

**Report of the
Comptroller and Auditor General of India
on
STATE FINANCES**

for the year ended March 2013

Government of Bihar

TABLE OF CONTENTS

Particulars	Reference to	
	Paragraphs	Page
Preface		v
Executive Summary		vii
CHAPTER – I FINANCES OF THE STATE GOVERNMENT		
Profile of Bihar	1	1
Introduction	1.1	2
Resources of the State	1.2	6
Revenue Receipts	1.3	8
Capital Receipts	1.4	13
Public Accounts Receipts	1.5	14
Application of resources	1.6	14
Quality of Expenditure	1.7	20
Financial Analysis of Government Expenditure and Investments	1.8	22
Assets and Liabilities	1.9	24
Debt Management	1.10	27
Fiscal Imbalances	1.11	34
Conclusion	1.12	37
Recommendations	1.13	39
CHAPTER – II FINANCIAL MANAGEMENT AND BUDGETARY CONTROL		
Introduction	2.1	41
Summary of Appropriation Accounts	2.2	42
Financial Accountability and Budget Management	2.3	42
Misclassification of expenditure especially from the Grants-in-aid	2.4	48
Unreconciled Expenditure	2.5	48
Advances from Contingency Fund	2.6	49
System and controls in place in the Finance Department	2.7	49
Review of “Grant No-12 Finance Department”	2.8	51
Review of “Grant No-43 Science and Technology Department”	2.9	54
Conclusion	2.10	56
Recommendations	2.11	56

TABLE OF CONTENTS

Particulars		Reference to	
		Paragraphs	Page
CHAPTER – III FINANCIAL REPORTING			
Outstanding Detailed Contingent bills		3.1	57
Delay in furnishing utilisation certificates		3.2	57
Delays in submission of Accounts/Audit Reports of certain authorities or bodies for certification		3.3	58
Outstanding balances under major suspense heads		3.4	58
Non-adjustment of Temporary Advances and Imprest		3.5	59
Non-reconciliation of Receipts and Expenditure		3.6	59
Operations of omnibus Minor Head-800		3.7	60
Reporting of cases of Defalcation		3.8	60
Conclusion		3.9	61
Recommendations		3.10	61
APPENDICES			
No	Particulars	Reference to	
		Paragraphs	Page
1.1	State Profile	1	63
1.2	Part-A: Structure and form of Government Account	1.1	64
1.2	Part-B: Layout of Finance Accounts	1.1	64
1.3 Part-A	Fiscal Responsibility and Budget Management (FRBM)	1.1	66
1.3 Part-B	Methodology adopted for the assessment of fiscal position	1.1	67
1.4	Abstract of Receipts and Disbursements for the year 2012-13	1.1.1, 1.6.2	68
1.5	Actuals vis-à-vis Budget Estimates for 2012-13	1.1.3	72
1.6	Funds directly transferred to State Implementing Agencies	1.2.1	73
1.7	Time series data on the State Government Finances	1.3. 1.3.1.1	74
1.8	Summarised financial position of the Government of Bihar as on 31 March 2013	1.9.1	77
2.1	Statement of grants/appropriations where savings were more than ₹ 10 crore and 20 per cent of the total provision	2.3.1	78
2.2	List of Grants indicating Persistent Savings during 2008-13	2.3.2	80

TABLE OF CONTENTS

No	Particulars	Reference to	
		Paragraphs	Page
2.3	Excess over provision of previous years requiring regularisation	2.3.3	81
2.4	Cases where supplementary provisions (₹ 10 lakh or more in each case) proved unnecessary	2.3.4	82
2.5	Excessive/Unnecessary Re-appropriation of Funds	2.3.5	84
2.6	Insufficient withdrawal through Re-appropriation of Funds	2.3.5	87
2.7	Substantial surrenders (₹ five crore or more than 50 per cent of the total provision) made during the year	2.3.6	90
2.8	Hundred per cent surrender of funds	2.3.6	96
2.9	Details of savings of ₹ one crore or more and above 10 per cent in each case not surrendered	2.3.8	103
2.10	Cases of surrender of funds in excess of ₹ 10 crore and 10 per cent of total provisions on 31 March 2013	2.3.8	104
2.11	Rush of expenditure in the month of March 2013	2.3.9	107
2.12	Details of amounts exceeding ₹ 10 crore (in each case) which remained unreconciled during 2012-13	2.5	108
2.13	Details of withdrawals from Contingency Fund for routine expenditure	2.6	110
2.14	Statement of Surrender	2.7.1	112
2.15	Details of fund surrendered in last month	2.8.4	114
2.16	Non - reconciliation of departmental expenditure figures	2.8.5	116
2.17	Details of fund surrendered on 31 March 2013	2.9.3	117
3.1	Delay in submission of Accounts/Audit Reports of certain authorities or bodies for certification	3.3	118
3.2	Operation of Minor Head 800-‘Other Expenditure’ having substantial expenditure	3.7	119
3.3	Operation of Minor Head 800-‘Other Receipts’ having substantial receipts	3.7	120
3.4	Reporting of cases of Defalcation	3.8	121
Glossary of Abbreviations			123

Preface

1. This Report has been prepared for submission to the Governor of Bihar under Article 151 of the Constitution.
2. Chapters I and II of this Report contain audit observations on matters arising from examination of Finance Accounts and Appropriation Accounts respectively, of the State Government for the year ended 31 March 2013. Information has been obtained from the Government of Bihar, wherever necessary.
3. Chapter III on 'Financial Reporting' provides an overview and status of the State Government's compliance with various financial rules, procedures and directives during the current year.
4. 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.

EXECUTIVE SUMMARY

Background

This Report on the finances of the Government of Bihar intends to objectively assess the financial performance of the State during 2012-13 and to provide the State Legislature with proper inputs based on audit analysis of financial data. In order to put this analysis in a proper perspective, a broad comparison of targets envisaged by the Bihar Fiscal Responsibility and Budget Management (Amendment) Act, 2010, the Thirteenth Finance Commission (ThFC) Report and the Budget Estimates of 2012-13 have been attempted.

The Report

Based on the audited accounts of the Government of Bihar for the year ended March 2013, this Report provides an analytical review of the Annual Accounts of the Government. The Report is structured in three Chapters.

Chapter-I is based on the audit of the Finance Accounts and makes an assessment of the Bihar Government's fiscal position as on 31 March 2013. It analyses the significant changes in major fiscal aggregates as compared to the previous year. It also provides an insight into trends in expenditure on interest payments, salaries and wages, pensions, subsidies and repayment of debt and borrowing patterns besides giving a brief account of Central funds transferred directly to State implementing agencies through the off-budget route.

Chapter-II is based on the audit of Appropriation Accounts and gives grant wise description of appropriations and the manner in which the allocated resources were managed by the service delivery departments. It also contains detailed review of two grants namely "Grant No.-12 Finance Department" and "Grant No.-43 Science and Technology Department". It seeks to ascertain whether the expenditure actually incurred under the various grants is within the authorization given under the Appropriation Act.

Chapter-III is an inventory of the Bihar Government's compliance with various reporting requirements and financial rules. The report also compiles the data collected from various Government departments/organisations in support of the findings.

Audit findings

Chapter I

Revenue receipts: Revenue receipts during the year increased by 16.07 per cent (₹ 8246.49 crore). The increase was mainly due to increase in own tax revenue by 28.87 per cent (₹ 3640.98 crore) and State's share of Union taxes and duties by 14.19 per cent (₹ 3965.16 crore).

Tax revenues: State's own tax revenue (₹ 16253.08 crore) exceeded the Budget estimate (₹ 15695.30 crore) and ThFC assessment (₹ 10537.39 crore) by 3.55 per cent (₹ 557.78 crore) and 54.24 per cent (₹ 5715.69 crore) respectively.

Non-tax revenue: Non-tax revenue (₹ 1135.27 crore) increased by 27.58 per cent (₹ 245.41 crore) over the previous year. The Non-tax revenue was 63.87 per cent (₹ 2007.19 crore) below the Budget estimate (₹ 3142.46 crore) and 40.48 per cent (₹ 772 crore) of the assessment made by ThFC (₹ 1907.27 crore).

Revenue expenditure: Revenue expenditure (₹ 54466.15 crore) during the year increased by 17.13 *per cent* (₹ 7966.66 crore). The increase was mainly due to increase in expenditure on General Services by 5.16 *per cent* (₹ 915.39 crore), Social Services by 23.38 *per cent* (₹ 4378.59 crore) and Economic Services by 26.62 *per cent* (₹ 2672.14 crore). However, Revenue expenditure during the year was 10.65 *per cent* (₹ 6493.12 crore) below the budget estimate (₹ 60959.27 crore).

Non-Plan and Plan expenditure: During the year the Non-Plan expenditure (revenue and capital) increased by 10.61 *per cent* (₹ 3614.59 crore) and the Plan expenditure (revenue and capital) increased by 23.87 *per cent* (₹ 5084.58 crore).

Funds transferred directly from Government of India to the State Implementing Agencies: The Government of India directly transferred ₹ 8314.38 crore in 2012-13 to the State implementing agencies. These funds are not routed through the State budget/State Treasury System and hence do not find mention in the Finance Accounts of the State.

Financial Assistance by State Government to local bodies: The financial assistance during 2012-13 increased to ₹ 17454 crore from ₹ 14444 crore in 2011-12. The increase of ₹ 3010 crore (21 *per cent*) over the previous year was primarily due to increase in assistance to Educational Institutions (₹ 2750 crore), Municipal Corporation and Municipalities (₹ 317 crore) and Development agencies (₹ 49 crore). The assistance to other institutions however, decreased by ₹ 142 crore.

Incomplete projects: Altogether, 298 schemes/projects (estimated cost ₹ 3829.75 crore) were due for completion up to March 2013, but remained incomplete resulting in blocking of ₹ 1487.57 crore.

Loans and advances by the State Government: The quantum of loans advanced increased from ₹ 1906.08 crore in 2011-12 to ₹ 2085.95 crore in 2012-13.

Cash Balances: Cash balances increased from ₹ 1509.45 crore during 2011-12 to ₹ 3715.58 crore in 2012-13. Further, the State Government's investments in GoI securities also increased from ₹ 429.81 crore to ₹ 2069.72 crore as on 31 March 2013.

Fiscal Liabilities: Fiscal liabilities of the State increased from ₹ 54976.75 crore in 2008-09 to ₹ 76503 crore in 2012-13.

Chapter II

Financial Accountability and Budget Management: ₹ 4421.04 crore (59.77 *per cent* of total expenditure under the 21 major heads amounting to ₹ 7396.10 crore) was spent in March 2013. Thus, a substantial amount incurred by the department at the fag end of the year indicates deficient financial management, lack of effective control over expenditure by the controlling officers and a tendency to utilize the budget only at the fag end of the financial year.

Expenditure amounting to ₹ 53332.91 crore (exceeding ₹ 10 crore in each case) under 78 Major heads was not reconciled during 2012-13.

Review of "Grant No.-12 Finance Department" revealed that out of total surrender of ₹ 212.58 crore, a sum of ₹ 207.06 crore (98 *per cent*) was surrendered (17 cases) on the last day of the financial year 2012-13.

Chapter III

Financial Reporting:

Against the Grants-in-aid paid upto 2012-13, 1522 UCs aggregating to ₹ 34686.57 crore were outstanding for submission as on 31 March 2013.

Temporary advances and imprest of ₹ 159.91 crore drawn up to 31 March 2013 by the DDOs of eight concerned departments were pending for adjustment upto 31 March 2013.

CHAPTER I

FINANCES OF THE STATE GOVERNMENT

1. Profile of Bihar

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 (94163 sq. km) and the third largest by population. The State of Bihar has 38 districts.

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 1102 persons per sq. km (2011). Bihar has higher poverty levels as compared to the all-India average. However, the State has shown higher economic growth for the period 2003-04 to 2012-13 as the Compound Annual Growth Rate (CAGR) of its Gross State Domestic Product has been 18.04 per cent as compared to 16.37 per cent amongst the General Category States¹. During this period, its population also grew by 14.11 per cent against the average growth² of 13.22 per cent in General Category States. The per capita income CAGR for the period 2003-04 to 2012-13 in Bihar at 16.32 per cent has been higher than that of the General Category States at 14.94 per cent.

Gross State Domestic Product (GSDP)

GSDP is the market value of all officially recognised final goods and services produced within the State in a given period of time. The growth of GSDP of the State is an important indicator of the States economy as it indicates the standard of living of the State's population. The trends in annual growth of India's Gross Domestic Product (GDP) and State's GSDP at current prices (2004-05 base year) are given in **Table 1.1**.

Table 1.1: Gross State Domestic Product

Year	2008-09	2009-10	2010-11	2011-12	2012-13
India's GDP (₹ in crore)	5303567	6108903	7266967	8353495	9461013
Growth rate of GDP (percentage) of India	15.75	15.18	18.96	14.95	13.26
State's GSDP (₹ in crore)	142279	164547	198135(P) ³	246487(Q)	294388(A)
Growth rate of GSDP (percentage) of State	19.64	15.65	20.41	24.40	19.43

(Source: Planning Commission Data of Central & State Government)

¹ States other than 11 states termed as Special Category States (Arunachal Pradesh, Assam, Jammu & Kashmir, Himachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura and Uttarakhand).

² The all India average of General Category States has been calculated on the basis of figures provided by 16 General Category States (excluding Delhi, Goa and Puducherry).

³ P-Provisional, Q-Quick, A-Advance.

1.1 Introduction

This chapter provides a broad perspective of the finances of the Government of Bihar during the current year. It analyses the significant changes in the major fiscal aggregates relative to the previous year keeping in view the overall trends during the last five years. The structure and form of Government accounts have been explained in *Appendix 1.2 Part A* and the layout of the Finance Accounts is depicted in *Appendix 1.2 Part B*. This analysis has been made based on the Finance Accounts of the State and information obtained from the State Government. In order to comply with the recommendation of the Thirteenth Finance Commission (ThFC), the State Government enacted the Bihar Fiscal Responsibility and Budget Management (Amendment) Act, 2010 (FRBM) as given in *Appendix 1.3 Part A*. The methodology adopted for assessment of the fiscal position and norms/ceilings prescribed by the FRBM (Amendment) Act, 2010 are given in *Appendix 1.3 Part B*.

1.1.1 Summary of fiscal transactions

Table 1.2 presents the summary of the State Government's fiscal transactions during the current year (2012-13) *vis-à-vis* the previous year (2011-12), while *Appendix 1.4* provides details of receipts and disbursements as well as the overall fiscal position during the current year.

Table 1.2: Summary of Fiscal Operations in 2012-13

(₹ in crore)

Receipts	2011-12	2012-13	Disbursements	2011-12	2012-13		
Section-A: Revenue					Non-Plan	Plan	Total
Revenue Receipts	51320.17	59566.66	Revenue Expenditure	46499.49	37573.69	16892.46	54466.15
Tax revenue	12612.10	16253.08	General services	17729.72	18570.99	74.12	18645.11
Non-tax revenue	889.86	1135.27	Social services	18728.78	11078.22	12029.15	23107.37
Share of Union Taxes/Duties	27935.23	31900.39	Economic services	10037.82	7920.77	4789.19	12709.96
Grants from Government of India	9882.98	10277.92	Grants-in-aid and Contributions	3.17	3.71	00	3.71
Section-B: Capital & Others							
Misc. Capital Receipts	0.00	0.00	Capital outlay	8852.01	93.15	9491.37	9584.52
Recoveries of Loans and Advances	22.51	24.70	Loans and Advances disbursed	1906.08	104.07	1981.88	2085.95
Public debt receipts	6627.96	9553.96	Repayment of Public Debt	2922.46	-	-	3069.96
Inter State Settlement	75.41	0.00	Inter State Settlement	1.39	-	-	0.00
Contingency Fund	800.00	2250.00	Contingency Fund	800.00	-	-	2250.00
Public Account receipts	22302.61	27066.21	Public Account disbursements	21393.22			24798.82
Opening Cash Balance	2735.44	1509.45	Closing Cash Balance	1509.45	-	-	3715.58
Total	83884.10	99970.98	Total	83884.10			99970.98

(Source: Finance Accounts of the State for the year 2012-13)

The significant changes during 2012-13 over the previous year are given below:

- Revenue receipts during the year increased by 16.07 *per cent* (₹ 8246.49 crore). The increase was due to increase in own tax revenue by 28.87 *per cent* (₹ 3640.98 crore) and State's share of Union taxes and duties by 14.19 *per cent* (₹ 3965.16 crore).
- State's own tax revenue (₹ 16253.08 crore) exceeded the Budget estimate (₹ 15695.30 crore) and ThFC assessment (₹ 10537.39 crore) by 3.55 *per cent* (₹ 557.78 crore) and 54.24 *per cent* (₹ 5715.69 crore) respectively. The increase in own tax revenue was mainly due to increase in Taxes on Goods and Passengers by 133 *per cent* (₹ 1103.82 crore), Stamps and Registration fees by 47 *per cent* (₹ 692.95 crore), State Excise by 23 *per cent* (₹ 448.84 crore), Taxes on vehicles by 18 *per cent* (₹ 104.26 crore).
- Non-tax revenue (NTR) (₹1135.2 crore) increased by 27.58 *per cent* (₹ 245.41 crore) over the previous year. However, the Non- tax revenue was 63.87 *per cent* (₹ 2007.19 crore) below the Budget estimate (₹ 3142.46 crore) and 40.48 *per cent* (₹ 772 crore) below the assessment made by ThFC (₹ 1907.27 crore). The increase in non-tax revenue was mainly owing to increase in Non ferrous mining and metallurgical industries by ₹ 68 crore and ₹ 149.55 crore in contributions and recovery towards pension and other retirement benefits.
- Revenue expenditure (₹ 54466.15 crore) during the year increased by 17.13 *per cent* (₹ 7966.66 crore). The increase was mainly due to the increase in expenditure on General Services by 5.16 *per cent* (₹ 915.39 crore), Social Services by 23.38 *per cent* (₹ 4378.59 crore) and Economic Services by 26.62 *per cent* (₹ 2672.14 crore). However, Revenue expenditure during the year was 10.65 *per cent* (₹ 6493.12 crore) below the budget estimate (₹ 60959.27 crore) for the year 2012-13.
- During the year the Non-Plan expenditure (revenue and capital) increased by 10.61 *per cent* (₹ 3614.59 crore) and the Plan expenditure (revenue and capital) increased by 23.87 *per cent* (₹ 5084.58 crore), when compared with the year 2011-12.
- Recoveries of loans and advances increased by 9.73 *per cent* (₹ 2.19 crore). Similarly disbursements of loans and advances increased by 9.44 *per cent* (₹ 179.87 crore). This resulted in a net increase in disbursements by ₹ 177.68 crore over the previous year.
- Capital expenditure increased by 8.28 *per cent* (₹ 732.51 crore) during the year.
- Public Account receipts increased by 21.36 *per cent* (₹ 4763.60 crore) whereas disbursements increased by 15.92 *per cent* (₹ 3405.60 crore). This resulted in a net increase in the Public Account by ₹ 1358 crore over the previous year.
- The receipts under Public Debt increased by 44.15 *per cent* (₹ 2926 crore) whereas its repayment increased by 5.05 *per cent* (₹ 147.50 crore) resulting into net increase in Public Debt by ₹ 2778.50 crore.

- The net impact of these transactions led to an increase by 146.15 *per cent* (₹ 2206.13 crore) in the cash balance at the end of the year.

1.1.2 Review of the fiscal situation

The Government of Bihar had enacted the Bihar Fiscal Responsibility and Budget Management Act, 2006. FRBM Act 2006 was amended in the year 2010 and named as “The Bihar Fiscal Responsibility and Budget Management (Amendment) Act, 2010”.

In compliance to this Act, after a delay of six years the State Government had prepared (February 2013) a Medium Term Fiscal Plan (MTFP) with projection for the period 2012-13. In line with the recommendation of the Thirteenth Finance Commission (ThFC), the State was to eliminate revenue deficit and contain the fiscal deficit as a percentage of Gross State Domestic Product (GSDP) within three *per cent* by 2012-13.

Section (12) of FRBM Act 2006 stipulates that the State Government will make rules for carrying out the provisions of this Act by issue of notification. But no rules have been framed under the Act till September 2013.

Table 1.3: Review of the Fiscal Situation

Fiscal variables	2012-13				
	XIII FC targets for the State	Targets as prescribed in FRBM Act	Targets proposed in the Budget	Projections made in Five Year Fiscal plan/MTFP	Actuals
Revenue Deficit(-)/ Surplus (+) (₹ in crore)	Zero revenue deficit or revenue surplus	Zero per cent revenue deficit or revenue surplus	(-)7088.59	(-) 8028.06	5100.51
Fiscal Deficit/ GSDP (in <i>per cent</i>)	3	3	2.87	2.97	2.22
Ratio of total outstanding debt of the Government to GSDP (in <i>per cent</i>)	44.60	44.60	28.11	Not Projected	25.99

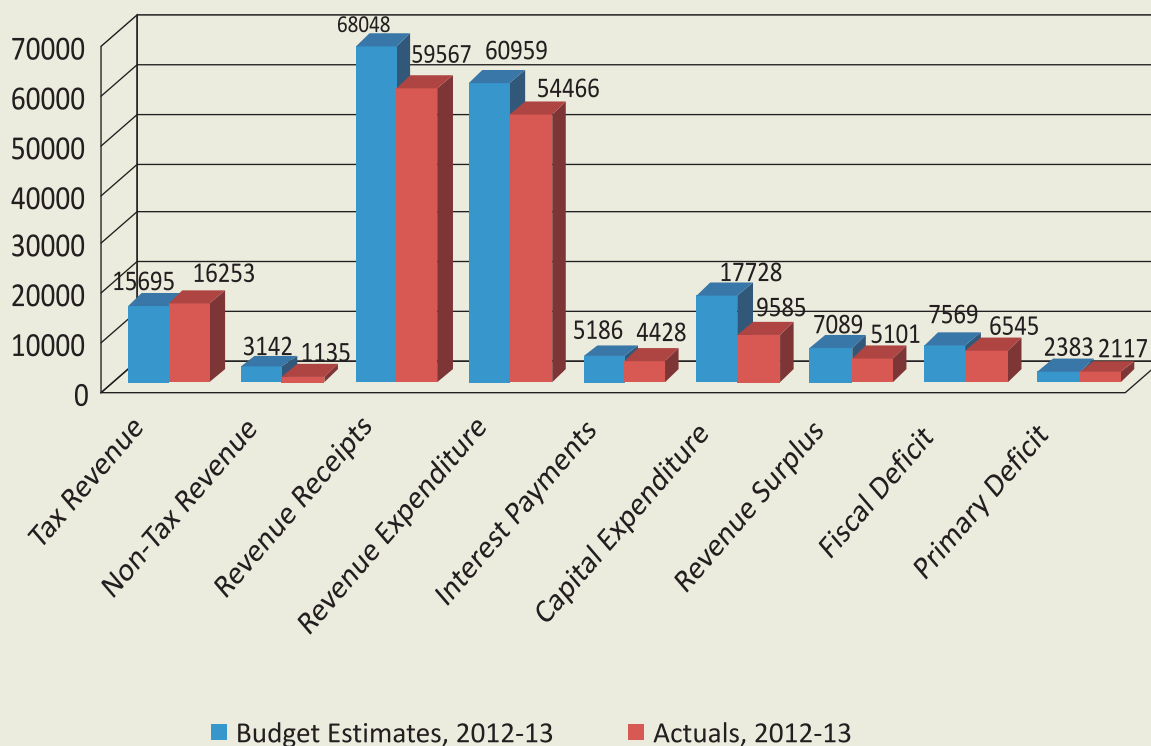
(Source: ThFC, FRBM Act, Budget and MTFP figures for the year 2012-13)

The State Government had revenue surplus since 2007-08 to 2012-13. The fiscal deficit as a percentage of GSDP was well within the limit prescribed in the FRBM Act.

1.1.3 Budget estimates and actuals

The budget presented by the State Government provides descriptions of projections or estimations of revenue and expenditure for a particular fiscal year. The importance of accuracy in the estimation of revenue and expenditure is widely accepted in the context of effective implementation of fiscal policies for overall economic management. Deviations from the Budget Estimate are indicative of non-attainment and non-optimisation of the desired fiscal objectives.

A *Chart 1.1*: representing the Budget Estimates and actuals for some important Fiscal Parameters for year 2012-13 are depicted below. The details of actuals *vis-à-vis* Budget Estimates are also given in *Appendix 1.5*.

Chart 1.1: Budget Estimates and Actuals**(₹ in crore)**

(Source: Budget and State Finance Accounts for the year 2012-13)

The above chart indicates that during 2012-13 the following variations in the actuals against the BE took place as discussed below:

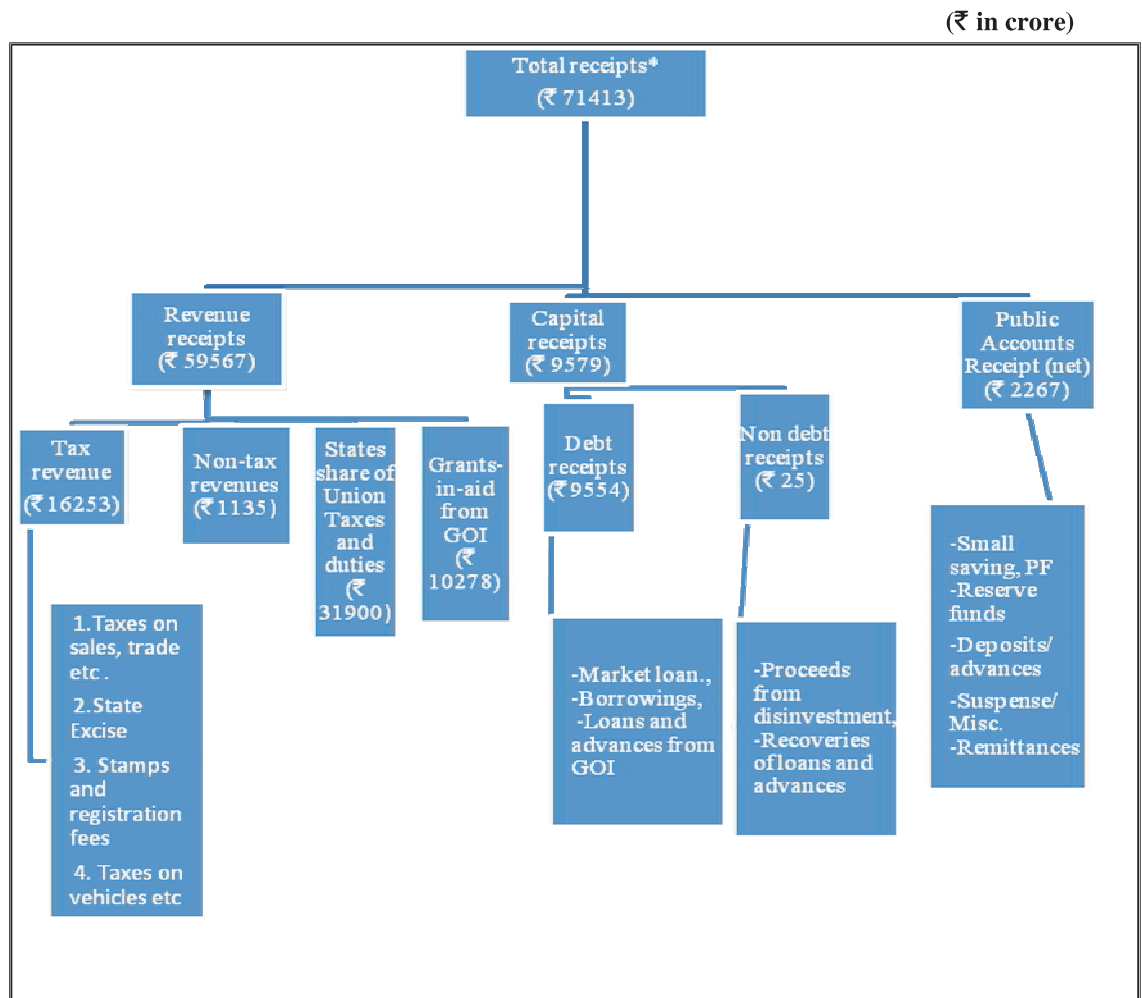
- Revenue receipts were lower than the projections made in the Budget Estimate by ₹ 8481 crore (12 per cent) mainly as a result of decrease in non-tax revenue as compared to Budget Estimate by ₹ 2007 crore (64 per cent). However, the tax revenue increased by ₹ 558 crore (four per cent).
- Revenue expenditure and capital expenditure were less than the Budget Estimate by ₹ 6493 crore (11 per cent) and ₹ 8143 crore (46 per cent) respectively. The variation in revenue expenditure was due to less expenditure of ₹ 3548 crore under General services, ₹ 2525 crore under Social services and ₹ 420 crore under Economic services.
- Revenue surplus was less than the Budget Estimate by ₹ 1988 crore (28 per cent) mainly due to decrease in revenue receipts by ₹ 8481 crore than the projections made in the Budget Estimate and decrease of ₹ 6493 crore in revenue expenditure over the projection made in the Budget Estimate.
- Fiscal deficit was less by ₹ 1024 crore over the projections made in the budget estimates (₹ 7569 crore) mainly due to decrease in revenue surplus by ₹ 1988 crore than that provisioned in the Budget Estimate.

- Primary deficit decreased by ₹ 266 crore over the projection made in the Budget Estimate.

1.2 Resources of the State[#]

Revenue and Capital are the two streams of receipts that constitute the resources of the State Government. Revenue receipts consist of tax revenues, non-tax revenues, State's share of Union taxes and duties and grants-in-aid from the Government of India (GoI). Capital receipts comprise miscellaneous capital receipts such as proceeds from disinvestments, recoveries of loans and advances, debt receipts from internal sources (market loans, borrowings from financial institutions/ commercial banks) and loans and advances from GoI. Besides the funds available in the Public accounts after disbursement is also utilised by the Government to finance its deficit. **Table 1.2** presents the receipts and disbursements of the State during the current year as recorded in its Annual Finance Accounts while **Chart 1.2** depicts the trend in various components of the receipts of the State during 2012-13.

Chart 1.2: Components and Sub-components of resources

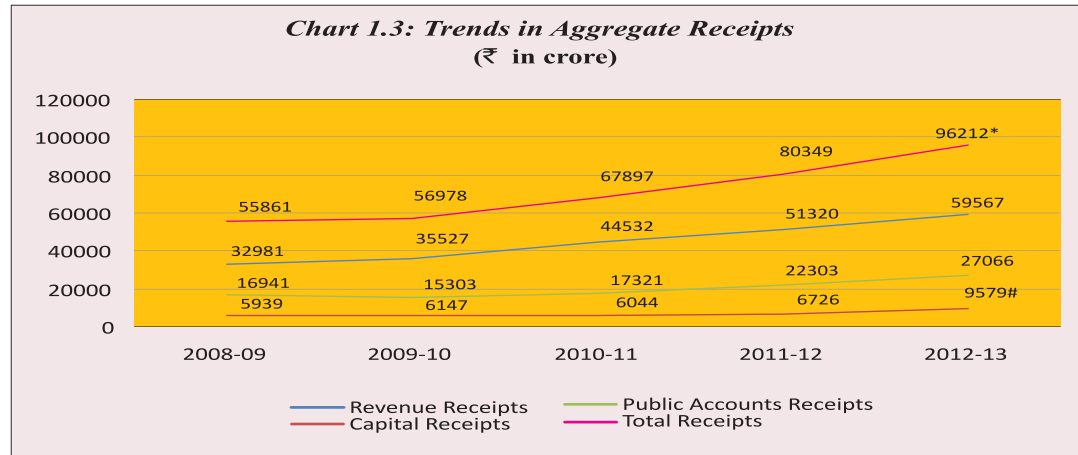


* Total receipts include Revenue receipts, Capital receipts and Public Account Receipts (net).

(Source: Finance Accounts of the States for the year 2012-13)

[#] Resources of the State as per Annual Finance Accounts.

The **Chart-1.3** depicts the trend of receipts during 2008-13 and **Chart 1.4** indicates the composition of these receipts during 2012-13.



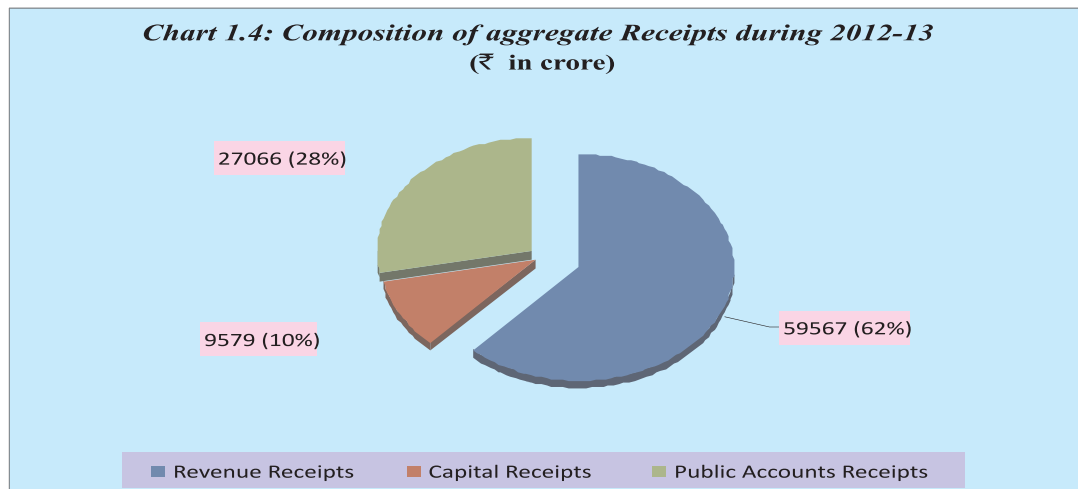
(Source: Finance Accounts of the State for the respective years)

* Total receipts include Revenue receipts, Capital receipts and Public Account Receipts.

Capital receipts include Public Debt Receipts, Recovery of Loans and Advances and Inter State Settlement.

Total receipts increased by 72 per cent from ₹ 55861 crore in 2008-09 to ₹ 96212 crore in 2012-13. Further, there was an increase of receipts over the previous year by ₹ 15863 crore (20 per cent).

The following chart depicts the status of composition of receipts during 2012-13 as a percentage to the total receipts (₹ 96212 crore):



(Source: Finance Accounts of the State for the year 2012-13)

The share of revenue receipts in total receipts during 2012-13 was at 62 per cent and it increased by 16 per cent from ₹ 51320 crore in 2011-12 to ₹ 59567 crore in 2012-13.

Capital receipts increased by 61 per cent from ₹ 5939 crore in 2008-09 to ₹ 9579 crore in 2012-13. During 2012-13, capital receipts accounted for 10 per cent of total receipts.

Public Account receipts represent the receipts for which the Government acts as banker /trustee for the Public money. It would be seen from the chart above that on an average, it constituted 28 per cent of the total receipts during 2012-13. During 2012-13, there was 21 per cent growth in Public Accounts receipts as compared to the previous year.

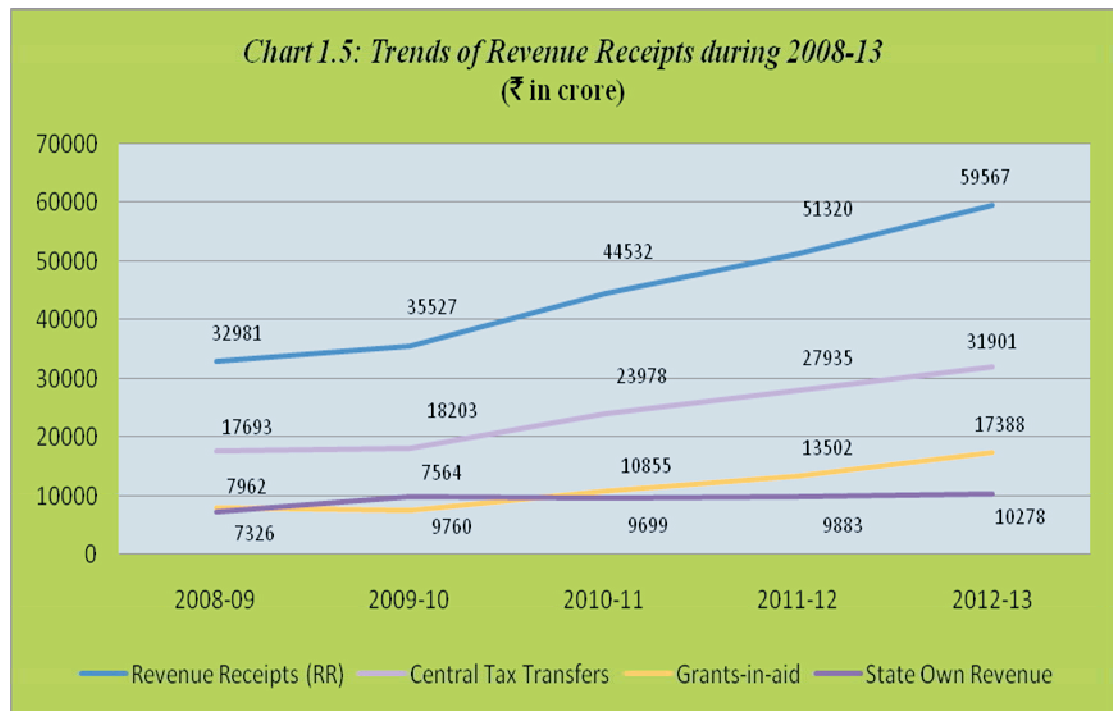
1.2.1 Funds transferred to State Implementing Agencies outside the State Budget

The Government of India (GoI) has been transferring a sizeable quantum of funds directly to the State implementing agencies⁴ for implementation of various schemes/programmes in social and economic sectors, which are recognised as critical. As in the present mechanism these funds are not routed through the State Budget/State Treasury System and hence do not find mention in the Finance Accounts of the State. As such, the Annual Finance Accounts of the State do not provide a complete picture of the resources under the control of the State Government. To present the holistic picture on availability of aggregate resources, funds directly transferred to State Implementing Agencies are presented in **Appendix 1.6**.

During the year 2012-13 the Government of India directly transferred ₹ 8314.38 crore to the State implementing agencies which was less than the previous year by seven *per cent*. The major recipients were District Rural Development Agencies (DRDA) (₹ 3082.53 crore i.e. 37 *per cent*), Bihar Shiksha Pariyojana Parishad (₹ 2754.62 crore i.e. 33 *per cent*), Pradhan Mantri Gram Sadak Yojna (₹ 959.75 crore i.e. 12 *per cent*) and National Rural Health Mission (₹ 757.95 crore i.e. nine *per cent*).

1.3 Revenue Receipts

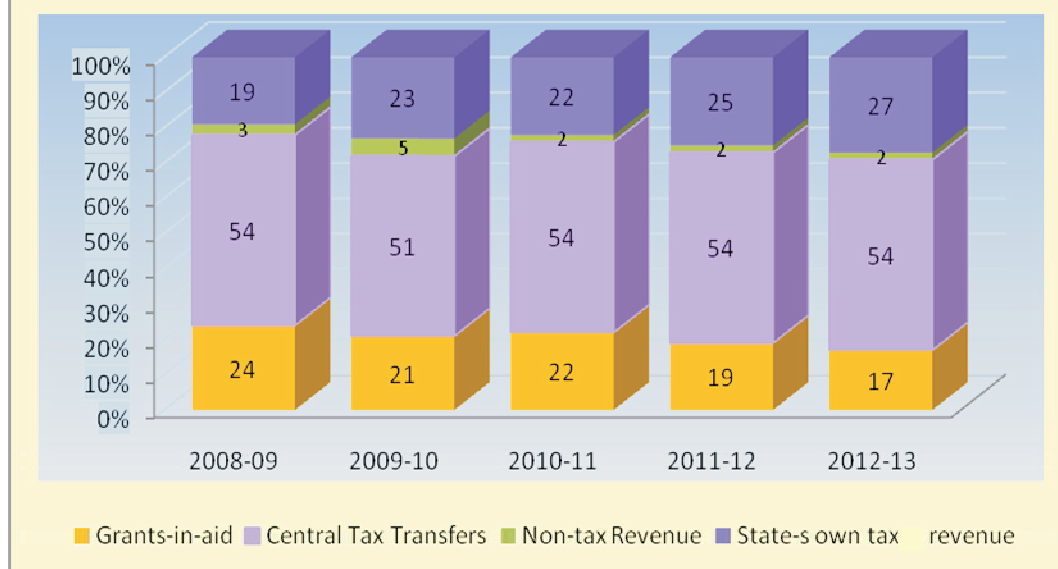
Statement-11 of the Finance Accounts details the revenue receipts of the Government. The State's revenue receipts consist of its own tax and non-tax revenue, central tax transfers and grants-in-aid from GoI. The trends and composition of revenue receipts over the period 2008-13 are presented in **Appendix 1.7** and also depicted in **Charts 1.5** and **1.6** respectively.



