



**State Finances Audit Report of the
Comptroller and Auditor General of India
For the year ended 31 March 2021**



**लोकहितार्थं सत्यनिष्ठा
Dedicated to Truth in Public Interest**



**Government of Bihar
Report No. 01 of the year 2022**

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Comptroller and Auditor General of India
For the year ended 31 March 2021**

Government of Bihar
Report No. 01 of the year 2022

TABLE OF CONTENTS

| Particulars | Reference to | |
|---|--------------|------|
| | Paragraphs | Page |
| Preface | | v |
| Executive Summary | | vii |
| CHAPTER-I OVERVIEW | | |
| Profile of the State | 1.1 | 1 |
| Basis and Approach to State Finances Audit Report | 1.2 | 3 |
| Report Structure | 1.3 | 4 |
| Government Account Structure and Budgetary Processes | 1.4 | 4 |
| Fiscal Balance: Achievement of deficit and total debt targets | 1.5 | 9 |
| Deficits after examination in audit | 1.6 | 12 |
| CHAPTER-II FINANCES OF THE STATE | | |
| Major changes in key fiscal aggregates vis-à-vis 2019-20 | 2.1 | 13 |
| Sources and Application of Funds | 2.2 | 13 |
| Resources of the State | 2.3 | 14 |
| Application of resources | 2.4 | 28 |
| Public Account | 2.5 | 43 |
| Debt Management | 2.6 | 47 |
| Debt Sustainability Analysis (DSA) | 2.7 | 51 |
| Conclusion | 2.8 | 57 |
| Recommendations | 2.9 | 57 |
| CHAPTER-III BUDGETARY MANAGEMENT | | |
| Budget Process | 3.1 | 59 |
| Appropriation Accounts | 3.2 | 60 |
| Integrity of Budgetary and accounting process | 3.3 | 61 |
| Comment on effectiveness of budgetary and accounting process | 3.4 | 67 |
| Comments on transparency of budgetary and accounting process | 3.5 | 72 |
| Review of selected grants | 3.6 | 73 |
| Grant No. 37 “Rural Works Department” | 3.6.1 | 73 |
| Grant No. 42 “Rural Development Department” | 3.6.2 | 76 |
| Review of specific budget | 3.7 | 78 |
| Review of Gender Budget | 3.7.1 | 78 |
| Review of Child Welfare Budget | 3.7.2 | 80 |
| Review of Green Budget | 3.7.3 | 81 |
| Review of Outcome Budget and Achievement Report thereon | 3.7.4 | 82 |
| Recommendations | 3.8 | 88 |

TABLE OF CONTENTS

| Particulars | Reference to | |
|---|--------------|------|
| | Paragraphs | Page |
| CHAPTER-IV QUALITY OF ACCOUNTS AND FINANCIAL REPORTING PRACTICES | | |
| Funds outside Consolidated Fund or Public Account of the State | 4.1 | 89 |
| Non-discharge of liability in respect of interest towards interest-bearing deposits | 4.2 | 90 |
| Funds transferred directly to State implementing agencies | 4.3 | 90 |
| Deposit of Local Funds | 4.4 | 91 |
| Delay in the submission of Utilisation Certificates (UCs) | 4.5 | 93 |
| Abstract Contingent (AC) Bills | 4.6 | 95 |
| Personal Deposit (PD) Accounts | 4.7 | 97 |
| Indiscriminate use of Minor Head 800 | 4.8 | 98 |
| Outstanding balance under major Suspense and Debt, Deposit and Remittance (DDR) heads | 4.9 | 101 |
| Non-reconciliation of Departmental figures | 4.10 | 102 |
| Reconciliation of Cash Balances | 4.11 | 103 |
| Adverse Balances under Public Account | 4.12 | 103 |
| Compliance with Accounting Standards | 4.13 | 103 |
| Timeliness and Quality of Accounts | 4.14 | 104 |
| Misappropriations, losses, thefts, etc. | 4.15 | 104 |
| Follow up action on State Finances Audit Report | 4.16 | 105 |
| Apportionment of balances on reorganisation of the state | 4.17 | 105 |
| Unadjusted Temporary advance/Imprest | 4.18 | 105 |
| Conclusions | 4.19 | 106 |
| Recommendations | 4.20 | 106 |
| CHAPTER-V STATE PUBLIC SECTOR ENTERPRISES (SPSEs) | | |
| Summary of Financial Performance of State Public Sector Enterprises | 5.1 | 109 |
| Investment in Government Companies and Corporations and Budgetary support | 5.2 | 111 |
| Returns from Government Companies and Corporations | 5.3 | 115 |
| Debt servicing | 5.4 | 117 |
| Operating efficiency of Government Companies | 5.5 | 118 |
| SPSEs incurring losses and erosion of capital | 5.6 | 121 |
| Winding up of non-functional SPSEs | 5.7 | 122 |

TABLE OF CONTENTS

| Particulars | | Reference to | |
|--|---|--------------|------|
| | | Paragraphs | Page |
| Budgetary support to SPSEs whose accounts were in arrears | | 5.8 | 123 |
| Audit of State Public Sector Enterprises (SPSEs) | | 5.9 | 124 |
| Appointment of statutory auditors of SPSEs by CAG | | 5.10 | 124 |
| Submission of Accounts by SPSEs | | 5.11 | 124 |
| CAG's oversight - Audit of accounts and supplementary audit | | 5.12 | 125 |
| Result of CAG's oversight role | | 5.13 | 126 |
| Non-compliance with provisions of Accounting Standards/ Ind-AS | | 5.14 | 130 |
| APPENDICES | | | |
| 1.1 | State profile | 1.1 | 133 |
| 2.1 | Time series data on State Government finances | 2.2 | 134 |
| 2.2 | Pending payment on Incomplete Projects | 2.4.3.3 | 137 |
| 3.1 | Cases where supplementary provisions proved unnecessary (₹1 Crore or more in each case) | 3.3.2 | 145 |
| 3.2 | Un-necessary re-appropriation of funds | 3.3.3 | 147 |
| 3.3 | Excessive re-appropriation of funds | 3.3.3 | 149 |
| 3.4 | Cases of Re-appropriation on last day of financial year | 3.3.3 | 150 |
| 3.5 | Grants/appropriations with savings of ₹100 crore and above of total provision | 3.3.4 | 151 |
| 3.6 | Grants/appropriations with savings more than 20 <i>per cent</i> of total provision | 3.3.4 | 154 |
| 3.7 | List of Grants indicating persistent savings (₹100 crore and above) during 2016-17 to 2020-21 | 3.3.4 | 156 |
| 3.8 | Details of surrender of funds in excess of ₹100 crore and above in 2020-21 | 3.3.4 | 158 |
| 3.9 | Hundred <i>per cent</i> non-utilisation of funds (₹10 Crore and above) | 3.4.1 | 159 |
| 3.10 | Rush of Expenditure in the month of March 2021 | 3.4.4 | 162 |
| 3.11 | Hundred <i>per cent</i> Expenditure incurred in March 2021 | 3.4.4 | 163 |
| 3.12 | Withdrawals from Contingency fund for non-contingent expenditure | 3.4.5 | 166 |
| 3.13 | Details of Dropped Road Projects including State Scheme | 3.6.1.2 | 168 |
| 3.14 | NQM reports of PMGSY 2016-17 to 2020-21 | 3.6.1.2 | 169 |
| 3.15 | Capital Expenditure under PMGSY | 3.6.1.3 | 170 |
| 3.16 | Revenue and Capital Expenditure of RWD | 3.6.1.3 | 171 |

TABLE OF CONTENTS

| Particulars | | Reference to | |
|-------------|---|---------------|------|
| | | Paragraphs | Page |
| 3.17 | Details of incorrect bookings of five years (2016-17 to 2020-21) | 3.6.1.3 | 172 |
| 3.18 | Department wise Gender Budget provision under category 'A' & category 'B' during 2020-21 | 3.7.1 | 173 |
| 3.19 | Gender Budget provision under category 'A' in two departments during 2020-21 | 3.7.1 | 174 |
| 3.20 | Department wise Green Budget provision during 2020-21 | 3.7.3 | 177 |
| 5.1 | Summarised financial results of SPSEs covered in this Report during the year 2018-19, 2019-20 and 2020-21 | 5.1.3 & 5.5.1 | 178 |
| 5.2 | Details of SPSEs not covered in this Report | 5.1.3 | 183 |
| 5.3 | Budgetary support to SPSEs whose accounts were in arrears as on August 2021 | 5.8 | 186 |
| 5.4 | Details of accounts in arrears of SPSEs | 5.11.2 | 189 |
| 5.5 | Details of SPSEs where non-compliances of Accounting Standards/Ind AS reported by the Statutory Auditors | 5.14 | 192 |
| 5.6 | Details of SPSEs where non-compliances of Accounting Standards/Ind AS reported by the CAG | 5.14 | 193 |
| | Glossary | | 195 |

PREFACE

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

This Report intends to assess the financial performance of the State during 2020-21 and to provide the State Legislature with inputs based on audit analysis of financial data. The Report also analyses the financial performance against the target envisaged by the Bihar Fiscal Responsibility and Budget Management (Amendment) Act, 2016, the XVth Finance Commission (FC) Report, Rules and Codes meant for management of Government function and the Budget Estimates of 2020-21. The Report is structured in five Chapters.

Chapter I analyses changes in major fiscal aggregates based on the audit of the Finance Accounts and an assessment of the Bihar Government's fiscal position as on 31 March 2021.

Chapter II provides an insight into deficit management of Government, trends in revenue and capital expenditure, contingent issues, committed and obligatory expenditure, subsidies, debt, investment, and borrowing patterns. It provides an audit perspective of the finances of the Government of Bihar for the year 2020-21 and analyses critical changes in major fiscal aggregates based on the details contained in the Finance Accounts of the State related to the previous years and an assessment of the fiscal position as on 31 March 2021.

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

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

Chapter V provides an overview on 'Summary of Financial Performance of State Public Sector Enterprises' and 'Oversight Role of CAG on Accounts of State Public Sector Enterprises'.

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

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

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Based on the audited accounts of the Government of Bihar for the year ended March 2021, this report provides an analytical review of the finances of the State Government.

Audit Findings

Fiscal Position

The State recorded a Fiscal Deficit of ₹ 29,827 crore during the year which had increased by ₹ 15,103 crore over the previous year. During 2020-21, the State suffered a revenue deficit of ₹ 11,325 crore for the 2nd time since 2004-05. There were instances of misclassification of revenue transactions under the capital section and non-accounting of other liabilities, which would have pushed up the deficits to a further extent, as brought out in the Report.

Although the fiscal deficit as a percentage of GSDP was within the revised targets of the BFRBM but the same was not as per the Budget Estimates. However, outstanding debt to GSDP was also within the projection of XVth FC.

(Chapter I)

Finances of the State

The State witnessed an increase of ₹ 3,936 crore (3.17 per cent) in Revenue Receipts during the year 2020-21 as compared to the previous year, primarily due to increase in Own Non-Tax.

Revenue Expenditure increased by ₹ 13,476 crore (10.69 per cent) mainly due to increase in committed expenditure during the year. Simultaneously, State Government has increased the expenditure on asset creation by 47.99 per cent over the previous year.

Outstanding Public Debt at the end of the year has increased by ₹ 29,035 crore (19.59 per cent) over the previous year.

The liabilities of the State have been increasing year-on-year and over 53.92 per cent of the borrowings were utilised for its repayment during the year 2020-21, affecting the asset creation in the State.

(Chapter II)

Budgetary Management

State Government has incurred expenditure of ₹ 1,67,915.40 crore (68.39 per cent) against the total provision (₹ 2,45,522.62 crore) during the year. The supplementary provision (₹ 33,761.12 crore) becomes completely unnecessary as the expenditure was not even up to the level of original provision.

Out of total savings of ₹ 77,607.22 crore, only 16.84 per cent (₹ 13,067.33 crore) was surrendered during the year resulting in a non-surrender of savings aggregating to ₹ 64,539.89 crore (83.16 per cent of total savings).

During 2020-21, in 44 cases (35 grants/appropriations), supplementary provisions amounting to ₹ 17,855.06 crore (₹ 1 crore or more in each case) proved unnecessary and remained fully

unutilised as the expenditure (₹ 1,10,142.09 crore) had not even reached up to the level of the original provision (₹ 1,50,136.86 crore).

In Gender Budget, no expenditure was incurred against 29 Category 'A' schemes despite having a fund of ₹ 2,932.69 crore. State government failed to spend a single rupee on 48 schemes despite having funds of ₹ 2,958.33 crore in Child Welfare Budget. GoB was first in the country to prepare Green Budget. A provision of ₹ 5,693.88 crore was made for 231 schemes under six categories. However, out of 66 schemes categorised as Group A, no expenditure was incurred in 13 schemes.

(Chapter III)

Quality of Accounts and Financial Reporting practices

Even though a separate sub head (8443-00-108-0004) has been opened for collection of Labour Cess, not all the amount collected during the Financial Year 2020-21 has been transferred to Building and Other Construction Welfare Board. The head 8443-00-108-0004 still had a closing balance of ₹ 85.53 crore as on 31.03.2021. No separate sub head has been opened for the collection of funds for the Bihar District Mineral Foundation which makes accounting and monitoring of these funds difficult.

There were 252 PD accounts with a closing balance of ₹ 3,811.33 crore as on 31st March 2021. There were 90 new PD accounts that have been opened in which an amount of ₹ 199.17 crore was credited. It is imperative to curtail the usage of Personal Deposit Accounts to maintain the sanctity of the budgetary process as the amount credited to these deposit accounts are booked as expenditure by the state government without actual expenditure taking place in the fields.

Further, there was a gap in the number of PD Accounts and the amount lying in them as per Comprehensive Financial Management System (CFMS) and Finance Accounts, primarily due to non-transfer or error in the transfer of balances from CTMIS to CFMS system. This requires reconciliation, as significant variations were observed between the balances of CFMS and Finance Accounts.

As on 31 March 2021, UCs were outstanding for an amount of ₹ 92,687.31 crore which is fraught with the risk of misappropriation of funds and fraud.

The total of 26,504 AC Bills amounting to ₹ 13,459.71 crore, had not been adjusted till March 2021. Out of these, 1833 AC Bills amounting to ₹ 429.32 crore (8.88 *per cent* of the total drawn 6308 AC Bills amounting to ₹ 4,834.28 crore) were drawn in March 2021. Non-submission of Detailed Contingent bills against drawal of Abstract Contingent bills has increased the possibility of wastage and misappropriation.

Funds under 102- Suspense Account-civil have increased (net Dr. 14,527.78 crore) during 2020-21 in comparison to the previous year 2019-20 (net Dr. 9,857.46 crore).

(Chapter IV)

State Public Sector Enterprises (SPSEs)

The SPSEs covered in this report registered an annual turnover of ₹ 19,352.10 crore as per their latest finalised accounts. This turnover was equal to 3.13 *per cent* of GSDP for the year 2020-21 (₹ 6,18,628.00 crore).

As on 31 March 2021, the total investment (equity and long term loans) in SPSEs covered in this report was ₹ 45,798.12 crore. The investment consisted of 84.74 *per cent* (₹ 38,807.43 crore) towards equity and 15.26 *per cent* (₹ 6,990.69 crore) in long-term loans. The State Government had an equity holding of ₹ 38,419.14 crore in share capital. The loans given by State Government which was outstanding as on 31 March 2021 amounted to ₹ 1,897.21 crore. Compared to the previous year, holding of the State Government in equity of SPSEs registered a net increase of ₹ 33.01 crore.

Government provided budgetary support to the tune of ₹ 20,145.84 crore to 15 working State Public Sector Enterprises (SPSEs), two Statutory Corporations and 16 non-working SPSEs up to August 2021 whose Accounts were in arrears as on 31 March 2021. These SPSEs have not finalised their Accounts for the last one to 44 years in violation of provisions of the Companies Act/Acts of the respective Statutory Corporations/ SPSEs.

Out of 18 SPSEs covered in the report, nine SPSEs earned profit during the year 2020-21. The profit earned increased to ₹ 724.17 crore in 2020-21 from ₹ 600.99 crore in 2019-20. The top profit-making company in 2020-21 was Bihar Grid Company Limited (₹ 154.82 crore). The Net worth of nine SPSEs that earned profit during 2020-21 was ₹ 10,072.57 crore. The Return on Equity (ROE) of these nine SPSEs was 7.19 *per cent* as compared to 6.10 *per cent* in 2019-20. ROE of all the 18 SPSEs i.e., including five loss making and four no profit no loss companies was (-)12.10 *per cent* in 2020-21.

As on 31 March 2021, out of 18 SPSEs, there were only five SPSEs which incurred losses amounting to ₹ 3,213.13 crore. The accumulated losses and net worth of these five SPSEs were ₹ 19,629.17 crore and ₹ 9,223.73 crore respectively against equity investment of ₹ 28,852.90 crore. The net worth of five SPSEs was completely eroded, and it was (-)₹ 587.82 crore against equity investment of ₹ 85.60 crore as on 31 March 2021.

(Chapter V)

CHAPTER I

OVERVIEW

This chapter analyses changes in major fiscal aggregates based on the audit of the Finance Accounts and an assessment of the Bihar Government's fiscal position as on 31 March 2021.

1.1 Profile of the State

Bihar is a landlocked State, bounded by West Bengal in the east, Uttar Pradesh in the west, Jharkhand in the south, and a long international border with Nepal in the north. It is the twelfth largest State in India in terms of geographical size (94,163 sq. km.) and the third largest by population (12.42 crore). The State of Bihar has 38 districts.

The economy of Bihar is primarily agrarian, and the State does not possess any significant mineral wealth. As indicated in *Appendix 1.1*, the density of population has increased from 881 persons per sq. km. (2001) to 1106 persons per sq. km. (2011). Bihar has higher poverty level as compared to the All-India average. State has shown an increase in economic growth for the period 2011-12 to 2020-21(P) as the Compound Annual Growth Rate (CAGR) of its GSDP has been 10.73 per cent as compared to 9.48 per cent amongst the All India. Bihar is a General Category State and as per XV Finance Commission projection, the normative assessed annual growth rate of GSDP of Bihar was (-) 9.0 per cent and the Projected Annual Growth Rate of its GSDP has been 11 per cent. The per capita GSDP of the State was ₹ 50,555 at the end of 2020-21 while the per capita GSDP of the Jharkhand, Uttar Pradesh, Odisha and West Bengal was ₹ 81,801, ₹ 73,422, ₹ 1,18,842, and ₹ 1,32,212 respectively.

1.1.1 Gross State Domestic Product (GSDP)

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

The trends in annual growth of GDP of India and GSDP of the State at current prices and constant prices (Base Year: 2011-12) are in **Table 1.1**.

Table 1.1: Trends in GSDP compared to the GDP

(₹ in crore)

| Year | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|--|-------------|-------------|-------------|-------------|-------------|
| Current Prices | | | | | |
| GDP at current prices (2011-12 Series) | 1,53,91,669 | 1,70,90,042 | 1,88,86,957 | 2,03,51,013 | 1,97,45,670 |
| Growth rate of GDP over previous year (in per cent) | 11.76 | 11.03 | 10.51 | 7.75 | (-) 2.97 |
| GSDP at current prices (2011-12 Series) | 4,21,051 | 4,68,746 | 5,27,976 | 5,94,016 | 6,18,628 |
| Growth rate of GSDP over previous year (in per cent) | 13.31 | 11.33 | 12.64 | 12.51 | 4.14 |
| Percentage of GSDP to GDP | 2.74 | 2.74 | 2.80 | 2.92 | 3.13 |
| Constant Prices (Base Year) | | | | | |
| GDP at constant prices (2011-12 Series) | 1,23,08,193 | 1,31,44,582 | 1,40,03,316 | 1,45,69,268 | 1,35,12,740 |
| GSDP at constant prices (2011-12 Series) | 3,18,797 | 3,44,028 | 3,81,383 | 4,09,645 | 4,19,883 |
| Growth rate of GDP over previous year (in per cent) | 7.52 | 6.80 | 6.53 | 4.04 | (-)7.25 |
| Growth rate of GSDP over previous year (in per cent) | 11.43 | 7.91 | 10.86 | 7.41 | 2.50 |

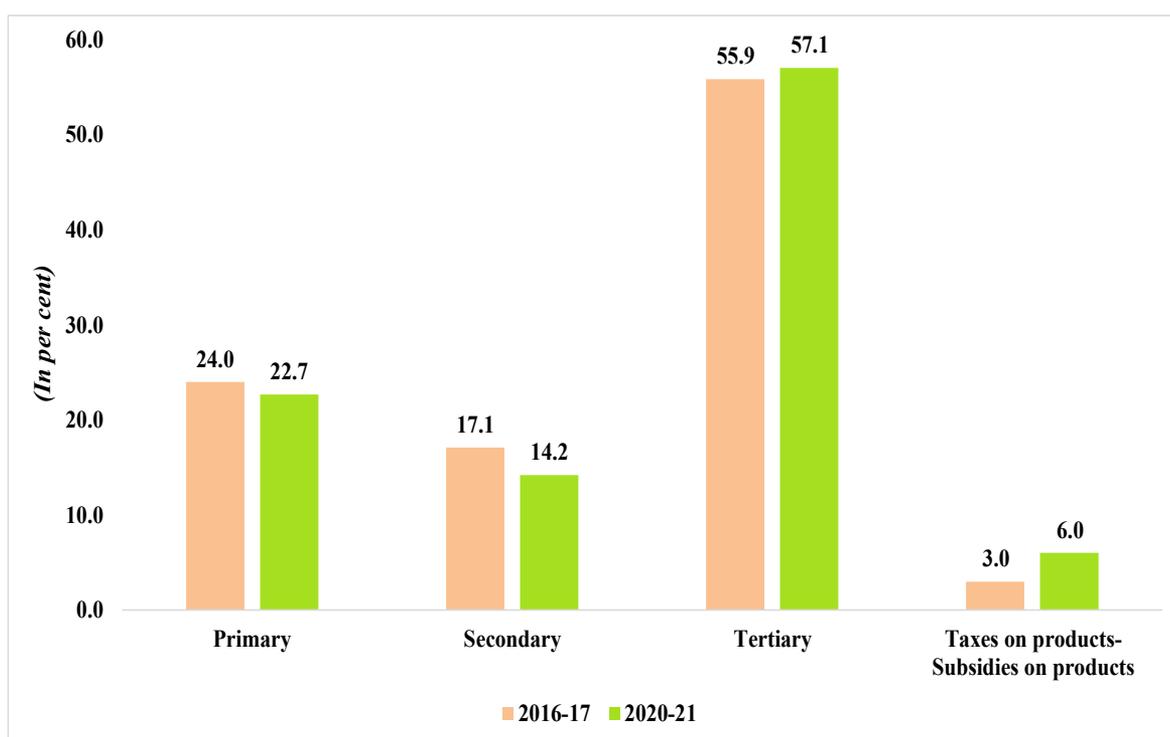
(Source: Central Statistical Organisation)

Growth in GSDP of Bihar was higher than the All-India average at both current and constant prices during last five years.

1.1.2 Sectoral composition

The economic activity is generally divided into Primary, Secondary and Tertiary sectors, which correspond to the Agriculture, Industry and Service sectors respectively. Changes in sectoral contribution to the GSDP are important to understand the changing structure of the economy. Changes in sectoral contribution to GSDP for 2016-17 and 2020-21 is shown in **Chart 1.1**.

**Chart 1.1: Change in sectoral contribution to GSDP
(2016-17 and 2020-21)**

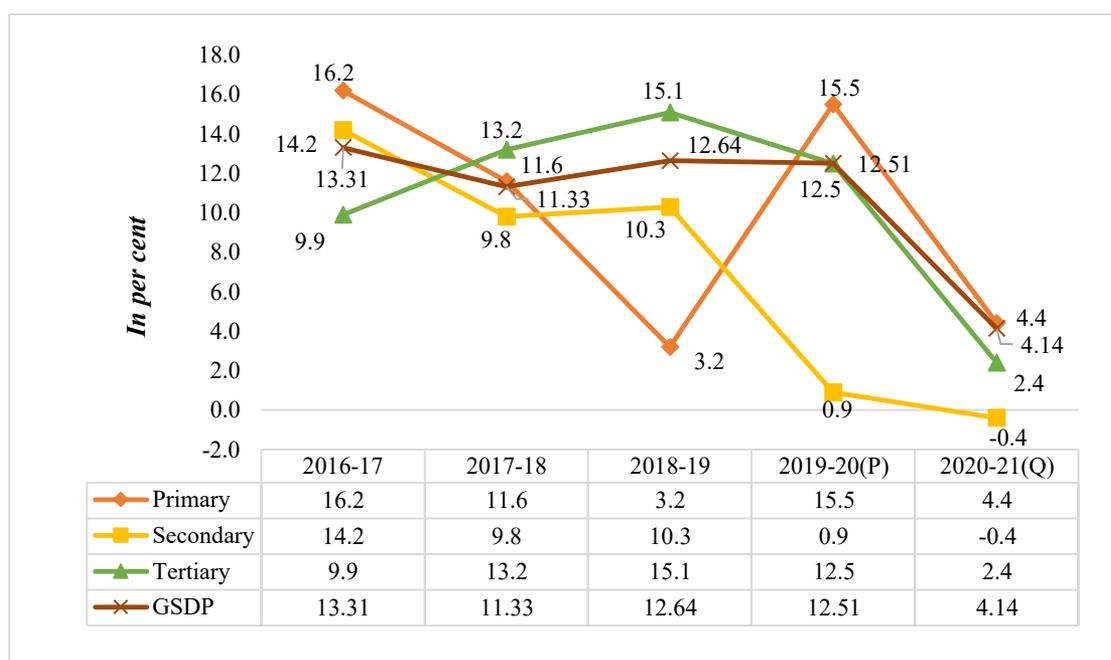


(Source: Central Statistical Organisation)

The sectoral growth in the Primary sector in the year 2020-21 compared to 2019-20 had drastically decreased from 15.50 *per cent* to 4.40 *per cent* due to negative growth in crops, livestock, forestry and logging.

The rate of growth of the Secondary and Tertiary (Service) sectors decreased compared to that of the previous year. **Chart 1.2** captures the sectoral growth rate in GSDP for the period from 2016-17 to 2020-21.

Chart 1.2 Sectoral growth in GSDP



(Source: Central Statistical Organisation)

The Sectoral growth rate of all three sectors during 2020-21, has shown a decreasing trend as compared to the previous year with the primary and tertiary sector showing the steepest decline in comparison to 2019-20.

1.2 Basis and Approach to State Finances Audit Report

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

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

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

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

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

Audit Findings were discussed with the Finance Department during an Exit conference held in December 2021. The replies, wherever, received from the Department were suitably incorporated in this Report.

1.3 Report Structure

The SFAR is structured into the following five Chapters:

Chapter - I Overview

This chapter describes the basis and approach to the Report and the underlying data, provides an overview of the structure of government accounts, budgetary processes, macro-fiscal analysis of key indices, and the State's fiscal position including the deficits/ surplus.

Chapter - II Finances of the State

This chapter provides a broad perspective of the finances of the State, analyses the critical changes in major fiscal aggregates relative to the previous year, overall trends during the period from 2016-17 to 2020-21, debt profile of the State and key Public Account transactions, based on the Finance Accounts of the State.

Chapter - III Budgetary Management

This chapter is based on the Appropriation Accounts of the State and reviews the appropriations and allocative priorities of the State Government and reports on deviations from Constitutional provisions relating to budgetary management.

Chapter - IV Quality of Accounts & Financial Reporting Practices

This chapter comments on the quality of accounts rendered by various authorities of the State Government and issues of non-compliance with prescribed financial rules and regulations by various departmental officials of the State Government.

Chapter - V State Public Sector Enterprises

This chapter discusses financial performance of Government Companies, Statutory Corporations and Government Controlled Other Companies as revealed from their accounts.

1.4 Government Account Structure and Budgetary Processes

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

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

This Fund comprises all revenues received by the State Government, all loans raised by the State Government (market loans, bonds, loans from the Central Government, loans from Financial Institutions, Special Securities issued to National Small Savings Fund, etc.), Ways and Means advances extended by the Reserve Bank of India and all moneys received by the State Government in repayment of loans. No moneys can be appropriated from this Fund except in accordance with law and for the purposes and

in the manner provided by the Constitution of India. Certain categories of expenditure (e.g., salaries of Constitutional authorities, loan repayments, etc.), constitute a charge on the Consolidated Fund of the State (Charged expenditure) and are not subject to vote by the Legislature. All other expenditure (Voted expenditure) is voted by the Legislature.

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

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

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

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

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

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

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

The **Capital Receipts** consists of:

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

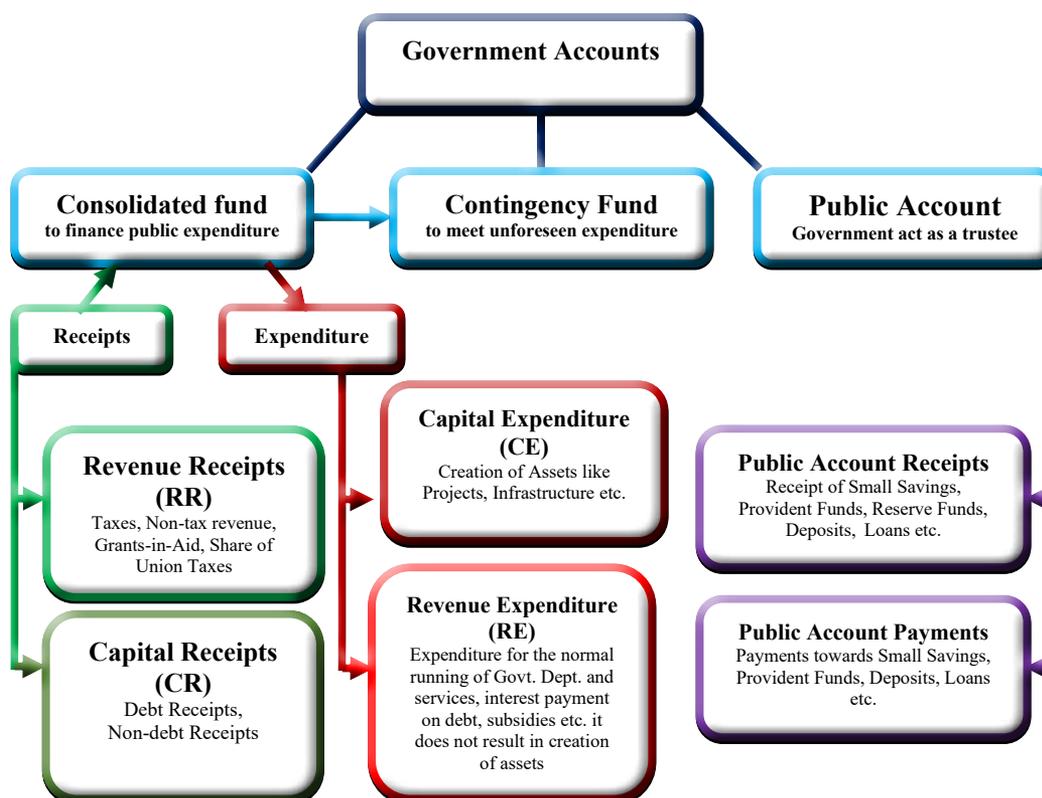
Capital Expenditure includes expenditure on the acquisition of land, building, machinery, equipment, investment in shares, and loans and advances by the government to PSUs and other parties.

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

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

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

Structure of Government Accounts



Budgetary Processes

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

Legislature under Article 204 to provide for the appropriation of the required money out of the Consolidated Fund.

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

1.4.1 Snapshot of Finances

The following table provides the details of actual financial results vis-a-vis Budget Estimates for the year 2020-21 vis-a-vis actuals of 2019-20.

**Table 1.2: Actual financial results vis-a-vis Budget Estimates
for the year 2020-21 vis-a-vis actual of 2019-20**

(₹ in crore)

| Sl. No. | Components | 2019-20 (Actuals) | 2020-21 (Budget Estimate) | 2020-21 (Actuals) | Percentage of Actual to B.E. | Percentage of Actuals to GSDP |
|---------|--------------------------------------|-------------------|---------------------------|-------------------|------------------------------|-------------------------------|
| 1. | Tax Revenue | 30,158 | 34,750 | 30,342 | 87.32 | 4.90 |
| 2. | Non-Tax Revenue | 3,700 | 5,239 | 6,201 | 118.36 | 1.00 |
| 3. | Share of Union Taxes | 63,406 | 91,181 | 59,861 | 65.65 | 9.68 |
| 4. | Grants-in-aid and Contributions | 26,969 | 52,754 | 31,764 | 60.21 | 5.13 |
| 5. | Revenue Receipts (1+2+3+4) | 1,24,233 | 1,83,924 | 1,28,168 | 69.69 | 20.72 |
| 6. | Recovery of Loans and Advances | 30 | 428 | 821 | 191.82 | 0.13 |
| 7. | Other Receipts | 0 | 0 | 0 | 0 | 0 |
| 8. | Borrowings and other Liabilities (a) | 29,145 | 27,609 | 35,915 | 130.08 | 5.81 |
| 9. | Capital Receipts (6+7+8) | 29,175 | 28,037 | 36,735 | 131.02 | 5.94 |
| 10. | Total Receipts (5+9) | 1,53,408 | 2,11,961 | 1,64,904 | 77.80 | 26.66 |
| 11. | Revenue Expenditure | 1,26,017 | 1,64,751 | 1,39,493 | 84.67 | 22.55 |
| 12. | Interest Payments | 10,991 | 12,925 | 12,484 | 96.59 | 2.02 |
| 13. | Capital Expenditure | 12,304 | 38,745 | 18,209 | 47.00 | 2.94 |
| 14. | Loan and Advances | 666 | 1,230 | 1,114 | 90.57 | 0.18 |
| 15. | Total Expenditure (11+13+14) | 1,38,987 | 2,04,726 | 1,58,816 | 77.57 | 25.67 |
| 16. | Revenue Surplus /Deficit (5-11) | (-),784 | 19,173 | (-),11,325 | (-),59.07 | (-),1.83 |
| 17. | Fiscal Deficit {15-(5+6+7)} | 14,724 | 20,374 | 29,827 | 146.40 | 4.82 |
| 18. | Primary Deficit (17-12) | 3,733 | 7,449 | 17,343 | 232.82 | 2.80 |

(Source: Finance Accounts of the year 2020-21 and State Budget summary)

Difference of ₹ 1 crore is due to rounding off.

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

- It was observed that budget estimates of Revenue Receipt for 2020-21 was 48.05 per cent above from the actuals of 2019-20. However, the actual receipt was 30.31 per cent less from estimation, which shows that the revenue receipt estimation was inflated. The short collection in revenue receipt was noticed in Corporation tax (16.45 per cent) and Customs (20.87 per cent) under Share of Union Taxes over the previous year. Besides, Interest receipts (₹ 2,600 crore) and dividend (₹ 603.01 crore) under Non-Tax Revenue was the reason for increase in revenue receipts by ₹ 3,935 crore over the previous year (details are in subsequent para).
- GST Compensation is the revenue of the State Government under GST (Compensation to States) Act, 2017. However, in addition to receiving the GST compensation of

₹ 4,359.28 crore as revenue receipts, due to inadequate balance in GST compensation fund during the year 2020-21 Bihar also received back-to-back loan of ₹ 3,905.00 crore under debt receipts of the State Government, with no repayment liability for the State. Due to this agreement, the revenue deficit of ₹ 11,325.11 crore and fiscal deficit of ₹ 29,827.25 crore during the year 2020-21 may be read in conjunction with debt receipt of ₹ 3,905.00 crore in lieu of GST compensation.

- During 2020-21, the revenue expenditure increased by 10.69 *per cent*. Revenue receipts, though increased by 3.17 *per cent* over the previous year, was still less than that of 2018-19 (₹ 1,31,794 crore) by 2.75 *per cent*. The State has to borrow more funds than the previous year (23.23 *per cent* increase) to meet its revenue expenditure. **Table 1.3** below indicates the increasing trend of receipts and expenditure.

Table 1.3: Trend analysis of Receipts and Expenditure

(₹ in crore)

| Year | Revenue | | Per cent of RE to RR | Capital | | Per cent of CE to CR |
|---------|----------|-------------|-------------------------|----------|-------------|-------------------------|
| | Receipts | Expenditure | | Receipts | Expenditure | |
| 2016-17 | 1,05,585 | 94,765 | 89.75 | 21,600 | 27,208 | 125.96 |
| 2017-18 | 1,17,447 | 1,02,624 | 87.38 | 13,191 | 28,907 | 219.14 |
| 2018-19 | 1,31,794 | 1,24,897 | 94.77 | 20,493 | 21,058 | 102.76 |
| 2019-20 | 1,24,233 | 1,26,017 | 101.44 | 29,175 | 12,304 | 42.17 |
| 2020-21 | 1,28,168 | 1,39,493 | 108.84 | 36,735 | 18,209 | 49.57 |

(Source: Finance Accounts of the respective years)

- For every ₹ 100 received as revenue, an extra nine has to be borrowed to cover its revenue expenditure.
- While capital expenditure has been reducing, the revenue expenditure has been increasing at a much faster rate.

The Capital Receipts increased by 25.91 *per cent*, whereas Capital Expenditure increased by 47.99 *per cent* over the previous year. Thus, the Revenue deficit and Fiscal deficit of the State was increased by 6.35 times and 2.03 times over the previous year respectively.

1.4.2 Snapshot of Assets and Liabilities of the Government

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

Table 1.4: Summarised position of assets and liabilities

(₹ in crore)

| Liabilities | | | | | Assets | | | | |
|--------------------------|-----------------------------|---------------|---------------|----------------------|--------|---------------------------|-------------|-------------|----------------------|
| | | 2019-20 | 2020-21 | Per cent increase | | | 2019-20 | 2020-21 | Per cent increase |
| Consolidated Fund | | | | | | | | | |
| A | Internal Debt | 1,36,082.09 | 1,59,557.50 | 17.25 | A | Gross Capital Expenditure | 2,17,479.32 | 2,35,687.92 | 8.37 |
| B | Loans and Advances from GoI | 12,098.16 | 17,657.35 | 45.95 | B | Loans and Advances | 21,450.23 | 21,743.77 | 1.37 |
| Contingency Fund | | 350.00 | 350.00 | 0.00 | | | | | |

| Liabilities | | | | | Assets | | | | |
|-----------------------|--------------------------------------|--------------------|--------------------|-------------------|---|----------------------------|--------------------|--------------------|-------------------|
| | | 2019-20 | 2020-21 | Per cent increase | | | 2019-20 | 2020-21 | Per cent increase |
| Public Account | | | | | | | | | |
| A | Small Savings, Provident Funds, etc. | 9,279.09 | 9,445.38 | 1.79 | A | Advances | 249.96 | 249.96 | 0 |
| B | Deposits | 35,373.24 | 39,634.21 | 12.05 | B | Remittance | 1,916.87 | 1,118.43 | (-)41.65 |
| C | Reserve Funds | 6,289.49 | 6,641.19 | 5.6 | C | Suspense and Miscellaneous | 10,498.30 | 15,378.20 | 46.48 |
| D | Suspense and Miscellaneous balances | 63.85 | 110.99 | 73.83 | Cash balance (including investment of Earmarked Fund) | | 24,912.65 | 24,864.64 | (-)0.19 |
| E | Inter-State Settlement | 74.01 | 74.01 | 0 | | | | | |
| F | Surplus on Government Accounts | 76,897.40 | 65,572.29 | (-)14.73 | | | | | |
| Total | | 2,76,507.33 | 2,99,042.92 | | Total | | 2,76,507.33 | 2,99,042.92 | |

(Source: Finance Accounts of the respective year)

1.5 Fiscal Balance: Achievement of deficit and total debt targets

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

Table 1.5: Compliance with provisions of the BFRBM Act

(₹ in crore)

| Fiscal Parameters | Fiscal targets set in the Act Medium-term Fiscal Policy MTFP | Achievement | | | | |
|--|--|------------------------|------------------------|------------------------|------------------------|------------------------|
| | | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
| Revenue Deficit (-) / Surplus (+) (₹ in crore) | Revenue Surplus | 10,819.81 | 14,823.01 | 6,896.64 | (-) 1,784.13 | (-) 11,325.11 |
| | | ✓ | ✓ | ✓ | ✗ | ✗ |
| Fiscal Deficit (-)/ Surplus (+) (as percentage of GSDP) | Within 3.00 per cent upto 2019-20 | (-)16,479.15 (3.91) | (-)14,304.83 (3.05) | (-)13,806.76 (2.62) | (-)14,723.93 (2.48) | (-)29,827.25 (4.82) |
| | 5.00 ¹ per cent for 2020-21 | ✗ | ✗ | ✓ | ✓ | ✓ |
| The ratio of total outstanding debt to GSDP (in per cent) | Within 28 per cent upto 2019-20 | 32.95 | 33.45 | 31.99 | 32.56 | 36.09 [#] |
| | 41.2 ² per cent for 2020-21 | ✗ | ✗ | ✗ | ✗ | ✓ |

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

¹ The fiscal deficit target limit for the year 2020-21 had increased by two per cent over and above the limit prescribed in sub-section 2(b)(1) of section 9 of the BFRBM Act, 2006 through Bihar Gazette (Extraordinary) on 31 March 2021.

² Debt to GSDP ratio had to be maintained 41.20 per cent for 2020-21 as per the indicative debt path of State Government recommended in XVth Finance Commission.

[#] Arrived at after exclusion of GST compensation of ₹ 3,905 crore received as back-to-back loan under debt receipts from the total outstanding liabilities.

It can be seen from the above table that the revenue deficit stood at ₹ 11,325.11 crore which was much lower than the projections of a revenue surplus in MTFP (₹ 19,173 crore). Thus, greater fall in revenue receipts than budgeted and relatively less control over expenditure were the reasons for the increase in revenue deficit.

The fiscal deficit target and annual borrowing limit for the year 2020-21 had increased by two *per cent* over and above the limit prescribed in sub-section 2(b)(1) of section 9 of the BFRM Act, 2006 through Bihar Gazette (Extraordinary) 31 March 2021. State had stated that debt to GSDP ratio had to be maintained 41.20 *per cent* for 2020-21 as per the indicative debt path of State Governments recommended in XVth Finance Commission. Fiscal deficit and debt to GSDP ratio were within the revised target and XVth Finance Commission recommendation respectively.

Comparison of targets for fiscal parameters projected in Medium Term Fiscal Plan (MTFP) presented to the State Legislature with actuals for the current year is provided in **Table 1.6** below:

Table 1.6: Actuals vis-à-vis projection in MTFP for 2020-21

(₹ in crore)

| Sl. No. | Fiscal Variables | Projection as per MTFP | Actuals (2020-21) | Variation (in per cent) |
|---------|--|------------------------|-------------------|-------------------------|
| 1 | Own Tax Revenue | 34,750.00 | 30,341.67 | (-) 12.69 |
| 2 | Non-Tax Revenue | 5,239.28 | 6,201.38 | 18.36 |
| 3 | Share of Central Taxes | 91,180.60 | 59,861.41 | (-) 34.35 |
| 4 | Grants-in-aid from GoI | 52,754.10 | 31,763.88 | (-) 39.79 |
| 5 | Revenue Receipts (1+2+3+4) | 1,83,923.98 | 1,28,168.34 | (-) 30.31 |
| 6 | Revenue Expenditure | 1,64,751.19 | 1,39,493.45 | (-) 15.33 |
| 7 | Revenue Deficit (-)/ Surplus (+) (5-6) | 19,172.79 | (-) 11,325.11 | 159.07 |
| 8 | Fiscal Deficit (-)/Surplus (+) | (-) 20,374.00 | (-) 29,827.25 | (-) 46.40 |
| 9 | Debt-GSDP ratio (<i>per cent</i>) | 23.90 | 36.09 | |
| 10 | GSDP growth rate at current prices (<i>per cent</i>) | 19.72 | 4.14 | |

(Source : Finance Accounts of the year 2020-21 and BFRBM Act)

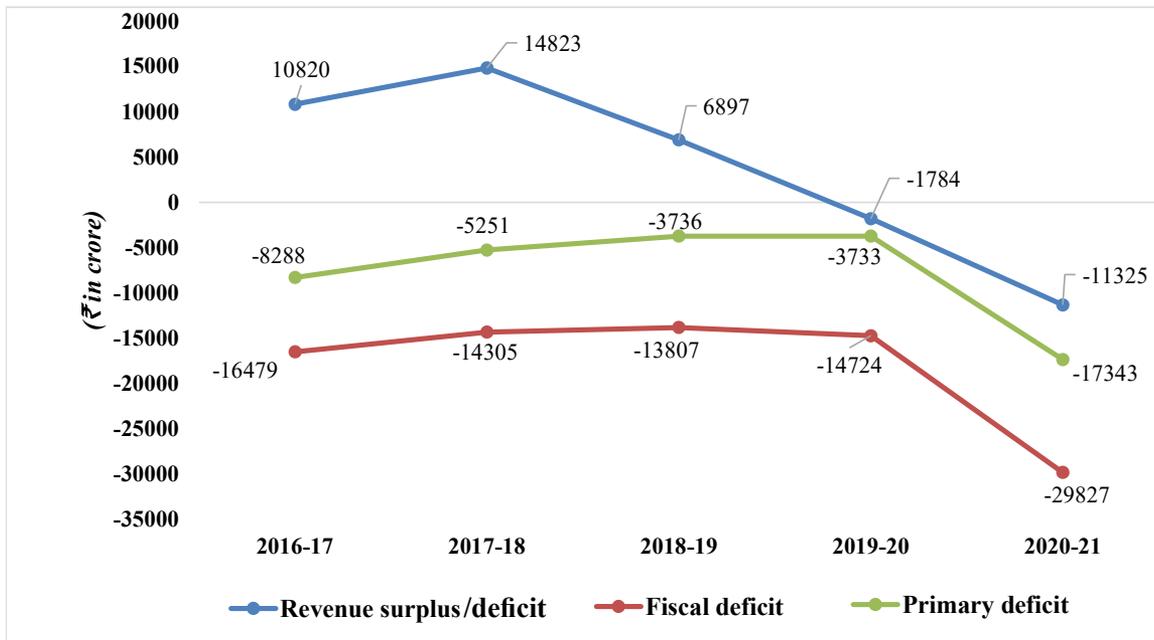
The ratio of total outstanding debt to GSDP as per the Finance Accounts is 36.73 *per cent*. However, the effective debt to GSDP ratio (36.09 *per cent*) has been arrived at after excluding GST compensation of ₹ 3,905 crore received as back-to-back loan under debt receipts from the total outstanding liabilities as the Department of Expenditure, GoI has decided that it will not be treated as debt of the State for any norms which may be prescribed by the Finance Commission.

It is evident from the above table that the State Government did not achieve its MTFP target. The revenue Deficit has been consistently increasing over the last two years. The Revenue Surplus of ₹ 14,823 crore in 2017-18 had decreased to ₹ (-)11,325.11 crore (176.40 *per cent*) in 2020-21 as shown in **Chart 1.4**. The main reason for decrease in all fiscal variables was less receipt of Share of Union Taxes (34.35 *per cent*), Grants in aid from GoI (39.79 *per cent*) and short collection of Own Tax Revenue (12.69 *per cent*) than projected.

Three key fiscal parameters viz., (i) Revenue Surplus/Deficit, (ii) Fiscal Deficit and (iii) Primary Deficit help in assessing the fiscal situation of the Government. The way these deficits are formulated, they assist in assessing the fiscal health of the Government. Trends

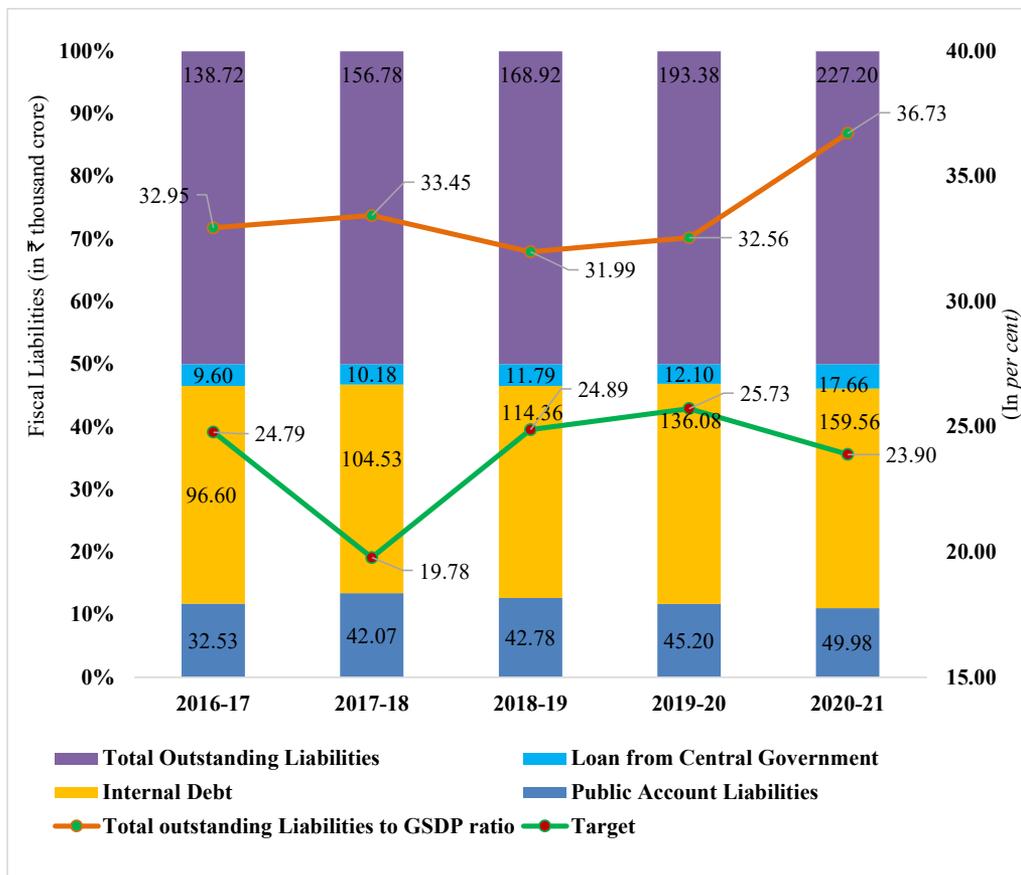
in fiscal parameters and analysis of fiscal liabilities and GSDP are shown in **Chart 1.3** and **Chart 1.4**.

Chart 1.3: Trends in deficit parameters



(Source : Finance Accounts of the respective year)

Chart 1.4: Trends in Fiscal Liabilities and GSDP



(Source : Finance Accounts of the respective year)

During 2020-21, Fiscal liabilities increased by 17.49 *per cent* (₹ 33.82 thousand crore) over the previous year due to an increase in Internal Debt by 17.25 *per cent* (₹ 23.48 thousand crore), Public Account Liabilities by 10.57 *per cent* (₹ 4.78 thousand crore) and Loans and Advances from GoI by 45.95 *per cent* (₹ 5.56 thousand crore).

1.6 Deficits after examination in audit

After examination by Audit, certain financial transactions of the State Government whose corresponding accounting entries have resulted in misclassification of expenditure between revenue and capital heads of account. The following section describes such identified financial transactions.

1.6.1 Post audit - Deficits

Misclassification of Revenue Expenditure as Capital impacts deficit figures. Besides, deferment of clear-cut liabilities, not depositing Cess/royalty to Consolidated Fund, short contribution to New Pension Scheme, Sinking and Redemption Funds, etc., also impacts the revenue and fiscal deficit figures. In order to arrive at actual deficit figures, the impact of such irregularities may be seen in **Table 1.7**.

Table 1.7: Revenue and Fiscal Deficit, post examination by Audit

| Particulars | Impact on Revenue Deficit (Understated (+)) (₹ in crore) | Impact on Fiscal Deficit (Understated (-)) (₹ in crore) | Para Reference |
|--|--|---|----------------|
| Short contribution to New Pension Scheme | 23.04 | 23.04 | 2.4.2.3 |
| Misclassification booked under Capital Section instead of Revenue | 351.96 | - | 2.4.4.1 |
| State Compensatory Afforestation Deposit | 17.78 | 17.78 | 4.2 |
| Non-discharge of Interest liabilities | 314.40 | 314.40 | 4.2 |
| Investment/Loans made in companies, corporations or other bodies which are loss-making or whose net worth is completely eroded (issue of quality of CAPEX) | - | 35.64 | 2.4.3.2 |
| Total | 707.18 | 390.86 | |

(Source: Finance Accounts and audit analysis)

Effectively, as a result of the examination of records, the Revenue deficit and Fiscal deficit of the State, which were ₹ 11,325 crore and ₹ 29,827 crore respectively, would actually be ₹ 12,032.18 crore and ₹ 30,217.86³ crore respectively to that extent.

³ Excludes expenditure of ₹ 4,548.13 crore kept under Suspense Account as disclosed in NTA.

CHAPTER II
FINANCES OF THE STATE

This chapter provides a broad perspective of the finances of the State, analyses the critical changes in major fiscal aggregates relative to the previous year, overall trends during the five-year period from 2016-17 to 2020-21, debt sustainability of the State and key Public Account transactions, based on the Finance Accounts of the State and the information provided by the State Government.

2.1 Major changes in key fiscal aggregates vis-à-vis 2019-20

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

Table 2.1: Changes in key fiscal aggregates in 2020-21 compared to 2019-20

| | |
|---------------------|---|
| Revenue Receipts | <ul style="list-style-type: none"> ✓ Revenue receipts of the State increased by 3.17 per cent. ✓ Own Tax receipts of the State increased by 0.61 per cent. ✓ Own Non-tax receipts increased by 67.62 per cent. ✓ State's Share of Union Taxes and Duties decreased by 5.59 per cent. ✓ Grants-in-Aid from the Government of India increased by 17.78 per cent. |
| Revenue Expenditure | <ul style="list-style-type: none"> ✓ Revenue expenditure increased by 10.69 per cent. ✓ Revenue expenditure on General Services increased by 11.08 per cent. ✓ Revenue expenditure on Social Services increased by 10.36 per cent. ✓ Revenue expenditure on Economic Services increased by 10.82 per cent. ✓ Expenditure on Grants-in-Aid increased by 23.27 per cent. |
| Capital Expenditure | <ul style="list-style-type: none"> ✓ Capital expenditure increased by 47.99 per cent. ✓ Capital expenditure on General Services decreased by 41.95 per cent. ✓ Capital expenditure on Social Services increased by 125.92 per cent. ✓ Capital expenditure on Economic Services increased by 47.48 per cent. |
| Loans and Advances | <ul style="list-style-type: none"> ✓ Disbursement of Loans and Advances increased by 67.19 per cent ✓ Recoveries of Loans and Advances increased by 2598.78 per cent |
| Public Debt | <ul style="list-style-type: none"> ✓ Public Debt Receipts increased by 23.23 per cent ✓ Repayment of Public Debt decreased by 3.23 per cent. |
| Public Account | <ul style="list-style-type: none"> ✓ Public Account Receipts decreased by 22.06 per cent. ✓ Disbursement of Public Account decreased by 22.89 per cent. |
| Cash Balance | <ul style="list-style-type: none"> ✓ Cash balance decreased by ₹ 286.28 crores (48.68 per cent) during 2020-21 compared to the previous year. |

2.2 Sources and Application of Funds

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

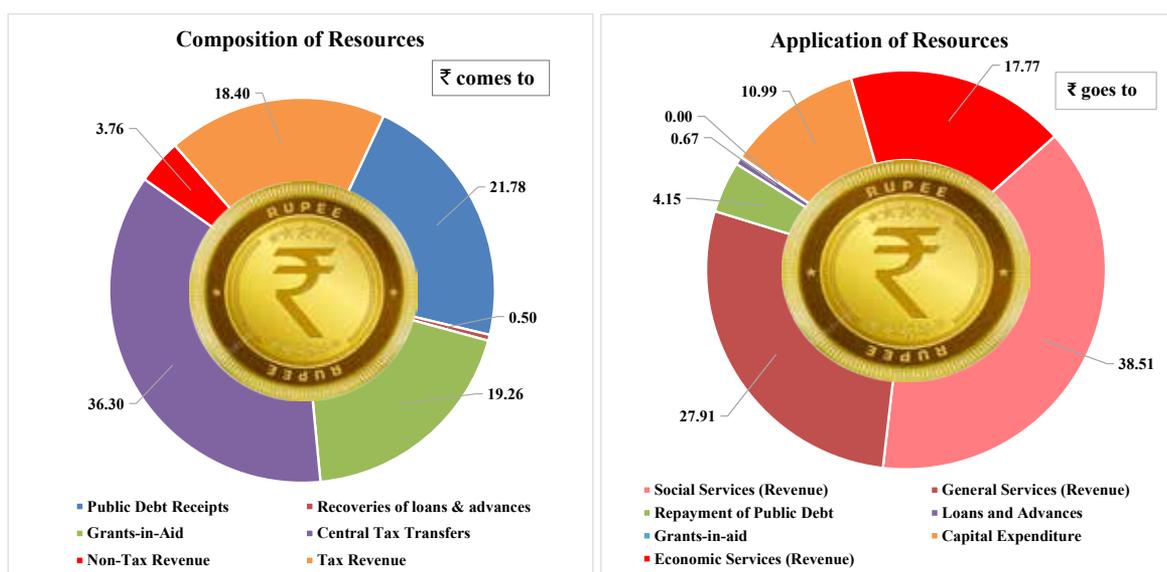
Table 2.2: Details of Sources and Application of funds during 2019-20 and 2020-21*(₹ in crore)*

| | Particulars | 2019-20 | 2020-21 | Increase/ Decrease |
|-------------|------------------------------------|-----------------|-----------------|--------------------|
| Sources | Opening Cash Balance | 20,837 | 24,913 | 4,076 |
| | Revenue Receipts | 1,24,233 | 1,28,168 | 3,935 |
| | Recoveries of Loans and Advances | 30 | 820 | 790 |
| | Public Debt Receipts (Net) | 22,035 | 29,035 | 7,000 |
| | Public Account Receipts (Net) | (-) 3,235 | 745 | 3,980 |
| | Total | 1,63,900 | 1,83,681 | 19,781 |
| Application | Revenue Expenditure | 1,26,017 | 1,39,493 | 13,476 |
| | Capital Expenditure | 12,304 | 18,209 | 5,905 |
| | Disbursement of Loans and Advances | 666 | 1,114 | 448 |
| | Closing Cash Balance | 24,913 | 24,865 | (-) 48 |
| | Total | 1,63,900 | 1,83,681 | 19,781 |

(Source: Finance Accounts for the year 2020-21)

Application⁴ of fund (₹ 1,58,816 crore) was more than Sources⁵ of fund (₹ 1,28,988 crore), which indicates that the Government is unable to meet out its application of fund through the available source of fund. To bridge this gap, State had to increase its receipt through Public debt by 23.23 per cent from the previous year (₹ 29,145 crore to ₹ 35,915 crore).

