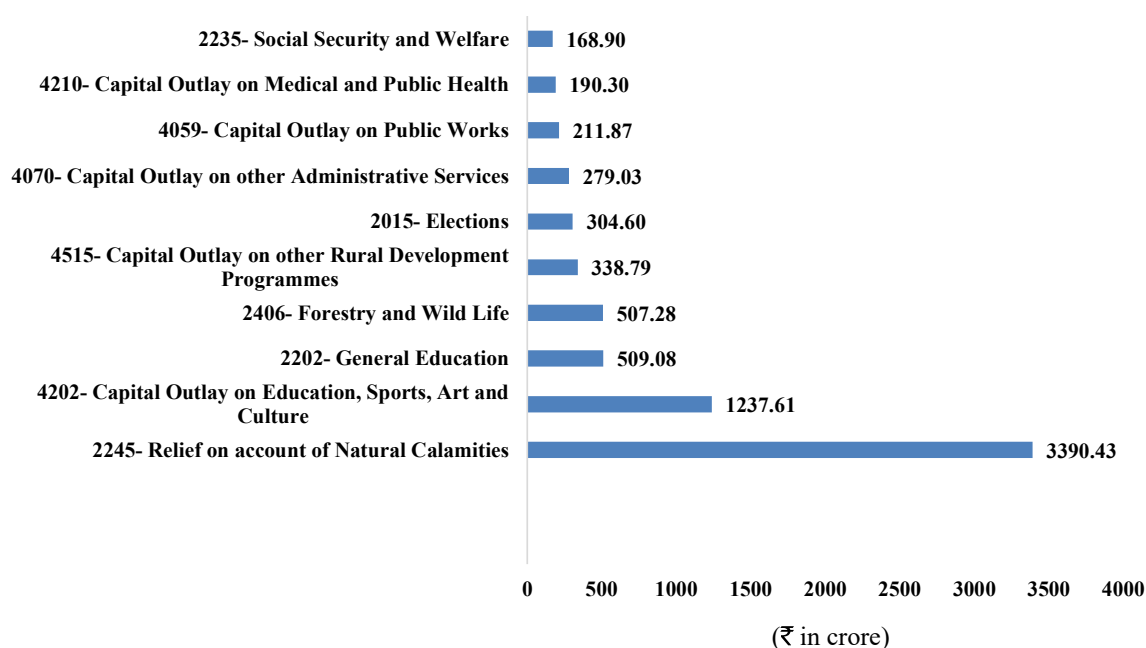
Year	Opening Balance		Addition		Clearance		Closing Balance	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Up to 2016-17	1,01,334	42,987.91	1383	1,808.68	90177	42,421.46	12,540	2,375.13
2017-18	12,540	2,375.13	1540	2,906.91	468	915.64	13,612	4,366.40
2018-19	13,612	4,366.40	1453	631.51	112	73.53	14,953	4,924.38
2019-20	14,953	4,924.38	5689	4,231.06	0	0.00	20,642	9,155.44

(Source: Finance Accounts for the respective years)

It is evident from the above table that a total of 20,642 AC Bills amounting to ₹ 9,155.44 crore, had not been adjusted till March 2020. During the year 2019-20, 289 AC Bills amounting to ₹ 805.96 crore (19.05 per cent of the total drawn 5689 AC Bills amounting to ₹ 4,231.06 crore) were drawn under various Capital Heads for Creation of Capital Assets. 1383 AC Bills amounting to ₹ 644.13 crore (15.22 per cent of the total drawn AC Bills) were drawn in March 2020 alone. No AC Bill was drawn on the last day of the financial year 2019-20.

Substantial expenditure against AC bills in March indicates that the drawal was primarily to exhaust the budget provisions and reveals inadequate budgetary control. Drawals for the creation of Capital Assets indicate lack of object-level planning. Department-wise pending DC bills are not being maintained in the VLC module of the AG (A&E) office. Major Head wise pending DC bills are shown in **Chart 4.2**.

Chart 4.2: Pending DC Bills in respect of Major Head



(Source: Data furnished by the O/o Pr.AG (A&E))

Expenditure against AC bills at the end of the year and for the creation of capital assets indicates poor public expenditure management and indicates drawal being done primarily to exhaust the budget provision. Non-adjustment of advances for long periods is fraught with the risk of misappropriation.

Non-submission of DC bills within the prescribed time breaches financial discipline and enhances the risk of misappropriation of public money.

4.8 Personal Deposit (PD) Accounts

Rule 339 of BTC, 2011 describes that no Personal Deposit Accounts shall be opened at the Treasury without the written authorisation of the Finance Department under intimation to the Accountant General. Rule 340(b) says that this Account shall only be used for special cases where Public interest requires speed of expenditure not possible through the normal treasury procedure or there are a large number of small beneficiaries dispersed in interiors

such that direct disbursement through the treasury is not practicable. Transfer of funds to PD accounts is booked as final expenditure from the Consolidated Fund under the concerned service Major Heads. PD administrators are required to review all PD Accounts at end of the financial year and transfer the amount lying unspent after five consecutive financial years (including the financial year in which the money was withdrawn)²⁰ back to Consolidated Fund by reduction of expenditure to the service head.

As per the notification²¹ issued by Finance Department, GoB, “all PD/Personal Ledger (PL) Accounts opened prior to the date 01-04-2019, will be treated to be opened on 01-04-2019 as a default under CFMS and the unutilised amount lying in PD/PL Accounts shall lapse at the end of five subsequent financial years”. The concept of inoperative PD Accounts was nullified as of now accordingly.

During scrutiny, it was observed that all the PD Accounts have been opened under designated heads of Accounts i.e. 8443 Civil Deposits – 106 Personal Deposits. A total of ₹ 4,377.12 crore was lying in 175 PD Accounts before CFMS (as on 31.03.2019). Out of these, only 163 PD Accounts were migrated to CFMS and 12 PD²² Accounts have not been migrated to CFMS in the financial year 2019-20. Two PD Accounts are newly raised in CFMS, which were not previously included in 175 PD Accounts. One PD Accounts was already closed in 2017 but presently available in CFMS. 166 Plus Minus Memo submitted by Treasuries to AG (A&E) office. PD Accounts were opened with the approval of Accountant General (A&E), Bihar, Patna.

During 2019-20, eight PD Accounts were closed and the balance of ₹ 555.90 crore lying in these Accounts were remitted to the Consolidated Fund of the State. Details of PD Accounts that were in CFMS during 2019-20 have been shown in **Table 4.8**. Transactions (Cr. & Dr.) during the year are shown under column Addition and Closing during the year.

Table 4.8: Details of PD Accounts as per CFMS during 2019-20

(₹ in crore)

Opening Balance as on 01.04.2019		Addition during the year		Closing during the year		Closing Balance as on 31.03.2020	
Number	Amount	Number	Amount	Number	Amount	Number	Amount
166	4,361.12	0	552.13	08	1600.31	158	3,312.94

(Source: Finance Accounts for the respective years)

It was noticed that there was a difference of ₹ 16.00 crore in the closing balance of March 2019 and the opening balance of April 2019. AG (A&E) office stated that the difference in balance is due to the non-migration of 12 PD accounts and pending reconciliation of seven PD Accounts. The reason for differences between Finance Accounts (Statement-21) and Plus Minus memorandum is also under reconciliation.

Non-reconciliation of balances in PD accounts periodically and not transferring the unspent balances in PD accounts to the Consolidated Fund before the closure of the financial year entails the risk of misuse of public funds, fraud and misappropriation.

²⁰ GoB notification No. 6679 dated 23.08.2016.

²¹ Notification no. M-4-02/2020-2916/F Dt: 03.06.2020

²² DDC, Katihar; SDO Narkatiaganj; SDO Rajouli (Nawada), Inland Water Transport Directorate, Nirman Bhawan Patna; Bihar Rastra Bhasha Parishad, Patna; DM, Saharsa; SDO, Saharsa; SDO Marhaura (Saran); SDO Sheohar; SDO, Sherghati; SDO, Mahnar and SDO, Dehri

4.9 Personal Ledger (PL) Accounts

As per Bihar Treasury (Amendment) Code 2014 Personal Ledger Account (PL Account) of Special Purpose Vehicles, Board, Authority, Agency and Society *etc.*, constituted by the State Government who receive money in any form (*e.g.* grant, loan, work to be done on centage, *etc.*) shall be opened in the treasury. The State Government may exempt any institution or any specific scheme from keeping the amount in PL Account. The authorised officer through a non-Government cheque will operate PL Account. The State Government may order to keep the amount in the Bank Account withdrawing from PL Account in installments to maintain the monetary liquidity of these institutions. The Finance Department may prescribe the procedure for deposit and withdrawal of the amount from the PL Account in special circumstances.

There were 253 PL Accounts amounting to ₹ 26,997.71 crore, including eight new PL Accounts existing in 66 treasuries as on 31 March 2020. Further, 18 PL Accounts were not migrated in CFMS.

There were 70 PL Accounts in which discrepancies were found between the closing balance of 2018-19 and the opening balance of 2019-20. Out of these, 53 were reconciled as on 22.12.2020. Action is underway in AG (A&E) office to remove discrepancies in other PL Accounts. No PL Account was closed during 2019-20.

Non-reconciliation of balances of PL Accounts periodically and not transferring the unspent balances lying in PL Accounts to the Consolidated Fund before the closure of the financial year entails the risk of misuse of public funds, fraud and misappropriation.

4.10 Indiscriminate use of Minor Head 800

Minor Head 800 relating to Other Receipts and Other Expenditure is intended to be operated only when the appropriate minor head has not been provided in the Accounts. Routine operation of Minor Head 800 is to be discouraged since it renders the Accounts opaque, as these heads do not disclose the concerned schemes, programmes, *etc.*

During 2019-20, expenditure of ₹ 640.26 crore (0.46 *per cent*) was incurred through ‘800’ Minor Head out of total expenditure of ₹ 1,38,320.56 crore. The receipt of ₹ 948.22 crore (0.76 *per cent*) was booked through ‘800’ Minor Head out of total receipt of ₹ 1,24,232.53 crore (Appendix-4.2 and 4.3). Expenditure and Receipt under Minor Head ‘800’ were found 50 *per cent* or more as mentioned in **Tables 4.9** and **4.10** respectively.

Table 4.9: Significant expenditure booked under Minor Head 800 – Other Expenditure during the financial year

(₹ in crore)

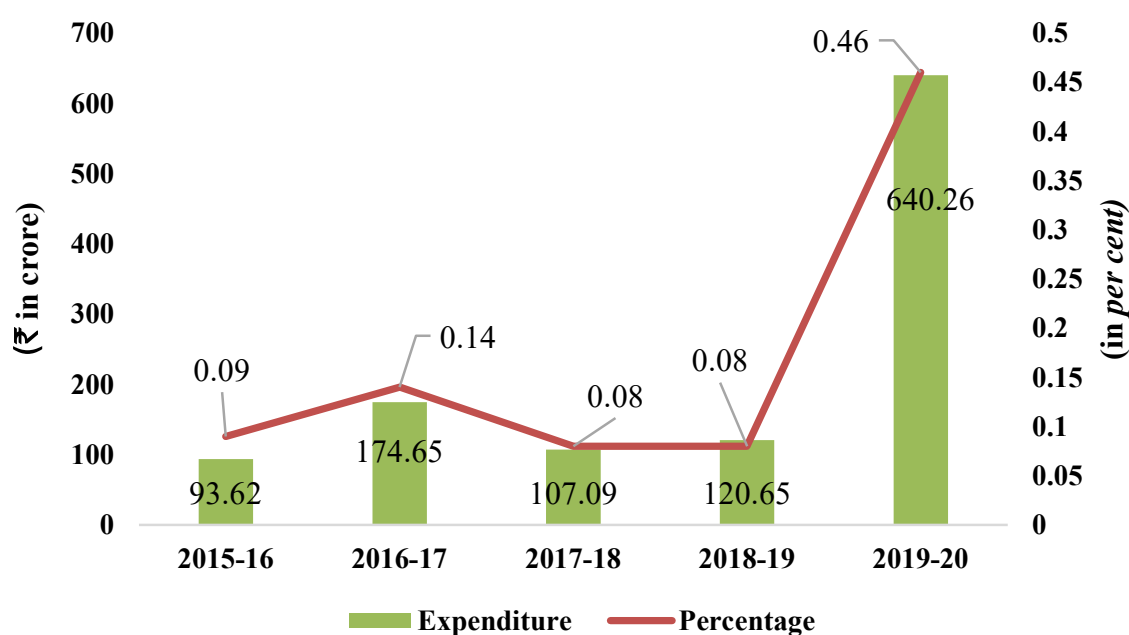
Sl. No.	Major Head	Description	Expenditure under Minor Head 800	Total Expenditure	Per centage
1.	2250	Other Social Service	21.25	23.05	92.21

Table 4.10: Significant receipts booked under Minor Head 800 – Other Receipts during the financial year

(₹ in crore)

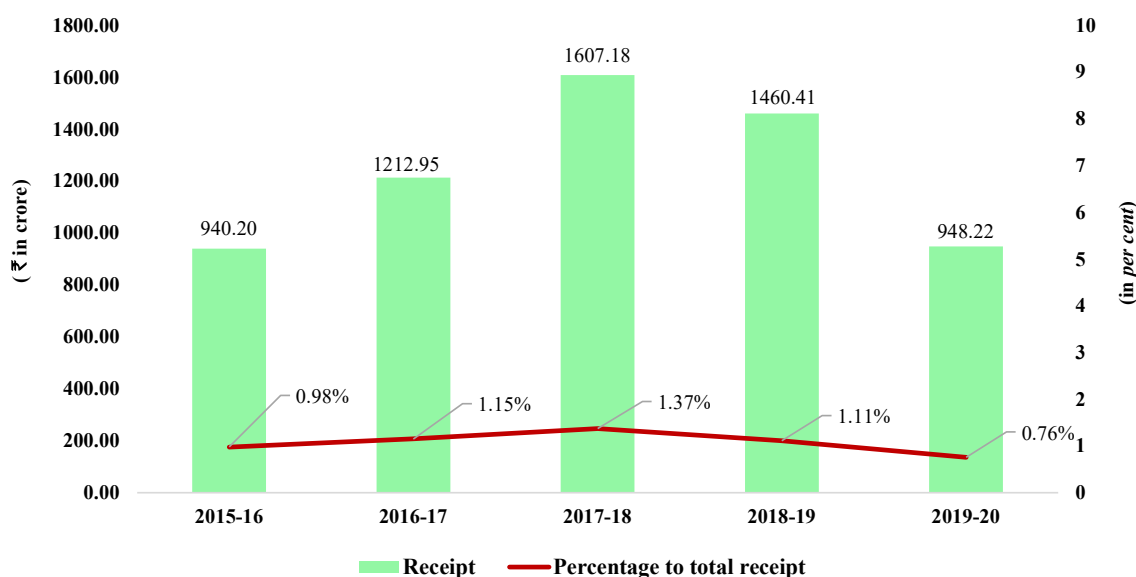
Sl. No.	Major Head	Description	Receipts under Minor Head 800	Total Receipts	Percentage
1.	0059	Public Works	5.80	8.60	67.44
2.	0070	Other Administrative Services	126.42	137.39	92.02
3.	0210	Medical and Public Health	26.53	47.54	55.81
4.	0230	Labour and Employment	7.76	11.28	68.79
5.	0235	Social Security and Welfare	0.17	0.17	100.00
6.	0404	Dairy Development	0.02	0.02	100.00
7.	0506	Land Reforms	0.16	0.13	121.06
8.	0702	Minor Irrigation	10.90	17.69	61.62
9.	0851	Village and Small Industries	0.08	0.08	100.00
10.	0852	Industries	14.63	14.64	99.93
11.	1053	Civil Aviation	1.58	1.95	81.03
12.	1056	Inland Water Transport	0.01	0.01	100.00
13.	1456	Civil Supplies	0.02	0.02	100.00

(Source: Finance Accounts, 2019-20)

Chart 4.3: Operation of Minor Head 800 - Other Expenditure during 2015-16 to 2019-20

(Source: Finance Accounts, 2015-16 to 2019-20)

Chart 4.4: Operation of Minor Head 800 - Other Receipt during 2015-16 to 2019-20



(Source: Finance Accounts, 2015-16 to 2019-20)

Further, expenditure under Minor Head ‘800’ has increased from ₹ 93.62 to ₹ 640.26 crore and receipt from ₹ 940.20 to ₹ 948.22 crore during 2015-16 to 2019-20. During 2019-20, major expenditure was booked under Minor Head ‘800’ from Major head 2406-Forestry and Wild Life (₹ 216.42 crore) and 6004- Loans and Advances from the Central Government (₹ 390.77 crore).

Classification of large amounts under the omnibus Minor Head 800 affects transparency in financial reporting and distorts proper analysis of allocative priorities and quality of expenditure.

Issues related to measurement

4.11 Outstanding balance under major Suspense and Debt, Deposit and Remittance (DDR) heads

Certain intermediary/ adjusting Heads of Account known as 8658-Suspense Heads are operated in Government Accounts to reflect transactions of receipt and payment which cannot be booked to a final Head of Account due to lack of information as to their nature or for other reasons. The Finance Accounts reflect the net balances under Suspense and Remittance Heads. The outstanding balances under these heads are worked out by aggregating the outstanding debit and credit balances separately under various heads. The position of gross figures under some of the major Suspense and Remittance heads at the end of the last three years is indicated in **Table 4.11**.

Table 4.11: Balances under Suspense and Remittance Heads(*₹ in crore*)

Minor Head	2017-18		2018-19		2019-20	
Major Head 8658 - Suspense	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
101 - PAO suspense	335.27	0.00	314.56	0.00	289.23	0.00
Net	Dr. 335.27		Dr. 314.56		Dr. 289.23	
102 - Suspense Account-Civil	4,059.01	309.73	4,408.94	452.87	10,495.81	638.35
Net	Dr. 3,749.28		Dr. 3,956.07		Dr. 9857.46	
107 - Cash Settlement Suspense Account	0.00	32.29	0.00	32.29	0.00	32.29
Net	Cr.32.29		Cr. 32.29		Cr. 32.29	
109 - Reserve Bank Suspense –Headquarters	262.54	0.66	264.57	(-) 0.01	249.56	2.56
Net	Dr. 261.88		Dr. 264.58		Dr. 247.00	
110 - Reserve Bank Suspense – CAO	1,276.72	894.62	1,280.04	894.61	1,194.19	894.61
Net	Dr. 382.10		Dr. 385.43		Dr. 299.58	
112 - Tax Deducted at Source (TDS) Suspense	776.13	1257.13	1126.83	1455.19	953.83	1281.53
Net	Cr. 481.00		Cr. 328.36		Cr. 327.70	
123 - A.I.S Officers' Group Insurance Scheme	0.23	7.08	0.45	6.91	0.35	6.53
Net	Cr. 6.85		Cr. 6.46		Cr. 6.18	
Major Head 8782-Cash Remittances						
102 - P.W. Remittances	16,469.13	15,520.08	16,746.56	15,838.27	16,748.75	15,837.56
Net	Dr. 949.05		Dr. 908.29		Dr. 911.19	
103 - Forest Remittances	2,779.39	2,535.37	3,146.33	2,937.60	3,146.65	2,938.38
Net	Dr. 244.02		Dr. 208.73		Dr. 208.27	

(Source: Finance Accounts 2017-18 to 2019-20)

It was observed that fund under 102- Suspense Account-civil has remarkably increased (net Dr. 9857.46 crore) during 2019-20 in comparison to the previous year 2018-19 (net Dr. 3,956.07 crore). AG (A&E) office has so far made an objection in 22,857 number of vouchers amounting to ₹ 7,149.67 crore and 316 number of challans amounting to ₹ 63.59 crore due to non-attachment of sanction orders/ pension payment documents/ running bills/ sub-vouchers *etc.* These have been kept in Suspense Accounts. All vouchers and challans were not rectified till April 2021.

Clearance of suspense and remittance items depends on the details furnished by the State Treasuries (including Works and Forest Divisions, *etc.*). If these amounts remain un-cleared, the balances under the Suspense Heads would accumulate and not reflect the true and fair picture of the Governments expenditure.

4.12 Non-reconciliation of Departmental figures

Controlling Officers of the Departments to exercise effective control over spending to keep it within the budget grants and to ensure accuracy of their Accounts, the State Financial Rules stipulate that receipts and expenditure during the financial year recorded in their books be reconciled by them every month with that recorded in the books of AG (A&E) office.

As per Rule 475 of Bihar Financial Rules, all Controlling Officers are required to reconcile their receipts and expenditure with the Accountant General (A&E).

However, it was observed that the trend of non-reconciliation in receipt and expenditure had increased from 2017-18 to 2019-20. Further, during the year 2019-20, ₹ 23,681.48 crore (19.06 per cent) of receipt out of total receipt ₹ 1,24,232.53 crore and ₹ 1,22,406 crore (88.49 per cent) of expenditure out of total expenditure ₹ 1,38,320.56 crore were not reconciled as shown in **Table 4.12**.