(Source: Finance Accounts of the State for the respective years)

⁴ State implementing agencies include any organization/institution including Non-Governmental organisation which is authorized by the State Government to receive funds from the Government of India for implementing specific programmes in the State.

**Chart 1.6: Composition of Revenue Receipts during 2008-13
(In per cent)**



(Source: Finance Accounts of the State for the respective years)

The **Charts 1.5** and **1.6** indicate the following:

- Revenue receipts showed progressive increase from ₹ 32981 crore in 2008-09 to ₹ 59567 crore in 2012-13. The share of Grants-in-aid (GIA) from the Government of India decreased from 24 per cent in 2008-09 to 17 per cent in 2012-13.
- State's own resources consist of tax revenue and non-tax revenue. The share of tax revenue in revenue receipt ranged between 19 and 27 per cent during 2008-13. The State had achieved a high growth of Central Tax Transfer, which was 54 per cent from 2008-09 to 2012-13 except during 2009-10 when it was 51 per cent. Non-Tax Revenue as a percentage of Revenue Receipt had increased from three per cent in 2008-09 to five per cent in 2009-10 but came down to two per cent in 2010-11 and remained constant upto 2012-13.

The trends of revenue receipts relative to GSDP are presented in **Table 1.4**.

Table 1.4: Trends in Revenue Receipts relative to GSDP

Particulars	2008-09	2009-10	2010-11	2011-12	2012-13
Revenue Receipts (RR) (₹ in crore)	32981	35527	44532	51320	59567
Rate of growth of RR (<i>per cent</i>)	16.91	7.72	25.35	15.24	16.07
State's own tax	6173	8090	9870	12612	16253
Rate of growth of State's own tax (<i>per cent</i>)	21.37	31.05	22.00	27.78	28.87
GSDP (₹ in crore)	142279	164547	198135	246487	294388
Rate of growth of GSDP	19.64	15.65	20.41	24.40	19.43
R R/GSDP (<i>per cent</i>)	23.18	21.59	22.48	20.82	20.23
Buoyancy Ratios⁵					
Revenue Buoyancy w.r.t. GSDP	0.86	0.49	1.24	0.62	0.83
State's own tax buoyancy w.r.t. GSDP	1.09	1.98	1.08	1.14	1.49

(Source: Finance Accounts of the State for the respective years)

⁵ Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. For instance, revenue buoyancy at 0.6 implies that revenue receipts tend to increase by 0.6 percentage points, if the GSDP increases by one per cent.

The growth rate of revenue receipts of the State was in double digits during the period 2008-13 except in 2009-10 when it declined from 25.35 *per cent* in 2010-11 to 15.24 *per cent* however it again rose upto 16.07 *per cent* in 2012-13.

The State's own-tax buoyancy ratio with reference to GSDP ranged between 1.08 *per cent* and 1.98 *per cent* during the year 2008-09 and 2012-13.

1.3.1 State's Own Resources

As the State's share in Central taxes and grants-in-aid are determined on the basis of recommendations of the Finance Commission, the State's performance in mobilization of resources was assessed in terms of its own resources comprising own tax and non-tax sources.

The State's actual tax and non-tax revenues (NTR) for the year 2012-13 *vis-a-vis* assessment made by ThFC and State Government Budget projection are given in **Table 1.5** below:

Table 1.5: Projections and Actual receipt during 2012-13

(₹ in crore)

	ThFC Projection	Budget projections	Actuals
Tax revenue	10537	15695	16253
Non-tax revenue	1907	3142	1135

(Source: State Finance Accounts, Budget and ThFC figures)

Though the State's tax revenue during 2012-13 exceeded the ThFC projections by ₹ 5716 crore and was more than the budget projections by ₹ 558 crore, the non-tax revenue was alarmingly less than the projections of the ThFC and the State's budget projections by ₹ 772 crore and ₹ 2007 crore respectively which indicates unrealistic budget projections by the State. The Non Tax Revenue collection during 2012-13 was higher than the previous year by ₹ 245.41 crore, mainly owing to increase in Non ferrous mining and metallurgical industries by ₹ 68 crore and ₹ 149.55 crore in contributions and recovery towards pension and other retirement benefits. However, the interest receipts decreased by ₹ 406.58 crore.

1.3.1.1 Tax Revenue

The tax revenues of the State increased by 163 *per cent* from ₹ 6173 crore in 2008-09 to ₹ 16253 crore during 2012-13. Major components of increase are shown in **Table 1.6** and **Chart 1.7**.

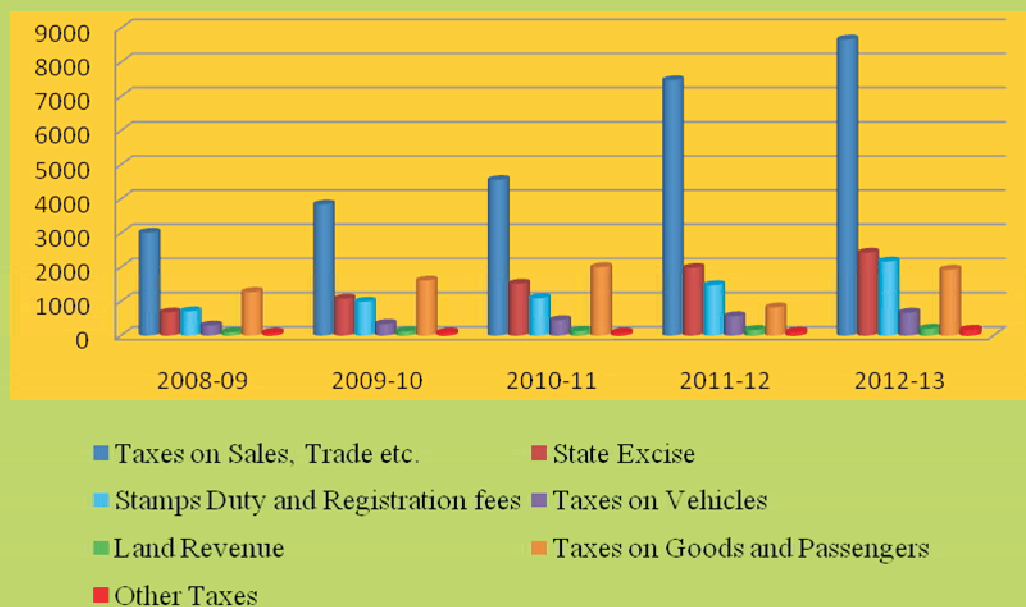
Table 1.6: Components of State's Own Tax Resources during 2008-13

(₹ in crore)

	2008-09	2009-10	2010-11	2011-12	2012-13	Percentage of increase over previous year
Taxes on Sales, Trade, etc.	3016	3839	4557	7476	8671	16
State Excise	679	1082	1523	1981	2430	23
Stamps Duty and Registration fees	716	998	1099	1480	2173	47
Taxes on Vehicles	298	345	456	569	673	18
Land Revenue	102	124	139	168	205	22
Taxes on Goods and Passengers	1279	1613	2006	828	1932	133
Other Taxes	83	89	90	110	169	54
Total	6173	8090	9870	12612	16253	29

(Source: Finance Accounts of the State for the respective years)

Chart 1.7: Major Component of Tax Revenues during 2008-13
(₹ in crore)



(Source: Finance Accounts of the State for the respective years)

Appendix 1.7 presents the time series data on the State Government finances during 2008-13. A perusal of the components of tax revenue in the **Appendix** reveals that:

- The revenue from taxes on sales, trade etc comprised the major share of tax revenue and was increased from 49 per cent in 2008-09 to 53 per cent in 2012-13.
- The share of State Excise increased from 11 per cent in 2008-09 to 15 per cent in 2012-13.
- The share of Stamps and Registration increased from 12 per cent in 2008-09 to 14 per cent in 2012-13.
- The share of taxes on vehicles decreased from five per cent in 2008-09 to four per cent in 2012-13.
- The share of taxes on goods and passengers also decreased from 21 per cent in 2008-09 to 12 per cent in 2012-13.
- The share of other taxes remained constant at one per cent during 2008-13.

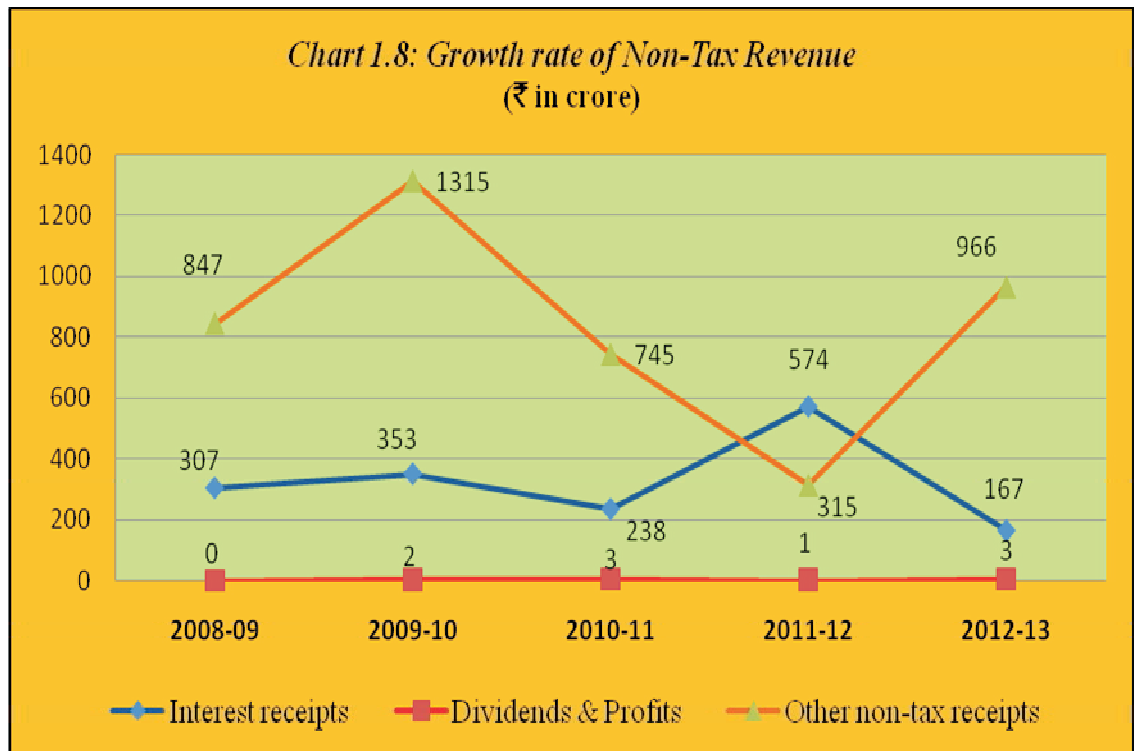
1.3.1.2 Non-Tax Revenue

Non-Tax Revenue (₹ 1135 crore) constituted 1.91 per cent of total revenue receipts during 2012-13. NTR collection was higher by ₹ 245 crore than the previous year. Comparative study of various component of Non-tax Revenue from 2008-09 to 2012-13 is shown in **Table 1.7** and **Chart 1.8**. Analysis of Non-Tax Revenue Receipts revealed that there was an increase in Non-ferrous Mining and Metallurgical Industries (₹ 68 crore), and contributions and recoveries towards pension and other Retirement Benefits (₹ 150 crore) but offset by decrease (₹ 407 crore) in interest receipts.

Table 1.7: Growth rate of Non-Tax Revenue

Revenue Head (NTR)	₹ in crore					Percentage increase over previous year
	2008-09	2009-10	2010-11	2011-12	2012-13	
Interest receipts	306.71	353.27	237.96	573.70	167.12	(-71)
Dividends & Profits	0.00	2.06	2.53	1.40	2.55	82
Other non-tax receipts	846.61	1315.09	745.04	314.76	965.60	207
Total	1153.32	1670.42	985.53	889.86	1135.27	

(Source: Finance Accounts for the State for the respective years)



(Source: Finance Accounts of the State for the respective years)

1.3.2 Grants-in-aid from GoI

Grants-in-aid from GoI increased from ₹ 7962 crore in 2008-09 to ₹ 10278 crore in 2012-13 as shown in Table 1.8.

Table 1.8: Grants-in-aid from GoI

Particulars	₹ in crore				
	2008-09	2009-10	2010-11	2011-12	2012-13
Non-Plan Grants	2550.44	2256.20	1924.78	2562.62	2412.58
Grants for State Plan Schemes	3600.08	3720.97	5456.95	5065.39	5051.97
Grants for Central Plan Schemes	134.94	137.71	175.70	95.78	35.69
Grants for Centrally Sponsored Schemes	1676.66	1449.28	2141.13	2159.19	2777.68
Grants for Special Plan Schemes	Nil	Nil	Nil	Nil	Nil
Total	7962.12	7564.16	9698.56	9882.98	10277.92
Percentage of increase over previous year	36.53	(-5.00)	28.22	1.90	4.00
Revenue Receipts	32981	35527	44532	51320	59567
Total grants as a percentage of Revenue Receipts	24.14	21.29	21.78	19.26	17.25

(Source: Finance Accounts of the State for the respective years)

The increase of GoI Grants by ₹ 395 crore in 2012-13 over the previous year was due to increase in Grants-in-aid for Centrally Sponsored Schemes (₹ 619 crore), offset by decrease in Grants for non-plan (₹ 150 crore) and Central Plan Schemes (₹ 60 crore). The grants-in-aid as a percentage of revenue receipts has persistently declined which indicates reducing dependence upon the Grants from GoI.

1.3.3 Debt waiver under the debt consolidation and relief facilities

The XIII FC had framed a scheme of debt relief of central loans called the Debt consolidation and relief facilities based on the fiscal performance of the State linked to the reduction of deficits in the States. The XIII FC had extended this facilities to few States which includes GoB. Under this scheme, Government of Bihar availed Debt consolidation and relief facilities during 2012-13, as ₹ 163.79 lakh, ₹ 30.82 lakh, ₹ 13.36 lakh and ₹ 1876.75 lakh was given by the Ministry of Urban Development, Industry, Road Transport & Highways and Agriculture, Government of India.

1.3.4 Central Tax transfers

The share of Union Taxes received during 2012-13 (₹ 31900.39 crore) was less (by ₹ 1225.94 crore) than the estimate (₹ 33126.33 crore). However there was an increase in State's share of Union Taxes and duties by ₹ 3965 crore over previous year mainly under Corporation Tax (₹ 463 crore), Taxes on income other than Corporation Tax (₹ 1275 crore), Service Tax (₹ 1324 crore) and Customs (₹ 458 crore).

1.4 Capital Receipts

Capital receipt increased from ₹ 5939 crore in 2008-09 to ₹ 9579 crore (61 per cent) in 2012-13. The trends in growth and composition of Capital Receipts are given in **Table 1.9**.

Table 1.9: Trends in growth and composition of receipts

(₹ in crore)					
Sources of State's Receipts	2008-09	2009-10	2010-11	2011-12	2012-13
Capital Receipts (CR)	5939	6148	6044	6726	9579
Miscellaneous Capital Receipts	Nil	Nil	Nil	Nil	Nil
Loans and advances from GoI	149.86	764.32	781.53	826.56	508.02
Recovery of Loans and Advances	11	13	12	23	25
Public Debt Receipts	5928	6134	6032	6628	9554
Rate of growth of public debt receipts	268 ⁶	03	(-) 2	10	44
Rate of growth of non-debt capital receipts	-	-	-	-	-
GSDP	142279	164547	198135	246487	294388
Rate of growth of GSDP	19.64	15.65	20.41	24.40	19.43
Rate of growth of CR (per cent)	263	04	(-) 2	11	42

(Source: Finance Accounts of the State for the respective years)

1.4.1 Recoveries of loans and advances

Recovery of loans and advances increased from ₹ 23 crore in 2011-12 to ₹ 25 crore in 2012-13. It consists of loans for co-operatives ₹ 3.76 crore, other loans ₹ 8.03 crore and loans to Government Servant ₹ 12.91 crore.

⁶ During 2007-08 public debt receipt was only ₹ 1612 crore as compared to huge receipt of ₹ 5928 crore in 2008-09.

1.4.2 Debt Receipts from internal sources

Public debt receipts increased from ₹ 6628 crore in 2011-12 to ₹ 9554 crore (44 per cent) in 2012-13 which mainly consists of Market loan ₹ 7100 crore, loans from National Bank for Agricultural and Rural Development ₹ 902 crore and special securities issued to National Small Saving fund of Central Government ₹ 1006 crore.

1.4.3 Loans and advances from GoI

Loans and advances decreased from ₹ 826.56 crore in 2011-12 to ₹ 508.02 crore (39 per cent) in 2012-13 which consisted of ₹ 507.64 crore of loans for State Plan Schemes (Block loans) and House building advance ₹ 0.37 crore.

1.5 Public Accounts Receipts

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. Here the Government acts as a banker. The balance after disbursement is the fund available with the Government for use. **Table 1.10** below depicts the components of public account receipts during the period 2008-13.

Table 1.10: Components of Public Account Receipts

	(₹ in crore)				
Resources under various heads	2008-09	2009-10	2010-11	2011-12	2012-13
Public Account Receipt					
a. Small Savings, Provident Fund etc.	1153.36	707.19	838.84	1031.81	1296.09
b. Reserve Fund	1302.48	565.67	243.72	1114.53	799.33
c. Deposits and Advances	7209.94	6310.96	6624.39	9877.98	15514.80
d. Suspense and Miscellaneous	184.45	296.81	334.43	419.14	528.82
e. Remittances	7090.79	7422.76	9279.87	9859.15	8927.17
Total	16941.02	15303.39	17321.25	22302.61	27066.21

(Source: Finance Accounts of the State for the respective years)

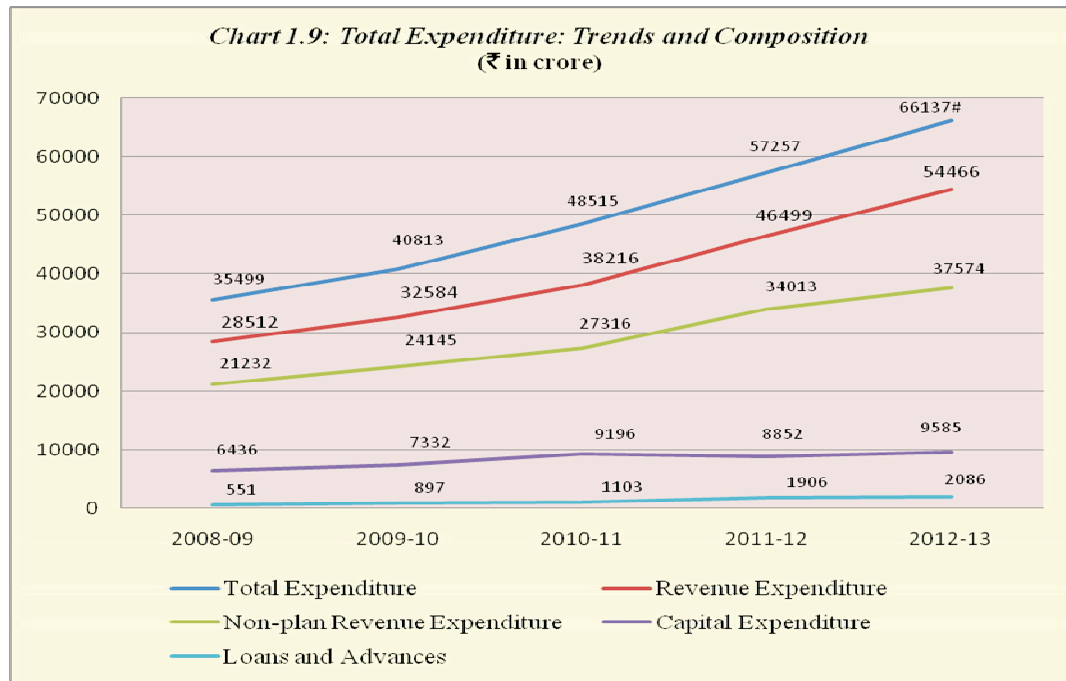
Public Accounts Receipts increased (by ₹ 10125 crore) from ₹ 16941 crore in 2008-09 to ₹ 27066 crore (60 per cent) in 2012-13. Major increase in Public Accounts Receipts was due to increase in deposit and advances ₹ 5637 crore and Small Saving, Provident Fund etc ₹ 264 crore during 2012-13 with offset of ₹ 932 crore in remittance and ₹ 315 crore in Reserve fund during the year.

1.6 Application of resources

Analysis of the allocation of expenditure at the State Government level assumes significance since major expenditure responsibilities are entrusted with them. Within the framework of fiscal responsibility legislations, there are budgetary constraints in raising public expenditure financed by deficit or borrowings. It is, therefore, important to ensure that the ongoing fiscal corrections and consolidation process at the State level is not at the cost of expenditure, especially the expenditure directed towards development and social sectors.

1.6.1 Growth and Composition of Expenditure

Chart 1.9 presents the trends in total expenditure over a period of five years (2008-13).



(Source: *Finance Accounts of the State for the respective years*)

- The total expenditure comprising revenue expenditure, capital expenditure and loans and advances, increased from ₹ 35499 crore in 2008-09 to ₹ 66137 crore in 2012-13.
- The increase of ₹ 8880 crore in total expenditure in 2012-13 over the previous year was mainly due to increase of ₹ 7967 crore (17 per cent) in revenue expenditure and ₹ 733 crore (eight per cent) in capital expenditure.
- Major capital expenditure in health sector was ₹ 200 crore for construction of Building for Additional Primary Health Centre, ₹ 113 crore for land acquisition for All India Institute of Medical Science, Patna (Allopathy) for new medical college and Para Medical Institution, ₹ 46 crore for Allopathy Health and Nutrition Programme and ₹ 30 crore for construction of office and residential buildings of District Medical Officer.
- The major revenue expenditure of ₹ 13957 crore was in General education. This expenditure was mainly on assistance to Non-government primary schools, Sarva Shiksha Abhiyan, National Programme of Mid-day Meal.
- Expenditure in Power Sector was ₹ 3193 crore under Revenue Account during the year 2012-13. Major expenditure was under Assistance to Public Sector and other undertakings.

1.6.2 Revenue expenditure

Revenue expenditure is incurred to maintain the current level of services and make payment for past obligations and as such does not result in any addition to the State's infrastructure and services network. Trends in Revenue expenditure-basic parameters are given below **Table 1.11**.

Total expenditure does not include public debt repayment.

Table 1.11: Revenue expenditure-basic parameters

	2008-09	2009-10	2010-11	2011-12	2012-13
Revenue expenditure (RE), of which (₹ in crore)	28512	32584	38216	46499	54466
Non-Plan revenue expenditure (NPRE)	21232	24145	27316	34012	37574
Plan revenue expenditure (PRE)	7280	8439	10900	12487	16892
Rate of Growth of					
RE (<i>per cent</i>)	21.00	14.28	17.28	21.67	17.13
NPRE (<i>per cent</i>)	13.18	13.72	13.13	24.51	10.47
PRE (<i>per cent</i>)	51.54	15.92	29.16	14.56	35.28
Revenue expenditure as percentage of TE	80.32	79.84	78.77	81.21	82.35
NPRE/GSDP (<i>per cent</i>)	14.92	14.67	13.79	13.80	12.76
NPRE as percentage of TE	59.81	59.16	56.30	59.40	56.81
NPRE as percentage of RR	64.38	67.96	61.34	66.27	63.08
Buoyancy of revenue expenditure with					
GSDP (ratio)	1.07	0.91	0.85	0.89	0.88
Revenue receipts (ratio)	1.24	1.85	0.68	1.42	1.07

(Source: Finance Accounts of the State for the respective years)

Revenue Expenditure

It would be seen from the above table that the Revenue expenditure increased during 2012-13 by ₹ 7967 crore (17.13 *per cent*) over the previous year and was 82.35 *per cent* of the total expenditure.

Non-plan revenue expenditure

The non-plan revenue expenditure (NPRE) during 2012-13 increased by ₹ 3562 crore (10.47 *per cent*) mainly due to increase in the expenditure under Education, Sports, Art and Culture services (₹ 637 crore), Health and Family Welfare (₹ 130 crore), Rural Development (₹ 422 crore) and Energy (₹ 1039 crore) as detailed in **Appendix 1.4**.

The NPRE (₹ 37574 crore) was less than the normative projection made in the budget estimates (₹ 45323 crore) by 21 *per cent*. Further, the share of NPRE to total expenditure declined from 60 *per cent* in 2008-09 to 57 *per cent* in 2012-13.

Plan revenue expenditure

The plan revenue expenditure during 2012-13 increased by ₹ 4405 crore (35 *per cent*) relative to 2011-12 mainly due to increase under Education, Sports, Art and Culture (₹ 2286 crore), Water Supply Sanitation, Housing and Urban Development (₹ 457 crore), welfare of scheduled castes, scheduled tribe and other backward classes (₹ 698 crore). However, the plan revenue expenditure (₹ 16892 crore) was less than the budget estimates (₹ 33364 crore) by ₹ 16472 crore (49 *per cent*) during 2012-13 as compared to previous year as detailed in **Appendix 1.4**.

1.6.3 Committed Expenditure

The committed expenditure of the State Government on revenue account mainly consists of interest payments, expenditure of salaries and wages, pensions and subsidies. **Table 1.12** and **Chart 1.10** present the trends in the expenditure on these components during 2008-13.

Table 1.12: Components of committed expenditure during 2008-13

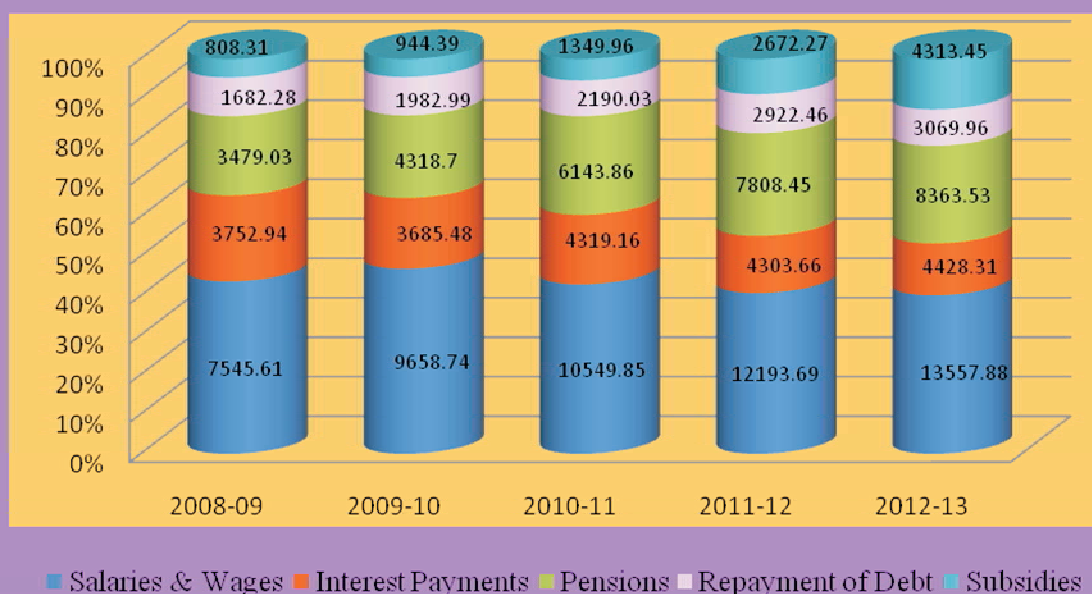
(₹ in crore)

Sl. No.	Components of committed Expenditure	2008-09	2009-10	2010-11	2011-12	2012-13	
						BE	Actual Expenditure
1	Salaries & wages of which	7545.61 (22.88)	9658.74 (27.19)	10549.85 (23.69)	12193.69 (23.76)	14909.33	13557.88 (22.76)
1(a)	Non-Plan head	6996.20 (21.21)	9001.42 (25.34)	9954.35 (22.35)	11494.50 (22.40)	14100.66	12865.06 (21.60)
1(b)	Plan head	549.41 (1.67)	657.32 (1.85)	595.51 (1.34)	699.19 (1.36)	808.66	692.82 (1.16)
2	Interest Payments	3752.94 (11.38)	3685.48 (10.37)	4319.16 (9.70)	4303.66 (8.39)	5186.00	4428.31 (7.43)
3	Exp. on Pensions	3479.03 (10.55)	4318.70 (12.16)	6143.86 (13.80)	7808.45 (15.22)	10043.02	8363.53 (14.04)
4	Repayment of Debt	1682.28 (22.29)	1982.99 (20.53)	2190.03 (20.76)	2922.46 (23.97)	3054.48	3069.96 (5.15)
5	Subsidies	808.31 (2.45)	944.39 (2.66)	1349.96 (3.03)	2672.27 (5.21)	0.00	4313.45 (7.24)
6	Other Components	11243.41 (34.09)	11993.87 (33.76)	13663.06 (30.68)	16598.96 (32.34)	27766.44	20733.02 (34.81)
7	Total (1+4+5+6+7)	17268.17 (52.36)	20590.30 (57.96)	24552.86 (55.13)	29900.53 (58.26)	33192.83	33733.13 (56.63)
8	Revenue Receipts	32980.69	35526.83	44532.32	51320.17	68047.86	59566.66
9	Revenue Expenditure	28511.58	32584.17	38215.92	46499.49	60959.27	54466.15

Figures in the parentheses indicate percentage to Revenue Receipts

(Source: Finance Accounts of the State for the respective years and Budget for the year 2012-13)

Chart 1.10: Components of Committed Expenditure
(₹ in crore)



(Source: Finance Accounts of the State for the respective years)

Expenditure on Salaries

Expenditure on salaries as a percentage of revenue receipts decreased from 23.76 *per cent* in 2011-12 to 22.76 *per cent* in 2012-13. The expenditure of ₹ 13557.88 crore on salaries was higher than ThFC assessment (₹ 10282.94 crore) by ₹ 3274.94 crore but were lower than the budget estimates (₹ 14909.33 crore) by ₹ 1351.45 crore.

Expenditure on pension payment

Expenditure on Pension payment grew up from ₹ 3479 crore in 2008-09 to ₹ 8364 crore in 2012-13 i.e. an increase of ₹ 4885 crore (140 *per cent*), pension payments alone accounted for more than 14 *per cent* of revenue receipts of the State during the year and increased by ₹ 555 crore (seven *per cent*) over the previous year.

The expenditure during the year on “Pension and other Retirement benefits” to State Government employees recruited on or before 31 August 2005 was ₹ 8363.53 crore (15.36 *per cent* of total revenue expenditure). State Government employees recruited on or after 01 September 2005 are covered under the New Pension Scheme, which is a defined contributory pension scheme. In terms of the Scheme, the employee contributes 10 *per cent* of his monthly salary and dearness allowance, which is matched by the State Government and the entire amount is transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/Trustee Bank. The actual amount payable by employees and the matching Government contribution has not been estimated, but during the year, the State Government deposited ₹ 345.01 crore to NSDL/Trustee Bank, which included ₹ 169.66 crore towards employee’s contribution and ₹ 175.35 crore towards employer’s contribution, leaving a balance of ₹ 203.33 crore contributed under the Scheme as on 31 March 2013, but remaining to be transferred to NSDL/Trustee Bank. Uncollected, unmatched and untransferred amounts, with accrued interest, represent outstanding liabilities under the Scheme.

Interest Payments

Expenditure on interest payments (₹ 4428.31 crore) was 2.90 *per cent* higher than the last year. The percentage of interest payment to revenue receipts decreased from 11.38 *per cent* in 2008-09 to 7.43 *per cent* in 2012-13. Interest payments (₹ 4428.31 crore) during 2012-13 were within the assessment made by ThFC (₹ 5125.30 crore) and the budget estimates (₹ 5186 crore).

Expenditure on Repayment of Debt

Expenditure on Repayment of Debt as a percentage of revenue receipts decreased from 22.29 *per cent* in 2008-09 to 5.15 *per cent* in 2012-13. This expenditure marginally exceeded the budget estimates (₹ 3054.48 crore) by ₹ 15.48 crore (0.5 *per cent*).

Subsidies

In any welfare State, it is not uncommon to provide subsidies/subventions to disadvantaged sections of the society. Subsidies are dispensed not only explicitly but also implicitly by providing subsidized 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 was ₹ 4313.45 crore which was 61 *per cent* higher than previous year and constituted 7.24 *per cent* of revenue receipt. Of this, ₹ 2160 crore was provided as resource gap of Bihar State Electricity Board (BSEB), ₹ 234.90 crore for terminal benefit of Bihar State Power Holding Company Limited, ₹ 787.31 crore for resource gap of Bihar State Power Holding Company Limited, ₹ 100 crore for Samagra Gavya Vikash Pariyojna, ₹ 283.42 crore for reimbursement of AMG/MMG/VAT⁷/Deferred Amount/Capital Subsidy/DG set subsidy etc. and ₹ 266.89 crore for promotion of organic farming. During 2012-13, the resources gap of BSEB was higher by ₹ 27 crore as compared to previous year.

1.6.4 Financial Assistance by State Government to local bodies and other institutions.

The status of assistance provided by the Government by way of grants-in-aid to Local bodies and other institutions during the period 2008-13 is presented in the **Table 1.13** below:

Table 1.13: Financial Assistance to Local Bodies and other institutions

(₹ in crore)

Financial Assistance to Institutions	2008-09	2009-10	2010-11	2011-12	2012-13
Educational Institutions (Aided Schools, Aided Colleges, Universities)	966.80	613.07	1940.11	5581.07	8331.34
Municipal Corporations and Municipalities	950.04	997.68	690.21	557.30	873.56
Zila Parishad and other Panchayati Raj Institutions	900.05	1395.22	1515.34	2534.41	2595.15
Development Agencies	26.84	984.13	394.24	3029.74	3079.26
Hospitals and other Charitable Institutions	20.51	33.44	53.67	25.00	-
Other Institutions	1558.25	356.33	28.25	2716.16	2574.43
Total	4422.49	4379.87	4621.82	14443.68	17453.74
Assistance as per percentage of RE	15.51	13.44	12.09	31.06	32.05

(Source: Finance Accounts of the State for the respective years)

An analysis of the above table reveals that the financial assistance during 2012-13 increased to ₹17454 crore from ₹14444 crore in 2011-12. The increase of ₹ 3010 crore (21 *per cent*) over the previous year was primarily due to increase in assistance to Educational Institutions (₹2750 crore), Municipal Corporations and Municipalities (₹317 crore) and Development agencies (₹49 crore). The assistance to other Institutions however, decreased by ₹ 142 crore.

Analysis of expenditure on Educational Institutions (₹ 8331 crore) revealed that the major expenditure was in Sarva Siksha Abhiyan (₹ 2723 crore), Midday Meal Scheme (₹ 1136 crore). In Zila Parishad and other Panchayati Raj Institutions (₹ 2595.15 crore), major expenditure was in Gram Panchayat General Basic Grants (₹ 429 crore), Backward Region Grant fund scheme (₹ 321 crore) and Panchyat Samiti General Basic Grants (₹ 185 crore). Similarly in Development Agency, major expenditure was under Mukhya Mantri Balika Cycle Yojana (₹ 182 crore), Integrated House and Slum Area Development Project (₹ 157 crore) and Mukhya Mantri Shahari Vikash Yojana (₹ 140 crore).

⁷

AMG- Annual Minimum Guarantee, MMG- Monthly Minimum Guarantee, VAT- Value Added Tax.

1.7 Quality of Expenditure

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

1.7.1 Adequacy of Public Expenditure

The expenditure responsibilities relating to social sector and economic infrastructure are largely State subjects. Enhancing human development levels requires the States to step up their expenditure on key social services like, education, health etc.

Table 1.14 analyses the fiscal priority of the State Government with regard to development expenditure, social expenditure and capital expenditure during 2012-13.

*Table 1.14: Fiscal Priority and Fiscal capacity of the State in 2009-10 and 2012-13
(In per cent)*

Fiscal Priority by the State	AE/ GSDP	DE [#] / AE	SSE/ AE	CE/ AE	Edn/ AE	Health/ AE
General Category States Average (Ratio) 2009-10*	17.06	66.05	35.73	14.96	16.19	4.24
Bihar's Average (Ratio) 2009-10	24.80	69.15	35.06	17.97	18.99	3.70
General Category State Average (Ratio) 2012-13	15.93	65.79	32.77	13.23	17.23	4.47
Bihar's Average (Ratio) 2012-13	22.47	70.69	36.95	14.49	21.84	3.63
* As per cent of GSDP AE: Aggregate Expenditure, DE: Development Expenditure, SSE: Social Sector Expenditure, CE: Capital Expenditure, Edn: Education # DE includes Development Revenue Expenditure, Development Capital Expenditure and Loans and Advances disbursed.						

(Source: State Finance Accounts of respective years, Directorate of Economics and Statistics, Government of Bihar for GSDP)

1.7.2 Efficiency of Expenditure Use

In view of the importance of public expenditure on development heads⁸ for social and economic development, it is important for the State Governments to take appropriate expenditure rationalisation measures and lay emphasis on provision of core public and merit goods⁹. Apart from improving the allocation towards development expenditure¹⁰, particularly in view of the fiscal space being created on account of the decline in the expenditure debt servicing in the recent years, the efficiency of expenditure use is also reflected in the ratio of capital expenditure to total expenditure (and/or GSDP) and proportion of revenue expenditure being

⁸ Development heads include Development Revenue Expenditure, Development Capital Expenditure and Loans and Advances disbursed.

⁹ Core public goods are goods which all citizens enjoy in common in the sense that each individual's consumption of such a goods leads to no subtractions from any other individual's consumption of that goods, e.g. enforcement of law and order, security and protection of rights; pollution free air and other environmental goods and road infrastructure, etc. Merit goods are commodities that the public sector provides free or at subsidized rates because an individual or society should have them on the basis of some concept of need, rather than ability and willingness to pay to the Government and therefore, wishes to encourage their consumption. Examples of such goods include the provision of free or subsidized food for the poor to support nutrition, delivery of health services to improve quality of life and reduce morbidity, providing basic education to all, drinking water and sanitation, etc.

¹⁰ The analysis of expenditure data is disaggregated into development and non-development expenditure. All expenditure relating to Revenue Account, Capital Outlay and Loans and Advances is categorized into Social Services, Economic Services and General Services. Broadly, the Social and Economic Services constitute development expenditure, while expenditure on General Services is treated as non-development expenditure.

spent on the operation and maintenance of the existing social and economic services. The higher the ratio of these components to total expenditure, the better would be quality of expenditure.

The status of efficiency of expenditure and its use in selected services is depicted in the **Table 1.15**.

Table 1.15: Efficiency of Expenditure and its use in selected Services

(Percentage)

Sector	2011-12		2012-13	
	Ratio of CE to TE	RE on S&W	Ratio of CE to TE	RE on S&W
Social Services (SS)				
General Education	0.32	43.28	2.00	35.77
Health and Family Welfare	15.11	72.89	23.45	79.64
Water Supply, Sanitation, & Housing and Urban Development	16.23	11.59	10.92	8.90
Total (SS)	4.81	43.21	5.87	36.80
Economic Services (ES)				
Agriculture & Allied Activities	5.77	23.78	2.81	14.76
Irrigation and Flood Control	59.96	47.15	67.97	65.89
Power & Energy	4.51	-	5.15	0.00
Transport	83.75	23.30	80.05	24.59
Total (ES)	50.26	20.34	40.49	15.70
Total (SS+ES)	25.98	36.05	20.23	30.27
TE: Total Expenditure; CE: Capital Expenditure; RE: Revenue Expenditure; S&W: Salaries and Wages.				

(Source: Finance Accounts of the State for the respective years)

Analysis on the sector wise expenditure and its relation to developmental indices indicates that capital expenditure of these selected socio-economic services as a percentage of the total expenditure on these heads decreased from 25.98 *per cent* in 2011-12 to 20.23 *per cent* in 2012-13, which does not auger well for the State. Share of salaries and wages in revenue expenditure of these heads decreased from 36.05 *per cent* in 2011-12 to 30.27 *per cent* in 2012-13, which indicated a positive shift in the State finances.