Chart 2.1 gives the details of receipts and expenditure from the Consolidated Fund during 2020-21 in terms of percentages.

Chart 2.1: Composition / Application of Resources*(in per cent)**(Source: Finance Accounts for the year 2020-21)*

2.3 Resources of the State

The resources of the State are described below:

- Revenue receipts** consist of tax revenue, non-tax revenue, the State's share of Union taxes and duties and grants-in-aid from the Government of India (GoI).

⁴ Revenue Expenditure + Capital Expenditure + disbursement of Loan & advances

⁵ Revenue Receipt + recovery of loans and advances

2. **Capital receipts** comprise miscellaneous capital receipts such as proceeds from disinvestments, recoveries of loans and advances, debt receipts from internal sources (market loans, borrowings from financial institutions/commercial banks), and loans and advances from GoI.

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

3. **Net Public Accounts receipts:** There are receipts and disbursements in respect of certain transactions such as small savings, provident funds, reserve funds, deposits, suspense, remittances, etc. which do not form part of the Consolidated Fund.

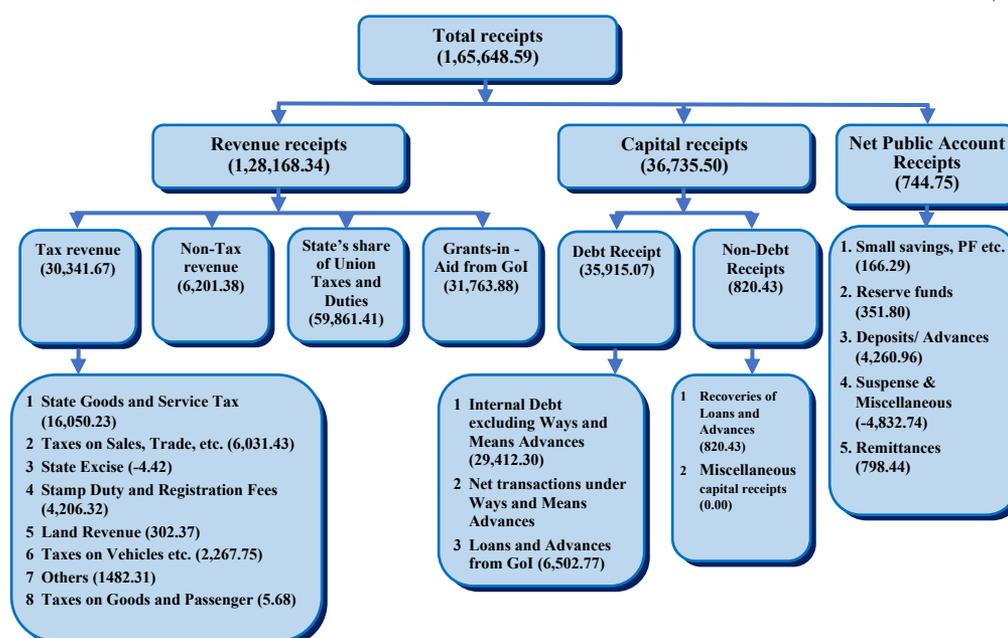
These are kept in the Public Account set up under Article 266 (2) of the Constitution and are not subject to vote by the State Legislature. Here, the Government acts as a banker. The balance after disbursements is the fund available with the Government for use.

2.3.1 Receipts of the State

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

Chart 2.2: Composition of receipts of the State during 2020-21

(₹ in crore)



(Source: Finance Accounts for the year 2020-21)

During 2020-21, the contribution from Revenue Receipts, Capital Receipts and Net Public Account Receipts was 77.37 per cent, 22.18 per cent and 0.45 per cent respectively of total receipts. Details of which have been discussed in subsequent paragraphs.

2.3.2 State's Revenue Receipts

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

2.3.2.1 Trends and growth of Revenue Receipts

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

Table 2.3: Trend in Revenue Receipts

| Parameters | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|--|----------|----------|----------|----------|----------|
| Revenue Receipts (RR) (₹ in crore) | 1,05,585 | 1,17,447 | 1,31,794 | 1,24,233 | 1,28,168 |
| Rate of growth of RR (<i>per cent</i>) | 9.84 | 11.23 | 12.22 | (-) 5.74 | 3.17 |
| Own Tax Revenue (₹ in crore) | 23,742 | 23,137 | 29,408 | 30,158 | 30,342 |
| Non-Tax Revenue (₹ in crore) | 2,403 | 3,507 | 4,131 | 3,700 | 6,201 |
| Rate of growth of Own Revenue (<i>per cent</i>) | (-) 5.39 | 1.91 | 25.88 | 0.95 | 7.93 |
| Gross State Domestic Product Current Price (₹ in crore) (2011-12 Series) | 4,21,051 | 4,68,746 | 5,27,976 | 5,94,016 | 6,18,628 |
| Rate of growth of GSDP (<i>per cent</i>) | 13.31 | 11.33 | 12.64 | 12.51 | 4.14 |
| RR/GSDP (<i>per cent</i>) | 25.08 | 25.06 | 24.96 | 20.91 | 20.72 |
| Buoyancy⁶ Ratios⁷ | | | | | |
| Revenue Buoyancy w.r.t GSDP | 0.74 | 0.99 | 0.97 | (-) 0.46 | 0.77 |
| State's Own Revenue Buoyancy w.r.t GSDP | (-) 0.40 | 0.17 | 2.05 | 0.08 | 1.92 |

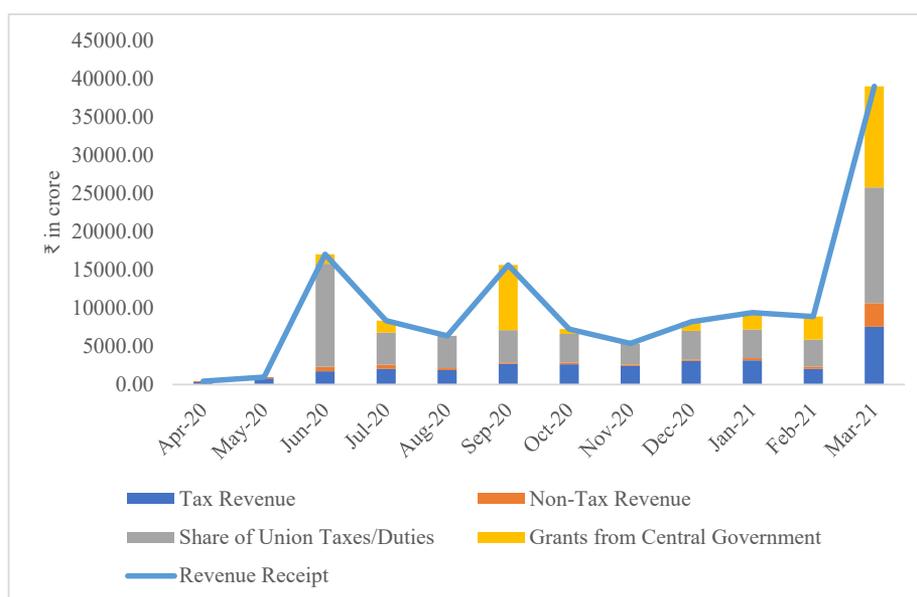
(Source : Finance Accounts of the respective years and GSDP figures from Planning & Development Department under GoB)

- As can be seen from **Table 2.3**, State's Own Revenue Buoyancy, though higher than one over the previous year. As GSDP grows, the ability of the State Government to mobilise its own revenue should also increase. It also shows that the State was able to increase its own revenue resources during 2020-21 keeping in tandem with GSDP. However, an increase in the collection of non-tax revenue during 2020-21, increased the revenue buoyancy to a higher level which was more than the projected figure in the Budget Estimates.
- The reason for increase in revenue receipts was due to an increase in the share of GIA by ₹ 4,795.26 crore and the State's non-tax revenue by ₹ 2,501.78 crore. During this year, revenue buoyancy w.r.t GSDP was positive. The percentage of revenue receipts to GSDP has come down to 20.72 *per cent* which was the lowest during the last five years.
- The collection of Own Revenue Receipt was ₹ 36,543 crore which was far away from the projection of XV Finance Commission (FC) of ₹ 44,167 crore and Budget Estimates of ₹ 39,989 crore.

The net proceeds of union taxes and GIA together constitutes about 71 *per cent* of the State's total revenue receipts. The monthly flow of revenue receipt (component-wise) is depicted in **Chart 2.3**.

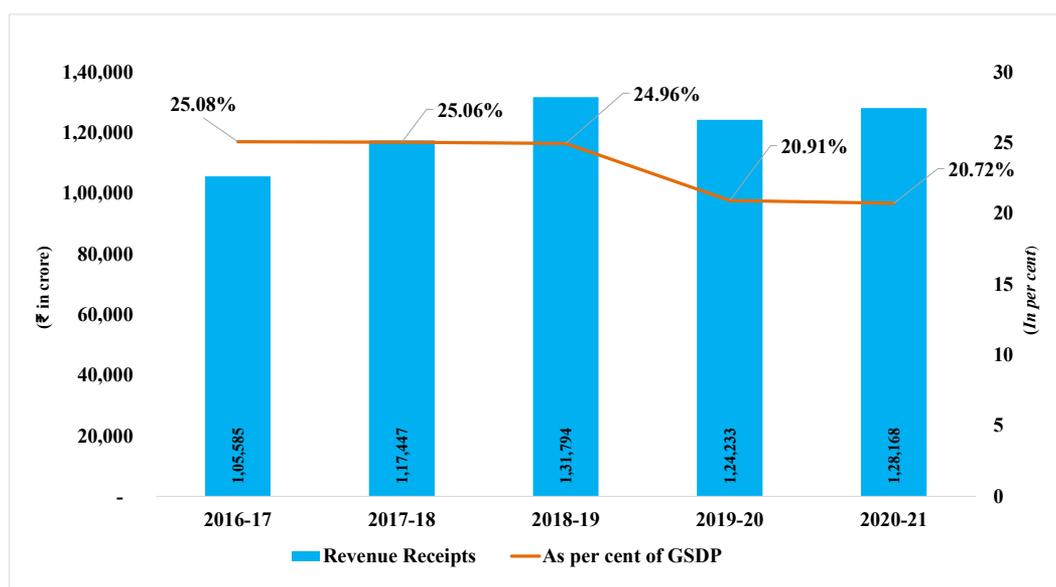
⁶ Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable.

⁷ Revenue buoyancy refers to the growth rate of revenue receipts to growth rate of GSDP.

Chart 2.3: Monthly flow of revenue receipt (component-wise)

(Source: Monthly Civil Accounts of 2020-21)

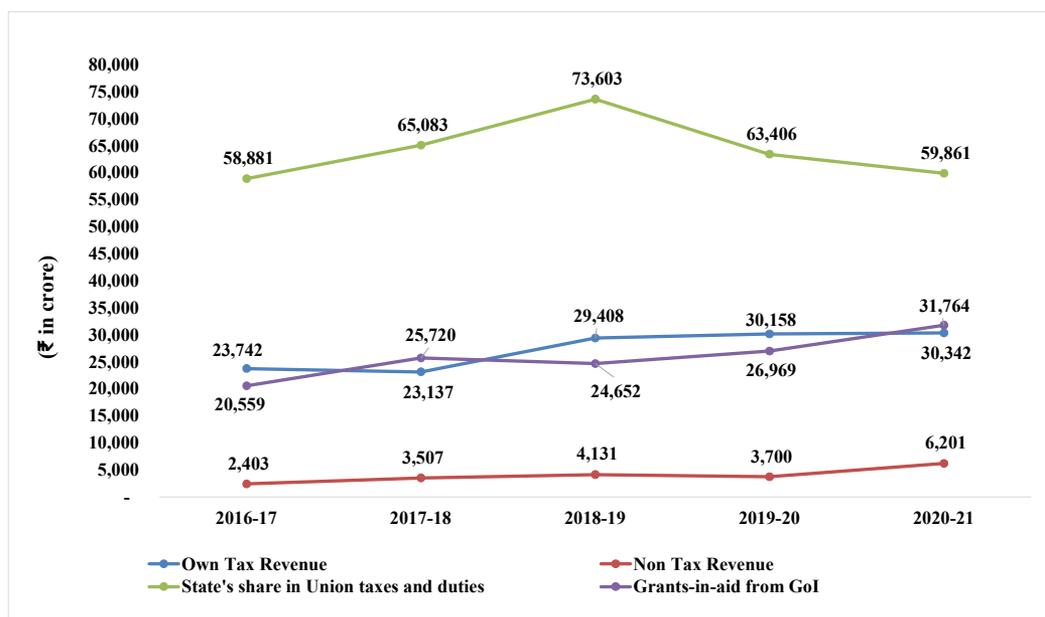
The State Government has got its net proceeds of union taxes mainly in the months of June 2020 (22.53 per cent) and March 2021 (25.28 per cent). Major chunk of Grants-in-aid (GIA) from the Central Government was also received in September 2020 (26.90 per cent) and March 2021 (40.02 per cent). Due to this, the State Government's revenue receipts have more fund flow in the above said periods whereas fund receipts were nominal during rest of the months of the financial year 2020-21 except for April 2020 and May 2020 where receipt was nil. Therefore, the State maintained its expenditure from April 2020 to May 2020 from Cash balance investment accounts, States own tax revenue and non-tax revenue. The trend of Revenue Receipt as well as relative share with respect to GSDP is depicted in Chart 2.4.

Chart 2.4: Trend of Revenue Receipts as well as relative share w.r.t GSDP

(Source: Finance Accounts of the respective years and Economic Survey of GoB)

Revenue Receipts as *per cent* of GSDP for the year 2020-21 decreased in comparison to 2019-20 due to less receipt of State share of Union Taxes (₹ 59,861.41 crore) as compared to previous year (₹ 63,406.33 crore). Trend of components of revenue receipts is depicted in **Chart 2.5**.

Chart 2.5: Trend of components of Revenue Receipts



(Source: Finance Accounts of the respective years)

General trends of Revenue Receipts of the State are as follows:

- The major components of revenue receipts were Share of union taxes and duties (46.71 *per cent*) and Grants-in-aid from GoI (24.78 *per cent*). Only 28.51 *per cent* of revenue receipts is part of the State's own revenue. This is indicative of the fact that Bihar's fiscal position is largely influenced by tax transfers and Grants-in-Aid from GoI.
- Revenue Receipts increased by ₹ 3,936 crore (3.17 *per cent*) during 2020-21 over the previous year. State's share of Union Taxes and Duties decreased by ₹ 3,545 crore (5.59 *per cent*), whereas tax revenue increased by ₹ 184 crore (0.61 *per cent*), non-tax revenue by ₹ 2,501 crore (67.62 *per cent*) and Grants-in-aid from GoI by ₹ 4,795 crore (17.78 *per cent*).

2.3.2.2 State's own resources

State's performance in mobilisation of additional resources can be assessed in terms of its own resources comprising revenue from its own tax and non-tax sources. As per XV Finance Commission, the projection of Own Tax Revenue and Non-tax Revenue were ₹ 39,406 crore and ₹ 4,761 crore for the year 2020-21 which was an increase of 12.76 *per cent* and 11.00 *per cent* respectively over the previous⁸ year.

Own Tax revenue

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

⁸ XIV FC projection of Tax Revenue-₹ 34,946 crore and Non-Tax Revenue-₹ 4,289 crore for 2019-20.

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

| Component | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | Spark line |
|----------------------------------|---------------|---------------|---------------|---------------|---------------|------------|
| Taxes on Sales, Trade etc. | 11,873 | 8,298 | 6,584 | 6,121 | 6,032 | |
| SGST | 0 | 6,747 | 15,288 | 15,801 | 16,050 | |
| State excise | 30 | (-3) | (-10) | (-4) | (-4) | |
| Stamp duty and Registration fees | 2,982 | 3,726 | 4,189 | 4,661 | 4,206 | |
| Taxes on vehicles | 1,257 | 1,599 | 2,086 | 2,713 | 2,268 | |
| Land revenue | 971 | 779 | 477 | 275 | 302 | |
| Taxes on goods and passengers | 6,245 | 1,645 | 399 | 23 | 6 | |
| Other taxes * | 384 | 346 | 395 | 568 | 1,482 | |
| Total | 23,742 | 23,137 | 29,408 | 30,158 | 30,342 | |

*Other taxes includes⁹

(Source: Finance Accounts of the respective years)

From the above table, it can be observed that:

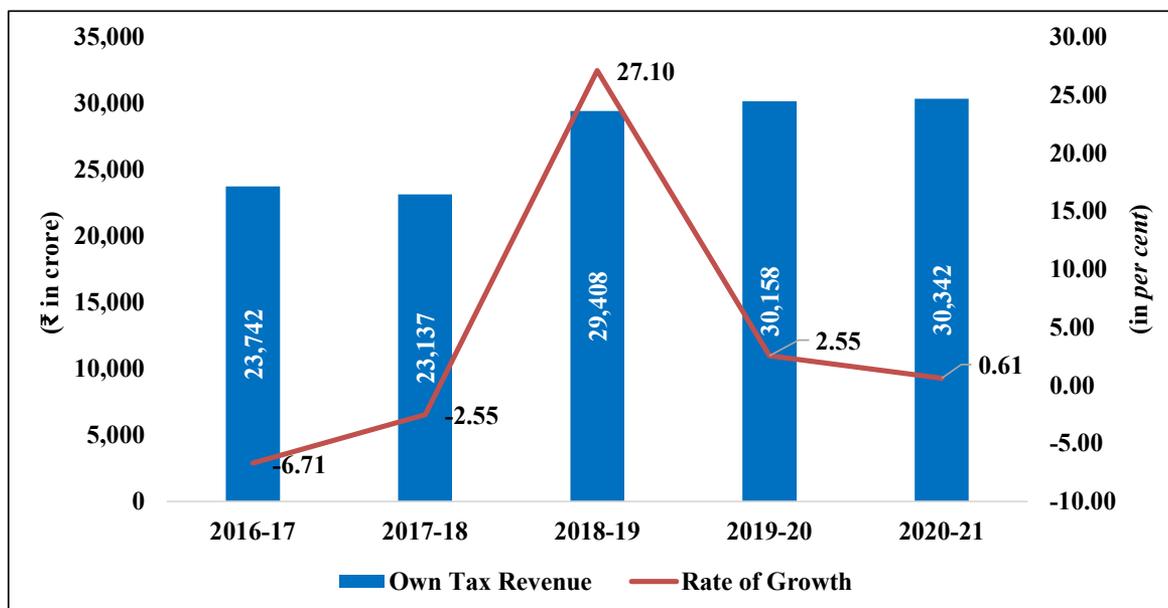
- The decreasing trend in taxes on Sales, Trade, etc., and Goods and Passengers were due to the implementation of the Goods and Services Tax (GST) from July 2017. Taxes on Goods and Passengers and partially taxes on sales, trade were subsumed in GST. The increase in SGST was mainly due to more receipts under Tax and input tax credit cross-utilisation of SGST and IGST. A decrease in state excise duty was due to prohibition imposed in the state from April 2016. The negative balance appearing under State Excise was due to refunds.
- The short collection was noticed in sale of judicial and non-judicial stamps, duty on impressing of document and fee from registering documents under Stamps and Registration fee and receipts under Indian and State Motor Vehicle Acts under Tax on Vehicles to the tune of ₹ 454.66 crore and ₹ 445 crore respectively.
- There was decrease in land revenue by (69 per cent) from 2016-17 to 2020-21 mainly due to decrease in revenue under sub heads 'Receipt from Survey and Settlement Project (72 per cent)', 'Recoveries for land acquisition establishment (88 per cent)' and 'Revision of Cess on Khas Mahal land (58 per cent)' under the Minor Head 800 – Other Receipts.
- Other taxes have seen significant increase due to an increase in taxes and duties on electricity by ₹ 915.56 crore over the previous year.
- As per Monthly Civil Accounts, the State receives less revenue in April 2020 and May 2020, whereas a major chunk was received in the months of January 2021 (10.43 per cent) and March 2021 (24.69 per cent).

The Own Tax revenue of the State during the years 2016-17 to 2020-21 and the growth rate

⁹ Tax on profession, Trades, Calling and Employment, Taxes and duties on electricity and other taxes and duties on commodities and services

is depicted in **Chart 2.6** below. The rate of growth was highest in 2018-19 during the last five years.

Chart 2.6: Growth of Own Tax Revenue during 2016-21



(Source: Finance Accounts of the respective years)

State Goods and Services Tax (SGST)

The State Government implemented the Goods and Services Tax (GST) Act from 01 July 2017. According to GST (Compensation to States) Act, 2017, Central Government will compensate the States for loss of revenue arising on account of implementation of GST for a period of five years starting from 2017-18. The compensation payable to the State shall be calculated for every financial year after the receipt of final revenue figures, as audited by the CAG. The protected revenue for any year of a State shall be calculated by applying the projected growth rate (14 per cent per annum) over the base year revenue of that State. The base year for calculation of revenue figures of taxes subsumed under GST was fixed as 2015-16.

In the case of Bihar, the revenue figure was ₹ 12,620.56 crore during the base year 2015-16. The projected revenue for the year 2020-21 (1st April 2020 to 31st March 2021) in accordance with the base year figure was ₹ 24,299.80 crore. Against this projected revenue, the revenue receipt under SGST was ₹ 16,050.23 crore (including ₹ 1,197.51 crore received advance apportionment of IGST). GoB received GST compensation of ₹ 4,359.28 crore as GIA under revenue receipt and ₹ 3,905 crore as back-to-back loan with no repayment liability under debt receipt.

Despite the Government of India's decision to provide access to Pan-India data of GSTN (Goods and Services Tax Network), only limited access to GST data was provided to audit.

Analysis of arrears of revenue and arrears of assessment

The arrears of revenue indicate delayed realisation of revenue due to the Government. Similarly, arrears of assessment indicate potential revenue which is blocked due to delayed assessment. Both deprive the State of potential revenue receipts and affect ultimately the

revenue deficit. Only two revenue earning departments have made the data available. Details of arrears of revenue are in **Table 2.5**.

Table 2.5: Arrears of revenue*(₹ in crore)*

| Sl. No. | Head of revenue | Name of Department | Total amount outstanding as on 31 March 2020 | Total amount outstanding as on 31 March 2021 | Amount outstanding for more than five years |
|--------------|---|--------------------|--|--|---|
| 1. | VAT/Sales trade etc. | Commercial tax | 3,696.69 | 2,262.17 | NA |
| 2. | Non-ferrous Mining and Metallurgical Industries | Mines and Geology | 360.33 | 387.71 | 246.62 |
| Total | | | 4,057.02 | 2,649.88 | |

(Source: Information provided by the concerned departments of GoB)

The various reasons observed for the arrear of revenue were recoveries of arrears of land revenue, recoveries stayed by Courts/Appellate authorities, recoveries held up due to assesses/dealers becoming insolvent, etc.

Arrears of Assessment

The details of cases of arrear in assessment as furnished by the State Tax Department are given below in **Table 2.6**.

Table 2.6: Arrear in Assessment

| Department | OB | New cases during the year | Total due for assessment | Cases disposed of during the year | Balance at the end of year | Percentage of disposal |
|---------------------------|--------|---------------------------|--------------------------|-----------------------------------|----------------------------|------------------------|
| Mines and Geology | 23,302 | 556 | 23,858 | 17 | 23,841 | 0.07 |
| Commercial Tax Department | 82,116 | 12,854 | 94,970 | 33,512 | 61,458 | 35.29 |

(Source: Information provided by the concerned departments of GoB)

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

The cases of evasion of tax detected by the Department, cases finalised and the demands for additional tax raised are important indicators of revenue collection efforts of the State Government. Promptness in the disposal of refund cases is an important indicator of the performance of the Department. High pendency of refund cases may indicate red tape, vested interests, the prevalence of speed money, etc. The details of evasion of tax detected by the Department are given in **Table 2.7**.

Table 2.7: Evasion of Tax Detected

| Sl. No. | Head of revenue | Cases pending as on 31 March 2020 | Cases detected during 2020-21 | Total | No. of cases in which assessment / investigation completed and additional demand with penalty etc. raised | | No. of cases pending for finalisation as on 31 March 2021 |
|---------|---------------------------|-----------------------------------|-------------------------------|--------|---|-------------------------------|---|
| | | | | | No. of cases | Amount of demand (₹ in crore) | |
| 1. | Taxes/GST on sales, Trade | 531 | 2,095 | 2,626 | 2,098 | 50.27 | 497 |
| 2. | Mines and geology | 23,302 | 556 | 23,858 | 17 | 100.70 | 23,841 |

(Source: Information provided by the concerned departments of GoB)

As can be seen from the table above, the additional demand with penalty raised by the Department of Mines and Geology was to the tune of ₹ 100.70 crore for 17 cases only. This indicates high materiality associated with each case and hence it becomes imperative for the Department to clear the pending cases at the earliest.

Pendency of refund cases

The details of pendency of refund cases as reported by the Departments are given in Table 2.8.

Table 2.8: Pendency of refund cases

| Sl. No. | Particulars | GST | | Sales tax/VAT | |
|---------|---|--------------|---------------------|---------------|---------------------|
| | | No. of cases | Amount (₹ in crore) | No. of cases | Amount (₹ in crore) |
| 1 | Claims outstanding at the beginning of the year | 323 | 1.87 | 1,448 | 121.05 |
| 2 | Claims received during the year | 1,414 | 743.01 | 437 | 126.25 |
| 3 | Refunds made during the year | 1,039 | 705.66 | 477 | 120.60 |
| 4 | Rejected during the year | 561 | 35.30 | 614 | 48.87 |
| 5 | Balance outstanding at the end of year | 137 | 3.92 | 794 | 77.83 |

(Source: Information provided by the concerned departments of GoB)

Only two departments have made available the data on the subject's arrear of revenue, arrear of assessment, evasion of tax and refund cases. In absence of complete data, audit could not assess the actual position of the State as a whole despite of several letters to major revenue earning departments of GoB.

Non-Tax Revenue

Non-Tax revenue consists of interest receipts, dividends and profits, mining receipts, departmental receipts, etc. Components of non-tax revenue of the State are depicted in Table 2.9.

Table 2.9: Components of State's non-tax revenue

| Head | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | Spark line |
|---------------------------------|----------------|----------------|----------------|----------------|----------------|------------|
| Interest Receipts | 939.91 | 1577.24 | 1371.94 | 1416.48 | 3241.97 | |
| Dividends and Profits | 3.73 | 1.34 | 13.67 | 1.62 | 603.01 | |
| Other non-tax receipts | 1459.48 | 1928.16 | 2744.95 | 2281.50 | 2356.40 | |
| (a) Major and medium irrigation | 16.58 | 27.43 | 52.77 | 24.32 | 40.13 | |
| (b) Road Transport | 0.19 | 0.17 | 0.19 | 0.20 | 0.11 | |
| (c) Urban Development | 0.71 | 7.43 | 0.94 | 4.80 | 0.15 | |
| (d) Education | 17.09 | 21.47 | 18.85 | 17.13 | 11.50 | |
| (e) Non-ferrous mining | 997.60 | 1082.67 | 1560.65 | 1572.07 | 1708.93 | |
| (f) Other or misc. | 427.31 | 788.99 | 1111.55 | 662.98 | 595.58 | |
| Total | 2403.12 | 3506.74 | 4130.56 | 3699.60 | 6201.38 | |

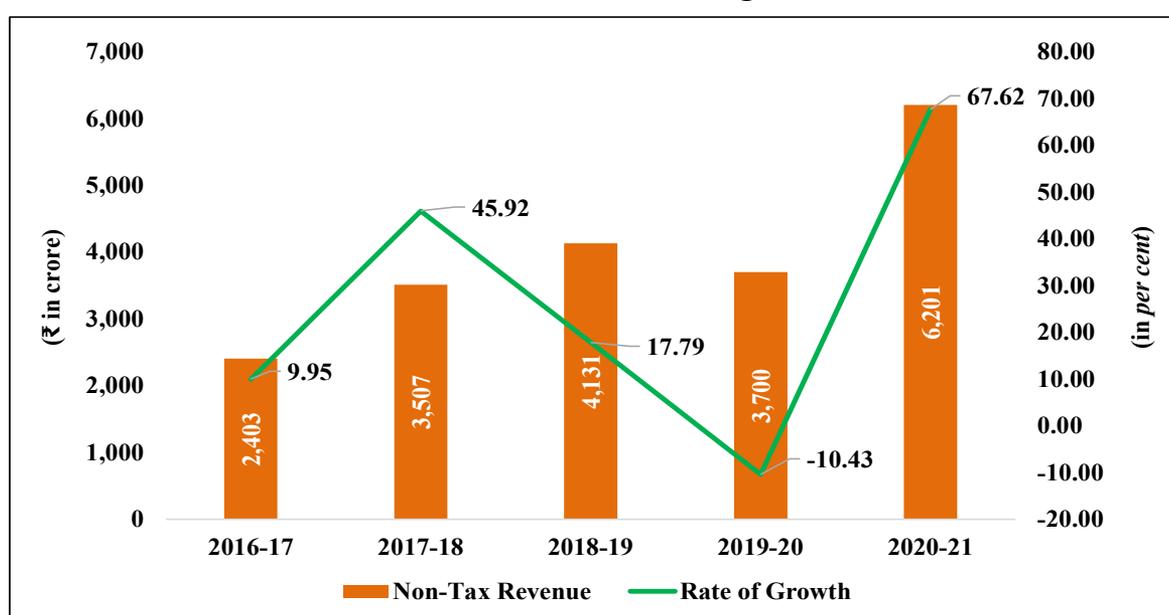
(Source: Finance Accounts of the respective years)

The following was observed in the Audit:

- The Non-Tax Revenue (NTR) in 2020-21 was ₹ 6,201.38 crore which was increased by ₹ 2,501.78 (67.62 per cent) over the previous year and constituted 4.84 per cent of Revenue Receipt.
- It was observed that Interest Receipts increased due to redemption of accrued interest of Consolidated Sinking Fund ₹ 2,600 crore and Dividends and Profits increased due to release of dividend ₹ 603.01 crore from the accumulated profit of the PSU's.

The Non-Tax revenue of the State during the years 2016-17 to 2020-21 and the growth rate is depicted in **Chart 2.7** below. The rate of growth was highest in 2020-21 in the last five years.

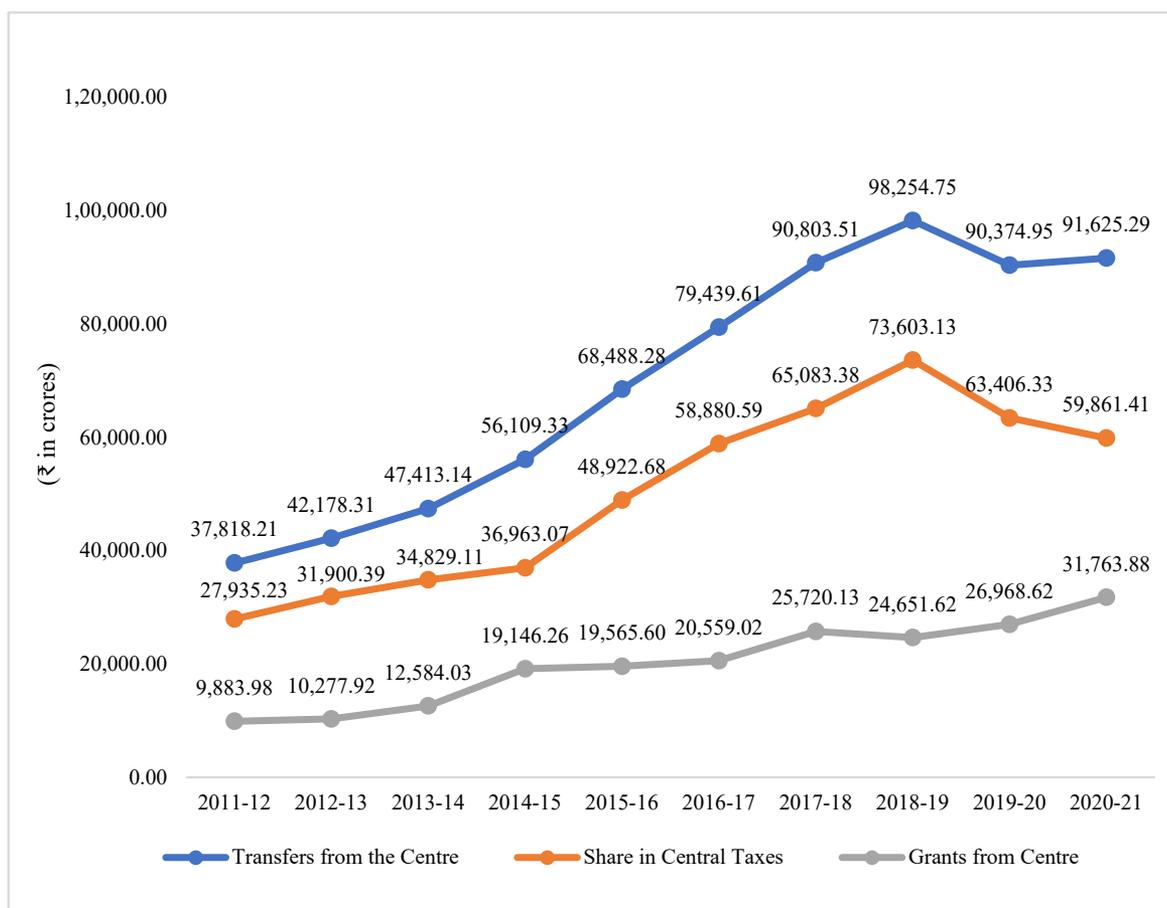
Chart 2.7: Non-tax revenue and growth rate



(Source: Finance Accounts of the respective years)

2.3.2.3 Transfers from the Centre

Fund transfers from the Centre mainly depends upon Finance Commission recommendations and for the last five years, it had constituted more than 70 per cent of the Revenue receipts of the State. The Union Government transfers funds to States in two ways (i) Devolution of Central taxes to States and (ii) Grants in Aid given by the Centre. Details of transfers from the GoI are given below in **Chart 2.8**:

Chart 2.8: Trends in transfers from Centre

(Source: Finance Accounts of the respective years)

As can be seen from the chart above:

- Transfers from the Centre increased from ₹ 37,818.21 crore in 2011-12 to ₹ 91,625.29 crore in 2020-21. However, the share in Central Taxes received from GoI decreased significantly by ₹ 3,544.92 crore (5.59 per cent) as compared to the previous year.
- This decrease in share in Central Taxes significantly impacted the Revenue Receipt of the State as the former makes up nearly 70 per cent of the State's total revenue receipt.
- The Budget Estimates for the share of Central Tax transfer was ₹ 91,180.60 crore, while the actual receipt was only ₹ 59,861.41 crore during 2020-21. This shortfall in receipt of Central Tax Transfer leads the estimated revenue surplus to be converted into revenue deficit by the end of financial year 2020-21.
- Fiscal Deficit was higher due to excess revenue expenditure in the year 2020-21.

Central tax transfer

State's share of Union taxes recommended by XIV FC (2015-16 to 2019-20) and XV FC (2020-21) as compared with actual devolution made by Centre are summarised in **Table 2.10**.

Table 2.10: Actual devolution vis-à-vis projection in finance commission*(₹ in crore)*

| Year | Finance commission Projections | Projection tax share to state | Projection in FCR | Actual devolution | Difference | % shortfall |
|---------|---|-------------------------------|-------------------|-------------------|------------|-------------|
| 1 | 2 | 3 | 4 | 5 | 6 (4-5) | 7 |
| 2015-16 | 9.665 per cent of net proceeds of all shareable taxes excluding service tax and | 5,79,282 | 56,694 | 48,923 | 7,771 | 13.70 |
| 2016-17 | | 6,68,425 | 65,419 | 58,881 | 6,538 | 9.99 |
| 2017-18 | | 7,72,304 | 75,585 | 65,083 | 10,502 | 13.89 |
| 2018-19 | 9.787 per cent of net proceeds of sharable service tax (As per recommendations of XIV th FC) | 8,93,430 | 87,440 | 73,603 | 13,837 | 15.82 |
| 2019-20 | | 10,34,745 | 1,01,270 | 63,406 | 37,864 | 37.39 |
| 2020-21 | 10.061 per cent of net proceeds of all shareable taxes (As per recommendations of XV th FC) | 8,55,176 | 86,039 | 59,861 | 26,178 | 30.43 |

(Source: Finance Commission Report and Finance Accounts)

Thus, the actual tax devolution was less by 30.43 per cent in comparison to the Finance Commission projection for the year 2020-21. As a result, State was compelled to borrow more Public Debt for meeting the application of funds. The State's share of Union taxes under different components during 2016-17 to 2020-21 are shown in **Table 2.11**.

Table 2.11: Central Tax Transfers*(₹ in crore)*

| Head | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | Sparkline |
|---|------------------|------------------|------------------|------------------|------------------|-----------|
| Central Goods and Service Tax (CGST) | - | 925.48 | 18,166.79 | 17,992.97 | 17,788.67 | |
| Integrated Goods and Service Tax (IGST) | - | 6,572 | 1,449.80 | 0 | 0 | |
| Corporation Tax | 18,889.20 | 19,935.56 | 25,596.84 | 21,618.94 | 18,062.14 | |
| Taxes on Income other than Corporation Tax | 13,128.06 | 16,834.16 | 18,850.99 | 16,939.90 | 18,517.49 | |
| Customs | 8,125.40 | 6,570.00 | 5,217.40 | 4,019.07 | 3,179.93 | |
| Union excise Duties | 9,278.51 | 6,867.50 | 3,467.28 | 2,794.34 | 2,012.03 | |
| Service Tax | 9,416.01 | 7,379.29 | 673.31 | 0.00 | 258.09 | |
| Other Taxes # | 43.41 | (-) 0.61 | 180.72 | 41.11 | 43.06 | |
| Central Tax Transfers | 58,880.59 | 65,083.38 | 73,603.13 | 63,406.33 | 59,861.41 | |
| Percentage of increase over previous year | 20.35 | 10.53 | 13.09 | (-) 13.85 | (-) 5.59 | |
| Percentage of Central Tax transfer to Revenue receipt | 55.77 | 55.42 | 55.85 | 51.04 | 46.70 | |

(Source: Finance Accounts of the respective years)

Other taxes include Taxes on wealth, Other taxes on Income & Expenditure, Other taxes & duties of commodities and services.

Central tax transfers decreased by ₹ 3,544 .92 crore (5.59 per cent) over the previous year due to the reduced share of net proceeds assigned to the State. Apportionment of IGST and Advance apportionment from IGST are being booked as Minor Head 106 and 110 under Major Head 0006 SGST.

Grants-in-aid from GoI

The State Government receives Grants-in-aid (GIA) and share of Union taxes and duties, based on recommendations of the Finance Commission. Details of GoI grants are given below in **Table 2.12**.

Table 2.12: Grants-in-aid from Government of India

(₹ in crore)

| Head | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|---|------------------|------------------|------------------|------------------|------------------|
| Non-Plan Grants | 4,505.51 | (-) 5.00 | - | - | - |
| Grants for State Plan Schemes | 13,952.92 | (-) 2.20 | (-) 2.82 | (-) 40.27 | (-) 33.57 |
| Grants for Central Plan Schemes* | 1,422.91 | - | - | - | - |
| Grants for Centrally Sponsored Schemes (CSS) | - | 13,312.26 | 16,322.72 | 15,302.04 | 16,609.56 |
| Grants for Centrally Sponsored Plan Schemes | 677.68 | (-) 1.00 | - | - | - |
| Finance Commission Grants | - | 4,525.06 | 4,775.20 | 7,343.61 | 8,850.00 |
| Other transfers/Grants to States/ Union Territories with Legislature | - | 7,891.01 | 3,556.52 | 4,363.24 | 6,337.89 |
| Total | 20,559.02 | 25,720.13 | 24,651.62 | 26,968.62 | 31,763.88 |
| Percentage of increase over the previous year | 5.08 | 25.10 | (-) 4.15 | 9.40 | 17.78 |
| Percentage of GIA to Revenue Receipts | 19.47 | 21.90 | 18.70 | 21.71 | 24.78 |

(Source: Finance Accounts of the respective years)

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

With the removal of the Plan and Non-Plan distinction (2017-18), Grants-in-Aid from Center comprises only of (i) Finance Commission recommended grants for Local Bodies (ii) Grants for Disaster Response and (iii) Grants for Central share of Central Sector and Centrally Sponsored Schemes. As can be seen from above:

- The increase in GIA from GoI was mainly due to an increase in ‘Other transfers/ Grants’ (45.25 per cent) consisting of grants released under GST Compensation (23.67 per cent), contribution on NDRF (126.92 per cent) and Finance Commission Grants (20.51 per cent) for the FY 2020-21.
- The trend of total grants from GoI as a percentage of revenue receipts ranged between 18.70 per cent to 24.78 per cent during 2016-21.

XIV and XV Finance Commission Grants

XIV and XV Finance Commission Grants were provided to the state for local bodies, SDRF and as compensation to States for any revenue loss suffered after devolution of taxes. The details of Grants provided by the GoI vis-a-vis actual receipt are given in **Table 2.13**.

Table 2.13: Recommended, actual and release of Grant-in-aid*(₹ in crore)*

| | Recommendation | | Actual release by GoI | | Release by State | |
|--------------------------------------|------------------|-----------------------------|-----------------------|---------------|------------------|---------------|
| | XIV FC 15-20 | XVFC 20-21 | XIV FC 15-20 | XVFC 20-21 | XIV FC 15-20 | XVFC 20-21 |
| Local Bodies (PRI) | 21,017.83 | 5,018 | 18,916.06 | 5,018 | 18,916.06 | 5,018 |
| <i>Basic Grants</i> | <i>18,916.05</i> | <i>-</i> | <i>18,916.06</i> | <i>-</i> | <i>18,916.06</i> | <i>-</i> |
| <i>Performance Grant</i> | <i>2,101.78</i> | <i>-</i> | <i>0.00</i> | <i>-</i> | <i>0.00</i> | <i>-</i> |
| Grants to ULB's | 2,676.24 | 2,416 | 2,227.63 | 2,416 | 2,227.63 | 2,416 |
| <i>Basic Grants</i> | <i>2,140.99</i> | <i>-</i> | <i>2,227.63</i> | <i>-</i> | <i>2,227.63</i> | <i>-</i> |
| <i>Performance Grant</i> | <i>535.25</i> | <i>-</i> | <i>0.00</i> | <i>-</i> | <i>0.00</i> | <i>-</i> |
| State Disaster Response Fund* | 2,591 | 1,888 (1416+472) | 2,343.24 | 1,416 | 2,343.24 | 1,416 |

*Including State share of 25 per cent of total grant.

(Source: XIV & XV FC Report and Finance Account)

It is clear from the above table that the State could not get its complete share of XIV FC grant primarily due to non-achievement of mandatory criteria for getting performance grant¹⁰ in both PRIs and ULBs. Further, as per the Finance Accounts 2020-21, ₹ 5,018 crore was released as recommended by the XV FC.

2.3.3 Capital receipts

Capital receipts comprise of 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. The details of Capital Receipts and their composition for the years 2016-17 to 2020-21 are given in **Table 2.14**.

During 2020-21, Capital Receipts constituted 22.27 per cent of the total receipts (₹ 1,64,903.84 crore) of the State. The State Government borrowed ₹ 29,412.30 crore from the open market and other financial institutions and took loans of ₹ 6,502.77 crore from GoI.

Table 2.14: Trends in growth and composition of capital receipts*(₹ in crore)*

| Sources of State's Receipts | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|--|---------------|-----------------|---------------|---------------|---------------|
| Capital Receipts | 21,600 | 13,191 | 20,493 | 29,175 | 36,735 |
| Recovery of Loans and Advances | 23 | 22 | 1,825 | 30 | 820 |
| Public Debt Receipts | 21,577 | 13,169 | 18,668 | 29,145 | 35,915 |
| <i>Internal Debt</i> | <i>20,065</i> | <i>11,771</i> | <i>16,134</i> | <i>27,866</i> | <i>29,412</i> |
| <i>Growth rate</i> | <i>14.23</i> | <i>(-)41.34</i> | <i>37.07</i> | <i>72.72</i> | <i>5.55</i> |
| <i>Loans and advances from GoI</i> | <i>1,512</i> | <i>1,398</i> | <i>2,534</i> | <i>1,279</i> | <i>6,503</i> |
| <i>Growth rate</i> | <i>85</i> | <i>(-) 8</i> | <i>81</i> | <i>(-) 50</i> | <i>408.44</i> |
| Rate of growth of debt Capital Receipts | 17 | (-) 39 | 42 | 56 | 23.23 |
| Rate of growth of non-debt capital receipts | 21 | (-) 4 | 8,195 | (-) 98 | 2,633.33 |
| Rate of growth of GSDP | 13.31 | 11.33 | 12.64 | 12.51 | 4.14 |
| Rate of growth of Capital Receipts (per cent) | 17 | (-) 39 | 55 | 42 | 25.91 |

(Source: Finance Accounts of the respective years)

Capital receipts increased mainly due to an increase in loans and advances from GoI and internal debt. The share of public debt receipt in capital receipts was 97.77 per cent. The rate of growth of debt capital receipts had a fluctuating trend over the previous years.

¹⁰ Submission of audited annual accounts, increase in own revenue, publish service level benchmarks etc.

In the current year, ₹ 29,412 crore was taken as internal debt and its contribution in capital receipts was 80.06 per cent. Loans and advances from GoI increased by 408.44 per cent in which credit against GST reimbursement (₹ 3,905.00 crore) and special assistance to States for Capital Expenditure (₹ 843 crore) under Special Assistance and Received Block debt since 1989-90 (₹ 2,050.24 crore) under Block Loan were the major component.

Net Public Debt Receipts with respect to GSDP in the current year (4.69 per cent) remained more buoyant than the previous year (3.70 per cent). This was due to an increase in capital receipts of ₹ 7,560.50 crore (25.91 per cent) in 2020-21.

Non-debt capital receipts, in the form of recoveries of loans and advances had shown an increase due to recovery of loans from PSEs/Bodies/Authorities over the previous year.

Although Capital Receipts increased by 25.91 per cent over the previous year, the Capital Expenditure increased by 47.99 per cent during the same period.

2.4 Application of resources

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

2.4.1 Growth and composition of expenditure

Trend analysis of overall expenditure and its components along with their percentage of GSDP is depicted in **Table 2.15**.

Table 2.15: Total expenditure and its composition

(₹ in crore)

| Parameters | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|--------------------------|----------|----------|----------|----------|----------|
| Total Expenditure (TE) | 1,22,087 | 1,31,774 | 1,47,425 | 1,38,987 | 1,58,816 |
| Revenue Expenditure (RE) | 94,765 | 1,02,624 | 1,24,897 | 1,26,017 | 1,39,493 |
| Capital Expenditure (CE) | 27,208 | 28,907 | 21,058 | 12,304 | 18,209 |
| Loans and Advances | 114 | 243 | 1,470 | 666 | 1,114 |
| As a percentage of GSDP | | | | | |
| TE/GSDP | 29.00 | 28.11 | 27.92 | 23.40 | 25.67 |
| RE/GSDP | 22.51 | 21.89 | 23.66 | 21.21 | 22.55 |
| CE/GSDP | 6.46 | 6.17 | 3.99 | 2.07 | 2.94 |
| Loans and Advances/ GSDP | 0.03 | 0.05 | 0.28 | 0.11 | 0.18 |

(Source: Finance Accounts of respective years)

The overall revenue and capital expenditure as a percentage of GSDP has increased over the previous year. Changes in the composition of the expenditure in terms of economic classification and expenditure by activities are depicted in **Table 2.16**.

Table 2.16: Relative share of various sectors of expenditure(*₹ in crore*)

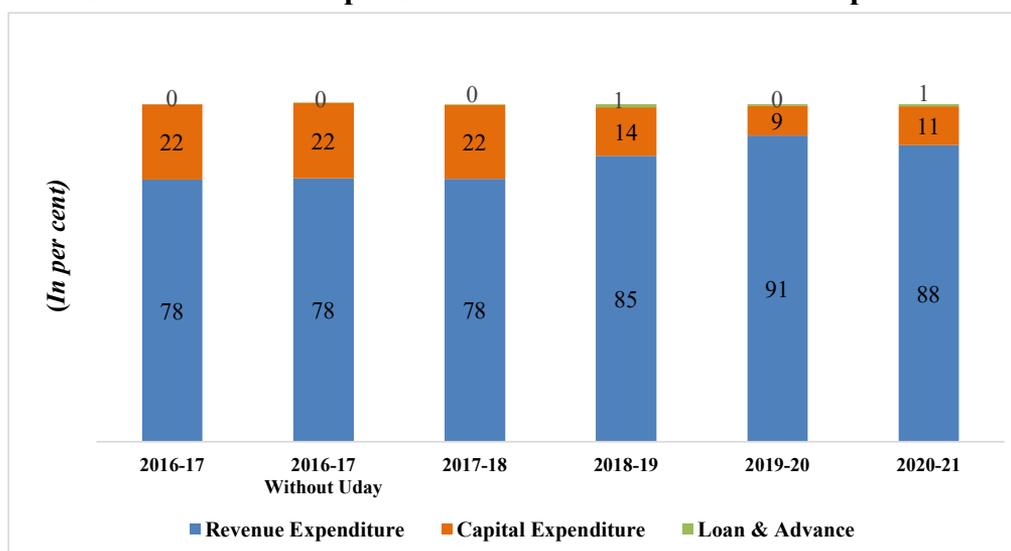
| Parameters | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| General Services | 32,697 (26.78) | 36,139 (27.43) | 42,002 (28.49) | 44,016 (31.67) | 47,626 (29.99) |
| Social Services | 44,329 (36.31) | 50,028 (37.97) | 62,345 (42.29) | 60,619 (43.61) | 70,139 (44.16) |
| Economic Services | 44,943 (36.81) | 45,360 (34.42) | 41,604 (28.22) | 33,684 (24.24) | 39,935 (25.15) |
| Others (Grants to Local Bodies and Loans and Advances) | 118 (0.10) | 247 (0.19) | 1,474 (1) | 668 (0.48) | 1,116 (0.70) |

(Figures in parentheses indicate percentage to Total expenditure)

(Source: Finance Accounts of respective years)

From the above table, it can be seen that

- The State has spent more amount in Social Services and Economic Services whereas marginal variation has been seen in General Services w.r.t the activity components of total expenditure during 2020-21.
- In General Services, State reduced its expenditure on Appropriation for reduction or avoidance of debt under Interest payment and servicing of debt by ₹ 844.96 crore as compared to the previous year, due to the decision taken by the State Government to freeze the contribution towards Sinking Fund for FY 2020-21 and 2021-22.
- In Social services, a major increase in expenditure was seen in Integrated Development of Small and Medium Towns under Urban Development (114 per cent), Public health (96 per cent) and Family Welfare (30 per cent) under Health and Family welfare (25 per cent) over the previous year.
- Further, in Economic Services, the major increase was seen in maintenance of Minor Irrigation (468.14 per cent) under Irrigation and Flood Control and Rural Employment (132.77 per cent) under Rural Development Department. **Chart 2.9** presents the trends in the share of components of total expenditure during 2016-21.

Chart 2.9: Total Expenditure: Trends in share of its components

(Source: Finance Accounts of respective years)

Further, the debt of DISCOMs which have been taken by the State did not impact much on the State debt profile. The loans and advances given by the State are negligible.

2.4.2 Revenue Expenditure

Revenue expenditure is incurred to maintain the current level of services and payment for the past obligation. As such, it does not result in any addition to the State's infrastructure and service network. Trend analysis of the growth of revenue expenditure is depicted in **Table 2.17**.

Table 2.17: Revenue Expenditure – Basic Parameters

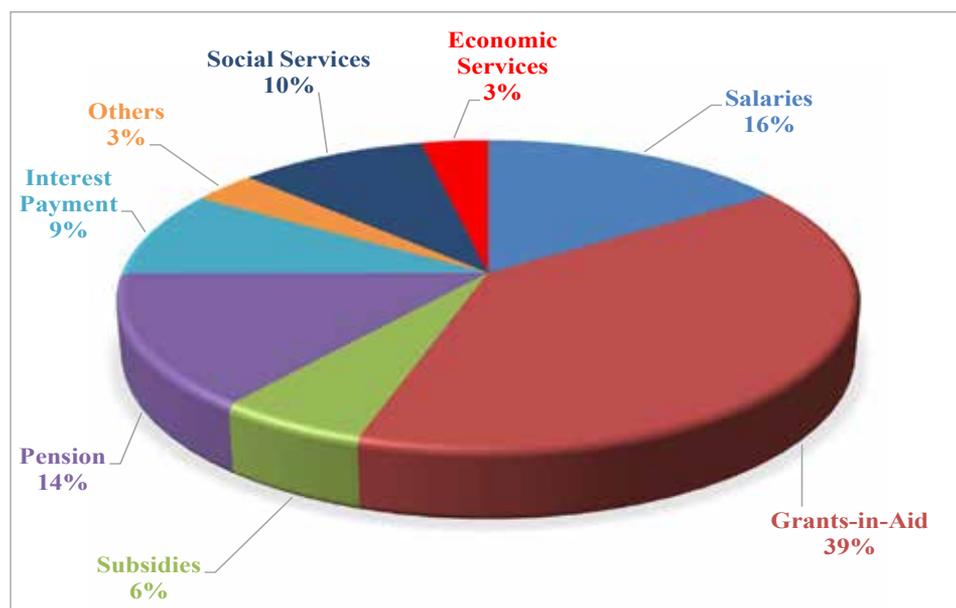
(₹ in crore)

| Parameters | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|--|----------|----------|----------|----------|-------------|
| Total Expenditure (TE) | 1,22,087 | 1,31,774 | 1,47,425 | 1,38,987 | 1,58,816.02 |
| Revenue Expenditure (RE) | 94,765 | 1,02,624 | 1,24,897 | 1,26,017 | 1,39,493.45 |
| Rate of Growth of RE (<i>per cent</i>) | 13.33 | 8.29 | 21.70 | 0.90 | 10.69 |
| Rate of growth of GSDP (<i>per cent</i>) | 13.31 | 11.33 | 12.64 | 12.51 | 4.14 |
| RE as a percentage of TE | 77.62 | 77.88 | 84.72 | 90.67 | 87.83 |
| RE/GSDP (<i>per cent</i>) | 22.51 | 21.89 | 23.66 | 21.21 | 22.55 |
| RE as a percentage of RR | 89.75 | 87.38 | 94.77 | 101.44 | 108.84 |
| The buoyancy of Revenue Expenditure with | | | | | |
| GSDP (ratio) | 1 | 0.73 | 1.72 | 0.07 | 2.58 |
| Revenue Receipts (ratio) | 1.35 | 0.74 | 1.78 | -0.16 | 3.37 |

(Source: Finance Accounts of the respective years)

From the above table:

- Revenue expenditure constituted 88 *per cent* of the total expenditure and only 11 *per cent* was left for capital expenditure. The State has revenue deficit because revenue expenditure (109 *per cent*) was higher than revenue receipts during this year for the 2nd time since 2004-05.
- Revenue expenditure increased by 10.69 *per cent* whereas revenue receipts increased by 3.17 *per cent* only. Consequently, the gap has been met by State's public debt. Revenue expenditure as a percentage of revenue receipts has been increasing for the last five years except 2017-18.
- The buoyancy ratio of revenue expenditure with GSDP was highest in the last five years because of decreasing growth rate in GSDP from 12.51 *per cent* to 4.14 *per cent*. However, the buoyancy ratio of revenue expenditure with revenue receipt was 3.37 *per cent* which was not a good sign of the State's finances. Sector-wise distribution of revenue expenditure is depicted in **Chart 2.10**.