Table 4.12: Status of Reconciliation of Receipts and Expenditure figures

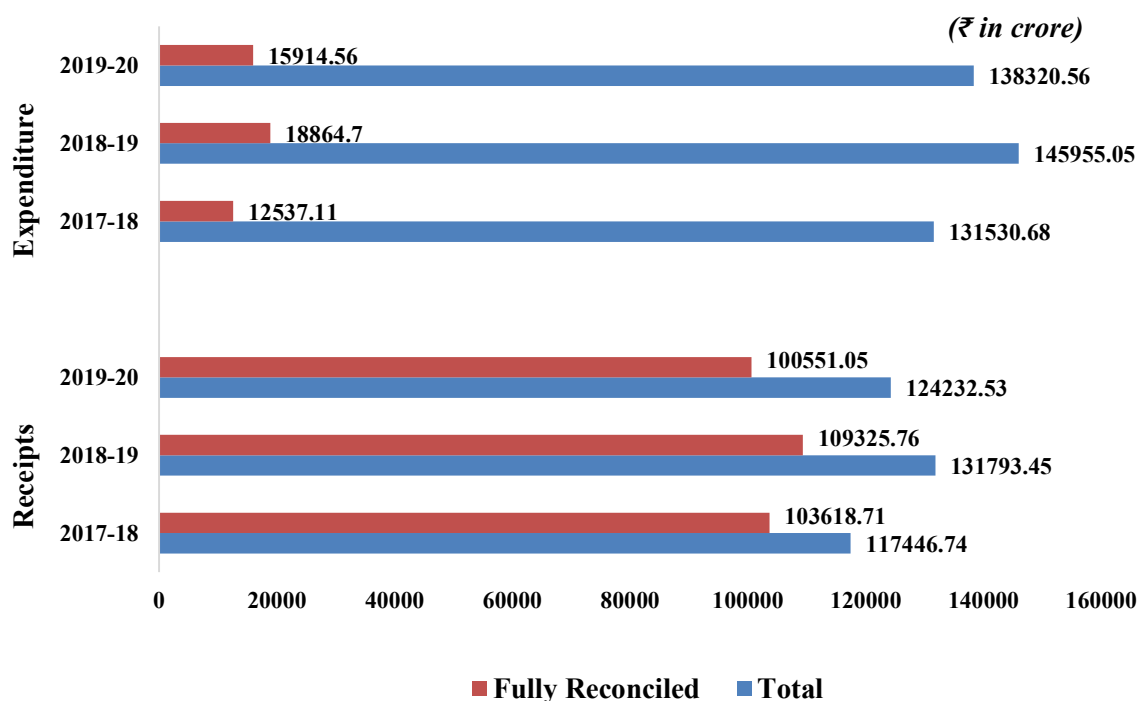
(₹ in crore)

Year	Fully Reconciled	Partially Reconciled	Not reconciled at all (per cent)
Receipts			
2017-18	103618.71	-	13828.03 (11.77)
2018-19	109325.76	-	22467.70 (17.05)
2019-20	100551.05	-	23681.48 (19.06)
Expenditure			
2017-18	12537.11	-	118993.57 (90.47)
2018-19	18864.70	-	127090.35 (87.08)
2019-20	15914.56	-	122406.00 (88.49)

(Source: Finance Accounts for the respective years & Data furnished by the O/o Pr.AG (A&E))

Further, the status of reconciliation during the last three years has been shown in **Chart 4.5**.

Chart 4.5: Status of reconciliation during the three years 2017-20



(Source: Finance Accounts for the respective years & Data furnished by the O/o Pr.AG (A&E))

The amount is booked as Major Head wise in VLC Module so as total no. of controlling officers were not available. The facility of reconciliation of receipts under Cyber Treasury has not been started so far.

Failure to adhere to the codal provisions and executive instructions in this regard not only resulted in misclassification but also defeats the objective of the budgetary process.

4.13 Reconciliation of Cash Balances

There should be no difference between the Cash Balance of the State as per the books of Accounts of the Accountant General (A&E), and the Cash Balance as reported by the Reserve Bank of India (RBI).

However, there was a difference of ₹ 700.18 crore (Dr.) between the cash balance as on 31 March 2020 as worked out by the Accountant General (A&E) and by the RBI. Such difference is mainly due to incorrect reporting of transactions and non-reconciliation by the Agency Banks. The difference is under reconciliation.

Out of the above-stated differences, an amount of ₹ 11.86 crore (Dr) pertains to the period from 1964-65 to 1987-88 which is under consideration of the State Government for write-off whereas other differences are under reconciliation. No Cash Balance difference was either written off or credited to the State Account during the year 2019-20.

Issues related to disclosure

4.14 Compliance with Accounting Standards

As per Article 150 of the Constitution of India, the President of India may, on the advice of the Comptroller and Auditor General of India (CAG), prescribe the form of Accounts of the Union and of the States. Further, the CAG of India set up a Government Accounting Standards Advisory Board (GASAB) in 2002, for formulating standards for government accounting and financial reporting, to enhance Accountability mechanisms. On the advice of the CAG, the President of India has so far notified three Indian Government Accounting Standards (IGAS). Compliance with Accounting Standards is depicted in Table 4.13.

Table 4.13: Compliance with Accounting Standards

Sl. No.	Accounting Standards	Essence of IGAS	Compliance by State Government	Impact of deficiency
1.	IGAS-1: Guarantees Given by the Government – Disclosure requirements	<ul style="list-style-type: none"> To ensure uniform and complete disclosure of such Guarantees. Class-wise and Sector-wise disclosures 	Complied Statements 9 and 20 of Finance Accounts have been prepared. However, disclosure is incomplete since the state Govt. has not furnished the required information.	All Guarantors, departments of state govt. and guarantees made during the year could not be ascertained.
2.	IGAS-2: Accounting and Classification of <i>Grants-in-Aid</i>	<ul style="list-style-type: none"> For Accounting and classification of Grants-in-aid both as a grantor as well as a grantee. 	Complied Statement 10 of Finance Accounts.	No

Sl. No.	Accounting Standards	Essence of IGAS	Compliance by State Government	Impact of deficiency
3.	IGAS-3: Loans and Advances made by Government	<ul style="list-style-type: none"> For recognition, measurement, valuation, and reporting in respect of Loans and To ensure complete, accurate, and uniform Accounting practices, To ensure adequate disclosure on Loans and Advances 	<ul style="list-style-type: none"> Complied Statement 7 and 18 of Finance Accounts Disclosure regarding ‘Repayment in arrears from other Loaneer Entities’, ‘Write-off of irrecoverable Loans and Advances’, and ‘Cases of a Loan having been sanctioned as Loan in Perpetuity could not be made as this information was not provided by the State Government. 	‘Repayment in arrears from other Loaneer Entities’, ‘Write-off of irrecoverable Loans and Advances’ and ‘Cases of a Loan having been sanctioned as Loan in Perpetuity could not be ascertained as data were not provided by the State Government.

4.15 Submission of Accounts/ Separate Audit Reports of Autonomous Bodies

As per Section 19(3) of the CAG’s Duties, Powers and Conditions of Services (DPC) Act, the Governor/ Administrator may, in the public interest, request the CAG to audit the accounts of a corporation established by law made by the legislature of the State or of the Union Territory, as the case may be, and where such request has been made, the CAG shall audit the Accounts of such corporation and shall have for the purposes of such audit, right of access to the books and Accounts of such corporation.

Apart from Section 19, where the audit of the Accounts of any Body or authority has not been entrusted to the CAG by or under any law, he shall, if requested to do so by the President, or the Governor of a State or the Administrator of a Union Territory having a Legislative Assembly, as the case may be, undertake the audit of the Accounts of such body or authority on such terms and conditions as may be agreed upon between him and the concerned Government and shall have, for the purposes of such audit, right of access to the books and Accounts of that body or authority (Section 20).

Out of 45 Bodies/Authorities under audit jurisdiction in the State of Bihar, CAG is the Primary Auditor of only four Bodies/Authorities. Audit of remaining 41 Bodies/Authorities (*Appendix-4.4*) are being conducted under Section 14 of CAG (DPC), Act 1971. However, entrustment audit of Accounts was not given to the CAG. Arrears of Accounts of bodies or authorities are depicted in **Table 4.14**.

Table 4.14: Arrears of Accounts of bodies or authorities

Sl. No.	Name of Body or Authority	Entrustment received up to	Accounts pending for the year	No. of Accounts pending up to F.Y 2019-20	Remarks
1.	Bihar Agricultural University, Sabour, Bhagalpur	2014-15	Since 2018-19	2	Audited as per para 31(2) of BAU Act,2015
2.	Rajendra Prasad Agricultural University, Pusa, Samastipur	2016-17	Since 2014-15	3	Notify Central University 03.10.16
3.	Bihar State Legal Service Authority(BLSA)	Permanent	2019-20	1	Section 18 of BLSA act,1987
4.	Bihar Electricity Regulatory Commission	Permanent	2019-20	1	Section 104(2) of Electricity Act,2003
Total				7	

(Source: Data compiled by Audit Office)

4.16 Departmental Commercial Undertakings/Corporations/ Companies

The Companies Act, 2013 stipulates that the financial statement of the companies for every financial year are required to be finalised within six months from the end of the relevant financial year *i.e.*, by 30 September of the next financial year. Failure to submit Accounts on time renders the officers of the company liable to penal provisions under the Act.

It was observed that 137 Accounts are in arrears pertaining to 33 working companies since 1998-99, 11 Accounts are in arrears for 3 working Statutory Corporations since 2015-16 and 1067 Accounts are in arrears pertaining to 37 non-working companies since 1977-78. Out of 42 non-working PSUs, five PSUs are under liquidation (**Appendix 4.5**).

Government provided budgetary support (equity, loans, grants, guarantee and subsidies) of ₹ 18,872.14²³ crore to 16 working State Public Sector Undertakings, two Statutory Corporations, and 16 non-working Public Sector Undertakings up to 2019-20 whose Accounts were in arrears as on 31 March 2020. These PSUs have not finalised their Accounts for the last one to 43 years in violation of provisions of the Companies Act/Acts of the respective Statutory Corporations/ Public Sector Undertakings (**Appendix 4.6**). Twenty PSUs/Corporations are loss making with their net worth being negative (**Appendix 4.7**).

Due to non-finalisation of Accounts, the CAG has been unable to perform the supplementary audit of Companies as stipulated in the Companies Act and statutory audit of the corporations as stipulated in their respective acts. In the absence of timely finalisation of accounts, results of the investment of the Government remain outside the purview of the State Legislature and escape scrutiny by Audit. Consequently, corrective measures, if any, required for ensuring

²³ Equity- ₹ 342.63 crore, Loan- ₹ 2,705.97 crore, Capital Grant- ₹ 561.36 crore, Subsidy- ₹ 7,447.91 crore, including extended Guarantee- ₹ 7,814.27 crore

accountability and improving efficiency cannot be taken in time. The risk of fraud and mis-utilisation of public money cannot be ruled out.

4.17 Timeliness and Quality of Accounts

The Accounts of the State Government are compiled by the Accountant General (A&E) from the initial Accounts rendered by district treasuries, sub-treasuries, Resident Commissioner (New Delhi), cyber treasury, apart from the RBI advice.

It was observed that the Accounts of the State Government for the year 2019-20 are based on the initial Account rendered by 76 Treasuries (including the Public works division and Forest Division) and advises of RBI. The accounts have been compiled from the vouchers, initial and subsidiary accounts rendered by the treasuries and other rendering units. No accounts were excluded at the end of the year.

Other Issues

4.18 Misappropriations, losses, thefts, etc.

Rule 31 of Bihar Financial Rules provides that loss of public money, Government revenue, stores, or other property by defalcation or otherwise should be immediately reported by the office to the higher authority, Finance Department as well as to the Accountant General (Audit), even when such loss has been made good by the party responsible for it. Such reports must be submitted as soon as suspicion arises that there has been a loss and these must not be delayed while enquires are made. Pending cases of misappropriation, losses and theft are depicted in **Table 4.15**.

Table 4.15: Pending cases of misappropriation, losses, theft, etc.

(₹ in crore)

Name of Department	Cases of misappropriation/ losses /theft of Government material		Reasons for the delay in the final disposal of pending cases of misappropriation, losses, theft, etc.					
			Awaiting departmental and criminal investigation		Departmental action initiated but not finalised		Criminal Proceedings finalised but recovery of the amount pending	
			Number of cases	Amount	Number of cases	Amount	Number of cases	Amount
Rural Work Department	11	2.94	0	0	11	2.94	0	0

Rural works Department had intimated that departmental action had been initiated in 11 cases, which are pending for the last twenty years. Out of 11 cases, eight cases amounting to ₹ 2.11 crore were pending for more than 10 years and the remaining three cases were pending for less than ten years. However, the final action is yet to be taken.

4.19 Follow up action on State Finances Audit Report

The Public Account Committee (PAC) requires the concerned Departments to provide a *suo motu* Explanatory Note on the paragraphs featuring in the Audit Reports within one month

of placing the Reports in the Legislature. The concerned Departments are also required to provide Action Taken Notes (ATNs) to the AG (for vetting and onward transmission to the PAC) within three months of tabling the Reports.

At the instance of the PAC, the Finance Department should have issued instructions to all the Departments to initiate *suo moto* action on all paragraphs and reviews featuring in the Audit Reports irrespective of whether the cases had been taken up for examination by the PAC or not.

During 2019-20, the PAC had held one meeting for discussion on the SFARs. A total number of 282 Paras of SFARs out of 285 paras relating to 2008-09 to 2017-18 are pending for discussion.

4.20 Conclusions

Positive Indicators	Negative Indicators
Decreasing number of discrepancies in PL Accounts	Continuing cases of cess, royalty, and regulators maintaining fund outside Public Accounts of the state
	Increasing number of outstanding UCs
	Increasing number of outstanding DC bills
	Increasing amount under Suspense heads
	Increasing non-discharge of liability in respect of interest on deposits
	Increasing arrears in respect of annual Accounts of PSUs and autonomous bodies

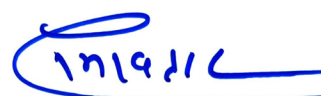
4.21 Recommendations

The Finance Department should

- review all PD Accounts and ensure that
 - all amounts lying in PD Accounts at the end of the year are immediately remitted to the Consolidated fund;
 - appropriate action is taken against department and treasury officers who fail to follow the financial rules relating to PD Accounts.
- conduct a comprehensive review of all items presently appearing under the minor head 800 and ensure that such receipts and expenditure are booked under appropriate heads of Accounts, in consultation with the Accountant General (A&E).
- prescribe a time frame within which the administrative department collects pending utilisation certificates and ensure that till such time no further grants release to defaulting grantees. Responsibility should be fixed for the outstanding UCs.
- ensure that all controlling officers adjust AC bills pending beyond the prescribed period in a time-bound manner and also ensure that AC bills are not drawn merely to avoid

lapse of budget. Responsibility should be fixed for the undue delay in adjustment of pending AC bills.

- need to see if this is value for money expenditure and if such assistance can justifiably be booked as capital expenditure for equity and loan.
- review the cases of all PSUs that are in arrears of Accounts, ensure that the Accounts are made current within a reasonable period, and stop financial support in all cases where Accounts continue to be in arrears. The Government should fix the responsibility for non-finalisation of the accounts.



(RAMAWATAR SHARMA)
Accountant General (Audit), Bihar

Patna
The 19 August 2021

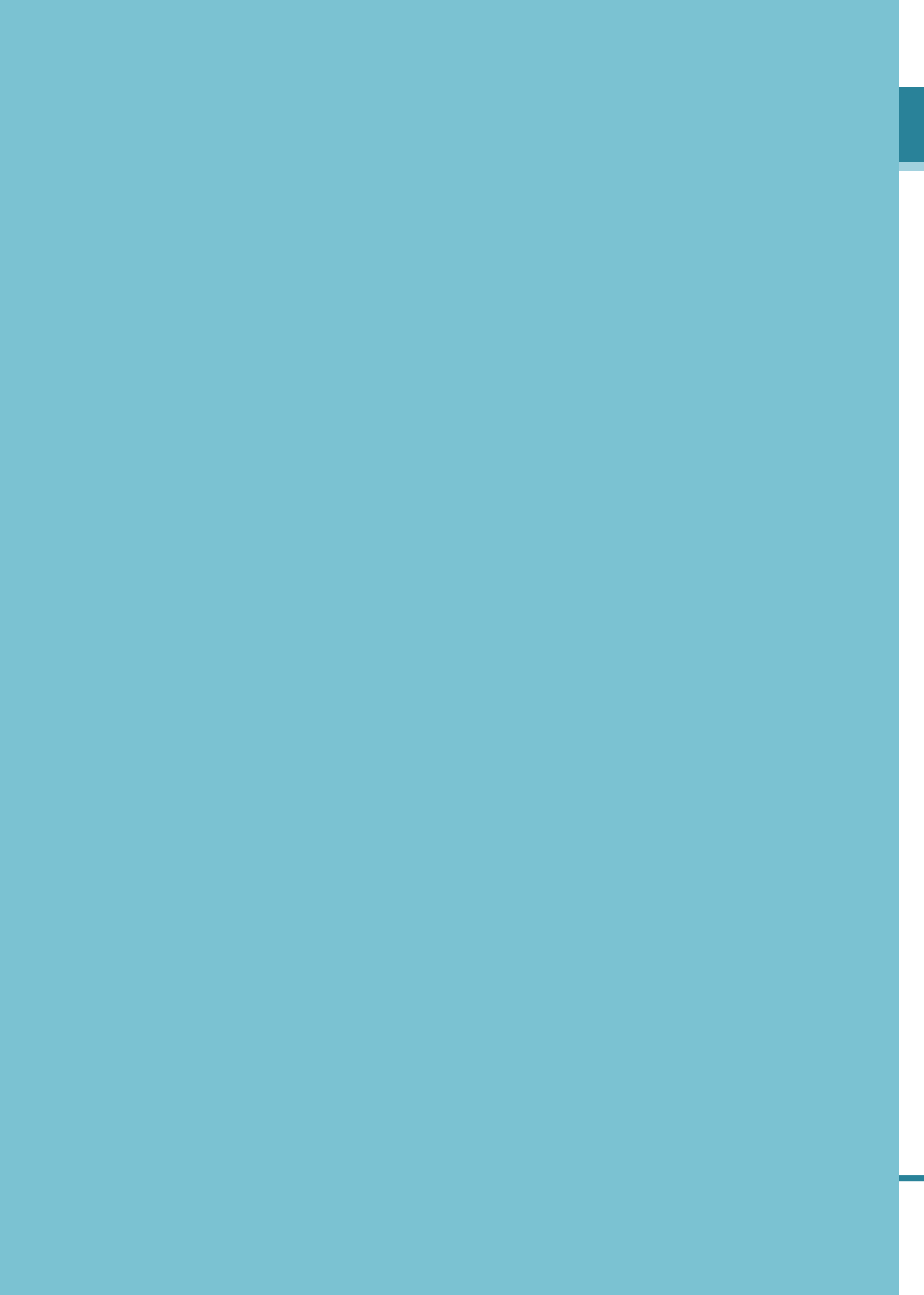
COUNTERSIGNED



(GIRISH CHANDRA MURMU)
Comptroller and Auditor General of India

New Delhi
The 27 August 2021

APPENDICES



Appendix-1.1

(Reference: Paragraph 1.1)
State profile

A. General Data						
Sl. No.	Particulars		Figures			
1	Area		94,163 Sq. KM.			
2	Population (as per 2020)		12.23 Crore			
3	Density of population (as per 2011 Census) (All India density = 382 persons per Sq. Km.)		1106			
4	Population Below Poverty Line (BPL) (All India average = 21.90 per cent)		33.7			
5	Literacy (as per 2011 Census) (All India Average 73.00 per cent)		61.8			
6	Infant mortality (per 1,000 live births) (All India average = 33 per 1000 live births)		35			
7	Life Expectancy at birth (All India average = 69.40 years)		69.1			
8	Gross State Domestic Product (GSDP) 2019-20 at current prices (₹ in crore)		611804			
9	Per capita GSDP ²⁴ CAGR ²⁵ (2011-12 to 2019-20)	Bihar	10.08			
		General Category States	10.53			
10	GSDP CAGR (2011-12 to 2019-20)	Bihar	12.00			
		General Category States	11.98			
11	Population growth (2011 to 2020)	Bihar	16.21			
		General Category States	10.98			
B. Financial data						
Sl. No.	Particulars		Figures (in per cent)			
1	CAGR		2010-11 to 2018-19		2018-19 to 2019-20	
			General Category States	Bihar	General Category States	Bihar
	a.	of Revenue Receipts	13.65	14.53	2.08	(-) 5.74
	b.	of Tax Revenue	12.21	14.62	2.12	2.55
	c.	of Non-Tax Revenue	11.19	19.62	23.44	(-) 10.43
	d.	of Total Expenditure	13.87	14.90	4.09	(-) 2.59
	e.	of Capital Expenditure	14.64	10.91	(-)3.86	(-) 7.81
	f.	of Revenue Expenditure on Education	11.58	16.23	11.81	(-) 3.00
	g.	of Revenue Expenditure on Health	15.43	20.08	9.48	12.73
	h.	of Salaries and Wages	10.78	8.30	9.51	2.35
	i.	of Pension	14.14	12.74	9.74	6.75

(Source: MoSPI Press Release dated 31.07.2020).