In the selected services, the percentage of capital expenditure on Social Services to total expenditure increased from 4.81 *per cent* in 2011-12 to 5.87 *per cent* in 2012-13. The percentage of capital expenditure on the selected Economic Services to total expenditure decreased from 50.26 *per cent* in 2011-12 to 40.49 *per cent* in 2012-13. The decrease observed was mainly under Water Supply, Sanitation & Housing and Urban Development in Social Services and Agriculture and Allied Activities and Transport in Economic Services.

The share of salary and wages in revenue expenditure on the selected social services decreased from 43.21 *per cent* in 2011-12 to 36.80 *per cent* in 2012-13 while the share of salary and wages in revenue expenditure on the selected Economic Services decreased from 20.34 *per cent* in 2011-12 to 15.70 *per cent* in 2012-13. The decrease observed was mainly under General Education (7.51 *per cent*) and Water Supply, Sanitation & Housing and Urban Development (2.61 *per cent*) in the Social Services and Agriculture and Allied activities (9.02 *per cent*) in the Economic Services.

1.8 Financial Analysis of Government Expenditure and Investments

1.8.1 Incomplete projects

The blocking of funds on incomplete works (including works stopped due to litigation) impinges negatively on the quality of expenditure. The department-wise information pertaining to incomplete projects as on 31 March 2013 is given in **Table 1.16**. Altogether, 298 schemes/projects (estimated cost ₹ 3829.75 crore) were due for completion up to March 2013, but remained incomplete resulting in blocking of ₹ 1487.57 crore. The physical progress of incomplete works ranged between zero to 99 per cent as of March 2013⁵.

Table 1.16: Department-wise Profile of Incomplete Projects

(₹ in crore)			
Department/Project	No. of Incomplete Projects	Estimated cost	Progressive expenditure upto March 2013
Public Health Engineering	132	671.09	289.92
Water Resources	124	2832.58	1009.81
Building Construction	22	230.96	142.74
Road Construction	16	77.51	35.09
National Highways	2	15.11	8.43
Rural Work	2	2.50	1.58
Total	298	3829.75	1487.57

(Source: Finance Accounts of the State for the year 2012-13)

Delay in completion of works invites the risk of cost escalation. Besides, due to delay in completion of the projects, the intended benefits from the projects could not be achieved. Thus, works need to be completed in time to avoid time and cost overruns.

1.8.2 Investments and returns

As of 31 March 2013, the State Government had invested ₹ 941.17 crore in Statutory Corporations, Rural Banks, Joint Stock Companies and Co-operative Institutions as indicated in **Table 1.17**

Table 1.17: Return on Investment

Investment/Return/Cost of Borrowings	2008-09	2009-10	2010-11	2011-12	2012-13
Investment at the end of the year (₹ in crore)	832.18	856.18	905.24	920.82	941.17
Return (₹ in crore)	2.14	2.06	2.53	1.40	2.55
Return (per cent)	0.26	0.24	0.28	0.15	0.27
Average rate of interest ¹¹ on Government borrowing (per cent)	7.93	6.48	6.87	6.35	5.79
Difference between interest rate and return (per cent)	7.67	6.24	6.59	6.20	5.52

(Source: Finance Accounts of the State for the respective years)

There was return of ₹ 2.55 crore only against the investment of ₹ 941.17 crore during 2012-13.

As may be seen from **Table 1.17** above, the average return on these investments was 0.24 per cent during last five years while the Government paid average interest rate of 6.68 per cent on its borrowings during 2008-13. Gap between the interest rate on borrowings and the rate of return on investment has progressively shown a decreasing trend since 2010-11. There was a decreasing trend in difference between interest rate and return from 2008-09 to 2012-13.

⁵ Appendix-X of the Finance Accounts for the year 2012-13.

¹¹ Average rate of interest = Interest Payment*100/Fiscal Liabilities.

Of ₹ 941.17 crore invested by the State Government in the share capital of different entities, ₹ 420.71 crore in 40 Government companies, ₹ 380.97 crore in 16 co-operative institutions, ₹ 105.63 crore in three statutory corporations, ₹ 30.18 crore in one Rural Bank, ₹ 3.68 crore in nine other joint stock companies and partnerships and local bodies was invested. Government invested ₹ 20.35 crore during the year. Out of this ₹ 17.70 crore was invested in Government companies.

1.8.3 Loans and advances by the State Government

In addition to the investments in Co-operative Institutions, Corporations and Companies, Government has also been providing loans and advances to many of these institutions/organizations.

Table 1.18 presents the outstanding loans and advances as on 31 March 2013 and interest receipts *vis-à-vis* interest payments during the last three years.

Table 1.18: Average Interest received on Loans Advanced by the State Government
(₹ in crore)

Amount of Loans/Interest Receipts/ Cost of Borrowings	2010-11	2011-12	2012-13
Opening Balance	15551.42	16642.19	18525.76
Amount advanced during the year	1102.63	1906.08	2085.95
Amount repaid during the year	11.86	22.51	24.70
Closing Balance	16642.19	18525.76	20587.01
Net addition	1090.77	1883.57	2061.25
Interest Receipts	237.96	573.70	167.12
Interest receipts as percentage of outstanding Loans and advances	1.43	3.10	0.81
Interest payments as percentage of outstanding fiscal liabilities of the State Government.	6.87	6.35	5.79
Difference between interest payments and interest receipts (<i>per cent</i>)	(-)5.44	(-)3.25	(-)4.98

(Source: Finance Accounts of the State for the respective years)

The quantum of loans advanced increased from ₹ 1906.08 crore in 2011-12 to ₹ 2085.95 crore in 2012-13. Repayments also increased from ₹ 22.51 crore in 2011-12 to ₹ 24.70 crore in 2012-13. The difference between the interest payments and interest receipts increased from 3.25 *per cent* in 2011-12 to 4.98 *per cent* in 2012-13 due to less recovery of interest receipt.

1.8.4 Cash Balances and Investment of Cash balances

Table 1.19: Depicts the cash balances and investments made by the State Government during the year.

Table 1.19: Cash Balances and Investment of Cash balances
(₹ in crore)

Particulars	As on 31 March 2012	As on 31 March 2013	Increase/ Decrease
Cash Balances	1509.45	3715.58	2206.13
Investments from Cash Balances (a to d)	434.46	2074.37	1639.91
a. GoI Treasury Bills	0.00	0.00	0.00
b. GoI Securities	429.81	2069.72	1639.91
c. Securities of other State Government	4.65	4.65	0.00
d. Other Investments	0.00	0.00	0.00
Fund-wise break-up of Investment in Earmarked balances (a and b)	676.53	931.48	254.95
a. Famine Relief Fund	0.10*	0.10*	0.00
b. Sinking Fund	676.43	931.38	254.95
Interest Realised	236.53	128.42	(-)108.11

*No increase, figures adopted by rounding of 0.0961

(Source: Finance Accounts of the State for the respective years)

Cash balances increased from ₹ 1509.45 crore to ₹ 3715.58 crore during the year. Further, the State Government's investments in GoI securities increased from ₹ 429.81 crore to ₹ 2069.72 crore as on 31 March 2013. The investment in earmarked balances increased by ₹ 254.95 crore in the year ending 31 March 2013. Interest of ₹ 128.42 crore realised on investment during 2012-13 was lower by ₹ 108.11 crore than the interest realised (₹ 236.53 crore) during 2011-12.

However, GoB resorted to market borrowings in year 2008-09 to 2010-11 despite having sufficient cash balances at the time of borrowings in those years. As such, borrowings were in contravention to the recommendation of XIII FC whereas available cash balances remained invested in Treasury Bills.

1.9 Assets and Liabilities

1.9.1 Growth and composition of assets and liabilities

In the existing Government accounting system, accounting of fixed assets like lands and buildings owned by the Government is not done in a comprehensive manner. However, the Government accounts do capture the financial liabilities of the Government and the assets created out of expenditure incurred. **Appendix 1.8** gives an abstract of such liabilities and assets as on 31 March 2013 compared with the corresponding position as on 31 March 2012.

Total liabilities are the liabilities under the Consolidated Fund and Public Accounts of the State. Consolidated fund liabilities consist of internal debt and loans and advances from GoI. It also includes borrowings by Public Sector Undertakings and special purpose vehicles and other equivalent instruments where liability for repayment rests with the State Government.

1.9.2 Fiscal Liabilities

The trends in outstanding Fiscal liabilities of the State are presented in **Table 1.20**.

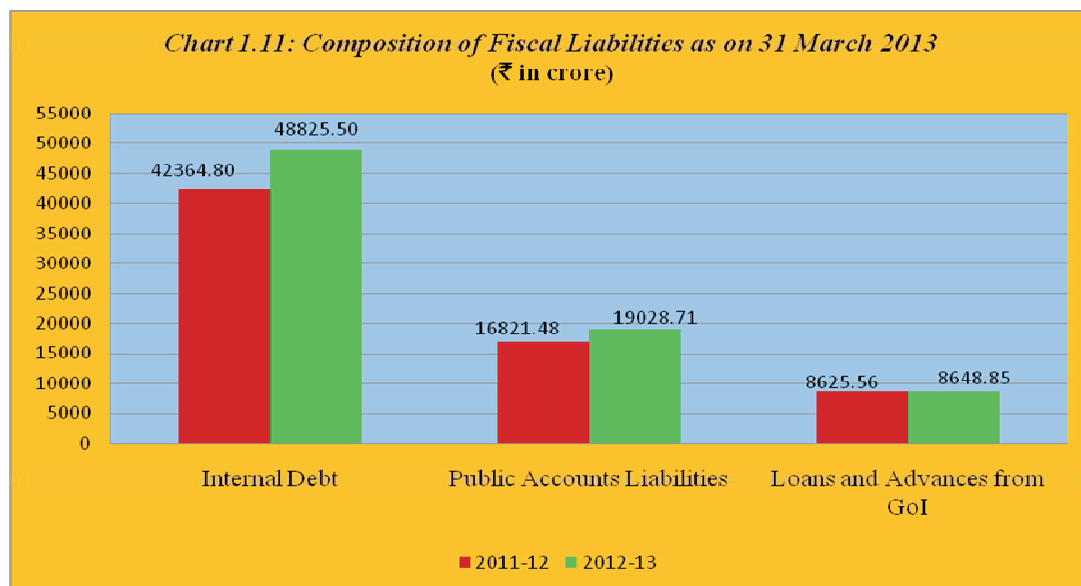
Table 1.20: Outstanding Fiscal Liabilities¹²

Year	2008-09	2009-10	2010-11	2011-12	2012-13
Amount (₹ in crore)	54976.75	58689.91	62858.01	67811.84	76503.07
Growth Rate	7.82	6.75	7.10	7.88	12.82
Ratio of fiscal liabilities to					
GSDP	0.386	0.357	0.317	0.275	0.260
Revenue receipts	1.667	1.652	1.412	1.321	1.284
Own resources	7.504	6.013	5.791	5.022	4.400
Buoyancy ratio of fiscal liabilities to					
GSDP	0.398	0.432	0.348	0.323	0.660
Revenue receipts	0.462	0.875	0.280	0.517	0.798
Own resources	0.256	0.203	0.633	0.323	0.445

(Source: Finance Accounts of the State for the respective years)

Fiscal liabilities of the State increased from ₹ 54976.75 crore in 2008-09 to ₹ 76503.07 crore in 2012-13. The composition of the fiscal liabilities during the current year *vis-à-vis* the previous year is presented in **Chart 1.11**.

¹² Market loan, Loans and advances from GoI, Loans from Small Savings, PF, etc and other obligation



(Source: Finance Accounts of the State for the respective years)

As can be seen from **Table 1.20** above the overall fiscal liabilities of the State increased from ₹ 67811.84 crore in 2011-12 to ₹ 76503.07 crore in 2012-13. The growth rate of fiscal liabilities increased from 7.88 *per cent* in 2011-12 to 12.82 *per cent* in 2012-13. However, the ratio of fiscal liabilities to GSDP decreased from 38.64 *per cent* in 2008-09 to 25.99 *per cent* during 2012-13 and was lower than norm as recommended by ThFC of 30 *per cent*. It was also significantly lower than the FRBM target of 44.60 *per cent* for the current year. The liabilities stood at 1.28 times the revenue receipts and 4.40 times the State's own resources at the end of 2012-13. The buoyancy of these liabilities with respect to GSDP during the year was 0.660 as compared to 0.323 during preceding year. The decreasing trend of ratio of fiscal liabilities to GSDP indicates the State's capability to discharge its liabilities.

1.9.3 Transaction under Reserve Fund

Reserves and Reserve Funds are created for specific and well defined purposes under the sector 'J' in the accounts of the State Government (Public Accounts). These funds are fed by contributions or grants from the consolidated fund of India or State or from outside agencies. The funds may be further classified as "Fund carrying interest" and 'Funds not carrying interest'. Generally the reserve funds are classified under the following three categories based on the sources from which they are fed.

- Funds accumulated from grants made by another Government and at times aided by public subscriptions, example: Fund formed from subventions from the Central Road Fund.
- Funds accumulated from sums set aside by the Union/State from the Consolidated Fund of India or Consolidated Fund of State, as the case may be, to provide reserves for expenditure to be incurred by them for particular purposes e.g. Depreciation Fund.
- Funds accumulated from the contributions made by outside agencies to the State Government.

As per Finance Accounts, six Reserve funds¹³ have been created and maintained in the accounts of the State Government.

State Disaster Response Fund

Opening balance of this fund as on 1 April 2012 was ₹ 1516.44 crore. During the year an amount of ₹ 544.38 crore was received and ₹ 268.44 crore was disbursed from the State Disaster Response Fund leaving a balance of ₹ 1792.38 crore as on 31 March 2013. It was observed that out of ₹ 544.38 crore, only ₹ 268.44 crore (50 per cent) was utilised during the year indicating unnecessary provision.

Sinking Fund

Opening balance as on 1 April 2012 was ₹ 676.43 crore and during the year a sum of ₹ 254.95 crore was invested in Sinking Fund-Investment Account. The closing balance in Sinking Fund as on 31 March 2013 was ₹ 931.38 crore.

1.9.4 Contingent liabilities

• **Status of Guarantees**

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. No law under Article 293 of the Constitution has been passed by the State legislature laying down the limit within which the Government may give guarantees on the security of the Consolidated Fund of the State. The position of guarantees given by the State Government for the last three years is shown in **Table 1.21**.

Table-1.21: Guarantees given by the Government

	(₹ in crore)		
Guarantees	2010-11	2011-12	2012-13
Maximum amount guaranteed	1549.03	2049.03	2046.44
Outstanding amount (Principal) of guarantees	587.96	1092.34	1089.23
Percentage of maximum amount guaranteed to total revenue receipts	3.48 (44532)	3.99 (51320)	3.44 (59567)
(Figures in brackets indicate revenue receipts)			

(Source: Finance Accounts of the State for the respective years)

From the scrutiny of statement No. 9 of Finance Account it was observed that the Government did not furnish the status/information about the guarantees given by the State Government during the year 2012-13 and maximum amount guaranteed at the end of March 2013 has been reduced by ₹ 2.59 crore from that of previous year. The outstanding amount of ₹ 1089.23 crore of guarantees as on 31 March 2013 was mainly in respect of Bihar State Food and Civil Supplies Corporation (₹ 500 crore), Bihar State Electricity Board (₹ 194.68 crore), Bihar State Financial Corporation (₹ 127.47 crore) and credit co-operative (₹ 157.89 crore). Further, the State Government had not yet established a guarantee redemption fund by charging guarantee fees for the discharge of any liability as was recommended by Twelfth FC.

• **Off-Budget Borrowings**

Government companies/corporations borrow funds from the market/financial institutions for implementation of various State Plan programmes projected outside the State budget. The borrowings of many of these concerns may sometimes turn out to be the liabilities of the State Government termed

¹³ State Disaster Response Fund, Sinking Fund, Famine Relief Fund, Development and Welfare Funds, General and other Reserve Fund & Depreciation/Renewal Reserve Funds. No transactions were made in remaining funds during the year. Hence no comments.

as ‘off-budget borrowings’. The State Government informed that it did not resort to any off budget borrowings during 2007-13.

1.9.5 Analysis of Borrowings of Government including Market Borrowings

The cash balances and the borrowings made by the State during 2008-13 are given in **Table 1.22**.

Table-1.22: Details of borrowings and cash balances

Year	Fiscal Deficit	Total Borrowings (including market borrowings)	Excess of borrowings over fiscal deficit	(₹ in crore)
				Cash Balance of March
2008-09	2507	7081	4574	3557
2009-10	5273	6842	1569	2291
2010-11	3971	6871	2900	2735
2011-12	5914	7660	1746	1509
2012-13	6545	10850	4305	3716

(Source: Finance Accounts of the State for the respective years)

It would be seen from the above that borrowings exceeded the fiscal deficit by ₹ 4574 crore, ₹ 1569 crore, ₹ 2900 crore, ₹ 1746 crore and ₹ 4305 crore during the years 2008-09, 2009-10, 2010-11, 2011-12 and 2012-13 respectively, despite there were huge cash balances in these years. The huge cash balance ranged between ₹ 1509 crore and ₹ 3716 crore during 2008-13 could be attributed to the borrowings made in excess to the level of the fiscal deficits, as indicated in **Table 1.22**.

1.10 Debt Management

Fiscal deficit is usually financed by way of borrowings by the State. The rate of growth of debt, the debt repayment liability, Public debt repayment, reliance on debt for financing current expenditure (not Capital expenditure) the debt liability on account of loans raised by the SPV on the strength of Government guarantee and the commitments on account of debt servicing are depicted as under:

• Debt Profile

A time series analysis of previous five years showing the per capita debt is given below **Table-1.23**.

Table 1.23: Debt Profile: Indicators and Trends

Indicators of Debt Profile	(₹ in crore)				
	2008-09	2009-10	2010-11	2011-12	2012-13
Net Availability of borrowed funds ^{\$}	93.28	28	71	651	4263
Burden of Interest Payments (IP/RR Ratio)	0.11	0.10	0.10	0.10	0.10

(Source: Finance Accounts of the State for the respective years)

Net availability of borrowed funds increased from ₹ 651 crore in 2011-12 to ₹ 4263 crore in 2012-13.

As per Statement No.6 of Finance Accounts for the year 2012-13, the Government raised internal debt of ₹ 9046 crore, loans and advances from GoI ₹ 508 crore, other liabilities ₹ 17441 crore and repaid internal debts of

^{\$} Net availability of borrowed funds=Total receipts under Public Debt and Other Liabilities-(Repayment of Public Debt and Other Liabilities +Interest Payment under Non-plan MH2049)

₹ 2585 crore, loans and advances to GoI ₹ 485 crore, discharged other liabilities worth ₹ 15234 crore and also repaid interest on internal debt worth ₹ 3481 crore, interest on loans and advances from Central Government ₹ 470 crore and interest on small saving, provident fund etc. worth ₹ 478 crore.

• **Debt Sustainability**

Apart from the magnitude of debt of the State Government, it is important to analyze the various indicators that determine the debt sustainability¹⁴ of the State. This section assesses the sustainability of debt of the State Government in terms of debt stabilization¹⁵; sufficiency of non-debt receipts¹⁶; Non-availability of borrowed funds¹⁷, burden of interest payments (measured by interest payments to revenue receipts ratio) and maturity profile of the State Government securities.

Table 1.24 analyses the debt sustainability of the state according to these indicators for the period 2008-13.

Table 1.24: Debt Sustainability: Indicators and Trends

(₹ in crore)					
Indicators of Debt Sustainability	2008-09	2009-10	2010-11	2011-12	2012-13
Debt Stabilisation (Quantum Spread + Primary Surplus)	10729.53	(-)226.39	9449.84	7910.80	8318.02
Sufficiency of non-debt receipts (Resource Gap)	(-)804.00	(-)1524	3372	(-)1485.07	282.02
Net Availability of borrowed funds	93.28	28	71	651	4263
Burden of Interest Payments (IP/RR Ratio)	0.11	0.10	0.10	0.10	0.10
Maturity Profile of State Debt in years *					
Zero to one year (2013)					1153.23 (4.45)
One to three years (2014-2016)					2700.35 (10.41)
Three to five years (2017-2018)					2737.05 (10.55)
Five to seven years (2019-2020)					6646.93 (25.63)
More than seven years (2021 and thereafter)					12700 (48.96)
Total market borrowing					25937.56 (100)
* The table contains maturity profile of market loans only for which year of maturity was available in Finance Accounts for the year 2012-13					
# Figures in bracket indicate per cent of repayment due.					

(Source: Finance Accounts of the State for the respective years)

The status of each indicator was as under:

If the quantum spread together with primary deficit is zero, the debt-GSDP ratio would be constant or debt would stabilise eventually. The quantum spread together

¹⁴ The Debt sustainability is defined as the ability of the State to maintain a constant debt-GSDP ratio over a period of time and also embodies the concern about ability to service its debt. Sustainability of debt therefore also refers to sufficiency of liquid assets to meet current or committed obligations and the capacity to keep balance between costs of additional borrowings with return from such borrowings. It means that rise in fiscal deficit should match with the increase in capacity to service the debt.

¹⁵ A necessary condition for stability states that if the rate of growth of economy exceeds the interest rate or cost of public borrowings, the debt-GSDP ratio is likely to be stable provided balances are either zero or positive or are moderately negative. Given the rate spread (GSDP growth rate-interest rate) and quantum spread (Debt multiplied by rate spread), debt sustainability condition states that if quantum spread together with primary deficit is zero, debt-GSDP ratio would be constant or debt would stabilize eventually. On the other hand, if primary deficit together with quantum spread turns out to be negative, debt-GSDP ratio would be rising and in case it is positive, debt-GSDP ratio would eventually starts falling.

¹⁶ Adequacy of incremental non-debt receipts of the State to cover the incremental interest liabilities and incremental primary expenditure. The debt sustainability could be significantly facilitated if the incremental non-debt receipts could meet the incremental interest burden and incremental expenditure.

¹⁷ Defined as the ratio of the debt redemption (Principal plus Interest Payments) to total debt receipts and indicates the extent to which the debt receipts are used in debt redemption indicating the net availability of borrowed funds.

with the primary surplus increased from ₹ 7910.80 crore in 2011-12 to ₹ 8318.02 crore in 2012-13 which indicates that the sustainability of the debt has increased.

The maturity profile of the State's debt as per **Table 1.24** indicated that nearly 25.41 per cent of the total debts were repayable within the next five years, while the remaining 74.59 per cent were payable thereafter. State was liable to repay debts of ₹ 2737.05 crore during the period 2017-18, ₹ 6646.93 crore during 2019-20 and ₹ 12700 crore during 2021 and after that. The State will have to improve its debt sustainability to generate funds for repayment of loans in the coming years. A well-planned debt repayment strategy will have to be worked out by the Government to ensure that no additional borrowings, which mature in these critical years, are made.

1.10.1 Debt consolidation and relief facility

As per the XIII Finance Commission recommendations, benefit of interest relief on loan availed from National Small Savings Fund (NSSF) and the write-off of outstanding loan by Government of India and State specific grants would be made available to the States on bringing the necessary amendments/enactments of FRBM Act to include targets for debt-GSDP ratio for the period from 2011-12 to 2014-15. The State Government was able to maintain the debt-GSDP ratio within the limits of 46.4 in 2011-12 and 44.6 in 2012-13 set in the FRBM Act 2006 as amended in 2010. Government of Bihar availed Debt consolidation and relief facilities during 2012-13, as ₹ 163.79 lakh, ₹ 30.82 lakh, ₹ 13.36 lakh and ₹ 1876.75 lakh was given by the Ministry of Urban Development, Industry, Road Transport & Highways and Agriculture, Government of India.

1.10.2 Review on Market Borrowings

1.10.2.1 Introduction

Fiscal deficit represents the borrowing requirements of the Government during the year. The borrowings are accounted for under the Consolidated Fund (E-Public debt). The major divisions are internal debt of the State Government and loans and advances from the Central Government. The internal debt is further divided into market loans and negotiated loans.

Market borrowings are controlled by the Central Government and managed by the Reserve Bank of India. As per Article 293 of the Constitution of India, State Governments may not, without the consent of the Central Government, raise any loan if they are indebted to the Central Government. The State Governments issue dated securities, termed State Development Loans (SDLs) of varying tenors. The present review is to assess requirement and utilization of market loans raised by the Government of Bihar during the period 2008-13.

1.10.2.2 Position of market borrowings

The year-wise position of market borrowings for the period 2008-09 to 2012-13 is given in **Table 1.25**.

Table 1.25: Year-wise position of market borrowings

(₹ in crore)						
Year	Opening Balance of market loans	Market loans raised during the year	Market loans repaid during the year	Closing Balance	Net increase in respect of opening balance	Percentage of increase over the previous year
2008-09	10706	3397	733	13370	2664	24.88
2009-10	13370	3000	498	15872	2502	18.71

Year	Opening Balance of market loans	Market loans raised during the year	Market loans repaid during the year	Closing Balance	Net increase in respect of opening balance	Percentage of increase over the previous year
2010-11	15872	2600	892	17580	1708	10.76
2011-12	17580	4000	1406	20174	2594	14.76
2012-13	20174	7100	1336	25938	5764	28.57

(Source: Finance Accounts/Finance Department)

The market borrowings increased by 142.28 per cent from ₹ 10706 crore at the beginning of 2008-09 to ₹ 25938 crore at the end of 2012-13. The market borrowings by State Government showed decreasing trend for the periods 2008-09 to 2010-11 but increased by ₹ 1400 crore and ₹ 3100 crore during 2011-12 and 2012-13 respectively.

1.10.2.3 Debt sustainability indicators

The debt sustainability indicators of the State Government are given in **Table 1.26**

Table 1.26: Debt sustainability indicators

Description	(₹ in crore)				
	2008-09	2009-10	2010-11	2011-12	2012-13
Total liabilities	54977	58690	62858	67812	76503
Public debt*	39291	43442	47285	50990	57474
Total market loans	13370	15872	17580	20174	25938
Percentage of market loans to total liabilities	24.32	27.04	27.97	29.75	33.90
Percentage of market loans to public debt	34.03	36.54	37.18	39.56	45.13
Weighted average interest rate on market loans - financial year wise	7.83	8.21	8.50	8.85	8.85
Interest paid on market loans	865	1082	1257	1349	1600
GSDP of the State	142279	164547	198135	246487	294388
GSDP growth rate in per cent	19.64	15.65	20.41	24.40	19.43
GSDP growth rate and interest rate ratio	2.51:1	1.91:1	2.40:1	2.76:1	2.20:1
Gross interest payments to revenue receipts ratio	0.11:1	0.10:1	0.10:1	0.08:1	0.07:1
Primary surplus (+)/ deficit (-)	1246	(-)1588	348	(-)1610	(-)2117
Revenue surplus (+)/ deficit (-)	4469	2943	6316	4821	5101
Fiscal deficit	2507	5273	3971	5914	6545
Percentage of total liabilities to GSDP	38.64	35.67	31.72	27.51	25.99
Percentage of public debt to GSDP	27.62	26.40	23.87	20.69	19.52
Outstanding guarantees	704	859	588	1092	1089
Revenue Receipts(RR)	32981	35527	44532	51320	59567
Percentage of outstanding guarantees to RR	2.13	2.42	1.32	2.13	1.83

*Includes internal debt and loans and advances from Govt.

(Source: Finance Accounts of the State for the respective years)

The percentage of total liabilities to GSDP decreased from 38.64 per cent in 2008-09 to 25.99 per cent in 2012-13, whereas the percentage of public debt to GSDP decreased from 27.62 per cent in 2008-09 to 19.52 per cent in 2012-13. The share of market loans in the public debt increased from 34.03 per cent in 2008-09 to 45.13 per cent in 2012-13.

1.10.2.4 Profile of market loans

The profile of market loans raised during the last five years is given in **Table 1.27**.

Table 1.27: Profile of market loans

Periodicity of loans	Amount of loan raised (₹ in crore)					
	2008-09	2009-10	2010-11	2011-12	2012-13	Total
> 7 Years	3397	3000	2600	4000	7100	20097
Total loan made during the year	3397	3000	2600	4000	7100	20097
Total outstanding on 31 March	13370	15872	17580	20174	25938	
Percentage of loans raised during the year to total outstanding loans	25.41	18.90	14.79	19.83	27.37	

(Source: Finance Accounts of the State for the respective years)

Total market borrowings of ₹ 20097 crore raised during 2008-13 were of 10 years maturity period.

1.10.2.5 Weighted average maturity of market loans

The average amount of time remaining before maturity of the mortgages underlying a mortgage-backed security (MBS), weighted by the percentage of the MBS that each mortgage constitutes is called weighted average maturity. The position of weighted average maturity of market loans during the last five years is given in **Table 1.28**.

Table 1.28: Weighted average maturity of market loans

(in years)

Year	Weighted average maturity	
	Issue during the year	Outstanding market loans
2008-09	10	6
2009-10	10	6
2010-11	10	6
2011-12	10	6
2012-13	10	7

(Source: Information received from Finance Department, Government of Bihar)

During the period 2008-09 to 2012-13, the weighted average maturity of market borrowings remained constant at 10 years. The weighted average maturity of outstanding stock of market borrowings remained constant between 2008-09 and 2011-12. However, it increased to seven years during 2012-13.

1.10.2.6 Maturity trend of market loans

The year-wise position of maturity trend of market loans for the period 2014-21 is given in **Table 1.29**.

Table 1.29: Maturity trend of market loans (as on 31 March 2013)

(₹ in crore)

Maturity Year	Maturity amount	As a percentage of outstanding market loans
2014-15	1433	5.52
2015-16	1267	4.88
2016-17	895	3.45
2017-18	1092	4.21
2018-19	3397	13.10
2019-20	3000	11.57
2020-21	2600	10.02

Note: Outstanding loans as on March 2013 = ₹25938 crore.

Over the next seven years, maturity amount constituted an average 7.54 per cent of the outstanding market loans with significant pressure on redemption during the

years 2018-19, 2019-20 and 2020-21 at 13.10 per cent, 11.57 per cent and 10.02 per cent of the outstanding debt respectively.

1.10.2.7 Interest rate profile of market loans

The year-wise average interest rates on which market loans were availed by the Government during the period 2008-13 are shown in **Table 1.30**.

Table 1.30: Interest rate profile of market loans

(₹ in crore)

Rate of interest (Per cent)	Market loans raised during the year					
	2008-09	2009-10	2010-11	2011-12	2012-13	Total
Below 5	--	--	--	--	--	--
5 – 5.99	--	--	--	--	--	--
6 – 6.99	750	--	--	--	--	750
7 – 7.99	731	1000	--	--	--	1731
8 – 8.99	1916	2000	2600	3500	6350	16366
9 – 9.99	--	--	--	500	750	1250
10 – 10.99	--	--	--	--	--	--
Weighted average interest rate (per cent)	7.83	8.21	8.50	8.85	8.85	--

(Source: Information received from Finance Department, Government of Bihar)

The weighted average interest rate on market loans indicates an increasing trends and it increased from 7.83 per cent in 2008-09 to 8.85 per cent in 2012-13.

1.10.2.8 Interest payment as a percentage of revenue receipts

Table 1.31 brings out the ratio of interest payments to revenue receipts of the State Government during the last five years.

Table 1.31: Interest payments to revenue receipts ratio

(₹ in crore)

Gross interest payment as a percentage of revenue receipts					
Particulars	2008-09	2009-10	2010-11	2011-12	2012-13
Interest payment	3753	3685	4319	4304	4428
Revenue receipts	32981	35527	44532	51320	59567
Percentage of interest payments to revenue receipts	11.38	10.37	9.70	8.39	7.43

(Source: Finance Accounts of the State for the respective years)

Percentage of interest payment to revenue receipts showed a decreasing trend during the period 2008-13.

1.10.2.9 Variation of market borrowings from budget estimates

During test check of budget estimates and revised estimates for the year 2008-09 to 2012-13 in respect of market loans, variations in the budget estimates and actual amount of market borrowings were observed which are indicated in **Table 1.32**

Table 1.32: Budget estimates and actual market borrowings

(₹ in crore)

Year	Market borrowings as per budget estimates	Actual market borrowings	Actual market borrowings as per cent of budget estimates
2008-09	748	3397	454.14
2009-10	5284	3000	56.78
2010-11	3941	2600	65.97
2011-12	2122	4000	188.50
2012-13	5736	7100	123.78

(Source: Information received from Finance Department, Government of Bihar)

The actual market borrowings as percentage of budget estimates ranged between 56.78 per cent and 454.14 per cent during the period 2008-13 indicating unrealistic budget estimates by the State Government.

1.10.2.10 Other issues

Analysis of processing and application of market borrowings revealed the following:

(i) Market Borrowings despite availability of sufficient cash balance

XIII Finance Commission (FC) stipulated that there should be a directed effort by the States with large cash balances towards utilising their existing cash balance before resorting to fresh borrowings. However, GoB resorted to market borrowings in year 2008-09 to 2010-11 despite having sufficient cash balances at the time of borrowings in those years. As such, borrowings were in contravention to the recommendation of XIII FC whereas available cash balances remained invested in Treasury Bills.

In reply FD, GoB stated (August 2013) that expenditure and fiscal deficit for a year need to be seen in totality. It is not proper only to say that borrowings were made even after having availability of sufficient cash balances. FD, further stated in the Exit Conference (August 2013) that State Government normally tries to maintain a reserve of ₹ 1500 crore to ₹ 2000 crore (except in the month of March). As such, borrowings were made even though the State Government was left with sufficient cash balances. FD also stated that the situation has improved in the year 2011-12 and 2012-13.

The reply is not acceptable as treasury bill holdings (prepared fortnightly) were much more than ₹ 1500 crore each time the market loans got raised during 2008-09 to 2010-11. FD's statement regarding improvement in situation in year 2011-12 and 2012-13 further corroborates audit contention that GoB resorted to borrowing despite having sufficient cash balances in years 2008-09 to 2010-11. Thus, borrowings made by GoB during the year 2008-09 to 2010-11 were not in consonance with the recommendation of XIII FC which stipulates that available cash balances were to be utilized before resorting to fresh borrowings.

(ii) Non existence of system to watch utilisation of Market Borrowings

No specific system was found to be in place with the GoB to keep a watch over utilisation of market borrowings in Department-wise/PSU-wise/Scheme-wise manner. In absence of such watch over mechanism the utilisation/non-utilisation/retention of borrowings could not be verified in audit. FD, GoB itself has accepted (June 2013) that quantum-wise utilisation of borrowings in Department-wise/PSU-wise/Scheme-wise manner is not possible. FD, GoB reiterated its previous statement in the Exit Conference (August 2013) and further stated that only Externally Aided Projects and borrowings from NABARD are specific and scheme-wise.

(iii) Short subscription in Consolidated Sinking Fund:

As per Notification issued (30 March 2009) by GoB, contribution in Consolidated Sinking Fund (CSF) was required to be made on a modest scale of at least 0.5 per cent of outstanding liabilities as at the end of the previous year beginning with financial year 2008-09. It was found that GoB did not contribute the minimum required amount in CSF in any year during the period 2008-13. As a result, there was short contribution towards the fund by ₹ 545.25 crore during the above period as detailed below:

Table 1.33: Position of Consolidated Sinking Fund

(₹ in crore)

Year	Outstanding liabilities	Contribution			
		Year	Minimum contribution i.e. 0.5% of o/s liabilities of previous year	Amount actually contributed	Short contribution
2007-08	50989.19	2008-09	254.95	140.00	114.95
2008-09	54976.75	2009-10	274.88	140.00	134.88
2009-10	58689.91	2010-11	293.45	160.00	133.45
2010-11	62858.01	2011-12	314.29	236.43	77.86
2011-12	67811.84	2012-13	339.06	254.95	84.11
Total	295325.70		1476.63	931.38	545.25

The FD, GoB stated in the Exit Conference (August 2013) that 0.5 per cent of Public Debt is being contributed towards the CSF.

FD, GoB's reply is not correct as the contributions made in CSF are well short of 0.5 per cent of outstanding liabilities as shown in the **Table No.1.33**. It further corroborated the fact that short contributions to CSF are made which would have adverse effect in shape of resource crunch while making repayment of the borrowings at the time of their maturity. This also indicated inadequate fiscal management.

(iv) *Non creation of Guarantee Redemption Fund*

As per para 12.60 of the recommendations made by the Twelfth Finance Commission, Guarantee Redemption Fund was to be created by the States through earmarked guarantee fees. Further, as per Indian Government Accounting Standard-1 (IGAS-1), the Financial Statements of the Union Government, the State Governments and the Governments of Union Territories (with legislature) shall disclose in the notes the following details:

- Limit, if any, fixed within which the Government may give guarantee;
- Whether Guarantee Redemption or Reserve Fund exists and its details including disclosure of balance available in the Fund at the beginning of the year, any payments made and balance at the end of the year.

GoB did not create Guarantee Redemption Fund as recommended by the Twelfth Finance Commission. Guarantee limits were also not laid down on the security of Consolidated Fund of the State as required in IGAS-1.

FD, GoB agreed to the audit observation and stated in the Exit Conference (August 2013) that GoB has stopped giving guarantees since 1995, however, in last 2-3 years guarantees¹⁸ has been given. It was also assured that creation of Guarantee Redemption Fund is under consideration of the State Government and would be created soon.

1.11 Fiscal Imbalances

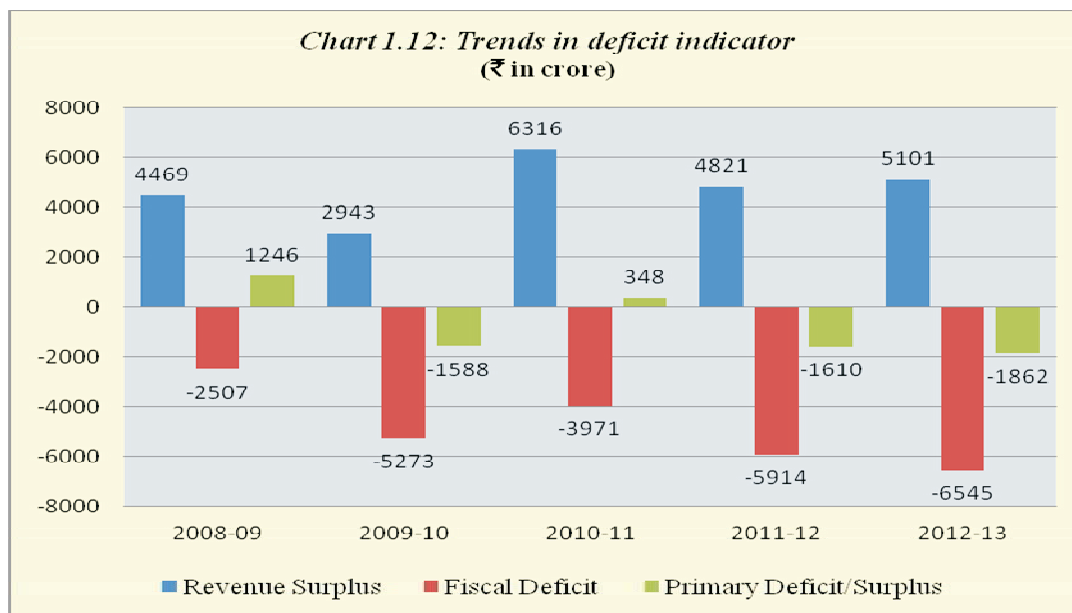
Three key fiscal parameters—revenue, fiscal and primary deficits, indicate the extent of overall fiscal imbalances in the Finances of the State Government during a specified period. The deficit in the Government accounts represents the gap between its receipts and expenditure. The nature of the deficit is an indicator of the prudence of fiscal management of the Government. Further, the ways in which the deficit is financed and the resources raised are applied are important pointers to its fiscal health. This section represents the trend, nature, magnitude and the manner of financing of these deficits and the assessment of the actual levels of revenue

¹⁸ During the year 2010-11 Bihar State Electricity Board; ₹194.58 crore and during 2011-12 -Bihar State Food and Civil Supplies Corporation; ₹500.00 crore, Bihar State Minorities Financial Corporation; ₹4.38 crore.

and fiscal deficits *vis-a-vis* targets set for the financial year 2012-13 under FRBM Act/Rules.