Chart 2.10: Sector-wise distribution of revenue expenditure

(Source: Finance Accounts 2020-21)

As can be seen that major revenue expenditure was made in two components, (committed expenditure and GIA- 39 per cent each), constituting 78 per cent of the total revenue expenditure during the year.

2.4.2.1 Major changes in Revenue Expenditure

Significant variations under various Heads of Account with regard to revenue expenditure of the State during the current year and the previous year are given in **Table 2.18**.

Table 2.18: Variation in Revenue Expenditure during 2020-21 compared to 2019-20

(₹ in crore)

| Major Heads of Account | 2019-20 | 2020-21 | Increase (+)/ Decrease (-) |
|---|-----------|-----------|-------------------------------|
| 2505-Rural Development | 871.28 | 2,028.04 | 1,156.76 |
| 2245-Relief on account of Natural Calamities | 3,592.41 | 6,635.65 | 3,043.24 |
| 2217-Urban Development | 2,765.86 | 5,001.32 | 2,235.46 |
| 3054-Roads and Bridges | 2,293.99 | 3,371.89 | 1,077.90 |
| 2210-Medical and Public Health | 6,117.98 | 7,599.63 | 1,481.65 |
| 2235-Social Security and Welfare | 6,050.00 | 7,080.50 | 1,030.50 |
| 2071-Pensions and Other Retirement Benefits | 17,110.38 | 19,635.15 | 2,524.77 |
| 2049-Interest Payments | 10,991.42 | 12,484.04 | 1,492.62 |
| 2048-Appropriation for reduction or avoidance of Debt | 845.01 | 0.05 | (-) 844.96 |
| 2225-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes | 2,419.48 | 830.08 | (-)1,589.40 |
| 2401-Crop Husbandry | 1,862.07 | 1,318.43 | (-)543.64 |
| 2801-Power | 5,950.24 | 7,517.57 | 1,567.33 |
| 2215-Water Supply and Sanitation | 2,071.76 | 1,741.10 | (-) 330.66 |
| 2216-Housing | 5,483.00 | 4,719.81 | (-)763.19 |
| 2515-Other Rural Development Programmes | 9,774.24 | 9,013.74 | (-) 760.50 |

(Source: Finance Accounts of the respective years)

- The expenditure increased in relief on account of natural calamities (especially in gratuitous relief) for assistance to farmers for purchase of agriculture inputs and gratuitous relief. Pension (14.76 *per cent*) and other retirement benefits (under government contribution to defined contributory pension scheme) and Interest Payment (13.58 *per cent*) were also some of the reasons for the increase in the State's revenue expenditure.
- Less expenditure was incurred in Welfare of Scheduled Castes (-56.31 *per cent*) and Welfare of Backward Classes (-76.35 *per cent*) under Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes. The expenditure decreased in extension and farmers training (62.92 *per cent*) and agricultural engineering (71.41 *per cent*) under Crop Husbandry over the previous year. No expenditure was made in the Special Component Plan for Scheduled Castes and Tribal Area Sub-Plan under Housing.

2.4.2.2 Committed Expenditure

The Committed Expenditure of the State Government on revenue account consists of Interest payments, expenditure on Salaries and Wages and Pensions. It has the first charge on Government resources. The upward trend on committed expenditure leaves the Government with lesser flexibility for the development sector. Trend analysis of committed expenditure is depicted in **Table 2.19**.

Table 2.19: Components of Committed Expenditure

| (₹ in crore) | | | | | |
|--|------------------|------------------|------------------|------------------|------------------|
| Components of Committed Expenditure | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
| Salaries & Wages | 15,784.04 | 17,778.74 | 19,968.39 | 20,418.41 | 21,841.65 |
| Expenditure on Pensions | 12,514.52 | 14,293.48 | 16,027.75 | 17,110.38 | 19,635.15 |
| Interest Payments | 8,190.70 | 9,053.78 | 10,071.14 | 10,991.42 | 12,484.04 |
| Total | 36,489.26 | 41,126.00 | 46,067.28 | 48,520.21 | 53,960.84 |
| As a percentage of Revenue Receipts (RR) | | | | | |
| Salaries & Wages | 14.95 | 15.14 | 15.15 | 16.44 | 17.04 |
| Expenditure on Pensions | 11.85 | 12.17 | 12.16 | 13.77 | 15.32 |
| Interest Payments | 7.76 | 7.71 | 7.64 | 8.85 | 9.74 |
| Total | 34.56 | 35.02 | 34.95 | 39.06 | 42.10 |
| As a percentage of Revenue Expenditure (RE) | | | | | |
| Salaries & Wages | 16.66 | 17.32 | 15.99 | 16.2 | 15.66 |
| Expenditure on Pensions | 13.21 | 13.93 | 12.83 | 13.58 | 14.08 |
| Interest Payments | 8.64 | 8.82 | 8.06 | 8.72 | 8.95 |
| Total | 38.51 | 40.07 | 36.88 | 38.50 | 38.68 |

(Source: Finance Accounts of the respective years)

The share of committed expenditure in total revenue expenditure remained almost constant and ranged from 38.51 *per cent* in 2016-17 to 38.68 *per cent* in 2020-21 except during 2017-18, where it increased to 40.07 *per cent*. The ratio of committed expenditure also increased to 42.10 *per cent* of revenue receipts in 2020-21 from 34.56 *per cent* in 2016-17.

During the year, the total committed expenditure increased by ₹ 5,440.63 crore (11.21 *per cent*) over the previous year. Interest payments (9.74 *per cent*) was well below the fiscal target of 10 *per cent* of the Revenue Receipt set out in the BFRBM (Amendment) Act, 2016 but exceeded the projection of XV FC of 1.9 *per cent* of GSDP.

State has maintained the committed expenditure with in MTFP. A larger proportion of the budget allocated for committed expenditure items limits the State’s flexibility to decide the other expenditure priorities such as capital outlay.

2.4.2.3 Undischarged liabilities in National Pension System

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

Total contribution towards NPS was to be ₹ 1,924.80 crore (employees’ contribution ₹ 802.00 crore and Government Contribution ₹ 1,122.80 crore) for the period 2020-21 against which an amount of ₹ 1,901.76 crore was transferred to the NSDL. There was a short contribution of ₹ 23.04 crore (₹ 1,122.80 crore minus ₹ 1,099.76 crore) by the Government during the year which has resulted in an understatement of the Revenue deficit to that extent.

The State Government deposited ₹ 1,976.81 crore with NSDL/Trustee Bank during the year. As on 31 March 2021, ₹ 338.96 crore (₹ 315.92 crore previous balance and ₹ 23.04 crore short transferred) was lying in the Public Account as closing balance which is yet to be deposited to the NSDL/Trustee Bank.

2.4.2.4 Subsidies

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

The total subsidies during the current year were ₹ 8,167.42 crore which was 14.66 *per cent* more than the previous year and constituted 6.37 *per cent* of revenue receipts. Trend analysis of expenditure on subsidies is depicted in **Table 2.20**.

Table 2.20: Department wise subsidies during 2016-21

(₹ in crore)

| Department | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | Sparkline |
|--------------------------------|----------|----------|----------|----------|----------|-----------|
| Agriculture | 344.26 | 406.41 | 490.52 | 518.17 | 164.30 | |
| Energy | 6,807.69 | 3,491.66 | 5,737.03 | 5,193.00 | 6,759.96 | |
| Food and consumer Protection | 976.89 | 490.89 | 638.81 | 618.13 | 578.77 | |
| Industry | 381.99 | 401.59 | 322.00 | 316.78 | 234.47 | |
| Transport | 0.00 | 0.00 | 962.77 | 177.17 | 122.57 | |
| Animal and Fisheries Resources | 122.44 | 127.00 | 112.92 | 116.00 | 99.67 | |
| Others | 124.18 | 105.51 | 59.92 | 182.02 | 207.68 | |

| Department | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | Sparkline |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------|
| Subsidies | 8,757.44 | 5,023.06 | 8,323.97 | 7,121.27 | 8,167.42 | |
| Subsidies as a percentage of Revenue Receipts | 8.29 | 4.27 | 6.32 | 5.73 | 6.37 | |
| Subsidies as a percentage of Revenue Expenditure | 9.24 | 4.89 | 6.66 | 5.65 | 5.85 | |

(Source: Finance Accounts of the respective years)

Trend analysis revealed that more than 82 *per cent* of subsidies went to the Energy Sector. Despite the fact that the Energy Department provided the subsidies to DISCOMs for power purchase but the financial health of both DISCOMs are still miserable.

2.4.2.5 Financial assistance by the State Government to Local Bodies and Other Institutions

The quantum of assistance provided by way of grants and loans to local bodies and others during the current year compared to the previous years is presented in **Table 2.21**.

Table 2.21: Financial Assistance to Local Bodies etc.

(₹ in crore)

| Financial Assistance to Institutions | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|--|------------------|------------------|------------------|------------------|------------------|
| (A) Local Bodies | | | | | |
| Municipal Corporations and Municipalities | 3,135.50 | 1,794.52 | 2,892.56 | 1,533.24 | 4,785.08 |
| Panchayati Raj Institutions | 2,659.04 | 7,572.94 | 7,517.61 | 9,971.64 | 12,899.38 |
| Total (A) | 5,794.54 | 9,367.46 | 10,410.17 | 11,504.88 | 17,684.46 |
| (B) Others | | | | | |
| Educational Institutions (Aided Schools, Aided Colleges, Universities, etc.) | 3,101.99 | 4,683.27 | 1,905.37 | 3,925.89 | 3,716.00 |
| Development Authorities | 11,645.91 | 1,786.76 | 5,860.77 | 5,839.49 | 999.15 |
| Hospitals and Other Charitable Institutions | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Other Institutions | 15,666.90 | 27,521.24 | 33,587.98 | 25,311.28 | 32,529.37 |
| Total (B) | 30,414.80 | 33,991.27 | 41,354.12 | 35,076.66 | 37,244.52 |
| Total (A+B) | 36,209.34 | 43,358.73 | 51,764.29 | 46,581.54 | 54,928.98 |
| Revenue Expenditure | 94,765.18 | 1,02,623.73 | 1,24,896.81 | 1,26,016.66 | 1,39,493.45 |
| Assistance as percentage of Revenue Expenditure | 38.21 | 42.25 | 41.45 | 36.96 | 39.38 |

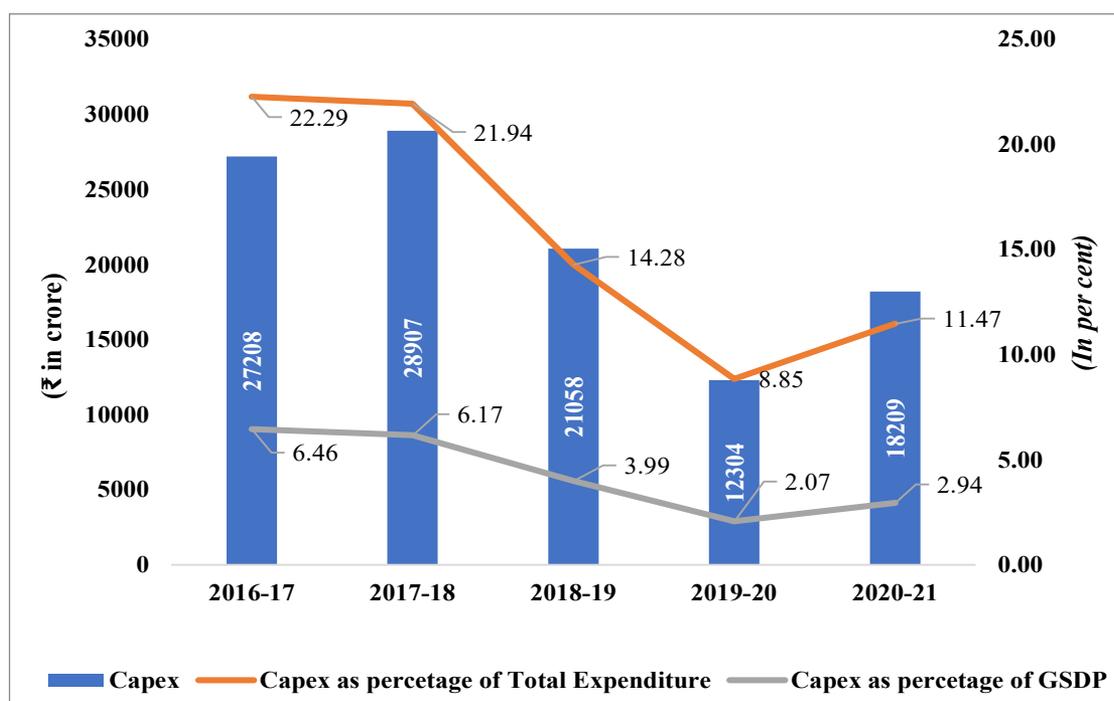
(Source: Finance Accounts of the respective years)

Financial assistance to Local Bodies and Other Institutions by the State Government has increased by 17.92 *per cent* in comparison to the previous year (₹ 46,581.54 crore) and its percentage of revenue expenditure has increased to 39.38 *per cent* due to implementation of 'Saat Nishchay'. Release of financial assistance without insisting on rendering timely accounts is detrimental to public accountability and indicative of poor financial management (detailed in Chapter-IV).

2.4.3 Capital Expenditure

Capital expenditure (Capex) is primarily expenditure on creation of fixed infrastructure assets such as roads, buildings, etc. Capex in the State is being met from budgetary support and extra-budgetary resources. Trend analysis of Capex is depicted in **Chart 2.11**.

Chart 2.11: Capital expenditure in the State



(Source: Finance Accounts of the respective years)

- The capital expenditure was 53.00 per cent lower than the assessment made by the State Government in Budget Estimates and the projection made in MTFPS 2020-21 (₹ 38,744.59 crore).
- During analysis, it was observed that capital expenditure decreased in General Services from ₹ 2,388.26 crore to ₹ 1,386.50 crore. The main decrease was in Police by ₹ 276.02 crore, Public works by ₹ 452.08 crore and Other administration services by ₹ 278.88 crore. However, it was increased in Social Services from ₹ 2,802.51 crore to ₹ 6,331.52 where mainly the increase was in Water Supply and Sanitation by ₹ 3,191.89 crore and General Education by ₹ 538.68 crore. Economic Services increased from ₹ 7,113.13 crore to ₹ 10,490.58 crore mainly in Other Rural Development Programme by ₹ 1,967.72 crore, Roads and Bridges by ₹ 2,001.53 crore and Major Irrigation by ₹ 838.92 crore over the previous year 2019-20.
- The ratio of capital expenditure to capital receipts had a decreasing trend during the 2017-18 to 2019-20, which was the outcome of the overall economic downturn, but a positive response was seen in 2020-21.
- Audit noticed that some of the expenditure booked under Capital Head was misclassified which resulted in overstatement of Capital Expenditure to that extent.

Further, the amount of capital expenditure is only treated as book expenditure as its major chunk has been parked in the Public Account of the State. The detailed analysis has been covered in Para 4.4 of Chapter IV of this Report.

2.4.3.1 Major changes in Capital Expenditure

Significant variations under various Major Heads of Account with regard to capital expenditure of the state during the current year compared to the previous year are depicted in Table 2.22.

Table 2.22: Capital expenditure during 2020-21 compared to 2019-20*(₹ in crore)*

| Major Heads of Accounts | 2019-20 | 2020-21 | Increase (+)/ Decrease (-) |
|---|----------|----------|-------------------------------|
| 4711-Capital Outlay on Flood Control Projects | (-)39.10 | 736.96 | 776.06 |
| 4700-Capital Outlay on Major Irrigation | 379.92 | 1,218.84 | 838.92 |
| 4215-Capital Outlay on Water Supply and Sanitation | 1,453.84 | 4,645.73 | 3,191.89 |
| 5054-Capital Outlay on Roads and Bridges | 1,202.05 | 3,203.58 | 2,001.53 |
| 4515-Capital Outlay on other Rural Development Programmes | 1,590.73 | 3,558.45 | 1,967.72 |
| 5053-Capital Outlay on Civil Aviation | 152.44 | 0 | (-) 152.44 |
| 5075-Capital Outlay on other Transport Services | 160 | 50 | (-) 110.00 |
| 4801-Capital Outlay on Power Projects | 3,067.32 | 1,125.96 | (-) 1,941.36 |
| 4059-Capital Outlay on Public Works | 1,029.04 | 576.96 | (-) 452.08 |
| 4210-Capital Outlay on Medical and Public Health | 862.34 | 647.99 | (-) 214.35 |

(Source: Finance Accounts of the respective years)

The increase in expenditure on Water Supply and Sanitation was mainly due to expenditure for Chief Minister Drinking Water Determination Plan, Chief Minister Drinking Water Sure Plan (Quality affected area) and Chief Minister Drinking Water Policy. Increase in expenditure on Other Rural Development programmes was due to expenditure for Panchayati Government Building, Chief Minister's Rural Sampark Path Yojana, Pradhan Mantri Gram Sadak Yojana and Chief Minister's Rural Sampark Path Yojana (NDB aided). Further, increase in expenditure on Roads and Bridges was due to construction of Bridges by NABARD Loan and increase in expenditure on Major Irrigation projects was due to more expenditure in Irrigation Creation Project (Works) (NABARD aided) and Irrigation Creation Project (Works).

As compared to the previous year, less expenditure was incurred in investment in Bihar State Power (Holding) Company Ltd. Under Capital Outlay on Power Projects, Auxiliary Nurse Midwifery and Special Component Plan for Scheduled Caste for Medical College under Capital Outlay on Medical and Public Health, and building for scheduled caste under Capital Outlay on Public Works.

2.4.3.2 Quality of capital expenditure

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

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

Return on investment in share capital invested in SPSEs and history of repayment of loans given to various bodies is an important determinant of quality of capital expenditure. Trend analysis of return on investment is given in **Table 2.23**.

Table 2.23: Return on Investment (ROI)

| Investment/return/cost of borrowings | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|---|---------------|-----------------|-----------------|-----------------|-----------------|
| Investment at the end of the year (₹ in crore) | 15,916.47 | 23,037.29 | 28,327.00 | 31,667.39 | 32,870.61 |
| Return (₹ in crore) | 3.73 | 1.34 | 11.34 | 1.62 | 603.01 |
| Return (<i>per cent</i>) | 0.02 | 0.01 | 0.04 | 0.01 | 1.83 |
| Average rate of interest on Government Borrowings (<i>per cent</i>) | 6.42 | 6.13 | 6.18 | 6.07 | 5.94 |
| Difference between interest rate and return (<i>per cent</i>) | 5.88 | 5.82 | 6.14 | 6.06 | 4.11 |
| Difference between interest on Government borrowings and return on investment (₹ in crore)[#] | 935.89 | 1,340.77 | 1,739.28 | 1,919.04 | 1,350.98 |

(Source: Finance Accounts of the respective years)

[#] Investment at the end of the year * Difference between interest rate and return

- As on 31 March 2021, the total Government investment was ₹ 32,870.61 crore in 46 Government Companies (₹ 31,809.38 crore), three Statutory Corporations (₹ 105.63), one Rural Banks (₹ 30.19 crore), 12 Joint-stock Companies (₹ 305.17 crore), and 17 Cooperative institution and local bodies (₹ 620.24 crore).
- The State has invested ₹ 30,764.85 crore in power sector companies (BSPHCL) which was 93.59 *per cent* of the total investment of the State Government till 2020-21.
- The ROI increased by ₹ 601.39 crore over the previous year was due to the directions issued by Finance Department to PSU's for releasing of 50 *per cent* dividend from their total accumulated reserve and surplus.
- The State Government has incurred a notional loss of ₹ 1,350.98 crore on return on investment in various entities on account of the difference between the Government borrowing cost and the return on investment.

It was noticed that the State Government had extended the budgetary support of ₹ 564.39 crore, in the form of equity to one loss-making PSU till 2020-21 which is depicted in **Table 2.24**.

Table 2.24: Investments made in loss-making companies

(₹ in crore)

| Sl. No. | Company/ Corporation | Accumulated Loss | Investment made during the year | Cumulative investment as on 31 March 2020 | Cumulative investment as on 31 March 2021 |
|---------|---|------------------|---------------------------------|---|---|
| 1 | Bihar State Minority Finance Corporation Ltd. | 7.58 | 35.64 | 528.75 | 564.39 |

(Source: Finance Accounts 2020-21)

Further, ₹ 1,211.60 crore which was actually invested in three PSUs have been classified as capital expenditure during the year 2020-21 as depicted in **Table 2.25**.

Table 2.25: Investments treated as capital expenditure

(₹ in crore)

| Sl. No. | Company/ Corporation | Major Head of Capital Expenditure | Amount |
|---------|---|-----------------------------------|-----------------|
| 1 | Bihar State Minority Finance Corporation Ltd. | 5465 | 35.64 |
| 2 | Patna Metro Rail Corporation Ltd. | 5075 | 50.00 |
| 3 | Bihar State Power (Holding) Company Ltd. | 4801 | 1,125.96 |
| | Total | | 1,211.60 |

(Source: Finance Accounts 2020-21)

Accordingly, the effective capital expenditure during this year was ₹ 16,997 crore (₹ 18,208.60 crore less ₹ 1,211.60 crore).

State Government has not formulated any dividend policy of PSUs as on 31 March 2021. As per Finance Accounts, seven¹¹ companies/co-operatives paid a dividend of ₹ 603.01 crore during 2020-21. Besides, ₹ 16.51 crore was shown as disinvestment under four companies.

In addition to investments in co-operative societies, corporations and companies, the government has also provided loans and advances to many of these institutions & organisations. Details are given in **Table 2.26**.

Table 2.26: Quantum of loans disbursed and recovered during five years

(₹ in crore)

| Quantum of loans disbursed and recovered | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|--|--------------------------|-----------|------------|-----------|-----------|
| Opening Balance of loans outstanding | 20,857.73 | 20,948.29 | 21,169.17 | 20,814.33 | 21,450.23 |
| Amount advanced during the year | 113.87 | 242.78 | 1470.56 | 666.30 | 1,113.97 |
| Amount recovered during the year | 23.31 | 21.89 | 1825.40 | 30.40 | 820.43 |
| Closing Balance of the loans outstanding | 20,948.29 | 21,169.18 | 20,814.33 | 21,450.23 | 21,743.77 |
| Net addition | 90.56 | 220.89 | (-) 354.84 | 635.90 | 293.54 |
| Interest received | - | - | - | - | 2.20 |
| Interest rate on loan and advances given by the government | Not ascertainable | | | | |
| Rate of interest paid on the outstanding borrowings of the government | 5.90 | 5.77 | 5.96 | 5.68 | 5.49 |
| Difference between the rate of interest paid and interest received (<i>per cent</i>) | Not ascertainable | | | | |

(Source: Finance Accounts of the respective years)

- As per Finance Accounts, the interest received by the State Government against loans given was ₹ 2.20 crore.
- Out of the total loans and advances (₹ 21,743.77 crore) disbursed by the State Government, an amount of ₹ 19,811.01 crore was given to Govt. Companies and Statutory Corporations.
- Despite the disbursement of a loan of ₹ 934.89 crore to the loanee group during the year, no repayment of the loan was seen.

Scrutiny of documents revealed that in many cases, even the rate of interest charged by the Government is not finalised with the loanee. In some cases, the rate of interest is not disclosed with the loan amount. As a result, it is difficult for the audit to determine the rate of interest charged by the Government to the loanee.

2.4.3.3 Capital locked in incomplete projects

An assessment of trends in capital blocked in incomplete capital works would also indicate the quality of capital expenditure. Blocking of funds on incomplete projects/ works impinges negatively on the quality of expenditure and deprives the State of the intended benefits for prolonged periods. Further, the funds borrowed for the implementation of these projects

¹¹ Bihar Rajya Pul Nirman Nigam Limited- ₹ 193.38 crore, Bihar State Electronics Development Corporation Limited - ₹ 50.00 crore, Bihar State Road Development Corporation Limited- ₹ 278.00 crore, Bihar State Education Infrastructure Development Corporation Limited- ₹ 40.00 crore, Bihar Medical Services and Infrastructure Corporation Limited - ₹ 3.12 crore, Credit Co-operative- ₹ 38.22 and other Co-operatives - ₹ 0.29 crore

during the respective years lead to the extra burden in terms of servicing of debt and interest liabilities. The details of the incomplete projects are depicted in **Table 2.27**.

Table 2.27: Capital locked in incomplete projects

| Age profile of incomplete projects as on 31 March 2021 (₹ in crore) | | | | Department-wise profile of incomplete projects till 31 March 2021 (₹ in crore) | | | |
|---|----------------------------|----------------|-----------------------------|--|----------------------------|-----------------|-----------------|
| Year | No. of incomplete projects | Estimated cost | Expenditure (till 31 March) | Department | No. of incomplete projects | Estimated cost | Expenditure |
| 2011-12 | 380 | 3,395.35 | 1,579.46 | Water Resources Department | 46 | 758.26 | 292.84 |
| 2012-13 | 298 | 3,829.75 | 1,487.57 | Public Health Engineering Department | 57 | 1,130.68 | 497.31 |
| 2013-14 | 227 | 3,129.86 | 1,273.67 | Building Construction Department | 31 | 1,387.80 | 653.49 |
| 2014-15 | 211 | 3,404.88 | 1,300.78 | Local Area Engineering Organisation | 2 | 2.46 | 1.42 |
| 2015-16 | 144 | 1,728.18 | 731.56 | Road Construction Department | 19 | 387.81 | 207.74 |
| 2016-17 | 130 | 2,269.08 | 1,521.31 | Rural works | 2 | 3.54 | 0.84 |
| 2017-18 | 127 | 1,819.64 | 892.21 | | | | |
| 2018-19 | 68 | 790.99 | 315.11 | | | | |
| 2019-20 | 143 | 3,396.64 | 1,000.95 | | | | |
| 2020-21 | 157 | 3,670.54 | 1,653.64 | Total | 157 | 3,670.54 | 1,653.64 |

(Source: Finance Accounts of the respective years)

Out of the estimated cost of ₹ 3,670.54 crore, only ₹ 1,653.64 crore has been spent till 2020-21 and out of 157 projects, costs were revised for five projects only. The details are presented in Appendix IX of Finance Accounts Vol-II. Since the details of remaining 152 projects with an estimated cost of ₹ 2,016.90 crore were not furnished by the Departments, their revised cost was not exhibited in the Finance Accounts and thus was not ascertainable.

Against the estimated cost of ₹ 3,670.54 crore, the expenditure of only ₹ 1,653.64 crore was made up to March 2021. Details of major Incomplete Projects (estimated cost more than 100 crore), which were due for completion during 2020-21, are detailed in **Table 2.28**.

Table 2.28: Details of Incomplete Projects during 2020-21

| Details of Incomplete Projects during 2020-21 (₹ in crore) | | | | | | |
|--|---|------------------------------|----------------------------------|----------------------------|---------------------------------|------------------|
| Sl. No | Name of Scheme/Project (having estimated cost of ₹ 100 crore or more) | Scheduled date of completion | Estimated cost of scheme/project | Expenditure during 2020-21 | Expenditure as of 31 March 2021 | Pending Payments |
| 1 | Raising and strengthening of existing Hayaghat Karadhin embankment from 123.52 km (0.0 km) to 165.52 km (42 km) under Bagmati flood management system III A | 2020-21 | 389.35 | 12.16 | 135.56 | 5.59 |

| Sl. No | Name of Scheme/Project (having estimated cost of ₹ 100 crore or more) | Scheduled date of completion | Estimated cost of scheme/project | Expenditure during 2020-21 | Expenditure as of 31 March 2021 | Pending Payments |
|--------------|--|------------------------------|----------------------------------|----------------------------|---------------------------------|------------------|
| 2 | Protection works of left Edge of River Ganga from Kewala village to Baghmara village in the length of 5200 M (Agenda No. 133/198) in Katihar | 2020-21 | 100.28 | 13.48 | 75.23 | 75.23 |
| 3 | Mukhya Mantri Nishchay Yojna (Quality) Iron Effected Mini Jalapurti Yojna in Kishanganj | 2020-21 | 177.60 | 53.51 | 81.45 | 96.15 |
| 4 | Mukhya Mantri Nishchay Yojna (Quality) Iron Effected Mini Jalapurti Yojna in Kishanganj | 2020-21 | 146.89 | 45.42 | 57.06 | 89.83 |
| 5 | Mukhya Mantri Nishchay Yojna (Quality) Iron Effected Mini Jalapurti Yojna in Kishanganj | 2020-21 | 110.51 | 38.86 | 45.61 | 64.90 |
| 6 | Construction of Vidhayak Awasan M.L.C. Parisar of work in Patna | 2020-21 | 116.43 | 0.08 | 88.65 | * |
| 7 | Construction of Vidhayak Awasan M.L.A. Parisar of work in Patna | 2020-21 | 258.91 | 0.01 | 89.75 | * |
| 8 | Construction of Mahabodhi Cultural Center at Bodhgaya at Gaya | 2020-21 | 145.14 | 22.82 | 81.09 | 63.91 |
| 9 | Construction of state Sports Academy cum International Standard Modern Cricket Stadium at Rajgir in Nalanda | 2020-21 | 633.00 | 49.03 | 262.40 | 478.43 |
| Total | | | 2,078.10 | 235.37 | 916.80 | 874.04 |

(Source: Finance Accounts for the year 2020-21)

* Data has not been provided by the State Government

As evident from the table, only 44 per cent expenditure was incurred against the estimated cost ₹ 2,078.10 crore, which was scheduled to be completed by 2020-21. Reason for non-completion of projects in time were not intimated by the respective Departments. As per the information provided by the State Government in Appendix-IX of the Finance Accounts, in case of 129 projects which were due to be completed by 2020-21, an amount of ₹ 1,460.21 crore was due for payment (*Appendix 2.2*).

Deferred or withheld payments of bills to contractors, despite delivery of work and submission of bills, create the liabilities for the government and show incompleteness and non-transparency of Accounts. The intended benefit of such schemes could not be extended to the public at large, as they remained unfinished. Further, this lead to escalation of the project cost. Effective steps need to be taken to complete all these projects without further delay to avoid cost overrun due to time overrun.

2.4.3.4 Implementation of Ujjwal Discom Assurance Yojana (UDAY)

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

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

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

Further, the State Government will have to takeover losses, if any, of the DISCOMs in a graded manner as mentioned in **Table 2.29**.

Table 2.29: Loss to be taken over by State

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

(Source: Finance Accounts of the respective years)

Under the scheme, State was to take over 75 per cent of the DISCOM debt (₹ 3,109.05 crore) as on 30 September 2015 by issuing Non-Statutory Liquidity Ratio Bonds to take over the debt and transfer the proceeds to DISCOMs in the form of grants, loans, and equity. The liability of the State Government under the package was ₹ 2,331.78 crore depicted in **Table 2.30**.

Table 2.30: Position of Equity/Loan/ Subsidy under UDAY

(₹ in crore)

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

(Source: Finance Accounts of the respective years)

Annual Accounts of DISCOMs for the year 2020-21 was not prepared hence the status of capital employed could not be ascertained. Further as on 31 March 2021, ₹ 6,150.26 crore of the loan was outstanding on both the DISCOMs (SBPDCL ₹ 4,204.67 crore and NBPDCCL ₹ 1,945.60 crore). The State Government has paid interest of ₹ 191.36 crore in 2020-21 on the bonds issued under the UDAY Scheme.

Despite all tariff subsidies and loan obligations being met by the State Government, the DISCOMs are still having ₹ 4,111.25 crore operational losses upto 2019-20.

2.4.3.5 Misclassification of Revenue Expenditure as Capital Expenditure and vice versa

Capital Expenditure is broadly the expenditure incurred with the objective of creating/ acquiring/ increasing concrete assets of a material and permanent character or reducing permanent liabilities. All other expenditure incurred for the running of the entity including the establishment and administrative expenditure and for maintenance of its assets is classified as Revenue Expenditure.

Audit noticed that an expenditure of ₹ 49.49 crore incurred on establishment and administrative heads was classified as Capital expenditure during 2020-21.

During audit it was also noticed that an amount of ₹ 302.47 crores (₹ 234.26 crore + ₹ 68.21 crore), extended as Grants-in-Aid for both revenue purposes and for creation of assets has been classified as Capital Expenditure for the year 2020-21 under Grant no. 37 Rural Works Department. At the instance of audit, Department accepted the mistake and stated that under the direction of Finance Department these expenditures shall be booked under revenue head now and after.

Misclassification of the revenue expenditure as capital expenditure resulted in the overstatement of capital expenditure and understatement of revenue expenditure upto that extent. It has a great impact on the integrity of the financial statements.

2.4.4 Expenditure priorities

Enhancing human development levels requires the States to step up their expenditure on key social services like education, health, etc. Low fiscal priority (ratio of expenditure under a category to aggregate expenditure) is attached to a particular sector if the allocation is below the respective national average. The higher the ratio of these components to total expenditure, the quality of expenditure is considered to be better. Analysis on Expenditure priority of the State with regards to Health, Education and Capital expenditure are depicted in **Table 2.31**.

Table 2.31: Expenditure priority of the State with regards to Health, Education and Capital expenditure during 2020-21

| | <i>(In per cent)</i> | | | |
|---|----------------------|-------|--------------|------------|
| | AE/GSDP | CE/AE | Education/AE | Health/ AE |
| All India Average/ General Category States Average (2014-15) | 15.99 | 13.98 | 16.54 | 4.92 |
| State | 26.56 | 19.93 | 18.15 | 3.96 |
| All India Average/ State other than NE and Himalayan States (2020-21) | 16.18 | 13.03 | 15.00 | 6.74 |
| State | 25.67 | 12.16 | 16.71 | 5.35 |

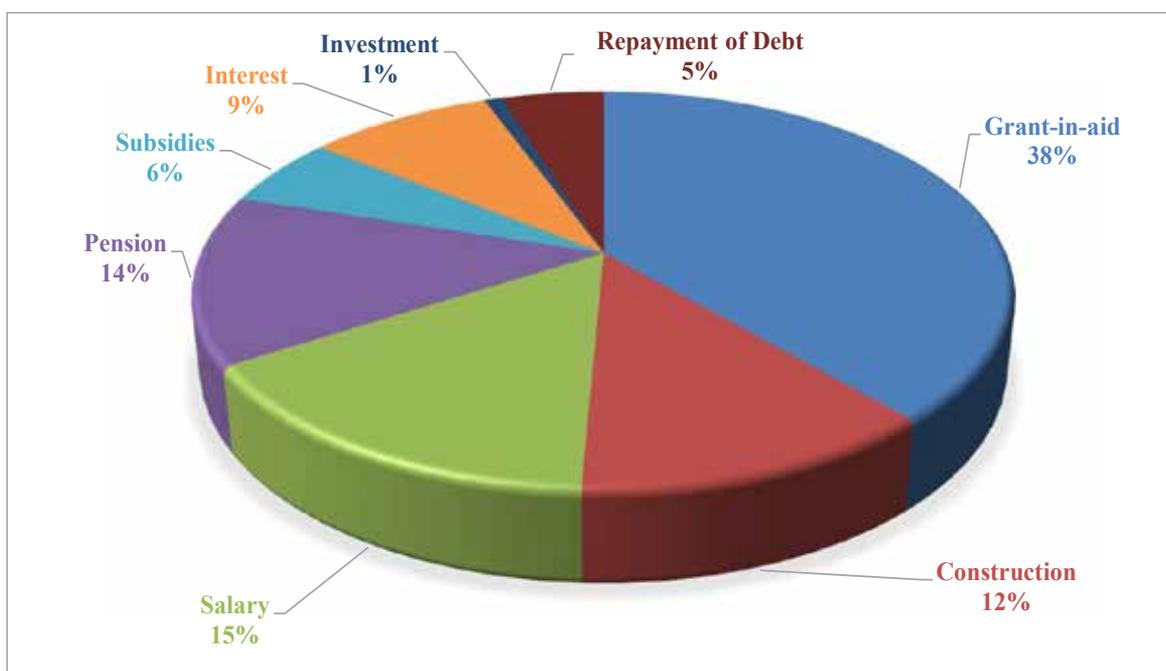
(Source: MOSPI & Finance Accounts)

The expenditure priority of the State with regards to health and capital expenditure except education were lower than the All India Average (State other than NE and Himalayan States) during 2020-21, which is a not good sign for the state for capacity building.

2.4.5 Object head wise expenditure

Object head-wise expenditure is depicted in **Chart 2.12** below.

Chart 2.12: Object head wise expenditure



(Source: VLC system)

- From above, a larger proportion of budget allocated for committed¹² expenditure (38.68 per cent of revenue expenditure) limits the flexibility to increase the other developmental expenditure priorities such as investment, construction, etc.
- Further, the expenditure on salary was 6.97 per cent higher than the previous year, was 3.53 per cent of GSDP and constituted 15.66 per cent of revenue expenditure. The expenditure on pension was 14.75 per cent higher than the previous year, was 3.17 per cent of GSDP and 14.08 per cent of revenue expenditure.

This shows that the major components of committed expenditure are increasing year on year. During 2020-21, expenditure on committed liabilities was 34 per cent of total expenditure while capital expenditure was only 11.46 per cent of total expenditure which is not a good sign for the State's financial health.

2.5 Public Account

Receipts and Disbursements in respect of certain transactions such as Small Savings, Provident Funds, Reserve Funds, Deposits, Suspense, Remittances, etc., which do not form part of the Consolidated Fund, are kept in the Public Account set up under Article 266(2) of the Constitution and are not subject to vote by the State Legislature. The Government acts like a banker in respect of these. The balance after disbursements during the year is the fund available with the Government for use for various purposes.

¹² During 2020-21, Salaries & Wages-₹ 21,841.65 crore, Pension-₹ 19,635.15 crore, Interest payment- ₹ 12,484.04 crore

2.5.1 Net Public Account Balances

The component-wise net balances in the Public Account of the State are given in Table 2.32.

Table 2.32: Component-wise net balances in Public Account as of 31 March of the year 2021

(₹ in crore)

| Sector | Sub Sector | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|---|--|-------------------|------------------|-----------------|-----------------|---------------|
| I. Small Savings, Provident Funds, etc. | Small Savings, Provident Funds, etc. | 99.63 | (-)80.24 | 277.79 | 190.40 | 166.29 |
| J. Reserve Funds | (a) Reserve Funds bearing Interest | (-)712.03 | (-)696.39 | 0.01 | 522.95 | 378.12 |
| | (b) Reserve Funds not bearing Interest | 0 | 0 | 0 | 0 | (-)26.32 |
| K. Deposits and Advances | (a) Deposits bearing Interest | 24.46 | (-)1.62 | 60.25 | 202.65 | (-)75.05 |
| | (b) Deposits not bearing Interest | 5,369.64 | 10,317.65 | 368.13 | 1,509.34 | 4,336.01 |
| | (c) Advances | (-)0.71 | (-)1.72 | (-)96.85 | 0 | 0.00 |
| L. Suspense and Miscellaneous | (a) Suspense | (-)894.39 | 579.80 | (-)345.13 | (-)5,773.58 | (-)4,879.88 |
| | (b) Other Accounts | (-)4,772.25 | (-)4,393.75 | 2,138.36 | (-)2,735.55 | (-)191.23 |
| | (c) Accounts with Governments of Foreign Countries | 0 | 0 | (-)0.01 | (-)0.01 | (-)0.01 |
| | (d) Miscellaneous | - | - | - | - | - |
| M. Remittances | (a) Money Orders, and other Remittances | (-)7.05 | (-)2.76 | 76.05 | (-)2.44 | 4.37 |
| | (b) Inter- Governmental Adjustment Account | 0 | 0 | 0 | (-)794.07 | 794.07 |
| TOTAL | | (-)1982.95 | (-)892.70 | 5,720.97 | 2,478.60 | 506.37 |

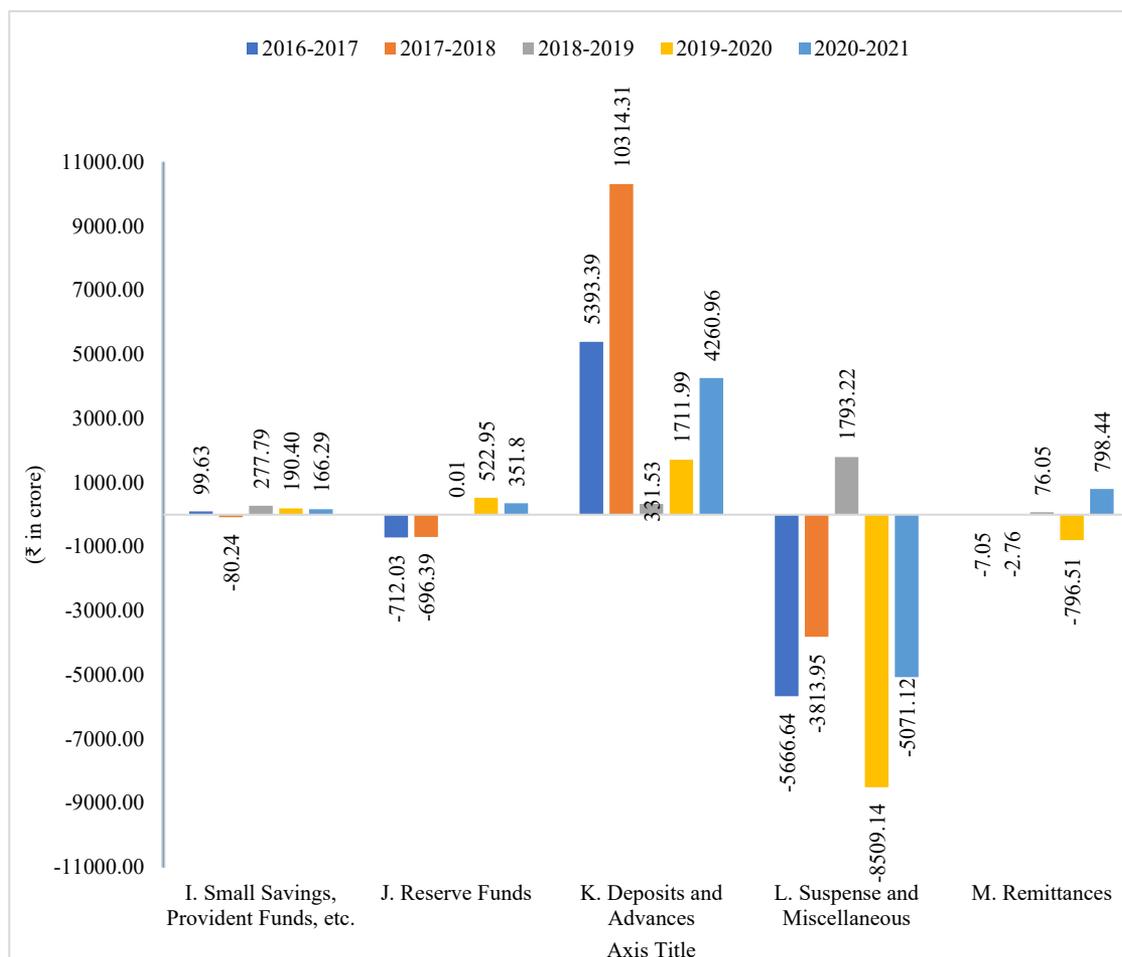
Note: (+ve) denotes debit balance and (-ve) denotes credit balances.

(Source: Finance Accounts of the respective years)

From the above table, it can be seen that during the year 2020-21, net Public Account receipts of ₹ 506.37 crore contributed to the total resources of the State. The major source of net Public Account receipts was Deposit Fund (₹ 4,260.96 crore) under the purview of Public Accounts.

The outstanding cash balance of the Public Account has increased due to negative balances under suspense and miscellaneous funds particularly shown in the suspense account (civil). Negative figures could not be taken to the final head of expenditure or receipts due to the non-availability of vouchers. Office of the PAG (A&E) has made an objection to vouchers amounting to ₹ 4,548.13 crore, and this is excluded from total expenditure.

During 2020-21, the State Government received ₹ 0.12 crore interest receipt against ₹ 522.95 crore for credit to the CAMPA Fund under reserve funds bearing interest. The State Government did not incur any expenditure out of the fund. Yearly changes in the composition of Public Account balances are depicted in **Chart 2.13**.

Chart 2.13: Yearly changes in the composition of Public Account balances

(Source: Finance Accounts of the respective years)

2.5.2 Reserve Funds

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

As per the Finance Accounts, the State Government has nine active Reserve Funds (three interest-bearing and six non-interest bearing) at the beginning of the financial year. The total accumulated balance, at the end of 31 March 2021 was ₹ 901.07 crore under interest-bearing Reserve Funds.

Further, Reserve Funds valued at ₹ 26.32 crore as on 31.03.2020, which have not been operated since 2001-02 were transferred to the Consolidated Fund of the State during 2020-21.

2.5.2.1 Consolidated Sinking Fund (CSF)

The 12th Finance Commission had recommended that States should set up sinking funds for amortisation of all loans including loans from banks, liabilities on account on national small savings fund, etc., and that these funds should not be used for any other purpose, except for the redemption of loans. The guidelines of the Reserve Bank of India (RBI), which is responsible for administering the fund, stipulate a minimum annual contribution of

0.5 per cent of outstanding liabilities at the beginning of the year towards this fund. Further, the entire fund is invested by RBI and the details of investment are given in Statement-22 of Finance Accounts.

The State Government set up a Consolidated Sinking Fund in 2008-09, which was only for amortisation of market loans and from 2014-15, it was to be utilised for redemption of the outstanding liabilities of the Government. However, it has not been utilised since its inception. The closing balance of the fund as on 31 March 2021 was ₹ 5,996.23 crore in which accrued interest as on 31 March 2021 was ₹ 256.11 crore. Due to Covid-19 epidemic, State Government, decided not to contribute to Consolidated Sinking Fund during 2020-21.

2.5.2.2 State Disaster Response Fund

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

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

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

During the year 2020-21, Central Government contributed ₹ 1,416 crore and State Government contributed ₹ 472 crore to SDRF. Grants from National Disaster Response Fund (NDRF) amounting to ₹ 553.17 crore were also received. Total funds in SDRF amounted to ₹ 2,441.17 crore (including Opening Balance of ₹ 73,850/- only). Out of this Fund, State Government incurred an expenditure of ₹ 2,063.18 crore during the year leaving a balance of ₹ 378 crore as on 31 March 2021.

State Government incurred expenditure of ₹ 2,063.18 crore (under MH 2245-05) towards different entities for immediate repair and restoration of power supply, water supply and other infrastructure. The expenditure was booked under SDRF for 2020-21 against which Utilisation Certificates are yet to be obtained so as to provide assurance that the money was actually been utilised fully and the expenditure was on permitted activities.

2.5.2.3 Guarantee Redemption Fund

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

The State Government has neither created a Guarantee Redemption Fund in terms of the recommendations of the 12th Finance Commission nor framed any rules for fixing a ceiling on guarantees.

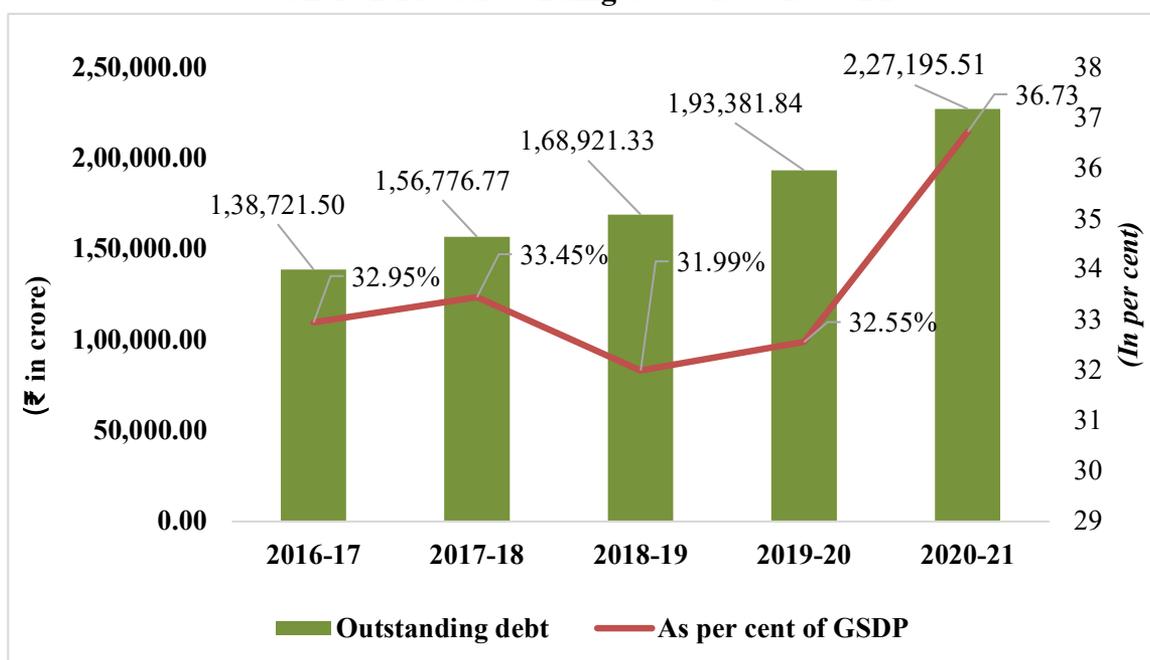
The State Government was required to contribute an amount equivalent to at least 0.5 per cent of the outstanding guarantees at the end of the second financial year preceding the current financial year as reflected in the books of accounts maintained by the office of the Principal Accountant General (A&E). As such, the State Government did not make a minimum annual contribution of ₹ 27.42 crore (0.5 per cent of outstanding guarantees of ₹ 5,484.55 crore at the beginning of the year 2020-21) in terms of those recommendations. The funds are to be invested by the RBI.

2.6 Debt management

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

Outstanding Debt of the State Government (Internal Debt, Loans and Advances from GoI and Public Account Liabilities) as on 31 March 2021 stood at ₹ 2,27,195.49 crore. The Outstanding debt increased by 17.49 per cent over the preceding year, at a rate higher than the growth of GSDP (4.14 per cent). Out of the ₹ 2,27,195.49 crore of Outstanding debt, ₹ 39,359.93 crore carried no interest obligations (Deposits not bearing interest ₹ 39,359.92 crore and Reserve Fund not bearing interest ₹ 0.01 crore), of which ₹ 24,864.64 crore of Cash Balance was available with the State Government. An abstract of liabilities and assets as on 31 March 2021 compared with the corresponding position of last year is given in **Table 1.4** Trend analysis of outstanding debt of the State is depicted in **Chart 2.14**.

Chart 2.14: Outstanding debt vis-à-vis GSDP



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

2.6.1 Debt profile: Components

Total debt of the State Government typically constitutes of Internal debt of the State (market loans, ways and means advances from RBI, special securities issued to National Small Savings Fund and loans from financial institutions, etc.), loans and advances from the Central Government, and Public Account.

Table 2.33: Component wise Debt trends

(₹ in crore)

| | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| Outstanding Overall Debt | 1,38,721.50 | 1,56,776.77 | 1,68,921.33 | 1,93,381.85 | 2,27,195.51 |
| Public Debt | | | | | |
| Internal Debt | 96,595 | 1,04,524.76 | 1,14,359.69 | 1,36,082.09 | 1,59,557.50 |
| Loans from GoI | 9,595.81 | 10,181.92 | 11,785.37 | 12,098.16 | 17,657.35 |
| Liabilities on Public Account | 32,530.69 | 42,070.09 | 42,776.27 | 45,201.60 | 49,980.66 |
| Rate of growth of outstanding Overall debt (percentage) | 18.99 | 13.02 | 7.75 | 14.48 | 17.49 |
| Gross State Domestic Product (GSDP) | 4,21,051 | 4,68,746 | 5,27,976 | 5,94,016 | 6,18,628 |
| Debt/GSDP (<i>per cent</i>) | 32.95 | 33.45 | 31.99 | 32.55 | 36.09 [#] |
| Total Debt Receipts | 72,845.19 | 59,412.45 | 73,806.02 | 94,193.12 | 1,08,432.31 |
| Total Debt Repayments | 50,701.29 | 41,357.18 | 61,661.46 | 69,732.59 | 74,618.65 |
| Total Debt Available | 22,143.90 | 18,055.27 | 12,144.56 | 24,460.53 | 33,813.64 |
| Debt Repayments/Debt Receipts (percentage) | 69.60 | 69.61 | 83.55 | 74.03 | 68.82 |

(Source: Finance Accounts & data from MoSPI)

[#] The Debt to GSDP ratio as per the Finance Accounts is 36.73 per cent. However, the effective debt to GSDP ratio has been arrived at after exclusion of GST compensation of ₹ 3,905 crore received as back to back loan under debt receipts from the outstanding overall debt.

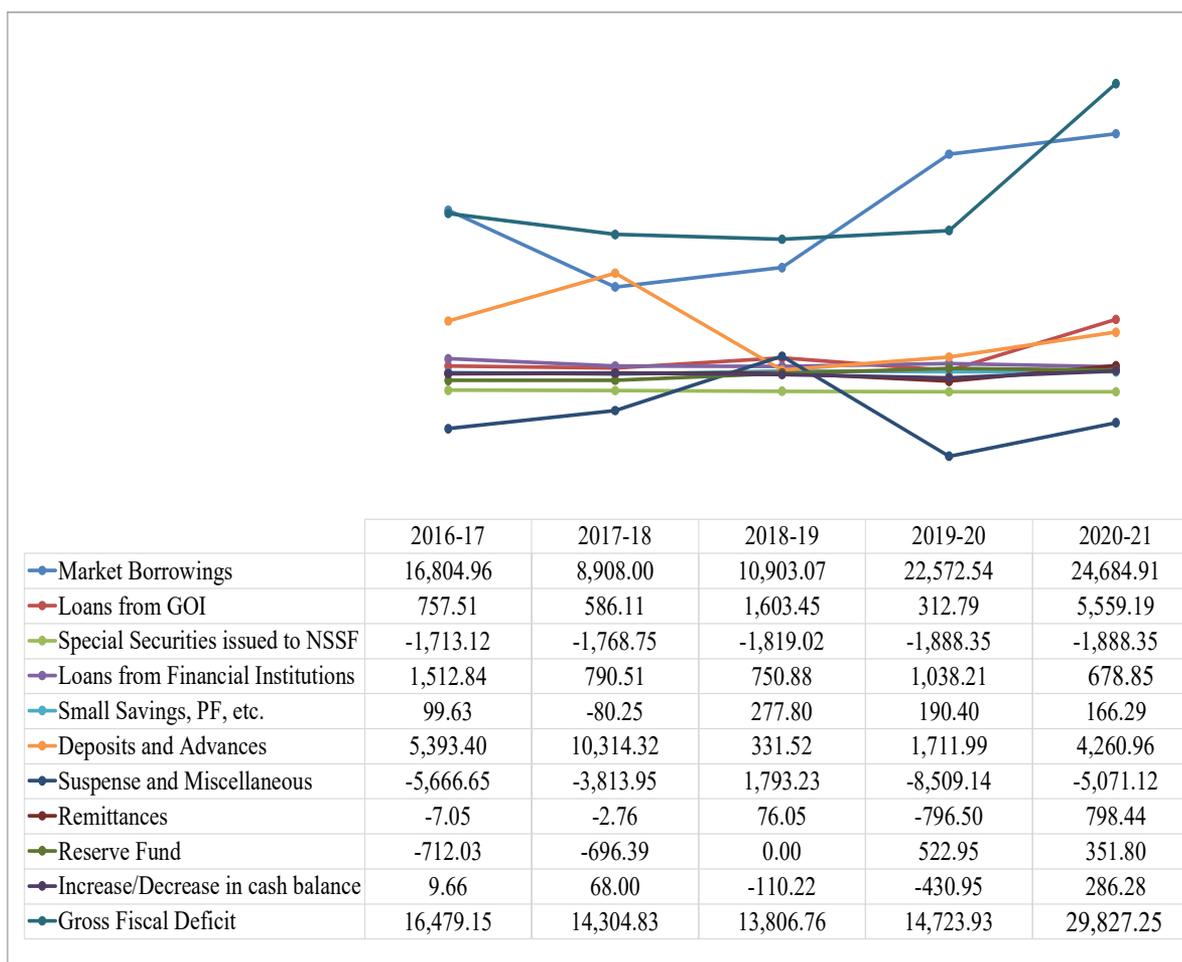
The effective outstanding overall debt would be ₹ 2,23,290.51 crore as the Department of Expenditure, GoI has decided that GST compensation of ₹ 3,905 crore given to the State as back to back loan under debt receipts would not be treated as debt of the State for any norms which may be prescribed by the Finance Commission

From the above table it can be seen that:

- The outstanding debt to GSDP ratio ranged from 31.99 *per cent* to 36.09 *per cent* during 2016-21. The State's overall debt has been increasing for the last five years. The major component was internal debt (70 *per cent*) which includes market borrowings.
- The debt to GSDP ratio was not formulated in BFRBM 2020, whereas indicative debt path of the State with respect to GSDP has been defined (41.2 *per cent*) in XVth Finance Commission Report. The State's ratio was within the FC limit.
- The outstanding liabilities of Public Account have also increased from the previous year which was 8.08 *per cent* of GSDP and 21.99 *per cent* of outstanding overall debt.
- The outstanding overall debt was growing at the rate of 17.49 *per cent*. During 2020-21, the State suffered a revenue deficit for the 2nd time since 2004-05 and this has been compensated from Public debt.