²⁴ GSDP = Gross State Domestic Product.

²⁵ CAGR= Compounded Annual Growth Rate.

Appendix-2.1

(Reference: Paragraph 2.2)
Time series data on State Government finances

(₹ in crore)

	2015-16	2016-17	2017-18	2018-19	2019-20
Part A Receipts					
1. Revenue Receipts	96,123	1,05,585	1,17,447	1,31,794	1,24,233
(i) Tax Revenue	25,449(26)	23,742(23)	23,137(20)	29,408(22)	30,158(24)
Taxes on Sales, Trade, etc.	10,603(42)	11,873(50)	8,298(36)	6,584(23)	6,121(20)
State Excise	3,142(12)	30(0)	(-)3.00(0)	(-)10(0)	(-) 4.00(0)
Taxes on Vehicles	1,081(4)	1,257(5)	1,599(7)	2,086(7)	2,713(9)
Stamps and Registration fees	3,409(13)	2,982(13)	3,726(16)	4,189(14)	4,661(16)
Land Revenue	695(3)	971(4)	779(3)	477(2)	275(1)
Taxes on Goods and Passengers	6,087(24)	6,245(26)	1,645(7)	399(1)	23(0)
SGST	-	-	6,747(29)	15,288(52)	1,5800(52)
Other Taxes	432(2)	384(2)	346(2)	395(1)	568(2)
(ii) Non-Tax Revenue	2,186(2)	2,403(2)	3,507(3)	4,131(3)	3,700(3)
(iii) State's share of Union taxes and duties	48,923(51)	58,881(56)	65,083(55)	73,603(56)	63,406(51)
(iv) Grants from Government of India	19,565(21)	20,559(19)	25,720(22)	24,652(19)	26,969(22)
2. Miscellaneous Capital Receipts	0	0	0	0	0
3. Recoveries of Loans and Advances	19	23	22	1,825	30
4. Total Revenue and Non-debt capital receipts (1+2+3)	96,142	1,05,608	1,17,469	1,33,619	1,24,263
5. Public Debt Receipts	18,383	21,577	13,169	18,668	29,145
Internal Debt (excluding Ways and Means Advances and Overdrafts)	17,565	20,065	11,771	16,134	27,866
Net transactions under Ways and Means Advances and Overdrafts	-	-	-	-	-
Loans and Advances from Government of India	818	1,512	1,398	2,534	1,279
6. Inter- State Settlement	-	-	-	-	-
7. Total Receipts in the Consolidated Fund (4+5+6)	1,14,525	1,27,185	1,30,638	1,52,287	1,53,408
8. Contingency Fund Receipts	-	-	-	-	-
9. Public Account Receipts	49,106	61,730	57,107	68,259	1,94,512
10. Total Receipts of the State (7+8+9)	1,63,631	1,88,915	1,87,745	2,20,546	3,47,920
Part B. Expenditure/Disbursement					
11. Revenue Expenditure	83,616	94,765	1,02,624	1,24,897	1,26,017
Schemes	29,651(35)	33,576(35)	35,951(35)	47,365(38)	44,576(35)
Establishment and committed	53,965(65)	61,189(65)	66,673(65)	77,532(62)	81,441(65)
General Services (including interest payments)	27,972(33)	30,607(32)	33,374(32)	38,691(31)	41,628(33)
Social Services	35,943(43)	40,737(43)	45,770(45)	58,284(47)	57,816(46)
Economic Services	19,697(24)	23,417(25)	23,476(33)	27,918(22)	26,571(21)
Grants-in-aid and contributions	4	4	4	4	2

	2015-16	2016-17	2017-18	2018-19	2019-20
Part A Receipts					
12. Capital Outlay	23,966	27,208	28,907	21,058	12,304
Schemes	23,930(99)	27,192(100)	28866(100)	20,999(100)	12,253(100)
Establishment and committed	36(1)	16(0)	41(0)	59(0)	51(0)
General Services	3,617(15)	2,090(8)	2,765(10)	3,311(16)	2,388(19)
Social Services	2,740(11)	3,592(13)	4,258(15)	4,061(19)	2,803(23)
Economic Services	17,609(74)	21,526(79)	21,884(75)	13,686(65)	7,113(58)
13. Disbursement of Loans and Advances	621	114	243	1,470	666
14. Total (11+12+13)	1,08,203	1,22,087	1,31,774	1,47,425	1,38,987
15. Repayments of Public Debt	4,125	4,215	4,653	7,230	7,110
Internal Debt (excluding Ways and Means Advances and Overdrafts)	3,423	3,461	3,841	6,300	6,143
Net transactions under Ways and Means Advances and Overdraft	-	-	-	-	-
Loan and Advances from Government of India	702	754	812	930	967
16. Appropriation to Contingency Fund	-	-	-	-	-
17. Inter State settlement	-	-	-	-	-
18. Total disbursement out of Consolidated Fund (14+15+16+17)	1,12,328	1,26,302	1,36,427	1,54,655	1,46,097
19. Contingency Fund disbursements	-	-	-	-	-
20. Public Account disbursements	45,923	57,268	46,299	67,135	1,97,747
21. Total disbursement by the State (18+19+20)	1,58,251	1,83,570	1,82,726	2,21,790	3,43,844
Part C. Deficits					
22. Revenue Deficit(-)/ Revenue Surplus (+) (1-11)	12,507	10,820	14,823	6,897	(-) 1,784
23. Fiscal Deficit (-)/ Fiscal Surplus (+) (4-14)	(-)12,061	(-)16,479	(-)14,305	(-)13,807	(-) 14,724
24. Primary Deficit/ Primary Surplus (23+25)	(-)4,963	(-)8,288	(-)5,251	(-)3,736	(-) 3,733
Part D. Other data					
25. Interest Payments (included in revenue expenditure)	7,098	8,191	9,054	10,071	10,991
26. Financial Assistance to local bodies etc.	26,426	36,209	43,359	51,764	46,582
27. Gross State Domestic Product (GSDP)[@]	3,71,602	4,22,316	4,84,740	5,57,490	6,11,804
28. Outstanding Fiscal liabilities (yearend)	1,16,578	1,38,722	1,56,777	1,68,921	1,93,382
29. Outstanding guarantees (yearend)	4,721	4,460	5,174	5,398	5,380
30. Maximum amount guaranteed (yearend)	9,397	13,053	20,234	20,834	20,834
31. Number of incomplete projects	144	130	127	68	143
32. Capital blocked in incomplete projects	1,728	1,521	892	315	1001
Part E: Fiscal Health Indicators					
I Resource Mobilization (in per cent)					
Tax Revenue/GSDP	6.85	5.62	4.77	5.28	4.93
Non-Tax Revenue/GSDP	0.59	0.57	0.72	0.74	0.60
Central Transfers/GSDP	13.17	13.94	13.43	13.20	10.36

	2015-16	2016-17	2017-18	2018-19	2019-20
Part A Receipts					
II Expenditure Management (in per cent)					
Total Expenditure/GSDP	29.12	28.91	27.18	26.44	22.72
Total Expenditure/Revenue Receipts	112.57	115.63	112.20	111.86	111.88
Revenue Expenditure/ Total Expenditure	77.28	77.62	77.88	84.72	90.67
Revenue Expenditure on Social Services/ Total Expenditure	33.22	33.37	34.73	39.53	41.60
Revenue Expenditure on Economic Services/ Total Expenditure	18.20	19.18	17.82	18.94	19.12
Capital Outlay/Total Expenditure	22.15	22.29	21.94	14.28	8.85
Capital Expenditure on Social and Economic Services/Total Expenditure	18.81	20.57	19.84	12.04	7.13
III Management of Fiscal Imbalances (in per cent)					
Revenue Surplus/GSDP	3.37	2.56	3.06	1.24	(-0.29)
Fiscal deficit/GSDP	3.25	3.90	2.95	2.48	2.41
Primary deficit /GSDP	1.34	1.96	1.08	0.67	0.61
Revenue Surplus/Fiscal Deficit	103.70	65.66	103.62	49.95	12.12
IV Management of Fiscal Liabilities (in per cent)					
Fiscal Liabilities/GSDP	31.37	32.85	32.34	30.30	31.61
Fiscal Liabilities/Revenue Receipts	121.28	131.38	133.49	128.17	153.66
Fiscal Liabilities/States own resources	421.85	530.59	588.41	503.66	563.82

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

@ GSDP;- MoSPI Press Release dated 31.07.2020

(Source: Finance Accounts for respective years).

Appendix-3.1

(Reference: Paragraph 3.3.3)

**Cases where supplementary provisions
(₹ 1 Crore or more in each case) proved unnecessary**

(₹ in crore)

Sl. No.	Number and Name of the Grant	Original Provision	Supplementary Provision	Expenditure	Savings out of Original Provision
(1)	(2)	(3)	(4)	(5)	(3-5)=(6)
Revenue (Charged)					
1.	5- Secretariat of the Governor	29.88	1.01	1.33	28.55
(A)	Total for Revenue (Charged)	29.88	1.01	1.33	28.55
Revenue (Voted)					
2.	1- Agriculture Department	2,938.77	533.16	2,152.49	786.28
3.	2- Animal and Fisheries Resource Department	953.25	172.41	789.36	163.89
4.	3- Building Construction Department	792.96	39.41	398.48	394.48
5.	4- Cabinet Secretariat Department	365.40	5.64	152.01	213.39
6.	9- Co-operative Department	1,514.44	226.88	586.00	928.44
7.	11-BC and MBC Welfare Department	1,584.65	2.81	1,413.05	171.60
8.	12-Finance Department	295.53	16.48	186.56	108.97
9.	15-Pension	18,443.71	77.30	17,118.98	1,324.73
10.	16-Panchayati Raj Department	11,956.31	1,420.04	8,689.62	3,266.69
11.	18-Food and Consumer Protection Department	1,347.49	7.61	702.00	645.49
12.	20-Health Department	7,693.06	1,590.75	6,960.84	732.22
13.	21-Education Department	34,027.21	3,033.56	25,958.41	8,068.80
14.	22-Home Department	10,466.00	560.37	8,992.73	1,473.27
15.	23-Industries Department	709.30	59.08	435.26	274.04
16.	25-Information Technology Department	154.00	27.91	106.89	47.11
17.	26-Labour Resource Department	785.52	66.81	643.42	142.10
18.	27-Law Department	990.28	6.68	768.04	222.24
19.	30-Minorities Welfare Department	189.10	33.62	88.63	100.47
20.	32-Legislature	207.50	10.85	171.16	36.34
21.	33-General Administration Department	720.78	31.63	526.05	194.73
22.	35-Planning and Development Department	846.96	23.67	273.91	573.05
23.	38-Registration, Excise and Prohibition Department	237.41	54.39	219.30	18.11
24.	39-Disaster management Department	4,314.76	3,037.12	3,621.18	693.58
25.	40-Revenue and Land Reforms Department	845.93	85.11	561.72	284.21

Sl. No.	Number and Name of the Grant	Original Provision	Supplementary Provision	Expenditure	Savings out of Original Provision
(1)	(2)	(3)	(4)	(5)	(3-5)=(6)
26.	41- Road Construction Department	1,469.14	600.00	854.48	614.66
27.	42- Rural Development Department	15,639.03	2,924.05	9,692.46	5,946.57
28.	43- Science and Technology Department	200.72	61.89	172.50	28.22
29.	44- SC & ST Welfare Department	1,511.54	84.09	1,121.26	390.28
30.	46- Tourism Department	48.09	16.65	28.05	20.04
31.	47- Transport Department	443.42	10.00	267.64	175.78
32.	48- Urban Development and Housing Department	5,148.79	1,086.25	2,984.53	2,164.26
33.	49- Water Resources Department	1,122.64	38.30	858.07	264.57
34.	50- Minor Water Resource Department	485.68	10.49	284.83	200.85
(B)	Total for Revenue (Voted)	1,28,449.37	15,955.01	97,779.91	30,669.46
	Total for Revenue (A+B)	1,28,479.25	15,956.02	97,781.24	30,698.01
Capital (Charged)					
35.	14- Repayment of Loans	7,235.93	431.60	7,109.83	126.10
(C)	Capital (Charged)	7,235.93	431.60	7,109.83	126.10
	Capital (Voted)				
36.	01- Agriculture Department	20.00	126.91	0.00	20.00
37.	3- Building Construction Department	4,582.10	573.88	1,384.86	3,197.24
38.	09- Co-operative Department	483.27	78.02	7.29	475.98
39.	12- Finance Department	879.40	63.59	613.94	265.46
40.	19- Environment and Forest Department	83.00	37.47	60.34	22.66
41.	20- Health Department	1,929.70	182.08	852.20	1,077.50
42.	21- Education Department	771.48	392.42	125.59	645.89
43.	23- Industries Department	112.09	50.00	0.00	112.09
44.	30- Minorities Welfare Department	270.00	17.50	161.30	108.70
45.	35- Planning and Development Department	1,641.99	43.48	1,098.51	543.48
46.	36- Public Health Engineering Department	3,124.34	45.68	1,905.18	1,219.16
47.	37- Rural Works Department	9,706.97	150.00	1,883.28	7,823.69
48.	43- Science and Technology Department	78.00	23.50	46.71	31.29
49.	49- Water Resources Department	2,529.66	1,978.52	954.33	1,575.33
50.	50- Minor Water Resource Department	252.52	881.00	225.28	27.24
51.	51- Social Welfare Department	30.88	52.83	9.87	21.01
(D)	Total Capital (Voted)	26,495.40	4,696.88	9,328.68	17,166.72
	Grand Total (A+B+C+D)	1,62,210.58	21,084.50	1,14,219.75	47,990.83

(Source: Appropriation Accounts for the year 2019-20)

Appendix-3.2

(Reference: Paragraph 3.3.4)

Un-necessary re-appropriation of funds

(₹ in crore)

Sl. No.	Grant No.	Head of Account and Description	Original Provision	Supplementary Provision	Total Provision	Reappropriation (+)	Actual Expenditure	Surrender	Final savings
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1.	01	3451-00-090-0007-Agriculture Department	6.94	0.00	6.94	0.10	3.94	0.00	3.10
2.	02	2403-00-001-0001-Headquarters Establishment	7.63	0.00	7.63	0.53	7.14	0.00	1.02
3.		2403-00-107-0001-Fodder and Feed Development	1.61	0.00	1.61	0.20	1.54	0.00	0.27
4.		2404-00-001-0001-Headquarter Establishment	4.16	0.00	4.16	0.04	3.75	0.00	0.45
5.	03	2059-60-103-0001-Furnishing materials for the Buildings of State Legislature	3.50	0.00	3.50	1.75	3.47	0.00	1.78
6.		2059-80-001-0004-Execution	207.63	0.00	207.63	0.55	151.08	0.00	57.10
7.		4059-60-051-0104-Construction and Maintenance of Circuit House	25.01	0.00	25.01	15.00	3.67	0.00	36.34
8.		4059-80-051-0004-Major Construction related to exteresion/alteration in Government Buildings	6.25	0.00	6.25	0.40	5.39	0.00	1.26
9.	06	2015-00-102-0001-Headquarters Charges and General Establishment	36.53	0.00	36.53	5.46	35.22	0.00	6.77
10.		2015-00-103-0001-List of Legislative Assembly Constituencies	70.25	0.00	70.25	11.17	65.84	0.00	15.58
11.		2015-00-106-0001-State Legislative Assembly Election	2.27	18.00	20.27	0.18	9.29	0.00	11.16
12.	08	2204-00-104-0001-Sports and Games	11.42	0.00	11.42	1.32	10.76	0.00	1.98
13.	09	2425-00-003-0001-Training of Employees	0.30	0.00	0.30	0.03	0.28	0.00	0.05
14.	10	3451-00-090-0017-Energy Department	1.98	0.21	2.19	0.39	2.12	0.00	0.47
15.	11	2251-00-090-0024-Backward Class and Most Backward Class Welfare Department	3.28	0.74	4.02	0.02	3.40	0.00	0.64
16.	16	2015-00-101-0001-State Election Commission (Panchayati Raj)	3.17	0.00	3.17	0.15	2.65	0.00	0.67
17.		3451-00-090-0028-Panchayati Raj Department	2.14	0.00	2.14	0.17	1.43	0.00	0.88

Sl. No.	Grant No.	Head of Account and Description	Original Provision	Supplementary Provision	Total Provision	Reappropriation (+)	Actual Expenditure	Surrender	Final savings	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
18.	18	3451-00-090-0011-Food and Consumer Protection Department	9.07	0.52	9.59	0.05	8.16	0.00	1.48	
19.	19	2406-01-001-0001-Direction and Administration	19.09	0.00	19.09	0.54	18.92	0.00	0.71	
20.		2406-02-110-0003-Sanctuary	6.05	0.70	6.75	0.01	5.10	0.00	1.66	
21.	20	2210-01-001-0001-Health Directorate	32.47	0.00	32.47	0.95	22.91	0.00	10.51	
22.		2210-02-101-0001-Directorate of Indigenous Ayurvedic Medicines	38.61	10.81	49.42	0.11	31.75	0.00	17.78	
23.	21	2202-01-003-0001-Training to Officers of Bihar Education Service.	0.00	0.00	0.00	0.26	0.00	0.00	0.26	
24.		2202-03-102-0001-Patna University	323.98	0.00	323.98	1.50	267.53	33.91	24.04	
25.		2202-03-102-0003-Baba Saheb Bhimrao Ambedkar (Bihar University)	661.47	0.00	661.47	20.00	623.53	0.00	57.94	
26.		2202-03-102-0004-Jay Prakash Narayan University, Chapra	290.64	9.50	300.14	20.00	238.36	64.65	17.13	
27.		2202-03-102-0011-Lalit Narayan Mithila University	584.47	84.00	668.47	25.00	483.60	24.56	185.31	
28.		2202-03-102-0012-Kameshwar Singh Darbhanga Sanskrit University	99.45	8.00	107.45	2.00	107.13	0.00	2.32	
29.		2202-03-102-0016-Maulana Mazharul Haque Arbi Persian University	4.10	0.25	4.35	0.25	3.53	0.79	0.28	
30.		2202-03-102-0025-Purnia University,Purnea	40.00	82.00	122.00	10.00	104.59	6.01	21.40	
31.		2202-03-102-0027-Munger University,Munger.	35.00	83.00	118.00	6.00	116.40	4.26	3.34	
32.		2202-04-001-0002-Public Education Directorate	2.39	0.10	2.49	0.19	2.33	0.00	0.35	
33.		2202-80-003-0006-Dist Education and Training Institute	45.81	2.00	47.81	0.06	42.26	0.00	5.61	
34.		2205-00-105-0001-Public Library	1.74	0.00	1.74	0.01	1.63	0.00	0.12	
35.		22	2051-00-103-0003-Bihar Police Avar Seva Aayog	20.58	0.00	20.58	0.71	19.97	0.00	1.32
36.			2055-00-001-0003-Purchase of Materials at Central Level	141.75	0.50	142.25	4.00	68.27	0.00	77.98
37.	2055-00-001-0008-Central Selection Board for appointment of police		22.93	0.24	23.17	10.05	20.97	0.00	12.25	

Sl. No.	Grant No.	Head of Account and Description	Original Provision	Supplementary Provision	Total Provision	Reappropriation (+)	Actual Expenditure	Surrender	Final savings
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
38.		2055-00-104-0001-Mounted Military Police	18.74	0.00	18.74	0.77	16.24	0.00	3.27
39.		2055-00-113-0001-Hospital Charges	14.62	0.00	14.62	0.10	10.09	0.00	4.63
40.	22	2055-00-114-0001-Signal	100.56	0.10	100.66	0.74	63.87	0.00	37.53
41.		2055-00-114-0002-Computer	5.74	0.00	5.74	0.75	3.61	0.00	2.88
42.		2070-00-003-0008-Training of HOME GUARDS.	20.00	0.00	20.00	0.20	14.25	0.00	5.95
43.		2851-00-102-0001-Demonstration Centres	39.98	0.88	40.86	0.04	25.32	0.00	15.58
44.	23	2851-00-103-0001-Handloom Development Scheme	1.90	0.07	1.97	0.02	1.63	0.00	0.36
45.	24	2251-00-090-0014-Information and Public Relation Department	1.20	0.07	1.27	0.45	0.91	0.00	0.81
46.	25	3451-00-090-0027-Information Technology Department	7.00	0.00	7.00	0.09	3.74	2.15	1.20
47.		2230-01-114-0001-Welfare of Migrant Workers	0.47	0.00	0.47	0.04	0.36	0.00	0.15
48.	26	2230-03-003-0118-Establishment of New Industrial Training Institute	40.00	6.80	46.80	5.00	38.62	0.00	13.18
49.	30	2225-04-277-0103-Bihar State Seminary Reinforcement Plan	10.00	0.00	10.00	4.00	0.00	7.00	7.00
50.		2251-00-090-0011-Minority Welfare Department	7.28	0.00	7.28	0.56	6.76	0.00	1.08
51.		2011-02-101-0006-Leader of Opposition Party	0.98	0.00	0.98	0.07	0.86	0.00	0.19
52.	32	2011-02-103-0001-Legislative Assembly Secretariat	43.58	5.15	48.73	0.03	43.30	0.00	5.46
53.		2011-02-103-0002-Legislative Council Secretariat	44.71	5.45	50.16	0.78	45.31	0.00	5.63
54.	33	2053-00-094-0001-Sub-divisional Establishment	129.00	0.18	129.18	0.40	96.11	0.00	33.47
55.	35	2052-00-090-0010-Planning and Development Department	18.13	0.23	18.36	0.20	12.28	0.00	6.28
56.	36	4215-01-102-0103-Rural Water Supply Scheme (Tubewells, Wells and Hand pumps)	21.58	45.68	67.26	10.00	61.46	0.00	15.80
57.		4215-01-102-0125-Upgradation of Laboratory and Monitoring for quality of Water	1.00	0.00	1.00	10.00	0.00	0.00	11.00
58.	39	2245-02-101-0004-Free distribution of clothes and utensils to affected persons	1.00	0.00	1.00	4.00	0.33	0.00	4.67