1.11.1 Trends of Deficits

The State achieved revenue surplus in 2008-09 and remained in revenue surplus thereafter. **Chart 1.12** indicates that while the actual surplus decreased by ₹ 1495 crore in 2011-12 it increased by ₹ 280 crore in 2012-13 compared to the previous year. The revenue surplus of ₹ 5101 crore during 2012-13 was significantly less than the States' Budget projection of ₹ 7089 crore.



(Source: Finance Accounts of the State for the respective years)

Table 1.34: Trends in deficit indicators over the period 2008-13

Particulars	2008-09	2009-10	2010-11	2011-12	2012-13
Revenue surplus/GSDP	0.031	0.018	0.032	0.020	0.017
Fiscal deficit/GSDP	0.018	0.032	0.020	0.024	0.022
Primary surplus/GSDP	0.009	(-)0.010	0.002	(-)0.007	(-)0.007

(Source: Finance Accounts of the State for the respective years)

It would be seen from the **Chart 1.12** & **Table 1.34** that during the year, the revenue surplus increased by ₹ 280 crore whereas fiscal deficit increased from ₹ 5914 crore in 2011-12 to ₹ 6545 crore in 2012-13. The ratio of fiscal deficit to GSDP (0.022) was however well within three *per cent* as laid down in its FRBM Act and projections recommended by the ThFC's for the year 2012-13.

Further, the primary deficits of ₹ 1610 crore (2011-12) increased to ₹ 2117 crore (2012-13).

1.11.2 Composition of Fiscal Deficit and its Financing Pattern

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

Table 1.35: Components of Fiscal Deficit and its Financing Pattern

Particulars		(₹ in crore)				
		2008-09	2009-10	2010-11	2011-12	2012-13
Composition of Fiscal Deficit		(-)2506.97	(-)5273.01	(-)3970.31	(-)5914.90	(-)6545.26
1	Revenue Deficit/ Revenue Surplus	4469.11	2942.66	6316.40	4820.68	5100.51
2	Net Capital Expenditure	(-)6436.35	(-)7332.09	(-)9195.94	(-)8852.01	(-)9584.52

Particulars		2008-09	2009-10	2010-11	2011-12	2012-13
3	Net Loans and Advances	(-)539.73	(-)883.58	(-)1090.77	(-)1883.57	(-)2061.25
Financing Pattern of Fiscal Deficit*						
1	Market Borrowings	3757.12	2501.91	1707.78	2593.90	5763.88
2	Loans from GoI	(-)278.81	(-)49.35	316.03	361.08	23.30
3	Special Securities Issued to NSSF	529.08	1472.52	1533.39	505.56	292.87
4	Loans from Financial Institutions	238.22	226.32	285.20	244.96	403.96
5	Small Savings, PF etc.	144.41	(-)262.86	252.70	(-)2.13	(-)215.55
6	Deposits and Advances	(-)690.52	(-)134.15	50.94	932.91	2199.05
7	Suspense and Miscellaneous	395.96	(-)290.89	1830.68	1238.71	(-)1936.34
8	Remittances	(-)221.57	(-)54.82	79.96	(-)36.82	19.51
9	Reserve Fund	293.24	(-)41.69	23.72	335.93	275.94
10	Inter State Settlement	-	-	-	74.02	-
11	Overall Surplus/Deficit	1660.14	(-)1906.02	6080.37	6248.12	6826.62
12	Increase / decrease in cash balance#			(-)2110.06	333.22	281.36
13	Gross Fiscal Deficit			3970.31	5914.90	6545.26

* All these figures are net of disbursements/outflows during the year.

Cash balance (Deposit with Reserve bank and remittance in treasury)

(Source: Finance Accounts of the State for the respective years)

Table 1.36: Receipts and Disbursements financing the fiscal deficit during 2012-13
(₹ in crore)

Sl. No.	Particulars	Receipts	Disbursements	Net
1	Market Borrowings	7100.00	1336.12	5763.88
2	Loans from GoI	508.02	484.72	23.30
3	Special Securities Issued to National Small Savings Fund	1005.51	712.64	292.87
4	Loans from Financial Institutions	940.43	536.47	403.96
5	Small Savings, PF etc.	1296.09	1511.64	(-)215.55
6	Deposits and Advances	15514.80	13315.75	2199.05
7	Suspense and Miscellaneous	83703.06	85639.40	(-) 1936.34
8	Remittances	8927.17	8907.66	19.51
9	Reserve Funds	799.33	523.39	275.94
10	Inter State Settlement			-
11	Overall surplus (-) deficit (+)			6826.62
12	Increase / decrease in cash balance			281.36
13	Gross Fiscal Deficit			6545.26

(Source: Finance Accounts of the State for the year 2012-13)

The fiscal deficit, which represents the borrowing of the Government and its resource gap increased from ₹ 5914.90 crore in 2011-12 to ₹ 6545.26 crore in 2012-13 but was less than that projected in the Budget estimate (₹ 7569.43 crore). During 2011-12 fiscal deficit was 66.82 per cent of Capital Expenditure but it increased to 68.29 per cent during 2012-13. There was decrease in loans from GoI, special securities issued to NSSF, small savings, PF etc., Suspense and Miscellaneous and Reserve fund over previous year. However there was increase in loans from financial institution, Deposits and Advances and remittances.

1.11.3 Quality of Deficit/Surplus

The ratio of revenue deficit to fiscal deficit and the decomposition of primary deficit into primary revenue deficit¹⁹ and capital expenditure (including loans and advances) indicate the quality of deficit in the States' Finances. The ratio of revenue deficit to fiscal deficit indicates the extent to which borrowed funds were used for current consumption. Further, persistently high ratio of revenue deficit to fiscal deficit also indicates that the asset base of the State was continuously shrinking and a part of borrowings (fiscal liabilities) was not having any asset backup. The bifurcation of the primary deficit (**Table 1.37**) indicates the extent to which the deficit was on account of enhancement in capital expenditure which might be desirable to improve the productive capacity of the State's economy.

Table 1.37: Primary deficit/Surplus – Bifurcation of factors

(₹ in crore)

Year	Non-debt receipts ²⁰	Primary Revenue Exp-enture ²¹	Capital Exp-enture	Loans and Advances	Primary Exp-enture	Primary revenue deficit (-) / surplus (+)	Primary deficit (-) / surplus (+)
1	2	3	4	5	6 (3+4+5)	7 (2-3)	8(2-6)
2008-09	32992	24759	6436	551	31746	8233	(+)1246
2009-10	35540	28899	7332	897	37128	6641	(-)1588
2010-11	44544	33897	9196	1103	44196	10647	(+)348
2011-12	51343	42195	8852	1906	52953	9148	(-)1610
2012-13	59592	50038	9585	2086	61709	9554	(-)2117

(Source: Finance Accounts of the State for the respective years)

Table above indicates that the Government had a primary revenue surplus of ₹ 8233 crore in 2008-09 which decreased to ₹ 6641 crore in 2009-10, but increased to ₹ 10647 crore in 2010-11 and finally decreased to ₹ 9148 crore and ₹ 9554 crore in 2011-12 and 2012-13 respectively. This was due to increase in primary expenditure (which includes primary revenue expenditure, capital expenditure and loans and advances) from ₹ 31746 crore in 2008-09 to ₹ 61709 crore in 2012-13. The details indicate that non-debt receipts were enough to meet the primary revenue expenditure and part of these receipts were utilized to meet capital expenditure. Though the State had primary surplus of ₹ 1246 crore in 2008-09, it turned into primary deficit of ₹ 2117 crore in 2012-13.

1.12 Conclusion

Revenue Receipts

Revenue receipts during the year increased by 16.07 per cent (₹ 8246.49 crore). The increase was due to increase in own tax revenue by 28.87 per cent (₹ 3640.98 crore) and State's share of Union taxes and duties by 14.19 per cent (₹ 3965.16 crore). State's own tax revenue (₹ 16253.08 crore) also exceeded the Budget estimate (₹ 15695.30 crore) and ThFC assessment (₹ 10537.39 crore) by 3.55 per cent (₹ 557.78 crore) and 54.24 per cent (₹ 5715.69 crore) respectively. Non-tax revenue (₹ 1135.27 crore) increased by 27.58 per cent (₹ 245.41 crore) over the previous year. However, the Non-tax revenue was 63.87 per cent (₹ 2007.19 crore) below the Budget estimate

¹⁹ Primary revenue deficit is defined as the gap between non-interest revenue expenditure of the State and its non-debt receipts and indicates the extent to which the non-debt receipts are able to meet the primary expenditure incurred under revenue account.

²⁰ Non-debt receipts is the aggregate of Revenue receipts and recovery of loans and advances.

²¹ Primary revenue expenditure is the difference between revenue expenditure and interest payment.

(₹ 3142.46 crore) and 40.48 per cent (₹ 772 crore) below the assessment made by ThFC (₹ 1907.27 crore).

Revenue Expenditure

Revenue expenditure (₹ 54466.15 crore) during the year increased by 17.13 per cent on General services by 5.16 per cent (₹ 915.39 crore), Social Services by 23.38 per cent (₹ 4378.59 crore) and Economic Services by 26.62 per cent (₹ 2672.14 crore). However, Revenue expenditure during the year was 10.65 per cent (₹ 6493.12 crore) below the budget estimate (₹ 60959.27 crore) for the year 2012-13.

Capital Expenditure

Capital expenditure increased by 8.28 per cent (₹ 732.51 crore) during the year.

Fund transferred to State Implementing Agencies

The Government of India (GoI) has been transferring a sizeable quantum of funds directly to the State implementing agencies for implementation of various schemes/programmes in social and economic sectors, which are recognised as critical. As in the present mechanism these funds are not routed through the State Budget/State Treasury System and hence do not find mention in the Finance Accounts of the State. During the year 2012-13 the Government of India directly transferred ₹ 8314.38 crore to the State implementing agencies which was less than the previous year by seven per cent. The major recipients were District Rural Development Agencies (DRDA) (₹ 3082.53 crore i.e. 37 per cent), Bihar Shiksha Pariyojana Parishad (₹ 2754.62 crore i.e. 33 per cent), Pradhan Mantri Gram Sadak Yojna (₹ 959.75 crore i.e. 12 per cent) and National Rural Health Mission (₹ 757.95 crore i.e. nine per cent).

Investments and returns

The State Government had invested ₹ 941.17 crore in Statutory Corporations, Rural Banks, Joint Stock Companies and Co-operative Institutions. Of ₹ 941.17 crore invested by the State Government in the share capital of different entities, ₹ 420.71 crore in 40 Government companies, ₹ 380.97 crore in 16 co-operative institutions, ₹ 105.63 crore in three statutory corporations, ₹ 30.18 crore in one Rural Bank, ₹ 3.68 crore in nine other joint stock companies and partnerships and local bodies was invested. Government invested ₹ 20.35 crore during the year. Out of this ₹ 17.70 crore was invested in Government companies.

Fiscal Imbalances

Fiscal liabilities of the State increased by ₹ 54976.75 crore in 2008-09 to ₹ 76503.07 crore in 2012-13. During the year, the revenue surplus increased by ₹ 280 crore whereas fiscal deficit increased from ₹ 5914 crore in 2011-12 to ₹ 6545 crore in 2012-13. The ratio of fiscal deficit to GSDP (0.022) was however well within three per cent as laid down in its FRBM Act and projections recommended by the ThFC for the year 2012-13.

Review on Market borrowings

GoB resorted to market borrowings during the year 2008-09 to 2010-11 despite having sufficient cash balances/holding of Treasury Bills in those years.

GoB was unable to evolve a system to keep a watch over utilisation/non-utilisation/retention of market borrowings.

GoB also did not contribute the minimum required amount (0.5 *per cent*) of total outstanding liabilities in the Consolidated Sinking Fund created for redemption of outstanding liabilities during the period 2008-13.

GoB did not create Guarantee Redemption Fund as recommended by the Twelfth Finance Commission. Guarantee limits were not laid down on the security of Consolidated Fund of the State as required in IGAS-1.

1.13 Recommendations

The Government should:

- Step up asset creation by enhancing the share of Capital expenditure to increase the growth prospects of the State;
- Take initiative to get the incomplete projects completed to avoid time and cost over runs;
- Create a data bank on guarantees given by the Government, guarantee fee/commission, guarantee invoked/discharged etc.;
- Create Guarantee Redemption Fund and also lay down guarantee ceiling limits;
- Evolve a system to keep a watch over utilisation/non-utilisation/ retention of the market borrowings and resorts to need based borrowings and maintain only the basic minimum cash surplus as buffer in consonance with recommendation of ThFC.

CHAPTER II

FINANCIAL MANAGEMENT AND BUDGETARY CONTROL

2.1 Introduction

2.1.1 This chapter is based on audit of Appropriation Accounts and it gives the grant-by-grant description of appropriations and the manner in which the allocated resources were managed by the service delivery departments. Besides, comments arising out of audit of budgetary process and budget assumptions are being included in this chapter.

Appropriation Accounts are the accounts of expenditure, voted and charged, of the Government for each financial year, compared with the amounts of the voted grants and appropriations charged for different purposes, as specified in the schedules appended to the Appropriation Acts. These Accounts list the original grants, supplementary grants, savings, surrenders and re-appropriations distinctly and indicate actual revenue and capital expenditure on various specified services *vis-à-vis* those authorized by the Bihar Appropriation Act, 2012 in respect of both charged and voted items of the budget. Appropriation Accounts, thus, facilitates the management of finances and monitoring of budgetary provisions and are complementary to the Finance Accounts.

2.1.2 Audit of appropriations by the Comptroller and Auditor General of India seeks to ascertain whether the expenditure actually incurred under the various grants is within the authorization given under the Bihar Appropriation Act, 2012 and that the expenditure required to be charged under the provisions of the Constitution is so charged. It also ascertains whether the expenditure so incurred is in conformity with the laws, relevant rules, regulations and instructions.

2.1.3 As per the Bihar Budget Manual, 1963 the Finance Department is responsible for preparation of the annual budget by obtaining estimates from various departments. The departmental estimates of receipts and expenditure are prepared by Controlling Officers on the advice of the Heads of departments and submitted to the Finance Department on prescribed dates. The Finance Department consolidates the estimates and prepares the Detailed Estimates called 'Demands for Grants'. In the preparation of the budget, the aim should be to achieve as close an approximation to the actual as possible. This onerous exercise requires lot of foresight, both in estimating revenue and anticipating expenditure. An avoidable extra provision in an estimate is as much a budgetary irregularity as an excess in the sanctioned expenditure. The budget procedure envisages that the sum provided in an estimate of expenditure on a particular item must be that sum which can be expended. A saving in spending constitutes as much of a financial irregularity as an excess of expenditure. The budget estimates of receipts should be based on the existing rates of taxes, duties, fees, etc.

Deficiencies in the management of budget and expenditure and violation of the Budget Manual noticed in audit are discussed in the subsequent paragraphs.

2.2 Summary of Appropriation Accounts

The summarized position of expenditure during 2012-13 against 51 grants/appropriations is given in **Table 2.1**.

Table 2.1: Expenditure vis-a-vis Original/Supplementary provisions

(₹ in crore)						
	Nature of expenditure	Original grant/appropriation	Supplementary grant/appropriation	Total	Expenditure	Savings (-) Excess (+)
Voted	I Revenue	55712.70	7660.09	63372.79	50690.64	(-)12682.15
	II Capital	13412.37	4979.05	18391.42	9630.98	(-)8760.44
	III Loans and Advances	1260.71	1881.34	3142.05	2085.95	(-)1056.10
Total Voted		70385.78	14520.48	84906.26	62407.57	(-)22498.69
Charged	IV Revenue	5615.34	8.84	5624.18	4991.62	(-)632.56
	V Capital	0.00	0.00	0.00	0.00	0.00
	VI Public Debt-Repayment	3054.48	28.60	3083.08	3069.96	(-)13.12
	Total Charged	8669.82	37.44	8707.26	8061.58	(-)645.68
Appropriation to Contingency Fund (if any)						
Grand Total		79055.60	14557.92	93613.52	70469.15	(-)23144.37

Note: The expenditure includes recoveries/refund of revenue expenditure amounting to ₹ 1216.12 crore and recoveries of capital expenditure amounting to ₹ 46.46 crore, adjusted as reduction of expenditure.

(Source: *Appropriation Accounts, Government of Bihar for the year 2012-13*)

Supplementary provisions of ₹ 14557.92 crore obtained during the year constituted 18.41 per cent of the original provisions. There was an overall savings of ₹ 23144.37 crore, which was a result of the total savings of ₹ 23144.61 crore, being offset by excess expenditure of ₹ 0.24 crore. The savings of ₹ 13314.71 crore was occurred in 46 grants and seven appropriations under the Revenue Section and ₹ 8773.56 crore in 31 grants (₹ 8760.44 crore) and one appropriation (₹ 13.12 crore) under the Capital Section and ₹ 1056.10 crore in eight grants under the Loan Section.

As against the original provisions of ₹ 79055.60 crore, expenditure of ₹ 70469.15 crore was incurred. The overall savings of ₹ 23144.37 crore, constituting 62.90 per cent of the Supplementary provisions of ₹ 14557.92 crore, clearly indicate inaccurate estimation of funds and lack of control mechanism over the Budget estimation. Cases of supplementary provisions that proved unnecessary are discussed in paragraph 2.3.4. The savings/excesses were intimated (June 2013) by the Accountant General (A&E), Bihar to the Controlling officers, requesting them to reconcile the excess/ savings but their explanations for excess/savings had not been received (September 2013).

2.3 Financial Accountability and Budget Management

2.3.1 Appropriation vis-à-vis Allocative Priorities

Rule 65 of the Bihar Budget Manual provides that the Controlling officer should examine the budget estimates received from the disbursing officers to see that they are formally correct, that all details and explanations have been given and that the explanations are adequate. If inadequate, the provision should be altered. Further, under Rule 78 of the Bihar Budget Manual, copies of estimates received should be examined by the administrative department and the Finance Department and any point calling for examination should be dealt with at once. The administrative departments should not wait for the Finance Department to discover points

requiring examination, but should proceed with the examination of the estimates immediately on their receipt.

The object of the examination by the administrative department is to detect excessive or inadequate provisions in the budget estimates and its revisions which they can do more easily than the Finance Department in view of their more intimate knowledge of the actual conditions. It is also necessary that there should be no delay in getting replies to the budget slips issued by the Finance Department. This can only be achieved, if the points referred to, by the Finance department have been previously considered by the administrative department concerned and enquiries had been made by them in advance. It is of utmost importance that a budget slip should ordinarily be answered within a week of its receipt and in no case should a slip remain unanswered for more than a fortnight.

The outcome of appropriation audit revealed that during 2012-13, savings in 31 cases exceeded ₹ 10 crore in each case and also by more than 20 per cent of the total provision (*Appendix 2.1*). There were 13 cases of savings, each exceeding ₹ 500 crore and above under 12 grants/appropriations, which aggregated to ₹ 13835.42 crore (24.03 per cent) during 2012-13. Large unspent provisions were in areas of Education Department (₹ 2783.86 crore), Pension (₹ 1666.56 crore), Energy Department (₹ 1596.16 crore), Planning and Development Department (₹ 1159.00 crore) and Road Construction Department (₹ 1045.20 crore) as indicated in **Table 2.2**.

Table-2.2: List of Grants with savings of ₹500 crore and above

(₹ in crore)							
Sl. No.	No. and Name of the Grant	Original	Supplement-ary	Total	Expendi-ture	Savings	Surrenders out of savings
Revenue-Voted							
1	1-Agriculture Department	1530.21	1357.85	2888.06	2070.77	817.28	769.38
2	15-Pension	10034.72	0.06	10034.78	8368.22	1666.56	0.14
3	16-Panchayati Raj Department	2906.41	370.34	3276.75	2591.06	685.69	559.36
4	20-Health Department	2553.09	6.13	2559.22	1989.44	569.78	479.49
5	21-Education Department	14814.12	1948.56	16762.68	13978.82	2783.86	1826.79
6	35-Planning and Development Department	817.04	2.34	819.38	151.13	668.25	664.47
7	51-Social Welfare Department	3353.31	465.56	3818.87	2926.83	892.04	815.19
	Total	36008.90	4150.84	40159.74	32076.27	8083.46	5114.82
Capital-Voted							
8	3-Building Construction Department	669.44	372.03	1041.47	319.40	722.07	688.81
9	10-Energy Department	2056.20	797.94	2854.14	1257.98	1596.16	1595.69
10	35-Planning and Development Department	1219.98	325.05	1545.03	386.03	1159.00	1142.20
11	41-Road Construction Department	3810.63	525.68	4336.31	3291.11	1045.20	1032.65
12	49-Water Resources Department	2150.47	298.32	2448.79	1776.06	672.73	672.53
	Total	9906.72	2319.02	12225.74	7030.58	5195.16	5131.88
Revenue- Charged							
13	13-Interest Payments	5186.00	3.65	5189.65	4632.85	556.80	1.74
	Total	5186.00	3.65	5189.65	4632.85	556.80	1.74
	Grand Total	51101.62	6473.51	57575.13	43739.70	13835.42	10248.44

(Source: *Appropriation Accounts, Government of Bihar for the year 2012-13*)

Some cases of savings exceeding ₹ 500 crore are discussed below:

i. Grant Number “21-Education Department” (Revenue-Voted)

Against the original provision of ₹ 14814.12 crore, the expenditure was only ₹ 13978.82 crore, resulting in savings of ₹ 835.30 crore. Thus, further provision of funds (₹ 1948.56 crore) through supplementary grants proved unnecessary as the whole amount remained unutilized during the year and out of supplementary

provision of ₹ 1948.56 crore, ₹ 1826.79 crore have been surrendered. Reasons for final savings have not been intimated (August 2013).

ii. Grant Number “15-Pension”(Revenue-Voted)

Savings (₹ 1666.56 crore) under the grant occurred mainly in 2071-Pensions and Other Retirement Benefits, 01-Civil, 101-Superannuation and Retirement Allowances, 0001-Payment to pre-15/11/2000 pensioners (₹ 3684.03 crore), 104-Gratuities, 0002-Payment to employees retired from successor State of Bihar (₹ 430.68 crore), 105-Family pensions, 0001-Family pension to pre 15/11/ 2000 pensioners (₹ 60.41 crore) and 117-Government contribution for defined contribution pension scheme, 0001-Contribution of State Government for defined contribution pension scheme (₹ 156.87 crore) etc. Reasons for final savings have not been intimated (August 2013).

iii. Grant Number “10-Energy Department” (Capital-Voted)

Against the original provision of ₹ 2056.20 crore, the expenditure was only ₹ 1257.98 crore, resulting in savings of ₹ 798.22 crore. Thus, further provision of funds (₹ 797.94 crore) through supplementary grants proved unnecessary as the whole amount remained unutilized during the year. Reasons for final savings have not been intimated (August 2013).

iv. Grant Number “35-Planning and Development Department”(Capital-Voted)

Savings of ₹ 1159 crore occurred against the total provision of ₹ 1545.03 crore (including supplementary grant of ₹ 325.05 crore). Augmentation of funds (₹ 195.05 crore) through supplementary grant and (₹ 122.95 crore) by re-appropriation under head “4070-Capital Outlay on Other Administrative Services, 051-Construction, 0107-Chief Minister Area Development Programmes” were proved unnecessary. Reasons for final savings have not been intimated (August 2013).

v. Grant Number “41- Road Construction Department” (Capital-Voted)

Supplementary provision of ₹ 525.68 crore proved unnecessary as the total expenditure of ₹ 3291.11 crore was less than the original provision (₹ 3810.63 crore). Savings (₹ 1045.20 crore) was mainly under the head 5054-Capital Outlay on Roads and Bridges, 02-Strategic and Border Roads, 337-Road works, 0101-India Nepal Border Road (₹ 23.27 crore), 03-State Highways, 789-Special Component Plan for Scheduled Castes, 0101-Major Roads (₹ 23.36 crore). Reasons for final savings have not been intimated (August 2013).

2.3.2 Persistent Savings

In 10 grants/appropriations, there were persistent savings of more than ₹ 20 crore in each case and ranged between 11 to 76 *per cent* of the total grants during the last five years as indicated in *Appendix 2.2*.

2.3.3 Excess over provisions relating to previous years requiring regularisation

As per Article 205 of the Constitution of India, it is mandatory for a State Government to get excesses over grants/appropriations regularized by the State Legislature. However, excess expenditure amounting to ₹ 1366.94 crore for the previous years (1977 to 2011) was yet to be regularized as shown in *Appendix 2.3*. Non-regularisation of the excess expenditure, for considerable period is breach of Constitutional provision.

2.3.4 Appropriateness of supplementary provisions

Rule 117 of the Bihar Budget Manual lays down the procedure for obtaining supplementary grants. As per this Rule, when the administrative department considers that a supplementary grant is necessary, whether to meet a new specific item of expenditure or to cover a probable excess in the voted grant due to unforeseen causes, it should first consult the Finance Department.

Supplementary provisions aggregating ₹ 11912.58 crore obtained in 48 cases (39 grants/appropriations), involving ₹ 10 lakh or more in each case during the year proved unnecessary as the expenditure did not come up to the level of the original provisions as detailed in *Appendix 2.4*.

From the above facts, it is clear that the Controlling Officers failed to exercise their responsibilities envisaged under Rule 11 of the Bihar Financial Rules. Demands for supplementary provisions without assessing the actual requirements indicated lack of control on the part of the controlling authorities.

2.3.5 Excessive/ unnecessary re-appropriation of funds

Rule 37 of the Bihar Budget Manual defines re-appropriation as the transfer of funds by a competent authority of a particular sum of money from one unit of appropriation to meet the specific expenditure under another.

Test check of Detailed Appropriation Accounts and Grants Audit Register revealed that under 21 grants/appropriations involving 67 sub-heads, additional funds of ₹ 355.37 crore provided through re-appropriation proved unnecessary as the final savings were ₹ 114.46 crore, as detailed in *Appendix 2.5*.

Further, in 16 cases ₹ 129.52 crore was injudiciously withdrawn through re-appropriations, when there was excess expenditure of ₹ 37.10 crore as detailed in *Table 2.3*.

Table 2.3: Injudicious withdrawals through re-appropriation of funds

(₹ in crore)

Sl. No.	Grant No.	Head of Accounts and Description	Total Provision	Re-appropriation	Total Surrender	Expenditure	Final Excess
1	2	3	4	5	6	7	8
1	12	7610-00-204-0001-Advances to officers for purchase of computers	2.00	(-)0.50	0.18	1.36	0.04
2	20	2210-01-001-0001-Superintendence	19.87	(-)3.65	5.75	10.46	0.01
3		2210-01-110-0004-Nalanda Medical College Hospital	52.72	(-)3.60	12.02	39.70	2.60
4		2210-01-110-0009-Bhagalpur Medical College Hospital, Bhagalpur	33.13	(-)3.57	5.30	27.03	2.77
5	21	2202-02-109-0107-Rashtriya Madhyamic Siksha Abhiyan	205.50	(-)49.76	36.19	134.19	14.64
6		2202-80-001-0001-Headquarter Establishment	4.61	(-)0.51	1.32	3.40	0.62
7		2202-80-001-0102-State Education Research and Training Institute	40.00	(-)3.29	31.75	4.98	0.02
8	22	2055-00-109-0001-District Executive Force	1774.64	(-)5.00	113.36	1656.38	0.10
9	23	2852-80-001-0002-Direction	15.48	(-)0.10	1.60	13.82	0.04
10	26	2230-01-103-0001-Education Health and Recreation	2.07	(-)0.04	0.26	1.78	0.01
11	35	2052-00-090-0010-Planning and Development Department	7.80	(-)0.11	3.04	4.87	0.22
12	36	4215-01-102-0120-Wells Accelerated Rural Water Supply Scheme	57.80	(-)14.00	6.68	37.25	0.13

Sl. No.	Grant No.	Head of Accounts and Description	Total Provision	Re-appropriation	Total Surrender	Expenditure	Final Excess
13	38	2030-03-001-0002-District Charges	40.25	(-)0.27	6.71	36.26	2.99
14	42	2216-03-796-0102-Indira Awas Yojna	175.89	(-)43.97	62.75	81.94	12.77
15	43	2203-00-103-0001-Certification Course	1.03	(-)0.14	0.17	0.73	0.01
16	49	2711-01-001-0003-Regional Establishment	118.85	(-)1.00	9.61	108.37	0.13
Total			2551.64	(-)129.51	296.69	2162.52	37.10

(Source: Grants Register & Detailed Appropriation Accounts, Government of Bihar for the year 2012-13)

Under the Head 7610-“Loans to Government Servants etc., 204-House Building Advances, 0001-Advances to officers for purchase of Computer of Grant No.12” ₹ 0.50 crore was withdrawn through re-appropriation whereas excess expenditure of ₹ 0.04 crore occurred.

Similarly, “under the head 2210-Medical and Public Health, 110-Hospital and Dispensaries, 0004-Nalanda Medical College Hospital of Grant No 20” ₹ 3.60 crore was withdrawn through re-appropriation whereas excess expenditure of ₹ 2.60 crore was incurred.

In view of the above it was observed that instead of providing additional funds to meet the requirement, withdrawal of funds reflected poor financial management.

Further, in 65 cases, the un-utilised provision was not properly assessed as, even after the withdrawal of ₹ 902.68 crore through re-appropriation proved insufficient since there remained savings of ₹ 4202.53 crore under the relevant detailed heads of these grants as shown in *Appendix 2.6*.

The above instances are indicative of the fact that the Controlling Officers failed to anticipate their actual requirements and did not have up-to-date information regarding expenditure and re-appropriation.

2.3.6 Substantial surrenders

As per Rule 112 of the Bihar Budget Manual, 1963, spending departments are required to surrender the grants/appropriations or portions thereof to the Finance Department as and when savings are anticipated, without waiting till the end of the year, unless they are required to meet excesses under some other unit or units which are definitely foreseen at that time. No savings should be held in reserve for possible future excesses.

Out of the total provision of ₹ 9633.07 crore in 119 cases, ₹ 7306.58 crore (75.84 per cent) were surrendered as indicated in *Appendix 2.7*. The surrender under each unit ranged between 50.92 and 99.99 per cent (₹ five crore and more than 50 per cent of the total provision in each case).

Further, there was hundred per cent surrender of funds (₹ 2851 crore) in 259 schemes under 35 grants/appropriations (*Appendix 2.8*) depriving the beneficiaries of the benefits and services which could have been derived from these schemes.

2.3.7 Surrender in excess of actual savings

In five cases, the amount injudiciously surrendered (₹ one crore or more in each case) were in excess of the actual savings, indicating lack of or inadequate budgetary control in these departments. As against savings of ₹ 710.54 crore, the amount surrendered was ₹ 736.35 crore, resulting in excess surrender of ₹ 25.81 crore as given in *Table 2.4*.

Table 2.4: Surrenders in excess of actual savings (₹ one crore or more)

(₹ in crore)					
Sl. No.	Number and name of the grant/ appropriation	Total grant/ appropriation	Saving	Amount surrendered	Amount surrendered in excess (5-4=6)
1	2	3	4	5	6
Revenue-Voted					
1	2-Animal and Fisheries Resource Department	962.46	426.49	428.88	2.39
2	38-Registration, Excise and Prohibition Department	116.25	27.81	32.64	4.83
3	43-Science and Technology Department	67.36	3.84	7.70	3.86
Total		1146.07	458.14	469.22	11.08
Capital- Voted					
4	20-Health Department	721.90	159.01	163.75	4.74
5	43-Science and Technology Department	173.97	93.39	103.38	9.99
Total		895.87	252.40	267.13	14.73
Grand Total		2041.94	710.54	736.35	25.81

(Source: Appropriation Accounts, Government of Bihar for the year 2012-13)

Injudicious surrenders of non-existent surplus funds indicated lack of monitoring by the Controlling Officers of the departments.

2.3.8 Anticipated savings not surrendered/ belated surrendered

As per Rule 112 of Bihar Budget Manual, 1963, the spending departments are required to surrender the grants/appropriations or portion thereof to the Finance Department as and when savings are anticipated. At the close of the year 2012-13, in 15 cases, savings of ₹ 6211.74 crore (62.38 per cent) out of ₹ 9956.90 crore were not surrendered as detailed in *Appendix 2.9*.

Besides, in 73 cases, where there was surrender of funds in excess of ₹ 10 crore and 10 per cent of the total provisions in each case, ₹ 10389.85 crore was surrendered on the last working day of the financial year 2013 (*Appendix 2.10*).

This shows that the Controlling Officers failed to discharge their basic responsibility of being accountable for budgetary control. These funds were neither utilized for the purposes for which they were allotted nor were these made available for utilization of other needy by re-appropriation.

2.3.9 Rush of Expenditure

As per Rule 113 of the Bihar Budget Manual, 1963, no money should be spent hastily or in an ill-considered manner merely because it is available or just to avoid the lapse of a grant. Rush of expenditure, particularly in closing month of the financial year is regarded as breach of financial regularity.

Expenditure exceeding 50 per cent of total expenditure, incurred during March 2013, under 21 Major heads were listed in *Appendix 2.11*. In these cases, ₹ 4421.04 crore (59.77 per cent of total expenditure under the 21 major heads amounting to ₹ 7396.10 crore was spent in March 2013. Thus, a substantial amount incurred by the department at the fag end of the year indicates deficient financial management, lack of effective control, over expenditure by the controlling officers and a tendency to utilize the budget only at the fag end of the financial year.

2.4 Misclassification of expenditure especially from the Grants-in-aid

As per Indian Government Accounting Standards (IGAS) 2- “Accounting and Classification of Grants-in-Aid”, Grants-in-Aid disbursed by a grantor to a grantee shall be classified and accounted as revenue expenditure in Financial Statements of the Grantor irrespective of the purpose, for which the funds were disbursed as Grants-in-Aid except in cases specially authorized by the President on the advice of the Comptroller and Auditor General of India, be debited to a Capital head of Accounts in the Financial statements of the Government.

During test check of the Accounts of the Government of Bihar for the financial year 2012-13, it was observed that Grants-in-Aid of ₹ four crore which was required to be classified as revenue expenditure as per IGAS-2 norms was treated as Capital Expenditure. Of this ₹ two crore pertained to BIT Meshra, Patna and ₹ two crore to Bihar Urban Development Authority.

2.5 Unreconciled Expenditure

Rules 475 (viii) of the Bihar Financial Rules states that heads of departments and the Accountant General (A&E), Bihar will be jointly responsible for the reconciliation of the figures given in their respective accounts maintained by the heads of the departments with those that appear in the books of Accountant General (A&E), unless in any case there are special rules or orders to the contrary. Further, as per rule 134 of the Bihar Budget Manual, the head of departments should insist on their staff to follow the procedure laid down for reconciliation of departmental accounts with the Accountant General’s books.

Although non-reconciliation of departmental figures with those of the Accountant General (A&E) had been pointed out regularly in Audit Reports, under 78 Major heads, heads of departments did not reconcile expenditure amounting to ₹ 53332.91 crore (exceeding ₹ 10 crore in each case) during 2012-13 as shown in **Appendix 2.12**. Out of which ₹ 38276.08 crore (71.76 per cent) relates to eight Major heads as shown in **Table 2.5**.

Table 2.5: Non reconciliation of expenditure during 2012-13

(₹ in crore)			
Sl. No.	Major Heads	Booked Expenditure	Amount not reconciled
1	2049-Interest Payments	4428.31	4428.31
2	2055-Police	3187.86	2023.62
3	2071-Pension and Other Retirement Benefits	8363.53	8102.14
4	2202-General Education	13956.71	13529.57
5	2235-Social Security and Welfare	2004.59	1884.48
6	2515-Other Rural Development Programme	3034.23	2985.61
7	2801-Power	3193.38	2031.25
8	5054-Capital Outlay on Roads and Bridges	3291.10	3291.10
Total		41459.71	38276.08

(Source: Information furnished by office of the Accountant General (A&E))

In view of the above, it is apparent that had the Government taken the issue of non-reconciliation of expenditure with eight departments, 71.76 per cent of expenditure could have been reconciled.

2.6 Advances from Contingency Fund

The Contingency Fund of the State was established under the Bihar Contingency Fund Act, 1950 (amended in 2012), in terms of the provisions of Articles 267 (2) and 283 (2) of the Constitution of India. Advances from the fund are to be made only for meeting expenditure of an unforeseen and emergent character, postponement of which, till its authorization by the Legislature, would be undesirable. The fund is in the nature of an imprest. The balance at the beginning of the year on 1 April 2012 was ₹ 350 crore. The Cabinet raised (August 2012) the corpus of the Contingency Fund by ₹ 2250 crore on temporary basis for the current financial year for relief and rehabilitation measures. However, the closing balance was ₹ 350 crore at the end of the financial year.

During 2012-13, 134 withdrawals amounting to ₹ 2536.92 crore was made from contingency fund, of which 57 withdrawals amounting to ₹ 2470.56 crore (97.38 per cent of the total withdrawals from Contingency Fund) (*Appendix 2.13*) were for routine expenditure such as loans for food storage & warehousing, loans for power project, payment to purchase of diesel for watering kharif crop, purchase of motor vehicles, office expenditure, pay and allowances etc. Since these items were foreseeable expenditure, the drawal of advances from the Contingency Fund of the State was irregular and incorrect.

2.7 System and controls in place in the Finance Department

The Finance department acts as a nodal department of the State Government. Among the various functions, some of the important ones are summarized as: preparation of the annual financial statement including supplementary statement of the expenditure on the basis of material supplied by the various administrative departments, re-appropriation, surrender of savings, management of the Calamity Relief Fund and State Contingency Fund. The major irregularities noticed during the course of test audit are summarized below:

2.7.1 Over estimation of Provision

The Bihar Budget Manual (Rule 57) requires that the tendency to over estimate should be overcome. Ordinarily provision for a scheme which has not been elaborated and sanctioned should not be made. Over estimating is a fault. The officer responsible for preparing estimate should be sure that there is no provision for a greater sum than that which can be spent.

Scrutiny of the report of the surrenders of savings during 2012-13 revealed that budget provision was provided in respect of 25 heads under six departments¹ amounting to ₹ 179.58 crore without sanction of plan. Further, in respect of two heads under General Administration department an amount of ₹ one crore was allotted for the post lying vacant during 2012-13 as detailed in *Appendix 2.14*. This showed that the system and controls placed in Finance Department were not effective in monitoring the actual requirement of fund. In reply, the Joint Secretary-cum-Budget Officer stated (October 2013) that fund was provided on the basis of requirement of plan outlay of Planning and Development Department.

The reply is not acceptable as the fund was to be provided on the basis of actual requirement of fund to be expended during the year.

¹ Animal and Fisheries Resources, Home, Planning and Development, PHE, Disaster Management and Social Welfare.

2.7.2 Unrealistic forecasting of resources

Rule 54 of the BBM stipulates that in the case of fluctuating revenue, the estimate should be based upon a comparison of the last three years receipts. In both instances the probable effect of any factors known to be likely to be operative should be allowed for. They should be neither inflated nor under-pitched, but should be accurate as far as possible. In this connection trend of revenue projection for last five years 2008-09 to 2012-13 are appended below:

Table 2.6: Variation between Estimate and Actuals in Revenue Resources for the period 2008-09 to 2012-13

(₹ in crore)						
Sl. No.	Year	Head	Estimate	Actuals	Differences (Column 5-4)	Percentage of variations
1	2	3	4	5	6	7
1	2008-09	Tax Revenue	5259	6173	914	17.38
		Non-Tax Revenue	422	1153	731	173.22
2	2009-10	Tax Revenue	7336	8090	754	10.28
		Non-Tax Revenue	541	1670	1129	20.69
3	2010-11	Tax Revenue	10644	9870	(-)774	7.27
		Non-Tax Revenue	1207	986	(-)221	18.31
4	2011-12	Tax Revenue	12583	12612	29	0.23
		Non-Tax Revenue	2986	890	(-)2096	70.19
5	2012-13	Tax Revenue	15695	16253	558	3.56
		Non-Tax Revenue	3142	1135	(-)2007	63.88

(Source: State Budget of the respective year)

It was noticed that estimate for the period 2012-13 for non-tax revenue projection was ₹ 3142 crore while actual realisation was ₹ 1135 crore resulting in downward variation of ₹ 2007 crore i.e. nearly 64 per cent below the original forecast. Similarly, tax revenue for the year 2012-13 was projected at ₹ 15695 crore while actual realisation was ₹ 16253 crore resulting in upward variation of ₹ 558 crore above the projection.