Chart 2.15: Component wise Debt trends

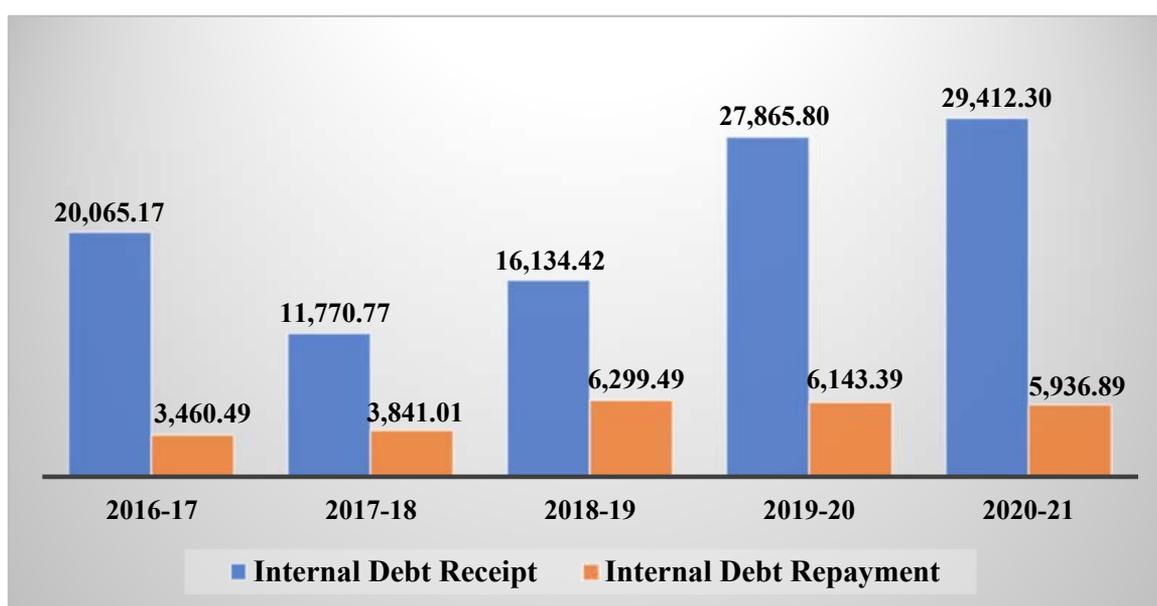
(₹ in crore)



(Source: Finance Accounts of the respective years)

Chart 2.16: Internal debt taken vis-a-vis repaid

(₹ in crore)



(Source: Finance Accounts of the respective years)

Table 2.34: Components of fiscal deficit and its financing pattern(*₹ in crore*)

| Particulars | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|--|------------------|------------------|------------------|------------------|------------------|
| Composition of Fiscal Deficit | | | | | |
| 1 Revenue Surplus (+)/ Deficit (-) | 10,819.81 | 14,823.01 | 6,896.65 | (-)1,784.13 | (-)11,325.11 |
| 2 Net Capital Expenditure | 27,208.40 | 28,906.95 | 21,058.25 | 12,303.90 | 18,208.60 |
| 3 Net Loans and Advances | 90.56 | 220.90 | (-)354.84 | 635.90 | 293.54 |
| Financing Pattern of Fiscal Deficit | | | | | |
| 1 Market Borrowings | 16,804.96 | 8,908.00 | 10,903.07 | 22,572.54 | 24,684.91 |
| 2 Loans from GoI | 757.51 | 586.11 | 1,603.45 | 312.79 | 5,559.19 |
| 3 Special Securities issued to NSSF | (-)1,713.12 | (-)1,768.75 | (-)1,819.02 | (-)1,888.35 | (-)1,888.35 |
| 4 Loans from Financial Institutions | 1,512.84 | 790.51 | 750.88 | 1,038.22 | 678.85 |
| 5 Small Savings, PF, etc. | 99.63 | (-)80.25 | 277.80 | 190.40 | 166.29 |
| 6 Deposits and Advances | 5,393.40 | 10,314.32 | 331.52 | 1,711.99 | 4,260.96 |
| 7 Suspense and Miscellaneous | (-)5,666.65 | (-)3,813.95 | 1,793.23 | (-)8,509.14 | (-)5,071.12 |
| 8 Remittances | (-)7.05 | (-)2.76 | 76.05 | (-)796.50 | 798.44 |
| 9 Reserve Fund | (-)712.03 | (-)696.39 | 0 | 522.95 | 351.80 |
| 10 Overall Deficit | 16,469.49 | 14,236.84 | 13,916.98 | 15,154.90 | 29,540.96 |
| 11 Increase/Decrease in cash balance | 9.66 | 68 | (-)110.22 | (-)430.95 | 286.28 |
| 12 Fiscal Deficit | 16,479.15 | 14,304.83 | 13,806.76 | 14,723.93 | 29,827.25 |

(Source: Finance Accounts of the respective years)

The fiscal deficit target and annual borrowing limit for the year 2020-21 shall be increased by two *per cent* over and above the limit prescribed in sub-section 2(b)(1) of section 9 of the BFBRM Act, 2006 (Amendment 2021) through Bihar (Extraordinary) Gazette notification dated 31 March 2021. Fiscal Deficit (FD), both in quantitative terms and in comparison, to GSDP was 4.82 *per cent* which was within XVth FC prescribed ceiling of 5.00 *per cent*. In the Budget estimates, target for FD was set as 2.97 *per cent*. During 2020-21, Capital expenditure registered a 47.99 *per cent* increase compared to the previous year indicating that the creation of productive assets from the FD was relatively much higher in the current year.

2.6.2 Debt profile: Maturity and Repayment

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

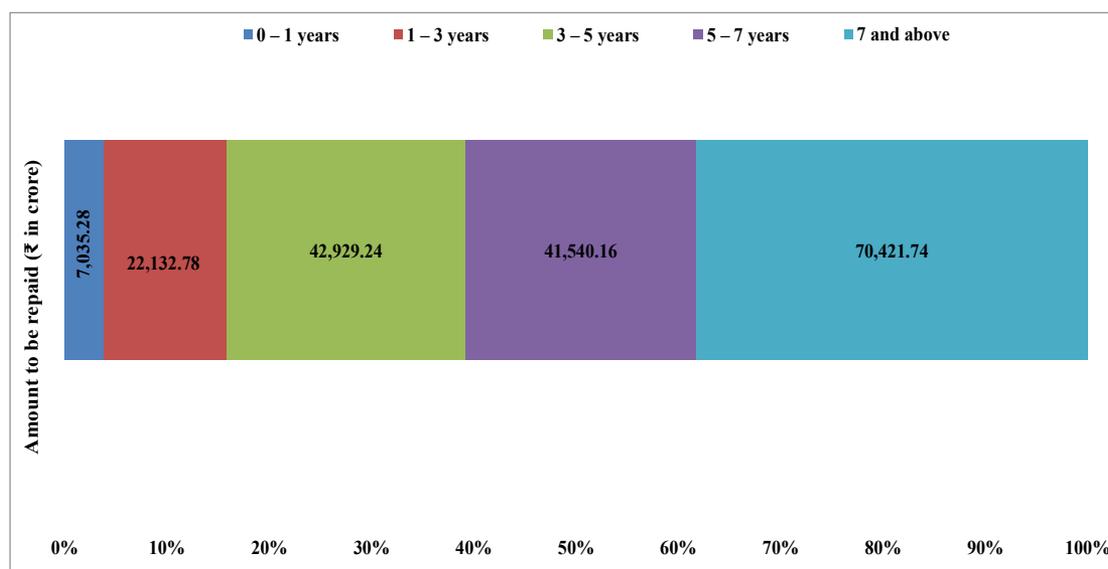
Table 2.35: Debt Maturity profile of repayment of State debt

| Period of repayment (Years) | Amount (₹ in crore) | Percentage (w.r.t. Public debt) |
|-----------------------------|---------------------|---------------------------------|
| 0 – 1 | 7,035.28 | 3.82 |
| 1 – 3 | 22,132.78 | 12.02 |
| 3 – 5 | 42,929.24 | 23.32 |
| 5 – 7 | 41,540.16 | 22.57 |
| 7 and above | 70,421.74 | 38.26 |
| Total | 1,84,059.20 | 100.00 |

(Source: Finance Accounts for the year 2020-21)

From the above table, it can be noticed that more than 60 *per cent* of the State's debt is due for five and above years. The maturity profile of the States debt indicates a year-on-year increase in its repayment burden. The debt maturity profile is depicted in **Chart 2.17**.

Chart 2.17: Debt Maturity Profile



(Source: Finance Accounts for the year 2020-21)

From the debt maturity profile shown above, it is clear that an amount of ₹ 72,097.30 crore is getting due during next five years, and the Government has to make provisions for repayment of the same accordingly.

2.7 Debt Sustainability Analysis (DSA)

Debt sustainability indicates the ability of the State to service its debts in the future. Apart from the magnitude of debt of the State Government, it is important to analyse various indicators that determine the debt sustainability of the State. **Table 2.36** presents indicators of debt sustainability for the period 2016-21.

Table 2.36: Trends in debt Sustainability indicators

| Debt Sustainability Indicators | Trends in debt Sustainability indicators (₹ in crore) | | | | |
|--|---|-------------|-------------|-------------|-------------|
| | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
| Outstanding Public Debt* | 1,06,190.81 | 1,14,706.68 | 1,26,145.06 | 1,48,180.25 | 1,77,214.85 |
| Rate of Growth of Outstanding Public Debt | 19.55 | 8.02 | 9.97 | 17.47 | 19.59 |
| GSDP | 4,21,051 | 4,68,746 | 5,27,976 | 5,94,016 | 6,18,628 |
| Rate of Growth of GSDP | 13.31 | 11.33 | 12.64 | 12.51 | 4.14 |
| Debt/GSDP | 25.22 | 24.47 | 23.89 | 24.95 | 28.65 |
| The debt Maturity profile of repayment of State debt – including default history, if any | 4,214.57 | 4,653.55 | 7,229.82 | 7,109.83 | 6,880.47 |
| Average interest Rate of Outstanding Public Debt (<i>per cent</i>) | 7.67 | 7.73 | 7.68 | 7.58 | 7.67 |
| Percentage of Interest payment to Revenue Receipt | 7.09 | 7.27 | 7.02 | 8.37 | 9.74 |
| Percentage of Debt Repayment to Debt Receipt | 19.53 | 35.34 | 38.73 | 24.39 | 19.16 |
| Net Debt available to the State# | 9,881.42 | (-)24.97 | 2,190.02 | 11,631.63 | 17,446.64 |
| Net Debt available as <i>per cent</i> to Debt Receipts | 45.80 | (-)0.19 | 11.73 | 39.91 | 48.58 |
| Interest Spread | 5.64 | 3.6 | 4.96 | 4.93 | (-)3.53 |

| Debt Sustainability Indicators | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|---|-------------|-------------|----------|----------|--------------|
| Quantum Spread | 5,989.16 | 4,129.44 | 6,256.79 | 7,305.29 | (-)6,255.68 |
| Primary Deficit | (-)8,288 | (-)5,251 | (-)3,736 | (-)3,733 | (-)17,343 |
| Debt Stabilisation (Quantum spread + Primary Deficit) | (-)2,298.84 | (-)1,121.56 | 2,520.79 | 3,572.29 | (-)23,598.68 |

(Source: Finance Accounts of the respective years)

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

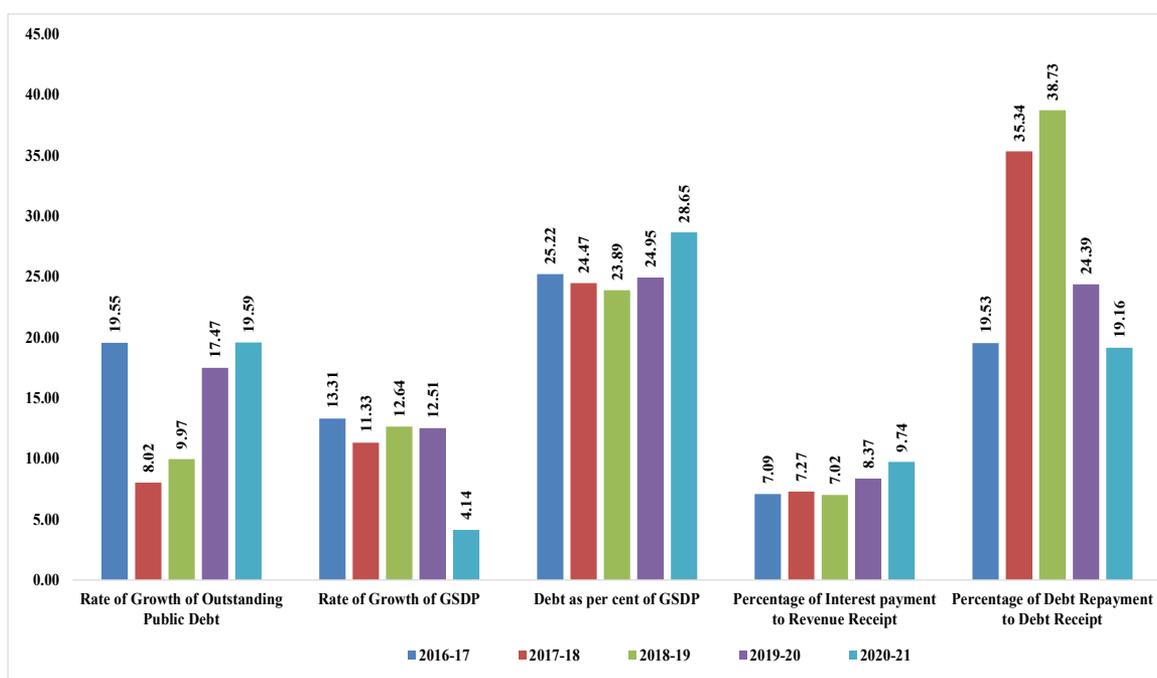
Net debt available to the State Government is calculated as the excess of Public debt receipts over Public debt repayment and interest payment on Public Debt.

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

It can be seen from **Table 2.36** that during the last five years, except for 2020-21, in all the four years rate of growth of the economy (rate of growth of GSDP) exceeded the interest rate or cost of public borrowings. However, primary balances (primary deficit) remained negative resulting in non-fulfilment of the necessary condition of debt stabilisation.

The primary deficit, the sum of Quantum Spread and the Primary Deficit and Public debt to GSDP ratio were highest in 2020-21, which is a matter of concern. If the quantum spread vis-à-vis primary deficit continues to be negative, it might result in debt un-stabilisation in the ensuing years. Details of trends of debt sustainability indicators are depicted in **Chart 2.18**.

Chart 2.18: Trends of Debt Sustainability indicators



(Source: Finance Accounts of the respective years)

Above chart reveals that the percentage of debt repayment to debt receipt has been decreasing from the previous year which indicates that the State has more debt fund at its disposal and this liquidity of the fund could be utilised for other purposes. The growth rate of public debt is higher than the growth rate of GSDP during the year.

2.7.1 Utilisation of borrowed funds

Borrowed funds should ideally be used to fund capital creation and developmental activities. Using borrowed funds for meeting current consumption and repayment of interest on outstanding loans is not sustainable. Utilisation of borrowed funds is shown in **Table 2.37** below:

Table 2.37: Utilisation of borrowed funds

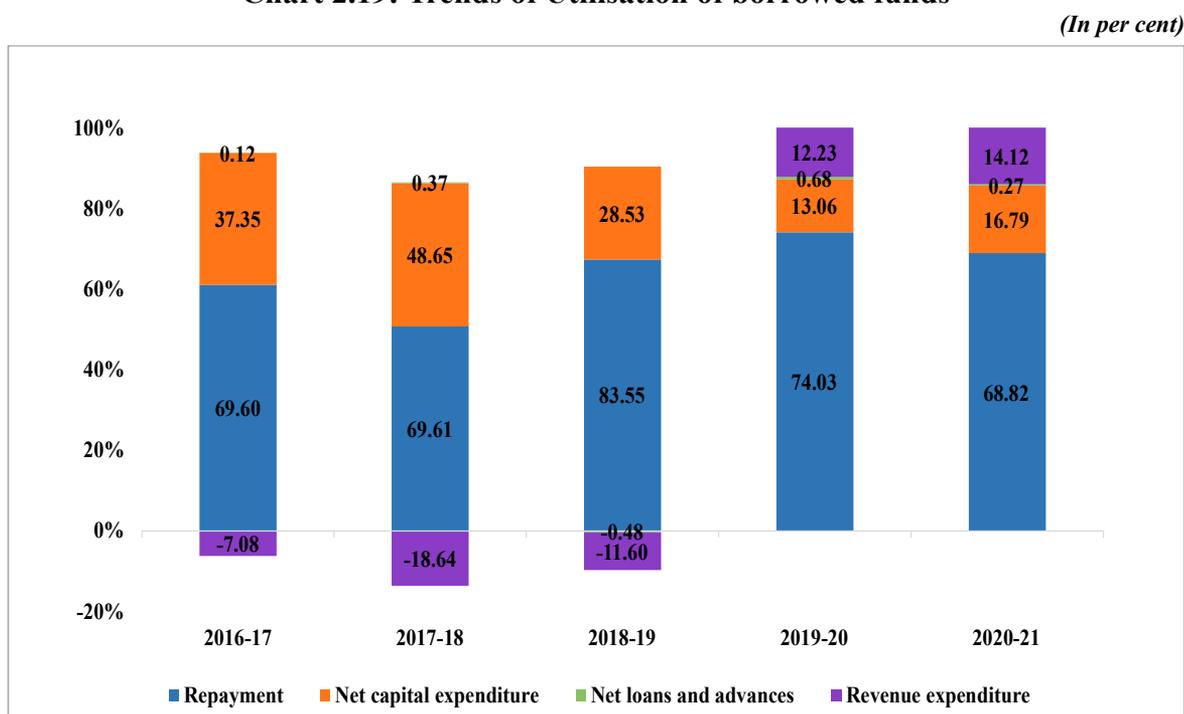
(₹ in crore)

| Year | | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|--|----------------|--------------|--------------|--------------|-----------|-------------|
| Total Borrowings | 2 | 72,845.19 | 59,412.45 | 73,806.02 | 94,193.12 | 1,08,432.31 |
| Repayment of earlier borrowings (Principal) | 3 | 50,701.29 | 41,357.18 | 61,661.46 | 69,732.59 | 74,618.65 |
| Net capital expenditure | 4 | 27,208.40 | 28,906.95 | 21,058.25 | 12,303.90 | 18,208.60 |
| Net loans and advances | 5 | 90.56 | 220.90 | (-)354.84 | 635.90 | 293.54 |
| Portion of Revenue expenditure met out of net available borrowings | 6 = 2-3-4-5 | (-) 5,155.06 | (-)11,072.58 | (-) 8,558.85 | 11,520.73 | 15,311.52 |

(Source: Finance Accounts of the respective years)

From the above table, it can be seen that the State's major part of total borrowings has been spent for repayment of earlier borrowings and on capital expenditure but during 2020-21, an amount of ₹ 15,311.52 crore has been spent on revenue expenditure met out of net available borrowings. Trends of utilisation of borrowed funds are depicted in **Chart 2.19**.

Chart 2.19: Trends of Utilisation of borrowed funds



(Source: Finance Accounts of the respective years)

It is evident from **Chart 2.19**, that more than 68 *per cent* of the State debt is being spent for repayment of previous debts for the last five years. This leaves little room for utilisation of borrowed funds for capital expenditure. The graph shows a reducing trend of using borrowed funds for capital expenditure, though there was a slight increase in 2020-21 as compared to 2019-20. For the year 2020-21, 14.12 *per cent* of the borrowed funds has been utilised as revenue expenditure in light of the State's revenue deficit.

2.7.2 Status of Guarantees – Contingent Liabilities

Guarantees are liabilities contingent on the Consolidated Fund of the State in case of default by the borrower for whom the guarantee has been extended. The State Governments have come out with legislations or instructions with regard to the cap on the guarantees. For instance, in some States, the Government guarantees are to be restricted to a certain percentage of the State's Tax and Non-Tax Revenue of the second preceding year. Guarantees given by the GoB are shown in **Table 2.38**.

Table 2.38: Guarantees given by the State Government

| | (₹ in crore) | | | | |
|--|--------------|-----------|-----------|-----------|-----------|
| Guarantees | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
| Ceiling applicable to the outstanding amount of guarantees including interest (Criteria) | 13,459.21 | 20,581.52 | 21,181.52 | 21,181.52 | 25,113.74 |
| Outstanding amount of guarantees including interest | 4,637.62 | 5,271.70 | 5,501.86 | 5,484.56 | 16,407.71 |

(Source: Finance Accounts of the respective years)

The composition of the outstanding amount guaranteed was towards power (₹ 10,435.04 crore), co-operatives (₹ 1,882.87 crore), Bihar State Food and Civil Supplies Corporation (₹ 4,027.62 crore), Bihar State Financial Corporation (₹ 29.97 crore), Bihar State Backward Class Finance and Development Corporation (₹ 31.61 crore) and others (₹ 0.60 crore).

In order to enable PSUs to obtain financial assistance from banks and financial institutions, the State government gives a guarantee subject to limits prescribed by the Constitution of India. A guarantee fee is charged for extending such types of guarantee. PSUs are liable to pay a guarantee fee at 1/8 *per cent* annually on the guarantee amount of more than ₹ 10 lakh. There was no clause in the guarantee deed for the recovery of the guarantee fee. GoB also did not claim the guarantee fee from the PSUs. However, a guarantee fee amounting to ₹ 4.25 crore was received from only one company (Bihar State Food and Civil Supplies Corporation) in 2020-21.

2.7.3 Management of Cash Balances

As per an agreement with the Reserve Bank of India, State Governments have to maintain a minimum daily cash balance of ₹ 1.73 crore with the Bank. If the balance falls below the agreed minimum on any day, the deficiency is made good by taking ordinary Ways and Means Advances (WMA)/Special Ways and Means Advances (SWMA)/Overdrafts (OD) from time to time. The limit for ordinary WMA to the State Government is revised by the RBI from time to time. From 1 April 2006, the limit was restricted to ₹ 425.00 crore.

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

It is not desirable that State Government take recourse to market loans despite having large cash balances leading to further accretion to cash balances without putting it to productive use. Details of Cash Balances and their investment and Cash Balance Investment Accounts are shown in **Table 2.39** and **2.40** respectively.

Table 2.39: Cash Balances and their investment

(₹ in crore)

| | Opening balance on 1 April 2020 | Closing balance on 31 March 2021 |
|---|------------------------------------|-------------------------------------|
| A. General Cash Balance | | |
| Cash in treasuries | - | - |
| Deposits with Reserve Bank of India | 588.07 | 301.79 |
| Deposits with other Banks | - | - |
| Remittances in transit – Local | - | - |
| Investments held in Cash Balance investment account | 17,588.74 | 17,826.65 |
| Total (A) | 18,176.81 | 18,128.44 |
| B. Other Cash Balances and Investments | | |
| Cash with departmental officers viz., Public Works, Forest Officers | 234.65 | 234.65 |
| Permanent advances for contingent expenditure with department officers | 760.97 | 761.43 |
| Investment in earmarked funds | 5,740.22 | 5,740.12 |
| Total (B) | 6,735.84 | 6,736.20 |
| Total (A + B) | 24,912.65 | 24,864.64 |
| Interest realised | 938.84 | 174.57 |

(Source: Finance Accounts for the year 2020-21)

This indicates that the State has maintained a large Cash Balance on regular basis, while being a fiscal deficit State at the same time.

- The balance under the head “Deposit with RBI” is arrived after taking into account the Inter-Government monetary settlement pertaining to transactions of the financial year 2020-21 advised to the RBI till 11 April 2021.
- The Government invested cash balances amounting to ₹ 17,822.00 crore in securities of GoI and ₹ 4.65 crore in securities of other States. On these investments, the Government earned interest of ₹ 174.57 crore during the year.
- The Govt. has maintained the cash balance without taking any advances throughout the financial year 2020-21 and it decreased by ₹ 286.28 crore from the previous year.

Details of Cash Balance Investment Account from 2016-17 to 2020-21 are depicted in **Table 2.40**.

Table 2.40: Cash Balance Investment Account (Major Head-8673)

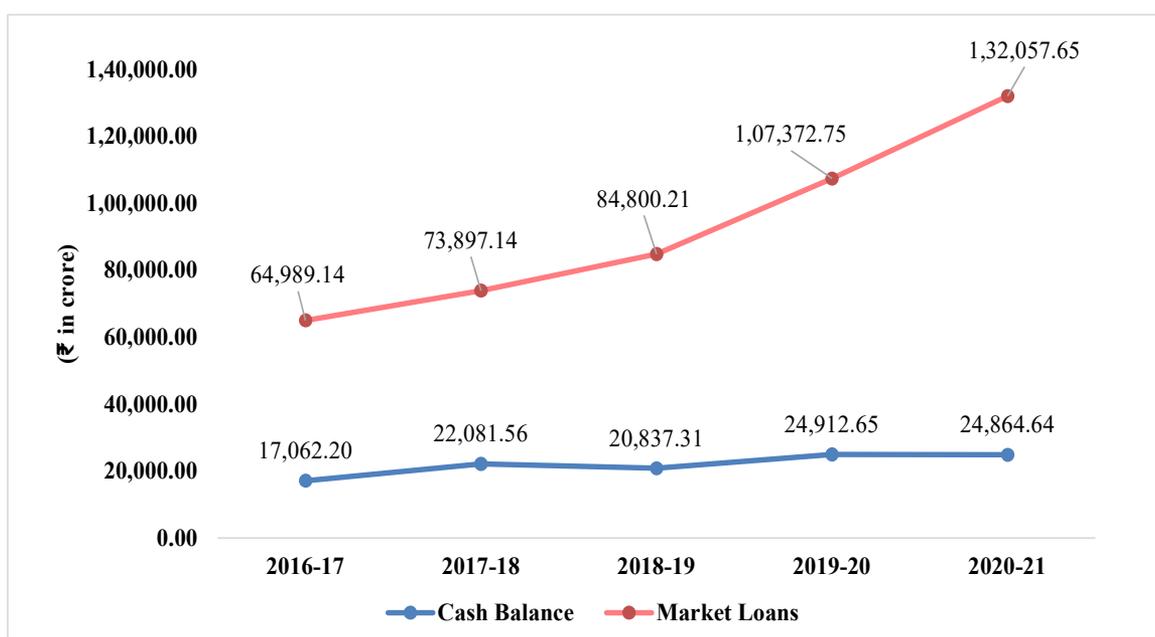
(₹ in crore)

| Year | Opening Balance | Closing Balance | Increase (+)/ decrease (-) | Interest earned |
|---------|-----------------|-----------------|----------------------------|-----------------|
| 2016-17 | 8,199.24 | 13,001.71 | 4,802.47 | 804.44 |
| 2017-18 | 13,001.71 | 17,395.63 | 4,393.92 | 799.82 |
| 2018-19 | 17,395.63 | 14,791.80 | (-),2,603.83 | 909.08 |
| 2019-20 | 14,791.80 | 17,588.74 | 2,796.94 | 938.84 |
| 2020-21 | 17,588.74 | 17,826.65 | 237.91 | 174.57 |

(Source: Finance Accounts of the respective years)

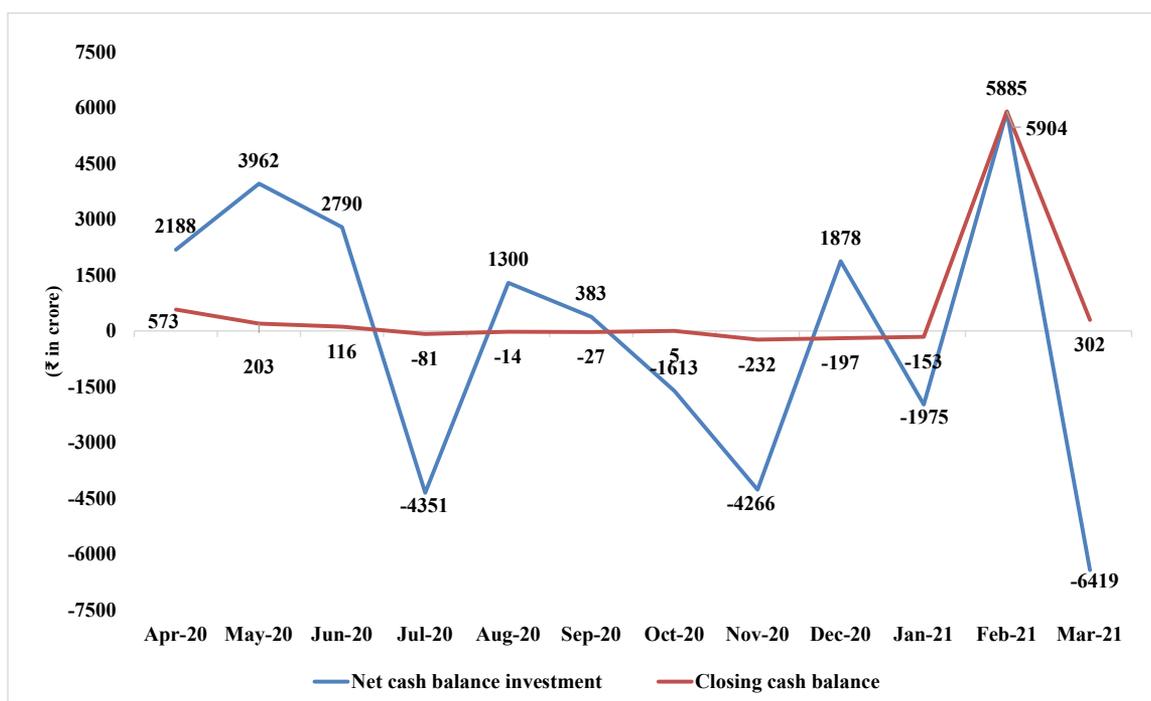
- Trend analysis of the cash balance investment of the State during 2016-21 revealed that investment increased significantly in 2020-21 and stood at 9.56 per cent of the Budget Estimates (Receipt).
- Market loans were taken at higher interest rates whereas investment in treasury bills yielded interests at lower rates. Investment in securities was realized before maturity was the reason of less interest earned during the year.

Year-wise Market loan raised vis-à-vis cash balance available in the cash balance investment account for the year 2016-17 to 2020-21 is compared in **Chart 2.20**.

Chart 2.20: Market loans vis-à-vis Cash Balance

(Source: Finance Accounts of the respective years)

The Government took recourse to market loans despite having a closing balance of ₹ 17,826.65 crore in the Cash Balance investment account. The market loan for this year was ₹ 24,684.91 crore. It is worth mentioning that the amount in Cash Balance Investment Account is cumulative. Month-wise cash balance available vis-à-vis cash balance invested in cash balance investment account is shown in **Chart 2.21**.

Chart 2.21: Month wise movement of Cash Balances and net cash balance investments during the year

(Source: Monthly Civil Accounts for the year 2020-21)

The chart above shows that the closing cash balances were almost uniform throughout the year but in the month of February they were the highest due to the fact that the majority of funds from GoI (70 per cent) had come in this period. Further, March 2021 also shows that State has been debiting the cash balance investment accounts in this period owing to surplus cash.

2.8 Conclusion

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

| Positive indicators | Negative indicators |
|--|--|
| Fiscal Deficit was well within the limit of the XV th FC projection | Increase in Primary Deficit |
| The State's own resources (tax and non-tax revenue) have slightly increased. | Increasing debt to GSDP ratio beyond FRBM Act ceiling. |
| Grants-in-aid from the Government of India have increased. | Worsening debt sustainability indicators |
| Investment in sinking fund investment account has been increased. | Non-creation of Guarantee Redemption Fund. |
| | Increasing committed expenditure |
| | Holding of Cash Balances |

2.9 Recommendations

The Finance Department should review

- The budget preparation exercise, so that the persisting gap between budget estimates and actual may be bridged.

- Devise a mechanism to ensure that arrears of revenue can be collected expeditiously so that the burden of the State due to fiscal deficit may be mitigated.
- To ensure that employee's deductions are fully deducted, fully matched by government contributions, and fully transferred to NSDL in a timely manner.
- A mechanism should be put in place to ensure the timely completion of projects. The revised estimates of all the incomplete projects should be prepared and approved on priority so as to have a realistic assessment of the funds required to complete these projects.
- That no investment should be made in entities whose financial performance does not even meet the borrowing cost of capital. Similarly, no loans should be extended to entities whose accounts were in arrears.
- To look out for restructuring of loans so that interest payment falls within the budgeted fiscal deficit target.

CHAPTER III
BUDGETARY MANAGEMENT

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

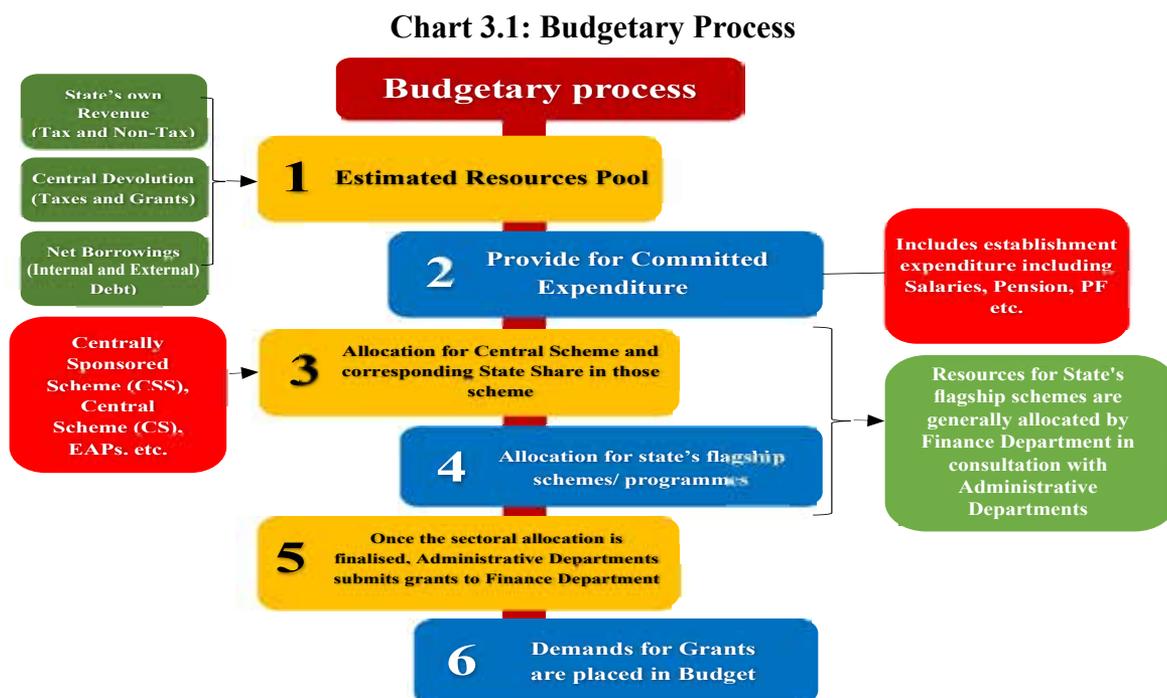
3.1 Budget Process

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

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

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

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



3.2 Appropriation Accounts

Appropriation Accounts depict the original budget provision, supplementary grants, surrenders, savings, and re-appropriations distinctly, and indicate actual capital and revenue expenditure on various specified services vis-à-vis those authorised by the Appropriation Act in respect of both Charged and Voted items of the budget. Appropriation Accounts, thus, facilitate understanding the utilisation of funds, the management of finances and monitoring of budgetary provisions.

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

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

A summarised position of total budget provision, disbursements and savings with its further bifurcation into voted and charged is as under:

Table 3.1: Budget provision, disbursement and saving during 2020-21

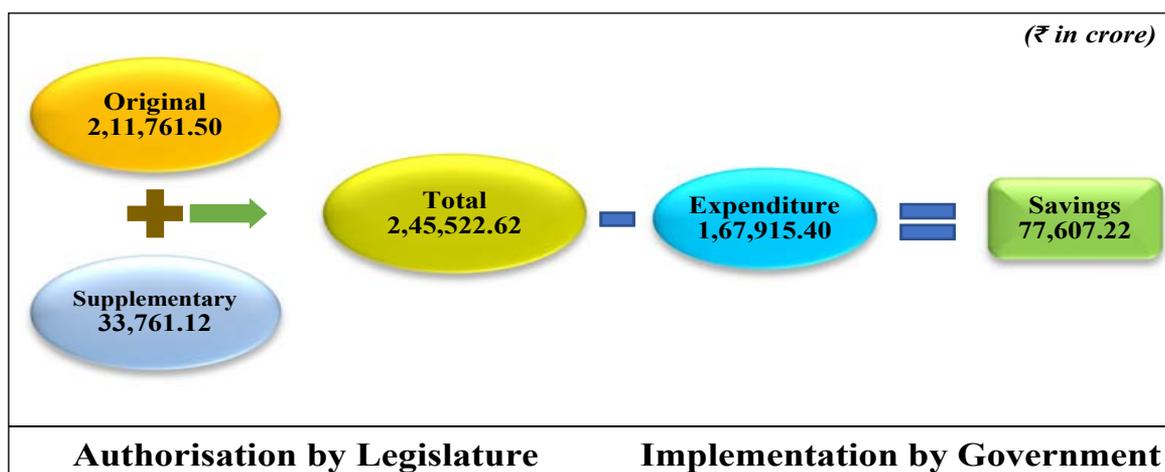
(₹ in crore)

| | Total Budget Provision | | Disbursements | | Savings | |
|--------------|------------------------|------------------|--------------------|------------------|------------------|-----------------|
| | Voted | Charged | Voted | Charged | Voted | Charged |
| Revenue | 1,79,213.40 | 14,194.83 | 1,28,879.35 | 12,686.51 | 50,334.05 | 1,508.32 |
| Capital | 45,061.06 | 7,053.33 | 19,469.07 | 6,880.47 | 25,591.99 | 172.86 |
| Total | 2,24,274.46 | 21,248.16 | 1,48,348.42 | 19,566.98 | 75,926.04 | 1,681.18 |
| | 2,45,522.62 | | 1,67,915.40 | | 77,607.22 | |

(Source: Detailed Appropriation Accounts for the year 2020-21)

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

Chart 3.2: Components of the budget



(Source: Detailed Appropriation Accounts for the year 2020-21)

As evident from above chart, the State Government has incurred expenditure of 68.39 per cent against the total provision resulting in saving of 31.61 per cent, which indicates poor budget preparing process. The supplementary provision (₹ 33,761.12 crore) became completely unnecessary as the expenditure was not even up to the level of original provision. While

accepting the audit observation, the Finance Department stated that savings were not in terms of real money but in term of Budget Provision.

Further, in the process of preparation of the main budget for the year 2020-21, State Government prepared some Specific Budgets i.e., Outcome Budget, Gender Budget, Child Welfare Budget, and Green Budget. Achievement Report in respect to the Outcome Budget 2020-21 has also been prepared and laid down before the legislature.

These budgets and Achievement Report are analysed with respect to each other and the Approved Appropriation Accounts and results thereof are discussed in the subsequent paras of this report.

3.2.2 Charged and Voted disbursements

Break-up of total disbursement into charged and voted during the last five years (2016-21) is depicted in **Table 3.2**.

Table 3.2: Charged and Voted Expenditure during 2016-21

(₹ in crore)

| Year | Total Budget Provision | | Disbursements | | Saving/Excess | | Saving against Total Provision (Per cent) | |
|---------|------------------------|-----------|---------------|-----------|---------------|----------|---|---------|
| | Voted | Charged | Voted | Charged | Voted | Charged | Voted | Charged |
| 2016-17 | 1,55,825.73 | 13,525.86 | 1,14,849.67 | 13,148.65 | 40,976.08 | 377.23 | 26.30 | 2.79 |
| 2017-18 | 1,72,021.43 | 15,322.52 | 1,26,263.69 | 14,683.63 | 45,757.76 | 638.90 | 26.60 | 4.17 |
| 2018-19 | 1,90,375.36 | 19,114.48 | 1,42,022.79 | 18,294.88 | 48,352.56 | 819.60 | 25.40 | 4.29 |
| 2019-20 | 2,08,629.14 | 19858.04 | 1,30,506.24 | 19,135.68 | 78,122.90 | 722.36 | 37.45 | 3.64 |
| 2020-21 | 2,24,274.46 | 21,248.16 | 1,48,348.42 | 19,566.98 | 75,926.04 | 1,681.18 | 33.85 | 7.91 |

(Source: Appropriation Accounts for respective years)

The overall savings of ₹ 77,607.22 crore during 2020-21 was more than 2.30 times the size of the supplementary budget of ₹ 33,761.12 crore obtained during the year.

Large amount of savings in allotted funds indicate both inaccurate assessment of requirement as well as inadequate capacity to utilise the funds for intended purpose.

3.3 Integrity of Budgetary and accounting process

Integrity of the Budget means, “public funds are being spent properly and according to the interest of the public”. The budget must be credible, and the information contained in the fiscal and financial report must be reliable. Budget integrity and accountability would ultimately depend on the capacity of the Department to program the expenditure realistically, implement their programmes and schemes timely and efficiently.

3.3.1 Transfers not mandated by the Appropriation Act/Detailed Demands for Grants (into Public Account/ Bank Accounts)

It was seen that provisions of fund in budget have been made and referred to the Administrative Department by the Finance Department for expenditure. The Department then draws the entire amount provisioned and deposits it in designated bank account for further payment/ execution even if it is not required for immediate use.

It was also noticed that out of the total expenditure, 57 per cent of the capital expenditure, 54 per cent of the expenditure under loan and advances and nine per cent of the revenue expenditure were deposited in Civil Deposit and Deposits of Local Funds. Details of Heads by which fund were transferred to Deposit Account (MH-8448 and 8443) are shown in **Table 3.3**.

Table 3.3: Details of fund transferred to Major Head 8443 & 8448

(₹ in crore)

| Heads | Transferred to MH-8448 | | Transferred to MH-8443 | |
|---------------------|------------------------|------------------|------------------------|-----------------|
| | 2019-20 | 2020-21 | 2019-20 | 2020-21 |
| Receipt | 76.67 | 276.69 | 0 | 0 |
| Revenue Expenditure | 8,456.84 | 11,876.36 | 248.79 | 538.88 |
| Capital Expenditure | 11,485.31 | 9,166.60 | 893.12 | 1,330.20 |
| Loans & Advances | 609.38 | 605.79 | 0 | 0 |
| Public Account | 9,158.00 | 11,824.36 | 162.44 | 283.74 |
| Total | 29,786.50 | 33,750.20 | 1,304.35 | 2,152.85 |

(Source: VLC data)

Transfer of amount from the Consolidated Fund of the State into Public Account Heads not authorised through the Appropriation Act leads parking of funds to avoid lapse of Budgetary Grants. This also gives an inflated picture of the expenditure incurred by the State Government during that financial year.

3.3.2 Unnecessary or excessive supplementary grants

As per article 205 of the constitution, a Supplementary or Additional Grant or Appropriation over the provision made by the Appropriation Act for the year can be made during the current financial year.

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

During 2020-21, in 44 cases (35 grants/appropriations), supplementary provisions amounting to ₹ 17,855.06 crore (₹ 1 crore or more in each case) proved unnecessary and remained fully unutilised as the expenditure (₹ 1,10,142.09 crore) had not even reached up to the level of the original provision (₹ 1,50,136.86 crore) as detailed in **Appendix 3.1**.

However, in seven significant cases where supplementary provision of ₹ 14,417.74 crore (₹ 1,000 crore and above in each case) proved unnecessary are shown in **Table 3.4** below:

Table 3.4: Cases where supplementary provisions (₹ 1,000 crore or more in each case) proved unnecessary

(₹ in crore)

| Sl. No. | Number and Name of the Grant | No. of schemes | Original Provision | Supplementary Provision | Expenditure | Savings out of Original Provision |
|------------------------|------------------------------|----------------|--------------------|-------------------------|-------------|-----------------------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 (4-6) |
| Revenue (Voted) | | | | | | |
| 1 | 16-Panchayati Raj Department | 23 | 10,135.21 | 2,462.63 | 8,236.01 | 1,899.20 |
| 2 | 20-Health Department | 93 | 9,129.43 | 2,284.93 | 8,520.45 | 608.98 |

| Sl. No. | Number and Name of the Grant | No. of schemes | Original Provision | Supplementary Provision | Expenditure | Savings out of Original Provision |
|--------------------------|---|----------------|--------------------|-------------------------|------------------|-----------------------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 (4-6) |
| 3 | 21-Education Department | 144 | 33,950.48 | 3,177.54 | 26,401.69 | 7,548.79 |
| 4 | 42-Rural Development Department | 26 | 15,940.28 | 1,890.75 | 9,299.16 | 6,641.12 |
| 5 | 48-Urban Development & Housing Department | 64 | 7,163.72 | 2,179.48 | 5,590.39 | 1,573.33 |
| (A) | Total Revenue (Voted) | | 76,319.12 | 11,995.33 | 58,047.70 | 18,271.42 |
| Capital (Voted) | | | | | | |
| 6 | 41-Road Construction Department | 13 | 5,068.75 | 1,346.84 | 3,203.88 | 1,864.87 |
| 7 | 49-Water Resources Department | 14 | 2,957.74 | 1,075.57 | 1,956.17 | 1,001.57 |
| (B) | Total Capital (voted) | | 8,026.49 | 2,422.41 | 5,160.05 | 2,866.44 |
| Grand Total (A+B) | | | 84,345.61 | 14,417.74 | 63,207.75 | 21,137.86 |

(Source: Appropriation Accounts for the year 2020-21)

Audit analysed that at the time of first supplementary budget, the expenditure incurred was ranged from 5.23 to 45.01 *per cent* and at the time of second supplementary budget, the expenditure was ranged from 41.46 to 53.30 *per cent* of the original provision in the concerned Grants as shown in the following table:

Table 3.5: Supplementary provision proved unnecessary

(₹ in crore)

| Grant No. | Original provision (OP) | Expenditure upto July 2020 | Expenditure Percent of OP | First Supplementary (Aug 2020) | Exp. Upto January 2021 | Expenditure Percent of OP | Second Suppl. Feb 2021 | Total Expenditure upto March 2021 | Expenditure Percent of OP |
|-----------|-------------------------|----------------------------|---------------------------|--------------------------------|------------------------|---------------------------|------------------------|-----------------------------------|---------------------------|
| 16 | 10,615.21 | 4,778.10 | 45.01 | 501.80 | 5,114.67 | 48.18 | 1,960.83 | 8,402.41 | 79.15 |
| 20 | 10,937.68 | 1,982.47 | 18.13 | 4.50 | 5,829.73 | 53.30 | 2,280.43 | 9,166.77 | 83.81 |
| 21 | 35,191.05 | 1,842.03 | 5.23 | 2,166.40 | 18,299.18 | 52.00 | 1,241.22 | 26,813.75 | 76.19 |
| 41 | 6,706.11 | 1,287.79 | 19.20 | 1,650.00 | 3,570.04 | 53.24 | 470.00 | 4,894.40 | 72.98 |
| 42 | 15,955.29 | 3,609.21 | 22.62 | - | 7,731.55 | 48.46 | 1,890.76 | 9,314.16 | 58.38 |
| 48 | 7,213.72 | 1,189.17 | 16.48 | - | 3,049.02 | 42.27 | 2,379.48 | 5,640.39 | 78.19 |
| 49 | 4,053.16 | 617.25 | 15.23 | - | 1,680.42 | 41.46 | 1,075.57 | 2,770.48 | 68.35 |

(Source: VLC data)

Such injudicious allocation of supplementary budget to several grants, despite having savings against original allocation, resulted in paucity of fund for other departments as evident from accumulation of liability at the end of financial year and a big list of incomplete schemes.

3.3.3 Unnecessary and Excessive Re-Appropriation

‘Re-appropriation’ means the transfer, by a competent authority, of savings from one unit of appropriation to meet additional expenditure under another unit within the same grant or charged appropriation. The Government is thus allowed to re-appropriate provisions from one unit of appropriation to another within the same Grant, thus altering the destination of an original provision for one purpose to another, subject to the limits and restrictions laid down.

Scrutiny of the detailed appropriation account 2020-21 revealed that:

- Re-appropriation of ₹ 395.41 crore under 12 grants/appropriations involving 29 Detailed Heads proved unnecessary (re-appropriation not required) as final savings (more than ₹ 50 lakh in each case) were ₹ 749.71 crore (*Appendix 3.2*).

- ₹ 1,356.49 crore provided through re-appropriation in 13 grants/ appropriations involving 18 Detailed Heads, proved excessive (amount re-appropriated was more than what was actually required) in view of savings (more than ₹ 50 lakh in each case) of ₹ 702.01 crore (**Appendix 3.3**). This indicates injudicious re-appropriation without assessing actual requirements.
- In 15 cases under seven grants/appropriations, an amount of ₹ 81.06 crore was re-appropriated for which re-appropriation orders were issued on 31 March 2021 as depicted in **Appendix 3.4**. The re-appropriation without a specific reason indicates an inadequate expenditure control mechanism.

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

3.3.4 Unspent amount, surrendered appropriations and/or Large Savings/Surrender

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

During 2020-21, there were 56 cases of savings under voted and charged expenditure related to 37 Grants, each of ₹ 100 crore and above, amounting to a total of ₹ 76,654.30 crore (32.63 per cent of total provision of ₹ 2,34,933.75 crore) as detailed in **Appendix 3.5**.

Further, there was significant variation of 20 per cent or more between total grant and expenditure in 41 Grants which leads to huge savings of ₹ 74,887.52 crore (39 per cent of total provision of ₹ 1,92,265.37). The reasons for these variations have not been appropriately explained in the Appropriation Accounts (**Appendix 3.6**).

Scrutiny of savings of ₹ 100 crore and above in each grant/appropriation during the last five years revealed that in 32 cases involving 27 Grants, there were persistent total savings of ₹ 37,502.92 crore and above during each of the five years as detailed in **Appendix 3.7**.

Persistent saving indicates that the budget allocation was made without considering the previous year's expenditure. Budget utilisations less than 50 per cent in 2020-21 are depicted in **Table 3.6**.

Table 3.6: Grants/Appropriations with Budget utilisation less than 50 per cent (2016-21)

| Sl. No. | Grant No. | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | Number of Years* |
|---------|-----------|---------------------|---------------------|---------------------|---------------------|---------------------|------------------|
| 1 | 1 | 57.38 (2,896.81) | 56.02 (3,020.80) | 56.53 (3,306.88) | 59.48 (3,618.84) | 43.63 (3,435.02) | 1 |
| 2 | 3 | 50.78 (3,505.87) | 51.50 (5,054.69) | 72.75 (4,445.14) | 29.78 (5,988.35) | 29.1 (5,402.78) | 2 |
| 3 | 4 | 78.95 (661.78) | 60.02 (486.62) | 62.03 (378.35) | 49.19 (618.89) | 35.41 (512.78) | 2 |
| 4 | 5 | 78.57 (17.45) | 70.42 (20.08) | 84.69 (22.47) | 4.31 (30.89) | 0.71 (29.63) | 2 |
| 5 | 8 | 64.99 (125.94) | 70.63 (137.55) | 67.68 (139.12) | 60.96 (155.65) | 43.19 (170.87) | 1 |

| Sl. No. | Grant No. | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | Number of Years* |
|---------|-----------|---------------------|----------------------|----------------------|----------------------|----------------------|------------------|
| 6 | 11 | 61.20 (2,387.86) | 79.66 (1,537.96) | 77.53 (1,567.53) | 88.22 (1,605.96) | 24.05 (1,719.06) | 1 |
| 7 | 12 | 87.16 (875.62) | 86.53 (994.2) | 92.20 (1,630.85) | 77.25 (2,130.03) | 16.41 (5,277.78) | 1 |
| 8 | 18 | 49.20 (2,166.03) | 50.05 (2,422.47) | 79.09 (1,406.24) | 50.25 (1,405.41) | 32.33 (2,251.88) | 2 |
| 9 | 23 | 77.53 (858.50) | 73.35 (932.55) | 85.01 (742.85) | 46.78 (930.47) | 48.09 (966.03) | 2 |
| 10 | 30 | 87.52 (425.05) | 50.68 (651.07) | 57.59 (459.70) | 48.98 (510.22) | 44.94 (627.00) | 2 |
| 11 | 37 | 94.55 (9,410.50) | 68.71 (11,285.05) | 34.37 (11,509.34) | 29.41 (12,067.97) | 44.67 (11,638.89) | 3 |
| 12 | 40 | 54.30 (848.00) | 62.92 (896.46) | 67.68 (819.20) | 57.80 (971.91) | 47.49 (1,407.49) | 1 |
| 13 | 45 | 66.54 (274.71) | 41.96 (220.22) | 67.48 (251.11) | 65.53 (218.24) | 39.20 (119.78) | 2 |
| 14 | 46 | 19.34 (784.65) | 83.84 (173.00) | 43.72 (168.76) | 16.23 (314.74) | 18.22 (309.53) | 4 |

(Source: Appropriation Accounts of the respective years)

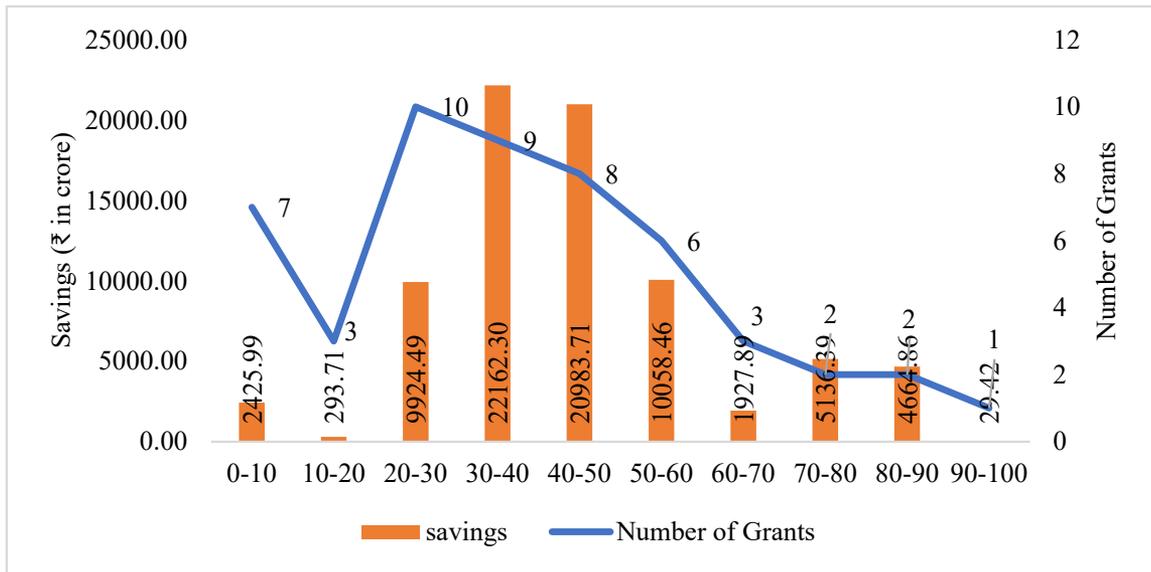
* Number of years with utilisation below 50 per cent, figures in brackets depicts Budget allotted during the Financial Year in crore.