Sl. No.	Grant No.	Head of Account and Description	Original Provision	Supplementary Provision	Total Provision	Reappropriation (+)	Actual Expenditure	Surrender	Final savings
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
59.		3054-03-103-0001-Works Charged Expenditure	0.50	0.00	0.50	0.55	0.38	0.00	0.67
60.	41	3054-80-001-0010-Bihar Public Work Contract Controversy Intermediary Tribunal	1.47	0.00	1.47	0.02	0.99	0.00	0.50
61.	43	3451-00-090-0003-Science and Technology Department	1.77	0.20	1.97	0.11	1.78	0.00	0.30
62.	47	2052-00-090-0035-Transport Department	3.08	0.00	3.08	0.20	1.68	0.00	1.60
63.	48	2217-05-001-0104-Modernisation of Directorate and its equivalent institution	0.00	0.00	0.00	1.00	0.00	0.00	1.00
64.		2251-00-090-0005-Urban Development and Housing Department	8.79	1.27	10.06	1.58	9.99	0.00	1.65
65.	49	2700-04-101-0001-Other Maintenance Expense	139.95	34.22	174.17	5.05	121.71	0.00	57.51
66.		4711-01-051-0111-Flood control projects(work) (NABARD aided project)	61.33	0.00	61.33	15.33	24.06	0.00	52.60
67.	50	2702-03-103-0007-Other Maintenance Expenditure	10.00	0.00	10.00	1.50	3.81	0.00	7.69
Total			3,528.03	400.88	3,928.91	202.73	3,107.36	143.33	880.95

(Source: Detailed Appropriation Accounts including Grants Audit Register, 2019-20)

Appendix-3.3

(Reference: Paragraph 3.3.4)

Excessive re-appropriation of funds where final Savings was more than ₹ 50 Lakhs

(₹ in crore)

Sl. No.	Grant No.	Head of Accounts and Description	Total provision	Re-appropriation (+)	Actual Expenditure	Surrender	Final savings
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	03	2059-80-001-0001-Direction	20.13	2.24	20.41	0.00	1.96
2.	06	2015-00-105-0005- Expenditure on paramilitary forces deputed in election	70.60	40.56	71.27	0.00	39.89
3.		2015-00-108-0001-Expenditure on Issue of Identity Cards to Voters	5.02	3.25	5.60	0.00	2.67
4.	13	2049-04-112-0001-Interest on External sustainable scheme of debts.	306.89	15.00	307.60	0.00	14.27
5.	19	2406-01-105-0105-Plant Tissue Culture Lab	0.00	3.68	3.13	0.00	0.55
6.	21	2202-01-796-0211-Overall education- Primary education (SSA)	9.19	53.96	57.27	0.00	5.88
7.		2202-03-102-0024-Patliputra University, Patna	420.25	50.00	448.55	0.00	21.70
8.		2202-80-001-0002-State Education Research and Training Institute Directorate	1.30	0.58	1.34	0.00	0.54
9.	22	2055-00-001-0001-Superintendence	63.48	13.31	69.67	0.00	7.12
10.		2055-00-003-0006-Bihar Police Academy	16.40	3.67	17.03	0.00	3.04
11.		2070-00-107-0003-Welfare Programme related to Home Guards	12.00	28.00	38.62	0.00	1.38
12.	27	2235-60-200-0013-Bihar Peedit Pratikar Scheme	5.00	5.00	7.63	0.00	2.37
13.	39	2235-01-200-0003-Remedy for protection from cold wave	0.50	0.75	0.69	0.00	0.56
14.		2245-02-101-0001-Grants in cash to helpless and handicapped persons	631.53	369.00	990.86	0.00	9.67
15.		2245-02-101-0002-Supply of food grains	811.53	369.00	1,013.76	0.00	166.77
16.		2245-02-113-0001-Repair/ Restoration of damaged buildings caused by flood	4.00	50.00	7.88	0.00	46.12
Total			2,377.82	1,008.00	3,061.31	0.00	324.49

(Source: Detailed Appropriation Accounts including Grants Audit Register, 2019-20)

Appendix-3.4

(Reference: Paragraph 3.3.4)

Cases of Re-appropriation on last day of financial year

(₹ in crore)

Sl. No.	Grant No. and name	Letter no and date of Department		Letter no and date of approval by Finance Department		Amount
		Letter no.	Date	Letter no.	Date	
1.	01-Agriculture Department	1184	20.03.2020	435	31.03.2020	0.28
2.	02-Animal and Fisheries Resources Department	1091	24.03.2020	453	31.03.2020	0.70
3.		1094	24.03.2020	456	31.03.2020	0.13
4.		1095	24.03.2020	457	31.03.2020	0.08
5.		1096	24.03.2020	458	31.03.2020	0.58
6.		1097	24.03.2020	459	31.03.2020	0.32
7.		1098	24.03.2020	460	31.03.2020	0.01
8.		1099	24.03.2020	461	31.03.2020	0.15
9.		1100	24.03.2020	462	31.03.2020	0.07
10.		1101	24.03.2020	463	31.03.2020	0.10
11.		1102	24.03.2020	464	31.03.2020	0.13
12.		03-Building Construction Department	2542	30.03.2020	477	31.03.2020
13.	2276		16.03.2020	476	31.03.2020	0.40
14.	04-Cabinate Secretariat Department	27	09.03.2020	498	31.03.2020	0.02
15.	06-Election Department	1002	24.03.2020	499	31.03.2020	1.77
16.		1003	24.03.2020	500	31.03.2020	0.03
17.		1004	24.03.2020	501	31.03.2020	11.17
18.		1005	24.03.2020	502	31.03.2020	10.53
19.		1006	24.03.2020	503	31.03.2020	3.26
20.		1007	24.03.2020	504	31.03.2020	0.18
21.		1008	24.03.2020	505	31.03.2020	3.25
22.		08-Art Culture and youth Department	717	19.03.2020	465	31.03.2020
23.	718		19.03.2020	466	31.03.2020	0.02
24.	719		19.03.2020	467	31.03.2020	0.22
25.	716		19.03.2020	468	31.03.2020	0.75
26.	09-Co-operative Department	2883	28.03.2020	452	31.03.2020	0.98
27.		2879	28.03.2020	448	31.03.2020	1.09
28.		2882	28.03.2020	451	31.03.2020	0.14
29.		2881	28.03.2020	450	31.03.2020	0.03
30.		2880	28.03.2020	449	31.03.2020	0.68
31.	19- Environment and Forest Department	977	05.03.2020	446	31.03.2020	0.91
32.	20-Health Department	354(1)	13.03.2020	479	31.03.2020	1.16
33.		424(1)	23.03.2020	480	31.03.2020	10.23
34.		355(1)	13.03.2020	481	31.03.2020	0.80
35.		419(1)	23.03.2020	491	31.03.2020	4.98
36.		360(1)	13.03.2020	492	31.03.2020	0.15
37.		418(1)	23.03.2020	493	31.03.2020	2.50
38.			435	30.03.2020	445	31.03.2020

Sl. No.	Grant No. and name	Letter no and date of Department		Letter no and date of approval by Finance Department		Amount
		Letter no.	Date	Letter no.	Date	
39.	20-Health Department	359	13.03.2020	497	31.03.2020	1.25
40.		420	23.03.2020	482	31.03.2020	1.18
41.		421	23.03.2020	483	31.03.2020	1.20
42.		357	13.03.2020	484	31.03.2020	2.02
43.		423	23.03.2020	485	31.03.2020	4.84
44.		399	20.03.2020	486	31.03.2020	5.53
45.		361	13.03.2020	488	31.03.2020	0.15
46.		353	13.03.2020	489	31.03.2020	2.30
47.		358	13.03.2020	490	31.03.2020	1.02
48.	25-Information Technology Department	261	25.02.2020	474	31.03.2020	0.09
49.	26-Labour Resource Department	318	27.03.2020	444	31.03.2020	0.21
50.	32-Legislature	1292	31.03.2020	494	31.03.2020	0.09
51.	33- General Administration Department	4168	31.03.2020	469	31.03.2020	0.02
52.		4166	31.03.2020	471	31.03.2020	0.01
53.	43- Science and Technology Department	1067	18.03.2020	472	31.03.2020	0.11
54.	49- Water Resources Department	294	20.03.2020	443	31.03.2020	0.07
55.		293	20.03.2020	442	31.03.2020	0.16
56.		292	20.03.2020	441	31.03.2020	0.42
57.		291	20.03.2020	440	31.03.2020	4.00
58.		290	20.03.2020	439	31.03.2020	4.00
59.		289	20.03.2020	438	31.03.2020	5.05
	Total					106.67

(Source: Appropriation Accounts for the year 2019-20)

Appendix-3.5

(Reference: Paragraph 3.3.5)

Grants/appropriations with savings of ₹ 100 crore and above of total provision

(₹ in crore)

Sl. No.	Number and Name of grant/appropriation	Original provision	Supplementary Provision	Total	Expenditure	Savings	Percentage of savings	percent expenditure against provision
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
(A) REVENUE (Voted)								
1.	01-Agriculture Department	2,938.77	533.16	3,471.93	2,152.49	1,319.44	38.00	62.00
2.	02-Animal and Fisheries Resource Department	953.25	172.41	1,125.66	789.36	336.30	29.88	70.12
3.	03-Building Construction Department	792.96	39.41	832.37	398.48	433.89	52.13	47.87
4.	04-Cabinet Secretariat Department	365.40	5.64	371.04	152.01	219.03	59.03	40.97
5.	06-Election Department	536.51	398.28	934.79	610.85	323.94	34.65	65.35
6.	09-Co-Operative Department	1,514.44	226.88	1,741.32	586.00	1,155.32	66.35	33.65
7.	11-BC and MBC Welfare Department	1,584.65	2.81	1,587.46	1,413.05	174.41	10.99	89.01
8.	12-Finance Department	295.53	16.48	312.01	186.56	125.45	40.21	59.79
9.	15-Pension	18,443.71	77.30	18,521.01	17,118.98	1,402.03	7.57	92.43
10.	16-Panchayati Raj Department	11,956.31	1,420.04	13,376.35	8,689.62	4,686.73	35.04	64.96
11.	18-Food and Consumer Protection Department	1,347.49	7.61	1,355.10	702.00	653.10	48.20	51.80
12.	19-Environment and Forest Department	418.77	413.30	832.07	623.40	208.67	25.08	74.92
13.	20-Health Department	7,693.06	1,590.75	9,283.81	6,960.84	2,322.97	25.02	74.98
14.	21-Education Department	34,027.21	3,033.56	37,060.77	25,958.41	11,102.36	29.96	70.04
15.	22-Home Department	10,466.00	560.37	11,026.37	8,992.73	2,033.64	18.44	81.56
16.	23-Industries Department	709.30	59.08	768.38	435.26	333.12	43.35	56.65
17.	26-Labour Resource Department	785.52	66.81	852.33	643.42	208.91	24.51	75.49
18.	27-Law Department	990.28	6.68	996.96	768.04	228.92	22.96	77.04
19.	30-Minorities Welfare Department	189.10	33.62	222.72	88.63	134.09	60.21	39.79
20.	33-General Administration Department	720.78	31.63	752.41	526.05	226.36	30.08	69.92
21.	35-Planning and Development Department	846.96	23.67	870.63	273.91	596.72	68.54	31.46
22.	36-Public Health Engineering Department	559.84	0.00	559.84	437.11	122.73	21.92	78.08

Sl. No.	Number and Name of grant/ appropriation	Original provision	Supplementary Provision	Total	Expenditure	Savings	Percentage of savings	percent expenditure against provision
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
23.	37-Rural Works Department	1,211.00	1,000.00	2,211.00	1,665.74	545.26	24.66	75.34
24.	39-Disaster Management Department	4,314.76	3,037.12	7,351.88	3,621.18	3,730.70	50.74	49.26
25.	40-Revenue and Land Reforms Department	845.93	85.11	931.04	561.72	369.32	39.67	60.33
26.	41-Road Construction Department	1,469.14	600.00	2,069.14	854.48	1,214.66	58.70	41.30
27.	42-Rural Development Department	15,639.03	2,924.05	18,563.08	9,692.46	8,870.62	47.79	52.21
28.	44-SC & ST Welfare Department	1,511.54	84.09	1,595.63	1,121.26	474.37	29.73	70.27
29.	47-Transport Department	443.42	10.00	453.42	267.64	185.78	40.97	59.03
30.	48-Urban Development and Housing Department	5,148.79	1,086.25	6,235.04	2,984.53	3,250.51	52.13	47.87
31.	49-Water Resources Department	1,122.64	38.30	1,160.94	858.07	302.87	26.09	73.91
32.	50-Minor Water Resource Department	485.68	10.49	496.17	284.83	211.34	42.59	57.41
33.	51-Social Welfare Department	7,006.85	2,624.77	9,631.62	7,366.22	2,265.40	23.52	76.48
Total Revenue		1,37,334.62	20,219.67	1,57,554.29	1,07,785.33	49,768.96	31.59	68.41
(B) CAPITAL (Charged)								
34.	14- Repayment of Loans	7,235.93	431.60	7,667.53	7,109.83	557.70	7.27	92.73
(C) CAPITAL (Voted)								
35.	01-Agriculture Department	20.00	126.91	146.91	0.00	146.91	100.00	0.00
36.	03-Building Construction Department	4,582.10	573.88	5,155.98	1,384.86	3,771.12	73.14	26.86
37.	09-Co-Operative Department	483.27	78.02	561.29	7.29	554.00	98.70	1.30
38.	10-Energy Department	4,573.13	0.00	4,573.13	3,118.89	1,454.24	31.80	68.20
39.	12-Finance Department	879.40	63.59	942.99	613.94	329.05	34.89	65.11
40.	16-Panchayati Raj Department	250.00	0.00	250.00	45.13	204.87	81.95	18.05
41.	20-Health Department	1,929.70	182.08	2,111.78	852.20	1,259.58	59.65	40.35
42.	21-Education Department	771.48	392.42	1,163.90	125.59	1,038.31	89.21	10.79
43.	23-Industries Department	112.09	50.00	162.09	0.00	162.09	100.00	0.00
44.	30-Minorities Welfare Department	270.00	17.50	287.50	161.30	126.20	43.90	56.10
45.	35-Planning and Development Department	1,641.99	43.48	1,685.47	1,098.51	586.96	34.82	65.18

Sl. No.	Number and Name of grant/ appropriation	Original provision	Supplementary Provision	Total	Expenditure	Savings	Percentage of savings	percent expenditure against provision
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
46.	36-Public Health Engineering Department	3,124.34	45.68	3,170.02	1,905.18	1,264.84	39.90	60.10
47.	37-Rural Works Department	9,706.97	150.00	9,856.97	1,883.28	7,973.69	80.89	19.11
48.	41-Road Construction Department	5,536.42	0.00	5,536.42	1,921.59	3,614.83	65.29	34.71
49.	46-Tourism Department	250.00	0.00	250.00	23.03	226.97	90.79	9.21
50.	49-Water Resources Department	2,529.66	1,978.52	4,508.18	954.33	3,553.85	78.83	21.17
51.	50-Minor Water Resource Department	252.52	881.00	1,133.52	225.28	908.24	80.13	19.87
TOTAL CAPITAL		44,149.00	5,014.68	49,163.68	21,430.23	27,733.45	56.41	43.59
Grand Total		1,81,483.62	25,234.35	2,06,717.97	1,29,215.56	77,502.41	37.49	62.51

(Source: Appropriation Accounts for the year 2019-20)

Appendix-3.6

(Reference: Paragraph 3.3.5)

Grants/appropriations with savings more than 20 per cent of total provision

(₹ in crore)

Sl. No.	Number and Name of grant/appropriation	Original provision	Supplementary Provision	Total provision	Expenditure	percent utilisation	Savings	Percentage of savings
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1.	01-Agriculture Department	2,958.77	660.07	3,618.84	2,152.49	59.48	1,466.35	40.52
2.	02-Animal and Fisheries Resource Department	953.25	172.41	1,125.66	789.36	70.12	336.30	29.88
3.	03-Building Construction Department	5,375.06	613.29	5,988.35	1,783.34	29.78	4,205.01	70.22
4.	04-Cabinet Secretariat Department	491.81	127.08	618.89	304.45	49.19	314.44	50.81
5.	05-Secretariat of the Governor	29.88	1.01	30.89	1.33	4.31	29.56	95.69
6.	06-Election Department	536.51	398.28	934.79	610.85	65.35	323.94	34.65
7.	07-Vigilance Department	44.70	0.19	44.89	31.32	69.77	13.57	30.23
8.	08-Art, Culture and Youth Department	155.19	0.46	155.65	94.89	60.96	60.76	39.04
9.	09-Co-Ooperative Department	1,997.71	304.90	2,302.61	593.29	25.77	1,709.32	74.23
10.	12-Finance Department	2,049.96	80.07	2,130.03	1,645.52	77.25	484.51	22.75
11.	16-Panchayati Raj Department	12,206.31	1,420.04	13,626.35	8,734.75	64.10	4,891.60	35.90
12.	17-Commercial Tax Department	161.83	0.51	162.34	120.92	74.49	41.42	25.51
13.	18-Food and Consumer Protection Department	1,397.80	7.61	1,405.41	706.24	50.25	699.17	49.75
14.	19-Environment and Forest Department	501.77	450.77	952.54	683.74	71.78	268.80	28.22
15.	20-Health Department	9,622.76	1,772.83	11,395.59	7,813.04	68.56	3,582.55	31.44
16.	21-Education Department	34,798.69	3,425.98	38,224.67	26,084.00	68.24	12,140.67	31.76
17.	23-Industries Department	821.39	109.08	930.47	435.26	46.78	495.21	53.22
18.	24-Information and Public Relation Department	238.32	0.07	238.39	181.80	76.26	56.59	23.74
19.	25-Information Technology Department	269.00	79.58	348.58	263.55	75.61	85.03	24.39
20.	26-Labour Resource Department	797.52	66.81	864.33	643.42	74.44	220.91	25.56
21.	27-Law Department	990.28	6.68	996.96	768.04	77.04	228.92	22.96
22.	29-Mines and Geology Department	51.88	0.00	51.88	30.19	58.19	21.69	41.81
23.	30-Minorities Welfare Department	459.10	51.12	510.22	249.93	48.98	260.29	51.02
24.	32-Legislature	208.66	10.85	219.51	174.62	79.55	44.89	20.45
25.	33-General Administration Department	727.91	32.08	759.99	532.83	70.11	227.16	29.89

Sl. No.	Number and Name of grant/ appropriation	Original provision	Supple-mentary Provision	Total provision	Expen-diture	percent utilisation	Savings	Percen-tage of savings
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
26.	35-Planning and Development Department	2,488.95	67.15	2,556.10	1,372.42	53.69	1,183.68	46.31
27.	36-Public Health Engineering Department	3,684.18	45.68	3,729.86	2,342.29	62.80	1,387.57	37.20
28.	37-Rural Works Department	10,917.97	1,150.00	12,067.97	3,549.02	29.41	8,518.95	70.59
29.	38-Registration, Excise and Prohibition Department	237.41	54.39	291.80	219.30	75.15	72.50	24.85
30.	39-Disaster Management Department	4,320.56	3,037.12	7,357.68	3,621.18	49.22	3,736.50	50.78
31.	40-Revenue and Land Reforms Department	886.80	85.11	971.91	561.72	57.80	410.19	42.20
32.	41-Road Construction Department	7,005.56	600.00	7,605.56	2,776.07	36.50	4,829.49	63.50
33.	42-Rural Development Department	15,669.04	2,924.05	18,593.09	9,692.46	52.13	8,900.63	47.87
34.	43-Science and Technology Department	278.72	85.39	364.11	219.21	60.20	144.90	39.80
35.	44-SC & ST Welfare Department	1,515.54	84.09	1,599.63	1,121.26	70.09	478.37	29.91
36.	45-Sugar Industries Department	217.52	0.72	218.24	143.01	65.53	75.23	34.47
37.	46-Tourism Department	298.09	16.65	314.74	51.08	16.23	263.66	83.77
38.	47-Transport Department	457.42	10.00	467.42	267.64	57.26	199.78	42.74
39.	48-Urban Development and Housing Department	5,158.79	1,236.25	6,395.04	3,144.53	49.17	3,250.51	50.83
40.	49-Water Resources Department	3,652.30	2,016.82	5,669.12	1,812.40	31.97	3,856.72	68.03
41.	50-Minor Water Resource Department	738.20	891.49	1,629.69	510.11	31.30	1,119.58	68.70
42.	51-Social Welfare Department	7,037.73	2,677.60	9,715.33	7,376.09	75.92	2,339.24	24.08
TOTAL		1,42,410.84	24,774.28	1,67,185.12	94,208.96	56.41	72,976.16	43.65