It could be seen from the above table that revenue projection of tax and non-tax revenue were made in such a way that the actual achievements were understated/over stated during the last five years. This shows that the projections were made in an unrealistic manner. Had the same assessment been done in a realistic manner, there would have been greater impact on plan size/ceiling. In other words, plan size could have been larger and resources thereof could have been better utilized towards developmental work as the needs of the State.

The Joint Secretary-cum-Budget Officer stated (October 2013) that the estimate of resources was based on the information of the departments. In case of non-availability of information from the departments, estimate was made by increase in actual receipt of the previous year.

The reply is not acceptable as the parameter set in the BBM for estimation of resources was not followed.

2.7.3 Deficient control within the department

The Bihar Contingency Fund (Amendment) Act, 2012 provides that if it requires to increase the permanent corpus of Contingency Fund beyond ₹ 350 crore, the same may be enhanced temporarily by the Cabinet up to the maximum of three per cent of the expenditure budget of that year up, for the period ending on 30 March of that financial year.

In pursuance of this Act, the Cabinet sanctioned the temporary corpus of Bihar Contingency Fund amounting to ₹ 2250 crore up to 30 March 2013 which was within the prescribed limit of three *per cent* (₹ 2360.60 crore) of expenditure budget (₹ 78686.82 crore).

But, in contravention of the Cabinet decision, the Finance department enhanced the corpus of contingency fund by ₹ 2250 crore in addition to ₹ 350 crore, aggregating to ₹ 2600 crore, which was in violation of the limit fixed by the Government.

While accepting the audit observations, the Secretary (Expenditure) assured (September 2013) that the temporary corpus would be raised in accordance with the Act.

Review of Selected Grants

A review of the budgetary procedures and control over expenditure was conducted (August 2013) in respect of “Grant No.-12 Finance Department” and “Grant No.-43 Science and Technology Department” on the basis of savings, excesses and magnitude of the grants and supplementary demands made during the year 2012-13. The results of review are detailed below:

2.8 Review of “Grant No.-12 Finance Department”

The Finance department acts as a nodal department of the State Government. Among the various functions, some of the important ones are summarized as: preparation of the annual financial statement including supplementary statement of the expenditure on the basis of material supplied by the various administrative departments, re-appropriation, surrender of savings, management of the Calamity Relief Fund and State Contingency Fund.

A review of the budgetary procedures and control over expenditure was conducted (August 2013) in respect of ‘Grant No.-12 Finance Department’ on the basis of savings, excesses and magnitude of the grants and supplementary demands made during the year 2012-13.

Table 2.7: Position of Summarised appropriation

(₹ in crore)						
Budget estimate	Original provision	Supplementary provision	Total Provision	Expenditure	Savings	Savings in percentage
Revenue voted	375.38	25.18	400.56	220.30	180.26	45
Revenue charged	298.00	0.00	298.00	254.95	43.05	14
Total	673.38	25.18	698.56	475.25	223.31	32

(Source: Detailed Appropriation Accounts for 2012-13)

The results of review are discussed below:

2.8.1 Substantial Savings

Against the total provision of ₹ 400.56 crore under Revenue voted head, an expenditure of ₹ 220.30 crore was incurred (55 *per cent*) and against the total provision of ₹ 298 crore under Revenue charged head ₹ 254.95 crore was spent (86 *per cent*). The overall expenditure of ₹ 475.25 crore was only 68 *per cent* of the total provision of ₹ 698.56 crore during 2012-13, resulting in substantial savings of ₹ 223.31 crore (32 *per cent*) as detailed in the **Table 2.7**.

The Joint Secretary-cum-Budget Officer stated (October 2013) that the fund was not expended due to various reasons.

The reply is not acceptable as this was indicative of unrealistic budget estimate.

2.8.2 Unnecessary supplementary provision

Rule 117 of the Bihar Budget Manual lays down the procedure for obtaining supplementary grants. As per this Rule, when the administrative department considers that a supplementary grant is necessary, whether to meet a new specific item of expenditure or to cover a probable excess in the voted grant due to unforeseen causes, it should first consult the Finance Department.

Scrutiny of records revealed that provision of an amount of ₹ 16.32 crore was made under the Major heads 2052, 2054, 2204 and 2070 through first, second and third supplementary provision, whereas, only ₹ 89.73 crore was expended against total original provision of ₹ 145.09 crore, as shown in **Table 2.8**.

Table 2.8 : Unnecessary supplementary provision

(₹ in crore)							
Head of account	Original provision	First Supplementary	Second Supplementary	Third Supplementary	Total supplementary provision (3+4+5)	Total provision (2+6)	Expenditure
1	2	3	4	5	6	7	8
2052	58.49	0.12	0.38	0.14	0.64	59.13	45.10
2054	83.40	15.17	--	--	15.17	98.57	43.60
2204	0.10	0.15	--	--	0.15	0.25	0.10
2070	3.10	--	0.36	--	0.36	3.46	0.93
Total	145.09	15.44	0.74	0.14	16.32	161.41	89.73

(Source; Detailed Appropriation Accounts for 2012-13, S P Acts & Departmental figures)

Supplementary provisions aggregating ₹ 16.32 crore obtained in four heads during the year proved unnecessary as the expenditure did not come up to the level of the original provisions. Scrutiny of records revealed that the fund was augmented through supplementary provisions on the basis of expectation of expenditure.

The Joint Secretary-cum-Budget Officer stated (October 2013) that the fund was not expended due to various reasons or procedural delays.

The reply is not acceptable as there was no need of supplementary provision to meet the expenditure. The provisioning of excess supplementary grants led to blocking of resources for the other needy departments.

2.8.3 Unnecessary re-appropriation

Rule 37 of the Bihar Budget Manual defines re-appropriation as the transfer of funds by a competent authority of a particular sum of money from one unit of appropriation to meet the specific expenditure under another.

Test check revealed that under head “7610-00-202-0001”, additional funds of ₹ 1.50 crore provided through re-appropriation proved unnecessary as the final savings were ₹1.35 crore, as detailed in the **Table 2.9**.

Table 2.9: Unnecessary re-appropriation of funds

(₹ in crore)

Head of account	Total Provision	Re-appropriation (+)	Date of re-appropriation	Total available fund	Total expenditure	Surrender	Final Saving(-)/excess (+)
7610-Lonas to Government Servants etc.-00-202-Advance for purchase of motor conveyance-0001-Advance to Government servants for purchase of motor conveyance	4.00	0.5	11 December 12	5.5	3.67	0.48	(-)1.35
		0.3	11 December 12				
		0.5	14 February 13				
		0.2	14 February 13				

(Source; Detailed Appropriation Accounts for 2012-13 & Departmental figures)

Thus, the first, second, third and fourth re-appropriation made on 11 December 2012 and 14 February 2013 was proved unnecessary. Scrutiny of records revealed that the fund was augmented through re-appropriation for purchase of motor conveyance.

The Joint Secretary-cum-Budget Officer stated (October 2013) that fund was surrendered due to non-availability of proposal on time.

2.8.4 Surrender of fund on the last day of the financial year

As per Rule 112 of the Bihar Budget Manual, spending departments are required to surrender the grants/appropriations or portions thereof to the Finance Department as and when savings are anticipated, without waiting till the end of the year, unless they are required to meet excesses under some other unit or units which are definitely foreseen at that time. No savings should be held in reserve for possible future excesses.

Out of total surrender of ₹ 212.58 crore as given in *Appendix 2.15*, a sum of ₹ 207.06 crore (98 per cent) was surrendered (17 cases) on the last day of the financial year 2012-13.

In reply, the Joint Secretary-cum-Budget Officer assured (October 2013) that action would be taken to surrender the fund by 15 March in future.

As per procedure, the proper estimation of surrender amount by the controlling officer was to be done between February 28 and March 15, during which surrenders were to be made as per Rule 135 of the Bihar Budget Manual. The belated surrender was indicative of inadequate budgetary and financial control in the department.

2.8.5 Non-reconciliation of departmental expenditure figures

Rules 475 (viii) of the Bihar Financial Rules states that head of departments will be responsible for the reconciliation of the figures given in their respective accounts with those that appear in the books of Accountant General (A&E), unless in any case there are special rules or orders to the contrary. Further, under the provisions of rule 134 of the Bihar Budget Manual, departments have to ensure that the figures of Provision, Supplementary Provisions, Re-appropriation, Expenditure, Surrender and savings are reconciled with the "Detailed Appropriation Accounts" prepared by the office of the Accountant General (A&E), Bihar immediately after close of the financial year. To facilitate this process in a time schedule, the last date of reconciliation of figures relating to 2012-13 was fixed at 14 June 2013 by the Accountant General (A&E), Bihar. However, proper reconciliation was not carried out by the department, resulting in

the differences in figures of expenditure under nine major heads amounting to ₹ 23.74 crore (*Appendix 2.16*).

The Joint Secretary-cum-Budget Officer stated (October 2013) that accounts wing has been directed to take action regarding reconciliation of monthly accounts.

2.9 Review of “Grant No.-43 Science and Technology Department”

The Science and Technology Department, Government of Bihar was to provide quality technical education and promote scientific awareness among the masses. There were three Major Heads 2203, 3451 and 4202 operate under this Grant.

The results of review are discussed below:

2.9.1 Substantial Savings

Against the total provision of ₹ 241.33 crore (Original: ₹ 112.28 crore; Supplementary; ₹ 129.05 crore), an expenditure of ₹ 144.10 crore was incurred resulting in savings of ₹ 97.23 crore (40.29 per cent) during 2012-13 as detailed in **Table 2.10** below:

Table 2.10: Details of Budget provision, expenditure, saving etc.

(₹ in crore)						
Budget Estimate	Original	Suppl- ementary	Total Provision	Expenditure	Savings	Savings as percentage of Total provision
Revenue voted	63.31	4.05	67.36	63.52	3.84	5.70
Capital voted	48.97	125.00	173.97	80.58	93.39	53.68
Total	112.28	129.05	241.33	144.10	97.23	40.29

(Source: Detailed Appropriation Accounts, Government of Bihar for the year 2012-13)

Scrutiny of original and supplementary provision and expenditure incurred revealed that against the total provision of ₹ 67.36 crore under Revenue voted head, expenditure of ₹ 63.52 crore was incurred resulting in saving of ₹ 3.84 crore (5.70 per cent) and against the total provision of ₹ 173.97 crore under Capital voted head ₹ 80.58 crore was spent resulting into saving of ₹ 93.39 crore (53.68 per cent).

The Director stated (October 2013) that the institution/headquarter had not utilized fund due to non availability of land.

2.9.2 Non-utilisation of fund leading to hundred per cent surrender

Scrutiny of records relating to original grant, supplementary and surrender during 2012-13 revealed that entire provision of ₹ 24.95 crore of one Sub head under one Major head remained unutilized and was completely surrendered as detailed in **Table 2.11**.

Table 2.11: Details of hundred per cent unutilised amounts

(₹ in crore)					
Sl. No.	Head of accounts	Original	Supple- mentary	Total provision	Surrender
1	4202-Capital Outlay on Education, Sports, Art and Culture-02-Technical Education - 789-Special Component Plan for Scheduled Castes-0101-Polytechnic/Engineering/ Technical College	24.95	0	24.95	24.95
Total		24.95	0	24.95	24.95

(Source: Detailed Appropriation Accounts, Government of Bihar for the year 2012-13)

Further scrutiny revealed that fund was not utilised due to non availability of plan for special components for Scheduled castes.

The Director stated (October 2013) that fund was not utilised due to non availability of plan for Scheduled castes students of the institutions. The reply is not acceptable as the department failed to achieve the intended objectives and beneficiaries have been deprived of the benefits.

2.9.3 Belated surrender resulting in non-utilisation of funds

As per Rule 112 of the Bihar Budget Manual, spending departments are required to surrender the grants/appropriations or portions thereof to the Finance Department as and when savings are anticipated, without waiting till the end of the year, unless they are required to meet expenses under some other unit or units which are definitely foreseen at that time. No savings should be held in reserve for possible future excesses.

Scrutiny of surrender records for the period 2012-13 revealed that out of overall surrender of ₹111.07 crore (46.02 per cent of total provision of ₹ 241.33 crore) surrender of ₹ 87.13 crore (78.45 per cent) relating to 15 cases was made on the last day of the financial year 2012-13 (31 March 2013) as detailed in **Appendix 2.17**.

The Director assured (October 2013) that action would be taken to surrender the anticipated saving on time. The reply is not acceptable as the available fund could not be utilized by the other needy department.

2.9.4 Unnecessary re-appropriation of funds

Rule 37 of the Bihar Budget Manual defines re-appropriation as the transfer of funds by a competent authority of a particular sum of money from one unit of appropriation to meet the specific expenditure under another.

Scrutiny of records relating to three Major Head of accounts involving four sub-heads, additional funds of ₹ 1.12 crore provided through re-appropriation proved unnecessary as the original provision of ₹ 29.89 crore was enough to meet the expenditure of ₹ 27.08 crore as detailed in **Table 2.12**.

Table 2.12: Unnecessary re-appropriation of funds

(₹ in crore)					
Head of accounts	Total provision	Re-appropriation (+)	Date of re-appropriation	Total available fund	Total Expenditure
2203-Technical Education-00-001-Direction and Administration-0001-Directorate of Technical Education	2.79	0.04	12 December 12	2.83	2.42
2203-Technical Education-00-112-Engineering/ Technical Colleges and Institutes-0001-Degree and Post-graduate Course	19.64	0.53	05 March 13	20.18	18.63
		0.01	12 December 12		
3451-Secretariat-Economic Services-00-090-Secretariat-0003-Science and Technology Department	0.95	0.03	05 March 13	0.99	0.73
		0.01	12 December 12		
4202-Capital Outlay on Education, Sports, Art and Culture-02-Technical Education-104-Polytechnics-0102-Polytechnic/ Engineering/Technical Universities	6.51	0.50	21 September 12	7.01	5.30
Total	29.89	1.12		31.01	27.08

(Source: Science and Technology Department, Government of Bihar for the year 2012-13)

The Director assured (October 2013) that re-appropriated fund would be fully used in future.

2.10 Conclusion

During 2012-13, an expenditure of ₹ 70469.15 crore was incurred against total 51 grants and appropriation of ₹ 93613.52 crore, resulting in net savings of ₹ 23144.37 crore. Inaccurate estimation of budget requirements resulted in persistent savings of 11 *per cent* to 76 *per cent* in 11 cases (10 grants/ appropriations) during 2008-13. In 119 cases under 30 grants funds amounting to ₹ 7306.58 crore were surrendered. Again there were cases of non-utilisation of the provisions and hundred *per cent* surrender in 259 schemes under 35 grants/appropriations during the year.

Savings of ₹ 10389.85 crore were surrendered on the last day of the financial year. Out of the total expenditure of ₹ 70469.15 crore, ₹ 53332.90 crore (exceeding ₹ 10 crore in each case) (75.68 *per cent*) was not reconciled.

2.11 Recommendations

The Government should:

- Strengthen budgetary control mechanism in all the departments. Realistic budget estimates should be prepared in order to avoid large savings/excesses and re-appropriation/surrender of funds at the end of the financial year;
- Regularise excess expenditure over provision pertaining to 1977 to 2011 on priority.

CHAPTER III

FINANCIAL REPORTING

A sound internal financial reporting system with relevant and reliable information significantly contributes to efficient and effective governance by the State. Compliance with financial rules, procedures and directives as well as the timeliness and quality of reporting on the status of such compliances 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 planning and decision making. This Chapter provides an overview and status of the State Government's compliance with various financial rules, procedures and directives during the current year as well as the previous years.

3.1 Outstanding Detailed Contingent bills

Rule 177 of Bihar Treasury Code (BTC) 2011 provides that a certificate shall be furnished by the DDO to the effect that money withdrawn on the contingent bill shall be spent within the same financial year and that the unspent amount shall be remitted to the Treasury before 31 March of the year. Further, as per Rule 194 of the BTC 2011, countersigned DC bill shall be submitted within six month following that in which the abstract bill was drawn and no abstract bill shall be cashed after the end of this period of six months unless detailed bill has submitted.

Table-3.1: Position of outstanding DC bills

(₹ in crore)

Year	AC bills drawn		DC bills received		Outstanding DC bills	
	Number	Amount	Number	Amount	Number	Amount
Upto 2010-11	83528	25279.19	78180	22520.61	5348	2758.58
2011-12	8626	4974.42	4088	4080.01	4538	894.41
2012-13	1863	1692.49	463	738.86	1400	953.63
Total	94017	31946.10	82731	27339.48	11286	4606.62

(Source: Finance Accounts for the year 2012-13)

As indicated in **Table 3.1** out of ₹ 31946.10 crore drawn on 94017 AC bills, only 82731 DC bills for ₹ 27339.48 crore were submitted to the Accountant General (A&E), Bihar. The status of clearance of outstanding DC bills was better as compared to previous year. DC bills in respect of 11286 AC bills for ₹ 4606.62 crore were yet to be submitted.

Scrutiny revealed that out of ₹ 1692.49 crore drawn during 2012-13 on AC bills, a sum of ₹ 372.58 crore (22 per cent) was drawn in March 2013. Of this, ₹ 38.40 crore was drawn during the last day of the financial year. Huge draws during the last month of financial year indicate inadequate financial management and is also fraught with the risk of misappropriation.

3.2 Delay in furnishing utilisation certificates

The term Grants-in-aid includes grants to local bodies, religious, charitable or educational institutions, stipend, scholarship, contributions to public exhibitions etc. Rule 341(2) of Bihar Financial Rules states that only so much of the grant should be paid during the financial year as is likely to be expended during that year, the authority signing or countersigning a bill for Grants-in-aid under Rule 431 of Bihar Treasury Code 1937 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, Finance Department's executive order no. 573 dated 16 January 1975, prescribed time of one year from the date of sanction for giving utilisation certificate. This time limit was however, revised to 18 months vide executive order no. 9736 dated 19 October 2011.

Table-3.2: Age-wise arrears of utilisation certificates

(₹ in crore)

Sl. No.	Range in No. of Year	Utilisation Certificates in arrears	
		Number	Amount
1	0-1(*)	518	17453.74
2	1-2(*)	144	6392.21
3	2 and above	860	10840.62
	Total	1522	34686.57

(Source: Finance Accounts for the year 2012-13)

(*) Except where the sanction order specifies otherwise, UCs in respect of grants drawn during 2011-12 (Sanctions after September 2011) and 2012-13 become due only in 2013-14.

However, 1522 UCs aggregating to ₹ 34686.57 crore in respect of grants-in-aid paid upto 2012-13 were in arrears. The age wise arrears of UCs are summarised in **Table 3.2**.

Non submission of UCs was fraught with the risk of the funds released for various schemes/programmes having misused or diverted for unauthorised purposes.

As huge amounts are lying unutilised, oversight of release/utilisation and accountability should be the priority in order to ensure that the funds are not diverted/misused.

3.3 Delays in submission of Accounts/Audit Reports of certain authorities or bodies for certification

Section 20 (i) of the Comptroller and Auditor General's (Duties, Power and Conditions of Service) Act, 1971, provides for the audit of accounts of any body or authority, if entrusted to the Comptroller and Auditor General by any law or if requested to do so by the Governor of a State having a Legislative Assembly. Such audit could be undertaken 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 the bodies and authorities.

The audit of accounts of the Bihar State Legal Services Authority was entrusted to the Comptroller and Auditor General permanently. Further, the audit of accounts of the Bihar State Khadi and Village Industries Board (BSKVIB), the Bihar State Housing Board (BSHB) and the Rajendra Agriculture University (RAU), Pusa, Samastipur were entrusted to the Comptroller and Auditor General for the period 2009-10, 2004-05 onwards and 2011-12, respectively. The position of submission of accounts by these bodies, issuance of Separate Audit Reports (SARs) by the Comptroller and Auditor General and their placement in the State Legislature are indicated in *Appendix 3.1*.

3.4 Outstanding balances under major suspense heads

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 major suspense heads (under Major Head 8658) to the end of last three years is indicated in **Table 3.3**.

Table 3.3: The position of Suspense balances under Major Suspense Heads for the last three years

Name of Minor Head	2010-11		2011-12		2012-13	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
101- Pay and Accounts Office Suspense	218.71	Nil	208.11	Nil	214.35	Nil
Net	(Dr.)	218.71	(Dr.)	208.11	(Dr.)	214.35
102- Suspense Accounts (Civil)	876.50	236.22	1433.50	247.08	1707.43	253.37
Net	(Dr.)	640.28	(Dr.)	1186.42	(Dr.)	1454.06
110- R.B. Suspense Central Accounts Office	1231.11	970.02	1223.35	894.70	1237.71	894.60
Net	(Dr.)	261.09	(Dr.)	328.65	(Dr.)	343.11

(Source: Finance Accounts for the year 2012-13)

There is net increase of ₹ 6.24 crore debit under 101-Pay and Accounts office suspense, ₹ 267.64 crore (debit) under 102-Suspense Account (Civil) and ₹ 14.46 crore (debit) under 110-R.B. Suspense-Central Accounts office as compared to 2011-12.

If these amounts remain un-cleared, the balances under the Suspense Heads would accumulate and would not reflect true and fair picture of Government's expenditure. Thus, clearance of outstanding balances under Suspense Heads would require to be vigorously pursued.

3.5 Non-adjustment of Temporary Advances and Imprest

As per Rule 176 of Bihar Treasury Code 2011, no money should be withdrawn from the treasury unless it is required for immediate payment. Further, as per Rules 177, it is not permissible to draw advances in anticipation of expenditure from the Treasury either for the execution of works, completion of which is likely to take a considerable time or to prevent the lapse of appropriation. If under special circumstances, money is drawn in advance, the unspent balance of the amount so drawn should be refunded to the treasury by short drawal in the next bill or with a challan at the earliest possible opportunity and in any case before the end of the financial year in which the amount is drawn.

It was noticed that ₹ 159.91 crore of temporary advances and imprest was drawn upto 31 March 2013 by the DDOs of eight concerned departments. Department wise analysis of advances and imprest pending upto 31 March 2013 is given in **Table 3.4.**

Table-3.4: Department wise analysis of pending Advances and Imprest
(₹ in crore)

Name of the Department	Total amount of unadjusted advance and imprest
Building Construction	14.12
Irrigation	32.70
National Highways	1.04
Public Health Engineering	9.78
Road Construction	68.62
Rural Works	22.62
Planning and Development	5.90
Tube well and Minor Irrigation	5.13
Total	159.91

(Source: Finance Accounts for the year 2012-13)

The pending cases of advances and imprest indicated laxity on the part of departmental officers in enforcing the codal provisions regarding adjustment of the advances involving substantial amount.

3.6 Non-reconciliation of Receipts and Expenditure

Rule 475(viii) of the Bihar Financial Rules provides that the head of departments and the Accountant General (A&E), Bihar will be jointly responsible for the reconciliation of the figures given in the accounts maintained by the head of the department with those of the figure appearing in the books of Accountant General

(A&E). The main object of reconciliation is to ensure that the departmental accounts are sufficiently accurate to render possible an efficient departmental control of expenditure.

Scrutiny, however, revealed that in spite of the case of non-reconciliations of departmental accounts being pointed out in the earlier Reports and pursuance by the Accountant General (A&E), such lapses on the part of controlling officer continued to persist during 2012-13. Against the total expenditure of ₹ 64050.67 crore (except loans and advances) reconciliation was completed for only ₹ 10763.07 crore (16.80 *per cent*) of the total expenditure during 2012-13. Out of the total receipts of ₹ 59566.66 crore, only ₹ 42719.20 crore (71.72 *per cent*) was reconciled by the controlling officer during 2012-13.

3.7 Operations of omnibus Minor Head-800

Booking of receipts or expenditure under the Minor Head ‘800 – Other Receipts’ and ‘800 – Other Expenditure’ is considered opaque classification of receipts and expenditure as these heads do not disclose the schemes, programmes etc, to which the amount relate. The head accommodates expenditure which cannot be classified under the available programme minor heads.

During 2012-13, expenditure aggregating ₹ 612.29 crore under 20 Revenue and Capital Major Heads of accounts (representing functions of the Government) on expenditure side was classified under the Minor Head ‘800–Other Expenditure’ constituting about 1.83 *per cent* of the total expenditure under the respective Major Heads. Three Major Heads¹ having expenditure of ₹ 107.69 crore classified as ‘Other Expenditure’ are detailed in **Appendix 3.2**. There is improvement from previous year but yet there is a definite scope for improvement.

Similarly, revenue receipts aggregating to ₹ 578.77 crore under 43 Revenue Major Heads of accounts on receipts side (excluding Grants–in-aid) was classified under the Minor Head ‘800- Other Receipts’ in the accounts constituting 8.77 *per cent* of the total receipt under the respective Major Heads. 17 Major Heads having substantial receipt of ₹ 421.08 crore classified as ‘Other Receipts’ as detailed in **Appendix 3.3**.

Classification of large amounts under the omnibus Minor Head ‘800-Other Expenditure/Receipts’ affected transparency in financial reporting.

3.8 Reporting of cases of Defalcations

Rules 31 and 32 of the Bihar Financial Rules provide that any loss or suspicion thereof, of public money held by or on behalf of the Government caused by defalcation or otherwise should be immediately reported by the officer concerned to his immediate superior official and the Finance Department as well as to the Accountant General even when such loss has been made good by the party responsible. Subsequent to investigation, a complete report should be submitted regarding the nature, extent and reasons leading to such loss and the prospects of affecting its recovery. The officers receiving these reports must forward it forthwith to the Government along with a detailed report, after completing such departmental investigations as may be necessary or expedient, on the causes or circumstances which led to the misappropriation, loss or defalcation and mentioning the disciplinary action proposed against the responsible person. No such report was made available to the Accountant General by the heads of the offices. However, during audit in 2012-13, three cases of defalcation involving ₹ 0.29 crore were reported as pending by the departments. The age-wise/ category-wise break- up of the pending cases is detailed in **Appendix 3.4**.

¹ 2075-Miscellaneous General Services, 3452-Tourism and 5452-Capital outlay on tourism.

3.9 Conclusion

Although the progress in submission of D C bills against A C bills during the year was better, however, it needs further improvement. Delays in submission of utilisation certificates should be avoided. Placement of Separate Audit Reports in the legislature is also a matter of concern for the State Government. Large amount of receipts and expenditure were classified under the omnibus minor head '800-Other Receipts/Expenditure' during 2012-13.

3.10 Recommendations

The Government should:

- Put in place a rigorous monitoring mechanism in the departments to adjust the advances drawn on Abstract Contingent bills within the stipulated period, as required under the extant rules;
- Ensure timely submission of utilisation certificates in respect of grants released for specific purpose to the grantee institutions;
- Ensure timely placement of Separate Audit Reports in the legislature;
- Ensure timely reconciliation of departmental figures of receipt and expenditure;
- Ensure corrections in financial reporting by classifying the amounts received or expended under various schemes in the accounts distinctly instead of clubbing the same under the minor head '800-Other Expenditure' and '800-Other Receipts'.

Patna
The



(PRAVEEN KUMAR SINGH)
Accountant General (Audit), Bihar

Countersigned

New Delhi
The



(SHASHI KANT SHARMA)
Comptroller and Auditor General of India

APPENDICES

A. General Data				
Sl. No.	Particulars			Figures
1	Area			94163 sq. km.
2	Population			
	a.	As per 2001 Census		8.3 crore
	b.	As per 2011 Census		10.38 crore
3	a.	Density of Population (as per 2001 Census) (All India Density = 325 persons per Sq. Km.)		881 person per sq. km.
	b.	Density of Population (as per 2011 Census) (All India Density = 382 persons per Sq. Km.)		1102 person per sq. km.
4	* Population Below Poverty Line (BPL) (All India Average = 21.92 per cent)			41.4 per cent
5	a.	Literacy (as per 2001 Census) (All India Average = 64.8 per cent)		47 per cent
	b.	Literacy (as per 2011 Census) (All India Average = 74.04 per cent)		63.82 per cent
6	Infant mortality (per 1000 live births) (All India Average = 50 per 1000 live births)			42
7	Life Expectancy at birth (All India Average =63.5 years)			61.1 Years
8	Gini Coefficient ¹			
	a.	Rural (All India = 0.30)		0.29
	b.	Urban (All India = 0.37)		0.38
9	Gross State Domestic Product (GSDP) 2012-13 at current prices (₹ in crore)			294388
10	Per capita GSDP ² CAGR ³ (2003-04 to 2012-13)			
		Bihar		16.32
		General Category States		14.94
11	GSDP CAGR (2003-04 to 2012-13)			
		Bihar		18.04
		General Category States		16.37
12	Population Growth (2001 to 2011)			
		Bihar		14.11
		General Category States		13.22
B. Financial Data				
Sl. No.	Particulars		Figures (in per cent)	
1	CAGR		2003-04 to 2011-12	2003-04 to 2012-13
			General Category States	Bihar
	a.	of Revenue Receipts	17.48	19.36
	b.	of Own Tax Revenue	17.44	20.22
	c.	of Non-Tax Revenue	12.64	13.62
	d.	of Total Expenditure	14.15	16.54
	e.	of Capital Expenditure	16.83	24.34
	f.	of Revenue Expenditure on Education	16.85	17.36
	g.	of Revenue Expenditure on Health	15.35	13.79
	h.	of Salary and Wages [#]	14.18	11.73
	i.	of Pension	18.36	16.71

Source: Financial data is based on figures in Finance Accounts.

*BPL (Planning Commission & NSSO data, 61st Round-http://planning.commission.nic.in/data/database/Data_0910/tab%2021.pdf), Gini Coefficient (Unofficial estimates of Planning Commission & NSSO data,61st Round 2004-05 MRP), Life Expectancy at birth (Office of the Registrar General of India; Ministry of Home Affairs; Economic Survey, 2012-13), Infant mortality rate (SRS Bulletin January, 2013), Density of population (Office of the Registrar General and Census Commissioner of India; Ministry of Home Affairs) and Literacy (Office of the Registrar General of India; Ministry of Home Affairs).

#for the period 2003-04 to 2011-12 or 2012-2013 as the case may be.

¹It is a measure of inequality of income distribution where zero refers to perfect equality and one refers to perfect inequality.

²GSDP = Gross State Domestic Product.

³CAGR= Compound Annual Growth Rate.

Structure of Government Accounts: The accounts of the Government are kept in three parts (i) Consolidated Fund, (ii) Contingency Fund and (iii) Public Account.

Part I : Consolidated Fund: All revenues received by the Government, all loans raised by issue of treasury bills, internal and external loans and all money received by the Government in repayment of loans shall form one consolidated fund entitled ‘The Consolidated Fund of State’ established under Article 266 (1) of the Constitution of India.

Part II: Contingency Fund: Contingency Fund of the State established under Article 267 (2) of the Constitution is in the nature of an imprest placed at the disposal of the Governor to enable him to make advances to meet urgent unforeseen expenditure, pending authorisation by the Legislature. Approval of the Legislature for such expenditure and for withdrawal of an equivalent amount from the Consolidated Fund is subsequently obtained, whereupon the advances from the Contingency Fund are recouped to the Fund.

Part III: Public Account: Receipts and disbursements in respect of certain transactions such as small savings, provident funds, reserve funds, deposits, suspense, remittances etc which do not form part of the Consolidated Fund, are kept in the Public Account set up under Article 266 (2) of the Constitution and are not subject to vote by the State Legislature.

Appendix- 1.2 Part B: Layout of Finance Accounts

Statement	Layout
The Finance Accounts have been divided into two volumes. Volume I present the Financial Statements of the Government in the form of commonly understood summarised form while the details are presented in Volume II.	
Volume I contains the Certificate of the Comptroller and Auditor General of India, four summary Statements as given below and Notes to Accounts including accounting policy.	
Statement No. 1	Statement of financial position: Cumulative figures of assets and liabilities of the Government, as they stand at the end of the year, are depicted in the statement. The assets are largely financial assets with the figures for progressive capital expenditure denoting physical assets of the government. Assets, as per the accounting policy, are depicted at historical cost.
Statement No. 2	Statement of receipts and disbursement: This is a summarised statement showing all receipts and disbursements of the Government during the year in all the three parts in which Government account is kept, namely the consolidate fund, contingency fund and public account. Further within the consolidated fund, receipts and expenditure on revenue and capital account are depicted distinctly.
Statement No. 3	Statement of receipts (consolidated fund): This statement comprises revenue and capital receipts and receipts from borrowings of the Government consisting of loans from the GoI, other institutions, market loans raised by the Government and recoveries on account of loans and advances made by the Government.
Statement No. 4	Statement of expenditure (consolidated fund): This statement not only gives expenditure function (activity) but also summaries expenditure by name of activity (objects of expenditure).
In addition, the Volume comprises an appendix, Appendix I, which is a statement of Cash Balances and Investment of Cash Balances.	
Volume II comprises three parts. Part I contains six statements as given below:	
Statement No. 5	Statement of progressive capital expenditure: This statement details progressive capital expenditure by functions, the aggregate of which is depicted in Statement 1.
Statement No. 6	Statement of Borrowings and other liabilities: Borrowings of the Government comprise market loans raised by it (internal debt) and Loans and Advances received from the GoI. Both these together form the public debt of the State Government. In addition, this summary statement depicts ‘other liabilities’ which are the balances under various sectors in the public account. In respect of the latter, the Government acts as a trustee or custodian of the funds, hence these constitute liabilities of the Government. The statement also contains a note on service of debt, i.e. a note on the quantum of net interest charges met from revenue receipts.

Appendix 1.2

Appendix -1.2 Part B: Layout of Finance Accounts	
Statement	Layout
Statement No. 7	Statement of Loans and Advances given by the Government: The loans and advances given by the Government are depicted in statement I and recoveries, disbursements feature in statement 2, 3 and 4. Here, loans and advances are summarised sector and loanee group wise. This is followed by a note on the recoveries in arrear in respect of loans, the details of which are maintained by the AG office and details of which are maintained by the State departments.
Statement No. 8	Statement of Grants-in-aid given by the Government: Organised by grantee institutions group wise. It includes a note on grants given in kind also.
Statement No. 9	Statement of Guarantees given by the Government: Guarantees given by the Government for repayment of loans, etc. raised by Statutory corporations, Government companies, Local Bodies and Other institutions during the year and sums guaranteed outstanding as at the end of the year are present in this statement.
Statement No.10	Statement of Voted and Charged Expenditure: This statement presents details of voted and charged expenditure of the Government.
Volume II Part II: This part contains nine statements presenting details of transactions by minor head corresponding to statements in Volume I and Part I of Volume II.	
Statement No. 11	Detailed Statement of Revenue and Capital Receipts by minor heads: This statement presents the revenue and capital receipts of the Government in detail.
Statement No. 12	Detailed Statement of Revenue Expenditure by minor heads: This statement presents the details of revenue expenditure of the Government in detail. Non-Plan and plan figures are depicted separately and a comparison with the figures for the previous year is available.
Statement No. 13	Detailed Statement of Capital Expenditure by minor heads: This statement presents the details of capital expenditure of the Government in detail. Non-Plan and Plan figures are depicted separately and a comparison with the figures for the previous year are available cumulative capital expenditure up to the end of the year is also depicted.
Statement No. 14	Detailed Statement of Investment of the Government: The position of Government Investment in the share capital and debentures of different concerns is depicted in this statement for the current and previous year. Details include type of shares held, face value, dividend received etc.
Statement No. 15	Detailed Statement of Borrowings and other Liabilities: Details of borrowings (market loans raised by the Government and loan etc from GoI) by minor heads, the maturity and repayment profile of all loans is provided in this statement. This is the detailed statement corresponding to statement 6 in part I volume 2.
Statement No. 16	Detailed Statement on Loans and Advances given by the Government: The details of loans and advances given by the Government, the changes in loan balances, loans written off, interest received on loans etc. is present in this statement. It also presents Plan loans separately. This is the detailed statement corresponding to statement 7 in part I volume 2.
Statement No. 17	Detailed Statement on Sources and Application of funds for expenditure other than revenue account: The capital and other expenditure (other than on revenue account) and the sources of fund for the expenditure is depicted in the statement.
Statement No. 18	Detailed Statement on Contingency Fund and other Public Account transactions: The Statement shows changes in contingency fund during the year, the appropriations to the fund, expenditure, amount recouped etc. It also depicts the transaction in public account in detail.
Statement No. 19	Statement showing details of earmarked balances: This statement shows the details of investment out of reserve fund in public account.

(Source: Finance Accounts)

(Bihar Act No. 25 of 2010)

**THE BIHAR FISCAL RESPONSIBILITY AND BUDGET MANAGEMENT
(AMENDMENT) ACT, 2010**

Preamble: - To amend the Bihar Fiscal Responsibility and Budget Management Act, 2006 to provide amendment in fiscal targets as recommended by the Thirteenth Finance Commission (ThFC) for application revised roadmap for fiscal consolidation and to make fiscal responsibility and budget management process more transparent and comprehensive.

Be it enacted by the Legislature of the State of Bihar in the sixty first year of the republic of India as follows:

1. (a) This Act may be called the Bihar Fiscal Responsibility and Budget Management (Amendment) Act, 2010.
 - (b) It shall extend to the whole of the State of Bihar.
 - (c) It shall come into force on such date as the State Government may, by notification in the official Gazette, appoint in this behalf.
2. The following new sub-section (m) after sub-section (1) of section 2 of the Bihar Fiscal Responsibility and Budget Management Act, 2006 (Bihar Act 5, 2006).
 - (m) 'Debt' means amount taken by the State Government on credit with interest.
3. Sub-section (a) of Section 3 of the Bihar Fiscal Responsibility and Budget Management Act, 2006 (Bihar Act 5, 2006) shall be substituted by the following:
 - (a) "for fiscal reform path the State on attaining a zero revenue deficit or revenue surplus in 2007-08 shall have to achieve a fiscal deficit of three *per cent* of Gross State Domestic Product by 2011-12 and maintain such thereafter."
4. Section 9(2)(b) of the Bihar Fiscal Responsibility and Budget Management Act, 2006 (Bihar Act 5, 2006) shall be substituted by the following:
 - (b) "In the financial year 2010-11 bring the fiscal deficit/Gross State Domestic Product ratio to 3.5 *per cent* and it shall be three *per cent* in 2011-12 and maintain such up to year 2014-15."
5. The following new clause (c) shall be added after clause (b) of sub-section 2 of section 9 of the Bihar Fiscal Responsibility and Budget Management Act, 2006 (Bihar Act, 5 2006):
 - (c) "bring Debt as *per cent* of Gross State Domestic Product in the financial year 2010-11, 2011-12, 2012-13, 2013-2014 and 2014-15 to 48.2, 46.4, 44.6. 43.0 and 41.6 respectively".

The norms/ceilings prescribed by the Thirteenth Finance Commission (ThFC) for selected fiscal variable along with its projections for a set of fiscal aggregates and the commitments/ projections made by the State Governments in their Fiscal Responsibility and Budget Management (Amendment) Act, 2010 and in other Statements required to be laid in the legislature under the Act (**Part B of Appendix 1.2**) are used to make qualitative assessment of the trends and pattern of major fiscal aggregates. Assuming the GSDP is good indicator of the performance of the State's economy, major fiscal aggregates like tax and non-tax revenue, revenue and capital expenditure, internal debt and revenue and fiscal deficits have been presented as percentage to the GSDP at current market prices. The buoyancy coefficients for relevant fiscal variables with reference to the base represented by GSDP have also been worked out to assess as to whether the mobilization of resources, pattern of expenditure etc, are keeping pace with the change in the base or these fiscal aggregates are also affected by factors other than GSDP.

The trends in GSDP for the last five years are indicated below:

Trends in Gross State Domestic Product (GSDP) at current price

	2008-09	2009-10	2010-11	2011-12	2012-13
Gross State Domestic Product (₹ in crore)	142279	164547	198135(P)	246487(Q)	294388(A)
Growth rate of GSDP	19.64	15.65	20.41	24.40	19.43

(Source: Directorate of Economic and Statistical Department, Government of Bihar)

P-Provisional, Q-Quick, and A-Advance.