Out of these 14 Grants, there were two Grants in which budget utilisation was less than 50 per cent three or more times over the last five years. GoB did not take cognition of the percentage of budgeted amount actually spent by the departments in preceding years, which resulted in inflated and unrealistic budget estimates. For e.g., for Grant No 37, the budgeted amount increased from ₹ 9,410.50 crores in 2016-17 to ₹ 12,067.97 crores in 2019-20 despite the fact that the actual expenditure dropped from 94.55 per cent to 29.41 per cent over the years. Even the reduction in budget in 2020-21 was not commensurate with per cent of actual expenditure. It was also seen that most of the savings under Grant no. 37 (Rural Works Department) was mainly under capital schemes like *Pradhan Mantri Gram Sadak Yojana*, *Mukhyamantri Gram Sampark Yojana*, and *Gramin Tola Sampark Nischay Yojana*. Under Grant no. 46 (Tourism Department) showed the major savings under Capital Scheme Head 'Development of Tourism Structures'.

Further scrutiny of amount surrendered in year 2020-21 (₹ 100 crore and above in each case) revealed that there was a surrender of ₹ 12,836.85 crore under 15 Grants. Supplementary provisions under 13 Grants, proved unnecessary as the expenditure not even reached up to the level of the original provision indicating inaccurate estimation of funds. Grant wise details depicted in *Appendix 3.8*.

It is evident that the departments, failed to utilise their original budget provisions making supplementary provision fruitless. Further, in three grants the amount of surrender was even more than supplementary provisions. In addition, it is also observed that departments under Grant No.s 3, 12 and 18 which were responsible mainly for incurring capital expenditure shows saving of more than 70 per cent of their original budget provisions. **Chart 3.3** depicts the number of grants/appropriations grouped by the percentage of saving along with their total savings during the financial year.

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

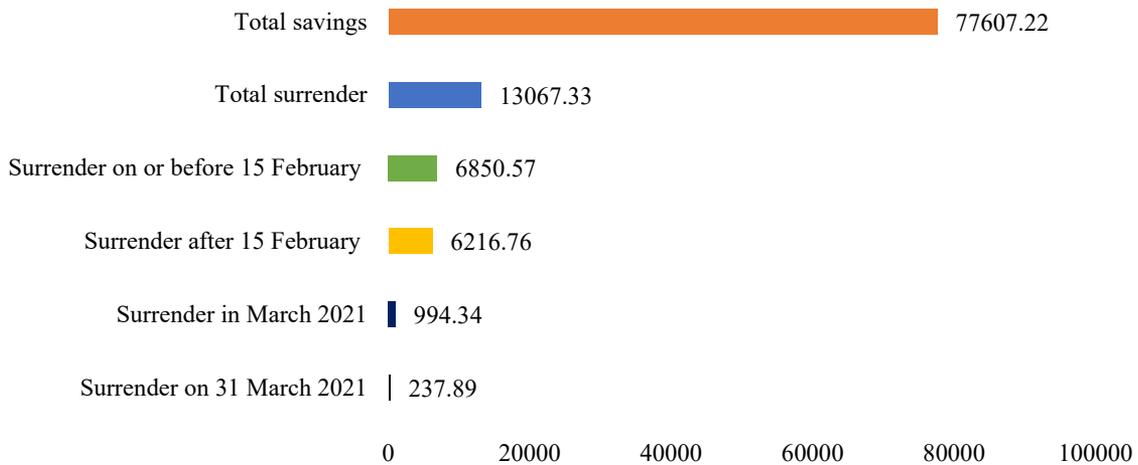


(Source: Appropriation Accounts for the year 2020-21)

Above chart shows that 14 grants out of 51 had savings more than 50 per cent in which three Grants had savings more than 80 per cent of their budget provisions. Therefore, the state shall look into their budgeting methodology, as 33 per cent of the grants shows savings more than 50 per cent of their budget provisions. Saving and surrender before the end of financial year are shown in Chart 3.4.

Chart 3.4: Savings and surrenders before the close of FY 2020-21

(₹ in crore)



(Source: Appropriation Accounts for the year 2020-21)

As per para 104 of Bihar Budget Manual, no amount out of the savings should be held in reserve for meeting additional expenditure not definitely foreseen or not already approved by the competent authority. Surrender of savings shall be submitted by 15th of February of the current year. In exceptional cases surrenders may be submitted up to 31st March of the current year. Audit observed surrender of a huge balance of ₹ 6,216.76 crore after 15th February in mass violation of stipulated provision deprived other Departments of the funds, which they could have utilised

3.3.5 Grant-in-aid for creation of capital assets

Grants-in-Aid (GIA) are payments in the nature of assistance, donations or contributions made by one government to another government, body, institution or individual. GIA is given for specified purpose of supporting an institution including construction of assets. As per IGAS-2, GIA disbursed by a grantor to a grantee shall be classified and accounted for as revenue expenditure irrespective of the purpose for which the funds disbursed as GIA are to be spent by the grantee, except in cases where it has been specifically authorised by President on the advice of the CAG of India.

As per Appendix-III of Finance Accounts 2020-21, total funds released as GIA during 2020-21 was ₹ 54,928.98 crore, of which, funds allotted for creation of Capital Assets was ₹ 10,273.35 crore (18.70 per cent).

3.3.6 Excess expenditure and its regularisation

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

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

During scrutiny, it was noticed that ten cases of excess expenditure pertaining to the period 1987-88 to 1996-97 under Animal Husbandry department amounting to ₹ 657.98 crore were sub-judice and one case of 1989-90 under Health Department amounting ₹ 0.35 crore has not been regularised till 31 March 2021. In addition, one case of 2019-20 for ₹ 2.30 crore was also noticed.

3.4 Comment on effectiveness of budgetary and accounting process

To enhance the effectiveness of the budgetary and accounting process in the departments, the management should put in place measures to solve the budgetary control system problems. Moreover, Governments should set yearly objectives for each performance indicator of their budgetary control system so that department should work hard to achieve the yearly set objectives for each indicator.

3.4.1 Budget projection and the gap between expectation and actual

Efficient management of tax administration/other receipts and public expenditure holds the balance for the achievement of various fiscal indicators. Summarised position of Actual Expenditure vis-à-vis Budget (Original/ Supplementary) provisions during the financial year 2020-21 are depicted in **Table 3.7**.

Table 3.7: Summarised position of Actual Expenditure vis-à-vis Budget provisions during 2020-21(*₹ in crore*)

| Nature of Expenditure | | Original Grant/ Appropriation | Supplementary Grant/ Appropriation | Total Grant/ Appropriation | Actual Expenditure | Savings | Amount surrendered | Amount surrendered in March 2021 | Percentage of savings surrendered in March 2021 (Col.8/Col.6*100) |
|-----------------------|---------------------------|-------------------------------|------------------------------------|----------------------------|--------------------|------------------|--------------------|----------------------------------|---|
| (1) | | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
| Voted | I-Revenue | 1,50,590.33 | 28,623.07 | 1,79,213.40 | 1,28,879.35 | 50,334.05 | 5,988.17 | 965.92 | 1.92 |
| | II-Capital | 38,744.58 | 4,586.92 | 43,331.50 | 18,355.09 | 24,976.41 | 6,106.26 | 28.03 | 0.11 |
| | III-Loans & Advances | 1,230.44 | 499.12 | 1,729.56 | 1,113.98 | 615.58 | 0.00 | 0.00 | 0.00 |
| | Total Voted | 1,90,565.35 | 33,709.11 | 2,24,274.46 | 1,48,348.42 | 75,926.04 | 12,094.43 | 993.95 | 1.31 |
| Charged | IV-Revenue | 14,160.88 | 33.95 | 14,194.83 | 12,686.51 | 1,508.32 | 972.90 | 0.39 | 0.03 |
| | V-Capital | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | VI-Public Debt- Repayment | 7,035.27 | 18.06 | 7,053.33 | 6,880.47 | 172.86 | 0.00 | 0.00 | 0.00 |
| | Total Charged | 21,196.15 | 52.01 | 21,248.16 | 19,566.98 | 1,681.18 | 972.90 | 0.39 | 0.03 |
| Grand Total | | 2,11,761.50 | 33,761.12 | 2,45,522.62 | 1,67,915.40 | 77,607.22 | 13,067.33 | 994.34 | 1.28 |

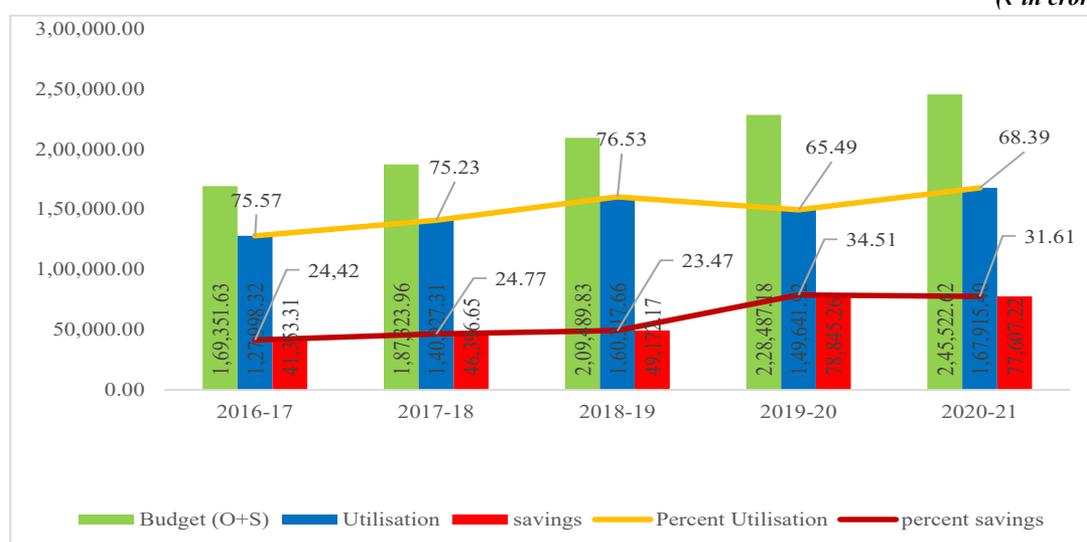
Note: The expenditure includes recoveries/refund of revenue expenditure amounting to ₹ 2,072.41 crore and recoveries of capital expenditure amounting to ₹ 146.50 crore adjusted as reduction of expenditure.

(Source: Appropriation Accounts for the year 2020-21)

As evident from above table, the expenditure incurred during the year was only ₹ 1,67,915.40 crore (68.39 per cent) against the total provision of ₹ 2,45,522.62 crore. This shows that the supplementary provision of ₹ 33,761.12 crore was avoidable since the expenditure did not even reach upto the level of the original provision (₹ 2,11,761.50 crore).

Overall savings of ₹ 77,607.22 crore (31.61 per cent) resulted from savings of ₹ 51,842.37 crore in 46 grants and 08 Appropriations under Revenue section and savings of ₹ 25,764.85 crore in 34 grants under Capital section including 07 grants under Loans and Advances and one grant under Public Debt Repayments.

Out of total savings of ₹ 77,607.22 crore, only 16.84 per cent (₹ 13,067.33 crore) was surrendered during the year resulting in non-surrender of savings aggregating to ₹ 64,539.89 crore (83.16 per cent of total savings). Total saving was 229.87 per cent more than the supplementary provision. Trends in the percentage of overall savings and excess against the overall provision in the budget are shown in **Chart 3.5**.

Chart 3.5: Budget Utilisation during 2016-17 to 2020-21(*₹ in crore*)

(Source: Appropriation Accounts of respective years)

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

Further, there were cases of non-utilisation of the entire provision of ₹ 12,155.10 crore in 532 Detailed Head of accounts under 47 grants/ appropriations. Out of these cases, the total provision of ₹ 11,646.15 crore, in 102 cases under 26 grants/ appropriations, was unutilised (₹ 10 crore and above in each case) as detailed in *Appendix 3.9*. Non-utilisation of funds indicated that either the budgeting was done without due prudence or there were serious slippages in programme implementation.

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

During the financial year 2020-21, the State Government has made several major policy pronouncements in the budget regarding social welfare and other schemes under various departments. 14 out of 44 Departments have replied on this issue.

The audit observed that there were some major policy initiatives taken by the departments but no expenditure was incurred resulting in non-achievement of intended goals as detailed in **Table 3.8** below:

Table 3.8: Policies for which provisions were made but no expenditure was incurred
(₹ in crore)

| Sl. No. | Name of Department | Name of scheme | Budget estimation | Revised estimation | Expenditure |
|---------|--------------------------------------|--|-------------------|--------------------|-------------|
| 1 | Prohibition, Excise and Registration | Integrated Excise Management System | 4.00 | 4.00 | 0.00 |
| 2 | Minority Welfare | Financial Assistance to Muslim Abandoned Women | 2.00 | 2.00 | 0.00 |
| 3 | | Multi Sectoral Development Programme (Merit-cum-Means, Pre-Metric and Post Matric Scholarship) | 1.00 | 1.00 | 0.00 |
| 4 | Minor water Resource | State Plan Building | 2.50 | 2.50 | 0.00 |
| 5 | SC and ST Welfare | Pradhan Mantri Adarsh Gram Yojana | 40.00 | 40.00 | 0.00 |
| 6 | | Post matric Stipend | 60.00 | 60.00 | 0.00 |
| 7 | | Share Capital of SCDC | 4.00 | 4.00 | 0.00 |
| 8 | | Scheme of development of SC | 1.45 | 1.45 | 0.00 |
| 9 | | Scheme of development of SC | 4.25 | 4.25 | 0.00 |
| 10 | | Building for STs | 3.00 | 3.00 | 0.00 |
| 11 | Sugar Industries | Balance Outlay | 15.22 | 15.22 | 0.00 |

(Source: Data received from the departments)

Reason for revision of estimates has not been intimated by the departments. This deprives the beneficiaries of intended benefits. Savings in such schemes deprive other departments of the funds, which they could have utilised.

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

Permissible Re-appropriations within the Grant or Appropriations of a year should be sanctioned at any time within the year but not after the expiry of the year. Audit noticed that in one case, the department of Food and Consumer Protection made a request for re-appropriation in April (08.04.2021) and Finance Department accorded their approval in May (06.05.2021) for an amount of ₹ 5.47 crore against the set provision.

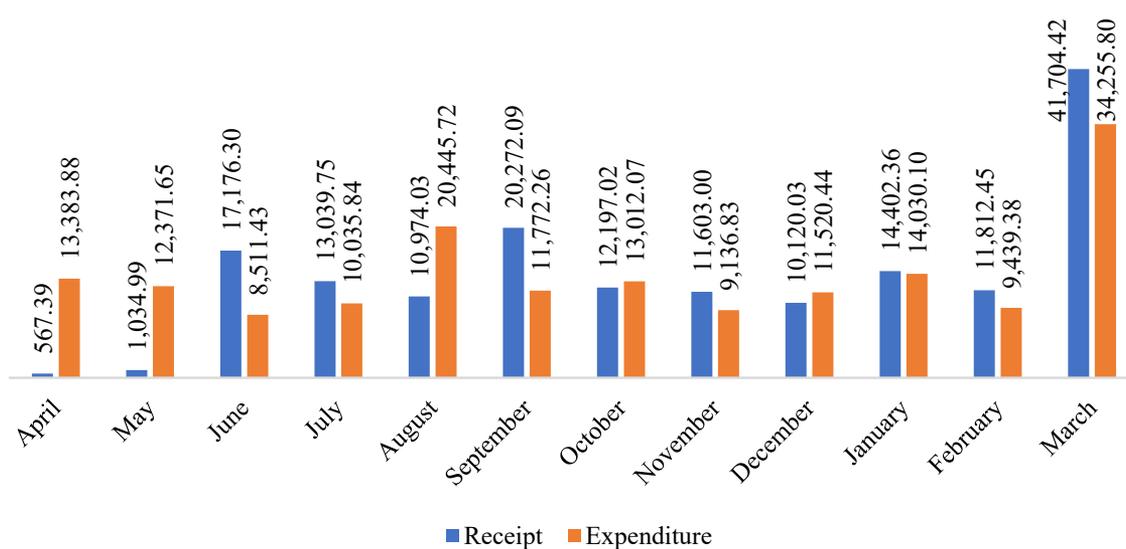
3.4.4 Rush of Expenditure

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

Audit revealed that in 13 Departments, expenditure (₹ 14,838.40 crore) incurred during the last quarter and in the month of March 2021 (₹ 9,837.20 crore) was 59 per cent and 39.11 per cent respectively of total expenditure (₹ 25,151.25 crore) during the year as detailed in **Appendix 3.10**. There were cases of total incurrence of originally provisioned expenditure of ₹ 7,583.75 crore (₹ one crore and above in each case) in the month of March 2021 under 87 detailed heads under 29 grants as detailed in **Appendix 3.11**. However, for the whole appropriation, the expenditure in March 2021 was 20 per cent of the total expenditure whereas, the receipt in March 2021 was 25 per cent of the overall receipts, during the year. Month wise trend of receipts and expenditure for the financial year is shown in **Chart 3.6**.

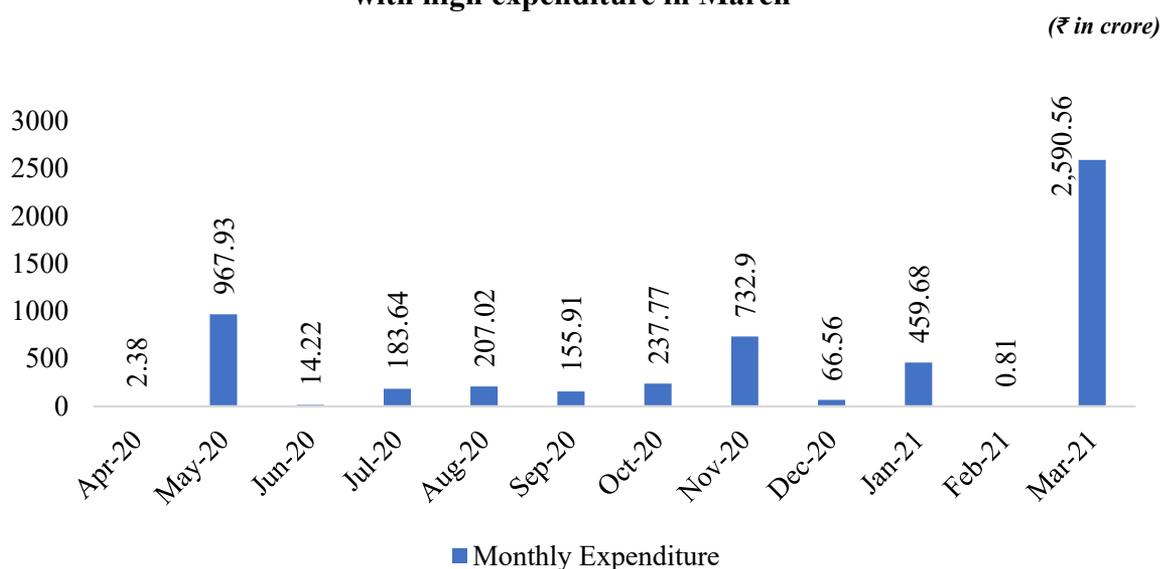
Chart 3.6: Monthly Receipts and Expenditure during the FY 2020-21

(₹ in crore)



(Source: Monthly Expenditure Report & Monthly Civil Accounts 2020-21)

Further, **Appendix 3.10** shows that there was maximum expenditure 96.96 per cent (₹ 400.85 crore) under the Backward and Most Backward Class Welfare Department but with respect to total amount spent, maximum expenditure ₹ 2,590.56 crore was incurred by Urban Development and Housing Department in March 2021 whereas original budget provision ₹ 7,213.72 crore and Supplementary provision ₹ 2,379.48 crore (February 2021) was available and total actual expenditure of the department was only ₹ 5,640.39 crore. The month wise expenditure is depicted in **Chart 3.7** below.

Chart 3.7: Month wise expenditure of Urban Development and Housing Department with high expenditure in March

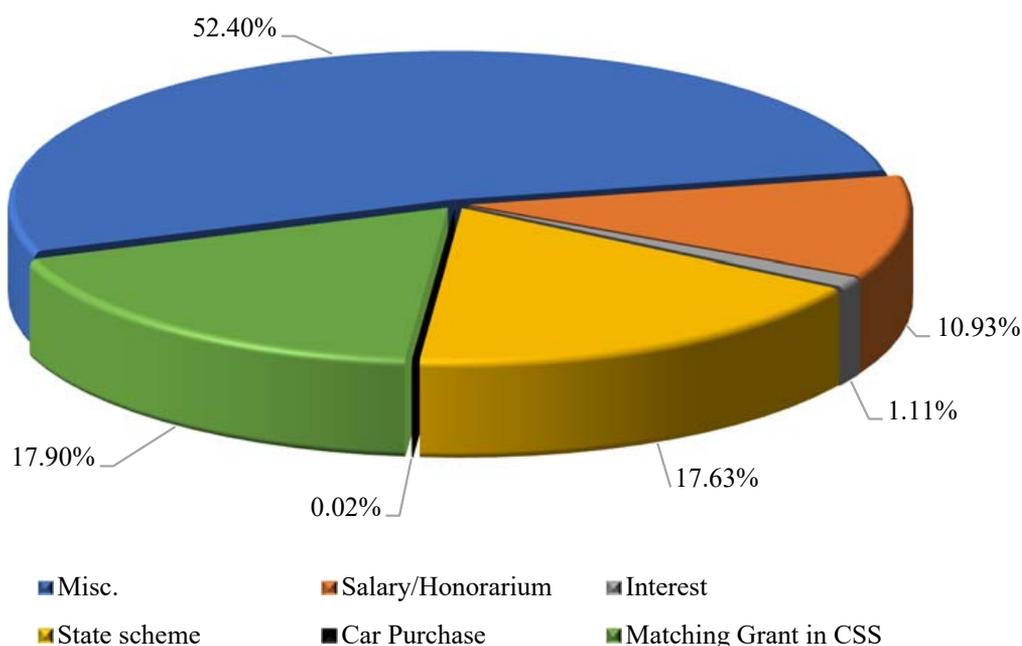
(Source: Monthly Expenditure Report 2020-21)

Audit observed that an amount of ₹ 2.42 crore was transferred to public account in the month of March. Substantial expenditure incurred by departments at the fag end/last day of the year indicated deficient financial management and inadequate expenditure control. The rush of expenditure towards the end of the financial year is a breach of financial propriety.

3.4.5 Advance from Contingency Fund

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

Through the Bihar Contingency Fund (Amendment) Act 2015, State increased the corpus of the Contingency Fund from ₹ 350 crore to ₹ 8,470.45 crore, on a temporary basis, for the period 1 April 2020 to 30 March 2021. This was for relief on natural calamities like drought and earthquake and to meet the State share of Central Government sponsored projects for which budget provisions have not been made and expenditure was to be made immediately. Fifty *per cent* of the total amount so enhanced was to be used only for relief and rehabilitation measures due to natural calamities. It was observed that the State Government made 65 withdrawals amounting to ₹ 5,825.42 crore from the Contingency Fund, out of which 32 withdrawals amounting to ₹ 2,335.72 crore (40.10 *per cent*) were made for foreseeable nature as detailed in *Appendix 3.12*.

Chart 3.8: Non-contingent expenditure from Contingency Fund

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

Thus, instead of providing funds mentioned above in a regular budget, the same was sanctioned from Contingency Fund violating the Constitutional provisions. Further, analysis of the Contingency Fund revealed that it had been regularly enhanced during the past five years on temporary basis, not only for relief on natural calamities and meeting the State share of GoI sponsored projects but also for expenditure on non-contingent nature. However, the expenditure on natural calamities during the last five years ranged from 34.52 to 78.77 per cent of the funds drawn from the Contingency Fund as shown in **Table 3.9**.

Table 3.9: Expenditure on natural calamities from the Contingency Fund

(₹ in crore)

| Sl. No. | Year | Total expenditure from Contingency Fund | Expenditure on natural calamities | Percentage of total expenditure |
|---------|---------|---|-----------------------------------|---------------------------------|
| 1 | 2016-17 | 4,416.63 | 1,524.42 | 34.52 |
| 2 | 2017-18 | 4,949.21 | 3,898.33 | 78.77 |
| 3 | 2018-19 | 4,353.49 | 1,725.00 | 39.62 |
| 4 | 2019-20 | 3,529.76 | 2,332.00 | 66.07 |
| 5 | 2020-21 | 5,825.42 | 2,925.53 | 50.22 |

(Source: Records of Finance Department)

It was incumbent on the Finance Department to make budgetary provisions for the above routine expenditure and secure prior legislative approval as contemplated in the Constitution as part of the annual budgetary exercise.

The Contingency Fund is being used as an imprest account against the Constitutional provisions.

3.5 Comments on transparency of budgetary and accounting process

Transparency of budget refers to full disclosure of all relevant fiscal information in a timely and systematic manner and provide feedback on government revenue, allocation, and

expenditure. In this context, The Government of Bihar initiated (1 April 2019) the CFMS (Comprehensive Financial Management System) to bring transparency and responsiveness to public financial management.

To make the budget more transparent, State Government prepared Outcome Budget, Gender Budget, Child Welfare Budget and Green Budget with the Budget for the year 2020-21 to allocate the public funds meant for them and to make accounting and achievement more reliable. An Achievement Report in respect to the Budget 2020-21 has also been prepared and laid down before the legislature.

Comparative study/analysis of the Budget documents revealed that against total 2483 schemes included in the main budget, only 1284 schemes has been taken in the “Outcome Budget” and only 698 schemes were taken in “Achievement Report” as detailed below **Table 3.10**.

Table 3.10: Comparative analysis of budget with specific budget

(₹ in crore)

| Sl. No. | Budget | No of Schemes | Budget Amount | Per cent of Original Budget | Expenditure Amount AA | per cent expenditure against BE | No of Group A Schemes |
|---------|---------------------------|---------------|---------------|-----------------------------|-----------------------|---------------------------------|-----------------------|
| 1 | Appropriation Account | 2126 | 2,45,522.62 | 100 | 1,67,915.40 | 100.00 | |
| 2 | Outcome Budget (BE) | 1284 | 1,35,187.04 | 55.06 | 93,703.06 | 55.80 | |
| 3 | Gender Budget (BE) | 551 | 33,176.27 | 13.51 | 50,103.08 | 29.84 | 80 |
| 4 | Child Welfare Budget (BE) | 209 | 37,257.58 | 15.17 | 31,950.63 | 19.03 | |
| 5 | Green Budget (BE) | 231 | 5,693.88 | 2.32 | 14,231.42 | 8.48 | 66 |
| 6 | Achievement Report (RE) | 698 | 1,18,202.71 | 48.14 | 78,955.42 | 47.02 | |

(Source: Appropriation Accounts with Outcome, Gender, Child Welfare and Green Budgets & Achievement Report)

During analysis, audit observed that the State has presented the specific budget before the legislature as a practice every year, however the departments still lagging behind in delivering quality for accounting of schemes. Although the size of the budget outlays has also progressively increased over the past five years, the institutions for inter-departmental coordination and gender sensitisation of the administration are weak in the State.

3.6 Review of selected grants

A review of the budgetary procedure and control over expenditure was conducted in respect of Grant No.-37 Rural Works Department and Grant No.- 42 Rural Development Department on the basis of saving/excess and magnitude of the Grants and Supplementary demands made during the year 2020-21. The results of the review are detailed below:

3.6.1 Grant No. 37 “Rural Works Department”

Development of rural roads brings multiple socio-economic benefits to the rural areas, which form a strong base of the economy. The GoB is committed to an all-round social and economic development of the State and the responsibilities of construction of rural roads (with necessary culverts and cross-drainage structures) lie with the Rural Works Department.

The State had to build a total of 1,29,473¹³ km of rural roads for 1,29,209 identified habitations for rural connectivity and till date a total of 68,591 km for 68,174 identified habitations, including about 45,832 km under PMGSY for 45,672 identified habitations

¹³ <https://rwdbihar.gov.in/AboutUs.aspx> : Executive Summary

have been built. The state has to build another 60,882 km of road length, including about 10,937 km under PMGSY.

There were five Major Heads (2245, 2515, 3054, 3451 and 4515) operated in this Grant in the financial year 2020-21. Summarised financial provision is detailed in **Table 3.11** below:

Table 3.11: Position of Summarised Appropriation for 2020-21

(₹ in crore)

| Sl. No | Budget Estimate | Original provision | Supplementary provision | Total provision (3+4) | Total Expenditure | Saving (5-6) | Saving as a percentage of total provision |
|--------|-----------------|--------------------|-------------------------|-----------------------|-------------------|-----------------|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| 1 | Capital | 9,424.00 | 00 | 9,424.00 | 3,310.69 | 6,113.31 | 64.87 |
| 2 | Revenue | 1,214.89 | 1,000.00 | 2,214.89 | 2,016.83 | 198.06 | 8.94 |
| | Total | 10,638.88 | 1,000.00 | 11,638.89 | 5,327.52 | 6,311.37 | 54.23 |

(Source: Rural Works Department, Bihar)

Scrutiny of records revealed the following observations:

3.6.1.1 Budgetary process

- Against the Original Proposal of ₹ 8,768.05 crore (Revenue and Capital including ₹ 500.00 crore as Central Share for PMGSY), the Planning and Development Department had enhanced the proposal to ₹ 9,619.00 crore. Finally, Finance Department provisioned ₹ 11,638.89 crore including supplementary provision of ₹ 1,000 crore. Department has incurred expenditure of ₹ 5,327.52 crore (45.77 per cent) only.
- Out of total provision, ₹ 9,424 crore was for Capital section, ₹ 5,086.00 crore (10 times more than original proposal of the department) was for PMGSY as part of Central Share. Against the budget provision of ₹ 5,086.00 crore, GoI released only ₹ 1.13 crore (0.02 per cent) to meet administrative expenditure only and it was actually parked in Public Account but shown as spent in the books. Non-fulfilment of criteria mentioned in the PMGSY guidelines resulting in non-release of fund for capital works under the scheme.

The big gap between total provision and total allotment indicates that budget estimation for the year 2020-21 was prepared without any proper planning. Particularly audit noticed that budget preparation of capital section for PMGSY was highly unrealistic and inaccurate.

3.6.1.2 Scheme Implementation

- At least 388¹⁴ road projects of approximately 912.73 KM¹⁵ length had been dropped by the Department at the stage of execution of agreement with the contractor (State scheme-193) during 2016-17 to 2020-21 (*Appendix 3.13*).
- Audit observed that out of 4,973 inspections of PMGSY scheme, National Quality Monitoring had reported 1,029 number of road and bridge projects under the category of “unsatisfactory” during the period of five year from 2016-17 to 2020-21. Thus, it indicates weakness in Monitoring Mechanism of the state (*Appendix 3.14*).

¹⁴ 193 of state scheme and 195 of PMGSY road projects.

¹⁵ 284.01 KM length under state schemes and 628.72 KM length under PMGSY.

- Audit noticed that Department has provisioned ₹ 27 crore for plantation under the head of account 37-4515001030216 for the year 2020-21 from the Central share of PMGSY which was against the scheme guidelines.

3.6.1.3 Financial Management

- Audit observed that as per Appropriation Account total expenditure of the department was ₹ 5,199.65 crore whereas the department reported the expenditure of ₹ 5,327.52 crore only (₹ 127.87 crore in excess) required reconciliation.
- There was a huge difference of ₹ 1,885.18 crore in expenditure under PMGSY reported through Online Management, Monitoring and Accounting System (OMMAS) and expenditure booked in Detailed Appropriation Accounts of GoB (*Appendix 3.15*).
- There was a difference of ₹ 1,579.58 crore in capital expenditure and ₹ 3,183.63 crore in revenue expenditure between Bihar Rural Road Development Agency (BRRDA) and Detailed Appropriation Accounts of GoB (*Appendix 3.16*).
- An amount of ₹ 2,000.00 crore was released by GoB as 40 per cent matching State share against Central share of ₹ 2,883.57 crore for PMGSY programme fund during the year 2016-17, which was in excess by ₹ 77.62 crore. This amount was kept in separate bank account (ICICI Bank A/c no.040401010716). Interest of ₹ 54.13 lakh accrued/earned in that account is still lying unutilised till date. The account is still operational (September 2021).
- In State Scheme, audit noticed that an amount of ₹ 323.07 crore spent under establishment & committed expenditure of revenue nature was booked as capital expenditure during last five years (*Appendix 3.17*). During audit, it was noticed that an amount of ₹ 68.21 crores, extended as Grants-in-Aid for both revenue purposes and for creation of assets has been classified as Capital Expenditure for the year 2020-21. On instance of audit, Department accepted the mistake and stated that under the direction of Finance Department these expenditures shall be booked under revenue head henceforth.
- It has been observed that an amount was received for PMGSY under revenue head and the same was booked as expenditure of ₹ 234.26 crore (₹ 1.13 crore+₹ 233.13 crore) under major head 4515. This resulted in understatement of revenue expenditure and overstatement of capital expenditure as well.
- An amount of ₹ 1,630.61 crore accrued interest on PMGSY Scheme was lying unutilised as on 31 March 2021. This was to be utilised for the same scheme, however, non-utilisation of the same as on date leads to parking of fund.
- Audit noticed that pre-CFMS bank accounts with Nodal Officer are still in existence and there are balances of ₹ 75.12 crore (March 2021) under programme fund of MMGSY and interest was lying in these accounts. This was in contravention of orders of the Finance Department¹⁶. The reason for maintaining the account even after the implementation of CFMS was not intimated by the Department (September 2021).

3.6.1.4 Deferred liability

- For 278 projects of PMGSY as per OMMAS and 11,938 projects of MMGSY completed during 2006-07 to 2020-21, ₹ 83.44 crore and ₹ 1,561.52 crore respectively were not paid to the contractors even after the work was physically complete whereas Department

¹⁶ Letter No. 2575 dated 14.05.2020 of Finance Department, Government of Bihar.

had sufficient fund available in their PL account (September 2021). The reason for deferred liability is awaited from Department.

3.6.1.5 Other Important issues

- Audit observed that an amount of ₹ 41.64 crore drawn through AC Bills during 2015-16 and 2016-17 was lying unadjusted as on 31st March 2021. It was further noticed that the amount drawn through AC Bills was meant for planned activities related to PMGSY and MMGSY projects, which is against the relevant rules of BFR (Bihar Financial Rule) and BTC (Bihar Treasury Code).
- Further, it has been observed that out of ₹ 10.00 crore received/drawn as GIA during 2018-19, utilisation certificates for ₹ 10.00 crore were not submitted (September 2021).

3.6.2 Grant No. 42 “Rural Development Department”

The Rural Development Department, GoB, implements several programs that are for alleviation of rural poverty through creation of infrastructure by generating sustainable employment opportunities for the rural poor. It creates job opportunities and foundation-based infrastructure in rural areas and improve the condition of rural family. The GoB is committed for poverty alleviation through providing building supporting and sustaining institutions for the poor and enhancing their livelihood. There is a program which caters to skill development and promotes opportunities of self-employment for eligible categories of individuals and self-help Groups. Overall development of people through convergence of schemes under multi-dimensional strategy and to increase the employment opportunities in rural areas are aims of the Department.

Grant No. 42 meant for Rural Development Department consists 10 Major Heads (2203, 2215, 2216, 2220, 2501, 2505, 2515, 3451, 3454 and 4515) to operate its financial management during the financial year 2020-21.

A review of the budgetary procedure and control over expenditure was conducted. Summarised financial outlay/provision is detailed in **Table 3.12** below:

Table 3.12: Position of Summarised appropriation

(₹ in crore)

| Sl. No | Budget Estimate | Original provision | Supplementary provision | Total provision (3+4) | Expenditure | Savings (5-6) | Saving as a percentage of total provision |
|--------|-----------------|--------------------|-------------------------|-----------------------|-----------------|-----------------|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| 1 | Revenue | 15,940.28 | 1,890.75 | 17,831.03 | 9,299.16 | 8,531.87 | 47.85 |
| 2 | Capital | 15.01 | 0.00 | 15.01 | 15.00 | 0.01 | 0.07 |
| | Total | 15,955.29 | 1,890.75 | 17,846.04 | 9,314.16 | 8,531.88 | 47.81 |

(Source: Appropriation Accounts of the Rural Development department for the year 2020-21)

Scrutiny of records during audit revealed following:

3.6.2.1 Budgetary process

- An amount of ₹ 8,531.88 crore was saving against the total provision ₹ 17,846.04 crore. Finance department stated that this was due to direct transfer of Central Share of PMAY-G, ₹ 4,798.70 crore to implementing agency resulting in non-utilisation of provisions made in the state budget.

- The budget proposal of Lohiya Swakshata Yojna¹⁷ and Mukhyamantri Gramin Aawas Yojana¹⁸, was enhanced by 100 *per cent* and 4125.10 *per cent* respectively, but the Department failed to make any expenditure under these schemes.
- Out of total provision of ₹ 9,087.58 crore for Pradhan Mantri Aawas Yojana- G (PMAY-G), ₹ 6,208.92 crore for PMAY (G) was budgeted as Central Share. Against the Central share, GoI released only ₹ 1885.32 crore (30.36 *per cent*).
- Out of total provision of ₹ 3,095 crore as central and state share in MGNREGA schemes, only ₹ 2,027.38 crore (66 *per cent*) was spent during the year.

The big gap between total provision and total allotment indicates that budget estimates for the year 2020-21 was done without proper planning. The audit noticed that budget preparation for PMAY(G) was highly unrealistic and inaccurate.

3.6.2.2 Financial Management

- Out of total provision of ₹ 17,846.04 crore, only ₹ 9,314.16 crore was utilised. Thus, saving was ₹ 8,531.88 crore (47.81 *per cent*) out of which only ₹ 671.51 crore (7.87 *per cent*) was surrendered.
- Proper reconciliation was not carried out by the Department, resulting in differences in figures of expenditure of amounting to ₹ 44.88 lakh.
- Out of the total expenditure of ₹ 463.24 crore, an amount of ₹ 218.20 crore¹⁹ (47 *per cent*) was spent in the month of March 2021 under three heads of accounts.
- An amount of ₹ 376.71 crore accrued as interest on PMAY (G)/IAY Schemes was lying unutilised during 2016-17 to 2020-21. This was to be utilised for the same scheme however could not be done as on date leading to parking of fund.

Thus, a substantial amount of savings, parking of funds in bank accounts and expenditure incurred at the fag end of the year indicate the deficient financial management in provisions and expenditure of the budget, and lack of effective budgetary control.

3.6.2.3 Scheme Implementation

- In MGNREGA schemes, where both target and achievement were quantified, there was shortfall by 217 lakh man-days (₹ 268.64 crore²⁰) against the target of 2,500 lakh.

3.6.2.4 Deferred liability

- There was a deferred liability of ₹ 821.61 crore (as per MIS on 22 October 2021) despite having the sufficient savings of ₹ 1,067.62 crore in MGNREGA scheme.
- An interest amount of ₹ 25.42 crore²¹ was liable to be paid against the delay in release of Central Share to implementing agency. Deferred liability enhanced the fiscal deficit to that extent.

¹⁷ In Lohiya Swakshata Yojna, Budget Estimate of ₹ 200.00 crore was approved by the Planning and Development Department, GoB against the demand of ₹ 100.00 crore.

¹⁸ In Mukhyamantri Gramin Aawas Yojna, Budget Estimate of ₹ 422.51 crore was approved by Planning Department against the demand of ₹ 10.00 crore.

¹⁹ R.D. Training Institute: ₹ 1.73 crore (100 *per cent*), NRLM: ₹ 197.25 crore (47 *per cent*) and Block IT Centre: ₹ 19.22 crore (42 *per cent*)

²⁰ At the rate of ₹ 123.80 per day.

²¹ PMAY (G): ₹ 16.51 crore and MGNREGA: ₹ 8.91 crore

3.6.2.5 Other Important Issues

- Against total receipt of ₹ 3,052.79 crore as GIA, UCs amounting to ₹ 1,072.93 crore was still pending for submission (August 2021).
- Details of drawal against AC bill was not available with the Department. However, it is seen that approximately an amount of ₹ 17.17 crore was pending (August 2021).

3.7 Review of specific budget

Women and children, environment, forest, and climate change are the most vulnerable part of a society and public funds meant for them requires more attention, transparency, and logical approach. The State, being a “Welfare State”, understand these requirements very well and prepared Gender Budget, Child Welfare Budget, and Green Budget.

These are reviewed by audit and discussed in preceding paragraphs:

3.7.1 Review of Gender Budget

Gender Budgeting is a part of the GoI’s policies and approach toward women for their overall development. The Ministry of Human Resources Development (MHRD) under GoI issued (October 2004) instructions and guidelines along with checklist to watch modalities and performance of the Gender Budgeting, which seeks to establish accountability and transparency in policy formulation and decision making.

Bihar adopted Gender Budgeting practices in 2008-09, three years after the first Gender Budget statement was presented by the GoI in 2005-06. The Social Welfare Department acts as the nodal department to coordinate and monitor the schemes. A Gender Resource Centre was established in April 2016 and nominated as state-based agency for Gender Budgeting by Social Welfare Department. **Table 3.13** details the allocation under Gender Budget made by the State during five-year period 2016-21.

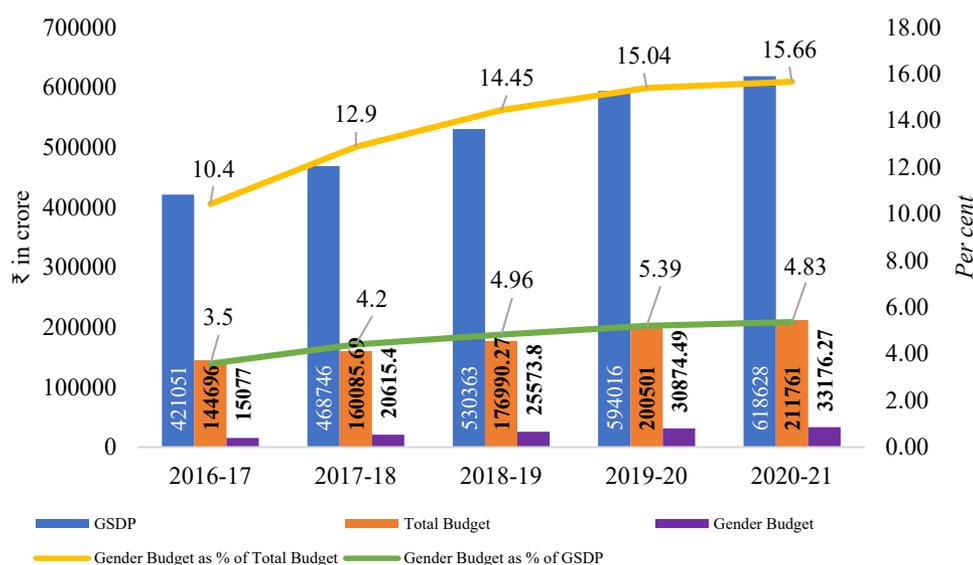
Table 3.13: Total resources allotted under Gender Budget

(₹ in crore)

| Details | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|--|----------|-------------|-------------|-----------|-----------|
| Outlay for women | 15,077 | 20,615.4 | 25,573.8 | 30,874.49 | 33,176.27 |
| Total size of State budget | 1,44,696 | 1,60,085.69 | 1,76,990.27 | 2,00,501 | 2,11,761 |
| Share (%) outlay for women in the state budget | 10.4 | 12.9 | 14.45 | 15.04 | 15.66 |
| Outlay for women as <i>per cent</i> of GSDP | 3.5 | 4.2 | 4.96 | 5.39 | 4.83 |

(Source: Gender Budget for the year 2020-21)

During 2020-21, ₹ 33,176.27 crore was allotted for Gender Budget under 20 Departments. However only 80 schemes, designed to benefit women, were running under 10 Departments. The expenditure was proposed to be incurred within the overall budget on schemes designed to benefit women under Category ‘A’ (100 *per cent* - ₹ 11,901.94 crore for 80 schemes) and Category ‘B’ (at least 30 *per cent* - ₹ 21,274.33 crore for 440 schemes) as detailed in **Appendix 3.18**. The **Chart 3.9** highlights the percentage of gender budget with respect to GSDP and total budget during 2016-21.

Chart 3.9: Gender Budget compared to Budget and GSDP

(Source: Budget and Gender Budget 2020-21)

Financial achievement of the Gender Budget is described in **Table 3.14** below:

Table 3.14: Financial performance of Gender Budget

(₹ in crore)

| Scheme Category | Group (by per cent expenditure) | No of Schemes | Gender Budget BE | Net Budget/Fund available as per AA | Expenditure |
|--------------------|---------------------------------|---------------|------------------|-------------------------------------|------------------|
| A (100%) | Zero | 29 | 2,688.17 | 2,932.69 | (-)0.01 |
| | 01 to 25 | 7 | 213.37 | 213.37 | 26.06 |
| | 26 to 50 | 4 | 4,479.33 | 4,610.26 | 1,961.38 |
| | 51 to 75 | 10 | 131.86 | 139.86 | 83.67 |
| | More than 75 | 30 | 4,389.22 | 5,970.62 | 5,629.58 |
| | Total A | 80 | 11,901.94 | 13,866.79 | 7,700.69 |
| B (at least 30%) | Zero | 97 | 926.81 | 3,017.48 | 0 |
| | 01 to 30 | 22 | 1,727.95 | 3,798.95 | 135.66 |
| | More than 30 | 321 | 18,619.57 | 56,377.74 | 41,136.45 |
| | Total B | 440 | 21,274.33 | 63,194.16 | 41,272.11 |
| Grand Total | | 520 | 33,176.27 | 77,060.95 | 48,972.80 |

(Source: Gender Budget with Appropriation Accounts 2020-21)

A total expenditure of ₹ 48,972.80 crore (₹ 7,700.69 crore for Category A and ₹ 41,272.11 crore for Category B) was made at the end of 2020-21. It shows that most of the expenditure (84 per cent) was made in Category B schemes. This highlights concentration of expenditure towards non-specific provisions and thus the aim to facilitate women through gender budget was not obtained at desired level.

Audit scrutinised the financial data of Gender Budget (Category 'A') with Appropriation Accounts in respect of Rural Development Department (RDD) and Social Welfare Department (SWD) where major schemes were going on. Out of 48 schemes, 17 relates to RDD and 31 relates to SWD, where five and 25 flagship²² schemes were running respectively. **Table 3.15** shows the scrutinised figure of budget and expenditure during 2020-21 under two departments whereas scheme wise details are in **Appendix 3.19**.

²² Flagship schemes mean the main and most important scheme and totally dedicated to women.

Table 3.15: Budget and Expenditure under two Departments(*₹ in crore*)

| Department | Budget | Gender Budget | Category 'A' | Cases | Expenditure | | |
|------------|-----------|---------------|--------------|-------|---|-------------------|-------------------|
| | | | | | No expenditure in schemes (available fund per cent) | Below 50 per cent | Above 50 per cent |
| RDD | 15,320.33 | 12,672.34 | 8,977.92 | 17 | 12 (22.54) | 01 | 04 |
| SWD | 7,130.41 | 4,276.05 | 801.74 | 31 | 08 (1.39) | 05 | 18 |

(Source: Budget Documents)

Audit noticed that departments have not incurred expenditure in 12 and 08 schemes whereas funds were available to the tune of ₹ 2249.95 crore and ₹ 16.20 crore under RDD and SWD respectively.

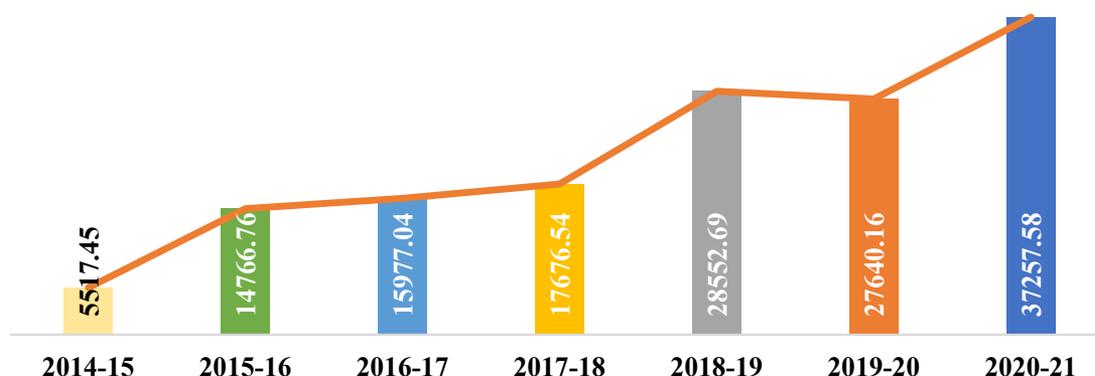
It was also noticed that ₹ 45.06 crore was provisioned in three²³ schemes under Gender Budget but was not found in Appropriation Accounts. Hence, audit could not ascertain the actual expenditure.

The State Government has not reported on the performance of Gender Budget of previous years in the Gender Budget of 2020-21 to gauge the effectiveness of the scheme targets to benefit women. Thus, in the absence of any performance reports/records including the actual expenditure incurred, the effectiveness of the schemes' targets to extend benefits to women under Gender Budgeting could not be ascertained.

3.7.2 Review of Child Welfare Budget

In Bihar, 48 per cent of the total population (4.48²⁴ crore children (2.35 crore Girl child (47 per cent)) fall in the age group of 0 to 18 years. This is the most vulnerable segment of the total population towards which the State Government is committed to allocate public finance for their all-round development. In accordance with the United Nations Convention on the Rights of the Child (NCT) and the National Policy on the Child, 2013 GoB started to prepare/process Child Welfare Budget from the year 2013-14.

The timeline data²⁵ of the State Child Welfare Budget is detailed below:

Chart 3.10: State Child Welfare Budget from 2014-15 to 2020-21(*₹ in crore*)

(Source: Child Welfare Budget of relevant years)

²³ 01-2415017960309-₹ 0.04 crore, 08-2205001020001-₹ 2.12 crore, 48-2217800010101-₹ 42.90 crore.

²⁴ Census 2011 & Child Welfare Budget 2020-21 Government of Bihar.

²⁵ Child Welfare Budgets of the year 2014-15 to 2020-21.

The Child Budget 2020-21 describes further the total provision as in **Table 3.16** below:

Table 3.16: Details of Child Budget from 2018-19 to 2020-21

(₹ in crore)

| Year | Budget | Establishment & Committed | | State Scheme | | Centrally Sponsored Scheme | |
|-------------------------------|-----------|---------------------------|----------|--------------|----------|----------------------------|----------|
| | | Amount | Per cent | Amount | Per cent | Amount | Per cent |
| 2018-19 Actuals | 28,552.69 | 9,043.76 | 31.67 | 3,567.21 | 12.50 | 15,941.71 | 55.83 |
| 2019-20 Actuals ²⁶ | 27,640.16 | 7,594.39 | 27.48 | 4,440.62 | 16.06 | 15,605.16 | 56.46 |
| 2020-21 BE | 37,257.58 | 9,951.78 | 26.71 | 6,425.75 | 17.25 | 20,880.04 | 56.04 |

(Source: Child Welfare Budgets of the year 2020-21)

Out of 209 schemes detailed in the Child Welfare Budget, only 125 were found reported in the Achievement Report 2020-21. As per Approved Appropriation Accounts, it was noticed that in 144 schemes (69 per cent) expenditure was below 80 per cent. Financial achievement against the budget provisions under Child Welfare Budget were in **Table 3.17** below:

Table 3.17: Financial performance of Child Welfare Budget

(₹ in crore)

| SL | Group | No. of Schemes | Net Budget (DAA) | Expenditure (DAA) |
|----|--------------|----------------|------------------|-------------------|
| 1 | 81-100 | 65 | 25,018.18 | 23,474.61 |
| 2 | 61-80 | 36 | 5,065.04 | 3,569.72 |
| 3 | 41-60 | 18 | 3,599.93 | 1,879.44 |
| 4 | 21-40 | 18 | 8,301.45 | 2,973.35 |
| 5 | 00-20 | 24 | 1,889.66 | 53.52 |
| 6 | Zero | 48 | 2,958.33 | -0.01 |
| | Total | 209 | 46,832.60 | 31,950.63 |

(Source: Child Welfare Budgets and Appropriation Accounts of the year 2020-21)

It is evident from the above table that no expenditure was incurred for 48 schemes despite a fund of ₹ 2,958.33 crore being available. An expenditure of ₹ 53.52 crore (2.83 per cent) was incurred for 24 schemes whereas ₹ 1,889.66 crore was available. It shows that the Child Welfare Budget was prepared just as an exercise on paper rather than being enablers for children welfare.

State government stated that the Child budgeting was not an isolated exercise. It was just a collection of allocations made for children from the main budget.

3.7.3 Review of Green Budget

Green budgeting means using the tools of budgetary policymaking to help achieving environmental and climate goals.

Bihar is an agrarian state, and the agro-forestry plays a major role in its economy besides, other issues related to environment and climate change are also vital. The state presently has 6845 sq km notified natural forest area which is 7.27 per cent of the geographical area of the State.

Bihar is the first state in the country to prepare and exercise green budgeting in line with GoI. As there is no fixed rule or parameter for preparation of Green Budget, the state compiled the expenditures to be incurred on these components across the departments. Summarised Green Budget provisions are as below in **Table 3.18**.

²⁶ Child Welfare Budget 2021-22

Table 3.18: Green Budget provision during 2020-21*(₹ in crore)*

| Sl. No. | Details | 2020-21 BE ²⁷ |
|---------|---|--------------------------|
| 1 | Budget Estimates of the state for the year | 2,11,761.49 |
| 2 | Total Provision of the 19 Departments related to Green Budget | 81,176.46 |
| 3 | Total provision in heads related to Green Budget of these 19 departments | 27,162.85 |
| 4 | Green Budget | 5,693.88 |
| 5 | Total provision of the departments includes in Green Budget (in <i>per cent</i>) (Sl. 4 / Sl. 2 X 100) | 7.01 |
| 6 | Green Provision out of Heads related to the Green Budget (in <i>per cent</i>) (Sl. 4 / Sl. 3 X 100) | 20.96 |

(Source: Green Budget for the year 2020-21)

Scrutiny revealed that total 231 schemes across 19 departments comprising of ₹ 5,693.88 crore has been included in the Green Budget 2020-21 as detailed in **Appendix 3.20**.

It was noticed that out of 66 schemes categorised as Group “A” with 100 *per cent* allocation, in only 10 schemes (eight of Environment, Forest & Climate Change Department, one of Public Health Engineering Department and one of Rural Development Department) 80 to 100 *per cent* of the allocation was utilised, in 14 schemes 50 to 80 *per cent*, and in 29 schemes upto 50 *per cent* of the allocation was utilised. However, in 13 schemes no expenditure was incurred during the year.

Further group wise performance of the schemes is detailed in **Table 3.19** below:

Table 3.19: Performance of schemes under Green Budget*(₹ in crore)*

| Group | Share | No. of Schemes | | As per Appropriation Accounts | | | Achievement in <i>per cent</i> |
|-------|--------|----------------|--------------------|-------------------------------|------------------|---|--------------------------------|
| | | Green Budget | Achievement Report | Schemes | Net Budget | Expenditure | |
| A | 100% | 66 | 41 | 64 | 1,873.80 | 672.93 | 35.91 |
| B | 75-90% | 10 | 8 | 10 | 152.50 | Could not be ascertained as specific items under defined percentage including budget & expenditure their-against was not available. | N.A. |
| C | 50-75% | 37 | 31 | 37 | 3,949.93 | | |
| D | 25-50% | 29 | 27 | 29 | 733.34 | | |
| E | 05-25% | 53 | 34 | 53 | 7,372.52 | | |
| F | 01-05% | 36 | 30 | 36 | 17,566.04 | | |
| | | 231 | 171 | 229 | 31,648.12 | | |

(Source: Green Budget with appropriation Account for the year 2020-21)

Thus, in the absence of any specific performance reports/records including the actual expenditure incurred, the effectiveness of the schemes could not be ascertained in audit. During analysis, it was seen that the Green Budget, Appropriation Accounts and Achievement Reports were not in conformity and due to this audit could not ascertain the exact performance against each scheme.