(Source: Appropriation Accounts for the year 2019-20)

Appendix-3.7

(Reference: Paragraph 3.3.5)
**List of Grants indicating persistent savings (₹ 100 crore and above)
during 2015-16 to 2019-20**

(₹ in crore)

Sl. No.	No. and Name of the Grant	Amount of savings (percentage to total grant in bracket)				
		2015-16	2016-17	2017-18	2018-19	2019-20
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Revenue-Voted						
		<i>Amount</i>	<i>Amount</i>	<i>Amount</i>	<i>Amount</i>	<i>Amount</i>
1.	1-Agriculture Department	1,652.10 (48.66)	1,214.66 (42.22)	1,150.72 (41.01)	1,436.00 (44.06)	1,319.44 (38.00)
2.	2-Animal and Fisheries Resource Department	188.32 (31.37)	133.55 (22.25)	148.73 (19.90)	248.04 (26.51)	336.30 (29.88)
3.	3-Building Construction Department	107.29 (18.92)	187.74 (29.91)	102.59 (16.63)	192.56 (24.81)	433.89 (52.13)
4.	9-Co-Operative Department	307.01 (34.28)	117.61 (21.62)	138.21 (14.67)	843.17 (46.26)	1,155.32 (66.35)
5.	11-BC and MBC Welfare Department	523.79 (16.87)	921.82 (38.86)	285.23 (19.11)	342.72 (22.04)	174.41 (10.99)
6.	12-Finance Department	116.02 (45.17)	100.83 (38.82)	119.66 (44.64)	104.75 (34.86)	125.45 (40.21)
7.	15-Pension	1,347.30 (10.22)	3,770.68 (23.17)	5,570.01 (28.04)	650.32 (3.90)	1,402.03 (7.57)
8.	16-Panchayati Raj Department	2,572.10 (47.06)	919.67 (12.45)	607.76 (6.64)	1,836.67 (17.93)	4,686.73 (35.04)
9.	18-Food and Consumer Protection Department	976.24 (40.67)	1,097.53 (50.74)	1,208.16 (49.93)	255.11 (18.68)	653.10 (48.20)
10.	20-Health Department	964.06 (21.44)	3,350.96 (41.37)	1,427.99 (19.99)	1,877.89 (22.84)	2,322.97 (25.02)
11.	21-Education Department	5,813.90 (23.77)	3,837.45 (16.77)	7,703.21 (24.50)	9,957.93 (26.96)	11,102.36 (29.96)
12.	22-Home Department	622.85 (10.09)	970.47 (13.55)	866.99 (11.77)	724.29 (8.10)	2,033.64 (18.44)
13.	26- Labour Resource Department	303.96 (55.50)	273.01 (39.50)	102.51 (22.49)	175.23 (24.13)	208.91 (24.51)
14.	27-Law Department	146.64 (22.14)	289.30 (34.98)	204.74 (25.14)	153.84 (16.66)	228.92 (22.96)
15.	33-General Administration Department	181.49 (33.32)	169.23 (25.13)	166.51 (30.27)	221.94 (30.75)	226.36 (30.08)
16.	35-Planning and Development Department	135.04 (50.24)	1,291.09 (55.48)	1,030.36 (74.05)	156.02 (25.78)	596.72 (68.54)
17.	37-Rural Works Department	422.07 (29.96)	432.17 (27.33)	228.19 (14.39)	198.87 (16.53)	545.26 (24.66)
18.	39-Disaster Management Department	2,406.75 (85.92)	1,210.03 (67.09)	1,362.71 (34.39)	3,176.72 (65.92)	3,730.70 (50.74)
19.	40-Revenue and Land Reforms Department	238.37 (32.74)	363.65 (44.40)	306.85 (35.34)	238.51 (30.14)	369.32 (39.67)
20.	41-Road Construction Department	117.63 (11.39)	222.55 (17.66)	476.18 (35.81)	487.94 (34.41)	1,214.66 (58.70)
21.	42-Rural Development Department	3,554.04 (50.18)	4,468.35 (43.48)	5,166.39 (49.82)	6,175.24 (32.58)	8,870.62 (47.79)

Sl. No.	No. and Name of the Grant	Amount of savings (percentage to total grant in bracket)				
		2015-16	2016-17	2017-18	2018-19	2019-20
(1)	(2)	(3)	(4)	(5)	(6)	(7)
22.	44-Scheduled Castes and Scheduled Tribes Welfare Department	361.50 (18.85)	497.99 (30.35)	390.28 (27.75)	441.72 (30.16)	474.37 (29.73)
23.	48-Urban Development and housing Department	1,133.68 (36.44)	1,244.82 (26.93)	1,811.89 (35.89)	2,064.28 (38.50)	3,250.51 (52.13)
24.	51-Social Welfare Department	1,502.39 (22.11)	1,798.95 (27.08)	2,142.20 (26.02)	3,243.44 (33.97)	2,265.40 (23.52)
Total		25,694.54 (27.96)	28,884.11 (27.66)	32,718.07 (27.20)	35,203.20 (25.59)	47,727.39 (31.45)
Capital-Voted						
25.	3-Building Construction Department	1,347.14 (45.12)	1,537.81 (53.43)	2,348.80 (52.93)	1,018.64 (27.76)	3,771.12 (73.14)
26.	10-Energy Department	1,207.86 (29.16)	5,330.74 (47.83)	130.74 (1.79)	623.36 (10.72)	1,454.24 (31.80)
27.	20- Health Department	579.60 (34.94)	261.23 (23.32)	619.16 (52.87)	481.38 (29.80)	1,259.58 (59.65)
28.	41-Road Construction Department	599.98 (11.91)	442.80 (7.65)	372.09 (6.26)	192.24 (3.34)	3,614.83 (65.29)
29.	49-Water Resources Department	251.54 (14.48)	511.32 (23.38)	1,405.44 (35.54)	179.43 (5.89)	3,553.85 (78.83)
Total		3,986.12 (25.61)	8,083.90 (34.97)	4,876.23 (21.40)	2,495.05 (12.54)	13,653.62 (62.39)
Grand Total		29,680.66 (27.62)	36,968.01 (28.99)	37,594.30 (26.28)	37,698.25 (23.94)	61,381.01 (35.35)

(Source: Appropriation Accounts for the year 2015-16 to 2019-20)

Appendix-3.8

(Reference: Paragraph 3.4)

Hundred per cent non-utilisation of funds (₹ 10 Crore and above)

(₹ in crore)

Sl. No.	Grant No.	Head of accounts and description	Total provision unutilised
(1)	(2)	(3)	(4)
1.	01	2435-60-101-0101-Interest Grant on Agriculture Debt	14.55
2.		4401-00-051-0101-Establishment of Agriculture Office Buildings	16.60
3.		6401-00-190-0002-Loans to Bihar State Agriculture Industry Development Corporation	126.91
4.	02	2403-00-106-0212-National Cattle Management	11.21
5.		2403-00-106-0213-National Agricultural Development Scheme	11.06
6.	03	4059-80-051-0116-Construction of Governor House Building	11.80
7.		4225-04-051-0103-Minority Residential School	12.00
8.		4406-01-051-0101-Forestry College	40.00
9.		4408-02-101-0102-Construction of food storage godown (NABARD)	34.66
10.	04	2070-00-001-0107-Bihar Development Mission	150.00
11.	09	2425-00-107-0106-Managerial grant for procurement work	50.00
12.		2425-00-108-0415-Integrated Co-operative Development Project	22.58
13.		2425-00-108-0419- Establishment of Agriculture equipment banks in Primary Agriculture Credit Societies (PACS)	423.15
14.		4425-00-051-0203-Rashtriya Krishi Vikash Yojana (RKVY) (ACA)	63.02
15.		4425-00-108-0465-Integrated Co-operative Development Project	20.11
16.		6425-00-108-0419-Establishment of Agriculture equipment banks in Primary Agriculture Credit Societies (PACS)	423.15
17.	10	4801-05-190-0208-Backward Region Grant Fund (BRGF State Component for BSPTCL)	138.00
18.		4801-05-190-0209-Backward Region Grant Fund (BRGF State Component for SBPDCL)	623.33
19.		4801-05-190-0210-Backward Region Grant Fund (BRGF State Component for NBPDC)	630.00
20.	11	2225-03-277-0215-Pre Entrance Scholarship.	92.90
21.	12	2054-00-098-0001-Local Fund Audit	32.27
22.		4058-00-103-0101-Machinery and Equipment Modernisation Scheme for Government Press, Gulzarbagh	12.00
23.		5475-00-800-0101-Contribution to the share capital of State Government to Kshetriya Gramin Bank Investment	63.59
24.	13	2049-03-117-0001-Interest on Contributory pension plan for Government employee.	10.00
25.	15	2071-01-106-0001-Due contribution to Judges of High Court under Article 290 of the Constitution of India	12.08
26.		2071-01-197-0001-Contribution under retired pension benefit scheme of Teacher	33.39
27.		2071-01-198-0001-Contribution under retired pension benefit scheme of Teacher	38.01
28.	16	2515-00-789-0513-Panchayati Raj System and Human Resources Development (EAP)	15.00
29.		2515-00-789-0214-National Rural Swaraj Campaign (RGSA)	12.06
30.		2515-00-198-0215-National Rural Swaraj Campaign (RGSA)	62.75

Sl. No.	Grant No.	Head of accounts and description	Total provision unutilised
(1)	(2)	(3)	(4)
31.	18	2408-01-101-0405-N.F.S.A Antargat Khadayno ke Antah Rajiye Hathalan and fair Price Shop Dealers margin	417.54
32.		5475-00-051-0103-Establishment of District Supply chain management center	38.48
33.	19	3435-04-101-0001-Pollution Control	10.00
34.	20	2210-01-110-0016-Mental Hospital	15.00
35.		2235-60-110-0204-Social Security for Unorganised Labours including National Health Insurance Scheme	45.00
36.		2235-60-110-0205-Ayushman Bharat - National Health Security (AB-NHPM)	260.00
37.		4210-01-051-0104-Construction of Government Dispensary in Urban Area	25.00
38.		4210-01-110-0110-Indira Gandhi Institute of Cardiology, Patna	71.00
39.		4210-01-110-0117-Construction of Mental Hospital Buildings Koilawar	35.00
40.		4210-03-105-0119-B.S.C. Nursing College(CERTAIN)	40.00
41.		21	4202-01-203-0105-Land for Central University
42.	4202-01-789-0101-Building Construction of Government and Government Recongised Secondary School		41.60
43.	2202-02-004-0102-Skill		10.00
44.	22	2055-00-115-0303-National Scheme for modernisation of Police and other forces	50.00
45.	23	2851-00-102-0107-Chief Minister Extremely Backward Caste Udhmi Scheme	52.50
46.		2851-00-789-0110-Chief Minister Scheduled Castes and Scheduled Tribes Entrepreneurial scheme	56.00
47.		2852-80-102-0135-Establishment of Entrepreneurs Development Scheme	20.90
48.		2852-80-102-0150-Establishment of Central Institute of Plastic Engineering and Technology	15.05
49.		5465-01-190-0108-Bihar State Financial Corporation Limited	15.00
50.		5465-01-190-0109-Bihar state credit and appropriation corporation ltd	15.00
51.		5465-01-190-0110-Bihar State Industrial Development Corporation Limited	15.00
52.		6851-00-102-0101-Chief Minister Extremely Backward Caste Udhmi Scheme	50.00
53.		6851-00-789-0101-Chief Minister Scheduled Castes and Scheduled Tribes Entrepreneurial scheme	57.60
54.	26	4250-00-050-0101-Land acquisition for Industrial Training Institute	12.00
55.	27	2014-00-105-0007-Extra court.(Recommendation of finance commission)	17.50
56.	30	4225-04-051-0102-Bihar State Seminary Reinforcement Plan	30.00
57.	35	2235-01-202-0505-Emergency Koshi Flood Rehabilitation Project (World Bank Aided)	89.17
58.		2235-01-789-0501-Emergency Koshi Flood Rehabilitation Project (World Bank Aided)	56.53
59.		3454-02-789-0101-Aggregate statistics development plan	26.08
60.	37	4515-00-103-0113-Mukhya Mantri- Gram Sampark Yojana	133.46
61.		4515-00-103-0316-Pradhan Manti Gram Sadak Yojana (PMGSY)	1,200.00
62.	39	2245-02-112-0104-Purchase of Communication Equipments	12.00
63.	40	2029-00-103-0206-National Land Records Management Programme(NLRMP)	87.72
64.		4047-00-789-0106-For Home less families Purchasing of Raiyati Land.	38.04
65.	41	3054-80-797-0101-Transfer from Central Road Fund	400.00
66.	42	2203-00-112-0106-Development Management Institute	57.99
67.		2215-02-105-0103-Lohiya Swachhata Yojna	200.00
68.		2216-03-102-0101-Chief minister's accommodation purchase scheme	15.00

Sl. No.	Grant No.	Head of accounts and description	Total provision unutilised
(1)	(2)	(3)	(4)
69.	42	2216-03-789-0104-Chief minister's accommodation purchase scheme	25.00
70.		2216-03-796-0103-Chief Minister accommodation purchase scheme	10.00
71.		2220-60-101-0101-Water life greenery	10.00
72.		2505-02-101-0301-Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA)	449.98
73.		3454-02-206-0102-Special Identification Scheme(U.I.D)	10.00
74.		4515-00-103-0102-Block Minor Construction Work	30.00
75.	44	2225-01-102-0216-Pradhan Mantri Adarsh Gram Yojana (PMAGY)	65.14
76.		2225-01-277-0219-Post Matric Stipend	60.00
77.		2225-02-102-0201-Multipurpose Development of Scheduled Tribes - Received from Government of India under Section 275 (1) of the Constitution	18.00
78.		2225-02-102-0202-Special Central Assistance for Schedule Tribes	18.00
79.		2225-02-796-0125-Development of Tharuhat Area	27.61
80.	45	2852-08-789-0101-Economic Assistance	25.60
81.	48	2215-01-191-0106-Water life greenery	10.00
82.		2217-03-051-0204-Smart City Mission Yojna	420.00
83.		2217-03-051-0302-Urban Recycling Mission-Atal Renewal and urban Change Mission(AMRUT)	130.00
84.		2217-03-191-0113-Land Acquisition.	50.00
85.		2217-03-796-0101-Grants-in-aid to Urban Local Bodies for Transport	10.30
86.	49	4700-80-051-0310-North Koyal Reservoir Project (NABARD LTIF)	251.86
87.	51	2235-02-101-0223-Scheme for persons with Disabilities (SIPDA)	18.00
		Total	8,606.35

(Source: Detailed Appropriation Accounts, 2019-20)

Appendix-3.9

(Reference: Paragraph 3.4.4)

Rush of Expenditure in the month of March 2020

(₹ in crore)

Sl. No.	Grant No. and name of the Department	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	Total expenditure during 2019-20	Expenditure incurred in March 2020	Percentage of total expenditure w.r.t. expenditure during	
								January – March 2020	March 2020
(1)	(2)					(3)	(5)		(6)
1.	03-Building Construction Department	141.21	277.41	264.54	1,101.64	1,784.80	828.41	61.72	46.41
2.	11-Backward Class and Most Backward Class Welfare Department	1.71	17.27	337.93	1,059.89	1,416.80	1,051.51	74.81	74.22
3.	18- Food and Consumer Protection Department	10.01	236.84	26.23	433.15	706.23	422.50	61.33	59.82
4.	23- Industries Department	14.99	42.59	64.46	313.22	435.26	286.57	71.96	65.84
5.	25-Information Technology Department	0.70	24.30	112.33	122.07	259.40	80.35	47.06	30.98
6.	43-Science and Technology Department	25.94	56.07	37.51	99.69	219.21	67.15	45.48	30.63
7.	44- SC&ST Welfare Department	33.30	46.73	324.65	716.58	1,121.26	651.39	63.91	58.09
8.	49- Water Resources Department	415.22	94.09	245.51	787.99	1,542.81	578.23	51.07	37.48
9.	50-Minor Water Resource Department	70.65	125.99	56.78	256.69	510.11	206.64	50.32	40.51
Total		713.73	921.29	1,469.94	4,890.92	7,995.88	4,172.75	61.17	52.19

(Source: Finance Accounts 2019-20)

Appendix-3.10

(Reference: Paragraph 3.4.4)

Hundred per cent Expenditure incurred in March 2020

(₹ in crore)

Sl. No.	Grant No.	Head of accounts and description	100 % Expenditure During March	
(1)	(2)	(3)	(4)	
1.	01	2415-01-277-0101-Grants to Rajendra Agriculture University	0.42	
2.	03	4059-01-796-0104-Building for schedule Tribes	135.20	
3.		4059-60-051-0318-Scheme for Development of Schedule Castes	4.25	
4.	11	2225-03-277-0214-Pre-Matric Scholarship	11.50	
5.		2225-03-277-0314-Pre-Matric Scholarship	11.50	
6.	13	2049-03-104-0001-Interest on General Provident Funds	280.93	
7.		2049-03-104-0002-Interest on All India Administrative Service Provident Funds	12.00	
8.		2049-03-108-0001-Intrest on Insurance and Pension Fund	291.60	
9.	19	2406-04-101-0201-National Afforestation Programme (National green India Mission)	1.98	
10.		2406-04-101-0301-National Afforestation Programme (National green India Mission)	1.32	
11.	20	2210-03-110-0305-Fulfilment by State resource of less amount received in central part head of NHM	75.41	
12.	21	2202-04-200-0204-Rashtriya Siksha Mission Sakshar Mission	5.25	
13.		2202-04-200-0304-Rashtriya Siksha Mission Sakshar Mission	3.50	
14.		2202-80-004-0011-Lalit Narayan Mishra Institute of Economic Development and social change	2.30	
15.		2205-00-105-0009-Khudbaksh Khan oriental Urdu Library Patna Grants-in-aid	0.04	
16.	25	5465-02-190-0001-Bihar State Electronics Development Corporation	19.35	
17.	26	2230-03-003-0234-Skills Strengthening for industrial value enhancement (STRIVE)	1.56	
18.	38	2039-00-001-0109-Consolideted Excise Management System	16.00	
19.	44	2225-01-190-0001-Bihar State Scheduled Castes Co-operative Development Corporation Patna	7.75	
20.		2225-01-197-0001-Post Matric Education	0.15	
21.		2225-01-198-0001-Post Matric Education	0.50	
22.		2225-01-277-0319-Post Matric Stipend	58.00	
23.		2225-02-102-0105- For development of Scheduled Tribes	10.00	
24.		2225-02-277-0216-Post Matric Scholarship	3.00	
25.		48	2215-02-106-0302-National River Conservation Plan(NRCP)	1.00
26.			2215-02-789-0303-National River Conservation Plan(NRCP)	39.00
27.	2215-02-796-0305-National River Conservation Plan(NRCP)		4.00	
28.	2217-01-789-0102-Assistance Grant to urban local bodies for transport		20.00	
29.		3435-04-101-0002-Bihar State Ganga River Conservation and Programme	0.25	
30.	51	2235-03-101-0102-Indra Gandhi National Disability Pension Scheme	3.00	
Total			1,020.75	

(Source: Appropriation Accounts 2019-20)

Appendix-3.11

(Reference: Paragraph 3.4.5)

Withdrawals from Contingency fund for non-contingent expenditure

(₹ in crore)