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

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

(₹ in crore)

Receipts				Disbursements					
2011-12			2012-13	2011-12			2012-13		
							Non-Plan	Plan	Total
		Section-A: Revenue							
51320.17	I	Revenue receipts	59566.66	46499.49	I	Revenue expenditure	37573.69	16892.46	54466.15
12612.10		Tax revenue	16253.08	17729.72		General Services	18570.99	74.12	18645.11
889.86		Non-tax revenue	1135.27	18728.78		Social Services	11078.22	12029.15	23107.37
27935.23		State's share of Union Taxes	31900.39	10157.28		Education, Sports, Art and Culture	8309.52	5770.65	14080.17
2562.62		Non-Plan grants	2412.58	1803.53		Health and Family Welfare	1557.75	278.14	1835.89
5065.39		Grants for State Plan Schemes	5051.97	1713.32		Water Supply, Sanitation, Housing and Urban Development	671.99	1632.16	2304.15
2254.97		Grants for Central and Centrally sponsored Plan Schemes	2813.37	56.39		Information and Broadcasting	66.31	7.66	73.97
				1059.63		Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	92.14	1658.42	1750.56
				87.76		Labour and Labour Welfare	73.97	19.38	93.35
				3588.99		Social Welfare and Nutrition	264.72	2750.81	3015.53
				261.88		Others	41.82	-88.07	-46.25
				10037.82		Economic Services	7920.77	4789.19	12709.96
				1914.47		Agriculture and Allied Activities	612.55	2557.67	3170.22
				2914.60		Rural Development	2204.63	1227.62	3432.25
						Special areas programmers	-	-	-
				1311.35		Irrigation and Flood Control	850.85	63.33	914.18
				2168.02		Energy	3198.87	1.07	3199.94
				363.19		Industry and Minerals	59.48	474.41	533.89
				788.53		Transport	824.95	0.56	825.51

Appendix 1.4

Receipts				Disbursements					
2011-12			2012-13	2011-12		2012-13			
						Non-Plan	Plan	Total	
				-			-	-	
				577.66		169.44	464.53	633.97	
				3.17		3.71	Nil	3.71	
			59566.66	46499.49				54466.15	
	II	Revenue deficit carried over to Section B		4820.68	II	Revenue Surplus carried over to Section B		5100.51	
51320.17		Total	59566.66	51320.17		Total		59566.66	
		Section-B Others							
2735.44	III	Opening Cash balance including Permanent Advances and Cash Balance Investment	1509.45		III	Opening overdraft from Reserve Bank of India			
	IV	Miscellaneous Capital receipts		8852.01	IV	Capital Outlay	93.15	9491.37	
				608.06		General Services	84.41	632.93	
				807.14		Social Services	9.45	1321.34	
				56.40		Education, Sports, Art and Culture	-0.10	364.54	
				321.05		Health and Family Welfare	Nil	562.50	
				331.96		Water Supply, Sanitation, Housing and Urban Development	9.55	272.89	
						Information and Broadcasting	Nil	Nil	
				3.50		Welfare of Scheduled Castes, Schedule Tribes and Other Backward Classes	Nil	3.79	
				82.43		Social welfare and Nutrition	Nil	24.24	

Appendix 1.4

Receipts				Disbursements					
2011-12			2012-13	2011-12		2012-13			
						Non-Plan	Plan	Total	
				11.80		Others social services	Nil	93.38	93.38
				7436.81		Economic Services	-0.71	7537.10	7536.39
				117.29		Agriculture and Allied Activities	Nil	91.66	91.66
				1088.78		Rural Development	-0.06	1874.46	1874.40
						Special areas programmes	-	-	-
				1963.98		Irrigation and Flood Control	-1.18	1941.22	1940.04
				102.37		Energy	Nil	173.63	173.63
				66.26		Industry and Minerals	Nil	48.81	48.81
				4063.51		Transport	0.53	3312.28	3312.81
				34.62		General Economic Services	Nil	95.04	95.04
22.51	V	Recoveries of Loans and Advances	24.70	1906.08	V	Loans and Advances disbursed	104.07	1981.88	2085.95
		-From Power Projects		935.54		For Power Projects	63.21	1017.67	1080.88
10.62		-From Government Servants	12.91	17.39		To Government Servants	16.46	-	16.46
11.89		-From Others	11.79	953.15		To Others	24.40	964.21	988.61
4820.68	VI	Revenue Surplus brought down	5100.51		VI	Revenue Deficit brought down			
6627.96	VII	Public debt receipts	9553.96	2922.46	VII	Repayment of Public debt			3069.96
		External debt				External debt			
5801.40		Internal debt other than Ways and Means Advances and Overdrafts	9045.94	2456.98		Internal debt other than Ways and Means Advances and Overdrafts			2585.23
		-Net transactions under Ways and Means Advances				Net transactions under Ways and Means Advances			
		-Net transactions under overdraft							
826.56		-Loans and Advances from Central Government	508.02	465.48		Repayment of Loans and Advances to Central Government			484.73
75.41		Inter State settlement	Nil	1.39		Inter State settlement			Nil

Appendix 1.4

Receipts				Disbursements					
2011-12			2012-13	2011-12			2012-13		
							Non-Plan	Plan	Total
800.00	VIII	Appropriation to Contingency Fund	2250.00	800.00	VIII	Appropriation to Contingency Fund			2250.00
	IX	Amount transferred to Contingency Fund			IX	Expenditure from Contingency Fund			
22302.61	X	Public Account receipts	27066.21	21393.22	X	Public Account disbursements			24798.82
1031.81		Small Savings and Provident Funds	1296.09	1033.94		Small Savings and Provident Funds			1511.64
1114.53		Reserve Funds	799.33	542.17		Reserve Funds			268.44
419.14		Suspense and Miscellaneous	528.82	976.07		Suspense and Miscellaneous			795.34
9859.15		Remittance	8927.17	9895.97		Remittance			8907.65
9877.98		Deposits and Advances	15514.80	8945.07		Deposits and Advances			13315.75
	XI	Closing Overdraft from Reserve Bank of India		1509.45	XI	Cash Balance at end			3715.58
						Cash in Treasuries and Local Remittances			
				-93.15		Deposits with Reserve Bank			188.21
				491.62		Departmental Cash Balance including Permanent Advances			521.52
				1110.98		Cash Balance Investment			3005.85
37384.61		Total	45504.83	37384.61		Total			45504.83

(Source: Finance Accounts)

Particular	BE	Actuals	₹(in crore)	
			Increase/ Decrease (-)	Percentage Increase/ Decrease (-)
Revenue Receipt	68047.86	59566.66	8481.2	12.46
Own Tax Revenue	15695.30	16253.08	-557.78	-3.55
Non Tax Revenue	3142.46	1135.27	2007.19	63.87
Share of Union Taxes and Duties	33126.33	31900.39	1225.94	3.70
Grant-in-aid from GoI	16083.77	10277.92	5805.85	36.10
Revenue Expenditure	60959.27	54466.15	6493.12	10.65
General Services	22192.64	18645.11	3547.53	15.99
Organs of State	946.79	710.68	236.11	24.94
Fiscal Services	666.93	590.26	76.67	11.50
Interest Payments & Servicing of Debt	5484.00	4683.26	800.74	14.60
Administrative services	5051.90	4288.51	763.39	15.11
Pension and Miscellaneous General services	10043.02	8372.40	1670.62	16.63
Social Services	25632.67	23107.37	2525.3	9.85
Education, Sports, Art and Culture	15087.80	14080.17	1007.63	6.68
Health and Family Welfare	2534.88	1835.89	698.99	27.57
Water Supply, Sanitation, Housing and Urban Development	2679.80	2304.15	375.65	14.02
Information and Broadcasting	71.35	73.97	-2.62	-3.67
Welfare of SC, ST and other BCs	1125.21	1750.56	-625.35	-55.58
Labour and Labour Welfare	108.21	93.35	14.86	13.73
Social Welfare and Nutrition	3978.18	3015.53	962.65	24.20
Others	47.24	-46.25	93.49	197.90
Economic Services	13129.83	12709.96	419.87	3.20
Agriculture and Allied Services	2625.45	3170.22	-544.77	-20.75
Rural Development	4115.84	3432.25	683.59	16.61
Irrigation & Flood Control	1146.00	914.18	231.82	20.23
Energy	2181.77	3199.94	-1018.17	-46.67
Industries & Minerals	688.47	533.89	154.58	22.45
Transport	1017.40	825.51	191.89	18.86
General Economic Services	1354.90	633.97	720.93	53.21
Grant-in-aid and Contributions	4.12	3.71	0.41	9.95
Capital Expenditure	17727.56	9584.52	8143.04	45.93
General Services	1994.84	717.34	1277.50	64.04
Social Services	1986.01	1330.79	655.21	32.99
Education, Sports, Art and Culture	288.97	364.44	-75.47	-26.12
Health and Family Welfare	532.90	562.50	-29.60	-5.55
Water Supply, Sanitation, Housing and Urban Development	397.12	282.44	114.66	28.87
Welfare of SC, ST and other BCs	29.72	3.79	25.93	87.25
Social Welfare and Nutrition	737.30	24.24	713.06	96.71
Other	0.00	93.38	-93.38	0
Economic Services	9431.53	7536.39	1895.14	20.09
Agriculture and Allied Services	144.84	91.66	53.18	36.72
Rural Development	2058.69	1874.40	184.29	8.95
Irrigation & Flood Control	2429.03	1940.04	488.99	20.13
Energy	858.88	173.63	685.25	79.78
Industries & Minerals	79.50	48.81	30.69	38.60
Transport	3833.02	3312.81	520.12	13.57
General Economic Services	27.57	95.04	-67.47	-244.72
Revenue Surplus (+)/ deficits (-)	7088.59	5100.51	1988.08	28.05
Fiscal Deficits (-)	7569.43	6545.00	1024.43	13.53
Primary surplus (+)/ deficits (-)	-2383.43	-1862.00	-521.43	21.88

(Source: Finance Accounts)

(₹ in crore)

Programme/Scheme	Implementing Agency in the State	2011-12	2012-13
		Central Share	Central Share
Sarva Shiksha Abhiyan	Bihar Madhyamik Shiksha Parishad	1851.09	2754.62
National Rural Employment Guarantee Scheme	District Rural Development Agencies	1300.73	1227.81
Swarnajayanti Gram SwarajYojana		67.88	138.25
Indira Awas Yojana		2170.82	1684.74
Integrated Watershed Management Programme		5.46	17.03
District Rural Development Agency (Administration)		29.99	14.70
Total DRDA		3574.88	3082.53
National Rural Health Mission	State Health Society	6.45	757.95
Pradhan Mantri Gram SadakYojna	Registered Societies	3195.74	959.75
Members of Parliament Local Area Development Scheme	District Magistrate	100.97	224.00
Science and Technology Programme for Social Economic Development	Registered Societies (NGOs)	0.31	0.31
Off Grid DRPS	Bihar Renewable Energy Development Agency	5.90	5.90
Promotion and Dissemination of Art and Culture	Registered Societies (NGOs)	1.16	1.16
Memorials and Others	Nava Nalanda Mahavihara	3.00	0.00
Mahila Samakhya	Bihar Mahila Samakhya Society	5.99	6.94
Supports to NGOs, Institutions, SRCs for Adult Education and Skill Development	Jan Shikshan Sansthan	5.90	4.83
National Child Labour Project Including Grants –in- aid to Voluntary Agencies	Child Labour Project Society	12.39	0.00
Health Insurance for Unorganized Sector Workers (Rashtriya Swastha Bima Yojana)	Bihar State Labour Welfare Societies	119.27	0.00
National Food Security Mission	State Agriculture Management & Extension Training	74.87	65.73
Intensive Dairy Development Programme (IDDP)	Bihar State Milk Co-operative Federation, Patna (COMFED)		20.52
National Mission on Food Processing	Bihar Government (Udyog Mitra)		8.56
Assistance to States for Infrastructure Development of Exports (Food Development Centre)	Bihar State Fruit and Vegetable Corporation		3.92
Catalytic Development Programme for development of Sericulture	Directorate of Handloom and Sericulture, Department of Industries, Bihar, Patna		2.83
Kasturba Gandhi Balika Vidyalaya (KGBV)	Bihar Shiksha Pariyojna Parishad		57.17
Model School	Bihar Madhyamik Shiksha Parishad		203.53
National Programme for Education of Girls at Elementary Level (NPEGEL)	Bihar Shiksha Pariyojna Parishad		16.47
Rashtriya Madhyamik Shiksha Abhiyan (RMSA)	Bihar Madhyamik Shiksha Parishad		137.66
Total of GoI funds not passed from State Budget		8957.92	8314.38

(Source: Finance Accounts)

Time series data on the State Government Finances

(Reference: Paragraph 1.3, 1.3.1.1; Page 8 and 10)

(₹ in crore)

	2008-09	2009-10	2010-11	2011-12	2012-13
Part A Receipts					
1. Revenue Receipts	32981	35527	44532	51320	59567
(i) Tax Revenue	6173 (19)	8090 (23)	9870 (22)	12612 (25)	16253(27)
Taxes on Sales, Trade, etc	3016 (49)	3839 (48)	4557 (46)	7476 (59)	8671(53)
State Excise	679 (11)	1082 (13)	1523 (16)	1981 (16)	2430(15)
Taxes on Vehicles	298 (5)	345 (4)	456 (5)	569 (4)	673(4)
Stamps and Registration fees	716 (12)	998 (12)	1099 (11)	1480 (12)	2173(14)
Land Revenue	102 (1)	124 (2)	139 (1)	168 (1)	205(1)
Taxes on Goods and Passengers	1279 (21)	1613 (20)	2006 (20)	828 (7)	1932(12)
Other Taxes	83 (1)	89 (1)	90 (1)	110 (1)	169(1)
(ii) Non-Tax Revenue	1153 (3)	1670 (5)	985 (2)	890 (2)	1135(2)
(iii) State's share of Union taxes and duties	17693 (54)	18203(51)	23978(54)	27935 (54)	31901(54)
(iv) Grants in aid from Government of India	7962 (24)	7564 (21)	9699 (22)	9883 (19)	10278(17)
2. Miscellaneous Capital Receipts	0	0	0	0	0
3. Recoveries of Loans and Advances	11	13	12	23	25
4. Total Revenue and Non-debt capital receipts (1+2+3)	32992	35540	44544	51343	59592
5. Public Debt Receipts	5928	6134	6032	6628	9554
Internal Debt (excluding Ways and Means Advances and Overdrafts)	5778	5370	5251	5801	9046
Net transactions under Ways and Means Advances and Overdrafts	-	-	-	-	-
Loans and Advances from Government of India	150	764	781	827	508
6. Inter State settlement				75	-
7. Total Receipts in the Consolidated Fund (4+5+6)	38920	41674	50576	58046	69146
8. Contingency Fund Receipts	-	-	-	-	-
9. Public Account Receipts	16941	15303	17321	22303	27066
10. Total Receipts of the State (7+8+9)	55861	56978	67897	80349	96212
Part B. Expenditure/Disbursement					
11. Revenue Expenditure	28512	32584	38216	46499	54466
Plan	7280 (26)	8439 (26)	10900 (29)	12487 (27)	16892(31)
Non-Plan	21232 (74)	24145 (74)	27316 (71)	34012 (73)	37574(69)
General Services (including interest payments)	10530(37)	12202(37)	15287(40)	17729(38)	18645(34)
Social Services	12252 (43)	13186 (40)	15090 (39)	18729 (40)	23107(43)
Economic Services	5726 (20)	7088 (22)	7836 (21)	10038 (22)	12710(23)
Grants-in-aid and contributions	4	108(1)	3	3	4
12. Capital Expenditure	6436	7332	9196	8852	9585
Plan	6336 (98)	7268 (99)	9150 (99)	8812 (99)	9492(99)
Non-Plan	100 (2)	64 (1)	46 (1)	40 (1)	93(1)
General Services	206 (3)	274 (4)	396 (4)	608 (7)	717(7)
Social Services	640 (10)	1123 (15)	1072 (12)	807 (9)	1331(14)
Economic Services	5590 (87)	5935 (81)	7728 (84)	7437 (84)	7537(79)
13. Disbursement of Loans and Advances	551	897	1103	1906	2086
14. Total (11+12+13)	35499	40813	48515	57257	66137

Appendix 1.7

(₹ in crore)

	2008-09	2009-10	2010-11	2011-12	2012-13
15. Repayments of Public Debt	1682	1983	2190	2922	3070
Internal Debt (excluding Ways and Means Advances and Overdrafts)	1254	1169	1725	2457	2585
Net transactions under Ways and Means Advances and Overdraft	-	-	-	-	-
Loans and Advances from Government of India	428	814	465	465	485
16. Appropriation to Contingency Fund	-	-	-	-	-
17. Inter State settlement	-	-	-	2	-
18. Total disbursement out of Consolidated Fund (14+15+16+17)	37181	42796	50705	60181	69207
19. Contingency Fund disbursements	-	-	-	-	-
20. Public Account disbursements	17311	15448	16749	21393	24799
21. Total disbursement by the State (18+19+20)	54492	58428	67454	81574	94006
<i>Part C. Deficits</i>					
22. Revenue Deficit(-)/ Revenue Surplus (+) (1-11)	4469	2943	6316	4821	5101
23. Fiscal Deficit (-)/ Fiscal Surplus (+) (4-14)	(-)2507	(-)5273	(-)3971	(-)5914	(-)6545
24. Primary Deficit/ Primary Surplus (23+25)	1246	(-)1588	348	(-)1610	(-)2117
<i>Part D. Other data</i>					
25. Interest Payments (included in revenue expenditure)	3753	3685	4319	4304	4428
26. Financial Assistance to local bodies etc.	4423	4456	4622	14444	17454
27. Gross State Domestic Product (GSDP)[®]	142279	164547	198135	246487	294388
28. Outstanding Fiscal liabilities (year end)	54977	58690	62858	67812	76503
29. Outstanding guarantees (year end)	704	859	588	1092	1089
30. Maximum amount guaranteed (year end)	1538	1548	1549	2049	2046
31. Number of incomplete projects	78	288	350	380	298
32. Capital blocked in incomplete projects	1016	941	1005	1579	1488
<i>Part E: Fiscal Health Indicators</i>					
I Resource Mobilization					
Own Tax Revenue/GSDP	0.043	0.049	0.050	0.051	0.055
Own Non-Tax Revenue/GSDP	0.008	0.010	0.005	0.004	0.004
Central Transfers/GSDP	0.124	0.111	0.121	0.113	0.108
II Expenditure Management					
Total Expenditure/GSDP	0.250	0.248	0.245	0.232	0.225
Total Expenditure/Revenue Receipts	1.076	1.148	1.089	1.116	1.110
Revenue Expenditure/ Total Expenditure	0.803	0.798	0.787	0.812	0.824
Expenditure on Social Services/ Total Expenditure	0.363	0.350	0.333	0.341	0.370
Expenditure on Economic Services/ Total Expenditure	0.318	0.319	0.343	0.338	0.306
Capital Expenditure/Total Expenditure	0.181	0.179	0.189	0.155	0.145

Appendix 1.7

(₹ in crore)

	2008-09	2009-10	2010-11	2011-12	2012-13
Capital Expenditure on Social and Economic Services/Total Expenditure	0.173	0.173	0.181	0.144	0.134
III Management of Fiscal Imbalances					
Revenue deficit (surplus)/GSDP	0.031	0.018	0.032	0.020	0.017
Fiscal deficit/GSDP	(-)0.018	(-)0.032	(-)0.020	(-)0.024	(-)0.022
Primary Deficit (surplus) /GSDP	0.009	(-)0.010	0.002	(-)0.007	(-)0.007
Revenue Deficit/Fiscal Deficit	(-)1.782	(-)0.558	(-)1.590	(-)0.815	(-)0.779
IV Management of Fiscal Liabilities					
Fiscal Liabilities/GSDP	0.386	0.357	0.317	0.275	0.260
Fiscal Liabilities/RR	1.667	1.652	1.411	1.321	1.284
Fiscal Liabilities/States own resources	7.504	6.013	5.791	5.022	4.400

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

@ GSDP figures of the Government.

(Source: Finance Accounts)

		(₹ in crore)	
As on 31/03/2012	LIABILITIES		As on 31/03/2013
42364.79	Internal Debt		48825.50
20173.22	Market Loans bearing interest	25937.56	
0.68	Market Loans not bearing interest	0.22	
21.55	Loans from Life Insurance Corporation of India	21.55	
22169.34	Loans from other Institutions	22866.17	
8625.56	Loans and Advances from Central Government		8648.85
3.91	Pre 1984-85 Loans	3.91	
64.12	Non-Plan Loans	61.58	
8492.61	Loans for State Plan Schemes	8540.01	
5.54	Loans for Central Plan Schemes	0.76	
16.42	Loans for Centrally Sponsored Plan Schemes	(-)0.37	
42.96	Ways and Means Advances for Plan Schemes	42.96	
350.00	Contingency Fund		350.00
9561.30	Small Savings, Provident Funds, etc.		9345.75
5717.43	Deposits		7864.28
2219.29	Reserve Funds		2750.17
74.01	Inter State settlement		74.01
16245.42	Surplus on Government Account		21345.93
4820.68	(i) Less Revenue Surplus of the current year	5100.51	
11424.74	(ii) Accumulated Surplus at the beginning of the year	16245.42	
85157.80			99204.49
	ASSETS		
62299.88	Gross Capital Outlay on Fixed Assets		71884.39
920.82	Investments in shares of Companies, Corporations, etc.	941.17	
61379.06	Other Capital Outlay	70943.22	
18525.76	Loans and Advances		20587.01
14730.25	Loans for Power Projects	15811.14	
3723.18	Other Development Loans	4699.99	
72.33	Loans to Government servants and Miscellaneous loans	75.88	
1181.18	Remittances		1161.67
167.10	Advances		114.89
1474.43	Suspense and Miscellaneous Balances		1740.95
1509.45	Cash		3715.58
0.00	Cash in Treasuries and Local Remittances	0.00	
(-)93.15	Deposits with Reserve Bank	188.21	
206.07	Departmental Cash Balance	183.25	
285.55	Permanent Advances	338.27	
1110.98	Cash Balance Investments including earmarked funds	3005.85	
85157.80			99204.49

(Source: Finance Accounts)

savings were more than ₹ 10 crore and 20 per cent of the total provision

(Reference : Paragraph 2.3.1, Page 42)

(₹ in crore)

Sl. No.	Grant No.	Name of the Grant/Appropriation	Total Grant/Appropriation	Expenditure	Savings	Percentage
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	1	Agriculture Department	2958.06	2095.58	862.48	29.16
2	2	Animal and Fisheries Resources Department	969.81	535.97	433.84	44.73
3	3	Building Construction Department	1364.44	571.97	792.47	58.08
4	4	Cabinet Secretariat Department	150.89	112.75	38.14	25.28
5	6	Election Department	72.15	51.27	20.88	28.94
6	8	Art, Culture and Youth Department	83.56	60.16	23.40	28.13
7	9	Co-operative Department	779.34	492.04	287.30	36.86
8	10	Energy Department	6170.07	4483.79	1686.28	27.33
9	12	Finance Department	2971.56	492.68	2478.88	83.42
10	16	Panchayati Raj Department	3526.75	2591.06	935.69	26.53
11	17	Commercial Taxes Department	137.77	78.01	59.76	43.38
12	20	Health Department	3281.12	2552.33	728.79	22.21
13	25	Information Technology Department	250.98	99.80	151.18	60.24
14	27	Law Department	579.44	428.13	151.31	26.11
15	28	High Court of Bihar	101.79	77.40	24.39	23.96
16	30	Minorities Welfare Department	601.05	172.23	428.82	71.35
17	33	General Administration Department	391.25	280.62	110.63	28.28
18	35	Planning and Development Department	2364.40	537.15	1827.25	77.28
19	36	Public Health Engineering Department	913.34	587.61	325.73	35.66
20	38	Registration, Excise and Prohibition Department	116.25	88.44	27.81	23.92
21	39	Disaster Management Department	834.01	346.77	487.24	58.42
22	41	Road Construction Department	5000.81	3846.30	1154.51	23.09
23	42	Rural Development Department	1880.80	1456.39	424.41	22.57
24	43	Science and Technology Department	241.33	144.11	97.23	40.29

Appendix 2.1

Sl. No.	Grant No.	Name of the Grant/Appropriation	Total Grant/Appropriation	Expenditure	Savings	Percentage
25	44	Scheduled Castes and Scheduled Tribes Welfare Department	1173.13	921.56	251.57	21.44
26	45	Sugar Industries Department	141.13	90.61	50.52	35.80
27	47	Transport Department	46.93	31.61	15.32	32.64
28	48	Urban Development and Housing Department	1670.44	1265.72	404.72	24.23
29	49	Water Resources Department	3258.02	2440.76	817.26	25.08
30	50	Minor Water Resource Department	651.31	431.26	220.05	33.79
31	51	Social Welfare Department	4053.32	2926.83	1126.49	27.79
Total			46734.85	30290.90	16444.36	

(Source: Appropriation Accounts of the State, 2012-13)

(₹ in crore)

Sl. No.	No. & Name of the grant	Amount and percentage of savings									
		2008-09		2009-10		2010-11		2011-12		2012-13	
Revenue-Voted											
		Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage
1	2-Animal and Fisheries Resources Department	64.55	18.10	62.53	18.99	165.72	40.67	210.59	43.22	426.49	44.31
2	12-Finance Department	35.16	12.83	39.09	10.91	55.64	13.46	122.72	43.27	223.31	31.97
3	20-Health Department	395.61	24.92	278.83	16.79	479.42	23.92	528.85	21.52	569.78	22.26
4	27-Law Department	70.45	26.76	31.32	10.72	130.41	26.37	148.50	26.19	151.31	26.11
5	40-Revenue and Land Reforms Department	73.16	19.07	120.13	17.17	128.43	23.06	148.70	24.05	72.52	14.96
6	41-Road Construction Department	114.75	27.17	274.30	38.78	198.29	33.58	120.06	18.44	109.32	16.45
7	50-Minor Water Resource Department	70.75	21.92	93.81	28.18	108.29	15.78	291.77	50.39	92.81	25.99
Total		824.43		900.01		1266.20		1571.19		1645.54	
Capital-Voted											
8	3-Building Construction Department	53.82	58.81	26.79	29.86	66.52	36.16	292.26	57.49	722.07	69.33
9	36-Public Health Engineering Department	495.89	73.13	462.89	50.68	268.62	29.99	137.81	31.09	265.47	50.66
10	49-Water Resources Department	1359.51	55.29	1415.28	52.57	1722.91	56.81	625.86	25.65	672.73	27.47
11	50-Minor Water Resource Department	60.63	59.44	95.11	57.02	181.26	75.96	110.50	42.42	127.24	43.26
Total		1969.85		2000.07		2239.31		1166.43		1787.51	
Grand Total		2794.28		2900.08		3505.51		2737.62		3433.05	

(Source- Appropriation Accounts of the state)

(₹in crore)

Year	No. of Grants/ Appropriation	Grants/Appropriation number	Amount of excess
1977-78	1	24	0.06
1978-79	1	27	0.32
1981-82	2	3, 13	5.12
1982-83	1	22	0.98
1983-84	1	12	9.45
1984-85	2	3,14	2.63
1986-87	1	13	65.63
1987-88	3	9, 19, 38	15.53
1988-89	2	9, 38	6.59
1989-90	3	25, 27, 38	99.40
1990-91	2	37, 38	47.55
1991-92	2	6, 38	71.24
1992-93	1	38	87.77
1993-94	2	25, 37	157.68
1994-95	1	37	170.61
1995-96	2	25, 37	213.22
1996-97	2	23, 37	21.16
1997-98	1	7	0.01
1998-99	1	30	0.33
1999-00	1	40	0.01
2003-04	3	11, 30, 50	81.23
2004-05	3	19, 20, 21	5.62
2005-06	2	39, 40	294.50
2007-08	1	17	1.04
2008-09	2	17, 28	8.91
2010-11	1	5	0.35
Total			1366.94

(₹ in crore)

Sl. No.	Number and Name of the Grant	Original Provision	Expenditure	Savings out of Original Provision	Supplementary Provision
A Revenue (Charged)					
1	13-Interest Payments	5186.00	4632.85	553.15	3.65
2	28-High Court of Bihar	98.02	77.40	20.62	3.77
3	32-Legislature	0.55	0.52	0.03	0.12
4	33-General Administration Department	3.80	3.41	0.39	0.14
Total for charged		5288.37	4714.18	574.19	7.68
A Revenue (Voted)					
1	3-Building Construction Department	317.26	252.56	64.70	5.71
2	4-Cabinet Secretariat Department	116.08	86.00	30.08	1.10
3	6-Election Department	71.77	51.27	20.50	0.38
4	7-Vigilance Department	24.31	22.38	1.93	0.30
5	8-Art, Culture and Youth Department	73.38	60.16	13.22	10.18
6	12-Finance Department	375.38	220.30	155.08	25.18
7	16-Panchayati Raj Department	2906.41	2591.06	315.35	370.34
8	17-Commercial Taxes Department	87.77	78.01	9.76	50.01
9	19-Environment and Forest Department	189.48	168.83	20.65	5.07
10	20-Health Department	2553.09	1989.44	563.65	6.13
11	21-Education Department	14814.12	13978.82	835.30	1948.56
12	22-Home Department	3996.75	3569.83	426.92	19.49
13	23-Industries Department	488.32	457.27	31.05	38.28
14	26-Labour Resource Department	192.39	178.48	13.91	2.89
15	27-Law Department	574.42	428.13	146.29	5.01
16	29-Mines and Geology Department	15.99	12.68	3.31	1.00
17	30-Minorities Welfare Department	148.91	57.79	91.12	1.54
18	31-Parliamentary Affairs Department	1.49	1.34	0.15	0.11
19	32-Legislature	105.72	99.56	6.16	5.65
20	33-General Administration Department	374.17	277.21	96.96	13.14
21	35-Planning and Development Department	817.04	151.13	665.91	2.34
22	36-Public Health Engineering Department	334.51	329.10	5.41	54.85
23	38-Registration, Excise and Prohibition Department	114.67	88.44	26.23	1.59
24	39-Disaster Management Department	818.83	346.46	472.37	12.18
25	40-Revenue and Land Reforms Department	446.82	412.26	34.56	37.96
26	42-Rural Development Department	1741.33	1453.36	287.97	134.48
27	44-Scheduled Castes and Scheduled Tribes Welfare Department	1001.88	920.56	81.32	170.25
28	45-Sugar Industries Department	114.93	81.66	33.27	3.62
29	47-Transport Department	32.07	26.61	5.46	1.17
30	48-Urban Development and Housing Department	1551.86	1263.72	288.14	116.57
31	49-Water Resources Department	806.79	664.70	142.09	2.44
32	50-Minor Water Resource Department	356.51	264.36	92.15	0.66
33	51-Social Welfare Department	3353.31	2926.83	426.48	465.56
Total for Voted		38917.76	33510.31	5407.45	3513.74
Total for Revenue		44206.13	38224.49	5981.64	3521.42

Appendix 2.4

Sl. No.	Number and Name of the Grant	Original Provision	Expenditure	Savings out of Original Provision	Supplementary Provision
B Capital Voted					
1	3-Building Construction Department	669.44	319.40	350.04	372.03
2	10- Energy Department	2056.21	1257.98	798.23	797.94
3	12-Finance Department	22.00	17.43	4.57	2250.99
4	22-Home Department	513.09	327.02	186.07	102.37
5	30-Minorities Welfare Department	435.60	114.44	321.16	15.00
6	35-Planning and Development Department	1219.98	386.03	833.95	325.05
7	36-Public Health Engineering Department	365.78	258.51	107.27	158.20
8	40-Revenue and Land Reforms Department	44.22	17.48	26.74	4.00
9	41-Road Construction Department	3810.63	3291.11	519.52	525.68
10	49-Water Resources Department	2150.47	1776.06	374.41	298.32
11	50-Minor Water Resource Department	278.56	166.91	111.65	15.59
Total for Capital		11543.98	7932.37	3633.61	4865.17
Grand Total		55750.11	46156.86	9615.25	11912.58

(Source- Appropriation Accounts of the State, 2012-13)

(₹in crore)

Sl. No.	Grant No.	Head of Accounts and Description	Total Provision	Re-appropriation	Actual Expenditure	Surrendered	Final Savings
1	2	3	4	5	6	7	8
1	1	2401-00-001-0001-Direction	8.43	0.22	7.96	0.36	0.33
2		2402-00-102-0004-Regional establishment	2.40	0.42	2.41	0.36	0.05
3		2415-01-277-0006-Schemes for extension of training during service period and for education council	1.97	0.08	1.93	0.11	0.01
4	3	2059-80-052-0001-New supply and repairs	0.50	0.95	0.62	0.78	0.05
5	6	2015-00-102-0001-Headquarter charge and general establishment	13.98	2.40	14.11	2.15	0.12
6	10	2059-80-001-0010-Electric Execution	21.67	1.44	21.01	1.84	0.26
7	12	7610-00-201-0001-House building advance to Government servants	7.00	0.50	7.33	0.05	0.12
8		7610-00-202-0001-Advance to Government servant for purchase of motor conveyance	4.00	1.50	4.53	0.48	0.49
9	16	2015-00-101-0001-State election commission (Panchayati Raj)	1.68	0.27	1.78	0.14	0.03
10		2515-00-003-0001-Training of Panchayat Employees (A) Panchayat	2.56	0.10	2.09	0.40	0.17
11	19	2406-01-003-0001-Training for public relation and research	0.99	0.47	1.20	0.05	0.21
12		2406-01-101-0002-Working plan division	1.26	0.20	1.13	0.23	0.10
13	20	2210-01-001-0002-District Medical Officer	25.10	3.34	24.10	1.72	2.62
14		2210-05-105-0007-Magadh Medical College	18.57	2.60	12.45	6.12	2.60
15		2210-05-105-0023-Government Medical College, Bettiah	8.73	4.60	8.41	4.50	0.42
16		2210-06-001-0001-Superintendent	5.98	0.14	4.87	0.67	0.58
17		2210-06-003-0002-Public Health Institute	10.32	1.05	10.07	1.15	0.15
18		2210-06-101-0002-National Filariasis Control Programme	16.21	2.93	17.67	1.00	0.47
19		2210-06-102-0001-Public health and sanitation programme-prevention of food adulteration	1.78	0.77	1.94	0.43	0.18
20		2210-06-104-0001-Drug Control Establishment	10.91	0.01	8.24	1.47	1.21
21	21	2202-01-001-0105-Shaikshnik Seminar karyashala awam vibhinn shaikshnik yojna awam mahotsaw	5.00	3.29	8.28	0.00	0.01
22		2202-01-109-0004-Social festival in school for encouragement	0.00	27.89	27.88	0.00	0.01

Appendix 2.5

Sl. No.	Grant No.	Head of Accounts and Description	Total Provision	Re-appropriation	Actual Expenditure	Surrendered	Final Savings
1	2	3	4	5	6	7	8
23	21	2202-02-001-0002-District education officer and sub divisional education officer	24.78	2.00	24.67	0.46	1.65
24		2202-02-001-0003-Regional deputy director and other officer	4.50	0.30	4.18	0.38	0.24
25		2202-02-001-0101-Directorate of secondary education	13.25	0.94	2.27	10.00	1.92
26		2202-02-107-0105-Chief Minister boys cycle scheme	152.08	15.96	130.78	26.81	10.44
27		2202-02-789-0101-Chief Minister boys bicycle scheme	28.00	2.15	22.95	6.03	1.17
28		2202-02-789-0102-Chief Minister girls bicycle scheme	24.00	3.77	19.72	6.96	1.09
29		2202-03-103-0001-Intermediate Education (+2 education)	30.86	3.48	32.33	0.28	1.72
30		2202-03-103-0004-Teachers Training College	1.58	1.50	2.57	0.39	0.12
31		2202-03-107-0104-Chief Minister girls uniform scheme	0.00	55.00	27.48	8.81	18.71
32		2202-04-200-0001-District public education office	5.19	0.37	4.89	0.00	0.67
33		2202-80-001-0002-State education research and training institute	0.53	0.05	0.45	0.00	0.13
34		2202-80-004-0003-Jagjivan Ram parliamentary study and political research institute, Patna	0.77	0.27	0.66	0.03	0.35
35		2202-80-004-0007-K.P. Jaiswal Research Institute, Patna	1.17	0.34	1.39	0.09	0.03
36		2202-80-004-0009-Hindi Granth Academy (Grants-in-aid)	0.80	0.38	0.80	0.00	0.38
37		2251-00-090-0002-Secondary primary and adult education department	4.47	0.12	4.18	0.25	0.16
38	22	2055-00-001-0001-Superintendence	28.25	1.85	23.62	6.11	0.37
39		2055-00-101-0001-Criminal investigation department	92.72	23.49	102.96	8.55	4.70
40		2055-00-101-0003-Indo-Nepal border check post	5.71	0.50	5.70	0.06	0.45
41		2056-00-102-0001-Central Jail	10.50	2.19	12.58	0.06	0.05
42	23	2851-00-103-0103-Handloom development scheme	19.21	1.07	18.80	1.28	0.20
43	26	2230-01-101-0106-Establishment of Bihar Child Labour Commission	1.02	0.08	0.99	0.08	0.03
44		2230-01-114-0102-Antarajya prawasi majdooron ke punervas per honewale vayay	1.25	0.38	1.54	0.01	0.08
45		2230-03-003-0107-Development of industrial training institution	0.50	0.30	0.61	0.12	0.07
46		2230-03-003-0118-Establishment of new industrial training centre	5.00	1.01	5.57	0.28	0.16
47	30	2053-00-094-0010-Minority welfare district office	0.00	0.22	0.15	0.00	0.07
48	32	2011-02-101-0006-Leader of opposition	0.50	0.04	0.45	0.06	0.03
49		2011-02-103-0001-Legislative assembly secretariat	23.14	0.07	20.84	2.33	0.04

Appendix 2.5

Sl. No.	Grant No.	Head of Accounts and Description	Total Provision	Re-appropriation	Actual Expenditure	Surrendered	Final Savings
1	2	3	4	5	6	7	8
50	32	2011-02-103-0002-Legislative council secretariat	30.03	0.47	29.37	0.36	0.77
51	33	2053-00-101-0001-Main office	18.54	0.44	15.32	2.47	1.19
52	35	3454-02-204-0002-State Statistical Organisation	14.30	1.52	13.52	2.21	0.09
53		4070-00-051-0107-Chief Minister area development programme	520.05	122.95	89.01	552.78	1.21
54	36	2215-01-101-0004-Water supply scheme of municipal corporation	50.13	5.21	47.45	7.89	0.00
55	39	2245-02-101-0005-Cash payment to fire relief	5.00	1.50	3.33	2.40	0.77
56	42	2216-03-789-0102-Indira Awas Yojna	361.04	22.64	293.85	37.69	52.14
57		2505-60-105-0102-National Rural Employment Guarantee Scheme	254.10	10.00	264.04	0.00	0.06
58	43	2203-00-001-0001-Directorate of technical education	2.79	0.04	2.35	0.41	0.07
59		2203-00-001-0002-State technical education board	0.93	0.13	1.02	0.01	0.03
60		2203-00-112-0001-Degree and post graduate course	19.64	0.54	18.51	1.55	0.12
61	49	2700-01-001-0001-Establishment	55.23	0.03	46.23	8.89	0.14
62		2700-03-101-0002-Other maintenance expenditure	25.00	5.57	27.46	3.03	0.08
63		2711-03-001-0001-Regional establishment	24.78	0.25	22.17	2.37	0.50
64		3451-00-090-0009-Water Resources Department	12.54	1.05	12.18	1.27	0.14
65		4700-80-005-0101-Survey and Investigation (Establishment)	0.25	0.78	0.48	0.02	0.53
66		4701-03-789-0101-Irrigation Project of Son Basin	35.67	2.50	33.46	4.03	0.68
67		4711-01-789-0101-North Bihar Flood Control Project	201.00	6.75	200.95	6.09	0.71
Total			2279.85	355.37	1783.83	736.91	114.46

(Source- Detailed Appropriation Accounts (including Grants Audit Register), Government of Bihar)

Re-appropriation of Funds

(Reference : Paragraph 2.3.5, Page 45)

(₹ in crore)