3.7.4 Review of Outcome Budget and Achievement Report thereon

The objective of the Outcome Budget was to establish a co-relationship between the financial budget and performance budget and to track not just the intermediate physical outputs but also the outcomes. Outcome Budget and Achievement Report initiative showing significant possible physical result through financial request by the Government was started in 2006-07. This is such a means by which the utility of expenditure can be assessed by reviewing after

²⁷ Green Budget for the year 2020-21.

expenditure. It provides information about possible outcomes to the public and can ensure transparency and accountability of the government in its financial dealings. Outcome budget determines the physical feature in relation to the amount spent by the Government, the same Achievement Report presents the achievements against the targets.

Audit undertook an exercise to assess whether the various orders and instructions relating to preparation of outcome budget had been followed to enable it to serve its intended purpose and achieve the target as set by the Government.

A review of the Outcome Budget was conducted with the objective of ascertaining:

- Whether applicable laws, rules and regulations made there under and various orders and instructions issued by the competent authority for preparation of Outcome Budget were complied with; and
- Whether there were inconsistencies in reporting of physical targets and whether data was reliable.

Review of Outcome Budgets for the year 2020-21 of two departments i.e. Rural Works Department and Rural Development Department were selected for examination in audit. In addition, an analysis of the financial outlays and achievement of physical targets of two centrally sponsored schemes/programmes i.e. PMGSY under RWD and PMAY under RDD was also carried out. The audit findings are discussed in the succeeding paragraphs.

3.7.4.1 Deviation from Government instructions

As per the guidelines issued by the MoF, GoI, the Outcome Budget has to be prepared in a manner that it contains Executive Summary, Introduction, Statement of Budget Estimates, Reform measures and policy initiative, Review of past performance and financial review.

Finance Department issued Circular for Budget Preparation, containing Appendix-XII for preparation of outcome budget by the departments each year. This format lacked above said requirement except statement of Budget Estimate. Information regarding Normal Savings resulting from economic use of resources, utilisation certificate in execution of schemes and surrender due to obsolete and the funds are no more required were absent.

3.7.4.2 Financial and Physical Outlays vis-à-vis Outcome Budget

A. Grant no. 37: Rural Works Department

Out of 17 schemes, only 12 schemes featured in Outcome Budget and Achievement Report for the year 2020-21. The financial achievement is detailed in **Table 3.20** below:

Table 3.20: Financial Achievement against the budget provision

(₹ in crore)

| Sl. No. | Name of the Scheme | Net Budget AA | Expenditure AA | Percent Achievement | Financial Achievement as per Achievement Report | Deposit in 8443 - 8448 | Actual Expenditure |
|---------|-------------------------------------|---------------|----------------|---------------------|---|------------------------|--------------------|
| 1 | Bihar Rural Path Development agency | 10.00 | 10.00 | 100.00 | 10.00 | 10.00 | - |

| Sl. No. | Name of the Scheme | Net Budget AA | Expenditure AA | Percent Achievement | Financial Achievement as per Achievement Report | Deposit in 8443 - 8448 | Actual Expenditure |
|--------------|--|-----------------|-----------------|---------------------|---|------------------------|--------------------|
| 2 | Establishment of Various Offices of Rural Works Department | 185.00 | 122.25 | 66.08 | 122.42 | 0.00 | 122.25 |
| 3 | Mukhya Mantri-Gram Sampark Yojana | 611.72 | 529.32 | 86.53 | 529.32 | 529.32 | 0.00 |
| 4 | Mukhya Mantri Gram Sampark Yojana | 1,392.04 | 1,228.34 | 88.24 | 1,228.34 | 1,228.34 | -0.00 |
| 5 | Pradhan Manti Gram Sadak Yojana (PMGSY) | 333.00 | 233.13 | 70.01 | 233.13 | 233.13 | 0.00 |
| 6 | Rural Development Projects (NABARD Aided Scheme) | 300.00 | 93.00 | 31.00 | 93.00 | 68.00 | 25.00 |
| 7 | Mukhya Mantri Gram Sampark Yojana | 96.19 | 96.19 | 100.00 | 96.19 | 96.19 | - |
| 8 | Gramin Tola Sampark Nishchaya Yojana | 500.00 | 415.00 | 83.00 | 415.00 | 415.00 | - |
| 9 | Chief minister village Connectivity plan (NDB) | 700.00 | 455.00 | 65.00 | 455.00 | 455.00 | - |
| 10 | Mukhya Mantri Gram Sampark Yojana (World Bank Aided) | 300.00 | 201.00 | 67.00 | 201.00 | 201.00 | - |
| 11 | Pradhan Manti Gram Sadak Yojana (PMGSY) | 5,086.00 | 1.13 | 0.02 | 1.13 | 1.13 | - |
| 12 | Minimum Needs Programme | 105.05 | 49.83 | 47.43 | 49.75 | - | 49.83 |
| Total | | 9,619.00 | 3,434.18 | 35.70 | 3,434.27 | 3,237.10 | 197.07 |

(Source: Appropriation Account, Achievement Report and VLC data for the year 2020-21)

As evident from the table above

- against the total provision of ₹ 9,619.00 crore, only ₹ 3,434.18 crore (₹ 3,434.27 crore as per achievement report) has been spent which is equal to 35.70 per cent of total provision.
- It is also noticed that ₹ 3,237.10 crore (94.26 per cent) was parked in the Heads 8443 & 8448 against the total ₹ 3,434.18 crore expenditure. Audit could not ascertain that out of the total amount in the deposit Head, how much was actually spent during the financial year 2020-21.
- Out of 12 schemes mentioned above, 100 per cent parking was done in 9 schemes.
- During scrutiny of financial and physical outlays of flagship programme PMGSY as depicted in **Table 3.21**.

Table 3.21: Financial & Physical outlays of PMGSY*(₹ in crore)*

| Year | BE | RE | Actual | Variation over BE (in per cent) | Sanctioned works | Achievement against sanctioned work |
|---------|----------|----------|----------|------------------------------------|---------------------|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 2016-17 | 3,540.00 | 5,000.00 | 3,276.24 | 263.76 (7.45) | 2,003 | 1,882 |
| 2017-18 | 5,500.00 | 4,633.00 | 1,539.64 | 3,960.36 (72.01) | 850 | 682 |
| 2018-19 | 5,285.66 | 200.00 | 1,789.59 | 3,496.07 (66.14) | 531 | 431 |
| 2019-20 | 5,286.66 | 540.00 | 1,172.87 | 4,113.79 (77.81) | 351 | 207 |
| 2020-21 | 5,419.00 | 5,419.00 | 1,680.60 | 3,738.40 (68.99) | 468 | 0 |

Figures in parentheses indicate variation in percentage
(Source: Data provided by the department.)

Scrutiny of the financial as well as physical targets vis-à-vis achievements of the programmes revealed that there was no direct co-relation between financial outlays with physical targets. In PMGSY, actual expenditure was 7.45 per cent to 77.81 per cent less than BE during 2016-17 to 2020-21. Due to reduction of RE during 2017-18, 2018-19 and 2019-20, the shortfall of actual expenditure to BE was also seen.

B. Grant No. 42: Rural Development Department

All 29 schemes featured in Outcome Budget was included in the Achievement Report for the year 2020-21. The scheme wise financial achievement (irrespective for bill code) is detailed in Table 3.22 below:

Table 3.22: Financial achievement against the budget provision*(₹ in crore)*

| Sl. No. | Name of the Schemes compiled | Net Budget AA | Expenditure AA | Financial Achievement as per Achievement Report |
|---------|---|------------------|-------------------|--|
| 1 | Bihar Rural Development Training Institution | 3.90 | 1.73 | 1.73 |
| 2 | Bihar Rural Livelihood Project | 423.40 | 334.49 | 334.49 |
| 3 | Continuous livelihood plan | 150.00 | 97.50 | 97.50 |
| 4 | Development Management Institute | 12.01 | 3.96 | 3.96 |
| 5 | District Rural Development Agency | 56.00 | 19.05 | 15.48 |
| 6 | Headquarter Establishment | 6.00 | 4.31 | 4.31 |
| 7 | Indira Awas Yojna (IAY) | 7,309.16 | 4,727.48 | 4,727.48 |
| 8 | Integrated strengthening to Bihar Unitary Social Security Project (EAP) | 34.59 | 34.59 | 34.59 |
| 9 | Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) | 3,094.96 | 2,027.38 | 2,027.38 |
| 10 | National Rural Livelihood Mission (NRLM) | 1,724.00 | 1,039.17 | 1,039.17 |
| 11 | Swachhh Bharat Mission | 2,024.97 | 656.72 | 656.72 |
| 12 | Swarna Jayanti Gram Swarajgar Yojana-Headquarter Establishment | 3.00 | 0.70 | 0.70 |
| 13 | Water life green mission | 8.42 | 7.06 | 7.06 |
| 14 | Water life greenery | 5.00 | 1.00 | 1.00 |
| | Total | 14,855.41 | 8,955.14 | 8,951.57 |

(Source: Appropriation Accounts, Achievement Report for the year 2020-21)

As evident from the table above:

- Against the total provision of ₹ 14,855.41 crore, only ₹ 8,955.14 crore (₹ 8,951.57 crore as per achievement report) has been reported spent which is equal to 60.28 *per cent* of total provision.
- Scrutiny of achievement report, Outcome budget and other related records revealed that there was no quantified target in 15 head of accounts under three schemes such as Swachchh Bharat Mission, NRLM and Bihar Gramin Jivikoparjan. However, achievement was quantified in the achievement report.
- In MGNREGA scheme, where both target and achievement were quantified, there was shortfall by 217 lakh man-days against the target of 2,500 lakh man-days.

Scrutiny of financial and physical outlays of flagship programme PMAY as depicted in Table 3.23.

Table 3.23: Financial and physical outlays of PMAY

(₹ in crore)

| Year | BE | RE | Actual | Variation over BE (in per cent) | No. of units sanctioned | Achievements (No.) |
|---------|----------|----------|----------|------------------------------------|----------------------------|-----------------------|
| 2016-17 | 2,132.08 | 5,848.89 | 3,459.93 | 1,327.85 (62.27) | 6,37,658 | 5,62,009 |
| 2017-18 | 5,821.27 | 4,367.27 | 1,004.28 | (-4,816.99 (82.74) | 5,38,959 | 4,57,363 |
| 2018-19 | 6,411.28 | 5,555.73 | 5,293.28 | (-1,118.00 (17.43) | 0 | 0 |
| 2019-20 | 5,900.00 | 8,432.56 | 5,390.93 | (-509.07 (8.62) | 13,02,259 | 935,478 |
| 2020-21 | 8,127.99 | 9,087.58 | 4,728.52 | (-3,399.47 (41.82) | 7,82,102 | 1,07,351 |

Figures in parentheses indicate variation in percentage
(Source: Data provided by the department.)

Scrutiny of the financial as well as physical targets vis-à-vis achievements of the programmes revealed that there was no direct co-relation between financial outlays with physical targets. In PMAY, actual expenditure was nine *per cent* to 83 *per cent* less than BE during 2017-18 to 2020-21 except 62 *per cent* more than BE in 2016-17. Reason for zero achievements during 2018-19 is awaited from the Department.

3.7.4.3 Reliability of Data

Web-based online system are one of the tools to monitor programme implementation. The Integrated Management Information System (IMIS) is a comprehensive web-based information system, which enables the States and the Centre to monitor the progress of implementation of the programme. Audit observed the following:

A PMGSY**Table 3.24: Discrepancy in Outcome Budget and OMMAS²⁸**

| As per Budget Outcome/Achievement Report | | | | As per OMMAS | | | % increase in target of Outcome Budget comparing to OMMAS Report |
|--|-------------|------------------|-----------|--------------|------------------|-----------|--|
| Year | Target (KM) | Achievement (KM) | Shortfall | Target (KM) | Achievement (KM) | Shortfall | |
| 2018-19 | 5,800 | Not Available | -- | 3,960 | 3,199.59 | 760.41 | 46.46 |
| 2019-20 | 4,500 | 691 | 3,809 | 3,370 | 406.35 | 2,963.65 | 33.53 |
| 2020-21 | 3,600 | 1805 | 1,795 | 2,600 | 1,806.14 | 793.86 | 38.46 |

(Source: Rural Works Department, GoB)

As can be seen from table, there is a large difference between targets of PMGSY as defined in Outcome Budget Report and OMMAS (MIS report) report over the last five years. The variation ranges from 33.53 per cent to 46.46 per cent. However, achievement of PMGSY was almost similar in both reports. But against the set target in both reports, achievement is much closer to OMMAS report even though only 69.67 per cent target could be achieved indicating that preparation of target mechanism shown in Budget outcome report as well as in OMMAS report is far away from reality.

B PMAY-G**Table 3.25: Discrepancy in Outcome Budget and IMIS Report**

| Year | As per outcome budget ²⁹ (No. of habitations) | | | As per IMIS ³⁰ (No. of habitations) | | |
|---------|---|-------------|------------------|---|-------------|--------------------------|
| | Target | Achievement | Shortfall | Target | Achievement | Shortfall |
| 2016-17 | 6,37,658 | 1,72,821 | 4,64,837 | NA | 1 | Could not be ascertained |
| 2017-18 | 5,38,959 | 1,39,839 | 3,99,120 | NA | 28,135 | |
| 2018-19 | NA | NA | NA | NA | 5,81,832 | |
| 2019-20 | 8,00,000 | 1,11,540 | 6,88,460 | NA | 3,76,220 | |
| 2020-21 | 7,00,000 | 8,90,264 | 1,90,264 surplus | NA | 9,42,626 | |

(Source: Achievement Report & pmay.nic.in)

As evident from above table, a large difference between target and achievement of PMAY in outcome budget Report and Awas soft (MIS report) report during the period 2016-21. The target related information was not given in Awas soft. However, the achievement of the schemes didn't match with the achievement of the Department. In absence of data, audit couldn't verify the data between two kind of reports. The reliability of data was questionable.

3.7.4.4 Advantage/shortfall in CFMS

The purpose of CFMS is to provide greater transparency to the Government functioning at various levels and track funds up to the last level thus minimising intermediary delays and provide direct benefit to the beneficiaries.

Audit noticed that after implementation of two years, CFMS has not overcome the issues, which were noticed in pre CFMS era like unrealistic budget preparation (Para 3.3.4), misclassification of revenue to capital and others (Para 2.4.4.1).

²⁸ Online Management, Monitoring and Accounting System (OMMAS) a tool to manage and monitor the physical and financial progress of work done by the BRRDA

²⁹ Outcome Budget with Achievement Reports

³⁰ PMAY site maintained by NIC (pmay.nic.in)

3.7.4.5 Conclusion

Outcome Budget of GoB did not give information about normal savings resulting from economic use of the resources, current position of outstanding utilization Certificate and unspent balances with department. Physical output targets were not fixed in a realistic manner. There were data discrepancies that undermined the utility of the Outcome Budget as an instrument to measure outcomes expected from the financial outlays being made.

However, deviations from the guidelines on preparation of Outcome Budget undermined this fundamental objective. There was no direct co-relation between financial outlay and physical outcomes; achievements within the same budgetary allocation were less as compared to targets; there was discrepancy in depiction of targets figures of the programmes between outcome Budgets and Web-based online system; and monitoring of progress of implementation of programmes through Web based online system suffered from data unreliability.

Audit observed that this exercise was done without proper due diligence and thus the targeted recipients could not be benefitted much as required by presenting the Outcome Budget.

3.8 Recommendations

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

- ensure that all anticipated savings are surrendered on time so that the funds can be utilised for other development purposes.
- review the reasons for persistent savings and take necessary steps to avoid such situations to ensure optimum utilisation of the amount allocated.
- agree to Re-appropriation proposals from grant controlling officers only if the trend of expenditure warrants these.
- ensure timely surrender of funds and evolve a system of timely budgetary releases to departments to minimise the surrenders.
- frame rules to control the rush of expenditure during the fag end of the financial year.
- devise a Management Information System (MIS) which helps in bringing out the unspent amount of AC bills drawn at DDOs level who draw funds and fail to transfer unspent balances to Consolidated Fund before the closure of the financial year.
- The Finance Department should insist that the respective departments to submit performance reports for Gender Budgeting/ Child Welfare Budgeting/ Green Budgeting and Outcome Budget so as to bring about transparency in public spending and attain its objective of welfare state.

CHAPTER IV
QUALITY OF ACCOUNTS AND
FINANCIAL REPORTING PRACTICES

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

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

Issues related to completeness of Accounts

4.1 Funds outside Consolidated Fund or Public Account of the State

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

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

Collection of levies

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

• Building and Other Construction Workers Welfare Cess:

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

The Departments booked the collection of Labour Cess under Major Head 8443-Civil Deposit-108-Public Works Deposits, which contains many other receipts apart from Labour Cess. Consequently, the amount of Labour Cess collected by various Departments could not be ascertained. A separate Sub-Head (8443-00-108-0004) was opened by the Government in June 2019 for the booking of Labour Cess collected by various Departments executing projects involving labour. As per Finance Accounts 2020-21, an amount of ₹ 116.97 crore was credited, and ₹ 31.44 crore was debited leaving a balance of ₹ 85.53 crore as on 31.03.2021. However, BOCW has stated that ₹ 329.96 crore was collected through labour cess and expenditure of ₹ 540.01 crore (including expenditure on

schemes and establishment) was incurred during 2020-21. However, closing balance of ₹ 1,175.64 crore, deposited in scheduled commercial bank, was not reflected in Finance Accounts 2020-21. As details were not provided by BOCW, audit could not comment on the difference in figures of collection.

• Bihar District Mineral Foundations (BDMF):

It has been formed as per powers conferred by sub-section (4) of Section 15A read with section 9B of the Mines and Minerals (Development and Regulation) Act, 1957 (Act 67 of 1957), as amended in 2015 for the interest and benefit of persons and areas affected by mining-related operations. Funds are collected from the holders of mineral concessions at the rates specified by the Government. The Funds are utilised as per ‘Pradhan Mantri Khanij Kshetra Kalyan Yojana’. An amount of ₹ 61.75 crore has been collected from 2018-19 to 2020-21, of which ₹ 23.12 crore pertains to 2020-21. However, this figure was not accounted for in the Finance Accounts of the respective years but deposited in scheduled commercial bank. Hence, audit could not ascertain the actual fund position.

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

The Government has a liability to provide and pay interest on the Interest-bearing Deposits as detailed in Table 4.1.

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

(₹ in crore)

| Sl. No. | Name of the Interest-bearing deposit | Balance as on 01 April 2020 | Interest due | | Interest paid |
|--------------|--|-----------------------------|---------------|-----------------|---------------|
| | | | Due | Rate (per cent) | |
| 1. | 8342- Other Deposits-117- Defined Contribution Pension Scheme for Government Employees | 349.85 | 27.76 | 7.1 | Nil |
| 2. | 8011- Insurance and pension funds 106- Other Insurance and Pension Funds | 41.12 | | | Nil |
| 3. | 8121-129- State Compensatory Afforestation Fund (SCAF) | 522.95 | 17.78 | 3.4 | Nil |
| 4. | 8009-101- General Provident Fund | 10,322.15 | 732.87 | 7.1 | 450.00 |
| 5. | 8009-104- All India Services Provident Fund | 243.30 | 17.27 | 7.1 | 13.50 |
| Total | | | 795.68 | | 463.50 |

(Source: Finance Accounts 2020-21)

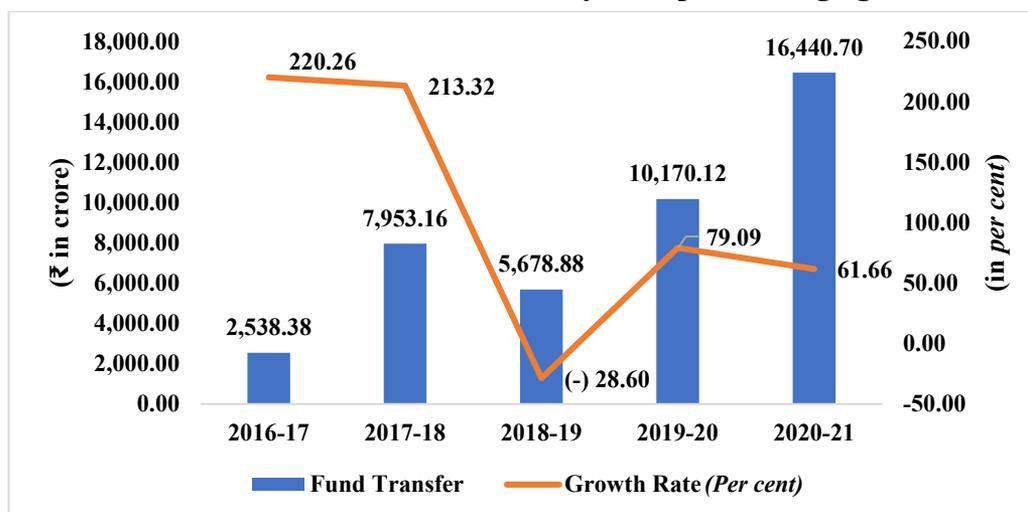
The Government had not earmarked funds to the tune of ₹ 332.18 crore (₹ 795.68 - ₹ 463.50) for interest liability towards Interest-bearing Deposits. Thus, there was an understatement of ₹ 332.18 crore on Revenue deficit and Fiscal deficit due to under provisioning of interest liability of the Government.

4.3 Funds transferred directly to State implementing agencies

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

During 2020-21, GoI had directly transferred ₹ 16,440.70 crore to the State implementing agencies which was 61.66 per cent more than the previous year (₹ 10,170.12 crore). Trends of such transfers directly to implementing agencies during the last five years are given in Chart 4.1.

Chart 4.1: Transfer of funds directly to implementing agencies



(Source: Finance Accounts for the respective years)

Information was called in respect of utilisation of funds received under different schemes³¹ from six implementing agencies, however, no information made available to audit by any of these agencies.

4.4 Deposit of Local Funds

State Panchayati Raj Act provides that Zila Parishad (ZP), Panchayat Samiti (PS) and Gram Panchayat (GP) would maintain ZP fund, PS fund and GP fund respectively (under Major Head 8448-Deposits of Local Funds-109-Panchayat Bodies Funds). These would include all the moneys realised or realisable under the Act and all moneys otherwise received by the Panchayati Raj Institutions (PRIs), such as grants received from Central Finance Commission and State Government as part of the State Finance Commission award and its own revenue, which includes tax and non-tax receipt of a Panchayat. The Municipal Act also envisages that the Municipal Fund is to be held by the Municipality. All moneys realised or realisable under this Act and all moneys otherwise received by the Municipalities are kept in the Municipal Fund under the Major Head 8448- Deposits of Local Funds-102-Municipal Funds. Deposits of Local Funds under Municipal Fund and Panchayat Bodies Fund are as detailed in Table 4.2.

Table 4.2: Deposits of Local Funds

| Year | | | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|------------------------------|-----------------|---|----------|----------|----------|----------|----------|
| Municipal Fund (8448-102) | Opening Balance | 1 | 1,738.35 | 2,330.64 | 2,742.77 | 3,307.66 | 3,743.56 |
| | Receipt | 2 | 2,122.51 | 1,968.32 | 2,712.09 | 2,469.66 | 3,913.13 |
| | Expenditure | 3 | 1,530.22 | 1,556.19 | 2,147.20 | 2,033.77 | 2,622.90 |
| | Closing Balance | 4 | 2,330.64 | 2,742.77 | 3,307.66 | 3,743.56 | 5,033.79 |

³¹ MP's Local Area Development Scheme under Planning & Development Department, Pradhan Mantri Swasthya Suraksha Yojna under AIIMS, Patna, Pradhan Mantri Kisan Samman Nidhi (PM-Kisan) under Agriculture Department.

| Year | | | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|-----------------------------------|-----------------|---|---------|---------|---------|---------|---------------|
| Panchayat Bodies Fund* (8448-109) | Opening Balance | 5 | 140.38 | 434.93 | 631.61 | 650.49 | 754.98 |
| | Receipt | 6 | 650.99 | 695.52 | 735.54 | 374.78 | 556.49 |
| | Expenditure | 7 | 356.44 | 498.84 | 716.67 | 270.29 | 458.89 |
| | Closing Balance | 8 | 434.93 | 631.61 | 650.49 | 754.98 | 852.58 |

*Zila Parishad and Panchayat Samiti fund included

(Source: Finance Accounts of the respective years)

Audit observed that over the last several years, the GoB has been transferring amounts from Consolidated Fund to Public Account (Deposit accounts specifically), by debiting revenue and capital major heads of accounts. The amounts so transferred are taken as expenditure for the year in the accounts when actual expenditure may or may not have occurred during the year. Over the years, the balance that has been accumulated in the deposit account (MH 8448) stands at ₹ 28,573.60 crore (depicted in **Table 4.3**), by the end of FY 2020-21, which has already been depicted as revenue or capital expenditure in the respective years but are lying unspent in the deposit head. Audit noticed that Panchayati Raj Department and Urban Development Department were among the major defaulting departments in submitting the UCs as discussed in Para No. 4.5. Apart from transfer from revenue and capital heads, it was also observed that ₹ 605.79 crore from Loans and Advances and ₹ 276.69 crore from receipt head have also been transferred to deposit heads. The reason for transfer from Loan and Advances heads and receipt heads could not be ascertained due to absence of reply from the Finance Department.

Table 4.3: Trend analysis of Transfer of fund to Deposit of Local Funds

(₹ in crore)

| Year | Revenue | | | Capital | | | Total | Closing Balance of 8448 |
|---------|---|-------------------------------|----------------------|---|----------------------------|----------------------|---------|-------------------------|
| | Revenue expenditure as per Finance Accounts | Amount transferred to MH 8448 | Percentage of Amount | Capital expenditure as per Finance Accounts | Amount transferred to 8448 | Percentage of Amount | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 (3+6) | |
| 2016-17 | 94,765 | 6,007 | 6.34 | 27,208 | 14,862 | 54.62 | 20,869 | 13,110.29 |
| 2017-18 | 1,02,624 | 7,135 | 6.95 | 28,907 | 15,069 | 52.13 | 22,204 | 21,728.33 |
| 2018-19 | 1,24,897 | 9,306 | 7.45 | 21,058 | 13,606 | 64.61 | 22,912 | 23,181.78 |
| 2019-20 | 1,26,017 | 14,531 | 11.53 | 12,304 | 11,314 | 91.95 | 25,845 | 24,942.26 |
| 2020-21 | 1,39,493 | 11,876 | 8.51 | 18,209 | 9,167 | 50.34 | 21,043 | 28,573.60 |

(Source: Finance Accounts for the respective years)

A trend analysis revealed that from 2016-17 to 2020-21, the revenue expenditure of Local Funds had risen by 47 per cent while the capital expenditure had reduced by 33 per cent. This is in alignment with the expenditure at state level where the revenue expenditure had risen from 89.75 per cent to 108.84 per cent while the capital expenditure had fallen from 125.96 per cent to 49.57 per cent during the same period.

It was also revealed that funds booked under capital expenditure that were transferred to Major Head-8448 ranged from 50 per cent to 92 per cent whereas that under revenue expenditure ranged from 6 per cent to 12 per cent during the last five years, leading to parking of funds. Funds parked in Public Account indicate overstatement of actual capital expenditure incurred.

There were 260 PL Accounts (including seven new PL Accounts) having balance of ₹ 28,376.52 crore, as on 31 March 2021. Further, 18 PL Accounts were not migrated in CFMS which had a balance of ₹ 5.87 crore.

Out of the 260 accounts, there were 13 PL Accounts with a balance of ₹ 6.22 crore, with no transactions for more than five years.

There were 14 PL Accounts in which discrepancies were found between the closing balance of 2018-19 and the opening balance of 2019-20. The discrepancy of ₹ 5.82 crore hasn't been resolved till September 2021. Moreover, difference of ₹ 650.00 crore was noticed in the closing balance of 2019-20 and the opening balance of 2020-21 in one PL Account of Bihar Rajya Pul Nirman Nigam under Road Construction department.

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

Issues related to transparency

4.5 Delay in the submission of Utilisation Certificates (UCs)

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

Year wise break-up of outstanding UCs is depicted in the **Table 4.4**.

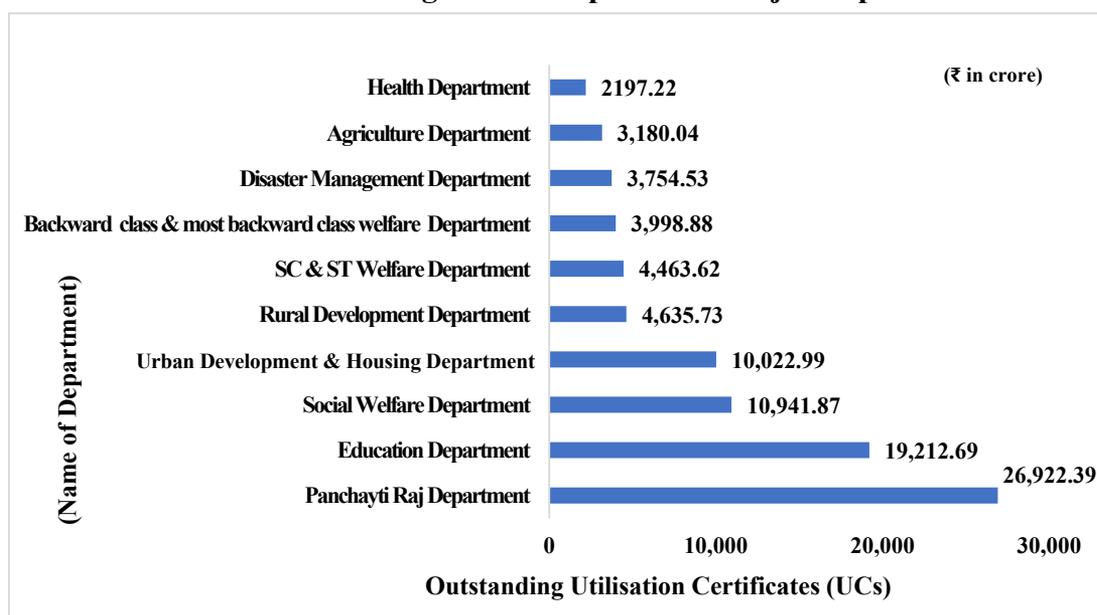
Table 4.4: Year-wise break up of outstanding UCs

| Year* | Number of UCs | Amount |
|--------------|---------------|------------------|
| Upto 2018-19 | 2,633 | 49,853.07 |
| 2019-20 | 645 | 26,922.62 |
| 2020-21 | 608 | 15,911.62 |
| Total | 3,886 | 92,687.31 |

(Source: Finance Accounts, 2020-21)

* The year mentioned above relates to "Due year" i.e. after 18 months of actual drawal.

Major defaulting Departments were Panchayati Raj Department (₹ 26,922.39 crore), Education Department (₹ 19,212.69 crore), Social Welfare Department (₹ 10,941.87 crore), Urban Development and Housing Department (₹ 10,022.99 crore), Rural Development Department (₹ 4,635.73 crore) etc., as depicted in **Chart 4.2**.

Chart 4.2: Outstanding UCs in respect of 10 major Departments

(Source: Finance Accounts, 2020-21)

While examining Grant No. 42 – Rural Development Department (RDD), it was observed that in some cases, further grant was released subject to submission of UCs within three months. However, the UCs were outstanding beyond that period also.

Out of total GIA of ₹ 54,928.98 crore paid by the Government, ₹ 10,273.35 crore was incurred on creation of Capital Assets during 2020-21. During exit conference on SFAR 2020-21, Finance Department stated that necessary action would be taken for sorting out of utilisation certificates.

Though such instances of non-submission of UCs feature in the reports of C&AG regularly, there has been no improvement in the situation. In many cases, the same recipients continue to receive further grants from the same departments, even while the UCs for earlier grants are pending. High pendency of UCs is fraught with the risk of misappropriation of funds and fraud.

Non-submission of the UCs means that the authorities have not explained how funds were spent over the years. There is also no assurance that the intended objectives of providing these funds have been achieved.

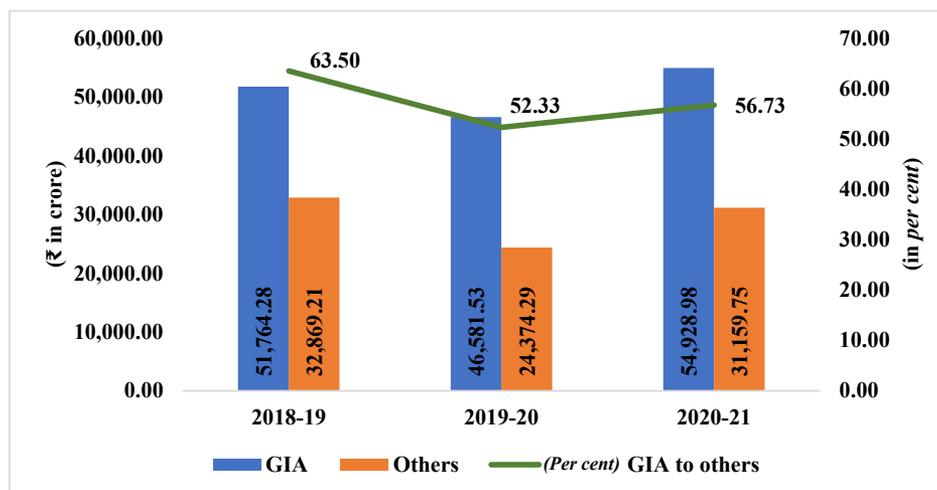
4.5.1 Recording of grantee institution as “Others”

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

During scrutiny, it was observed that the sanctioned amount of GIA and UCs thereof have been recorded in VLC System and department-wise monitoring was done through VLC

System. It was also observed that ₹ 31,159.75 crore (56.73 per cent) was recorded as ‘Others’ out of total GIA amounting to ₹ 54,928.98 crore during 2020-21 (Appendix-III, Finance Accounts, 2020-21). The trend of percentage of GIA shown under type “Others” to total GIA for the last three years is shown in **Chart 4.3**.

Chart 4.3: Recording of grantee institutions as “Others”



(Source: Finance Accounts for the respective years)

It is essential that the Government provides the details and nature of the Grantee Institution to which it is providing funds. In the absence of proper code, outstanding amounts against all institutions could not be worked out, which affects the transparency of Accounts.

4.6 Abstract Contingent (AC) Bills

Rule 177 of Bihar Treasury Code (BTC), 2011 provides that a certificate shall be furnished by the Drawing and Disbursing Officer (DDO) to the effect that money withdrawn on the contingent bill shall be spent within the same financial year and that unspent amount shall be remitted to the Treasury before 31 March of the year. Further, as per Rule 194 of the BTC, 2011, countersigned Detailed Contingent (DC) Bill shall be submitted within six months, following the month in which the abstract contingent bill was drawn and no abstract contingent bill shall be cashed after the end of the period of six months unless the detailed contingent bill has been submitted. Year-wise progress in the submission of DC bills against the AC bills is depicted in **Table 4.5**.

Table 4.5: Year-wise progress in the submission of DC bills against the AC bills

(₹ in crore)

| Year | Opening Balance | | Addition | | Clearance | | Closing Balance | |
|---------------|-----------------|----------|----------|----------|-----------|-----------|-----------------|-----------|
| | No. | Amount | No. | Amount | No. | Amount | No. | Amount |
| Up to 2018-19 | 1,05,710 | 48,335 | 0 | 0 | 91,203 | 43,940.63 | 14,507 | 4,394.37 |
| 2019-20 | 14,507 | 4,394.37 | 5,689 | 4,231.06 | 0 | 0 | 20,196 | 8,625.43 |
| 2020-21 | 20,196 | 8,625.43 | 6,308 | 4,834.28 | 0 | 0 | 26,504 | 13,459.71 |

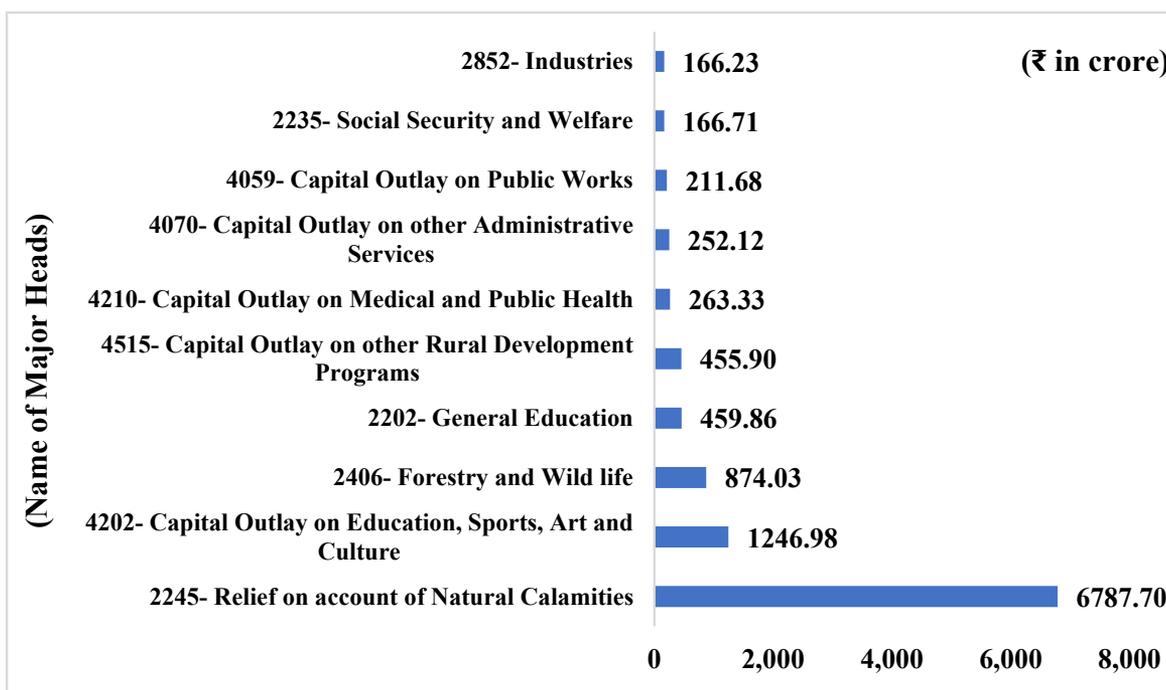
(Source: Data Provided by A&E office)

During the year 2020-21, 1833 AC Bills amounting to ₹ 429.32 crore (8.88 per cent of the total drawn 6,308 AC Bills amounting to ₹ 4,834.28 crore) were drawn in March 2021. 602 AC Bills amounting to ₹ 291.92 crore (6.04 per cent of the total drawn AC Bills) were drawn under various Capital Heads for Creation of Capital Assets.

Trend analysis of VLC data (2016-17 to 2020-21), revealed that ₹ 3,637.21 crore was drawn for Capital Expenditure under MH 4047 to MH 5475. Out of these, ₹ 2,490.34 crore was unadjusted till March 2021. Reason behind the drawal of advance for such capital nature of expenditure could not be ascertained.

Major Head-wise pending DC bills are shown in **Chart 4.4**.

Chart 4.4: Pending DC Bills in respect of Major Head



(Source: Finance Accounts, 2020-21)

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

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

4.6.1 Non-implementation of DC and UC bill functionality under “Online Bill preparation and submission” module in CFMS

GoB has initiated a project for seamless interaction of all financial activities in the form of CFMS from 01 April 2019. Government stated that eight modules including expenditure management are fully functional. A module was required to be developed for tracking and monitoring of AC/DC and UC bills. Audit reviewed the functioning of the “On-line Bill Preparation and Submission” Module of CFMS and noticed that form and provision for AC bill and GIA bill had been implemented in CFMS as intended. However, the corresponding provision for adjustment of AC bill had not yet been implemented, as of August 2021. The consequence of DC bills not being routed through CFMS means that the pending AC bills cannot be monitored in CFMS, defeating the entire purpose of the Module.

During exit conference on Finance Accounts and Appropriation Accounts (October 2021) with Pr. AG (A&E), Addl. Chief Secretary, Finance Department stated that DC bill functionality in CFMS is intended to be made operational during 2021-22.

4.7 Personal Deposit (PD) Accounts

Rule 339 of BTC, 2011 describes that no Personal Deposit Accounts shall be opened at the Treasury without the written authorisation of the Finance Department under intimation to the Accountant General. Rule 340(b) says that this Account shall only be used for special cases where Public interest requires speed of expenditure not possible through the normal treasury procedure or there are a large number of small beneficiaries dispersed in interiors such that direct disbursement through the treasury is not practicable. Transfer of funds to PD accounts is booked as final expenditure from the Consolidated Fund under the concerned service Major Heads. PD administrators are required to review all PD Accounts at end of the financial year and transfer the amount lying unspent after five consecutive financial years (including the financial year in which the money was withdrawn)³² back to Consolidated Fund by reduction of expenditure to the service head.

As per the notification³³ issued by Finance Department, GoB, “all PD/Personal Ledger (PL) Accounts opened prior to the date 01-04-2019, will be treated to be opened on 01-04-2019 as a default under CFMS and the unutilised amount lying in PD/PL Accounts shall lapse at the end of five subsequent financial years”. The concept of inoperative PD Accounts would therefore be nullified.

During scrutiny, it was revealed that ₹ 3,811.33 crore was lying with 252 Administrators at the end of the March 2021 as depicted in **Table 4.6**. Moreover, difference of ₹ 9.18 crore was noticed between the closing balance of PD Accounts and Finance Accounts (Statement-21, Major Head 8443-106).

Besides these, 10 PD Accounts, in which an amount of ₹ 1.54 crore is lying are yet to be migrated from CTMIS to CFMS which have not been included.

Table 4.6: Details of PD Accounts as per CFMS during 2020-21

(₹ in crore)

| Opening Balance as on 01.04.2020 | | Addition during the year | | Closing during the year | | Closing Balance as on 31.03.2021 | |
|----------------------------------|----------|--------------------------|----------|--------------------------|--------|----------------------------------|----------|
| Number of Administrators | Amount | Number of Administrators | Amount | Number of Administrators | Amount | Number of Administrators | Amount |
| 158 ¹ | 3,312.94 | 90 ² | 1,061.65 | 0 | 563.26 | 252 ³ | 3,811.33 |

(Source: Finance Accounts, 2020-21)

Note-

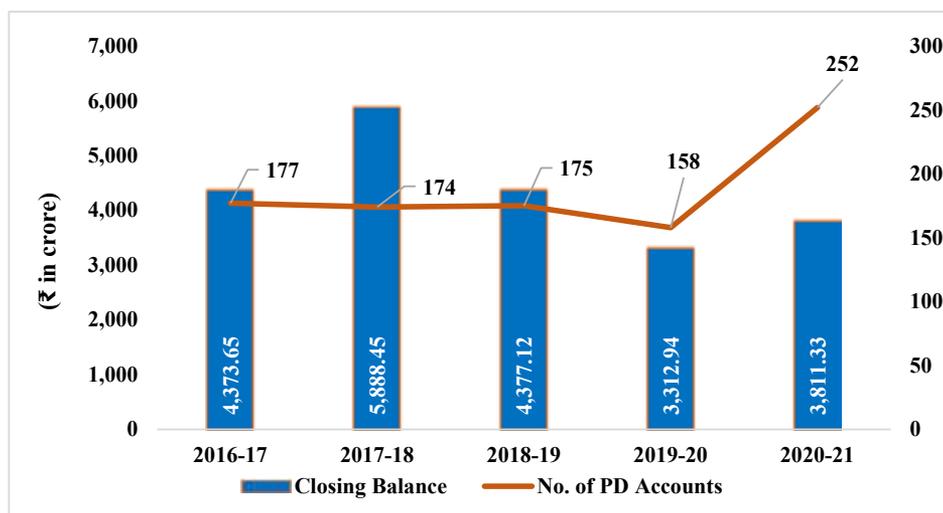
1. Out of 158, there are two new PD accounts of which one closed in 2017 as per record of AG office still appeared in CFMS.
2. There were 90 new PD accounts which have been opened in which an amount of ₹ 199.17 crore was credited.
3. Out of 252 PD accounts, 2 PD Accounts have been migrated in CFMS during the year. 2 New PD Accounts appeared in this year of which one was closed in the year 2017 as per record of AG office and one PD Accounts appeared as new in CFMS but not available in Pre CFMS data base.

³² GoB Notification no. 6679, dt: 23.08.2016

³³ Notification no. M-4-02/2020-2916/F Dt: 03.06.2020

The trend of closing balance in PD accounts at the end of the years as detailed in **Chart 4.5**.

Chart 4.5: Closing Balance in PD Accounts during 2016-17 to 2020-21



(Source: Finance Accounts for the respective years)

During the year 2016-17 to 2020-21, 89 PD accounts were found where transactions had not been made for the last five years.

Non-reconciliation of balances in PD accounts periodically and non-transfer of unspent balances in PD accounts to the Consolidated Fund before the closure of the financial year entails the risk of misuse of public funds, fraud and misappropriation. The State should i) discourage blocking of funds under PD accounts which leads to reduced scrutiny from legislature and ii) ensure strict compliance with the extant provisions.

4.8 Indiscriminate use of Minor Head 800

Minor Head 800 relating to Other Receipts and Other Expenditure is intended to be operated only when the appropriate minor head has not been provided in the Accounts. Routine operation of Minor Head 800 is to be discouraged since it renders the Accounts opaque, as these heads do not disclose the concerned schemes, programmes, etc. During 2020-21, expenditure of ₹ 132.24 crore (0.08 per cent) was incurred through ‘800’ Minor Head out of total expenditure of ₹ 1,57,702.05 crore. The receipt of ₹ 3,364.36 crore (2.62 per cent) was booked through ‘800’ Minor Head out of total revenue receipt of ₹ 1,28,168.34 crore. Significant Expenditure and Receipt (50 per cent and above) under Minor Head ‘800’ are mentioned in **Tables 4.7 and 4.8** respectively.

Table 4.7: Significant expenditure booked under Minor Head 800 –“Other Expenditure” during the financial year (50 per cent and above)

(₹ in crore)

| Sl. No. | Major Heads | Nomenclature | Total Expenditure | Expenditure under Minor Head 800 | Percentage of Expenditure under Minor Head 800 to Total Expenditure |
|---------|-------------|---|-------------------|----------------------------------|---|
| 1 | 2250 | Other Social Services | 13.71 | 17.01 ³⁴ | 124.09 |
| 2 | 5475 | Capital Outlay on Other General Economic Services | 53.47 | 53.47 | 100.00 |

(Source: Finance Accounts, 2020-21)

³⁴ Out of ₹ 17.01 crore, ₹ 3.30 crore was recoveries of overpayments (₹ 3.65 crore- ₹ 0.35 crore was under Administration of Religious and charitable Endowments Acts)

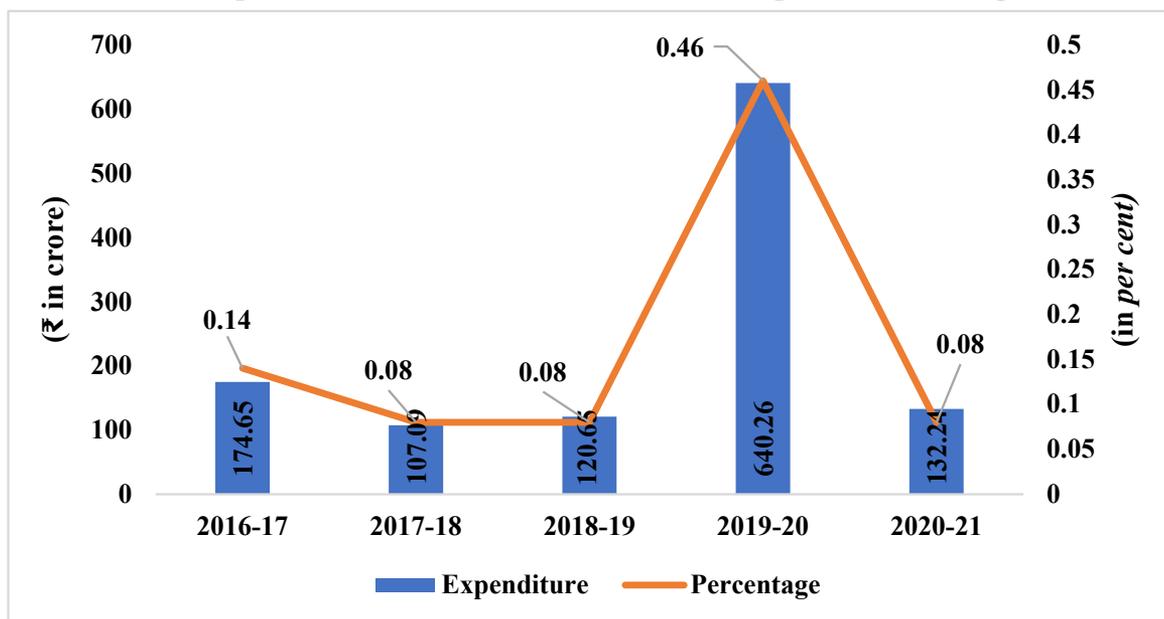
Table 4.8: Significant receipts booked under Minor Head 800 – “Other Receipts” during the financial year (50 per cent and above)

(₹ in crore)

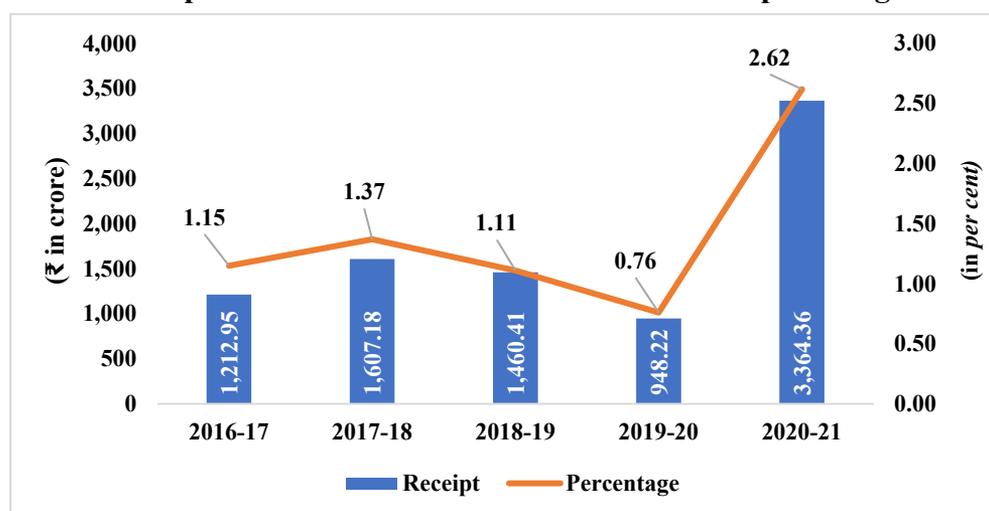
| Sl. No. | Major Heads | Nomenclature | Total Receipts | Receipts under Minor Head 800 | Percentage of receipts under Minor Head 800 to Total Receipts |
|---------|-------------|--------------------------------|----------------|-------------------------------|---|
| 1 | 0049 | Interest Receipts | 3,240.62 | 3,063.65 | 94.54 |
| 2 | 0059 | Public Works | 4.79 | 4.46 | 93.03 |
| 3 | 0070 | Other Administrative Services | 27.88 | 15.67 | 56.21 |
| 4 | 0075 | Miscellaneous General Services | 33.75 | 28.54 | 85.01 |
| 5 | 0230 | Labour and Employment | 11.36 | 7.98 | 70.26 |
| 6 | 0235 | Social Security and Welfare | 0.06 | 0.06 | 100.00 |
| 7 | 0401 | Crop Husbandry | 8.47 | 4.71 | 55.68 |
| 8 | 0426 | Co-operation | 6.17 | 3.28 | 53.10 |
| 9 | 0851 | Village and Small Industries | 0.10 | 0.10 | 100.00 |
| 10 | 0852 | Industries | 0.11 | 0.11 | 100.00 |
| 11 | 1053 | Civil Aviation | 3.15 | 3.13 | 99.32 |
| 12 | 1056 | Inland Water Transport | 0.01 | 0.01 | 100.00 |
| 13 | 1456 | Civil Supplies | 0.01 | 0.01 | 100.00 |

(Source: Finance Accounts, 2020-21)

Further, expenditure under Minor Head ‘800’ had decreased from ₹ 174.65 to ₹ 132.24 crore and receipt had increased from ₹ 1,212.95 to ₹ 3,364.36 crore during 2016-17 to 2020-21 as depicted in **Chart 4.6** and **Chart 4.7** respectively.

Chart 4.6: Operation of Minor Head 800 - Other Expenditure during 2016-21

(Source: Finance Accounts, 2016-17 to 2020-21)

Chart 4.7: Operation of Minor Head 800 - Other Receipt during 2016-21

(Source: Finance Accounts, 2016-17 to 2020-21)

During 2020-21, major expenditure was booked under Minor Head ‘800’ from Major head 5475-Capital Outlay on Other General Economic Services (₹ 53.47 crore), 2250- Other Social Service (₹ 17.01 crore) and major receipt was booked under the major head 0049-Interest Receipts (₹ 3,063.65 crore).

As per fiscal prudence, Minor Head 800 is to be utilised only for those receipts and expenditure which are non-recurring in nature and the immediate Head of Account under which it could be booked is not readily available.

Time series data where significant receipt booked under Minor Head 800-“Other Receipts” and “Other Expenditure” are depicted in Table 4.9 and 4.10.

Table 4.9: Time series data where significant receipts were booked under Minor Head 800 – “Other Receipts”

(₹ in crore)

| Sl. No. | Major Heads | Nomenclature | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|---------|-------------|-------------------------------|---------|---------|---------|---------|----------|
| 1 | 0049 | Interest Receipts | 133.37 | 776.94 | 261.57 | 478.10 | 3,063.65 |
| 2 | 0070 | Other Administrative Services | 84.02 | 7.12 | 35.43 | 126.42 | 15.67 |
| 3 | 0230 | Labour and Employment | 9.12 | 14.00 | 12.41 | 7.76 | 7.98 |
| 4 | 0401 | Crop Husbandry | 5.17 | 7.57 | 6.89 | 5.97 | 4.71 |
| 5 | 1053 | Civil Aviation | 3.45 | 3.82 | 6.50 | 1.58 | 3.13 |

(Source: - Finance Accounts of respective year)

Table 4.10: Time series data where significant expenditure were booked under Minor Head 800-“Other Expenditure”

(₹ in crore)

| Sl. No. | Major Heads | Nomenclature | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|---------|-------------|-----------------------|---------|---------|---------|---------|---------|
| 1 | 2250 | Other Social Services | 12.96 | 4.40 | 5.04 | 21.25 | 17.01 |

(Source: Finance Accounts of the respective year)

Trend analysis revealed that some Major Heads were frequently in use for booking under Minor Head 800 “Other Receipts and “Other Expenditure”. During 2020-21, it observed that ₹ 2,599.99 crore interest receipt from deposit fund (redemption of accrued interest of Consolidated Sinking Fund) under Major Head 0049. This amount was intended to redeem

the Bihar State Development Loan³⁵ through interest income accrued and accumulated in Bihar Consolidated Sinking Fund (CSF).