Sl. No.	Major Head	Department	Purpose	Amount
(1)	(2)	(3)	(4)	(5)
1.	2012	President, Vice-president/ Governor, Administrator of Union Territories	To purchase a new car for Office of the Governor of Bihar	0.71
2.	2043	Collection charges under State Goods and Service Tax	To purchase a vehicle for the Commercial-Tax-Tribunal, Bihar, Patna	0.11
3.			Compensation amount equivalent to State tax charged as Entrance fee in Multiplexes/Cinema Halls for Film-“super 30”.	0.40
4.	2052	Secretariat-General Services	To purchase two Innova vehicles for govt. use	0.36
5.			To purchase vehicles for CM secretariat.	0.24
6.			To purchase a pollution-free electric car for the CM secretariat.	0.24
7.			To purchase a vehicle for Plan and Development Department, Bihar	0.23
8.			To purchase a Safari Car for special work officer of CM, Bihar	0.13
9.	2070	Other Administrative Services	To purchase a vehicle for Citizen safety Directorate, Bihar, Patna.	0.18
10.			To purchase seven new Maruti Ciaz and one Hyundai Kona Electric car	0.93
11.	2202	General Education	Sanction of Advance payment of wages to guest teachers against sanctioned and vacant positions, till teachers are employed in the higher secondary school.	50.00
12.			Expenditure for construction of a State-wide human chain related to Jal Jivan Hariyali, De addition, Child Marriage prevention and Dowry abolition.	19.40
13.	2205	Art and Culture	Fund for Motor Car for archives	0.09
14.	2251	Secretariat - Social Services	To purchase a vehicle for the office of Labour and Resources Deptt.	0.23
15.			To purchase of two Innova Cars for the office of Art, Culture and Youth Deptt.	0.46
16.			To purchase a vehicle for the office of Social Welfare Deptt.	0.23
17.			For Payment of Honorarium to Contract Employees.	0.21
18.	2405	Fisheries	PF Contribution of Employer to Employees of State Fisheries Development Corporation.	0.76
19.	2406	Forestry and Wildlife	Additional plantation under Jal Jivan Hariyali Mission	30.00
20.			Additional plantation under Jal Jivan Hariyali Mission	61.70

Sl. No.	Major Head	Department	Purpose	Amount
(1)	(2)	(3)	(4)	(5)
21.	2700	Irrigation	For granted Scheduled partnership to MP Govt. for operation and sustenance of Ban Sagar Dam.	34.22
22.	3054	Roads and Bridges	Additional fund for execution of OPRMC phase-II and other granted scheme.	450.00
23.	3451	Secretariat- Economic Services	To purchase Innova Car for the Secretariate of Water and Resources Deptt.	0.18
24.			To purchase a vehicle for Food & Consumer Deptt.	0.32
25.			To Purchase a new Car for HQRS office of Minor Water Resources Deptt., Bihar.	0.12
26.			For payment of dues to Contract Employees and Honorarium Payment	0.24
27.			To Purchase an Innova Car for Sugar Cane (Industry) Deptt., Bihar.	0.23
28.			To purchase a new vehicle for Energy Deptt., Bihar	0.12
29.	4059	Capital Outlay on Public Works	For Permanent Premises of DMI at Sikanderpur Mauja, Bihta (Patna) with reference to Administrative Approval for Building Construction.	0.90
30.	4702	Capital Outlay on Minor Irrigation	For Implementation of Ambitious Scheme under the campaign of Water Life Greenary in F. Y. 2019-20.	16.00
31.			For Implementation of Ambitious Scheme under the campaign of Water Life Greenary in F. Y. 2019-20.	1.00
32.			For Implementation of Ambitious Scheme under the campaign of Water Life Greenary in F. Y. 2019-20.	83.00
33.	5452	Capital Outlay on Tourism	On Occasion of 350 th Guru Govind Singh Birthday for Construction of Multipurpose Lightening Centre & Parks.	28.73
Total				781.67

(Source: Records of Finance Department, Government of Bihar)

Appendix-3.12

(Reference: Paragraph 3.5.1)

Unnecessary Supplementary Provision (Grant No. 16)

(₹ in crore)

Sl. No.	Head	Original Provision	Supplementary Provision	Total Provision	Expenditure
1.	2515-00-198-0215-National Rural Swaraj Campaign (RGSA)	8.28	54.47	62.75	0.00
2.	2515-00-789-0214-National Rural Swaraj Campaign (RGSA)	1.59	10.46	12.05	0.00
3.	2515-00-796-0220-National Rural Swaraj Campaign (RGSA)	0.13	0.84	0.97	0.00
4.	2515-00-198-0113-Chief-Minister Nishchaya Yojna.	1471.85	830.00	2301.85	894.66
5.	2515-00-789-0112-Chief-Minister Nishchaya Yojna	422.14	160.00	582.14	282.77
6.	2515-00-796-0119- Chief-Minister Nishchaya Yojna	31.01	10.00	41.01	30.89
7.	2515-00-196-0007-Contribution to District Councils in the light of recommendation of State Finance Commission	525.24	104.21	629.45	253.45
8.	2515-00-197-0004-Contribution to Block Panchayats in the light of recommendation of State Finance Commission	262.62	7.10	269.72	95.88
9.	2515-00-198-0009-Contribution to Gram Panchayats in the light of recommendation of State Finance Commission	1796.36	239.59	2035.95	982.12
10.	2515-00-198-0001-Assistance to Panchayati Raj Institutions	6368.25	3.37	6371.62	5,678.20
Total		10,887.47	1,420.04	12,307.51	8,217.97

(Source: Appropriation Accounts 2019-20)

Appendix-3.13

(Reference: Paragraph 3.5.1)
Rush of Expenditure (Grant No. 16)

(₹ in crore)

Sl. No.	Head	Allotment no./date	Allotment amount	Expenditure during 2019-20	Expenditure in March 2020	Percentage of Expenditure in March
1	2015-00-109-0002- Election of Zila Parishads/Panchayat Samitis/Gram Panchayats	10/6.6.19	0.64	1.36	0.79	58.08
		11/6.6.19	0.005			
		20/30.7.19	0.10			
		41/4.9.19	0.09			
		42/4.9.19	0.51			
		52/4.10.19	0.43			
		57/21.11.19	0.21			
		63/15.1.20	0.10			
		64/15.1.20	0.10			
		71/6.3.20	0.23			
		72/12.3.20	3.26			
2	2515-Other Rural Development Programmes-00-198-Assistance to Gram Panchayats-0014-Contribution of Gram Kachahari in the Light of State Finance Commission.	33/21.08.19	41.93	23.52	15.11	64.24
Total				24.88	15.90	63.90

(Source: Data provided by the Panchayati Raj Department, Govt. of Bihar and Detailed appropriation Accounts and Monthly expenditure report)

Appendix-3.14

(Reference: Paragraph 3.5.1)

Non Reconciliation of Figures of Expenditure (Grant No. 16)

(₹ in crore)

Sl. No.	Name of Scheme	Head of the scheme	Expenditure booked by the Department	Expenditure booked by AG(A&E)	Difference
1.	Election	2015-Elections-00-109-Charges for conduct of election to panchayats/ local bodies-0002-Election of Zila Parishads/Panchayat Samitis/Gram Panchayats	1.41	1.36	0.05
2.	Rent & contingency for Gram Katchahari	2515-Other Rural Development Programmes-00-800-Other Expenditure-0112-Different items of Gram Kutuchery	4.72	3.41	1.31
3.	Allowance and other to PRIs & gram katchahari	2515-Other Rural Development Programmes-00-789-Special Component Plan for Scheduled Castes-0103-Fixed allowances to elected representatives of Gram Panchayats	14.37	12.05	2.32
4.	Contingency for Gram panchayat	2515-Other Rural Development Programmes-00-800-Other Expenditure-0114-Other Provision of Panchayati Raj	1.05	0.75	0.30
5.	Mukhiya Sarpanch/ Zila panchayat Training Establishment	2515-Other Rural Development Programmes-00-198-Assistance to Gram Panchayats-0014-Contribution of Gram Kachahari in the Light of State Finance commission.	32.36	23.52	8.84
6.	Allowance and other to PRIs & gram katchahari	2515-Other Rural Development Programmes-00-198-Assistance to Gram Panchayats-0105-Fixed allowances to elected representatives of Gram Panchayats	72.36	60.79	11.57
7.	Allowance and other to PRIs & gram katchahari	2515-Other Rural Development Programmes-00-789-Special Component Plan for Scheduled Castes-0106-Fixed allowances to elected representatives of District Council	0.64	0.59	0.05
8.	Gram Kutchehari Nyaymitra/ Sachiv mandey	2515-Other Rural Development Programmes-00-198-Assistance to Gram Panchayats-0010-Different items of Gram Kutchery	136.59	93.83	42.76
9.	On contract basis DEO and for training	2515-Other Rural Development Programmes-00-001-Direction and Administration-0102-District Panchayat Establishment	0.06	11.75	11.69
10.	Mukhiya Sarpanch/ Zila panchayat Training Establishment	2515-Other Rural Development Programmes-00-198-Assistance to Gram Panchayats-0009-Contribution to Gram Panchayats in the light of recommendation of State Finance Commission	990.39	982.12	8.27
11.	Zila panchayat Establishment	2515-Other Rural Development Programmes-00-001-Direction and Administration-0003-Establishment of District Panchayat	157.71	159.64	1.93

Sl. No.	Name of Scheme	Head of the scheme	Expenditure booked by the Department	Expenditure booked by AG(A&E)	Difference
12.	5th SFC	2515-Other Rural Development Programmes-00 -196-Assistance to Zila Parishads/ District level Panchayats-0007- Contribution to District Councils in the light of recommendation of State Finance Commission	290.02	253.45	36.57
13.	Allowance and other to PRIs & gram katchahari	2515-Other Rural Development Programmes-00 -196-Assistance to Zila Parishads/District level Panchayats-0106-Fixed allowances to elected representatives of District Council	3.37	3.10	0.27
14.	Allowance and other to PRIs & gram katchahari	2515-Other Rural Development Programmes-00 -197-Assistance to Block Panchayats/ Intermediate level Panchayats-0103-Fixed allowances to elected representatives of Panchayat Samiti	16.27	13.62	2.65
15.	Allowance and other to PRIs & gram katchahari	2515-Other Rural Development Programmes-00 -198-Assistance to Gram Panchayats-0106- Fixed allowances to elected representatives of Gram Kutchery	81.00	58.56	22.44
16.	7 Nishchay	2515-Other Rural Development Programmes-00 -198-Assistance to Gram Panchayats-0113- Chief-Minister Nishchaya Yojna.	903.56	894.66	8.90
17.	Allowance and other to PRIs & gram katchahari	2515-Other Rural Development Programmes-00-789-Special Component Plan for Scheduled Castes-0104-Fixed allowances to elected representatives of Gram Kutchery	17.37	13.10	4.27
18.	Allowance and other to PRIs & gram katchahari	2515-Other Rural Development Programmes-00 -789-Special Component Plan for Scheduled Castes-0105-Fixed allowances to elected representatives of Panchayat Samiti	3.14	2.80	0.34
19.	5th SFC	2515-Other Rural Development Programmes-00 -197-Assistance to Block Panchayats/ Intermediate level Panchayats-0004- Contribution to Block Panchayats in the light of recommendation of State Finance Commission	111.93	95.88	16.05
20.	Panchayat sarkar bhawan by PRD	4515-Capital Outlay on other Rural Development Programmes-00-101- Panchayati Raj-0108-Panchayat Government Building	45.64	45.12	0.52
Total			2,883.96	2,730.13	181.08

(Source: Data provided by the Panchayati Raj Department, Bihar and Detailed Appropriation Accounts)

Appendix-3.15

(Reference: Paragraph 3.5.1)
Outstanding AC Bills (Grant No. 16)

(₹ in crore)

Sl. No.	Year	AC bills drawn	AC bills adjusted	Outstanding AC bills
1.	2002-03	4.58	4.41	0.16
2.	2003-04	0.82	0.63	0.19
3.	2004-05	5.39	4.79	0.60
4.	2005-06	19.00	17.98	1.02
5.	2006-07	19.85	17.23	2.62
6.	2007-08	203.82	198.13	5.69
7.	2008-09	175.30	168.34	6.96
8.	2009-10	203.29	190.83	12.46
9.	2010-11	362.20	359.69	2.51
10.	2011-12	116.04	112.17	3.87
11.	2012-13	0.02	0.00	0.02
12.	2013-14	0.17	0.12	0.05
13.	2014-15	4.44	1.29	3.15
14.	2015-16	131.59	93.65	37.94
15.	2016-17	29.27	15.03	14.24
Total		1,275.78	1,184.30	91.48

(Source: Data furnished by the Panchayati Raj Department)

Appendix-3.16

(Reference: Paragraph 3.5.1)

Non-submission of Utilisation Certificates (Grant No. 16)

(₹ in crore)

Sl. No.	Financial year	Sanctioned Amount	Amount adjusted	Outstanding amount for Utilisation
1.	2003-04 to 2016-17	25,567.14	17,138.47	8,428.67
2.	2017-18	7,028.64	140.41	6,888.23
3.	2018-19 (as on 31.05.2020)	4,664.32	5.71	4,658.61
Total		37,260.10	17,284.59	19,975.51

(Source: Data furnished by the Panchayati Raj Department)

Appendix-3.17

(Reference: Paragraph 3.5.2)

Unnecessary Supplementary Provision (Grant No. 51)

(₹ in crore)

Sl. No.	Head	Original Provision	Supplementary Provision	Total Provision	Expenditure	Savings
Revenue (Voted)						
1.	2235-02-102-0324-Rajiv Gandhi Scheme for empowerment of Adolscence Girls(SABALA)	7.00	1.16	8.16	0.69	7.47
2.	2235-02-103-0225-Maternity Advantage Plan	22.13	1.04	23.17	2.42	20.75
3.	2235-02-102-0222-Integrated child Development Services Schemes	854.15	12.25	866.4	740.99	125.41
4.	2235-02-102-0225-National Nutrition Mission (Including ISSNIP) Schemes	198.17	63.67	261.84	193.39	68.45
5.	2235-03-101-0201-Indira Gandhi National Old Age Pension Scheme	678.55	13.89	692.44	629.74	62.70
6.	2235-03-101-0203-Indira Gandhi National Widow Pension Scheme	177.84	3.12	180.96	153.12	27.84
7.	2235-03-789-0201-Indira Gandhi National Old Age Pension Scheme	370.00	6.70	376.70	290.00	86.70
	Total	2,307.84	101.83	2,409.67	2010.35	399.32
Capital (Voted)						
8.	4235-02-102-0208-Integrated Child Development Services(ICDS)	30.83	34.18	65.01	9.67	55.34
	Total	30.83	34.18	65.01	9.67	55.34
	Grand Total	2,338.67	136.01	2,474.68	2020.02	454.66

(Source: Detailed Appropriation Accounts 2019-20)

Appendix-3.18

(Reference: Paragraph 3.5.2)

Sanction, Expenditure & Surrendered of Annual Plan 2019-20 (Grant No. 51)

(₹ in crore)

Sl. No.	Name of Scheme	Outlay (2019-20)	Total Outlay after Internal Adjustment + 3rd Supp	Budgeted Amount	Sanctioned Amount	Outlay Surrendered in March 2020	Outlay After Surrendered in Mar-20	Cumulative Expenditure	Percentage of Expenditure
1	2	3	4	5	6	7	8	9	10
State Schemes									
1	Indira Gandhi National Old Age Pension Scheme	381.00	681.00	681.00	681.00	0.00	681.00	680.68	99.95
2	Indira Gandhi National Widow Pension Scheme	20.00	10.00	10.00	10.00	0.00	10.00	10.00	100.00
3	Indira Gandhi National Disability Pension Scheme	4.00	4.00	4.00	4.00	0.00	4.00	4.00	100.00
4	Mukhyamantri Vridjan Pension Scheme	0.00	584.00	584.00	584.00	0.00	584.00	583.75	99.96
5	Laxmibai Social Security Pension Scheme	185.00	300.00	300.00	300.00	0.00	300.00	300.00	100.00
6	Bihar Desability Pension Scheme	250.00	386.00	386.00	386.00	0.00	386.00	386.00	100.00
7	Kabir Anthyesthi Anudan Yojana	50.00	35.00	35.00	35.00	0.00	35.00	32.50	92.86
8	Chief Minister Disabled Strengthening Scheme (SAMBAL)	5.00	8.50	8.50	8.50	0.00	8.50	8.50	100.00
9	Chief Minister Family Benefit Scheme	5.00	5.00	5.00	5.00	0.00	5.00	3.25	65.00
10	Bihar Shatabdi Labour Welfare Scheme	18.00	18.00	18.00	18.00	0.00	18.00	18.00	100.00
11	Mukhyamantri Bhikhchavriti Nivaran Yojana	10.00	10.00	10.00	10.00	0.00	10.00	3.30	33.00
12	Old Age Home (SAHARA)	6.00	4.50	4.50	4.50	0.00	4.50	1.85	41.11
13	Old Age Home Construction (D 3)	10.00	10.00	10.00	10.00	0.00	10.00	10.00	100.00
14	Bihar Aids Pirit Kalyan Yojana	10.00	10.00	10.00	10.00	0.00	10.00	9.50	95.00
15	Chief Minister Disabled Marriage Grant scheme	1.00	2.50	2.50	2.50	0.00	2.50	2.50	100.00
16	SIPDA	0.00	1.00	1.00	1.00	0.15	0.85	0.85	100.00
17	SIPDA (Demand - 3)	0.00	5.34	5.34	5.34	0.00	5.34	5.34	100.00
18	Repairing of Disabled Building (Demand-3)	0.00	1.15	1.15	1.15	0.01	1.14	1.14	100.00
19	MIS	12.50	16.50	16.50	16.50	0.00	16.50	13.06	79.18
20	Dress to Preschool Children at AWC	142.33	155.22	155.22	155.22	0.00	155.22	145.79	93.93
21	ICDS - Estb.	285.17	299.09	299.09	299.09	2.66	296.43	266.60	89.94

Sl. No.	Name of Scheme	Outlay (2019-20)	Total Outlay after Internal Adjustment + 3rd Supp	Budgeted Amount	Sanctioned Amount	Outlay Surrendered in March 2020	Outlay After Surrendered in Mar-20	Cumulative Expenditure	Percentage of Expenditure
1	2	3	4	5	6	7	8	9	10
22	Women Development Corporation	5.00	5.00	5.00	5.00	0.00	5.00	4.25	85.00
23	Mukhyamantri Kanya Vivah Yojana	91.40	49.79	49.79	49.79	0.00	49.79	40.37	81.08
24	Mukhyamantri Nari Shakti Yojana	62.00	31.98	31.98	31.98	11.52	20.46	20.46	100.00
25	Mukhyamantri Kanya Utthan Yojana	100.00	43.00	43.00	43.00	0.00	43.00	42.73	99.37
26	State Commission for Protection of the Child Rights	4.30	4.30	4.30	4.30	0.00	4.30	2.28	53.00
27	Special Scheme for children in conflict with law, orphan & Destitute	17.00	17.00	17.00	17.00	0.00	17.00	10.77	63.37
28	Exhibition/Seminar and Conferences	0.15	0.15	0.15	0.15	0.00	0.15	0.00	0.00
29	Training of Field Officers	0.10	0.10	0.10	0.10	0.00	0.10	0.05	45.90
30	Land Acquisition	0.05	0.05	0.05	0.05	0.00	0.05	0.00	0.00
31	Parvarish	19.00	20.46	20.46	20.46	0.00	20.46	20.46	100.00
32	Construction of Homes (D-3)	5.00	37.18	37.18	37.18	0.00	37.18	37.18	100.00
33	Estb., of Disability Commissioner's office	1.00	1.20	1.20	1.20	0.00	1.20	1.00	83.33
Total		1,700.00	2,757.01	2,725.01	2,757.01	14.33	2,742.68	2,666.17	97.21
Central Sponsored Schemes									
A	Central Share								
34	Indira Gandhi National Old Age Pension Scheme	1,100.00	951.19	951.19	951.19	0.00	951.19	951.19	100.00
35	Indira Gandhi National Widow Pension Scheme	275.00	203.12	203.12	203.12	0.00	203.12	203.12	100.00
36	Indira Gandhi National Disability Pension Scheme	50.00	45.70	45.70	45.70	0.00	45.70	45.70	100.00
37	National Family Benefit scheme	75.00	32.97	32.97	32.97	0.00	32.97	4.96	15.04
38	National Policy for prevention of Drugs	0.00	1.13	1.13	1.13	0.00	1.13	0.15	12.89
39	National Action plan for Old Age Citizen	0.00	2.00	2.00	2.00	0.00	2.00	0.00	0.00
40	SIPDA	18.00	12.99	12.99	12.99	12.99	0.00	0.00	0.00
41	SIPDA (Demand - 3)	2.00	2.00	2.00	2.00	2.00	0.00	0.00	0.00
42	ICDS (Including Estb., Training, ISSNIP)	854.16	753.14	753.14	753.14	281.73	471.41	394.37	83.66
43	Nutrition	1,279.27	911.23	911.23	911.23	122.97	788.25	573.19	72.72
44	N.M.E.W. (IGMSY)	29.22	14.17	14.17	14.17	5.32	8.86	8.86	100.00
45	PMMVY	22.13	22.13	22.13	22.13	20.44	1.69	1.00	58.89
46	S.A.G. (SABLA)	30.19	4.31	4.31	4.31	2.31	2.00	0.16	7.84
47	AWC Construction	53.89	53.89	53.89	53.89	44.23	9.66	5.83	60.30
48	National Nutrition Mission (N.N.M)/ISSNIP	198.17	198.17	198.17	198.17	10.53	187.64	134.34	71.59