Sl.No.	Grant No.	Head of Accounts and Description	Total Provision	Actual Expenditure	Re-appropriation	Surrendered	Final Savings
1	1	2401-00-109-0001-Divisional District and Sub-divisional Establishment	124.11	105.33	7.11	10.88	0.79
2		3475-00-106-0001-Scheme for standardization of Weight and Measure	9.87	7.08	0.58	2.12	0.09
3	3	2059-80-001-0004-Execution	98.67	77.80	0.70	17.59	2.58
4		2059-80-053-0001-Maintenance and Repairs	115.00	95.41	2.05	17.08	0.46
5		4059-80-051-0105-Construction of judicial Buildings (for Law Department on recommendation of 11 th Finance Commission)	67.79	35.71	19.54	12.47	0.07
6	6	2015-00-108-0001-Expenditure on issue of Photo Identity Card to Voters	12.10	3.15	2.40	6.40	0.15
7	12	7610-00-202-0004-Advance to members of Legislature for purchase of motor conveyance	7.00	2.44	1.50	2.66	0.40
8	15	2071-01-101-0001-Payment to pre November 15, 2000 pensioners	4928.44	744.43	500.00	0.00	3684.03
9	16	2515-00-198-0001-Assistance to Panchayati Raj Institutions	926.98	741.38	3.86	117.16	64.58
10		2515-00-198-0009-Contribution for Gram Panchayat in approval of State Finance Commission	514.66	502.84	1.14	0.00	10.68
11		2515-00-198-0010-Gram kutchery ke Vibhinn Madon Hetu	45.59	37.62	1.00	2.31	4.66
12	19	2406-01-070-0001-Road and Bridge	1.10	1.03	0.02	0.00	0.05
13		2406-01-070-0002-Building	1.30	0.98	0.11	0.01	0.20
14		2406-01-800-0101-Canal Side Farm	18.63	12.99	2.55	3.00	0.09
15		2406-02-110-0003-Sanctuary	4.22	3.78	0.22	0.07	0.15
16	20	2210-01-200-0001-Other dispensaries (T.B. Eradication Programme)	37.34	33.79	0.08	1.06	2.41
17		2210-01-200-0002-Other dispensaries (Leprosy Eradication Programme)	54.71	38.21	2.94	8.07	5.49
18		2210-01-200-0005-Other dispensaries (Local dispensaries)	17.53	10.93	0.97	5.38	0.25
19	21	2202-01-101-0001-Government Primary and Middle School	4307.48	3925.21	27.89	52.86	301.52
20		2202-01-191-0001-Consolidated payment to Municipal Teachers	14.29	12.05	1.03	0.51	0.70

Appendix 2.6

Sl.No.	Grant No.	Head of Accounts and Description	Total Provision	Actual Expenditure	Re-appropriation	Surrendered	Final Savings
21	21	2202-01-192-0001-Consolidated payment to Municipal Teachers	68.40	11.24	14.33	26.78	16.05
22		2202-01-193-0001-Consolidated payment to Municipal Teachers	27.00	10.07	0.62	8.88	7.43
23		2202-01-198-0002-Consolidated payment to Panchayat Teachers	104.82	76.61	1.00	17.10	10.11
24		2202-02-107-0106-Chief Minister Girls Cycle Scheme	181.98	133.39	19.45	26.15	2.99
25		2202-02-107-0107-Chief Minister Girls Uniform Scheme	220.00	103.46	55.00	43.74	17.80
26		2202-02-191-0001-Consolidated payment to Municipal Secondary School Teachers	7.00	3.64	1.00	0.20	2.16
27		2202-02-192-0001-Consolidated payment to Municipal Secondary Teachers	7.00	4.43	1.00	0.20	1.37
28		2202-02-193-0001-Consolidated payment to Municipal Secondary Teachers	8.50	5.80	1.50	0.36	0.74
29		2202-02-193-0002-Consolidated payment to Municipal Higher Secondary Teachers	4.10	2.97	0.36	0.05	0.72
30		2202-02-196-0001-Consolidated grants to Zila Parishad Secondary Teachers	144.00	93.91	24.00	5.25	20.84
31		2202-02-196-0002-Consolidated grants to Zila Parishad Higher Secondary Teachers	35.00	23.83	6.00	1.02	4.15
32		2202-05-103-0002-Government Sanskrit Schools	3.38	1.96	0.77	0.59	0.06
33	22	2055-00-109-0005-Special Auxiliary Police	163.40	113.01	27.03	23.12	0.24
34		2055-00-114-0001-Signal	58.11	48.83	4.67	3.30	1.31
35		2056-00-101-0003-Sub-jail	20.16	14.05	2.20	3.70	0.21
36		4070-00-052-0101-Equipment for jails	20.00	6.30	5.00	8.67	0.03
37	23	2851-00-107-0101-Special Integrated Scheme for Backward Classes Development of Sericulture	14.52	10.98	1.07	2.15	0.32
38	26	2230-01-101-0108-Shram Adhinyamon Ke Kriyanwayan Hetu Pariwartan Tantra Ka Suddhrikaran	1.00	0.37	0.24	0.34	0.05
39		2230-01-102-0002-Inspector of Factories	4.17	3.02	0.35	0.79	0.01
40		2230-01-103-0103-Strengthening of Child Labour Machinery	1.75	0.75	0.43	0.53	0.04
41		2230-03-003-0109-Moderisation of Machine	4.00	2.84	1.00	0.07	0.09
42	27	2014-00-105-0001-Civil and Session Courts	420.62	355.63	3.00	52.98	9.01
43	30	2251-00-090-0011-Minority Welfare Department	2.14	1.53	0.22	0.36	0.03

Appendix 2.6

Sl.No.	Grant No.	Head of Accounts and Description	Total Provision	Actual Expenditure	Re-appropriation	Surrendered	Final Savings
44	32	2011-02-101-0005-Members	38.30	34.22	0.11	3.96	0.01
45		2011-02-102-0006-Members	11.13	8.50	0.60	1.61	0.42
46	33	2053-00-094-0001-Sub-divisional Establishment	84.10	58.47	0.44	16.06	9.13
47	35	3454-02-204-0001-Statistical machinery at Block Level	7.61	4.85	1.52	1.21	0.03
48		4070-00-051-0111-Works for Evaluation Office	491.84	0.00	122.95	367.73	1.16
49	36	2215-01-102-0002-Hand Tube Wells Tanks and Wells high flow Tube Well	124.45	102.38	5.97	15.61	0.49
50	38	2039-00-001-0002-District charges	61.31	38.97	0.03	21.54	0.77
51	39	2070-00-106-0004-Training	0.63	0.44	0.03	0.09	0.07
52		2245-02-101-0006-Grants for Buildings damaged by fire	15.00	1.99	1.50	10.67	0.84
53	40	2029-00-104-0001-Expenditure on Revenue Administration	359.23	321.66	0.11	32.94	4.52
54	41	3054-80-001-0002-Supervision	219.40	170.30	0.11	46.36	2.63
55	43	2203-00-105-0001-Certificate Course	24.53	22.58	0.76	0.84	0.35
56		4202-02-105-0102-Polytechnic/ Engineering/Technical College	17.51	13.28	0.50	2.72	1.01
57	49	2700-02-101-0002-Other Maintenance Expenditure	21.60	17.38	1.15	2.48	0.59
58		2700-03-001-0001-Establishment	161.49	149.02	0.39	11.97	0.11
59		2701-04-101-0002-Other Maintenance Expenditure	12.00	6.59	1.30	3.61	0.50
60		4700-01-789-0101- Koshi Basin Ki Sinchai Pariyojnaye	12.00	0.01	3.00	8.77	0.13
61		4700-02-789-0101- Irrigation project for Gandak Basin	15.00	3.52	3.75	7.48	0.25
62		4701-04-051-0101- Irrigation project of Kiul-Badua-Chandan Basin (works)	2.00	0.02	0.50	0.64	0.84
63		4701-04-789-0101- Irrigation project of Kiul-Badua-Chandan Basin	35.30	15.65	8.75	8.01	2.89
64		4711-01-051-0106-Zamindari Embankment	16.30	14.53	0.78	0.01	0.98
65		4711-01-789-0102- Drainage Project (Works)	10.00	4.61	2.50	2.73	0.16
Total			14568.59	8409.75	902.68	1053.00	4202.53

(Source- Detailed Appropriation Accounts (including Grant Audit Register), Government of Bihar)

(₹ in crore)

Sl. No.	Number and name of grants	Name of Schemes (head of accounts)	Total provision	Expenditure	Amount surrendered	Savings	Percentage
1	01-Agriculture Department	2401-00-105-0105-National project on fertilisation management	8.30	2.33	5.97	0.00	71.93
2		2401-00-108-0615-Integrated scheme for oilseed, pulses, palm oil and maize (ISOPOM 75:25) new scheme	23.13	9.56	13.29	0.28	57.46
3		2401-00-109-0103-Emergency project for flood and drought	619.75	135.25	447.17	37.33	72.15
4		4401-00-051-0101-Establishment of building of agriculture office	70.00	24.81	45.19	0.00	64.56
5	02-Animal and Fisheries Resources Department	2403-00-101-0101-Hospitals, dispensaries and other establishment	105.08	8.03	96.96	0.09	92.27
6		2403-00-103-0106-Scheme for range poultry farm, central poultry development and production and distribution of poultry feed	61.50	0.42	60.72	0.36	98.73
7		2403-00-104-0102-Nutrition and development of avi and aaza	83.40	0.11	83.29	0.00	99.87
8		2403-00-106-0607-Scheme for control and prevention of animal diseases	20.81	7.00	13.81	0.00	66.36
9		2405-00-001-0102-Fisheries extension	10.10	1.43	8.65	0.01	95.54
10		3454-01-001-0602-Cattle Census	22.71	7.16	13.55	2.00	59.67
11	03-Building Construction Department	4047-00-051-0105-Establishment of additional resources in treasury offices	19.00	3.83	12.46	2.71	65.58
12		4059-01-051-0115-Building of schedule castes and schedule tribes welfare department	86.79	1.38	85.41	0.00	98.41
13		4059-01-051-0117-Building for blocks	75.00	2.80	68.19	4.01	90.92
14		4059-60-051-0113-Audhyogik prashichhan sansthano ke bhawano ka nirman (Vit ayog ke anushansa ke alok me)	20.00	4.15	15.85	0.00	79.25
15		4408-02-101-0101-Food storage and warehousing	297.16	34.72	254.37	8.07	85.60
16	04-Cabinet Secretariat Department	2070-00-114-0001-Maintenance of Government aircrafts	24.00	9.12	14.87	0.01	61.96
17	06-Election Department	2015-00-108-0001-Expenditure on issue of Photo Identity Cards to Voters	12.10	3.14	8.80	0.16	72.73

Appendix 2.7

Sl. No.	Number and name of grants	Name of Schemes (head of accounts)	Total provision	Expenditure	Amount surrendered	Savings	Percentage	
18	08-Art, Culture and Youth Department	2204-00-104-0102-Sports and Games	11.25	4.88	6.34	0.03	56.36	
19	10-Energy Department	2801-80-190-0002-Rajiv Gandhi Rural Electrification Project and Sam Vikash Yojna	87.89	11.17	76.72	0.00	87.29	
20		2810-60-600-0101-Non-conventional sources of energy grants-in-aid	13.68	3.59	10.09	0.00	73.76	
21		4801-05-190-0101-Pichhra Kshetra Vikash Kosh Yojna	858.88	173.63	685.25	0.00	79.78	
22		6801-00-190-0003-Loans to Bihar Electricity Board	20.69	2.22	18.47	0.00	89.27	
23		6801-00-190-0101-Structure and distribution of Bihar State Electricity Board	60.00	14.42	45.58	0.00	75.97	
24		6801-00-190-0104-Loans to Bihar State Electricity Board	788.71	281.12	507.59	0.00	64.36	
25		6801-00-190-0110-Loans for Bihar State Power (Holding) Company Ltd.	53.82	26.41	27.41	0.00	50.92	
26		6801-00-201-0101-Bihar State Hydro Electric Corporation	58.00	12.00	46.00	0.00	79.31	
27		12-Finance Department	2054-00-095-0103-Bihar Revenue Administration Intranet (Brain Project Samposhit)	25.40	4.78	20.59	0.03	81.06
28			2515-00-102-0114-Bihar Gramin Jiwikoparzon Priyोजना (Vishwa bank samposhit)	129.83	58.64	71.19	0.00	54.83
29	2515-00-789-0101- State Rural Livehood Scheme (WB)		69.08	32.61	36.47	0.00	52.79	
30	14-Repayment of Loans	6003-00-108-0001-Co-operative Department	14.75	5.75	9.00	0.00	61.02	
31	17-Commercial Taxes Department	2040-00-001-0005-Mission mode project	10.45	1.30	9.14	0.01	87.46	
32	18-Food and Consumer Protection Department	3456-00-001-0002-District charges	46.91	4.34	42.59	0.03	90.79	
33		3456-00-193-0101-Nigrani and Anushravan hetu gathit samiti ke gair sarkari sadasyon ko baithak aur yatra bhatta	7.25	0.00	7.13	0.12	98.34	
34	20-Health Department	2210-01-110-0016-Mental Hospital	13.00	2.00	11.00	0.00	84.62	
35		2210-05-105-0010-Bhagalpur Medical College	19.99	6.94	13.05	0.00	65.28	
36		2210-05-105-0024-Government medical college, Madhepura	7.32	0.63	6.69	0.00	91.39	
37		4210-03-105-0108-Swasthya awam poshan karyakaram-EAP	140.00	46.20	93.80	0.00	67.00	
38	21-Education Department	2202-01-107-0601-Primary teacher's training college	174.31	1.55	172.59	0.17	99.01	

Appendix 2.7

Sl. No.	Number and name of grants	Name of Schemes (head of accounts)	Total provision	Expenditure	Amount surrendered	Savings	Percentage	
39	21-Education Department	2202-01-192-0001-Consolidated payment to municipal teachers	68.40	11.25	41.10	16.05	60.09	
40		2202-02-001-0101-Directorate of secondary education	13.25	2.27	9.06	1.92	68.38	
41		2202-02-109-0607-Rashtriya madhmic siksha abhiyan	735.77	15.65	536.18	183.94	72.87	
42		2202-03-102-0118-For management institution of national level	15.00	4.00	11.00	0.00	73.33	
43		2202-80-004-0121-Bihar Rajbhasa Academy	10.00	0.45	9.55	0.00	95.50	
44		22-Home Department	2055-00-109-0006-Strengthening of terrorism affected PS/OP under SRE scheme	21.00	5.77	15.23	0.00	72.52
45	2055-00-109-0009-Hiring of vehicles/helicopters/means of communication during emergency in covered districts under SRE scheme		13.00	0.08	12.92	0.00	99.38	
46	2055-00-115-0001-Equivalent amount of central government under the scheme of modernisation of police force		36.00	14.53	21.47	0.00	59.64	
47	2070-00-003-0005-Frequent training to home guard		12.00	4.05	7.95	0.00	66.25	
48	4055-00-789-0101-Construction and maintenance for police building		80.00	0.00	79.28	0.72	99.10	
49	4070-00-051-0101-Bihar fire brigade service for building construction		15.39	7.03	8.36	0.00	54.32	
50	4070-00-052-0101-Equipment for jails		20.00	6.30	13.67	0.03	68.35	
51	25-Information Technology Department		2852-07-202-0106-Gyan city project	40.00	6.49	33.51	0.00	83.77
52			2852-07-202-0108-State data centre	17.72	7.71	10.01	0.00	56.49
53			2852-07-202-0109-E-governance, State Plan	65.00	30.91	34.09	0.00	52.45
54		3451-00-090-0118-Secretariat's local network	20.00	6.72	11.86	1.42	59.30	
55		4859-02-004-0101-Bihar State Wide Area Network (SWAN)	45.00	18.81	26.19	0.00	58.20	
56	27-Law Department	2014-00-105-0701-Civil and session courts	30.83	8.12	22.70	0.00	73.63	
57		2014-00-106-0001-Organisation of morning, evening, special judicial magistrate and shift court on recommendation of the Finance Commission	42.86	1.79	41.06	0.01	95.80	
58		2014-00-114-0002-Legal aid to the poor	16.52	7.28	9.24	0.00	55.93	
59	30-Minorities Welfare Department	2202-02-107-0103-Scholarship of middle students of minority	15.00	3.50	11.50	0.00	76.67	

Appendix 2.7

Sl. No.	Number and name of grants	Name of Schemes (head of accounts)	Total provision	Expenditure	Amount surrendered	Savings	Percentage
60	30-Minorities Welfare Department	4225-80-051-0101-Renovation and construction of residential school, hostel and other buildings	26.75	7.20	19.55	0.00	73.08
61	33-General Administration Department	2051-00-103-0001-Bihar staff selection commission	23.40	3.61	19.64	0.15	83.93
62	35-Planning and Development Department	2053-00-093-0105-Finance Commission State Nawochar Fund	19.00	6.13	12.00	0.87	63.16
63		3451-00-101-0101-Bihar State Planning Board	411.39	0.02	411.37	0.00	99.99
64		3454-02-204-0401-Economic census	10.00	0.02	9.98	0.00	99.80
65		3454-02-205-0101-Integrated Statistical Development Plan	77.40	4.12	71.63	1.65	92.55
66		4070-00-051-0107-Chief Minister area development programme	520.05	89.01	429.83	1.21	82.65
67		4070-00-051-0109-Strengthening of planning machinery-local needs under district level plan	9.00	1.13	7.87	0.00	87.44
68		4070-00-051-0111-Works for evaluation office	491.84	0.00	490.67	1.17	99.76
69	36-Public Health Engineering Department	4215-01-102-0101-Rural water supply scheme	21.25	5.71	15.54	0.00	73.13
70	Engineering Department	4215-01-102-0116-Loans from NABARD for development of infrastructure for supply of drinking water in rural areas	67.00	3.10	63.87	0.03	95.33
71		4215-01-102-0117-Rural piped water supply schemes-Minimum needs programme	11.70	5.48	6.22	0.00	53.16
72		4215-01-102-0119-Direction, administration and establishment	10.00	2.91	7.09	0.00	70.90
73		4215-01-789-0101- Anachadit, Anshik Achhadit, Jal gunwatta prabhawito ko achadan hetu jalapurti ka nirman	16.00	3.02	12.98	0.00	81.13
74		4215-01-789-0111-Rural Water Supply Plan	35.23	9.20	26.03	0.00	73.89
75		4215-02-106-0104-Strengthening of supply for drinking water and cleanliness in urban area	21.57	9.44	12.10	0.03	56.10
76		39-Disaster Management Department	2245-02-101-0001-Cash payment to helpless and handicapped person	30.00	1.96	27.64	0.40
77	2245-02-101-0002-Supply of good grains		100.00	1.06	96.40	2.54	96.40
78	2245-02-101-0004-Free distribution of clothes and utensils to affected persons		10.00	0.81	9.19	0.00	91.90
79	2245-02-101-0006-Grants for building damaged by fire		15.00	1.99	12.17	0.84	81.13
80	2245-02-101-0007-Grants for clothes damaged by fire		10.00	3.00	5.77	1.23	57.70
81	2245-02-106-0001-Repairs and restoration of damaged roads and bridges		20.00	2.25	17.75	0.00	88.75

Appendix 2.7

Sl. No.	Number and name of grants	Name of Schemes (head of accounts)	Total provision	Expenditure	Amount surrendered	Savings	Percentage
82	39-Disaster Management Department	2245-02-112-0002-Evacuation of population	50.00	10.25	35.35	4.40	70.70
83		2245-02-112-0104-Purchase of communication instruments	9.10	1.00	8.01	0.09	88.02
94		2245-80-102-0104-State disasters response course	16.00	2.91	13.09	0.00	81.81
85		2245-80-102-0105-Awarness and capability development	5.65	0.58	5.07	0.00	89.73
86	40-Revenue and Land Reforms Department	2029-00-001-0102-Consolidation of holding	20.18	9.35	10.59	0.24	52.48
87		4047-00-050-0104-Purchase of land for road construction (Revenue and land reform department)	13.06	3.94	8.40	0.72	64.32
88		4047-00-789-0101-Land acquisition	32.86	12.33	20.50	0.03	62.39
89	41-Road Construction Department	3054-80-001-0006-National Highway Project-Direction	50.00	0.00	29.28	20.72	58.56
90		5054-03-101-0104-Chief Minister Bridge Construction Scheme	400.00	153.14	239.16	7.70	59.79
91		5054-03-337-0109-Construction of bridge and road connecting market and surrounding regions (Bihar trade development fund)	100.00	44.66	50.00	5.34	50.00
92		5054-03-789-0101-Major road	225.00	56.64	145.00	23.36	64.44
93	42-Rural Development Department	2216-03-105-0101-BPL work	120.00	39.60	80.40	0.00	67.00
94		2501-01-001-0104-Vigilance processing re-engineering	10.00	1.13	8.87	0.00	88.70
95		2501-06-789-0101-Swarnjayanti Gram Swarojgar Yojna	69.60	15.47	53.40	0.73	76.72
96	44-Scheduled Castes and Scheduled Tribes Welfare Department	2225-01-277-0613-Post entrance scholarship	30.00	9.82	19.99	0.19	66.63
97	45-Sugar Industries Department	2401-00-789-0108-Sugarcane Development	11.40	4.08	7.31	0.01	64.12
98		6860-04-190-0001-Loans to sugar factories	22.58	8.95	13.63	0.00	60.36
99	48-Urban Development and Housing Department	2015-00-109-0001-Election of municipal corporation, municipal council and panchayats	40.00	15.26	24.71	0.03	61.77
100		2217-01-191-0107-Assistance grant to urban local bodies for urban consolidated development	22.37	0.00	21.25	1.12	94.99
101		2217-03-191-0107-Assistance grant to urban local bodies for urban consolidated development	22.37	0.00	16.36	6.01	73.17
102		3475-00-108-0101-Assistance grant to swarna jayanti urban employment scheme	92.83	35.81	51.02	6.00	54.96
103	49-Water Resources Department	4700-01-789-0101-Koshi basin ki sichai pariyojnaye	12.00	0.10	11.77	0.13	98.08
104		4700-02-789-0101-Irrigation project for Gandak basin	15.00	3.52	11.23	0.25	74.87

Appendix 2.7

Sl. No.	Number and name of grants	Name of Schemes (head of accounts)	Total provision	Expenditure	Amount surrendered	Savings	Percentage
105	49-Water Resources Department	4700-04-051-0103-Irrigation project for Gandak-Kiul-Badua-Chandan (works) (NABARD)	19.75	6.91	11.38	1.46	57.62
106		4700-80-051-0101-Backward region grants	283.29	120.44	153.43	9.42	54.16
107		4701-03-051-0103-Irrigation project for Sone basin (works) (NABARD)	27.62	5.81	21.64	0.17	78.35
108		4701-04-051-0103-Irrigation project of Kiul-Badua-Chandan Basin (works) (NABARD)	23.87	7.73	16.11	0.03	67.49
109		4711-01-051-0104-Flood control embankment road project (works) (NABARD)	73.09	11.58	58.38	3.13	79.87
110		4711-01-789-0102-Drainage projects (works)	10.00	4.62	5.22	0.16	52.20
111		50-Minor Water Resource Department	2702-02-005-0002-Maintenance of lift irrigation schemes	7.00	0.76	5.07	1.17
112	2702-03-101-0002-Other maintenance expenditure		7.00	1.63	5.10	0.27	72.86
113	2702-03-102-0005-Other maintenance expenditure		13.45	0.72	11.89	0.84	88.40
114	2702-03-103-0104-Private tube wells		23.52	10.35	13.11	0.06	55.74
115	4702-00-101-0101-Minor irrigation		88.24	34.12	53.24	0.88	60.34
116	4702-00-789-0101-Minor irrigation project		16.15	3.38	9.66	3.11	59.81
117	51-Social Welfare Department	2235-02-102-0615-Integrated child protection scheme	34.15	8.72	25.43	0.00	74.46
118		2235-02-102-0618-RGSEAG "Sabla"	104.58	30.33	74.07	0.18	70.83
119		2235-02-103-0111-Baby Saving Scheme	52.00	6.56	42.00	3.44	80.77
Total			9633.07	1955.50	7306.58	371.02	

(Source: Detailed Appropriation Accounts, Government of Bihar)

Hundred per cent surrender of funds

(Reference : Paragraph 2.3.6, Page 46)

(₹ in crore)

Sl. No.	Number and name of grants	Name of Schemes (head of accounts)	Total provision surrendered
1	01-Agriculture Department	2401-00-103-0614-Consolidated cereal development programme (Macromode 90:10)	12.00
2		2401-00-103-0104-Consolidated cereal development programme (Macromode State Share 10:90)	2.00
3		2401-00-107-0408-Strengthening & Modernisation of insect management in India	0.23
4		2401-00-107-0602-Consolidated insect management programme (Macromode 90:10)	3.60
5		2401-00-107-0104-Consolidated insects management programme (Macromode)	0.40
6		2401-00-109-0114-Agri-business Infrastructure Development Project (EAP)	10.00
7		2401-00-109-0115-Agriculture Road map coppers	70.00
8		2401-00-113-0115-Use in renewal energy in agriculture	10.00
9		2402-00-102-0601-Punpun and Kosi (FRR) (Macromode 90:10)	0.90
10		2402-00-102-0602-NWDPRRA (Macromode 90:10)	4.50
11		2402-00-102-0102-Punpun and Koshi (FRR) (Macromode 10:90)	0.10
12		2402-00-102-0103-NWDPRRA (Macromode 10:90)	0.50
13		2402-00-102-0109-Jal Chhajan Development Programme for agriculture	13.29
14		2415-01-277-0111-Agriculture college, Kishanganj	20.50
15		2415-07-277-0101-Horticulture College, Nalanda	8.40
16		2415-80-789-0101-Garden University, Nalanda	1.60
17		2435-01-101-0102-Seed certification agency	1.20
18	02-Animal and Fisheries Resources Department	2403-00-103-0610-Rural backyard poultry	7.00
19		2403-00-103-0109-National Agriculture Development Scheme	1.50
20		2403-00-104-0105-National Agriculture Development Plan	1.30
21		2403-00-107-0606-Scheme of distribution and purchase for production of fodder seed	1.00
22		2403-00-107-0106-Scheme of Distribution and purchase for production of fodder seed	0.25
23		2403-00-109-0106-State Animal Husbandry Training Complex	2.68
24		2403-00-113-0104-National Agriculture Development Plan	3.89
25		2403-00-789-0101-Scheme of Backward goat rearing	5.00
26		2405-00-101-0603-Fisheries training and extension scheme	0.60
27		2405-00-101-0605-Development of inland fisheries statistics	0.19
28		2405-00-101-0612-Fisheries marketing scheme	5.85
29		2405-00-101-0106-Residence, lavatory, drinking water and other civic amenities to fisherman	5.00
30		2405-00-101-0107-Fisheries investigation scheme	0.60
31		2405-00-101-0110-Fisheries training and extension scheme	0.15
32		2405-00-101-0112-Fisheries marketing scheme	0.65
33		2405-00-120-0601-Residence and other civic amenities for fisherman	5.00
34		2405-00-789-0101-Assistance for fishermen	5.11
35		2415-03-277-0101-Bihar animal science and technical university	20.00
36		4403-00-109-0101-State Animal Husbandry Training Complex	7.32
37		6405-00-190-0002-Loans to Bihar State fisheries department corporation	0.03
38	03-Building Construction Department	2059-01-053-0118-Renovation and Modernization of Finance Department	0.61
39		4059-01-051-0605-Strengthening plan of animal hospital	0.75
40		4059-01-051-0105-Construction of building for animal and fisheries department	29.25
41		4059-01-051-0106-Construction/renovation of record cell cum office building for cabinet secretariat	0.65

Appendix 2.8

Sl. No.	Number and name of grants	Name of Schemes (head of accounts)	Total provision surrendered
42	03-Building Construction Department	4059-01-051-0112-Strengthening plan of animal hospital	0.25
43		4059-01-051-0116-Construction of combined labour building	4.75
44		4059-60-051-0611-Babu Jagjiwan Ram Hostel plan	27.00
45		4059-60-051-0108-Virasat Sanrakshan-Finance Commission	21.00
46		4059-60-051-0110-National Agriculture Development Scheme (Animal and Fisheries Department)	23.60
47		4059-60-051-0111-Babu Jagjiwan Ram Hostel Plan	15.00
48		4059-60-789-0103-Virasat Sanrakshan-Finance Commission	4.00
49		4059-80-004-0001-Preliminary work before construction	0.15
50		4059-80-051-0002-Minor works	3.75
51		4059-80-051-0604-Judicial Buildings	2.18
52		4059-80-051-0118-Construction and renovation of building of residential school and hostel of backward classes	1.00
53		4216-01-700-0001-Other Administrative Services	0.05
54		4216-01-700-0602-Judicial Residence Buildings	1.00
55		4216-80-101-0001-Preliminary work before construction	0.10
56		04-Cabinet Secretariat Department	2070-00-001-0103-Eradication of Public Grievance
57	05-Secretariat of the Governor	2012-03-106-0004-Decoration expenditure of Governor House	0.05
58	06-Election Department	2015-00-103-0002-Electoral rolls for legislative council	0.15
59	09-Co-operative Department	2401-00-110-0101-Grants for other expenditure and premium to State Crop Insurance Fund under National Agricultural Insurance Scheme	0.50
60		2401-00-110-0104-Grants to State Crop Insurance Fund for compensation to farmer's for damaged crops under National Agricultural Insurance Scheme	150.00
61		2425-00-003-0103-Construction and repairing of buildings of Co-operative Training Institutions	0.01
62		3451-00-090-0101-Co-operation Department	7.50
63		6408-02-190-0101-Grants for construction of store to Bihar State Store Corporation	16.00
64		6425-00-108-0115-Loans to Co-operative Societies for construction of godown	0.01
65		10- Energy Department	2810-60-789-0101-Non-conventional sources of energy
66	6801-00-190-0105-Loan to Bihar State Electricity Council APDPRP		53.82
67	6801-00-789-0102-Loans to Bihar State Electricity Council		150.23
68	6801-00-789-0103-Loans to Bihar State Electricity Council APDPRP		10.25
69	6801-00-789-0105-Loans to Bihar State Power (Holding) Co. Ltd. APDPRP		10.25
70	11-Backward Class and Most Backward Class Welfare Department	2225-03-277-0606-Hostel for students-Major Construction Works	1.00
71		2225-03-277-0607-Hostel for girl students-Major Construction Works	1.00
72		2225-03-277-0107-Hostel for students-Major Construction Works (50:50)	1.00
73		2225-03-277-0108-Hostel for girl students-Major Construction Works-State share (50:50)	1.00
74	12-Finance Department	7610-00-201-0002-House building advance to Officers of All India Services	0.50
75	13-Interest Payments	2049-60-701-0004-Interest due in the case of refund of sales tax	0.14
76	16-Panchayati Raj Department	2515-00-101-0110-Panchayati Raj administration and public development	52.18
77		2515-00-101-0112-Backward region grant fund scheme for Siwan district	13.22

Appendix 2.8

Sl. No.	Number and name of grants	Name of Schemes (head of accounts)	Total provision surrendered
78	16-Panchayati Raj Department	2515-00-789-0107-Panchayati Raj Byawastha aur Manaw Sansadhan Vikash	7.82
79		2515-00-789-0109-Backward region development fund plan for Siwan district	1.71
80		2515-00-796-0116-Backward region development fund plan for Siwan district	0.08
81		4515-00-101-0104-Panchayat Sarkar Bhawan in respect of Recommendation of Finance Commission	208.43
82		4515-00-789-0102-Panchayat Government Building on the Recommendation of Finance Commission	41.57
83	18-Food and Consumer Protection Department	3456-00-191-0101-Nigrani and Anushravan hetu gathit samiti ke gair sarkari sadasyon ko baithak awam yatra bhatta	0.48
84		3456-00-192-0101-Nigrani and Anushravan hetu gathit samiti ke gair sarkari sadasyon ko baithak awam yatra bhatta	7.00
85		3456-00-198-0101-U Gathit samiti ke gair sarkari sadasyon	10.00
86	19-Environment and Forest Department	2406-01-101-0126-Rastriya Sam Vikash Yojna	4.83
87		2406-02-110-0603-Other park-Sanjay Gandhi Zoological Park (100% CSS)	0.50
88		2406-02-110-0615-Valmiki Nagar Tiger Project Eco Development (100% CSS)	0.25
89		2406-02-110-0619-Development of waste land	0.50
90		2406-02-110-0620-Development of sanctuaries	0.20
91		2406-02-110-0109-Sanjay Gandhi Jaiwik Udyan (50:50) Central Sanctuary Authority Sponsored Scheme	0.50
92		2406-02-110-0120-Development of sanctuaries	0.20
93		2406-02-111-0601-Other Park	0.50
94	20-Health Department	2210-01-102-0101-Employees State Insurance Scheme	0.25
95		2210-05-105-0015-Education fees determination committee	0.10
96		2210-05-105-0016-Admission supervision committee	0.10
97		2210-05-200-0101-Grants-in-aid to Indira Gandhi Institute of Medical Science, Patna	93.91
98		2011-00-001-0601-Direction	0.09
99		2235-60-200-0012-Chief Minister's medical assistance fund	25.00
100		4210-01-110-0104-Bhagalpur Medical College Hospital, Bhagalpur	0.85
101		4210-01-110-0105-Patna Medical College Hospital, Patna	0.85
102		4210-01-110-0107-Darbhanga Medical College Hospital, Darbhanga	1.05
103		4210-01-110-0108-Magadh Medical College Hospital, Gaya	0.85
104		4210-01-110-0110-Indira Gandhi Heart Institute, Patna	5.35
105		4210-03-050-0102-Land acquisition for All India Institute of Medical Science, Patna (Allopathy)	5.00
106		4210-03-105-0102-Repairs of Calvert in girls hostel of DMCH	1.36
107		4210-03-105-0104-Patna Medical College, Patna	0.95
108		4210-03-105-0106-Shri Krishna Medical College, Muzaffarpur	2.40
109		4210-03-105-0107-Bhagalpur Medical College, Bhagalpur	2.80
110	4210-03-789-0101-Medical Colleges	5.73	
111	4210-05-050-0102-Land Acquisition for Homeopathic college, Muzaffarpur	0.71	
112	4210-05-050-0103-Land Acquisition for Ayurvedic college, Patna	0.11	
113	21-Education Department	2202-01-109-0003-Tour to students of middle schools	28.72
114		2202-01-789-0101-Equipments	1.08
115		2202-02-001-0106-Co-ordinated handicapped education project	0.50
116		2202-02-109-0105-ITC Project	53.00
117		2202-02-110-0007-Grants for Non-Government schools	285.00
118		2202-03-103-0101-Government womens College	2.00
119		2202-80-004-0112-Jaggiwan Ram Parliamentary Studies and Political Research Institute, Patna	1.00
120		2205-00-105-0011-Assistance to joint fund of Raja Rammohan Roy library Kolkata and State Government	0.40

Appendix 2.8

Sl. No.	Number and name of grants	Name of Schemes (head of accounts)	Total provision surrendered	
121	22-Home Department	2055-00-001-0006-Expenditure relating to security in violence affected areas (to be compensated from Govt. of India)	0.43	
122		2070-00-108-0604-Agni Awam Akasmik Sewao Ke Sudridhikaran	6.00	
123	23-Industries Department	2851-00-105-0101-Grants-in-aid to Bihar State Khadi Gramodyog Board	4.89	
124		2851-00-789-0102-Development for handicraft	0.01	
125		2851-00-789-0103-Establishment of district industry centres	0.12	
126		2851-00-789-0106-Bihar Rajya Khadi Gramodyog Board ko Sahayak Anudan	0.11	
127		2852-80-102-0150-Establishment of Central Institute of Plastic Engineering and Technology	0.70	
128		2852-80-789-0103-Establishment for central institute of plastic Engineering and technology	0.05	
129		4851-00-102-0102-Tool room training centre	2.50	
130		6885-01-190-0101-Loans to Bihar State Industries Corporation	0.05	
131		6885-01-190-0109-Loans to Bihar State credit and investment corporation limited	0.20	
132		6885-01-190-0110-Interest free loan to Bihar State Financial Corporation	0.20	
133		6885-01-190-0113-Bihar Rajya Film Vikash Nigam	0.05	
134		25-Information Technology Department	2852-07-202-0101-National E-governance project common service centre	12.00
135			2852-07-202-0102-Public grievance cell in chief minister secretariat	0.65
136	2852-07-202-0104-E-purchasing plan		1.00	
137	2852-07-789-0101-National E-governance Plan (Common service centre)		1.92	
138	2852-07-789-0102-State data centre		1.20	
139	2852-07-789-0103-E-governance state plan		5.00	
140	2852-07-789-0104-Advertisement and Extension plan for information technology		1.20	
141	3451-00-090-0131-Renovation and modernisation of information technology department		3.70	
142	4859-02-789-0101-Bihar State wide area network (SWAN)		2.00	
143	26-Labour Resource Department		2230-01-101-0109-Computerisation and Modernisation	0.50
144		2230-02-004-0103-Sarveshan Shodh Awam Mulyankan under E.M.I. programmes	0.05	
145		2230-03-003-0128-Bhavishya Me Kushal Sharam Shakti Ki Aklan Ke Liye Adhayayan	0.05	
146		4250-00-051-0101-Construction of building of Industrial Training Institute	4.00	
147	29-Mines and Geology Department	2853-02-004-0101-Geological and G.P.S. Lab	1.00	
148	30-Minorities Welfare Department	2202-03-107-0105-Scholarship for College Students of Minority	0.30	
149		2202-03-107-0106-Scholarship for coaching to students of minority of Bihar Public Service Commission	0.20	
150		2250-00-003-0101-Training of workers of Minority Classes	0.10	
151		2250-00-800-0101-Computerisation work of survey of waqf property	0.10	
152		2250-00-800-0107-For maintenance, Security and Protection of Waqf Property	0.20	
153		2250-00-800-0108-GIA as revolving Fund for Development of Waqf Property	0.30	
154		4225-80-051-0102-Alpsankhayak Samudayo Ke Mahanubhawa Ke Nam Se Bhawan nirman	0.10	
155		7465-00-190-0102-Chief Minister's Minority Employment Debt Plan	15.00	

Appendix 2.8

Sl. No.	Number and name of grants	Name of Schemes (head of accounts)	Total provision surrendered
156	35-Planning and Development Department	3454-02-204-0620-Bharat Statistical Strengthening Project	35.18
157		3454-02-204-0120-Bharat Statistical Strengthening Project	2.60
158		3454-02-205-0003-Strengthening to State Statistical System-Finance Department	7.60
159		3454-02-206-0101-Finance Commission UID works	73.84
160		4070-00-051-0104-Apki Sarkar Apke Dwar	60.00
161	36-Public Health Engineering Department	2215-01-198-0001-Grants-in-aid to village Panchyats for repairing to Tube wells	7.20
162		2215-02-003-0102-Training-cum-research centre for monitoring and others works of State Water Purifying Mission	0.50
163		4215-01-102-0602-Central rural water supply programme	10.00
164		4215-01-102-0112-State share to Centrally Sponsored Scheme-under Ground Water Recharge and Rain Water Harvesting	0.50
165		4215-01-102-0115-Water conservation, ground water recharge and rain water harvesting	0.20
166		4215-01-102-0128-Research work	0.05
167		4215-01-789-0102-Gramin Jalapurti Yojna	2.50
168		4215-01-789-0104-Gramin Kshetro Me Payjalapurti Ke Liye Sanrachana Ka Vikas Hetu (NABARD) Se Rin	8.33
169		4215-01-789-0105-Anachadit, Anshik Anachadit, Jal Gunwatta Prabhawit Jilo ke Achadan hetu nalkupo ke nirman	3.00
170		4215-01-796-0107-Gramin Jalapurti Yojna	2.00
171		4215-01-796-0109-Gramin Kshetro Me Payjalapurti Ke Liye Sanrachana Ka Vikash Hetu (NABARD) Se Rin	0.31
172		4215-01-796-0110-Anachadit, Anshik Anachadit, Jal Gunwatta Prabhawito ke Achadan hetu Nalkupo ka nirman	0.30
173		4215-01-796-0115-Rural water supply scheme	0.25
174		38-Registration, Excise and Prohibition Department	2039-00-001-0007-Compensation for closure of excise shops
175	39-Disaster Management Department	2245-01-101-0001-Cash payment to helpless and handicapped persons	25.00
176		2245-01-101-0002-Supply of food grains	10.00
177		2245-01-101-0003-Gratuitous relief to draught affected families	0.10
178		2245-01-101-0004-Free distribution of clothes and utensils to draught affected persons	0.01
179		2245-01-101-0006-Other works (Grants to agricultural department for agricultural input)	13.00
180		2245-01-101-0007-Self Employment	0.01
181		2245-01-102-0001-Supply of drinking water by truck and tankers	5.00
182		2245-01-104-0001-Supply of fodder	1.00
183		2245-01-105-0001-Medicine for cattle	0.50
184		2245-01-282-0001-Supply of medicine	0.10
185		2245-01-282-0002-Repair of wells etc for supply of water	5.00
186		2245-02-101-0008-Grants for supply of medicines to affected families by fire	0.50
187		2245-02-101-0011-Erosion of land for diversion of rivers flow	2.00
188		2245-02-101-0012-Reserved storage of one quintal food grain for starvation affected families under different panchayats	5.34
189		2245-02-101-0013-Cash payment to Rural Development Department for Swarojgar Yojana	0.10
190		2245-02-104-0001-Supply of fodder	2.50
191		2245-02-105-0001-Medicine for cattle	2.00
192		2245-02-107-0001-Repairs and Restoration of Government Health and Education Buildings	0.10
193		2245-02-108-0001-Repairs and Restoration of Government Residential Buildings	0.10