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

Issues related to measurement

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

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

Table 4.11: Balances under Suspense and Remittance Heads

(₹ in crore)

| Minor Head | 2018-19 | | 2019-20 | | 2020-21 | |
|--|---------------------|------------------|---------------------|------------------|----------------------|------------------|
| | Dr. | Cr. | Dr. | Cr. | Dr. | Cr. |
| Major Head 8658 - Suspense | | | | | | |
| 101 - PAO suspense | 314.56 | 0 | 289.23 | 0 | 313.90 | 0 |
| Net | Dr. 314.56 | | Dr. 289.23 | | Dr. 313.90 | |
| 102 - Suspense Account-Civil | 4,408.94 | 452.87 | 10,495.81 | 638.35 | 15,598.70 | 1,070.92 |
| Net | Dr. 3,956.07 | | Dr. 9,857.46 | | Dr. 14,527.78 | |
| 107 - Cash Settlement Suspense Account | 0 | 32.29 | 0 | 32.29 | 0 | 32.29 |
| Net | | Cr. 32.29 | | Cr. 32.29 | | Cr. 32.29 |
| 109 - Reserve Bank Suspense – Headquarters | 264.57 | (-) 0.01 | 249.56 | 2.56 | 262.64 | 0 |
| Net | Dr. 264.58 | | Dr. 247.00 | | Dr. 262.64 | |
| 110 - Reserve Bank Suspense – CAO | 1,280.04 | 894.61 | 1,194.19 | 894.61 | 1,501.24 | 895.64 |
| Net | Dr. 385.43 | | Dr. 299.58 | | Dr. 605.60 | |
| 112 - Tax Deducted at Source (TDS) Suspense | 1,126.83 | 1,455.19 | 953.83 | 1,281.53 | 994.38 | 1,459.04 |
| Net | Cr. 328.36 | | Cr. 327.70 | | Cr. 464.66 | |
| 123 - A.I.S Officers' Group Insurance Scheme | 0.45 | 6.91 | 0.35 | 6.53 | 0.27 | 6.24 |
| Net | Cr. 6.46 | | Cr. 6.18 | | Cr. 5.97 | |
| Major Head 8782-Cash Remittances | | | | | | |
| 102 - P.W. Remittances | 16,746.56 | 15,838.27 | 16,748.75 | 15,837.56 | 16,749.16 | 15,837.54 |
| Net | Dr. 908.29 | | Dr. 911.19 | | Dr. 911.62 | |
| 103 - Forest Remittances | 3,146.33 | 2,937.60 | 3,146.65 | 2,938.38 | 3,147.35 | 2,943.86 |
| Net | Dr. 208.73 | | Dr. 208.27 | | Dr. 203.49 | |

(Source: Finance Accounts 2018-19 to 2020-21)

Office of the Pr. Accountant General (A&E) had made objections in 14,424 number of vouchers for the FY 2020-21, amounting to ₹ 4,548.13 crore (Revenue expenditure,

³⁵ ₹ 600 crore dt 03.03.2021, ₹ 1000 crore dt 07.04.2020 and ₹ 1000 crore dt 08.12.2020

₹ 1,356.46 crore and Capital expenditure, ₹ 3,191.67 crore) mainly due to non-attachment of sanction orders /pension payment documents/running bills/sub-vouchers etc. All vouchers were not rectified till the finalisation of accounts of the year 2020-21.

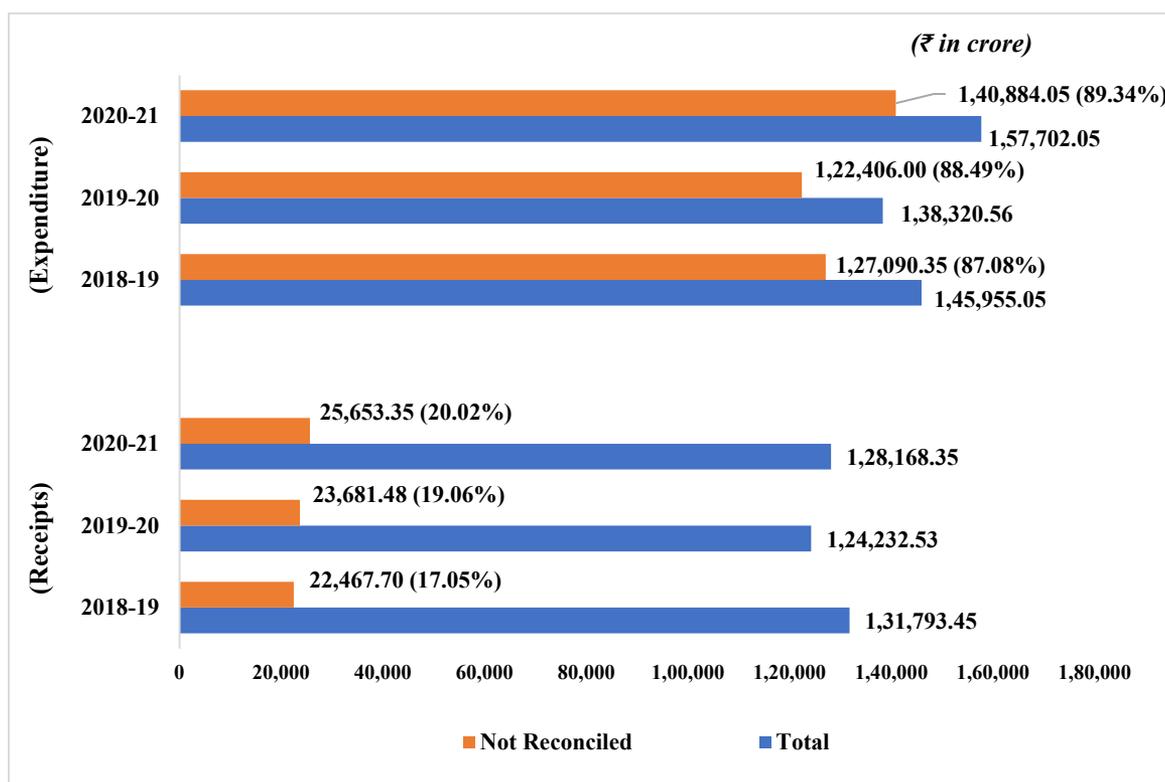
Clearance of suspense and remittance items depends on the details furnished by the State Treasuries (including Works and Forest Divisions, etc.). If these amounts remain unsettled, the balances under the Suspense Heads would accumulate and it would not reflect a true and fair picture of the Government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

4.10 Non-reconciliation of Departmental figures

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

However, it was observed that the Reconciliation Module hasn't been operationalised yet. The trend of non-reconciliation in receipt and expenditure had increased from 2018-19 to 2020-21. Further, the status of non-reconciliation during the last three years has been shown in **Chart 4.8**.

Chart 4.8: Status of non-reconciliation during last three years



Source: Finance Accounts for the respective years and data provided by A&E office)

Non-reconciliation of accounts has an impact on the assurance of the completeness and correctness of the receipts and expenditure figures depicted in the accounts. Failure to adhere to the codal provisions and executive instructions in this regard not only results in misclassification but also defeats the objective of the budgetary process.

4.11 Reconciliation of Cash Balances

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

However, Cash balance as on 31 March 2021 as per record of Pr. AG (A&E) was ₹ 301.79 crore (Debit) and that reported by the RBI was ₹ 9.37 crore (Debit). There was a net difference of ₹ 311.16 crore (Debit), mainly due to non-receipt of adjustment from RBI and non-receipt of revised accounts from treasuries. Out of net difference of ₹ 311.16 crore (Debit), ₹ 37.11 crore (Debit) pertains to the period prior to 2016-17.

4.12 Adverse Balances under Public Account

Adverse balances arise when transactions are erroneously credited instead of being debited and vice-versa. Some of the significant adverse balances are depicted below in **Table 4.12**, which are under Public Account Head and appear in the Finance Account of 2020-21.

Table 4.12: Adverse balances under Public Account During 2020-21

(₹ in crore)

| Major Heads | Major Head Description | Minus Balance |
|-------------|-----------------------------|---------------|
| 8011 | Insurance and Pension Funds | (-)483.91 |
| 8336 | Civil Deposits | (-)0.55 |

(Source: Finance Accounts, 2020-21)

Issues related to disclosure

4.13 Compliance with Accounting Standards

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

Table 4.13: Compliance with Accounting Standards

| Sl. No. | Accounting Standards | Essence of IGAS | Compliance by State Government | Impact of deficiency |
|---------|--|---|---|--|
| 1. | IGAS-1: Guarantees Given by the Government – Disclosure requirements | <ul style="list-style-type: none"> To ensure uniform and complete disclosure of such Guarantees. Class-wise and Sector-wise disclosures | Statements 9 and 20 of Finance Accounts have been prepared. However, disclosure is incomplete since the State Government doesn't disclose complete details in class-wise & sector-wise. | All Guarantors, Departments of State Govt. and guarantees made during the year could not be ascertained. |
| 2. | IGAS-2: Accounting and Classification of <i>Grants-in-Aid</i> | <ul style="list-style-type: none"> For Accounting and classification of Grants-in-aid both as a grantor as well as a grantee. | Statement 10 of Finance Accounts has been prepared. However, detailed information in respect of Grants-in-aid given in kind has not been furnished by the State Government. | Amount of GIA received under grants given in kind could not be ascertained. |

| Sl. No. | Accounting Standards | Essence of IGAS | Compliance by State Government | Impact of deficiency |
|---------|--|---|--|---|
| 3. | IGAS-3: Loans and Advances made by Government | <ul style="list-style-type: none"> For recognition, measurement, valuation and reporting in respect of Loans and Advances To ensure complete, accurate and uniform accounting practices, To ensure adequate disclosure on Loans and Advances | <ul style="list-style-type: none"> Statement 7 and 18 of Finance Accounts have been prepared. However, the closing balances depicted in above statements have not been reconciled with the Loanee Entities/ State Government. The State Government has also not furnished the figures in respect of certain Loans and Advances. Disclosure regarding 'Repayment in arrears from other Loanee Entities', 'Write-off of irrecoverable Loans and Advances', and 'Cases of a Loan having been sanctioned as Loan in Perpetuity could not be made as this information was not provided by the State Government. | 'Disclosure regarding Repayment in arrears from other Loanee Entities', 'Write-off of irrecoverable Loans and Advances' and 'Cases of a Loan having been sanctioned as Loan in Perpetuity could not be ascertained as data were not provided by the State Government. |

(Source: Finance Accounts 2020-21)

4.14 Timeliness and Quality of Accounts

The accounts of receipts and expenditure of the GoB have been compiled based on the initial accounts rendered by 76 Treasuries and other Accounts Rendering Units (ARUs). GoB had discontinued direct rendering of Accounts by Public Works Divisions and Forest Divisions to AG Office with effect from 01.04.2019 and their transactions are now routed through the Treasuries.

As per monthly accounts closing report for the year 2020-21, it was revealed that Accounts pertaining to April, 2020 was closed on 08.12.2020, i.e., after a lapse of more than six months. After that rest of monthly accounts were closed in regular interval but March 2021 was closed on 04.05.2021.

Due to failure of the ARUs to furnish accounts on time, in the month of February 2021, it was excluded in the Monthly Civil Accounts of the respective month. No account was excluded at the end of the year.

Exclusion of accounts not only distorts the budgetary position of the Government, but also impacts its monitoring of fund flow to the last mile of implementation, its planned pacing of expenditure on developmental programmes, providing intended benefits to the targeted beneficiaries, functioning of departments etc., during the year.

Other Issues

4.15 Misappropriations, losses, thefts, etc.

Rule 31 of Bihar Financial Rules provides that loss of public money, Government revenue, stores, or other property by defalcation or otherwise should be immediately reported by the office to the higher authority, Finance Department as well as to the Accountant General

(Audit), even when such loss has been made good by the party responsible for it. Such reports must be submitted as soon as suspicion arises that there has been a loss, and these must not be delayed while enquiries are made. Out of 44 departments, seven departments had furnished 'Nil' information and only Minority Welfare Department, GoB had intimated about 11 cases relates with misappropriation/losses/theft of Government material amounting to ₹ 6.49 crore. However departmental action had been initiated but not finalise as yet.

4.16 Follow up action on State Finances Audit Report

The Public Account Committee (PAC) requires the concerned Departments to provide a suo motu Explanatory Note on the paragraphs featuring in the Audit Reports after placing the Reports in the Legislature. The concerned Departments are also required to provide Action Taken Notes (ATNs) to the AG (for vetting and onward transmission to the PAC).

During 2020-21, the PAC didn't hold any sittings for discussion on the SFARs. Out of 306 Paras pertaining to the year from 2008-09 to 2018-19, only 03 paras were discussed till March 2021. A total 303 Paras of SFARs are pending for discussion.

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

4.17 Apportionment of balances on reorganisation of the state

The Bihar Reorganisation Act 2000 provides for the manner in which balances appearing under Capital (MH 4059 to 5475), Loans and Advances (MH 6202 to 7615) and the balances under part-III Public Account (except Deposit with Reserve Bank) as on the date of bifurcation of the State *i.e.* 15 November 2000 were to be apportioned. An amount of ₹ 11,148.69 crore has to be bifurcated under the above Heads which have been given in Appendix-XIII of Finance Accounts (Volume II). Government of Jharkhand had some objection on the proposed apportionment of certain items which were verified and corrected by Accountant General (A&E), Bihar. The same has been sent to Government of Bihar for their concurrence on 13 December 2018. Concurrence of Government of Bihar is still awaited.

4.18 Unadjusted Temporary advance/Imprest

As per Rule 177 of the Bihar Treasury Code 2011, no money should be withdrawn from the treasury unless it is required for immediate payment. 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 and in any case before the end of the financial year in which the amount is drawn.

As on 31 March 2021, ₹ 184.52 crore, which should have been refunded to the treasury in terms of these instructions, remained outstanding as un-adjusted advance. Apart from this, an amount of ₹ 25.46 crore was also kept in the imprest, by the Public Works Divisions. Details are given in **Table 4.14**.

Table 4.14: Unadjusted Temporary Advance/Imprest as on 31 March 2021*(₹ in crore)*

| Sl. No. | Name of the Department | Total amount of unadjusted Temporary advance and Imprest | | |
|--------------|-------------------------------------|--|--------------|---------------|
| | | Temporary advance | Imprest | Total |
| 1 | Building Construction | 5.45 | 7.08 | 12.53 |
| 2 | Irrigation | 25.25 | 1.65 | 26.90 |
| 3 | National Highways | 0.78 | 0.09 | 0.87 |
| 4 | Public Health Engineering | 8.15 | 0.48 | 8.63 |
| 5 | Road Construction | 67.43 | 0.29 | 67.72 |
| 6 | Rural Works | 5.96 | 10.31 | 16.27 |
| 7 | Local Area Engineering Organisation | 59.48 | 5.33 | 64.81 |
| 8 | Tube wells and Minor Irrigation | 12.02 | 0.23 | 12.25 |
| Total | | 184.52 | 25.46 | 209.98 |

(Source: Finance Accounts, 2020-21)

4.19 Conclusions

| Positive Indicators | Negative Indicators |
|---------------------|--|
| | Continuing cases of levies maintaining fund outside Public Accounts of the State |
| | Increasing number of outstanding UCs |
| | Increasing number of outstanding DC bills |
| | Increasing amount under Suspense heads |
| | Increasing non-discharge of liability in respect of interest on deposits |
| | Increasing arrears in respect of annual Accounts of PSUs and autonomous bodies |

4.20 Recommendations

The Finance Department should:

- DC bill provision to be provided in CFMS
- review all PD Accounts and ensure that
 - all amounts lying in PD Accounts at the end of the year are immediately remitted to the Consolidated fund;
 - appropriate action is taken against Department and Treasury officers who fail to follow the financial rules relating to PD Accounts.
- conduct a comprehensive review of all items presently appearing under the minor head 800 and ensure that such receipts and expenditures are booked under appropriate heads of Accounts, in consultation with the AG (A&E).
- prescribe a time frame within which the administrative department collects pending UCs and ensure that till such time no further grants release to defaulting grantees. Responsibility should be fixed for non-submission of outstanding UCs.

- ensure that all controlling officers adjust AC bills pending beyond the prescribed period in a time-bound manner and also ensure that AC bills are not drawn merely to avoid lapse of budget. Responsibility should be fixed for the undue delay in adjustment of pending AC bills.
- expedite the apportionment of balances between the two successor States.

CHAPTER V
STATE PUBLIC SECTOR ENTERPRISES
(SPSEs)

This Chapter presents the summary of financial performance of Government Companies, Statutory Corporations and Government controlled other Companies in Bihar. In the Chapter, the term State Public Sector Enterprises (SPSEs) encompasses those Government companies in which the direct holding of the State Government is 51 *per cent* or more and the subsidiaries of such Government companies. The Statutory Corporations set up under statutes enacted by the State Legislature and other companies owned or controlled, directly or indirectly by the State Government have also been categorized as SPSEs.

Besides, any other company owned or controlled, directly or indirectly, by the Central Government, or by any State Government or Governments, or partly by the Central Government and partly by one or more State Governments are referred to in this Chapter as Government controlled other Companies.

The total number of SPSEs in the State as on March 2021 was 79 which included 37 functional SPSEs and 42 non-functional SPSEs. Whereas based on the latest accounts finalized up to last three years i.e. 2018-19, 2019-20 and 2020-21, the number of SPSEs being covered in this Chapter is 18 (15 Government Companies, one Statutory Corporation and two Government controlled other companies). Remaining 61³⁶ SPSEs whose accounts were in arrears for three years or more or were defunct / under liquidation or first accounts were not received has not been covered in this Chapter as the actual contribution of these SPSEs to Gross State Domestic Product and their profitability including profit earned/loss incurred for the year 2020-21 could not be ascertained due to arrears of account. Hence, their contribution to the State exchequer was also not reported to the State Legislature.

5.1 Summary of Financial Performance of State Public Sector Enterprises

5.1.1 Mandate

Audit of Government companies and Government controlled other companies is conducted by the CAG under the provisions of Section 143(5) to 143(7) of the Companies Act, 2013 read with Section 19 of the CAG's (Duties, Powers and Conditions of Service) Act, 1971 and the Regulations made thereunder. Under the Companies Act, 2013, the CAG appoints the Chartered Accountants as Statutory Auditors for companies and gives directions on the manner in which the accounts are to be audited. In addition, CAG has right to conduct a supplementary audit. The statutes governing some of the Statutory Corporations require their accounts to be audited only by CAG.

5.1.2 What this Chapter contains

This Chapter gives an overall picture of the financial performance of the State Government Companies, Statutory Corporations and Government controlled other Companies as revealed from their accounts.

Impact of significant comments issued during supplementary audit of the financial statements of the SPSEs conducted by the CAG during the year 2020-21 is given in this Chapter.

³⁶ Out of 61, 11 SPSEs including eight non-functional SPSEs have not submitted/finalised their first accounts and the accounts of remaining 50 SPSEs, which included 33 non-functional SPSEs, were in arrears for three years or more.

5.1.3 Number of SPSEs

As on 31 March 2021, there were 79 State Public Sector Enterprises under the audit jurisdiction of the CAG. These include 72 State Government Companies, three Statutory Corporations and four State Government controlled other companies.

Of these, summary of financial performance of 18 SPSEs is covered in this Chapter and the nature of these SPSEs is indicated in **Table 5.1**.

| | |
|--|-----------|
| Government Companies | 72 |
| Statutory Corporations | 3 |
| Government Controlled other companies | 4 |
| Total SPSEs | 79 |

Table 5.1: Coverage and Nature of SPSEs covered in this Chapter

| Nature of SPSEs | Total Number of SPSEs | Number of SPSEs covered in the Chapter | | | | Number of SPSEs not covered in the Chapter |
|---|-----------------------|--|-----------|----------|-----------|--|
| | | Accounts up to | | | | |
| | | 2020-21 | 2019-20 | 2018-19 | Total | |
| Functional Government Companies | 30 | 2 | 10 | 2 | 14 | 16 |
| Statutory Corporations | 3 | 0 | 1 | 0 | 1 | 2 |
| Total Government Companies/ Corporations | 33 | 2 | 11 | 2 | 15 | 18 |
| Government Controlled Other Companies | 4 | 0 | 0 | 2 | 2 | 2 |
| Total functional SPSEs | 37 | 2 | 11 | 4 | 17 | 20 |
| Non-functional Government Companies | 42 | 0 | 1 | 0 | 1 | 41 |
| Non-functional Statutory Corporations | - | - | - | - | - | - |
| Total non-functional SPSEs | 42 | 0 | 1 | 0 | 1 | 41 |
| Total | 79 | 2 | 12 | 4 | 18 | 61 |

(Source: Compiled based on the latest finalised accounts of SPSEs.)

The details of State Government Companies/Government controlled other Companies/ Statutory Corporations under the purview of CAG's audit during 2020-21 are given in *Appendix-5.1*.

**Summary of financial performance of SPSEs covered in this Chapter
as on 31 March 2021
(Government Companies and Statutory Corporations)**

| | |
|---|----------------------------------|
| Number of SPSEs | 79 |
| SPSEs Covered | 18 |
| Paid up capital (18 SPSEs) | ₹ 38,807.43 crore |
| Long term Loans (10 SPSEs) | ₹ 6,990.69 crore |
| Net profit (Nine SPSEs) | ₹ 724.17 crore |
| Net loss (Five SPSEs) | ₹ 3,213.13 crore |
| Zero Profit/loss (Four SPSEs)³⁷ | |
| Dividend declared (One SPSE) | ₹ 6.02 crore³⁸ |
| Turnover (18 SPSEs) | ₹ 19,352.10 crore |
| Net Worth (18 SPSEs) | ₹ 20,568.55 crore |

(Source: Compiled based on latest finalised accounts of SPSEs.)

This Chapter does not include 61 SPSEs as shown in *Appendix-5.2*.

³⁷ Out of 18, there were four SPSEs, which earned no profit or incurred no loss during 2020-21 since either operations were not started or losses/net expenses were allocated to their subsidiaries and profit were distributed among beneficiaries. Further, in respect of SPSEs, where any particular year's accounts were not received before 30th September 2021, the figures from the latest finalised accounts i.e. 2018-19, 2019-20 and 2020-21 have been adopted.

³⁸ During the year 2018-19

5.1.4 Contribution to Economy of the State

A ratio of turnover of the 18 SPSEs covered in this Chapter to the Gross State Domestic Product (GSDP) shows the extent of activities of the SPSEs in the State economy. The table below provides the details of turnover of SPSEs and GSDP of State of Bihar for a period of three years ending March 2021.

Table 5.2: Details of turnover of SPSEs vis-à-vis GSDP of Bihar

(₹ in crore)

| Particulars | 2018-19 | | | 2019-20 | | | 2020-21 | | |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | Power | Non-Power | Total | Power | Non-Power | Total | Power | Non-Power | Total |
| Turnover | 15,077.91 | 2,028.31 | 17,106.22 | 17,077.90 | 2,021.84 | 19,099.74 | 17,330.26 | 2,021.84 | 19,352.10 |
| Percentage change in turnover as compared to turnover of preceding year | - | - | - | 13.26 | (-0.32) | 11.65 | 1.48 | 0.00 | 1.32 |
| GSDP of State of Bihar | 5,27,976 | | | 5,94,016 | | | 6,18,628 | | |
| Percentage change in GSDP as compared to GSDP of preceding year | - | | | 12.51 | | | 4.14 | | |
| Percentage of Turnover to GSDP of Bihar | 2.86 | 0.38 | 3.24 | 2.87 | 0.34 | 3.22 | 2.80 | 0.33 | 3.13 |

(Source: Compiled based on Turnover figures of SPSEs and GSDP figures as submitted by Government of Bihar)

The turnover of eight power sector SPSEs increased from ₹ 15,077.91 crore in 2018-19 to ₹ 17,330.26 crore in 2020-21. The growth rate of turnover ranged between 1.32 per cent and 11.65 per cent during the period 2018-19 to 2020-21, whereas growth rate of GSDP of the State ranged between 4.14 per cent and 12.51 per cent during the same period. The compounded annual growth³⁹ of GSDP was 8.24 per cent during the last two years. The compounded annual growth is a useful method to measure growth rate over multiple time periods. Against the compounded annual growth of 8.24 per cent of the GSDP, the turnover of power sector SPSEs recorded compounded annual growth of 7.21 per cent during the last two years. This resulted in decrease in share of turnover of these power sector PSUs to the GSDP from 2.86 per cent to 2.80 per cent.

Further, the turnover of 10 non-power SPSEs decreased by 0.32 per cent from ₹ 2,028.31 crore in 2018-19 to ₹ 2,021.84 crore in 2020-21. Against the compounded annual growth of 8.24 per cent of the GSDP, the turnover of these SPSEs recorded negative compounded annual growth of 0.16 per cent during the last two years.

5.2 Investment in Government Companies and Corporations and Budgetary support

The amount of investment in equity and loans in 18 Government Companies and Corporations as at the end of 31 March 2021 is given in **Table 5.3**.

³⁹ Rate of Compounded Annual Growth = $\left[\left(\frac{\text{Value of 2020-21}}{\text{Value of 2018-19}} \right)^{\frac{1}{2 \text{ years}}} - 1 \right] * 100$.

Table 5.3: Equity and loans in Government Companies and Corporations(*₹ in crore*)

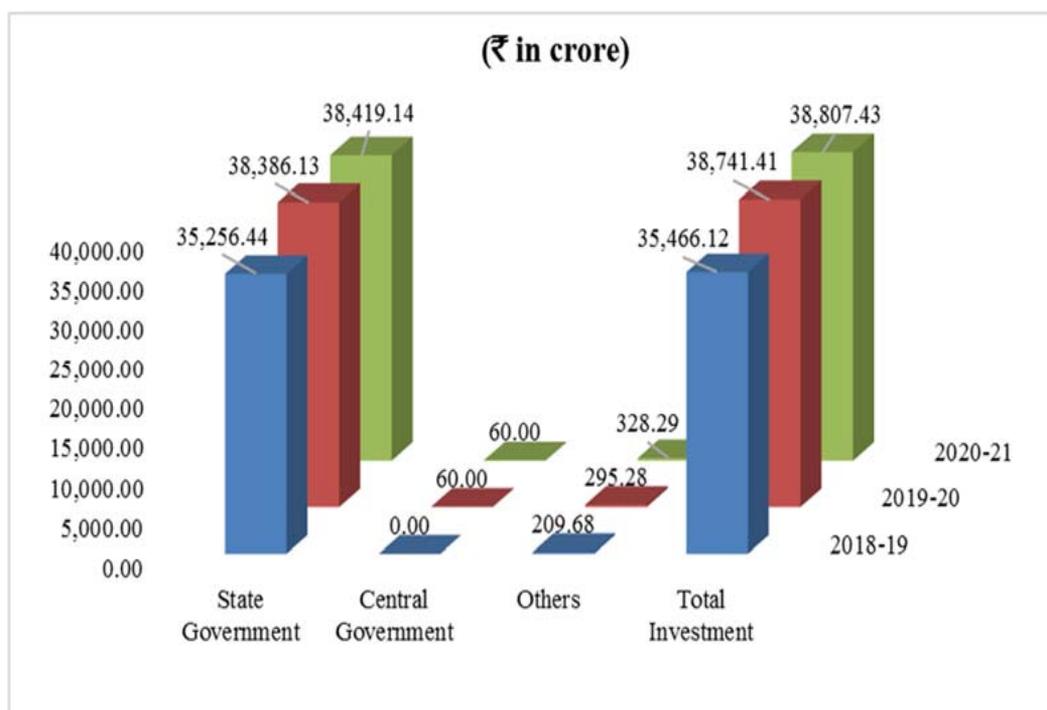
| Sources of investment | As on 31 March 2020 | | | As on 31 March 2021 | | |
|--|---------------------|-----------------|------------------|---------------------|-----------------|------------------|
| | Equity | Long Term Loans | Total | Equity | Long Term Loans | Total |
| State Government | 38,386.13 | 1,897.21 | 40,283.34 | 38,419.14 | 1,897.21 | 40,316.35 |
| Central Government | 60.00 | 0.00 | 60.00 | 60.00 | 0.00 | 60.00 |
| Others | 295.28 | 4,856.68 | 5,151.96 | 328.29 | 5,093.48 | 5,421.77 |
| Total Investment | 38,741.41 | 6,753.89 | 45,495.30 | 38,807.43 | 6,990.69 | 45,798.12 |
| Percentage of investment of State Government to Total Investment | 99.08 | 28.09 | 88.54 | 99.00 | 27.14 | 88.03 |

(Source: Compiled based on latest finalised accounts of SPSEs.)

5.2.1 Equity Holding

During 2020-21, the total equity holding at face value in the 18 SPSEs covered in this Chapter registered a net increase of ₹ 66.02 crore⁴⁰. The equity holding of State Government at face value in SPSEs increased to ₹ 38,419.14 crore in 2020-21 from ₹ 38,386.13 crore in 2019-20.

Holding in equity by State Government and others during three years ended 31 March 2021 in Government Companies and Corporations is depicted in **Chart 5.1**.

Chart 5.1: Investment of Equity in SPSEs

(Source: Compiled based on the latest finalised accounts of SPSEs.)

Out of equity investment of ₹ 38,419.14 crore, State Government invested ₹ 38,246.11 crore in Power sector. Details of significant holding of the State Government as in the year 2020-21 in the paid up capital of the SPSEs is given in **Table 5.4**.

⁴⁰ Out of ₹ 66.02 crore, 50 per cent i.e. ₹ 33.01 crore was invested in Bihar Grid Company Limited.

Table 5.4: Significant holding of the State Government

| Name of the SPSE | Name of the Department | Amount (₹ in crore) | Percentage of holding with respect to total investment in 18 SPSEs |
|--|------------------------|---------------------|--|
| South Bihar Power Distribution Company Limited (SBPDCL) | Energy | 12,267.96 | 31.93 |
| North Bihar Power Distribution Company Limited (NBPDCCL) | Energy | 11,653.84 | 30.33 |
| Bihar State Power Transmission Company Limited (BSPTCL) | Energy | 7,949.99 | 20.69 |
| Bihar State Power Generation Company Limited (BSPGCL) | Energy | 4,812.96 | 12.53 |
| Bihar State Power Holding Company Limited (BSPHCL) | Energy | 1,271.06 | 3.31 |
| Bihar State Financial Corporation (BSFC) | Industries | 39.95 | 0.10 |

(Source: Compiled based on the latest finalised accounts of SPSEs.)

Investment in Government Controlled other Companies

The capital invested by the State Governments in Government Controlled other Companies is given in Table 5.5.

Table 5.5: Composition of Share Capital in Government Controlled other Companies
(₹ in crore)

| Sl. No. | Name of SPSEs | Paid up Capital | | | Total Paid up Capital |
|---------|------------------------------|-----------------|-------------|-------------|-----------------------|
| | | GoB | GoI | Others | |
| 1 | Bhagalpur Smart City Limited | 0.05 | 0.00 | 0.05 | 0.10 |
| 2 | Patna Smart City Limited | 0.05 | 0.00 | 0.05 | 0.10 |
| | Total | 0.10 | 0.00 | 0.10 | 0.20 |

(Source: Compiled based on the latest finalised accounts of SPSEs.)

5.2.2 Loans given to State Government Companies and Corporations

5.2.2.1 Computation of long-term loans outstanding as on 31 March 2021

The total long-term loans outstanding in 10⁴¹ SPSEs out of 18 from all sources as on 31 March 2021 was ₹ 6,990.69 crore. Remaining eight SPSEs did not have any long-term loans as on 31 March 2021. A year wise detail of outstanding long term loans of SPSEs is depicted in Table 5.6.

Table 5.6: Long Term Loans in SPSEs

(₹ in crore)

| Sources of loan | 2018-19 | 2019-20 | 2020-21 |
|-------------------------|-----------------|-----------------|-----------------|
| State Government | 1,771.84 | 1,897.21 | 1,897.21 |
| Central Government | 0.00 | 0.00 | 0.00 |
| Others ⁴² | 3,436.76 | 4,856.68 | 5,093.48 |
| Total Investment | 5,208.60 | 6,753.89 | 6,990.69 |

(Source: Compiled based on latest finalised accounts of SPSEs.)

⁴¹ Bihar State Power Holding Company Limited (BSPHCL), Bihar State Power Transmission Company Limited (BSPTCL), South Bihar Power Distribution Company Limited (SBPDCL), North Bihar Power Distribution Company Limited (NBPDCCL), Bihar Grid Company Limited (BGCL), Bihar State Agro Industries Development Corporation Limited (BSAIDCL), Patna Smart City Limited (PSCL), Bihar State Education Finance Corporation Limited (BSEFCL), Patna Metro Rail Corporation (PMRC) and Bihar State Financial Corporation (BSFC).

⁴² The figure of loan from other sources includes loan from Rural Electrification Corporation, Power Finance Corporation, Banks and Bihar Urban Development Agency.

During the period 2018-19 to 2020-21, the long term loans given by State Government in SPSEs registered an increase of ₹ 125.37 crore while loan from other sources increased by ₹ 1,656.72 crore. Out of the total loans of SPSEs as on 31 March 2021, loans from State Government was ₹ 1,897.21 crore (27.14 per cent).

Out of total loans by State Government, ₹ 1,240.33 crore (65.38 per cent) was outstanding with Power Companies and rest was with other companies (₹ 656.88 crore) while 99.93 per cent of loans from others (₹ 5,089.90 crore) belonged to Power companies.

Bihar State Agro Industries Development Corporation Limited and Bihar State Financial Corporation did not repay the principal as well as interest amount during the last three years.

5.2.2.2 Adequacy of assets to meet loan liabilities

Ratio of total debt to total assets is one of the methods used to determine whether a company can stay solvent. To be considered solvent, the value of an entity's assets must be greater than the sum of its loans/debts. The coverage of long-term loans by value of total assets in 10 SPSEs which had outstanding loans as on 31 March 2021 is given in Table 5.7.

Table 5.7: Coverage of long-term loans with total assets

(₹ in crore)

| Nature of SPSEs | Positive Coverage | | | | Negative Coverage | | | |
|-----------------------|-------------------|-----------------|--------------------|-------------------------------|-------------------|-----------------|---------------|-------------------------------|
| | No. of SPSEs | Long term Loans | Assets | Percentage of assets to loans | No of SPSEs | Long term Loans | Assets | Percentage of assets to loans |
| Statutory Corporation | - | - | - | - | 1 | 228.47 | 209.72 | 91.79 |
| Government Company | 8 | 6,731.24 | 1,15,347.92 | 1,713.62 | 1 | 30.98 | 25.35 | 81.83 |
| Total | 8 | 6,731.24 | 1,15,347.92 | 1,713.62 | 2 | 259.45 | 235.07 | 90.60 |

(Source: Compiled based on the latest finalised accounts of SPSEs.)

Out of the 10 SPSEs, in respect of two SPSEs⁴³, the value of total assets was less than the long-term loans outstanding.

5.2.3 Budgetary Support to SPSEs

The Government of Bihar provides financial support to SPSEs in various forms through annual budget. The summarised details of budgetary outgo towards equity, loans, grants/subsidies to SPSEs covered in this Chapter for the last three years ending March 2021 are given in Table 5.8.

⁴³ Bihar State Financial Corporation and Bihar State Agro Industries Development Corporation Limited.

Table 5.8: Details regarding budgetary support to SPSEs*(₹ in crore)*

| Particulars ⁴⁴ | 2018-19 | | 2019-20 | | 2020-21 | |
|--|------------|-----------|------------|----------|------------|---------------------|
| | No of PSUs | Amount | No of PSUs | Amount | No of PSUs | Amount |
| Power | | | | | | |
| Equity Capital outgo (i) ⁴⁵ | 1 | 5,035.36 | 1 | 3,079.20 | 1 | 33.01 ⁴⁶ |
| Loans given (ii) | 4 | 440.78 | 3 | 116.56 | - | - |
| Grants/Subsidies provided (iii) | 3 | 7,521.42 | 2 | 6,685.17 | - | - |
| Total Outgo (i+ii+iii) Power | 5 | 12,997.56 | 4 | 9,880.93 | 1 | 33.01 |
| Non-Power | | | | | | |
| Equity Capital outgo (i) | 1 | 9.50 | - | - | - | - |
| Loans given (ii) | 1 | 16.00 | - | - | 1 | 600.00 |
| Grants/Subsidies provided (iii) | 2 | 400.24 | 1 | 8.81 | - | - |
| Total Outgo (i+ii+iii) Non-Power | 2 | 425.74 | 1 | 8.81 | 1 | 600.00 |
| Grand Total Outgo | 7 | 13,423.30 | 5 | 9,889.74 | 2 | 633.01 |

(Source: Compiled based on latest finalised accounts of SPSEs.)

The budgetary assistance received by these SPSEs during the year ranged between ₹ 633.01 crore and ₹ 13,423.30 crore during the period 2018-19 to 2020-21. During 2020-21, equity capital of ₹ 33.01 crore was invested in Bihar Grid Company Limited. Further, the budgetary assistance as loan of ₹ 600.00 crore was allotted to Bihar State Education Finance Corporation Limited (BSEFCL) under Bihar Student Credit Card Scheme for distribution of loan to student for the year 2020-21. The same has been categorised under ‘Other Current Liabilities’ in the books of accounts of BSEFCL.

5.3 Returns from Government Companies and Corporations

5.3.1 Profit earned by SPSEs

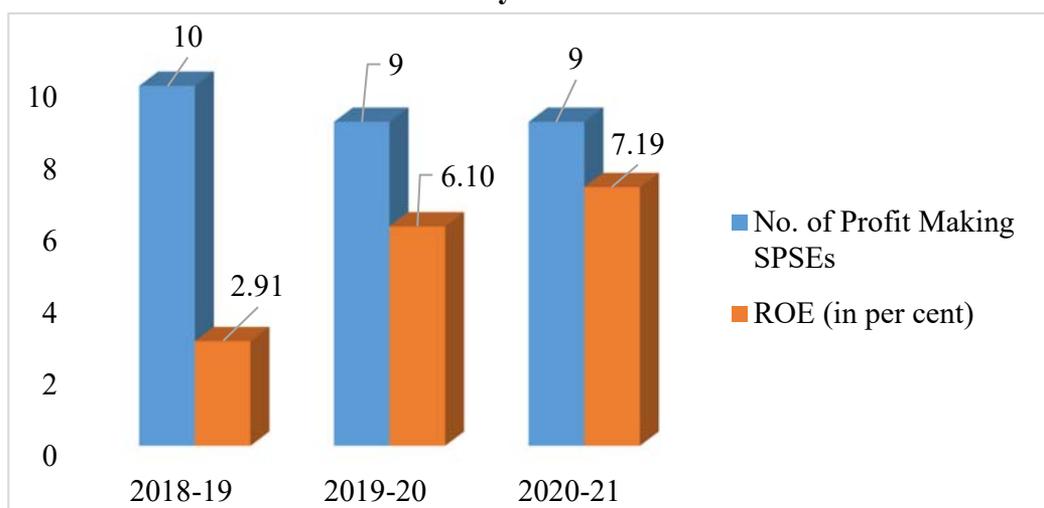
The number of SPSEs that earned profit was nine during 2019-20 and 2020-21. The profit increased to ₹ 724.17 crore in 2020-21 from ₹ 600.99 crore in 2019-20. Out of 18 SPSEs, four SPSEs have been incurring losses since 2018-19 and one SPSE since 2019-20. The Net worth of nine SPSEs that earned profit during 2020-21 was ₹ 10,072.57 crore. The Return on Equity (ROE) of these nine SPSEs was 7.19 *per cent* as compared to 6.10 *per cent* of nine SPSEs in 2019-20. ROE of all the 18 SPSEs i.e. including five loss making and four no profit no loss companies was (-)12.10 *per cent* in 2020-21.

Number of SPSEs that earned profit during the period from 2018-19 to 2020-21 is depicted in **Chart 5.2**.

⁴⁴ Amount represents outgo from State Budget only.

⁴⁵ GoB released equity directly to the two DISCOMs and two subsidiaries on behalf of their holding company i.e. BSPHCL against which these subsidiaries issued shares to their holding company. Therefore, for the purpose of infusion of Government’s fund, only holding company on behalf of its subsidiaries has been considered. The remaining one Power Sector Enterprise is a Joint venture company.

⁴⁶ The accounts of power sector SPSEs for the year 2020-21 has not been received except Bihar Grid Company Limited.

Chart 5.2: Number of companies earning profits and their ROE during last three years

(Source: Compiled based on latest finalised accounts of SPSEs.)

The details of sectors which contributed maximum profit during 2020-21 are summarised in **Table 5.9**.

Table 5.9: Top sectors which contributed maximum profit during the year 2020-21

| Sectors | No. of Profit earning SPSEs | Net Profit Earned (₹ in crore) | Percentage of profit to total SPSEs' profit |
|--------------|-----------------------------|--------------------------------|---|
| Power | 2 | 614.98 | 84.92 |
| Non-Power | 7 | 109.19 | 15.08 |
| Total | 9 | 724.17 | 100.00 |

(Source: Compiled based on latest finalised accounts of SPSEs.)

During 2020-21, net profit of ₹ 614.98 crore constituting 84.92 *per cent* of total profit of SPSEs was contributed by Power Sector. The list of SPSEs which earned profit of more than ₹ 10 crore as per their latest finalised accounts during the year 2020-21 is given in **Table 5.10**.

Table 5.10: List of SPSEs which earned profit of more than ₹ 10 crore

| Sl. No. | Name of SPSEs | Year of Finalised Account | Net profit |
|---------|---|---------------------------|------------|
| 1 | Bihar State Power Transmission Company Limited | 2019-20 | 460.16 |
| 2 | Bihar Grid Company Limited | 2020-21 | 154.82 |
| 3 | Bihar State Road Development Corporation Limited | 2018-19 | 35.78 |
| 4 | Bihar State Electronics Development Corporation Limited | 2018-19 | 23.57 |
| 5 | Bhagalpur Smart City Limited | 2018-19 | 23.86 |
| 6 | Bihar State Financial Corporation | 2019-20 | 18.58 |

(Source: Compiled based on latest finalised accounts of SPSEs.)

5.3.2 Dividend Paid by SPSEs

The details of dividend pay-out during 2018-19 to 2020-21 in respect of SPSEs covered in this Chapter is given in **Table 5.11**.

Table 5.11: Dividend Pay-out of SPSEs during 2018-19 to 2020-21

| Year | Total SPSEs where equity infused by GoB | | SPSEs which earned profit during the year | | SPSEs which declared/paid dividend during the year | | Dividend Pay-out Ratio (%) |
|---------|---|------------------------------------|---|----------------------------|--|---|----------------------------|
| | Number of SPSEs | Equity infused by GoB (₹ in crore) | Number of SPSEs | Profit earned (₹ in crore) | Number of SPSEs | Dividend declared/paid by PSEs (₹ in crore) | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8=7/5*100 |
| 2018-19 | 17 | 35,256.44 | 10 | 269.51 | 1 | 6.02 | 2.23 |
| 2019-20 | 18 | 38,386.13 | 9 | 600.99 | - | - | - |
| 2020-21 | 18 | 38,419.14 | 9 | 724.17 | - | - | - |

(Source: Compiled based on latest finalised accounts of SPSEs.)

The State Government had not formulated a dividend policy under which all profit making SPSEs are required to pay a minimum return. During the period 2018-19 to 2020-21, SPSEs ranging from nine to 10 earned profits. However, only one⁴⁷ SPSE declared/paid dividend to State Government as per their latest finalised account. The Dividend Pay-out Ratio was 2.23 per cent during 2018-19.

5.4 Debt servicing

5.4.1 Interest Coverage Ratio

Interest coverage ratio (ICR) is used to determine the ability of a company to pay interest on outstanding debt and is calculated by dividing a company's earnings before interest and taxes (EBIT) by interest expenses of the same period. The lower the ratio, the lesser is the ability of the company to pay interest on debt. An ICR of below one indicate that the company was not generating sufficient revenues to meet its expenses on interest. Out of 18 SPSEs, the long-term loans were outstanding in 10⁴⁸ SPSEs. Remaining eight SPSEs did not have any long-term loans as on 31 March 2021. During the year 2020-21, only seven SPSEs accounted for interest amount in their accounts and three⁴⁹ SPSEs did not account for interest amount in their account. The details of positive and negative interest coverage ratio of SPSEs having outstanding loans during the period from 2018-19 to 2020-21 are given in Table 5.12.

Table 5.12: Interest Coverage Ratio

(₹ in crore)

| Year | Interest | Earnings before interest and taxes | No of SPSEs | No. of SPSEs having ICR >= 1 | No. of SPSEs having ICR < 1 |
|-------------------------------|----------|------------------------------------|-------------|------------------------------|-----------------------------|
| Statutory Corporations | | | | | |
| 2018-19 | 18.09 | 4.64 | 1 | - | 1 |
| 2019-20 | 17.68 | 36.26 | 1 | 1 | - |
| 2020-21 | 17.68 | 36.26 | 1 | 1 | - |
| Government Companies | | | | | |
| 2018-19 | 392.64 | (-)1344.01 | 4 | 2 | 2 |
| 2019-20 | 517.02 | (-)1998.16 | 6 | 3 | 3 |
| 2020-21 | 591.33 | (-)1764.01 | 6 | 3 | 3 |

(Source: Compiled based on latest finalised accounts of SPSEs.)

⁴⁷ Bihar State Road Development Corporation Limited (₹ 6.02 crore including taxes)

⁴⁸ BSPHCL, BSPTCL, SBPDCL, NBPDC, BGCL, BSAIDCL, PSCL, BSEFCL, PMRC and BSFC.

⁴⁹ Bihar State Power Holding Company Limited, Patna Metro Rail Corporation and Patna Smart City Limited

During the year 2020-21, the ICR of three State Government companies i.e. South Bihar Power Distribution Company Limited, North Bihar Power Distribution Company Limited and Bihar State Agro Industries Development Corporation Limited were less than one. This shows that the SPSE's earning is not sufficient to pay their interest due to heavy losses as on March 2021. This also indicates high risk of insolvency.

5.4.2 Age Wise Analysis of Interest Outstanding on State Government Loans

As on 31 March 2021, interest amounting to ₹ 491.36⁵⁰ crore was outstanding on the long-term loans of six SPSEs provided by GoB. The age wise analysis of interest outstanding on State Government Loans in SPSEs is depicted in **Table 5.13**.

Table 5.13: Interest Outstanding on State Government Loans

(₹ in crore)

| Sl. No. | Name of SPSEs | Total outstanding Interest on Loan | Interest on loans outstanding for less than 1 year | Interest on loans outstanding for 1-3 years | Interest on loans outstanding for more than 3 years |
|--------------------|---|------------------------------------|--|---|---|
| 1 | North Bihar Power Distribution Company Limited | 45.39 | 7.66 | 15.32 | 22.41 |
| 2 | South Bihar Power Distribution Company Limited | 20.40 | 1.65 | 3.30 | 15.45 |
| 3 | Bihar State Power Transmission Company Limited | 170.38 | 48.93 | 97.86 | 23.59 |
| 4 | Bihar State Financial Corporation Limited | 233.92 | 17.68 | 35.36 | 180.88 |
| 5 | Bihar State Agro Industries Development Corporation Limited | 18.92 | 0.00 | 0.00 | 18.92 |
| 6 | Bihar State Education Finance Corporation Limited | 2.35 | 0.77 | 1.58 | 0.00 |
| Grand Total | | 491.36 | 76.69 | 153.42 | 261.25 |

(Source: Compiled based on the latest finalised accounts of SPSEs.)

It can be seen from the table that interest amounting to ₹ 261.25 crore was outstanding for more than three years. Bihar State Agro Industries Development Corporation Limited failed to repay the interest as well as principle of loan outstanding during the period as the Company became non-functional while Bihar State Financial Corporation also failed to repay as the Corporation is not undertaking any new business i.e. new lending which is the main source of its earning/revenue.

5.5 Operating efficiency of Government Companies

5.5.1 Return on Capital Employed

Return on Capital Employed (ROCE) is a ratio that measures a company's profitability and the efficiency with which its capital is employed. ROCE is calculated by dividing a company's earnings before interest and taxes (EBIT) by the capital employed⁵¹. The SPSE

⁵⁰ Bihar Grid Company Limited received loans from others financial institutions. Hence, the interest amount of BGCL has not been considered.

⁵¹ Capital Employed = Paid up Share capital + Free Reserves and surplus + Long term loans – Accumulated losses – Deferred Revenue Expenditure

wise details of ROCE are given in *Appendix-5.1*. The consolidated ROCE of 18 SPSEs during the period 2018-19 to 2020-21 are given in **Table 5.14**.

Table 5.14: Return on Capital Employed

| Sectors | No. of SPSEs | EBIT (₹ in crore) | Capital Employed (₹ in crore) | ROCE (In percentage) |
|----------------|--------------|----------------------|----------------------------------|-------------------------|
| 2018-19 | | | | |
| Power | 8 | (-)1,643.11 | 24,297.58 | (-)6.76 |
| Non Power | 9 | 120.04 | 1,011.52 | 11.87 |
| Total | 17 | (-)1,523.07 | 25,309.10 | (-)6.02 |
| 2019-20 | | | | |
| Power | 8 | (-)2,256.03 | 25,947.01 | (-)8.69 |
| Non Power | 10 | 149.72 | 1,156.58 | 12.95 |
| Total | 18 | (-)2,106.31 | 27,103.59 | (-)7.77 |
| 2020-21 | | | | |
| Power | 8 | (-)2,022.64 | 26,404.64 | (-)7.66 |
| Non Power | 10 | 146.50 | 1,154.60 | 12.69 |
| Total | 18 | (-)1,876.14 | 27,559.24 | (-)6.81 |

(Source: Compiled based on latest finalised accounts of SPSEs.)

It was observed that ROCE of 18 Government companies and corporations was lower during the year 2020-21 in comparison to that for the year 2018-19 mainly because of decrease in ROCE of power companies.

5.5.2 Rate of Real Return on Government Investment (RORR)

In view of the significant investment by Government of Bihar in 18 companies, return on such investment is essential from the perspective of State Government. Traditional calculation of return based only on historical cost of investment may not be a correct indicator of the adequacy of the return on the investment since such calculations ignore the present value of money. Therefore, the return on investment has been calculated after considering the Present Value (PV) of money to arrive at the real return on investment made by GoB. PV of the State Government investment was computed where funds had been infused by the State Government in the shape of equity, interest free/defaulted long term loans and Capital grants from 2014-15 in these SPSEs till 31 March 2021.

The PV of the State Government investment in 18 SPSEs was computed on the basis of following assumptions:

- Interest free/defaulted long term loans and Capital Grants have been considered as investment infusion by the State Government. Further, in those cases where interest free loans given to the SPSEs were later converted into equity, the amount of loan converted into equity has been deducted from the amount of interest free loans and added to the equity of that year. The funds made available in the form of revenue grants and subsidies have not been reckoned as investment.
- The average rate of interest on government borrowings for the concerned financial year was adopted as discount rate for arriving at Present Value since they represent the cost incurred by the government towards investment of funds for the year.

The position of State Government investment in 18 companies in the form of equity, interest free/defaulted loans and capital grants since inception of these companies till 31 March 2021

and the consolidated position of the PV of the State Government investment relating to these SPSEs for the same period is indicated in **Table 5.15**.

Table 5.15: Year wise details of investment by the State Government and RORR of Government funds from 2014-15 to 2020-21

(₹ in crore)

| Financial year | Present value of total investment at the beginning of the year | Equity infused by the state Government during the year | Interest free/defaulted Loans and capital grants given by the state Government during the year | Total investment during the year | Average rate of interest on Government borrowings (in %) | Total investment at the end of the year | Present value of total investment at the end of the year | Minimum expected return to recover cost of funds for the year | Total Earning for the year | RORR in Percent |
|----------------|--|--|--|----------------------------------|--|---|--|---|----------------------------|-------------------|
| i | ii | iii | iv | v = iii+iv | vi | vii = ii+v | viii = {vii* (100+vi)/100} | ix = {viii*vi}/100} | x | xi = (x*100/viii) |
| Up to 2014-15 | 0.00 | 9,017.54 | 6,243.75 | 15,261.29 | 6.59 | 15,261.29 | 16,267.01 | 1,005.72 | -906.11 | -5.57 |
| 2015-16 | 16,267.01 | 6,931.91 | 1,423.49 | 8,355.40 | 6.58 | 24,622.41 | 26,242.56 | 1,620.15 | -907.07 | -3.46 |
| 2016-17 | 26,242.56 | 5,291.39 | 5,212.82 | 10,504.21 | 6.42 | 36,746.77 | 39,105.92 | 2,359.14 | -1,312.85 | -3.36 |
| 2017-18 | 39,105.92 | 8,970.73 | 222.89 | 9,193.62 | 6.13 | 48,299.54 | 51,260.30 | 2,960.76 | -7,780.58 | -15.18 |
| 2018-19 | 51,260.30 | 5,044.86 | 3,477.65 | 8,522.51 | 6.18 | 59,782.81 | 63,477.39 | 3,694.58 | -2,455.36 | -3.87 |
| 2019-20 | 63,477.39 | 3,129.70 | 1,966.80 | 5,096.50 | 5.68 | 68,573.89 | 72,468.88 | 3,895.00 | -2,612.14 | -3.60 |
| 2020-21 | 72,468.88 | 33.01 | 0.00 | 33.01 | 5.94 | 72,501.89 | 76,808.50 | 4,306.61 | -2,488.96 | -3.24 |
| Total | | 38,419.14 | 18,547.40 | 56,966.54 | | | | | | |

(Source: Compiled based on the latest finalised accounts of SPSEs.)

The balance of investment of the State Government in these 18 companies at the end of the year increased to ₹ 56,966.54 crore in 2020-21 from ₹ 15,261.29 crore in 2014-15 as the State Government made further investments in shape of equity (₹ 29,401.60 crore), and capital grants (₹ 12,303.65 crore). The PV of investments of the State Government up to 31 March 2021 worked out to ₹ 76,808.50 crore.

It could be seen that total earnings and RORR of these SPSEs remained negative during 2014-15 to 2020-21 due to losses of power companies which indicates that instead of generating returns on the invested funds to recover the cost of funds to the Government, they have accumulated huge losses over the years making them commercially unviable.

5.5.3 Return on Investment in SPSEs (ROI)

Return on Investment (ROI)⁵² is a measure of financial performance of companies calculated by dividing net income by total investment. Sector wise ROI of SPSEs for three years ended 31 March 2021 is depicted in **Table 5.16**.

Table 5.16: Sector wise Return on Investment

| Sector | 2018-19 | 2019-20 | 2020-21 |
|--------------|----------------|----------------|----------------|
| Power | (-)4.08 | (-)4.97 | (-)4.41 |
| Non-Power | 7.13 | 8.25 | 8.07 |
| Total | (-)3.63 | (-)4.46 | (-)3.94 |

(Source: Compiled based on latest finalised accounts of SPSEs.)

It can be seen from the table that ROI of 18 Government companies and corporations improved during the year 2020-21 in comparison to that for the year 2019-20 mainly because of increase in ROI of power companies.

⁵² Return on Investment = (Net Profit before Interest, Tax and preference Dividend/ Equity)*100/ Investment where Investment = Paid up Capital + Free Reserves + Long term loan.

5.5.4 Return on Equity of SPSEs (ROE)

Return on equity (ROE)⁵³ is a measure of financial performance of companies calculated by dividing net income by shareholders' equity. Sector wise ROE of SPSEs for three years ended 31 March 2021 is depicted in **Table 5.17**.

Table 5.17: Sector wise Return on Equity

| <i>(in per cent)</i> | | | |
|----------------------|-----------------|-----------------|-----------------|
| Sector | 2018-19 | 2019-20 | 2020-21 |
| Power | (-)12.85 | (-)13.66 | (-)12.90 |
| Non-Power | 22.11 | 20.10 | 20.18 |
| Total | (-)12.22 | (-)12.84 | (-)12.10 |

(Source: Compiled based on latest finalised accounts of SPSEs.)

It can be seen from the table that ROE of 18 Government companies and corporations remained negative during the period between 2018-19 and 2020-21 due to losses and negative ROE of power companies.

5.6 SPSEs incurring losses and erosion of capital

5.6.1 Losses incurred by SPSEs

The number of SPSEs that incurred losses ranged between five to six during the year 2018-19 to 2020-21, as given in **Table 5.18**.

Table 5.18: Number of SPSEs that incurred losses during 2018-19 to 2020-21

| Year | No of SPSEs incurred loss | Net loss for the year (₹ in crore) | Accumulated Losses (₹ in crore) | Net Worth ⁵⁴ (₹ in crore) |
|-------------------------------|---------------------------|---------------------------------------|------------------------------------|---|
| Statutory Corporations | | | | |
| 2018-19 | 1 | 13.45 | 511.85 | (-)423.96 |
| 2019-20 | - | - | - | - |
| 2020-21 | - | - | - | - |
| Government Companies | | | | |
| 2018-19 | 5 | 2,711.42 | 16,115.00 | 10,118.21 |
| 2019-20 | 5 | 3,213.13 | 19,629.17 | 9,223.73 |
| 2020-21 | 5 | 3,213.13 | 19,629.17 | 9,223.73 |
| Total | | | | |
| 2018-19 | 6 | 2,724.87 | 16,626.85 | 9,694.25 |
| 2019-20 | 5 | 3,213.13 | 19,629.17 | 9,223.73 |
| 2020-21 | 5 | 3,213.13 | 19,629.17 | 9,223.73 |

(Source: Compiled based on latest finalised accounts of SPSEs.)

Out of total loss of ₹ 3,213.13 crore incurred by five SPSEs during the year 2020-21, loss of ₹ 3,203.65 crore was attributed to three SPSEs, as listed in **Table 5.19**.

⁵³ Return on Equity = (Net Profit after Tax and preference Dividend/Equity)*100 where Equity = Paid up Capital + Free Reserves – Accumulated Loss – Deferred Revenue Expenditure

⁵⁴ Net worth means the sum total of the paid-up share capital and free reserves and surplus less accumulated loss and deferred revenue expenditure. Free reserves mean all reserves created out of profits and share premium account but do not include reserves created out of revaluation of assets and write back of depreciation provision.