Sl. No.	Name of Scheme	Outlay (2019-20)	Total Outlay after Internal Adjustment + 3rd Supp	Budgeted Amount	Sanctioned Amount	Outlay Surrendered in March 2020	Outlay After Surrendered in Mar-20	Cumulative Expenditure	Percentage of Expenditure
1	2	3	4	5	6	7	8	9	10
49	National Creche Scheme	0.60	0.60	0.60	0.60	0.60	0.00	0.00	0.00
50	ICPS	80.00	72.00	72.00	72.00	45.00	27.00	14.05	52.05
Total		4,067.63	3,280.72	3,280.72	3,280.72	548.11	2,732.61	2,336.89	85.52
B	State Share								
51	Indira Gandhi National Old Age Pension Scheme	324.00	650.00	650.00	650.00	0.00	650.00	650.00	100.00
52	Indira Gandhi National Widow Pension Scheme	40.00	66.00	66.00	66.00	0.00	66.00	66.00	100.00
53	Indira Gandhi National Disability Pension Scheme	7.00	14.00	14.00	14.00	0.00	14.00	14.00	100.00
54	ICDS (Including Estb., Training, ISSNIP)	253.25	474.22	474.22	474.22	9.75	464.48	365.66	78.73
55	Nutrition	450.92	1,013.63	1,013.63	1,013.63	0.00	1,013.63	956.66	94.38
56	N.M.E.W. (IGMSY)	0.00	6.00	6.00	6.00	0.10	5.90	5.90	100.00
57	PMMVY	13.17	36.66	36.66	36.66	0.03	36.63	36.11	98.58
58	S.A.G. (SABLA)	9.33	0.90	0.90	0.90	0.05	0.85	0.08	9.10
59	AWC Construction	0.00	11.13	11.13	11.13	0.05	11.08	5.69	51.41
60	National Nutrition Mission (N.N.M)/ISSNIP	33.03	51.10	51.10	51.10	0.99	50.11	23.55	47.00
61	National Creche Scheme	0.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00
62	ICPS	19.00	29.00	29.00	29.00	0.00	29.00	27.35	94.31
Sub Total		1,150.00	2,352.64	2,352.64	2,352.64	10.97	2,341.67	2,151.01	91.86
Total							7816.96	7154.07	
Auto surrendered except EAP							662.89		
EAP									
63	BISPS	80.00	80.00	80.00	80.00	0.00	80.00	26.40	33.00
Sub Total		80.00	80.00	80.00	80.00	0.00	80.00	26.40	33.00
Grand Total		6,997.63	8,470.37	8,470.37	8,470.37	573.41	7,896.96	7,180.47	90.93

(Source: Information furnished by the Social Welfare Department)

Appendix-3.19

(Reference: Paragraph 3.5.2)
Arrear of Utilisation Certificate (Grant No. 51)

(₹ in crore)

Social Welfare Department , Bihar, Patna (UC Report)			
Year	Sanctioned	Adjustment Amount	Balance
2003-04	150.13	69.01	81.12
2004-05	4.21	4.21	0.00
2005-06	3.96	3.66	0.30
2006-07	105.71	95.00	10.71
2007-08	10.00	6.36	3.64
2008-09	4.10	4.10	0.00
2009-10	10.20	10.00	0.20
2010-11	893.38	856.85	36.53
2011-12	1,874.81	1,774.32	100.49
2012-13	1,777.40	1,737.38	40.03
2013-14	2,135.60	2,117.57	18.03
2014-15	3,686.76	3,549.63	137.13
2015-16	3,588.36	3,454.15	134.21
2016-17	4,229.90	3,123.71	1,106.20
2017-18	6,311.46	3,664.00	2,647.46
2018-19	9,113.24	2,870.82	6,242.43
Total	33,899.23	23,340.75	10,558.48

(Source: Information furnished by the Social Welfare Department)

Appendix-3.20

(Reference: Paragraph 3.5.2)
Position of outstanding AC bills (Grant No. 51)

(₹ in crore)

Year Upto	AC bills drawn		DC bills submitted		Outstanding DC bills	
	Number	Amount	Number	Amount	Number	Amount
2002-2003	1423	33.72	1423	23.40	1423	10.32
2003-2004	1300	47.50	1300	41.24	1300	6.26
2004-2005	823	67.98	823	57.61	823	10.37
2005-2006	398	63.18	398	52.82	398	10.36
2006-2007	342	160.92	342	150.93	342	9.99
2007-2008	605	166.51	605	157.92	605	8.59
2008-2009	1298	60.42	1298	51.62	1298	8.80
2009-2010	1854	526.54	1854	516.03	1854	10.52
2010-2011	1052	680.04	1052	660.79	1052	19.25
2011-2012	2306	443.90	2306	420.91	2306	22.98
2012-2013	54	2.64	54	2.03	54	0.61
2013-2014	22	0.91	22	0.88	22	0.04
2014-2015	14	9.55	14	4.26	14	5.28
2015-2016	474	59.52	474	54.23	474	5.29
2016-2017	194	15.58	194	9.85	194	5.73
2017-2018	11	11.47	11	8.35	11	3.12
2018-2019	11	60.22	11	0.73	11	59.49
2019-2020	5	2.21	5	0.00	5	2.21
Grant Total		2,412.82		2,213.62		199.20

(Source: Information furnished by the Social Welfare Department)

Appendix-4.1

(Reference: Paragraph 4.2)

Pending payment on Incomplete Projects

(₹ in crore)

Sl. No.	Name of the project / works	Estimated cost of work/date of sanction	Year of commencement	Target year of completion	Physical progress of work (in per cent)	Expenditure during the year	Progressive expenditure to the end of the year	Pending payments	Revised cost, if any/ date of revision #	Cost of balance work adjusted to inflation
1.	Renovation of Pacharaha Shivnarayan Bigha Ahar/Pyne Irrigation System in Nawada District	338.45	2018-19	2019-20	62	118.97	152.81	185.64	**	**
2.	Residual Work for Construction of Mandai Weir, Afflux Bund, Guide Bundh Head Regulator its Distribution System in Jehanabad District	23,283.82	2017-18	2019-20	28	285.00	3,010.37	8,244.32	**	**
3.	Renovation of Jagarnath Main Pyne and its System Tetariya and Kanchanpur Pyne in Aurangabad District	393.57	2018-19	2019-20	44	190.30	190.30	152.07	**	**
4.	Renovation of Belanaginiya Ahar/ Pyne in Gaya District	592.68	2018-19	2019-20	62	230.13	289.25	303.43	**	**
5.	Renovation of Sondiha Aanti in Gaya District	502.81	2019-20	2019-20	86	124.3	124.3	378.5	**	**
6.	Renovation of Rupaspur Pali Ahar/ Pyne in Gaya District	367.07	2019-20	2019-20	72	1.70	1.70	365.37	**	**
7.	Renovation of Khatnahi Pokhar in Gaya District	139.57	2019-20	2019-20	80	0.000	0.000	139.57	**	**
8.	Renovation & Restoration of Babhanlai Ahar Pyne Scheme in Patna District	119.39	2019-20	2019-20	70	**	**	109.78	**	109.78
9.	Renovation of Navhi Ahar Pyne Scheme in Patna District	273.41	2019-20	2019-20	75	12.47	12.47	238.96	**	238.96
10.	Renovation of Tiskhora Ahar Pyne Scheme in Patna District	426.16	2019-20	2019-20	70	**	**	391.70	**	391.7
11.	Renovation & Restoration of Nanauri Ahar Pyne Scheme in Patna District	250.33	2019-20	2019-20	70	12.83	12.83	217.79	**	217.79
12.	Renovation of Daulatpur Simri Pond Scheme in Patna District	103.79	2019-20	2019-20	70	**	**	94.96	**	94.97
13.	Renovation of Naharpur (Nisarapura) Kurkuri Ahar Pyne Scheme in Patna District	109.09	2019-20	2019-20	85	**	**	100.24	**	100.24

Sl. No.	Name of the project / works	Estimated cost of work/date of sanction	Year of commencement	Target year of completion	Physical progress of work (in per cent)	Expenditure during the year	Progressive expenditure to the end of the year	Pending payments	Revised cost, if any/ date of revision #	Cost of balance work adjusted to inflation
14.	Renovation of Fatehpur Karha Ahar Scheme in Patna District	112.91	2019-20	2019-20	70	**	**	97.31	**	97.31
15.	Renovation of Barni Ahar Pyne Scheme in Patna District	109.53	2019-20	2019-20	50	**	**	100.59	**	100.59
16.	Renovation of Netar Ahar Pyne Scheme in Patna District	229.31	2019-20	2019-20	85	56.29	56.29	154.68	**	154.68
17.	Renovation of Bara Ahar Pyne Scheme in Patna District	137.87	2019-20	2019-20	60	**	**	125.85	**	125.85
18.	Renovation of Deora Ahar Pyne Scheme in Patna District	130.36	2019-20	2019-20	70	22.71	22.71	96.34	**	96.34
19.	Renovation of Deokuli Ahar Pyne Scheme in Patna District	271.95	2019-20	2019-20	70	40.33	40.33	209.58	0.00	209.58
20.	Renovation of Bahuara Ahar Pyne Scheme in Patna District	152.83	2019-20	2019-20	80	37.4	37.4	101.85	0.00	101.85
21.	Renovation of Bakarpur Ahar Pyne Scheme in Patna District	430.15	2019-20	2019-20	70	19.63	19.63	375.70	0.00	375.70
22.	Renovation of Kawn Weir in Sasaram District	1790	2017-18	2019-20	82	1,053.88	412.08	412.08	**	**
23.	Restoration and Lining work of Sone Western Link Canal in Sone Barrage Circle, Dehri in Sasaram District	149	2017-18	2019-20	66	33.15	144.25	84.75	229.00 dt.27/02/19	**
24.	Renovation of Surajgarha Pump Canal Scheme of Surajgarha Block, Lakhisarai District	1218	2018-19	2019-20	75	1,060.22	1,260.22	356.63	399.07 dt.20/09/19	**
25.	Construction of Renovation of Salempur Kharnpur Pyne to Ensure Irrigation System under Gram Panchayat Salempur East, Salempur West, Gopalpur and Zakarpura of Surajgarha Block in Lakhisarai District	1390	2018-19	2019-20	80	770.80	870.80	565.83	47.08 dt.20/09/19	**
26.	National Water Quality Sub Mission work in Gaya	873.00	2018-19	2019-20	27	**	236.20	636.80	**	**
27.	Construction of District Transport office, Madhepura	131.83	2018-19	2019-20	49	19.31	63.96	32.13	**	**
28.	Construction of Jila Apurti Shrinkhla building Madhepura	113.22	2019-20	2019-20	28	31.31	31.31	81.92	**	**

Sl. No.	Name of the project / works	Estimated cost of work/date of sanction	Year of commencement	Target year of completion	Physical progress of work (in per cent)	Expenditure during the year	Progressive expenditure to the end of the year	Pending payments	Revised cost, if any/ date of revision #	Cost of balance work adjusted to inflation
29.	Campus Development, Landscaping, Horticulture & Connecting Bridge work for extension of Patna High Court.	1,320.78	2019-20	2019-20	71	943.44	943.44	377.34	**	**
30.	Construction of Boundary wall, Main Gate with Guard room, in Senior Judicial Officer's residence at 42, Harding Road, Patna	136.81	2019-20	2019-20	37	50.00	50.00	86.81	**	**
31.	Construction work of Information Technology Center building Chautham in Khagariya	740.79	2017-18	2019-20	79	4.68	4.68	1.24	**	**
32.	Construction of Panchayat Sarkar Bhawan in Kerop & Dahajee in Aurangabad	255.3	2018-19	2019-20	70	16.35	156.41	89.82	**	**
33.	Construction of Panchayat Sarkar Bhawan in (i) Kosut Panchayat in Block Dhanrua & (ii) Vijaypura Panchayat in Block Dhanarua, in Patna	280.66	2018-19	2019-20	51	51.24	103.02	177.63	**	**
34.	Construction of Panchayat Sarkar Bhawan in Sarkar Panchayat in Block Danapur, (World Bank Endorsed) in Patna	129.87	2018-19	2019-20	58	47.32	75.57	54.30	**	**
35.	Panchayat Sarkar Bhawan in (I) Terrah Panchayat in Block Akodhi Gola, Sasaram, in Rohtas	144	2018-19	2019-20	30	43.92	43.92	100.07	**	**
36.	Rohtas Garh Panchayat in Block Rohtas	144	2018-19	2019-20	30	44.43	44.43	99.57	**	**
37.	Panchayat Sarkar bhawan in (I) Yadunathpur Panchayat in Block Nauhata, Sasaram, in Rohtas	144	2018-19	2019-20	25	32.63	32.63	111.3	**	**
38.	Construction of Kabristan Boundary Wall Madpa Tahid Panchayat Pathahi Block Bairgania, in Sitamarhi	107.94	2019-20	2019-20	70	74.36	74.36	3.32	**	**

Sl. No.	Name of the project / works	Estimated cost of work/date of sanction	Year of commencement	Target year of completion	Physical progress of work (in per cent)	Expenditure during the year	Progressive expenditure to the end of the year	Pending payments	Revised cost, if any/ date of revision #	Cost of balance work adjusted to inflation
39.	Widening & Strengthening of Motipur Chowk - Bherokhera - Imli Chowk - Silaut - Gandak Bandh in km 0.00 to 13.600 under SBD, in Samastipur for the year 2018 - 2019	1,873.38	2018-19	2019-20	38	72.36	713.72	1,159.65	**	**
40.	Widening & Strengthening of Patel Chowk NH - 103 to Basaria NH - 28 under SBD, in Samastipur for the year 2018 - 2019	1,251.63	2018-19	2019-20	59	93.93	742.90	508.72	**	**
41.	Widening & Strengthening with drain, Hard shouldering and CD Work of Kotwali Chowk - Shastri Chowk - Mangal Bazar - Subhash Chowk - Naya Gaon - ITC Majdor Gate - Kala Pathar Chwok Road, (CH 0 - 4.18) Total 4.18 km for the year 2018 - 19, Munger	1,064.00	2018-19	2019-20	85	747.30	900.80	163.19	**	**
42.	Widening & Strengthening with drain, Hard shouldering and CD Work of Lallu Pokhar Tinbatiya - Bhagat Singh Chowk - Kotwali Chowk Shivala - South Quil Gate Munger Road (CH 0 - 3.90) Total 3.90 Km, in Munger for the year 2018 - 19	870	2018-19	2019-20	84	616.90	737.87	132.13	**	**
43.	Widening & Strengthening with drain, Hard shouldering CD Work of North Quila Gate - Law College - ITC Park - Purab Sarai - Munger Bariyarpur Link Road (CH 0 - 3.84) Total 3.84 Km in Munger for the year 2018 - 19	594.54	2018-19	2019-20	80	451.17	479.05	115.49	**	**

Sl. No.	Name of the project / works	Estimated cost of work/date of sanction	Year of commencement	Target year of completion	Physical progress of work (in per cent)	Expenditure during the year	Progressive expenditure to the end of the year	Pending payments	Revised cost, if any/ date of revision #	Cost of balance work adjusted to inflation
44.	Widening & Strengthening with drain, Hard shouldering and CD Work of Chua Bagh Mahavir Mandir - Kasim Bazar - Khoja Bazar - Bindwara More (Munger - Jamalpur Road) (CH 0 - 2.00) Total 2.00 Km in Munger for the year 2018 - 19	498.82	2019-20	2019-20	45	224.03	224.03	274.79	**	**
45.	Widening & Strengthening of road from Palasi NH 57 to Jumman Chowk Forbesganj in Araria for the year 2017 - 2018	1,031.65	2018-19	2019-20	43	301.76	444.3	587.35	**	**
46.	Widening & Strengthening of road from Chandani Chowk to Godhi Chowk in Araria for the year 2017 - 2018	2,263.37	2018-19	2019-20	41	945.48	945.48	1317.89	**	**
47.	Widening & Strengthening with Maintenance work of Bhagapatti - Samaur Bankata via Kateya Bazar Km 0.00 to Km 7.705 in Gopalganj for the year 2017 - 2018	2,077.00	2018-19	2019-20	31	26.62	641.38	1435.62	**	**
48.	Widening & Strengthening Work Ramgarh - Barora Road in km 0 to 7.255 in Bhabua	1,706.61	2018-19	2019-20	82	0	1,402.41	304.2	**	**
49.	Construction of road from MMGSY Bankatia to Lohati Harizan Tola	121.23	2018-19	2019 - 20	47	57.72	57.72	63.51	**	**
Total								12380.43 (123.80 crore)		

**Details not provided by the concerned Divisions/State Government.

(Source: Finance Accounts 2019-20)

Appendix-4.2

(Reference: Paragraph 4.10)

Transactions under Minor Head 800 - 'Other Expenditure' (Cases more than 10 per cent under the related head)

(₹ in crore)

Sl. No.	Major Heads	Nomenclature	Total Expenditure	Expenditure under Minor Head 800	Percentage of Expenditure under Minor Head 800 to Total Expenditure
1	2250	Other Social Services	23.05	21.25	92.21
2	2406	Forestry and Wild Life	619.15	216.42	34.95
3	6004	Loans and Advances from the Central Government	2245.67	390.77	17.40

(Source: Finance Accounts 2019-20)

Appendix-4.3

(Reference: Paragraph 4.10)

Transactions under Minor Head 800 - 'Other Receipts' (Cases more than 10 per cent under the related head)

(₹ in crore)

Sl. No.	Major Heads	Nomenclature	Total Receipts	Receipts under Minor Head 800	Percentage of receipts under Minor Head 800 to Total Receipts
1	0029	Land Revenue	275.28	104.88	38.10
2	0049	Interest Receipts	1416.48	478.10	33.75
3	0059	Public Works	8.60	5.80	67.44
4	0070	Other Administrative Services	137.39	126.42	92.02
5	0202	Education, Sports, Art and Culture	17.13	4.88	28.49
6	0210	Medical and Public Health	47.54	26.53	55.81
7	0220	Information and Publicity	0.24	0.07	29.17
8	0230	Labour and Employment	11.28	7.76	68.79
9	0235	Social Security and Welfare	0.17	0.17	100.00
10	0401	Crop Husbandry	13.12	5.97	45.50
11	0403	Animal Husbandry	0.70	0.21	30.00
12	0404	Dairy Development	0.02	0.02	100.00
13	0405	Fisheries	14.28	1.50	10.50
14	0406	Forestry and Wild Life	20.33	2.30	11.31
15	0515	Other Rural Development Programmes	24.96	7.14	28.61
16	0702	Minor Irrigation	17.69	10.90	61.62
17	0851	Village and Small Industries	0.08	0.08	100.00
18	0852	Industries	14.64	14.63	99.93
19	1053	Civil Aviation	1.95	1.58	81.03
20	1056	Inland Water Transport	0.01	0.01	100.00
21	1456	Civil Supplies	0.02	0.02	100.00

(Source: Finance Accounts 2019-20)

Appendix-4.4

(Reference: Paragraph 4.15)

List of Bodies or Authorities, who have not entrusted audit of accounts to the CAG

Sl. No.	Name of Department	Name of the office	District
1	Education	Simultala Education Society	Jamui
2	Education	Bihar Education Project council	Patna
3	Education	LN Mishra Institute of Economic Development & Social change	Patna
4	Education	A.N. Sinha Institute of Social Studies	Patna
5	Education	Bihar School Examination Board (SS)	Patna
6	Education	Bihar School Examination Board	Patna
7	Education	T.M. University	Bhagalpur
8	Education	Vir Kunwar Singh Vishwavidhyalay	Bhojpur
9	Education	L.N. Mithila University	Darbhanga
10	Education	Kameshwar Singh Darbhanga Sanskrit University	Darbhanga
11	Education	Magadh University, Bodh Gaya	Gaya
12	Education	Bhupendra Narayan Mandal University	Madhepura
13	Education	Bihar University, Muzaffarpur	Muzaffarpur
14	Education	Patna University	Patna
15	Education	Aryabhatta University	Patna
16	Education	Jai Prakash University	Saran
17	Health	IGIMS	Patna
18	Health	Bihar State Aids Control Society	Patna
19	Health	Bihar State Ayurvedic & Unani Medical Board	Patna
20	Health	Bihar Nurses Ragistration Council, Patna	Patna
21	Health	Bihar State Homeopathic Medical Board	Patna
22	Labour Resources	Bihar Building And other Construction Workers Welfare Board	Patna
23	Minority Welfare	Bihar State Sunni Wakf Board	Patna
24	Minority Welfare	Syed Shaheed Shafedar Peer	Patna
25	Minority Welfare	Bihar State Shia Wakf Board	Patna
26	BC & EBC Welfare	State BC Commission	Patna
27	SC & ST Welfare	Bihar Mahadalit Development Mission	Patna
28	SC & ST Welfare	State Mahadalit Commission	Patna
29	SC & ST Welfare	State SC Commission	Patna
30	SC & ST Welfare	State ST Commission	Patna
31	Social Welfare	Women Development Corporation	Patna
32	Social Welfare	State Women Commission	Patna
33	Social Welfare	Bihar State Social Welfare Board	Patna
34	Social Welfare	Bihar Child Right Protection Commission	Patna
35	Disaster Management	Bihar State Disaster Management Authority	Patna
36	Industry	Bihar State Khadi and Village Industries Board	Patna
37	Industry	Bihar Industrial Area Development Authority	Patna
38	Industry	Infrastructure Development Authority	Patna
39	Energy	Bihar Renewable Energy Department Agency (BREDA)	Patna
40	Water Resource	Water and Land Management Institute	Patna
41	Urban Development and Housing Department	Bihar State Housing Board	Patna