Appendix 2.8

Sl. No.	Number and name of grants	Name of Schemes (head of accounts)	Total provision surrendered
194	39-Disaster Management Department	2245-02-112-0004-Purchase of communication instruments	1.00
195		2245-02-113-0002-Repairs/Restoration of Buildings damaged by fire	0.01
196		2245-02-114-0002-Grants for annual crops	0.50
197		2245-02-114-0004-Grants for horticulture crops	0.10
198		2245-02-114-0005-Grants for perennial crops	0.10
199		2245-02-115-0001-Assistance to farmer to clean sand/silt/salinity from lands	0.50
200		2245-02-115-0002-Extraction of salinity/sand etc. from fishery area	0.10
201		2245-02-116-0001-Grants to farmers for repair of damaged tube well/ pump set etc.	0.10
202		2245-02-119-0001-Assistance to weavers for repairs/restoration of traditional weaving instruments	0.05
203		2245-02-119-0002-Assistance for purchase of threads and other materials	0.05
204		2245-02-119-0003-Assistance to handloom weavers	0.13
205		2245-02-196-0001-Assistance to Zila Parishads/District Level Panchayats	0.05
206		2245-02-197-0001-Grants-in-aid to block level Panchayats/ Intermediate level Panchayats	0.05
207		2245-02-282-0001-Supply of medicine for human beings	2.00
208		2245-02-282-0003-Supply of POL for mobile health unit	1.00
209		2245-02-800-0007-Expenditure in transporting the relief materials received from non-Government institute	0.10
210		2245-06-101-0001-Subsistence grant to the family of deceased persons	0.10
211		2245-06-113-0001-Repairing of house during the earthquake	0.05
212		2245-80-003-0001-Expenditure on calamity training	0.05
213		2245-80-102-0007-Shatabdi Anna Kalash Yojna	10.00
214	2245-80-102-0103-NDMA	0.04	
215	2245-80-789-0101-Awarness and Capability Development	0.50	
216	41-Road Construction Department	5054-02-337-0601-Border Road India Nepal	200.00
217	42-Rural Development Department	2216-03-105-0105-Enhancement scheme of Chief Minister's Indira Awas	10.00
218		2216-03-105-0106-Pratsahan Scheme of Chief Minister's Indira Awas	10.00
219		2515-00-003-0101-Bihar Rural Development Training	4.10
220	43-Science and Technology Department	4202-02-789-0101-Polytechnic/Engineering/Technical College	24.95
221	44-Scheduled Castes and Scheduled Tribes Welfare Department	2225-01-102-0116-Prime Minister's model village schemes	2.00
222		2225-01-277-0008-Establishment of Book Bank	0.16
223		2225-01-277-0606-Scholarships up to matric standard to the children of those engaged in unclean occupation like scavenging and training works	1.00
224		2225-01-277-0609-Merit Development Programme	0.50
225		2225-01-793-0401-Multi Development for scheduled caste	40.00
226		2225-01-800-0004-Legal aid	0.01
227		2225-02-102-0101-Multiferous development of scheduled tribes receipt from Government of India under the Article 275 (1) of the Constitution	11.03
228		2225-02-277-0601-Stipend and Scholarship	0.02
229		2225-02-277-0603-Pre-examination training centre	0.03
230		2225-02-800-0101-Other welfare activities	0.02

Appendix 2.8

Sl. No.	Number and name of grants	Name of Schemes (head of accounts)	Total provision surrendered
231	45-Sugar Industries Department	2401-00-108-0108-National Development of sugarcane waste (Macro Mode State Share 10:90)	0.17
232		2401-00-789-0107-National Development of Sugarcane based coping system	0.03
233		2852-08-789-0101-Economic Assistance	4.56
234		2852-08-796-0101-Economic Assistance	0.29
235	47-Transport Department	3055-00-003-0101-Opening for driving training institute	1.55
236	48-Urban Development and Housing Department	2215-02-789-0102-Ganga jal pradushan ka niwaran	4.80
237		2215-02-796-0104-Ganga jal pradushan ka niwaran	0.30
238		2217-05-191-0101-Family survey for preparation of BPL list	10.00
239		2217-80-001-0101-Bihar Nagariya Vikash Pariyojna	58.00
240		2217-80-800-0133-Minimum cost Jalwahi toilet	0.50
241		3475-00-789-0101-Assistance grant to swarna jayanti urban employment scheme	4.00
242	49-Water Resources Department	4711-01-051-0107-Flood control project under Finance Commission	83.25
243	51-Social Welfare Department	2235-02-101-0106-Social Security and Welfare	7.00
244		2235-02-102-0001-Family and Child welfare	0.45
245		2235-02-102-0119-Swasth Poshan se sambandhit nigrani awam anushrawan (EAP)	37.00
246		2235-02-103-0110-Naari Sakti Project	24.00
247		2235-02-103-0113-Swasth Poshan se sambandhit nigrani awam anushrawan (EAP)	20.00
248		2235-02-104-0103-Mother Teresa pension plan	1.00
249		2235-02-106-0101-Pratiprekshan grih	5.70
250		2235-02-106-0108-Child welfare committee and youth council for justice	2.56
251		2235-02-200-0104-Bihar family benefit plan	5.00
252		2235-02-789-0108-Chief Minister women power scheme	6.00
253		2235-02-789-0109-Chief Minister girl coverage scheme	20.00
254		2235-02-800-0002-Inter-caste marriage-grants in aid	0.50
255		2235-02-800-0101-Exhibition seminar, conference etc.	0.50
256		4235-02-051-0101-Construction of different building under social welfare area	8.60
257		4235-02-102-0103-External aided scheme-consolidated child development plan	218.35
258		4235-02-102-0105-Swasthaya Anganbari Kendra (EAP)	7.00
259		4235-02-102-0106-Building for supervision home, Child home	0.50
Total			2851.00

(Source: Detailed Appropriation Accounts, Government of Bihar)

(₹ in crore)

Sl. No.	Number and Name of Grants/Appropriation	Savings	Surrendered	Savings which remained to be surrendered	Percentage
1	04-Cabinet Secretariat Department	38.14	30.32	7.82	20.50
2	11-Backward Class and Most Backward Class Welfare Department	36.97	14.08	22.89	61.92
3	12-Finance Department	2478.87	212.60	2266.27	91.42
4	13-Interest Payments	556.80	1.74	555.06	99.69
5	14-Repayment of Loans	13.12	9.00	4.12	31.40
6	15-Pension	1674.08	0.15	1673.93	99.99
7	18-Food and Consumer Protection Department	168.46	141.22	27.24	16.17
8	21-Education Department	2837.23	1862.99	974.24	34.34
9	22-Home Department	734.85	570.03	164.82	22.43
10	28-High Court of Bihar	24.39	18.62	5.77	23.66
11	30-Minorities Welfare Department	428.82	63.93	364.89	85.09
12	32-Legislature	11.96	10.66	1.30	10.87
13	33-General Administration Department	110.63	74.00	36.63	33.11
14	37-Rural Works Department	427.17	370.09	57.08	13.36
15	42-Rural Development Department	424.41	374.73	49.68	11.71
Total		9956.90	3754.16	6211.74	

(Source: Appropriation Accounts, 2012-13, Government of Bihar)

₹ 10 crore and 10 per cent of the total
provision on 31 March 2013

(Reference : Paragraph 2.3.8, Page 47)

(₹ in crore)

Sl. No.	Grant No.	Major Heads	Total provision	Amount Surrendered	Percentage of total provision
(1)	(2)	(3)	(4)	(5)	(6)
1	1	2401-Crop Husbandry	800.88	403.24	50.35
2		2415-Agricultural Research and Education	20.50	20.50	100.00
3		4401-Capital outlay on Crop Husbandry	70.00	22.19	31.70
4	2	2403-Animal Husbandry	376.80	285.78	75.84
5		2415-Agricultural Research and Education	20.00	20.00	100.00
6		3454-Census Surveys and Statistics	22.71	10.37	45.66
7	3	2059-Public Works	213.67	34.65	16.22
8		4047-Capital Outlay on Other Fiscal Services	19.00	12.46	65.58
9		4059-Capital Outlay on Public Works	522.03	288.48	55.26
10		4408-Capital Outlay on Food Storage and Warehousing	297.16	254.37	85.60
11	4	2070-Other Administrative Services	23.99	14.87	61.98
12	10	2801-Power	87.89	75.19	85.55
13		2810-Non-conventional sources of energy	13.68	10.09	73.76
14		4801-Capital Outlay on Power Projects	858.88	685.25	79.78
15	12	2048-Appropriation for reduction or avoidance of Debt	298.00	43.05	14.45
16		2054-Treasury and Accounts Administration	25.40	20.59	81.06
17		2515-Other Rural Development Programmes	198.91	107.66	54.12
18	16	2515-Other Rural Development Programmes	2182.38	453.22	20.77
19	17	2040-Taxes on sales, trade, etc.	114.87	46.90	40.83
20	18	3456-Civil Supplies	56.90	53.82	94.59
21	20	2210-Medical and Public Health	323.67	49.29	15.23
22		2211-Family Welfare	401.55	102.20	25.45
23		2235-Social Security and Welfare	25.00	25.00	100.00
24		4210-Capital Outlay on Medical and Public Health	179.15	61.11	34.11
25	21	2202-General Education	3736.23	1601.50	42.86
26		4202-Capital Outlay on Education, Sports, Art and Culture	200.00	36.19	18.10
27	22	2055-Police	310.39	92.95	29.95
28		2070-Other Administrative Services	163.75	27.52	16.81
29		4235-Capital Outlay on Social Security and Welfare	109.09	76.80	70.40
30	25	2852-Industries	214.22	89.61	41.83
31		3451-Secretariat-Economic Services	20.00	11.86	59.30
32		4859-Capital Outlay on Telecommunication and Electronic Industries	45.00	26.19	58.20

Appendix 2.10

Sl. No.	Grant No.	Major Heads	Total provision	Amount Surrendered	Percentage of total provision
33	27	2014-Administration of Justice	494.30	94.04	19.02
34	28	2014-Administration of Justice	101.79	18.62	18.29
35	30	2202-General Education	15.00	11.50	76.67
36		4225-Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	26.75	19.55	73.08
37		4250-Capital Outlay on Other Social Services	37.25	14.88	39.95
38	33	2051-Public Service Commission	23.40	19.64	83.93
39		2053-District Administration	276.03	43.58	15.79
40	35	2053-District Administration	89.11	31.15	34.96
41		3451-Secretariat-Economic Services	411.39	411.37	99.99
42		3454-Census Surveys and Statistics	186.42	106.81	57.30
43		4070-Capital Outlay on Other Administrative Services	1071.88	920.50	85.88
44		4515-Capital Outlay on Other Rural Development Programme	400.00	150.00	37.50
45		36	2215-Water Supply and Sanitation	248.85	35.34
46	4215-Capital Outlay on Water Supply and Sanitation		323.39	170.55	52.74
47	37	2515-Other Rural Development Programmes	206.91	40.31	19.48
48		3054-Roads and Bridges	350.00	71.42	20.41
49	38	2039-State Excise	61.31	21.54	35.13
50	39	2245-Relief on account of Natural Calamities	273.00	245.81	90.04
51	40	2029-Land Revenue	32.67	12.83	39.27
52	41	3054-Roads and Bridges	269.40	75.65	28.08
53		5054-Capital Outlay on Roads and Bridges	1725.00	792.16	45.92
54	42	2216-Housing	676.93	140.70	20.79
55		2501-Special Programme for Rural Development	240.00	40.59	16.91
56	43	4202-Capital Outlay on Education, Sports, Art and Culture	147.95	74.00	50.02
57	44	2225-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	461.52	94.93	20.57
58	45	2401-Crop Husbandry	59.16	22.38	37.83
59		6860-Loans for Consumer Industries	22.58	13.63	60.36
60	48	2015-Elections	40.00	24.71	61.78
61		2217-Urban Development	441.12	223.34	50.63
62		3475-Other General Economic Services	92.83	51.02	54.96
63	49	2700-Major Irrigation	90.69	12.60	13.89
64		2705-Command Area Development	89.20	37.70	42.26
65		2711-Flood Control and Drainage	100.00	30.73	30.73
66		4700-Capital Outlay on Major Irrigation	848.80	365.11	43.01
67		4701-Capital Outlay on Medium Irrigation	51.50	35.48	68.89
68		4711-Capital Outlay on Flood Control Projects	184.75	33.83	18.31
69	50	2702-Minor Irrigation	298.40	64.01	21.45

Appendix 2.10

Sl. No.	Grant No.	Major Heads	Total provision	Amount Surrendered	Percentage of total provision
70	50	4702-Capital Outlay on Minor Irrigation	268.00	105.78	39.47
71	51	2235-Social Security and Welfare	1477.30	313.10	21.19
72		2236-Nutrition	585.99	117.71	20.09
73		4235-Capital Outlay on Social Security and Welfare	218.35	218.35	100.00
Total			24970.62	10389.85	

(Source: Information received from office of the Accountant General (A&E), Bihar)

(₹ in crore)

Sl. No.	Major Heads	Total expenditure during 2012-13	Total expenditure in the Month of March 2013	Percentage of total expenditure
1	2048	254.95	254.95	100
2	2217	1137.20	579.01	50.92
3	2404	162.52	107.93	66.41
4	2501	123.15	74.90	60.82
5	2515	3034.23	1713.56	56.47
6	2705	52.05	51.65	99.23
7	2810	6.55	5.59	85.29
8	2851	62.99	39.38	62.52
9	3452	25.16	15.45	61.41
10	3604	3.71	1.97	52.94
11	4047	12.65	9.24	73.01
12	4070	185.85	111.41	59.95
13	4202	364.44	340.88	93.54
14	4216	22.07	13.85	62.77
15	4217	2.00	2.00	100
16	4225	3.79	3.42	90.42
17	4406	5.20	2.65	50.97
18	4408	34.72	24.30	69.98
19	5053	26.75	24.69	92.31
20	6860	8.95	7.93	88.60
21	7465	5.00	5.00	100
Total		7396.10	4421.04	

(Source: Detailed Appropriation Accounts, 2012-13, Government of Bihar)

(₹ in crore)			
Sl. No.	Major Heads	Booked Expenditure	Amount not reconciled
1	2011-Parliament/State/Union Territory Legislature	100.04	23.21
2	2013-Council of Ministers	15.68	11.85
3	2014-Administration of Justice	526.56	192.43
4	2015-Elections	60.37	39.29
5	2029-Land Revenue	394.56	389.60
6	2039-State Excise	42.67	33.25
7	2041-Taxes on Motor Vehicles	25.28	21.74
8	2048-Appropriation for reduction or avoidance of debt	254.95	254.95
9	2049-Interest Payments	4428.31	4428.31
10	2052-Secretariat-General Services	140.81	61.72
11	2053-District Administration	243.19	214.50
12	2054-Treasury and Accounts Administration	54.37	52.73
13	2055-Police	3187.86	2023.62
14	2059-Public Works	267.78	251.84
15	2070-Other Administrative services	232.50	72.69
16	2071-Pensions and Other Retirement Benefits	8363.53	8102.14
17	2202-General Education	13956.71	13529.57
18	2203-Technical Education	62.80	35.44
19	2204-Sports and Youth Services	29.09	26.70
20	2205-Art and Culture	31.57	22.56
21	2210-Medical and Public Health	1511.72	774.54
22	2211-Family Welfare	324.17	245.25
23	2215-Water Supply and Sanitation	362.21	314.97
24	2216-Residence	804.74	642.62
25	2217-Urban Development	1137.20	656.98
26	2220-Information and Publicity	73.97	22.57
27	2225-Welfare of SC,ST and Other Backward Classes	1750.56	1749.42
28	2230-Labour and Employment	93.35	71.11
29	2235-Social Security and Welfare	2004.59	1884.48
30	2236-Nutritions	799.69	773.78
31	2245-Relief on account of Natural Calamities	211.25	200.57
32	2251-Secretariat-Social Services	40.33	28.16
33	2401-Crop Husbandry	1813.90	20.46
34	2402-Soil and Water Conservation	28.35	25.01
35	2403-Animal Husbandry	268.23	202.39
36	2404-Dairy Development	162.52	157.86
37	2405-Fisheries	94.28	75.04
38	2406-Forestry and wild life	165.85	165.85
39	2408-Food Storage and Warehousing	27.61	24.35
40	2415-Agricultural Research and Education	307.16	301.27
41	2425-Co-operation	268.88	208.44
42	2501-Special Programme for Rural Development	123.15	120.47
43	2505-Rural Employment	274.86	274.85
44	2515-Other Rural Development Programme	3034.23	2985.61
45	2701-Medium Irrigation	68.14	40.24
46	2702-Minor Irrigation	261.72	115.87
47	2705-Command Area Development	52.05	52.05
48	2711-Flood Control and Drainage	200.95	58.02
49	2801-Power	3193.38	2031.25
50	2851-Village and Small Industries	62.99	14.16

Appendix 2.12

Sl. No.	Major Heads	Booked Expenditure	Amount not reconciled
51	2852-Industries	458.60	309.15
52	3054-Road and Bridges	822.84	727.53
53	3451-Secretariat-Economic Services	83.83	47.12
54	3452-Tourism	25.16	21.93
55	3456-Civil Supplies	481.15	368.46
56	4047-Capital outlay on Other Fiscal Services	12.65	12.62
57	4055-Capital outlay on Police	257.28	257.28
58	4059-Capital outlay on Public Works	260.59	260.59
59	4070- Capital outlay on Other Administrative Services	185.85	185.85
60	4202- Capital outlay on Education, Sports, Art and Culture	364.44	356.97
61	4210-Capital outlay on Medical and Public Health	562.50	562.50
62	4215-Capital outlay on Water Supply and Sanitation	258.37	257.86
63	4216-Capital outlay on Housing	22.07	22.07
64	4235-Capital outlay on Social Security and Welfare	24.24	24.24
65	4250-Capital outlay on Other Social Services	93.38	88.83
66	4401-Capital outlay on Crop Husbandry	24.81	24.81
67	4408-Capital outlay on Food Storage and Warehousing	34.72	34.72
68	4425-Capital outlay on Co-operative	26.93	26.93
69	4515-Capital outlay on Other Rural Development Programme	1874.40	291.37
70	4700-Capital outlay on Major Irrigation	737.39	667.71
71	4701-Capital outlay on Medium Irrigation	78.76	74.46
72	4702-Capital outlay on Minor Irrigation	166.91	166.91
73	4711-Capital outlay on Flood Control Projects	956.99	956.99
74	4801-Capital outlay on Power Projects	173.63	173.63
75	4859-Capital outlay on Telecommunication and Electronic Industries	18.81	18.81
76	5054-Capital outlay on Roads and Bridges	3291.10	3291.10
77	5452-Capital outlay on Tourism	78.54	60.19
78	5465-Investment in General Economic and Business Institutions	16.50	16.50
Total		63333.09	53332.91

(Source: Information received from office of the Accountant General (A&E), Bihar)

(₹ in crore)

Sl. No.	Major Head	Name of Department/Major Head	Purpose	Amount
1	2011	State Assembly	Payment of medical bills	0.60
2			Payment of pay and allowances	0.18
3			Expenses on computer peripherals	0.80
4	2014	Administration of Justice	Expenditure for implementation of E-court mode project for all judicial offices of Bihar	3.05
5			Purchase of Motor vehicles (two times)	0.73
6			Expenditure on decoration of court building of Sheohar	0.51
7			Expenditure on purchase of computer peripheral, photocopy machine etc.	0.30
8			Expenditure on pay and allowances	0.85
9	2041	Taxes on Motor Vehicles	Payment to professional and special services	0.99
10	2051	Public Service Commission	Expenditure on 15 th National Conference of Chairpersons of State Service Commission	0.15
11	2052	Secretariat-General Services	Expenditure on enhance payment of rent of Lalit Bhawan Patna	0.14
12			Payment to Sr. Dy. Collector Banking Post	0.12
13			Purchase of Motor vehicles (four times)	0.20
14	2055	Police	Expenditure on training to police personnel	4.94
15			Payment of pending Electricity Bill of Moinual Haque Stadium	0.53
16	2070	Other Administrative Services	Expenditure on pay and allowances	0.28
17			Payment to Farbisganj shooting judicial enquiry commission for extension period	0.74
18			Payment to establishment of Judicial Commission of Koshi Dam Errosion	0.56
19			Expenditure for Co-operative Election	0.90
20			Expenditure on organistion of Public Protection (Two times)	0.24
21			Expenditure on training to IAS officers (three times)	0.32
22			Salary payment to Bhagalpur Judicial Enquiry Commission	0.22
23			Expenditure for upgradation of New Training Institute for Publicity and Awareness	0.87
24	2202	General Education	Expenditure on celebration of Urdu Academy	0.20
25			Expenditure on Chief Minister dress schemes	160.00
26			Payment to arrears of UGC staff	0.35
27	2205	Art and Culture	Expenditure on International Baudh Conference	1.00
28	2210	Medical and Public Health	Payment to working "Mamta" posted in Hospitals	5.75

Appendix 2.13

Sl. No.	Major Head	Name of Department/Major Head	Purpose	Amount
29	2235	Welfare of SC, ST and Other Backward Classes	Purchase of Motor Vehicles	0.10
30			Expenditure on salary payment to verdict of High Court	0.42
31			Expenditure on Grants-in-aid in salary	0.50
32	2250	Other Social Services	Expenditure on Khadimul Hujjaj	0.16
33	2251	Secretariat-Social Services	Payment of arrears, pay and maintenance of vehicle	0.17
34			Purchase of Motor vehicles (three times)	0.21
35	2401	Crop Husbandry	Payment to purchase of diesel for watering Kharif crop	200.00
36			Purchase of Motor Vehicles	0.10
37			Premium payment for crop insurance	64.00
38	2405	Fisheries	Expenditure on Fishery Development Work	44.00
39	2406	Forestry and wild life	Expenditure on forest land and water conservation work	4.83
40	2408	Food storage and warehousing	Expenditure on construction of godown	16.00
41	2425	Co-operative	Expenditure on off season Urwarak Bhandar	15.00
42	2851	Village and Small Industries	Expenditure on salary payment	5.88
43	3451	Secretariat-Economic Services	Non-plan establishment expenditure	0.16
44			Purchase of Motor vehicles (two times)	0.21
45	4055	Capital Outlay on Police	Expenditure on special security to naxal affected districts	14.70
46	4058	Capital outlay on Stationary and Printing	Expenditure on printing press at Gulzarbagh Patna	0.99
47	4059	Capital Outlay on Public Works	Expenditure on land acquisition for construction of Baudh Museum at Vaishali	15.52
48			Expenditure on Rajendra Mandap construction located at Governor house (Two times)	2.84
49			Expenditure on construction of Revenue Training Institute at Patna	0.90
50	4202	Capital outlay on Education, Sports, Art and Culture	Expenditure on construction of building for BIT Patna	2.00
51	4210	Capital Outlay on Medical and Public Health	Expenditure on construction of Institute of Cardiology Pawapuri Nalanda	89.00
52	4406	Capital outlay on Forestry and Wild Life	Payment for verdict of Patna High Court	0.50
43	6408	Loans for Food Storage and Warehousing	Loans to State Food Corporation for procurement of wheat (two times)	1000.00
54	6425	Loans for Co-operatives	Expenditure on off season Urwarak Bhandar	45.00
55	6801	Loans for Power Projects	Loans to Bihar State Power Co. Ltd. (Seven times)	739.94
56	6860	Loans for Consumer Industries	Payment to exit settlement of sugar factory employees	21.31
57			Expenditure for employees of Bihar State Sugar Corporation	1.00
Total				2470.56

(₹ in crore)

Sl. No	Grant No.	Head	Amount	Reason for Surrender
1	2	4403-Capital outlay on Animal Husbandry-00- 109- Extension and Training-0101-State Animal Husbandry Training Complex.	07.32	Non sanction of plan.
2		2415-Agricultural research and education-03-Animal Husbandry-277-Education-0101-Bihar Animal Science and Technical University.	20.00	
3		2403-Animal Husbandry-00- 789- Special Component Plan for Scheduled Castes-0101-Scheme of Back Yard Goat Rearing.	05.00	
4		2403-Animal Husbandry-00-109-Extension and Training-0106-State Animal Husbandry Training Complex.	2.68	
5		2403-Animal Husbandry-00-107-Fodder and feed development-0106-Scheme of Distribution and purchase for production of fodder seed.	0.25	
6		2403-Animal Husbandry-00-104-Sheep and wool development-0105-National Agriculture Development plan.	01.30	
7		2403-Animal Husbandry-00-107-Fodder and feed development-0606-Scheme of Distribution and Purchase for production of fodder seed.	01.00	
8		2405- Fisheries-00-001- Direction and Administration-0102-Fisheries Extension	08.65	
9		2405-Fisheries-00-101-Inland fisheries-0104-Development and Renovation of Pond fish.	01.72	
10		2405-Fisheries-00-789-Special Component Plan for Schedule Castes-0101-Assistance for fisherman.	05.11	
11		2405-Fisheries-00-101-Inland fisheries-0116-National Agriculture Development Scheme.	06.65	
12	22	4055-Capital outlay on police-00-789-Special component Plan for Scheduled Castes-0101-Construction and Maintenance for Police Building.	79.28	There is no existence of Special component scheme for scheduled cast under Home department.
13		4070-Capital outlay on other Administrative Services-00-789-Special component plan for scheduled castes-0101-Building Construction- Bihar fire Brigade Service.	03.39	
14	33	2070-Other Administrative Services-00-104-Vigilance-0012-Office of Lokayukta (Prabhrit)	0.47	Post of Secretary, Deputy Secretary and other post lying vacant.
15		2251-Secretariat-Social Services-00-092-Other offices-0002-O/o The State Chief information commissioner.	0.53	Two post of Information Commissioner remained vacant.

Appendix 2.14

Sl. No	Grant No.	Head	Amount	Reason for Surrender	
16	35	3454-Census Surveys and Statistics-02-Surveys and Statistics-204-Central Statistical Organisation-0401-Economic Census.	02.15	Plan not sanctioned	
17		4070-Capital outlay on other Administrative Services-00-051-Construction- 0109-Strengthening of Planning Machinery-Local needs under district level plan	07.87		
18		2052-Secretarial General Services-00-090-Secretariat-0103-Strengthening of Planning Machinery.	0.15		
19		3454-Census Surveys and Statistics-02-Surveys and Statistics-204-Central Statistical Organisation-0120-Bihar Statistical Strengthening Project.	02.6		
20		2053-District Administration-00-093-District Establishments-0105-Finance Commission State Nawochar Fund.	12.00		
21		4070-Capital outlay on other Administrative Services-00-789-Special Component Plan for Scheduled Castes-0102-Border Area Development Programme.	01.08		
22		2053-District Administration-00-094-Other Establishment-0109-Strengthening of Planning Machinery-Local needs under district level	0.20		
23		4070-Capital outlay on other Administrative Services-00-051-Construction -0110-Border Area Development Programme (Planning and Development Department).	2.75		
24	36	4215-Capital Outlay on Water Supply and Sanitation-01-Water Supply-102-Rural Water Supply-0603-Accelerated Urban Water Supply Scheme.	1.93		New scheme not sanctioned
25	39	2245-Relief on account of Natural Calamities-80-General -789-Special Component Plan for Scheduled Castes-0101-Awareness and Capacity Development.	0.50		There is no scheme specially for SC for awareness and capability development in Disaster management department
26	51	2235-Social Security and Welfare-02-Social Welfare-104-Welfare of Aged, Infirm and Destitue-0103-Mother Teresa Pension Plan.	01.00		Plan not sanctioned
27		2235-Social Security and Welfare-02-Social Welfare-200-Other programmes-0104-Bihar family Benefit Plan.	05.00		
Total			180.58		

(₹ in crore)

Sl. No.	Head	Amount	Letter No.	Date
1	2047-Other Fiscal Services-00-103-Promotion of small savings-0002-District charges	0.70	402	25/03/2013
2	2047- Other Fiscal Services -00-103-Promotion of small savings -0003-Progoganda for small savings	0.04	403	25/03/2013
3	2048-Appropriation for reduction or avoidance of Debt-00-101-Sinking Funds-0001-Sinking Funds	43.05	386	31/03/2013
4	2052- Secretariat-General Services -00-090-Secretairiat-0008-Finance Department	9.60	397	31/03/2013
5	2052 Secretariat-General Services -00-090-Secretariat-0015-Provident Fund Accounts Establishment	0.26	1676	30/03/2013
6	2052- Secretariat-General Services -00-092-Other offices-0005-State Administrative Audit Establishment Headquarter Charges	3.77	218	31/03/2013
7	2052-Secretariat General Services-00-092-Other Offices-0010-Institutional Finance and Programme Implementation Department	0.28	396	31/03/2013
8	2054- Treasury and accounts administration -00-095- Directorate of Accounts and Treasury -0002-Maintenance of Provident Fund Accounts	4.27	1675	30/03/2013
9	2054- Treasury and accounts administration-00-095-Directorate of Accounts and Treasuries-0102-Maintenance of Provident Fund Accounts	0.25	97	01/03/2013
10	2054-Treasury and accounts administration-00-095-Directrate of accounts and Treasury -0103-Bihar Revenue Administration Intranet (Brain Project)	20.59	395	31/03/2013
11	2054- Treasury and accounts administration -00-097-Treasury Establishment-0001-Treasury and other sub treasury	3.47	391	31/03/2013
12	2058-Stationary and Printing-00-101-Purchase and Supply of Stationary Stores -0001-Stationary office	2.99	399	31/03/2013
13	2058- Stationary and Printing -00-102-Printing, Storage and Distribution of forms-0001-Forms Press, Gaya	2.45	394	31/03/2013
14	2058- Stationary and Printing -00-103-Government Presses-0001-Bihar Secretariat Press	2.70	398	31/03/2013

Appendix 2.15

Sl. No.	Head	Amount	Letter No.	Date
15	2070-Other Administrative Services -00-004-Research & Research Development-0001-Public Finance & Economic Policy Centre	0.36	202	31/03/2013
16	2070-Other Administrative Services-00-800-Other Expenditure-0008-Miscellanaons and Contingent Expenditure	2.18	405	31/03/2013
17	2204-Sports & Youth Services-00-104-Sports & Games-0006-Assistance Grant to Secretariat Sports Club	0.15	401	31/03/2013
18	2515- Other Rural Development Programmes -00-102-Community Development-0114-Bihar Gramin Jivikoparzan Pariyojna (Vishwa Bank Samposhit)	71.19	120	31/03/2013
19	2515 -Other Rural Development Programmes -00-789-Special Component Plan for Scheduled Castes-0101-State Rural Livelihood Scheme(WB)	36.47	121	31/03/2013
20	2515-Other Rural Development Programmes-00-796-Tribal Area Sub-Plan-0114-Bihar Rural Jivikoparjan Project –World Bank	3.22	122	31/03/2013
21	4058-Capital Outlay on Stationary and Printing-00-103-Government Presses-0101-Machine & Equipments Modernisation Scheme for Government Press, Gulzarbagh	0.02	400	31/03/2013
22	7610-Loans to Government Servants, etc.	4.57	404	31/03/2013
Total		212.58		

(₹ in lakh)

Head of Accounts	Figures of expenditure		Variation
	Booked by the Accountant General (A&E)	Shown by the department	
2047	339.31	338.84	0.47
2048	25495.36	25495.00	0.36
2052	4555.35	4510.92	44.43
2054	5438.48	4360.15	1078.33
2058	1294.12	1294.71	0.59
2070	94.51	92.77	1.74
2075	886.14	0.00	886.14
2515	9411.99	9412.00	0.01
7610	1646.08	1284.35	361.73
Total of variation			2373.80

(Source: Detailed Appropriation Accounts of 2012-13, Government of Bihar and figures of expenditure provided by the Department)

(₹ in crore)		
Sl. No.	Head of accounts	Amount Surrendered
1	2203-Technical Education-00-112-Engineering/Technical Colleges and Institutes-0001-Degree and Post-Graduate Course	1.55
2	2203-Technical Education-00-105-Polytechnics-0001-Certificate Course	0.84
3	2203-Technical Education- 00-103-Technical Schools-0003- B.I.T. Sindri	000
4	2203-Technical Education-00-103-Technical Schools- 0001-Certificate Course	0.17
5	2203-Technical Education-00-102-Assistance to Universities for Technical Education-0001-Patna University	0.02
6	2203-Technical Education-00-001-Direction and Administration-0002-State Technical Education Board	0.01
7	2203-Technical Education-00-001-Direction and Administration-0001-Direction of Technical Education	0.41
8	2203-Technical Education-00-112-Engineering/Technical Colleges and Institutes-0101-Degree and Post-graduate Course	0.49
9	2203-Technical Education-00-105-Polytechnics-0101-Graduate Level Course (World Bank Aided) Strengthening of Polytechnic Education Project	0.25
10	2203-Technical Education-00-004-Research-0101-Bihar Council of Science and Technology, Patna remote sensing centre/ Indira Gandhi Science Centre. Planetarium, Patna	3.70
11	3451-Secretariat-Economic Services-00-090-Secretariat-0003-Science and Technology Department	0.26
12	4202-Capital Outlay on Education, Sports, Art and Culture-02-Technical Education-104-Polytechnics-0403-Establishment of new Polytechnics and strengthening/ Progress of Existing Polytechnics	74.00
13	4202-Capital Outlay on Education, Sports, Art and Culture-02-Technical Education-789-Special Component Plan for Scheduled Castes-0101-Polytechnic/Engineering/ Technical College	1.00
14	4202- Capital Outlay on Education, Sports, Art and Culture 02-Technical Education -105-Engineering/ Technical Colleges and Institutes-0102-Polytechnic/ Engineering/ Technical Colleges	2.72
15	4202- Capital Outlay on Education, Sports, Art and Culture-02-Technical Education-104-Polytechnics-0102-Polytechnic/Engineering/Technical Universities	1.71
Total		87.13

(Source: Detailed Appropriation Accounts, Govt. of Bihar for the year 2012-13)

Sl. No.	Name of Body	Period of entrustment	Year upto which accounts were rendered	Date of receipt of accounts	Period upto which Separate Audit Report is issued	Date of issue of Separate Audit Report	Placement of SAR in the Legislature	Delay in submission of accounts	Remarks
1	2	3	4	5	6	7	8	9	10
1	Bihar State Khadi and Village Industries Board, Patna	2009-10	2007-08	15/07/2009	2007-08	31/05/2013	Upto 2001-02 as per letter no.tr. no.-498/3926 dated-22/12/2009	1 year and 15 days	A/cs from 2008-09 to 2011-12 is still awaited
2	Bihar State Housing Board, Patna	2004-05 onwards	2004-05 to 2011-12	22/04/2013	2003-04	13/05/2010	No communication about placement has been received	7 years to 9 months	No remarks
3	Bihar State Legal Services Authority, Patna	Permanent	2011-12	17/08/2012	2011-12	20/12/2012	No communication about placement has been received	1 month and 17 days	No remarks
4	Rajendra Agriculture University, Pusa, Samastipur	2011-12	2011-12*	A/cs of 2011-12 has been received on 28/05/2013	2008-09		SAR of financial year 2001-02 to 2002-03 had been sent to be placed in the legislature by agriculture department as per letter no. 3682 dated-29/07/2009	10 months and 28 days	No remarks

* Annual Accounts for the period 2011-12 has been received in the office without approval of Board of Management.

(Source: Audit Findings)

(₹in crore)

Sl. No	Major head	Nomenclature	Total Expenditure	Exp. under Minor head 800	Percentage of exp. under 800
1	2075	Miscellaneous General Services	8.87	8.86	99.89
2	3452	Tourism	25.16	20.24	80.45
3	5452	Capital outlay on tourism	78.54	78.59 [#]	100.06
Total			112.57	107.69	

[#] Includes accounting recoveries to the extent of ₹0.05 crore and hence the percentage is more than 100.

(Source: Finance Accounts for the year 2012-13)

(₹ in crore)

Sl. No.	Major head	Nomenclature	Total Receipts	Receipts under Minor head 800	Percentage of receipts under 800
1	0029	Land Revenue	205.45	113.16	55.08
2	0059	Public Works	6.06	6.05	99.83
3	0071	Contributions and Recoveries towards Pension and other Retirement Benefits	150.98	150.20	99.48
4	0075	Miscellaneous General Services	22.03	21.10	95.78
5	0210	Medical and Public Health	41.02	21.14	51.54
6	0215	Water Supply and Sanitation	3.18	2.13	66.98
7	0230	Labour and Employment	3.69	2.32	62.87
8	0235	Social Security and Welfare	0.98	0.98	100.00
9	0250	Other Social Services	0.66	0.61	92.42
10	0401	Crop Husbandry	7.18	4.33	60.31
11	0425	Co-operation	10.95	10.03	91.60
12	0515	Other Rural Development Programmes	20.90	20.69	99.00
13	0851	Village and Small Industries	0.08	0.05	62.50
14	0852	Industries	27.69	27.69	100.00
15	1053	Civil Aviation	8.25	8.09	98.06
16	1054	Roads and Bridges	32.56	32.47	99.72
17	1456	Civil Supplies	0.04	0.04	100.00
TOTAL			541.70	421.08	

(Source: Finance Accounts for the year 2012-13)

(₹ in crore)

Sl. No.	Department/ Unit	Period relating to	I.R. No./ Year	Amount involved
1.	Education (District Education Officer, Rohtas)	2007-08 to 2008-09	395/2012-13	0.21
2.	Registration, Excise and Prohibition (Supdt. of Excise, Sitamarhi)	2010-11 to 2011-12	137/2012-13	0.07
3.	Transport (District Transport Officer, Samastipur)	2011-12	48/2012-13	0.01
Total				0.29

(Source: Audit Findings)

GLOSSARY OF ABBREVIATION

GLOSSARY OF ABBREVIATION

Sl. No.	Abbreviation	Full Form
1.	A&E	Accounts & Entitlement
2.	AC	Abstract Contingent
3.	AE	Aggregate Expenditure
4.	AIA	All India Average
5.	AP	Annual Plan
6.	BBM	Bihar Budget Manual
7.	BE	Budget Estimates
8.	BTC	Bihar Treasury Code
9.	CAG	Comptroller and Auditor General of India
10.	CAGR	Compound Annual Growth Rate
11.	CE	Capital Expenditure
12.	CFS	Consolidated Fund of State
13.	CSF	Consolidated Sinking Fund
14.	DC	Detailed Contingent
15.	DCRF	Debt Consolidation and Relief Facility
16.	DDO	Drawing and Disbursing Officer
17.	DE	Development Expenditure
18.	DRDA	District Rural Development Agency
19.	ES	Economic Survey
20.	GIA	Grants-in-Aid
21.	GoB	Government of Bihar
22.	GoI	Government of India
23.	GS	General Services
24.	GSDP	Gross State Domestic Product
25.	IAY	Indira Awas Yojana
26.	IGAS	Indian Government Accounting Standard
27.	MTFP	Medium Term Fiscal Policy
28.	NABARD	National Bank for Agriculture and Rural Development
29.	NPRES	Non-Plan Revenue Expenditure
30.	NSS	National Small Saving
31.	NSSF	National Small Saving Fund
32.	NTR	Non-Tax Revenue
33.	OTR	Own Tax Revenue
34.	PAC	Public Accounts Committee
35.	PF	Provident Fund
36.	PMGSY	Pradhan Mantri Gram Sadak Yojana
37.	RBI	Reserve Bank of India
38.	RE	Revenue Expenditure
39.	RR	Revenue Receipts
40.	S&W	Salary and Wages
41.	SAR	Separate Audit Report
42.	SS	Social Services
43.	SSA	Sarva Shiksha Abhiyan
44.	ThFC	Thirteenth Finance Commission
45.	UC	Utilisation Certificate
46.	VAT	Value Added Tax