(Source: Data compiled by Audit Office)

Appendix-4.5

(Reference: Paragraph 4.16)

PSU wise arrears of Accounts as on 30/09/2020 Government of Bihar

Sl. No.	Name of the PSU	Year(s) for which accounts are in arrears	Number of accounts in arrears
A. Working Companies			
Less than 5 Years			
1	Bihar Rajya Pul Nirman Nigam Ltd.	2018-19 to 2019-20	2
2	Bihar State Power (Holding) Company Limited	2018-19 to 2019-20	2
3	Bihar State Power Transmission Company Limited	2019-20	1
4	Bihar State Power Generation Company Limited	2018-19 to 2019-20	2
5	South Bihar Power Distribution Company Limited	2019-20	1
6	North Bihar Power Distribution Company Limited	2019-20	1
7	Biharsariff Smart City Limited	2018-19 to 2019-20	2
8	Muzaffarpur Smart City Limited	2017-18 to 2019-20	3
9	Patna Metro Rail Corporation	2019-20	1
10	Bihar State Film Development & Finance Corporation Ltd.	2017-18 to 2019-20	3
11	Bihar State Electronic Development Corporation Ltd.	2018-19 to 2019-20	2
12	Bihar State Beverages Corporation Ltd.	2017-18 to 2019-20	3
13	Bihar State Building Construction Corporation Ltd.	2018-19 to 2019-20	2
14	Bihar State Road Development Corporation Ltd	2019-20	1
15	Bihar Urban Infrastructure Development Corporation Ltd	2018-19 to 2019-20	2
16	Bihar State Educational Infrastructural Development Corporation Ltd.	2019-20	1
17	Bihar Medical Services & Infrastructure Corporation Ltd.	2016-17 to 2019-20	4
18	Pirpainti Bijlee Company Private Limited	2017-18 to 2019-20	3
19	Lakhisarai Bijlee Company Private Limited	2017-18 to 2019-20	3
20	Bihar Forestry Development Corporation Limited	2019-20	1
21	Bhagalpur Smart City Ltd	2019-20	1
22	Patna Smart City Ltd	2018-19 to 2019-20	2
23	Bihar State Education Finance Corporation Ltd	2019-20	1
24	Bihar State Mining Corporation Ltd	2017-18 to 2019-20	3
Total			47
5 to 10 Years			
1	Bihar State Text Book Publishing Corporation Ltd.	2012-13 to 2019-20	8
2	Bihar State Hydro Electric Power Corporation Ltd.	2013-14 to 2019-20	7
3	Bihar State Minorities Finance Corporation Ltd.	2014-15 to 2019-20	6
4	Bihar State Tourism Development Corporation Ltd.	2015-16 to 2019-20	5
5	Bihar Police Building Construction Corporation Ltd.	2015-16 to 2019-20	5
6	Bihar State Credit & Investment Corporation Ltd.	2015-16 to 2019-20	5
Total			36
Above 10 Years			
1	Bihar Rajya Beej Nigam Ltd.	2005-06 to 2019-20	15

Sl. No.	Name of the PSU	Year(s) for which accounts are in arrears	Number of accounts in arrears
2	Bihar State Food & Civil Supplies Corporation Ltd.	2003-04 to 2019-20	17
3	Bihar State Backward Classes Finance & Development Corporation	1998-99 to 2019-20	22
Total			54
Total (A)			137
B Statutory Corporation (Working)			
Less than 5 Years			
1	Bihar State Financial Corporation	2019-20	1
Total			1
5 to 10 Years			
1	Bihar State Warehousing Corporation	2015-16 to 2019-20	5
2	Bihar State Road Transport Corporation	2015-16 to 2019-20	5
Total (B)			11
C Non-Working Companies (Other than under liquidation)			
Less than 5 Years			
1	Bihar State Agro Industries Ltd.	2019-20	1
Total			1
5 to 10 Years			
1	Bihar Fruits & Vegetables Development Corporation Ltd.	2015-16 to 2019-20	5
2	SCADA Agro Business Corporation Ltd.	2015-16 to 2019-20	5
Total			10
Above 10 Years			
1	Bihar State Pharmaceuticals & Chemical Development Corporation Ltd.	1986-87 to 2019-20	34
2	Bihar Scooters Ltd.	1977-78 to 2019-20	43
3	Bihar Insecticides Ltd.	1987-88 to 2019-20	33
4	Bihar State Textile Corporation Ltd.	1988-89 to 2019-20	32
5	Bihar Maize Product Ltd.	1984-85 to 2019-20	36
6	Bihar State Glazed Tiles & Ceramics Ltd.	1986-87 to 2019-20	34
7	Vishwamitra Paper Industries Ltd.	1985-86 to 2019-20	35
8	Bihar Drugs & Chemicals Ltd.	1986-87 to 2019-20	34
9	Jhanjharpur Paper Industries Ltd.	1986-87 to 2019-20	34
10	Synthetic Resins (Eastern) Ltd.	1984-85 to 2019-20	36
11	Beltron Video System Ltd.	1990-91 to 2019-20	30
12	Beltron Mining System Ltd.	1991-92 to 2019-20	29
13	Bhawani Active Carbon Ltd.	1986-87 to 2019-20	34
14	Magadh Minerals Ltd.	1984-85 to 2019-20	36
15	Beltron Informatics Ltd.	1988-89 to 2019-20	32
16	Bihar State Tannin Extract Ltd.	1989-90 to 2019-20	31
17	Bihar State Solvent & Chemicals Ltd.	1987-88 to 2019-20	33
18	Bihar State Construction Corporation Ltd.	2003-04 to 2019-20	17
19	Bihar Hill Area Lift Irrigation Corporation Ltd.	1983-84 to 2019-20	37
20	Bihar State Sugar Corporation Ltd.	1985-86 to 2019-20	35

Sl. No.	Name of the PSU	Year(s) for which accounts are in arrears	Number of accounts in arrears
21	Bihar Panchayati Raj Finance Corporation Ltd.	1985-86 to 2019-20	35
22	Bihar State Water Development Corporation Ltd.	1979-80 to 2019-20	41
23	Bihar State Cement Corporation Ltd.	1981-82 to 2019-20	39
24	Bihar State Handloom & Handicrafts Corporation Ltd.	1984-85 to 2019-20	36
25	Bihar Paper Mills Ltd.	1986-87 to 2019-20	34
26	SCADA Agro Business Company, Dehri Limited.	1993-94 to 2019-20	27
27	SCADA Agro Business Company, Aurangabad Limited.	1993-94 to 2019-20	27
28	SCADA Agro Business Company, Mohania Limited.	1993-94 to 2019-20	27
29	SCADA Agro Forestry Company Khaugal Limited,	1993-94 to 2019-20	27
30	Bihar state Dairy Development Corporation Ltd.	1998-99 to 2019-20	22
31	Bihar Rajya Matsya Vikas Nigam Ltd.	1993-94 to 2019-20	27
32	Bihar State Forest Development Corporation Ltd.	2001-02 to 2019-20	19
33	Bihar State Mineral Development Corporation Ltd.	2001-02 to 2019-20	19
34	Bihar State Industrial Development Corporation Ltd.	2009-10 to 2019-20	11
Total			1056
Total (C)			1067
Total (A+B+C)			1215
List of non-working companies which are under Liquidation			
		Status	
1	Bihar State Small Industries Corporation Limited	Under Liquidation	
2	Bihar Finished Leather Limited	Under Liquidation	
3	Bihar State Export Corporation Limited	Under Liquidation	
4	Kumardhubi Metal Casting & Engineering Ltd.	Under Liquidation	
5	Bihar State Leather Industries Development Corporation Ltd.	Under Liquidation	

Source: Finance Accounts 2019-20 & Data compiled by Audit Office)

Appendix-4.6

Budgetary support to PSUs whose accounts are in arrears upto 2019-20 (Reference: Paragraph 4.16)

(₹ in crore)

Sl. No.	Name of PSUs	Equity, Loans, Grants and Guarantees by the State Government during the year which accounts are in arrears						Total	Years from which accounts are in arrears	No. of Accounts in Arrear
		Equity	Loans	Guarantee	Capital Grant	Subsidy	Total			
A. WORKING GOVERNMENT COMPANIES										
1.	Bihar state Education Finance Corporation Limited	0.00	598.00	0.00	5.00	0.00	0.00	603.00	2019-20	1
2.	Patna Metro Rail Corporation	113.60	0.00	0.00	0.00	0.00	0.00	113.60	2018-19	2
3.	Biharsharif Smart City Limited	0.05	0.00	0.00	110.00	0.00	0.00	110.05	2018-19	2
4.	Muzaffarpur Smart City Limited	0.05	0.00	0.00	0.00	0.00	0.00	0.05	2017-18	3
5.	Bihar State Miming Corporation	20.00	0.00	0.00	0.00	0.00	0.00	20.00	2017-18	3
6.	Bihar State Film Development and Finance Corporation Limited	0.00	0.00	0.00	2.45	0.00	0.00	2.45	2017-18	3
7.	Bihar State Tourism Development Corporation Limited	0.00	0.00	0.00	5.23	0.00	0.00	5.23	2015-16	5
8.	Bihar Police Building Construction Corporation Limited	9.90	0.00	0.00	0.00	0.00	0.00	9.90	2015-16	5
9.	Bihar State Minorities Finance Corporation Limited	120.91	7.00	1.13	165.00	0.00	0.00	294.04	2014-15	6
10.	Bihar Rajya Beej Nigam Limited	0.00	2.28	0.00	105.39	8.66	0.00	116.33	2005-06	15
11.	Bihar State Food & Civil Supplies Corporation Limited	0.00	1114.81	1861.33	0.00	6283.07	0.00	9259.21	2003-04	17
12.	Bihar State Backward Classes Finance & Development Corporation	20.74	7.49	15.39	0.00	0.00	0.00	43.62	1998-99	22
13.	Bihar State Hydroelectric Power Corporation Limited	0.00	40.26	243.34	0.00	0.00	0.00	283.60	2013-14	7
14.	Bihar State Power Transmission Company Ltd.	0.00	0.00	964.03	0.00	0.00	0.00	964.03	2018-19	2
15.	South Bihar Power Distribution Company Ltd.	0.00	0.00	2381.52	0.00	0.00	0.00	2381.52	2019-20	1
16.	North Bihar Power Distribution Company Ltd.	0.00	0.00	2198.42	0.00	0.00	0.00	2198.42	2019-20	1
	Total A	285.25	1769.84	7665.16	393.07	6291.73	16405.05			95
B. WORKING STATUTORY CORPORATION										
1.	Bihar State Road Transport Corporation	0.00	318.24	0.00	157.03	899.81	0.00	1375.08	2015-16	5
2.	Bihar State Warehousing Corporation Ltd.	0.00	0.00	149.11	0.00	0.00	0.00	149.11	2015-16	5
	Total B	0.00	318.24	149.11	157.03	899.81	1524.19			10

Sl. No.	Name of PSUs	Equity, Loans, Grants and Guarantees by the State Government during the year which accounts are in arrears							Total	Years from which accounts are in arrears	No. of Accounts in Arrear
		Equity	Loans	Guarantee	Capital Grant	Subsidy					
	C. NON-WORKING GOVERNMENT COMPANIES										
1.	Bihar State Fruits & Vegetables Development Corporation Limited.	0.00	1.00	0.00	0.00	0.00	0.00	1.00	2015-16	5	
2.	Bihar State Industrial Development Corporation Limited	0.00	5.00	0.00	0.00	0.00	0.00	5.00	2009-10	11	
3.	Bihar State Construction Corporation Limited	0.00	2.28	0.00	0.00	0.00	0.00	2.28	2003-04	17	
4.	Bihar State Mineral Development Corporation Limited	0.00		0.00	11.00	0.00	0.00	11.00	2001-02	19	
5.	Bihar state Forest Development Corporation Limited	0.00	3.12	0.00	0.00	0.00	0.00	3.12	2001-02	19	
6.	Bihar Rajya Matasya Vikas Nigam Limited	1.25	5.63	0.00	0.26	0.00	0.00	7.14	1993-94	27	
7.	Bihar State Export Corporation Limited	0.00	2.21	0.00	0.00	0.08	0.00	2.29	1992-93	28	
8.	Bihar State Small Industries Corporation Limited	0.00	1.66	0.00	0.00	2.47	0.00	4.13	1991-92	29	
9.	Bihar State Textile Corporation Limited	5.80	2.74	0.00	0.00	0.00	0.00	8.54	1988-89	32	
10.	Bihar State Pharmaceuticals & Chemical Development Corporation Limited.	12.92	6.30	0.00	0.00	0.00	0.00	19.22	1986-87	34	
11.	Bihar State Sugar Corporation Limited	11.21	365.32	0.00	0.00	197.93	0.00	574.46	1985-86	35	
12.	Bihar State Handloom & Handicrafts Corporation Limited.	3.72	0.25	0.00	0.00	0.48	0.00	4.45	1984-85	36	
13.	Bihar Hill Area Lift Irrigation Corporation Limited	5.22	18.78	0.00	0.00	55.41	0.00	79.41	1983-84	37	
14.	Bihar State Leather Industries Development Corporation Limited	12.26	43.18	0.00	0.00	0.00	0.00	55.44	1983-84	37	
15.	Bihar State Water Development Corporation Limited	5.00	154.33	0.00	0.00	0.00	0.00	159.33	1979-80	41	
16.	Bihar scooter Limited	0.00	6.09	0.00	0.00	0.00	0.00	6.09	1977-78	43	
	Total C	57.38	617.89	0.00	11.26	256.37	0.00	942.90		450	
	Total (A+B+C)	342.63	2705.97	7814.27	561.36	7447.91	18872.14			555	

(Source: Finance Accounts 2019-20 & Data compiled by Audit Office)

Appendix-4.7

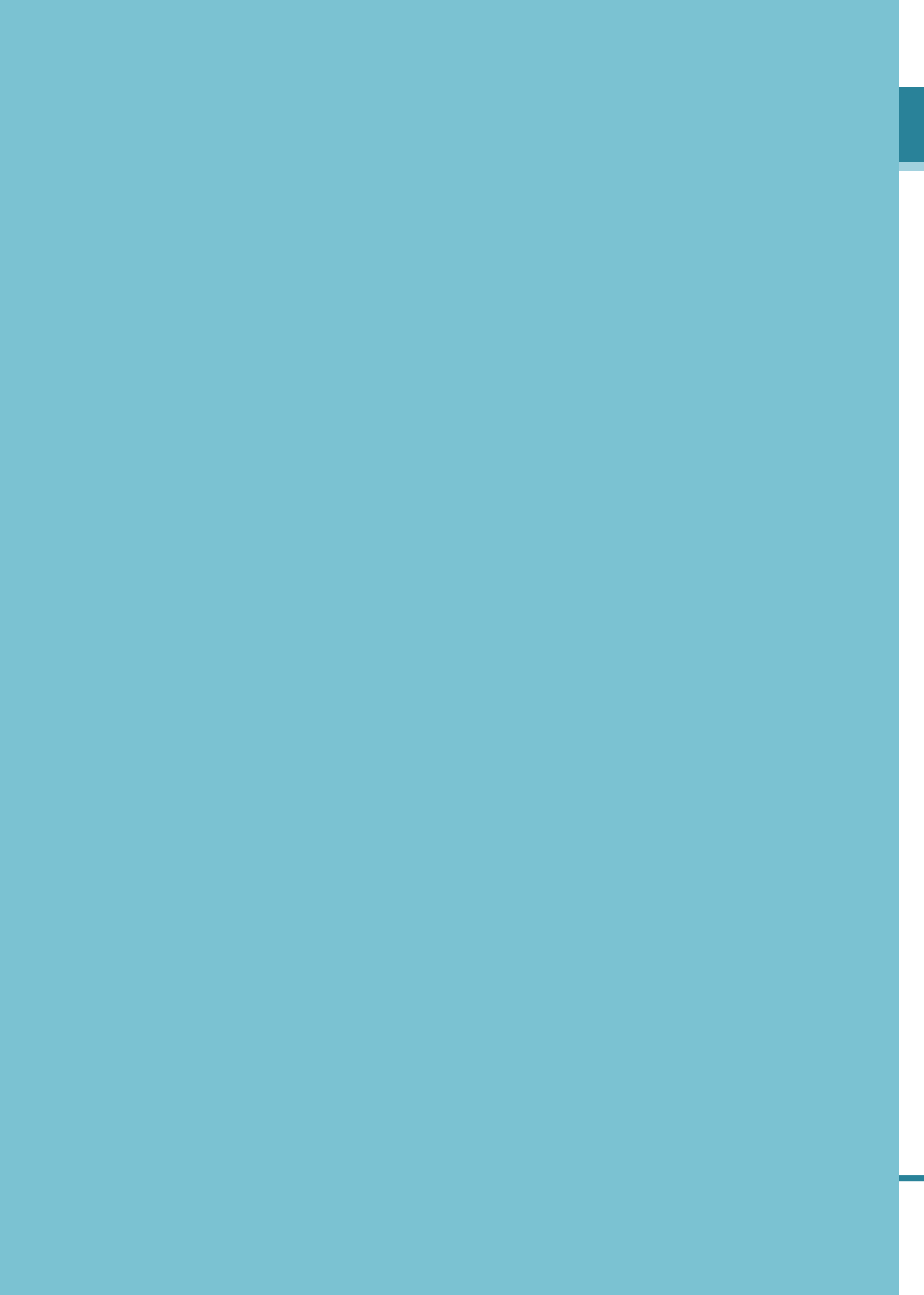
(Reference: Paragraph 4.16)

List of Public Sector Undertakings/Corporations which are in Loss-making (₹ in crore)

Sl. No.	Name of Department	Net Worth (-)
1	Bihar Rajya Beej Nigam Limited	54.74
2	Bihar State Credit & Investment Corporation Limited	152.66
3	Bihar State Film Development & Finance Corporation Limited	0.77
4	Bihar State Hydroelectric Power Corporation Limited	74.76
5	Bihar State Food & Civil Supplies Corporation Limited	110.36
6	Bihar State Financial Corporation	434.01
7	Bihar State Road Transport Corporation	1523.59
8	Bihar Rajya Matasya Vikas Nigam Limited	0.17
9	SCADA Agro Business Company Limited	1.73
10	Bihar State Dairy Corporation Limited	3.85
11	Bihar State Agro Industries Development Corporation Limited	173.19
12	Bihar State Fruit & Vegetables Development Corporation Limited	5.91
13	Bihar Insecticide Limited	0.46
14	Bihar State Small Industries Corporation Limited	9.38
15	Bihar State Industrial Development Corporation Limited	119.74
16	Bihar State Construction Corporation Limited	20.51
17	Kumardhubi Metal Casting & Engineering Limited	5.99
18	Bihar State Sugar Corporation Limited	62.34
19	Bihar State Glazed Tiles & Ceramics Limited	0.35
20	Bihar State Finished Leathers Corporation Limited	0.66

(Source: Data compiled by Audit Office)

GLOSSARY OF ABBREVIATIONS



Glossary of Abbreviations

Sl. No	Abbreviation	Full Form
1	A&E	Accounts and Entitlement
2	AC	Abstract Contingent
3	AE	Aggregate Expenditure
4	AG	Accountant General
5	BBM	Bihar Budget Manual
6	BE	Budget Estimates
7	BFR	Bihar Financial Rules
8	BFRBM	Bihar Fiscal Responsibility and Budget Management
9	BOCW	Building and Other Construction Workers
10	BTC	Bihar Treasury Code
11	CAG	Comptroller and Auditor General of India
12	CAGR	Compounded Annual Growth Rate
13	CE	Capital Expenditure
14	DC	Detailed Contingent
15	DDO	Drawing and Disbursing Officer
16	DE	Development Expenditure
17	DISCOM	Distribution Companies
18	ES	Economic Services
19	FC	Finance Commission
20	GDP	Gross Domestic Product
21	GIA	Grants-in-Aid
22	GoB	Government of Bihar
23	GoI	Government of India
24	GS	General Services
25	GSDP	Gross State Domestic Product
26	GST	Goods and Service Tax
27	NPRES	Non-Plan Revenue Expenditure
28	NPS	New Pension System
29	NSDL	National Securities Depository Limited
30	NSSF	National Small Saving Fund
31	NTR	Non-Tax Revenue
32	PAC	Public Accounts Committee
33	PD	Personal Deposit
34	PF	Provident Fund
35	PSU	Public Sector Undertaking
36	RBI	Reserve Bank of India
37	RE	Revenue Expenditure
38	RR	Revenue Receipts
39	SDRF	State Disaster Response Fund
40	S&W	Salary and Wages
41	SLR	Statutory Liquidity Ratio
42	SS	Social Services
43	XIV FC	Fourteenth Finance Commission
44	UC	Utilisation Certificate
45	UDAY	Ujjwal Discom Assurance Yojana
46	VAT	Value Added Tax
47	VLC	Voucher Level Computerisation