Table 5.19: SPSEs that incurred losses of more than ₹ 10 crore*(₹ in crore)*

| Sl. No. | Name of SPSEs | Year of Finalised Account | Net profit/ loss after tax and preference dividend |
|---------|--|---------------------------|--|
| 1 | South Bihar Power Distribution Company Limited | 2019-20 | (-)1,664.84 |
| 2 | North Bihar Power Distribution Company Limited | 2019-20 | (-)1,282.88 |
| 3 | Bihar State Power Generation Company Limited | 2019-20 | (-)255.93 |

(Source: Compiled based on latest finalised accounts of SPSEs.)

5.6.2 Erosion of capital in Government Companies

As on 31 March 2021, out of 18 SPSEs, net worth of 13 SPSEs (all functional) was positive. The net worth of remaining five SPSEs, including four⁵⁵ functional and one⁵⁶ non-functional SPSE was negative. The net worth of these four functional SPSEs and one non-functional SPSE was completely eroded by their accumulated losses as the net worth of these SPSEs was (-) ₹ 405.51 crore and (-) ₹ 182.31 crore against equity investment of ₹ 77.96 crore and ₹ 7.64 crore respectively as on 31 March 2021. Further, net worth was less than half of their paid-up capital in respect of two⁵⁷ SPSEs and net worth of one SPSE i.e. North Bihar Power Distribution Company Limited was ₹ 6,482.83 crore (55.63 per cent) against equity investment of ₹ 11,653.84 crore at the end of 31 March 2021, indicating their potential financial sickness.

5.7 Winding up of non-functional SPSEs

The number of non-functional SPSEs at the end of each year during last three years ended 31 March 2021 is given below:

Table 5.20: Non-functional SPSEs

| Particulars | 2018-19 | 2019-20 | 2020-21 |
|---|---------|---------|---------|
| No. of non-functional SPSEs | 42 | 42 | 42 |
| Out of above, No. of SPSEs which were under liquidation | 5 | 5 | 5 |

(Source: Compiled from the information included in Audit Report (PSUs), GoB of respective years and in Appendix 5.2.)

All 42 SPSEs as in 2020-21, are non-functional for more than five years. The status of non-functional SPSEs are shown in the following table:

Table 5.21: Status on non-functional SPSEs

| Sl. No. | Status | No. of SPSEs |
|--------------|--|--------------|
| 1 | Under liquidation | 5 |
| 2 | Application made to ROC for strike off | 6 |
| 3 | State Government has decided to take back the winding up petition from court. | 12 |
| 4 | Liquidation procedure pending due to non bi-furcation of assets and liabilities between Bihar and Jharkhand. | 6 |
| 5 | Under process with Company Law Tribunal. | 2 |
| 6 | Pending due to finalisation of accounts. | 1 |
| 7 | No action taken by Government | 10 |
| Total | | 42 |

(Source: Compiled based on the information furnished by the SPSEs.)

⁵⁵ Lakhisarai Bijlee Company Private Limited, Pirpainti Bijlee Company Private Limited, Patna Smart City Limited and Bihar State Financial Corporation

⁵⁶ Bihar State Agro Industries Development Corporation Limited

⁵⁷ Bihar State Power Generation Company Limited and South Bihar Power Distribution Company Limited.

Government of Bihar (GoB) has already decided to wind up 32 non-functional SPSEs⁵⁸ and these are under various stages of liquidation. However, no action has been taken in respect of remaining 10 SPSEs.

Accounts of non-functional SPSEs are in arrear from one⁵⁹ year to 44⁶⁰ years (since inception). Viability of these non-functional SPSEs is also doubtful as there is no contribution in GSDP by these non-functional SPSEs.

Besides, the continued existence of these non-functional SPSEs constitute a substantial drain on the public exchequer in the form of establishment expenditure.

5.8 Budgetary support to SPSEs whose accounts were in arrears

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

Government provided budgetary support (equity, loans, grants, subsidies and accepted guarantee) to the tune of ₹ 20,145.84 crore to 15 functional State Public Sector Enterprises (SPSEs), two Statutory Corporations and 16 non-functional SPSEs up to August 2021 whose Accounts were in arrears as on 31 March 2021. These SPSEs have not finalised their Accounts for the last one to 44 years in violation of provisions of the Companies Act/Acts of the respective Statutory Corporations/ PSUs (*Appendix 5.3*).

During scrutiny of Finance Account (five years data), it was observed that GoB had regularly invested in Bihar State Minority Finance Corporation Limited⁶¹ from 2016-17 to 2020-21 except in 2018-19 whereas the annual accounts of the company are in arrears since 2014-15. There were several⁶² other companies also who have not submitted their accounts for past several years but are getting investment from Government since the last five years.

Due to non-finalisation of Accounts, the CAG has been unable to perform the supplementary audit of Companies as stipulated in the Companies Act and statutory audit of the corporations as stipulated in their respective acts. In the absence of timely finalisation of accounts, results of the investment of the Government remain outside the purview of the State Legislature and escape scrutiny by Audit. Consequently, corrective measures, if any, required for ensuring accountability and improving efficiency cannot be taken in time. The risk of fraud and mis-utilisation of public money cannot be ruled out.

⁵⁸ Out of 42 non-functional SPSEs, 32 non-functional SPSEs are under various stages of liquidation.

⁵⁹ Bihar State Agro Industries Development Corporation Limited.

⁶⁰ Bihar Scooters Limited.

⁶¹ 2016-17-₹ 85.11 crore, 2017-18-₹ 100 crore, 2019-20-₹ 91.80 crore, 2020-21- ₹ 35.64 crore

⁶² Patna Metro Rail Corporation Limited (2018-19-₹ 3.00 crore, 2019-20-₹ 160 crore, 2020-21-₹ 50.00 crore), Bihar State Mining Corporation Limited (2017-18-₹ 20.00 crore), Bihar State Industrial Development Corporation Limited (2018-19-₹ 5.00 crore) etc.

5.9 Audit of State Public Sector Enterprises (SPSEs)

Comptroller & Auditor General of India (CAG) appoints the statutory auditors of a State Government Company and State Government Controlled Other Company under Section 139 (5) and (7) of the Companies Act, 2013. CAG has a right to conduct a supplementary audit and issue comments upon or supplement the Audit Report of the statutory auditor. Statutes governing some Corporations require that their accounts be audited by the CAG and a report be submitted to the State Legislature.

5.10 Appointment of statutory auditors of SPSEs by CAG

Sections 139 (5) of the Companies Act, 2013 provides that the statutory auditors in case of a State Government Company are to be appointed by the CAG within a period of 180 days from the commencement of the financial year.

5.11 Submission of Accounts by SPSEs

5.11.1 Need for timely submission

According to Section 394 of the Companies Act 2013, Annual Report on the working and affairs of a Government Company, is to be prepared within three months of its Annual General Meeting (AGM) and as soon as may be after such preparation laid before both the Houses of State Legislature together with a copy of the Audit Report and any comments upon or supplement to the Audit Report, made by the CAG. Almost similar provisions exist in the respective Acts regulating statutory corporations. This mechanism provides the necessary legislative control over the utilisation of public funds invested in the companies from the Consolidated Fund of State.

Section 96 of the Companies Act, 2013 requires every company to hold AGM of the shareholders once in every calendar year. It is also stated that not more than 15 months shall elapse between the date of one AGM and that of the next. Further, Section 129 of the Companies Act, 2013 stipulates that the audited Financial Statement for the financial year has to be placed in the said AGM for their consideration.

Section 129 (7) of the Companies Act, 2013 also provides for levy of penalty like fine and imprisonment on the persons including directors of the company responsible for non-compliance with the provisions of Section 129 of the Companies Act, 2013.

Despite above provisions, annual accounts of various SPSEs were pending as on 30 September 2021, as detailed in the following paragraph.

5.11.2 Timeliness in preparation of accounts by State Government Companies/ Statutory Corporations

As of 31 March 2021, there were 72 State Government Companies, three Statutory Corporations and four Government controlled other companies under the purview of CAG's audit (total 79 SPSEs). Of these, accounts for the year 2020-21 were due from all State Government Companies / Statutory Corporations as on 30 September 2021. Out of 79 SPSEs, only two⁶³ State Government Companies submitted their accounts for the year 2020-21 for audit by CAG on or before 30 September 2021. Accounts of rest 70 State Government Companies, three Statutory Corporations and four Government Controlled Other Companies (total 77 SPSEs) were in arrears for various reasons.

⁶³ Bihar Grid Company Limited and Bihar State Education Finance Corporation Limited

Audit of Statutory Corporations is governed by their respective legislations. Out of the three Statutory Corporations, the CAG is the sole auditor for Bihar State Road Transport Corporation. In respect of Bihar State Financial Corporation and Bihar State Warehousing Corporation, the audit is conducted by Chartered Accountants and supplementary audit is conducted by the CAG.

The accounts of Bihar State Financial Corporation for the year 2019-20 and 2020-21, Bihar State Road Transport Corporation from 2017-18 to 2020-21 and Bihar State Warehousing Corporation from 2016-17 to 2020-21 were awaited as on 30 September 2021.

Details of arrears in submission of accounts of SPSEs as on 30 September 2021 are given in **Table 5.22**.

Table 5.22: Position relating to submission of accounts by the SPSEs

| Particulars | | Government Companies/Government Controlled Other Companies/Statutory Corporations | | | |
|---|---------------------------------|---|---------------------------------------|------------------------|-------|
| | | Government Companies | Government controlled other Companies | Statutory Corporations | Total |
| Total number of SPSEs under the purview of CAG's audit as on 31 March 2021 | | 72 | 04 | 03 | 79 |
| Less: New SPSEs from which accounts for 2020-21 were not due | | - | - | - | - |
| Number of SPSEs from which accounts for 2020-21 were due | | 72 | 04 | 03 | 79 |
| Number of SPSEs which presented the accounts for 2020-21 for CAG's audit by 30 September 2021 | | 02 | - | - | 02 |
| Number of SPSEs having arrear accounts as of 30 September 2021 | | 70 | 04 | 03 | 77 |
| Number of accounts in arrears | | 1,339 ⁶⁴ | 12 | 11 | 1,362 |
| Break-up of Arrears | Under Liquidation | 100 | - | - | 100 |
| | Non-functional | 1,100 | - | - | 1,100 |
| | Functional | 139 | 12 | 11 | 162 |
| Age-wise analysis of arrears against 'Functional' category | One year (2020-21) | 08 | - | - | 08 |
| | Two years (2019-20 and 2020-21) | 04 | 02 | 02 | 08 |
| | Three years and more | 127 | 10 | 09 | 146 |

(Source: Compiled based on the latest finalised accounts of SPSEs.)

The names of these companies are indicated in **Appendix 5.4**. Out of 77 SPSEs, 35 functional SPSEs had arrears of 162 accounts ranging from one to 23 years whereas 42 non-functional SPSEs had arrears of 1,200 accounts ranging from one to 44 years.

5.12 CAG's oversight - Audit of accounts and supplementary audit

5.12.1 Financial reporting framework

Companies are required to prepare the financial statements in the format laid down in Schedule III to the Companies Act, 2013 and in adherence to the mandatory Accounting Standards prescribed by the Central Government, in consultation with National Advisory

⁶⁴ As per the circular of ROC Patna dated 23.09.2021, the date of holding the AGM by a period of two months from the due date by which the AGM ought to have been held was extended for the companies, which are unable to hold their AGM. Therefore, the accounts of SBPDCL and NBPDCCL for the year 2020-21, though received subsequently, have been considered as arrear due to non-compliance of ROC circular dated 23.09.2021.

Committee on Accounting Standards. The statutory corporations are required to prepare their accounts in the format prescribed under the rules, framed in consultation with the CAG and any other specific provision relating to accounts in the Act governing such corporations.

5.12.2 Audit of accounts of SPSEs by Statutory Auditors

The statutory auditors appointed by the CAG under Section 139 of the Companies Act, 2013, conduct audit of accounts of the State Government Companies and submit their report thereon in accordance with Section 143 of the Companies Act, 2013.

The CAG plays an oversight role by monitoring the performance of the statutory auditors in audit of public sector undertakings with the overall objective that the statutory auditors discharge the functions assigned to them properly and effectively. This function is discharged by exercising the power:

- to issue directions to the statutory auditors under Section 143 (5) of the Companies Act, 2013 and
- to supplement or comment upon the statutory auditor's report under Section 143 (6) of the Companies Act, 2013.

5.12.3 Supplementary Audit of accounts of SPSEs

The prime responsibility for preparation of financial statements in accordance with the financial reporting framework prescribed under the Companies Act, 2013 or other relevant Act is of the management of an entity.

The statutory auditors appointed by the CAG under section 139 of the Companies Act, 2013 are responsible for expressing an opinion on the financial statements under section 143 of the Companies Act, 2013 based on independent audit in accordance with the Standard Auditing Practices of Institute of Chartered Accountants of India (ICAI) and directions given by the CAG. The statutory auditors are required to submit the Audit Report to the CAG under Section 143 of the Companies Act, 2013.

The certified accounts of selected State Government Companies along with the report of the statutory auditors are reviewed by CAG by carrying out a supplementary audit. Based on such review, significant audit observations, if any, are reported under Section 143 (6) of the Companies Act, 2013 to be placed before the Annual General Meeting.

5.13 Result of CAG's oversight role

5.13.1 Audit of accounts of SPSEs under Section 143 of the Companies Act, 2013

Financial statements for the year 2020-21 were received from two⁶⁵ State Government Companies by 30 September 2021. The review of these two accounts of State Government Companies is under process.

⁶⁵ Bihar Grid Company Limited and Bihar State Education Finance Corporation Limited

5.13.2 Significant comments of the CAG issued as supplement to the statutory auditors' reports on SPSEs

The statutory auditors forwarded 28 accounts (21 Non-Power and seven Power) during January 2021 to September 2021 subsequent to the audit of the financial statements by them. The CAG issued non-review certificate on one accounts and conducted supplementary audit of the financial statements of the remaining SPSEs. During January 2021 to September 2021, CAG issued disclaimer on 29⁶⁶ accounts (25 Non-Power and four Power) and comments on nine accounts (eight Non-Power and one Power) including one account of Bihar State Road Development Corporation Limited for the year 2018-19 on which adverse⁶⁷ comment stating that the accounts of the company does not provide true and fair view under Section 143(6) (b) of the Companies Act, 2013, was issued.

The list of SPSEs covered in this Chapter in respect of whom comments were issued during January 2021 to September 2021 is given in **Table 5.23**.

Table 5.23: List of SPSEs covered in this Chapter where comments were issued by CAG

| Sl. No. | Name of the SPSE | Year of the Account |
|---------|--|---------------------|
| 1 | Bihar State Educational Infrastructure Development Corporation Limited | 2018-19 |
| 2 | Bihar State Road Development Corporation Limited | 2018-19 |
| 3 | Bihar State Education Finance Corporation Limited | 2018-19 |
| 4 | Bihar Grid Company Limited | 2019-20 |

(Source: Compiled based on the comments issued by CAG on accounts of SPSEs.)

Some of the significant comments issued on financial statements of Government Companies and Government Controlled Other Companies, the financial impact of which on the profitability was ₹ 1,521.20 crore and on assets/liabilities was ₹ 65.71 crore, have been tabulated below:

A Comments on Profitability

| Sl. No. | Name of the SPSE | Comments |
|---------|--|--|
| 1 | Bihar State Educational Infrastructure Development Corporation Limited (2018-19) | <ul style="list-style-type: none"> ➤ Due to non-adherence of the GoB guidelines on centage income, an amount of ₹ 3.55 crore of centage income was not accounted for during the year 2018-19. This resulted in understatement of Revenue from Operations (Centage Income) and Current Assets for the year 2018-19 by ₹ 3.55 crore each. ➤ An amount of ₹ 13.58 lakh being the interest accrued but not due on fixed deposit during the period 2018-19 (from 25.03.2019 to 31.03.2019) was not accounted for in the same year. This resulted in understatement of Other Income and Current Assets for the year by ₹ 13.58 lakh. |

⁶⁶ The figure also includes accounts which were received and audited prior to January 2021 and report on accounts issued during January 2021 to September 2021.

⁶⁷ Related significant matters are depicted in Table A and B (Comments on Profitability/Financial Position).

| Sl. No. | Name of the SPSE | Comments |
|---------|--|---|
| | | <ul style="list-style-type: none"> ➤ A sum of ₹ 6.32 lakh being the interest amount received on Corporate Social Responsibility (CSR) fund for the year 2018-19 was treated as Company's income and booked in the Profit and Loss account. This resulted in overstatement of Other Income and understatement of CSR fund by ₹ 6.32 lakh. |
| 2 | Bihar State Road Development Corporation Limited (2018-19) | <ul style="list-style-type: none"> ➤ The Company in deviation of the opinion of ICAI's expert Advisory committee, wrongly accounted for ₹ 1,498.79 crore as revenue from operations which pertained to contract expenses on works executed on cost plus basis in profit & loss account. This resulted in overstatement of Revenue from operations by ₹ 1,498.79 crore and contract expense by the same extent. ➤ The Company (CPIU-Patna) had accounted the civil cost on the project (SS-81) during the year 2018-19 in the books of accounts but had not accounted for the Income earned thereon as agency and contingency charges. This resulted in understatement of Revenue from operation and work in progress by ₹ 18.22 crore. ➤ The Company had not charged a sum of ₹ 0.44 crore being the amount of depreciation on Temporary shed (Value: ₹ 0.70 crore) in profit and loss account as per the provisions of Schedule II of the Companies Act, 2013. This resulted in overstatement of profit for the year by ₹ 0.44 crore. |

B Comments on Financial Position

| Sl. No. | Name of the SPSE | Comments |
|---------|--|--|
| 1 | Bihar State Educational Infrastructure Development Corporation Limited (2018-19) | <ul style="list-style-type: none"> ➤ Due to non-adherence of the GoB guidelines on centage income, an amount of ₹ 15.28 crore of centage income on projects executed during the period 25.01.2016 to 31.03.2018, had not been accounted for in FY 2018-19. This resulted in understatement of Reserve and Surplus and Current Assets for the year 2018-19 by ₹ 15.28 crore. ➤ Wrong accountal of ₹ 23.82 crore being the amount refunded by Income Tax Department against the total amount paid as advance Income Tax of ₹ 25.79 crore resulted in overstatement of Other Current Liabilities and Other Non-current Assets by ₹ 23.82 crore. |

| Sl. No. | Name of the SPSE | Comments |
|---------|---|---|
| | | <p>➤ The short term provisions includes a total sum of ₹ 2.04 crore towards provision for CSR comprising ₹ 0.71 crore for current year and ₹ 1.33 crore for previous years.</p> <p>In view of the Guidance Note on Accounting for Expenditure on Corporate Social Responsibility Activities issued by ICAI, no provision for the amount which is not spent on CSR activities should have been made in the financial statements and reasons for not spending should have been in Directors' Report. However, the company neither spent any amount on CSR activities nor gave any reasons in the Director's report as per the provision of Section 135 (5) of the Companies Act, 2013.</p> <p>➤ Bills amounting to ₹ 7.84 crore received during the period 2018-19 were not accounted for in the same year on accrual basis. This resulted in understatement of Work-in-Progress by ₹ 8.39 crore, Trade Payable by ₹ 7.84 crore and centage income by ₹ 0.55 crore.</p> |
| 2 | Bihar State Road Development Corporation Limited (2018-19) | <p>➤ A sum of ₹ 29.11 crore being the amount of Income tax refund claimed by the Company. As per the assessment done by the Income Tax authorities, the Company is not eligible to get refunds amounting to ₹ 14.20 crore for the assessment year 2011-12, 2012-13 and 2014-15. This resulted in overstatement of Other Current Assets and understatement of expense by ₹ 14.20 crore.</p> |
| 3 | Bihar State Education Finance Corporation Limited (2018-19) | <p>➤ Non-provision of ₹ 2.47 lakh, being the penalty payable towards EPF contribution, resulted in understatement of Other Current Liabilities and profit to the extent of ₹ 2.47 lakh.</p> <p>➤ Non-charging of ₹ 8.24 lakh, being the amount of Preliminary Expenses to be charged in the year 2018-19 as per AS 26, resulted in overstatement of other non-current assets and profit to the extent of ₹ 8.24 lakhs.</p> |
| 4 | Bihar Grid Company Limited (2019-20) | <p>➤ A sum of ₹ 1.88 crore being the cost of general overhead costs which were not directly attributable to the cost of construction project, booked under "Expenditure during construction (EDC)". Incorrect inclusion of overhead costs resulted in overstatement of Capital work in progress and Profit to the extent of ₹ 1.88 crore.</p> |

C Comments on Disclosure

| Sl. No. | Name of the SPSE | Comments |
|---------|---|---|
| 1 | Bihar State Education Finance Corporation Limited (2018-19) | ➤ The Company did not disclose the clarification of Government of Bihar in the accounts that the company on behalf of Bihar Government will calculate interest chargeable on the loan under Bihar Student Credit Card Scheme and collect the same from the Beneficiaries. |
| 2 | Bihar Grid Company Limited (2019-20) | ➤ The Company did not disclose the borrowing costs capitalization rate charged to statement of Profit and Loss during the year. Hence, the company has not complied with the disclosure requirement under Ind AS 23. |

5.13.3 Statutory Corporation

Out of three Statutory Corporations, no Corporation had finalised and forwarded their accounts of 2020-21 by 30 September 2021. The details regarding submission of accounts and arrear of accounts of these Statutory Corporations are summarised in the **Table 5.24**.

Table 5.24: Position relating to submission of accounts and arrear of accounts of Statutory Corporations

| Sl. No. | Name of the Corporation | Name of Department | Year of latest Finalised Accounts | Period for which the accounts are in arrear | Number of accounts in arrear |
|---------|--|--------------------|-----------------------------------|---|------------------------------|
| 1 | Bihar State Warehousing Corporation | Co-operative | 2015-16 | 2016-17 to 2020-21 | 05 |
| 2 | Bihar State Road Transport Corporation | Transport | 2016-17 | 2017-18 to 2020-21 | 04 |
| 3 | Bihar State Financial Corporation | Industry | 2018-19 | 2019-20 to 2020-21 | 02 |

(Source: Compiled based on the latest finalised accounts of SPSEs.)

5.14 Non-compliance with provisions of Accounting Standards/ Ind-AS

In exercise of the powers conferred by Section 469 of the Companies Act, 2013, read with Section 129 (1), Section 132 and Section 133 of the said Act, the Central Government prescribed Accounting Standards 1 to 7 and 9 to 29. Besides these, the Central Government notified 41 Indian Accounting Standards (Ind AS) through Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

The statutory auditors reported that two SPSEs did not comply with mandatory Accounting Standards/Ind AS depicted in **Appendix 5.5**. As can be seen from the appendix, the statutory auditors reported two cases of non-compliance of Accounting Standards by two SPSEs.

During the course of supplementary audit, the CAG observed that three SPSEs had also not complied with the Accounting Standards/Ind AS which was not reported by their statutory auditors depicted in *Appendix 5.6*. As can be seen from the appendix that there were five cases of non-compliance of Accounting Standards/Ind AS by three SPSEs.

Patna
The 11 April 2022


(RAMAWATAR SHARMA)
Accountant General (Audit), Bihar

COUNTERSIGNED

New Delhi
The 21 April 2022


(GIRISH CHANDRA MURMU)
Comptroller and Auditor General of India

APPENDICES

APPENDICES

Appendix- 1.1

(Reference: Paragraph 1.1)

State profile

A. General Data

| Sl. No. | Particulars | Figures | |
|---------|---|-------------------------|-------|
| 1 | Area | 94,163 Sq. KM. | |
| 2 | Population (as per 2020) | 12.42 crore | |
| 3 | Density of population (as per 2011 Census) (All India density = 382 persons per Sq. Km.) | 1106 | |
| 4 | Population Below Poverty Line (BPL) (All India average = 21.90 per cent) | 33.7 | |
| 5 | Literacy (as per 2011 Census) (All India Average 73.00 per cent) | 61.8 | |
| 6 | Infant mortality (per 1,000 live births) (All India average = 33 per 1000 live births) | 29 | |
| 7 | Life Expectancy at birth (All India average =69.40 years) | 69.1 | |
| 8 | Gross State Domestic Product (GSDP) 2020-21 at current prices (₹ in crore) | 6,18,628 | |
| 9 | Per capita GSDP ⁶⁸ CAGR ⁶⁹ (2011-12 to 2020-21) | Bihar | 8.70 |
| | | General Category States | 8.08 |
| 10 | GSDP CAGR (2011-12 to 2020-21) | Bihar | 10.73 |
| | | General Category States | 9.48 |
| 11 | Population growth (2011 to 2021) | Bihar | 17.93 |
| | | General Category States | 12.30 |

B Financial data

Figures (in per cent)

| Sl. No. | Particulars | 2011-12 to 2019-20 | | 2019-20 to 2020-21 | |
|---------|-------------------------------------|-------------------------|----------|-------------------------|-------|
| | | General Category States | Bihar | General Category States | Bihar |
| a. | of Revenue Receipts | 2.08 | (-)5.74 | (-)4.56 | 3.17 |
| b. | of Tax Revenue | 2.12 | 2.55 | (-)4.43 | 0.61 |
| c. | of Non-Tax Revenue | 23.38 | (-)10.43 | (-)35.60 | 67.62 |
| d. | of Total Expenditure | 4.16 | (-)5.72 | 4.54 | 14.27 |
| e. | of Capital Expenditure | (-)5.55 | (-)7.81 | (-)2.36 | 47.99 |
| f. | of Revenue Expenditure on Education | 11.55 | (-)3.00 | (-)1.19 | 1.66 |
| g. | of Revenue Expenditure on Health | 10.09 | 12.73 | 14.51 | 24.22 |
| h. | of Salaries and Wages | 9.07 | 2.35 | 2.27 | 7.00 |
| i. | of Pension | 10.46 | 6.75 | 6.02 | 14.90 |

(Source: MoSPI of GoI)

⁶⁸ GSDP = Gross State Domestic Product.

⁶⁹ CAGR= Compounded Annual Growth Rate.

| Appendix- 2.1 | | | | | |
|--|----------------|----------------|----------------|-----------------|----------------|
| (Reference: Paragraph 2.2) | | | | | |
| Time series data on State Government finances | | | | | |
| <i>(₹ in crore)</i> | | | | | |
| | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
| Part A Receipts | | | | | |
| 1. Revenue Receipts | 105585 | 117447 | 131794 | 124233 | 128168 |
| (i) Tax Revenue | 23,742 (23) | 23,137 (20) | 29,408 (22) | 30,158 (24) | 30,342 (24) |
| Taxes on Sales, Trade, etc. | 11,873 (50) | 8,298 (36) | 6,584 (23) | 6,121 (20) | 6,032 (20) |
| State Excise | 30 (0) | (-)3.00 (0) | (-)10 (0) | (-) 4.00 (0) | (-)4 (0) |
| Taxes on Vehicles | 1,257 (5) | 1,599 (7) | 2,086 (7) | 2,713 (9) | 2,268 (7) |
| Stamps and Registration fees | 2,982 (13) | 3,726 (16) | 4,189 (14) | 4,661 (16) | 4,206 (14) |
| Land Revenue | 971 (4) | 779 (3) | 477 (2) | 275 (1) | 302 (1) |
| Taxes on Goods and Passengers | 6,245 (26) | 1,645 (7) | 399 (1) | 23 (0) | 6 (0) |
| SGST | - | 6,747 (29) | 15,288 (52) | 15,800 (52) | 16,050 (53) |
| Other Taxes | 384 (2) | 346 (2) | 395 (1) | 568 (2) | 1,482 (5) |
| (ii) Non-Tax Revenue | 2,403 (2) | 3,507 (3) | 4,131 (3) | 3,700 (3) | 6,201 (5) |
| (iii) State's share of Union taxes and duties | 58,881 (56) | 65,083 (55) | 73,603 (56) | 63,406 (51) | 59,861 (47) |
| (iv) Grants from Government of India | 20,559 (19) | 25,720 (22) | 24,652 (19) | 26,969 (22) | 31,764 (25) |
| 2. Miscellaneous Capital Receipts | 0 | 0 | 0 | 0 | 0 |
| 3. Recoveries of Loans and Advances | 23 | 22 | 1825 | 30 | 820 |
| 4. Total Revenue and Non-debt capital receipts (1+2+3) | 105608 | 117469 | 133619 | 124263 | 128988 |
| 5. Public Debt Receipts | 21577 | 13169 | 18668 | 29145 | 35915 |
| Internal Debt (excluding Ways and Means Advances and Overdrafts) | 20065 | 11771 | 16134 | 27866 | 29412 |
| Net transactions under Ways and Means Advances and Overdrafts | - | - | - | - | - |
| Loans and Advances from Government of India | 1512 | 1398 | 2534 | 1279 | 6503 |
| 6. Inter- State Settlement | - | - | - | - | - |
| 7. Total Receipts in the Consolidated Fund (4+5+6) | 127185 | 130638 | 152287 | 153408 | 164903 |
| 8. Contingency Fund Receipts | - | - | - | - | - |
| 9. Public Account Receipts | 61730 | 57107 | 68259 | 194512 | 217837 |
| 10. Total Receipts of the State (7+8+9) | 188915 | 187745 | 220546 | 347920 | 382740 |
| Part B. Expenditure/Disbursement | | | | | |
| 11. Revenue Expenditure | 94765 | 102624 | 124897 | 126017 | 139493 |
| Schemes | 33,576 (35) | 35,951 (35) | 47,365 (38) | 44,576 (35) | 44,201 (32) |

| | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|--|-----------------|----------------|-----------------|-----------------|-----------------|
| Establishment and committed | 61,189 (65) | 66,673 (65) | 77,532 (62) | 81,441 (65) | 95,292 (68) |
| General Services (including interest payments) | 30,607 (32) | 33,374 (32) | 38,691 (31) | 41,628 (33) | 46,239 (33) |
| Social Services | 40,737 (43) | 45,770 (45) | 58,284 (47) | 57,816 (46) | 63,807 (46) |
| Economic Services | 23,417 (25) | 23,476 (33) | 27,918 (22) | 26,571 (21) | 29,445 (21) |
| Grants-in-aid and contributions | 4 | 4 | 4 | 2 | 2 |
| 12. Capital Outlay | 27208 | 28907 | 21058 | 12304 | 18209 |
| Schemes | 27,192 (100) | 28866 (100) | 20,999 (100) | 12,253 (100) | 18,194 (100) |
| Establishment and committed | 16 (0) | 41 (0) | 59 (0) | 51 (0) | 15 (0) |
| General Services | 2,090 (8) | 2,765 (10) | 3,311 (16) | 2,388 (19) | 1,387 (8) |
| Social Services | 3,592 (13) | 4,258 (15) | 4,061 (19) | 2,803 (23) | 6,331 (35) |
| Economic Services | 21,526 (79) | 21,884 (75) | 13,686 (65) | 7,113 (58) | 10,491 (57) |
| 13. Disbursement of Loans and Advances | 114 | 243 | 1470 | 666 | 1114 |
| 14. Total (11+12+13) | 122087 | 131774 | 147425 | 138987 | 158816 |
| 15. Repayments of Public Debt | 4215 | 4653 | 7230 | 7110 | 6880 |
| Internal Debt (excluding Ways and Means Advances and Overdrafts) | 3461 | 3841 | 6300 | 6143 | 5937 |
| Net transactions under Ways and Means Advances and Overdraft | - | - | - | - | - |
| Loan and Advances from Government of India | 754 | 812 | 930 | 967 | 943 |
| 16. Appropriation to Contingency Fund | - | - | - | - | - |
| 17. Inter State settlement | - | - | - | - | - |
| 18. Total disbursement out of Consolidated Fund (14+15+16+17) | 126302 | 136427 | 154655 | 146097 | 165696 |
| 19. Contingency Fund disbursements | - | - | - | - | - |
| 20. Public Account disbursements | 57268 | 46299 | 67135 | 197747 | 217092 |
| 21. Total disbursement by the State (18+19+20) | 183570 | 182726 | 221790 | 343844 | 382788 |
| Part C. Deficits | | | | | |
| 22. Revenue Deficit(-)/ Revenue Surplus (+) (1-11) | 10820 | 14823 | 6897 | (-) 1,784 | (-) 11,325 |
| 23. Fiscal Deficit (-)/ Fiscal Surplus (+) (4-14) | (-)16,479 | (-)14,305 | (-)13,807 | (-) 14,724 | (-) 29,827 |
| 24. Primary Deficit (-)/ Primary Surplus (+) (23+25) | (-)8,288 | (-)5,251 | (-)3,736 | (-) 3,733 | (-) 17,343 |
| Part D. Other data | | | | | |
| 25. Interest Payments (included in revenue expenditure) | 8191 | 9054 | 10071 | 10991 | 12484 |
| 26. Financial Assistance to local bodies etc. | 36209 | 43359 | 51764 | 46582 | 54929 |
| 27. Gross State Domestic Product (GSDP) [@] | 4,21,051 | 4,68,746 | 5,27,976 | 5,94,016 | 6,18,628 |
| 28. Outstanding Fiscal liabilities (yearend) | 1,38,722 | 1,56,777 | 1,68,921 | 1,93,382 | 2,27,195* |
| 29. Outstanding guarantees (yearend) | 4,460 | 5,174 | 5,398 | 5,380 | 16,080 |
| 30. Maximum amount guaranteed (yearend) | 13,053 | 20,234 | 20,834 | 20,834 | 24,972 |

| | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|---|---------|---------|---------|---------|--------------------|
| 31. Number of incomplete projects | 130 | 127 | 68 | 143 | 157 |
| 32. Capital blocked in incomplete projects | 1,521 | 892 | 315 | 1001 | 1654 |
| Part E: Fiscal Health Indicators | | | | | |
| I Resource Mobilization (in per cent) | | | | | |
| Tax Revenue/GSDP | 5.64 | 4.94 | 5.57 | 5.08 | 4.90 |
| Non-Tax Revenue/GSDP | 0.57 | 0.75 | 0.78 | 0.62 | 1.00 |
| Central Transfers/GSDP | 18.87 | 19.37 | 18.61 | 15.21 | 14.81 |
| II Expenditure Management (in per cent) | | | | | |
| Total Expenditure/GSDP | 29.00 | 28.11 | 27.92 | 23.40 | 25.67 |
| Total Expenditure/Revenue Receipts | 115.63 | 112.20 | 111.86 | 111.88 | 123.91 |
| Revenue Expenditure/ Total Expenditure | 77.62 | 77.88 | 84.72 | 90.67 | 87.83 |
| Revenue Expenditure on Social Services/ Total Expenditure | 33.37 | 34.73 | 39.53 | 41.60 | 40.18 |
| Revenue Expenditure on Economic Services/ Total Expenditure | 19.18 | 17.82 | 18.94 | 19.12 | 18.54 |
| Capital Outlay/Total Expenditure | 22.29 | 21.94 | 14.28 | 8.85 | 11.47 |
| Capital Expenditure on Social and Economic Services/Total Expenditure | 20.57 | 19.84 | 12.04 | 7.13 | 10.59 |
| III Management of Fiscal Imbalances (in per cent) | | | | | |
| Revenue Surplus/GSDP | 2.57 | 3.16 | 1.31 | (-)0.30 | (-)1.83 |
| Fiscal deficit/GSDP | 3.91 | 3.05 | 2.62 | 2.48 | 4.82 |
| Primary deficit /GSDP | 1.97 | 1.12 | 0.71 | 0.63 | 2.80 |
| Revenue Surplus/Fiscal Deficit | 65.66 | 103.62 | 49.95 | 12.12 | 37.97 |
| IV Management of Fiscal Liabilities (in per cent) | | | | | |
| Fiscal Liabilities/GSDP | 32.95 | 33.45 | 31.99 | 32.56 | 36.09 [#] |
| Fiscal Liabilities/Revenue Receipts | 131.38 | 133.49 | 128.17 | 153.66 | 177.26 |
| Fiscal Liabilities/States own resources | 530.59 | 588.41 | 503.66 | 563.82 | 621.72 |

Figure in brackets represent percentage (rounded) to total of each sub-heading.

@ GSDP: MoSPI

(Source: Finance Accounts of respective years).

* The effective outstanding fiscal liabilities would be ₹ 2,23,290.51 crore as GST compensation of ₹ 3,905 crore given to the State as back to back loan under debt receipts would not be treated as debt of the State for any norms which may be prescribed by the Finance Commission.

Arrived at after exclusion of GST compensation of ₹ 3,905 crore received as back to back loan under debt receipts from the total outstanding liabilities

Appendix- 2.2
(Reference: Paragraph 2.4.3.3)
Pending payment on Incomplete Projects

| Sl. No. | Name of the project / works | Estimated cost of work/date of sanction | Year of commencement | Target year of completion | Physical progress of work (in per cent) | Expenditure during the year | Progressive expenditure to the end of the year | Pending payments | Revised cost, if any/ date of revision # | Cost of balance work adjusted to inflation |
|---------|--|---|----------------------|---------------------------|---|-----------------------------|--|------------------|--|--|
| 1 | Renovation of Milki sulice gate from sikariya ahar pyne irrigation scheme in Jehanabad | 518.88 | 2019-20 | 2020-21 | 85 | 114.35 | 240.42 | 463.63 | 704.06 | * |
| 2 | Renovation of Nagabagicha weir on the morhar river and pyne irrigation scheme in Jehanabad | 965.43 | 2019-20 | 2020-21 | 85 | 290.07 | 584.21 | 429.23 | 1,013.44 | * |
| 3 | Renovation of Kohrein pyne form sugao in Jehanabad | 270.37 | 2019-20 | 2020-21 | 70 | 57.74 | 157.84 | 112.53 | * | * |
| 4 | Renovation of Kanauli Mahamadpur waina Pyne Irrigation scheme in Jehanabad | 170.84 | 2019-20 | 2020-21 | 80 | 104.98 | 104.98 | 65.86 | * | * |
| 5 | Renovation of Lakhawar kunda ahar pyne and pokhar irrigation scheme in Jehanabad | 155.45 | 2019-20 | 2020-21 | 80 | 96.73 | 96..73 | 58.72 | * | * |
| 6 | Renovation of Bavna Kala ahar Pyne Irrigation scheme Jehanabad. | 202.92 | 2020-21 | 2020-21 | 60 | 65.68 | 65.69 | 137.23 | * | * |
| 7 | Renovation of Kachnama kumardih Pyne and Ahar irrigation scheme in Jehanabad | 241.78 | 2020-21 | 2020-21 | 60 | 74.15 | 74.16 | 167.62 | * | * |
| 8 | Renovation of Gram Gonwan Pyne irrigation scheme in Jehanabad | 222.83 | 2020-21 | 2020-21 | 80 | 102.47 | 102.48 | 163.52 | 266.00 | * |
| 9 | Bargaimya Ahar/Pyne irrigation system in Nawada District | 868.28 | 2019-20 | 2020-21 | 50 | 62.08 | 160.58 | 707.70 | * | * |
| 10 | Badalpur Pond in Nawada District | 136.1 | 2019-20 | 2020-21 | 50 | 58.39 | 58.39 | 77.71 | * | * |
| 11 | Harana Ahar/Pyne irrigation system in Nawada | 261.6 | 2019-20 | 2020-21 | 85 | 127.34 | 127.35 | 134.25 | * | * |
| 12 | Kewali Ahar/Pyne irrigation system in Nawada | 210.93 | 2019-20 | 2020-21 | 85 | 22.64 | 87.99 | 122.94 | * | * |
| 13 | Hadsa Barauhana and Bhadseni wear residual work in Nawada | 756.38 | 2019-20 | 2020-21 | 80 | 137.57 | 249.89 | 506.49 | * | * |
| 14 | Abnariya Ahar/Pyne irrigation system in Nawada | 350.98 | 2019-20 | 2020-21 | 75 | 125.56 | 232.60 | 118.37 | * | * |
| 15 | Sarkanda Jogi Lapada Tank in Nawada | 156.97 | 2020-21 | 2020-21 | 85 | 78.86 | 78.87 | 78.10 | * | * |
| 16 | Sarkanda Denmark Ahar Pond in Nawada | 155.14 | 2020-21 | 2020-21 | 83 | 75.87 | 75.88 | 79.26 | * | * |
| 17 | Sonsa Neuri Ahar/Pyne irrigation system in Nawada | 195.50 | 2020-21 | 2020-21 | 50 | * | * | 195.50 | * | * |
| 18 | Wohari Najardih Ahar/Pyne irrigation system in Nawada | 255.20 | 2020-21 | 2020-21 | 55 | * | * | 255.20 | * | * |
| 19 | Mahrath Pond- 1 in Nawada | 255.14 | 2020-21 | 2020-21 | 30 | 66.37 | 66.38 | 188.77 | * | * |
| 20 | Bajra Mohamadpur Ahar/Pyne irrigation system in Nawada | 178.57 | 2020-21 | 2020-21 | 55 | * | * | 178.57 | * | * |
| 21 | Renovation of Gerkhijor Ahar in Jamui | 173.72 | 2019-20 | 2020-21 | 65 | 91.00 | 91.00 | 82.72 | * | * |
| 22 | Renovation of Mushari pokhar, Dobhra, Barkhi, Vichali pokhar in Jamui | 118.8 | 2019-20 | 2020-21 | 80 | 6.14 | 55.45 | 63.35 | * | * |

| Sl. No. | Name of the project / works | Estimated cost/date of work/sanction | Year of commencement | Target year of completion | Physical progress of work (in per cent) | Expenditure during the year | Progressive expenditure to the end of the year | Pending payments | Revised cost, if any/ date of revision # | Cost of balance work adjusted to inflation |
|---------|--|--------------------------------------|----------------------|---------------------------|---|-----------------------------|--|------------------|--|--|
| 23 | Renovation of Raksi weir in Jamui | 193.19 | 2019-20 | 2020-21 | 80 | 81.96 | 97.05 | 96.14 | * | * |
| 24 | Raising and strengthening of existing Hayaghat karadhin embankment from 123.52 km (0.0 km) to 165.52 km (42 km) under Bhagnmati flood management system III A | 38,934.70 | 2017-18 | 2020-21 | 67 | 1,215.60 | 13,556.06 | 529.25 | * | * |
| 25 | Karasan Malhari Rook feal Wiar in Gaya | 156.44 | 2020-21 | 2020-21 | 25 | * | * | 39.11 | * | * |
| 26 | Kasiyadh Ahar Pyne in Gaya | 138.48 | 2020-21 | 2020-21 | 85 | * | * | 138.48 | * | * |
| 27 | Topographical survey of canals ejected from barmar reservoir scheme & pillaring and demarcation work of non forest land instead of forest land at Jhajha, Jamui | 481.62 | 2018-19 | 2020-21 | 85 | 16.20 | 337.09 | 144.53 | 481.62 | * |
| 28 | Construction of Berra Barrage on River Dardha near village Berra of Masaurhi Block in Patna | 4,325.11 | 2018-19 | 2020-21 | 79 | 394.80 | 2,863.56 | 986.95 | * | * |
| 29 | Baluahi Pokhar in Samastipur | 104.43 | 2019-20 | 2020-21 | 80 | 41.15 | 41.15 | 52.92 | * | * |
| 30 | Babu Pokhar in Samastipur | 117.28 | 2019-20 | 2020-21 | 85 | 25.30 | 25.30 | 91.98 | * | * |
| 31 | Chaita/Daita Pokhar in Samastipur | 178.16 | 2019-20 | 2020-21 | 60 | 36.27 | 36.27 | 84.58 | * | * |
| 32 | Sati Pokhar in Samastipur | 100.03 | 2020-21 | 2020-21 | 75 | * | * | 100.03 | * | * |
| 33 | Residual Earth work of Baruar Sub-distributary & Gokul Sub-Distributary off-taking from R.D 125.00 & 82.10 of Kakarghati Branch Canal respectively and its structures in Darbhanga | 314 | 2019-20 | 2020-21 | 42 | 64.75 | 98.43 | 215.57 | * | * |
| 34 | Protection work of left Edge of River Ganga from Kewala village to Beghmara village in the length of 5200 M (Agenda No. 133/198) in Katihar | 10,027.74 | 2020 | 2020-21 | 40 | 1,348.31 | 2,334.64 | 7,522.63 | | |
| 35 | Extensive renovation work of Akbarpur, Panchalova Ahar Pyne scheme in Nalanda | 116.79 | 2020-21 | 2020-21 | 70 | * | * | 116.79 | * | * |
| 36 | Ahar and Pyne Sluice Gate renovation work in Block Giriya Gram Panchayat Raj Pyarepur in Nalanda | 106.93 | 2020-21 | 2020-21 | 75 | 55.67 | 67.72 | 39.21 | * | * |
| 37 | Renovation of 05 Nos. L.I Scheme (Dobha, Pakariya, Gadua, Kharkatta-1, Kharkatta-2) in Purnea | 136.93 | 2020-21 | 2020-21 | 65 | 48.11 | 48.11 | 13.57 | * | * |
| 38 | Construction of Gated weir for irrigation creation on Jhim river near Kachaharipur, Bloc K-Sonbarsha of Dist Sitamarhi | 2,490.14 | 2018-19 | 2020-21 | 62 | 66.11 | 1,627.81 | 862.63 | * | * |
| 39 | Under Karakat block, construction work of bridge-cum-fall cum triangle regulator on the river joining Kao and repair/construction work of outlet constructed at km 1.72, 4.60 and 5.40 of Mahuari distribution, at km 1.20 near Shivpur halt in Jamodi sub-division. Restoration work of damaged bridge and bridge construction work at Km 0.90 near Nagendra Jha Women's College in Kesath-1 Distribution in Rohtas | 119.27 | 2019-20 | 2020-21 | 75 | 30.66 | * | 76.68 | * | * |

Appendices

| Sl. No. | Name of the project / works | Estimated cost of work/date of sanction | Year of commencement | Target year of completion | Physical progress of work (in per cent) | Expenditure during the year | Progressive expenditure to the end of the year | Pending payments | Revised cost, if any/ date of revision # | Cost of balance work adjusted to inflation |
|---------|---|---|----------------------|---------------------------|---|-----------------------------|--|------------------|--|--|
| 40 | Scheme for Augmentation of increasing the Discharge of dwanson River by Interlinkin it to Ghoghla kol river in Surajgarha block Lakhisarai District | 1,034.74 | 2019-20 | 2020-21 | 40 | 3.45 | 163.08 | 871.66 | * | * |
| 41 | Construction of 200 No's of Defunet Tube well in Darbhanga | 124.12 | 2019-20 | 2020-21 | 80 | 55.63 | 79.26 | 44.86 | ** | ** |
| 42 | Mukhya Mantri Nishchay Yojna (Quality) Iron Effectted work in Darbhanga | 659.34 | 2019-20 | 2020-21 | 70 | 78.57 | 378.77 | 280.57 | ** | ** |
| 43 | Mukhya Mantri Nishchay Yojna (Quality) Iron Effectted work in Darbhanga | 279.25 | 2019-20 | 2020-21 | 65 | 2.43 | 168.98 | 110.27 | ** | ** |
| 44 | Mukhya Mantri Nishchay Yojna (Non-Quality) Public Water Supply work in Darbhanga | 264.16 | 2019-20 | 2020-21 | 70 | 43.91 | 132.10 | 132.06 | ** | ** |
| 45 | Mukhya Mantri Nishchay Yojna (Non-Quality) Public Water Supply work in Darbhanga | 557.62 | 2019-20 | 2020-21 | 70 | 23.02 | 273.91 | 283.71 | ** | ** |
| 46 | Mukhya Mantri Nishchay Yojna (Non-Quality) Public Water Supply work in Darbhanga | 426.2 | 2019-20 | 2020-21 | 75 | 64.32 | 209.16 | 217.04 | ** | ** |
| 47 | Mukhya Mantri Nishchay Yojna (Non-Quality) Ward Implementation and Management Committee work in Darbhanga | 1,888.30 | 2019-20 | 2020-21 | 55 | 62.43 | 728.97 | 1,159.33 | ** | ** |
| 48 | Mukhya Mantri Nishchay Yojna (Quality) Iron Effectted Mimi Jalapurti Yojna in Kishanganj | 1,659.79 | 2019-20 | 2020-21 | 60 | 599.67 | 671.93 | 987.85 | * | * |
| 49 | Mukhya Mantri Nishchay Yojna (Quality) Iron Effectted Mimi Jalapurti Yojna in Kishanganj | 17759.89 | 2019-20 | 2020-21 | 60 | 5,351.60 | 8,144.93 | 9,614.95 | * | * |
| 50 | Mukhya Mantri Nishchay Yojna (Quality) Iron Effectted Mimi Jalapurti Yojna in Kishanganj | 4,724.80 | 2019-20 | 2020-21 | 65 | 1,688.64 | 2,665.29 | 2,059.50 | * | * |
| 51 | Mukhya Mantri Nishchay Yojna (Quality) Iron Effectted Mimi Jalapurti Yojna in Kishanganj | 3768.28 | 2019-20 | 2020-21 | 55 | 1,148.25 | 1,576.71 | 2,191.56 | * | * |
| 52 | Mukhya Mantri Nishchay Yojna (Quality) Iron Effectted Mimi Jalapurti Yojna in Kishanganj | 4,923.93 | 2019-20 | 2020-21 | 55 | 1,813.17 | 2,286.70 | 2,673.22 | * | * |
| 53 | Mukhya Mantri Nishchay Yojna (Quality) Iron Effectted Mimi Jalapurti Yojna in Kishanganj | 3939.95 | 2019-20 | 2020-21 | 60 | 1,654.08 | 1,997.28 | 1,942.66 | * | * |
| 54 | Mukhya Mantri Nishchay Yojna (Quality) Iron Effectted Mimi Jalapurti Yojna in Kishanganj | 7,489.34 | 2019-20 | 2020-21 | 55 | 3,068.92 | 3,504.86 | 3,984.47 | * | * |
| 55 | Mukhya Mantri Nishchay Yojna (Quality) Iron Effectted Public Water Supply work in Kishanganj | 244.03 | 2019-20 | 2020-21 | 55 | 64.50 | 113.25 | 130.77 | * | * |
| 56 | Mukhya Mantri Nishchay Yojna (Quality) Iron Effectted Mimi Jalapurti Yojna in Kishanganj | 14,688.86 | 2019-20 | 2020-21 | 52 | 4,541.53 | 5,706.13 | 8,982.72 | * | * |

| Sl. No. | Name of the project / works | Estimated cost of work/date of sanction | Year of commencement | Target year of completion | Physical progress of work (in per cent) | Expenditure during the year | Progressive expenditure to the end of the year | Pending payments | Revised cost, if any/ date of revision # | Cost of balance work adjusted to inflation |
|---------|---|---|----------------------|---------------------------|---|-----------------------------|--|------------------|--|--|
| 57 | Mukhya Mantri Nishchay Yojna (Quality) Iron Effected Mimi Jalapurti Yojna in Kishanganj | 3541.15 | 2019-20 | 2020-21 | 55 | 1,243.95 | 1,695.27 | 1,845.87 | * | * |
| 58 | Mukhya Mantri Nishchay Yojna (Quality) Iron Effected Mimi Jalapurti Yojna in Kishanganj | 2,977.21 | 2019-20 | 2020-21 | 60 | 1,317.72 | 1,489.15 | 1,488.05 | * | * |
| 59 | Mukhya Mantri Nishchay Yojna (Quality) Iron Effected Mimi Jalapurti Yojna in Kishanganj | 6511.87 | 2019-20 | 2020-21 | 60 | 2,541.19 | 3,240.54 | 3,271.32 | * | * |
| 60 | Mukhya Mantri Nishchay Yojna (Quality) Iron Effected Mimi Jalapurti Yojna in Kishanganj | 5,222.36 | 2019-20 | 2020-21 | 70 | 2,236.42 | 3,166.47 | 2,055.88 | * | * |
| 61 | Mukhya Mantri Nishchay Yojna (Quality) Iron Effected Mimi Jalapurti Yojna in Kishanganj | 3,492.05 | 2019-20 | 2020-21 | 55 | 1,427.99 | 1,589.71 | 1,902.33 | * | * |
| 62 | Mukhya Mantri Nishchay Yojna (Quality) Iron Effected Mimi Jalapurti Yojna in Kishanganj | 11050.8 | 2019-20 | 2020-21 | 52 | 3,886.36 | 4,560.81 | 6,489.98 | * | * |
| 63 | Mukhya Mantri Nishchay Yojna (Quality) Iron Effected Mimi Jalapurti Yojna in Kishanganj | 5,838.77 | 2019-20 | 2020-21 | 65 | 2,498.65 | 3,285.22 | 2,553.54 | * | * |
| 64 | Mukhya Mantri Nishchay Yojna (Quality) Iron Effected Mimi Jalapurti Yojna in Kishanganj | 163.53 | 2019-20 | 2020-21 | 45 | 46.32 | 51.34 | 112.18 | * | * |
| 65 | Mukhya Mantri Nishchay Yojna (Quality) Iron Effected Mimi Jalapurti Yojna in Kishanganj | 477.34 | 2019-20 | 2020-21 | 45 | 128.48 | 128.48 | 348.86 | * | * |
| 66 | Mukhya Mantri Nishchay Yojna (Quality) at Madanpur in Aurangabad | 745.45 | 2017-18 | 2020-21 | 40 | 142.91 | 227.46 | 74.26 | * | * |
| 67 | Mukhya Mantri Nishchay Yojna (Quality) in Madanpur in Aurangabad | 187.28 | 2019-20 | 2020-21 | 53 | 52.53 | 45.97 | 49.31 | * | * |
| 68 | Mukhya Mantri Nishchay Yojna (Quality) in Madanpur in Aurangabad | 177.68 | 2019-20 | 2020-21 | 39 | 38.87 | 35.36 | 33.69 | * | * |
| 69 | Mukhya Mantri Nishchay Yojna (Non-Quality) at Aurangabad | 125.62 | 2019-20 | 2020-21 | 57 | 57.03 | 56.60 | 15.03 | * | * |
| 70 | Mukhya Mantri Nishchay Yojna - Quality Deo | 114.95 | 2019-20 | 2020-21 | 39 | 39.11 | 13.53 | 31.42 | * | * |
| 71 | Mukhya Mantri Nishchay Yojna (Quality) in Madanpur in Aurangabad | 179.28 | 2019-20 | 2020-21 | 46 | 45.63 | 59.27 | 22.53 | * | * |
| 72 | Mukhya Mantri Nishchay Yojna (Quality) in Madanpur in Aurangabad | 133.85 | 2019-20 | 2020-21 | 72 | 72.03 | 61.68 | 34.23 | * | * |
| 73 | Mukhya Mantri Nishchay Yojna (Quality) in Madanpur in Aurangabad | 119.31 | 2019-20 | 2020-21 | 22 | 22.36 | 18.28 | 8.38 | * | * |
| 74 | Mukhya Mantri Nishchay Yojna (Non-Quality) at Daudnagar in Aurangabad | 137.68 | 2019-20 | 2020-21 | 62 | 61.85 | 45.58 | 395.62 | * | * |
| 75 | Mukhya Mantri Nishchay Yojna (Quality) at Rafiganj in Aurangabad | 128.29 | 2019-20 | 2020-21 | 66 | 65.88 | 78.18 | 6.33 | * | * |

| Sl. No. | Name of the project / works | Estimated cost of work/date of sanction | Year of commencement | Target year of completion | Physical progress of work (in per cent) | Expenditure during the year | Progressive expenditure to the end of the year | Pending payments | Revised cost, if any/ date of revision # | Cost of balance work adjusted to inflation |
|---------|---|---|----------------------|---------------------------|---|-----------------------------|--|------------------|--|--|
| 76 | Mukhya Mantri Nishchay Yojna (Quality) at Rafiganj in Aurangabad | 128.29 | 2019-20 | 2020-21 | 74 | 74.07 | 101.54 | 41.05 | * | * |
| 77 | Mukhya Mantri Nishchay Yojna (Quality) at Madanpur in Aurangabad | 141.99 | 2019-20 | 2020-21 | 18 | 18.47 | 11.79 | 14.42 | * | * |
| 78 | Mukhya Mantri Nishchay Yojna (Non-Quality) at Madanpur in Aurangabad | 100.49 | 2019-20 | 2020-21 | 46 | 46.29 | 43.20 | 3.31 | * | * |
| 79 | Mukhya Mantri Nishchay Yojna (Quality) at Rafiganj in Aurangabad | 150.66 | 2019-20 | 2020-21 | 62 | 61.80 | 68.30 | 24.81 | * | * |
| 80 | Mukhya Mantri Nishchay Yojna (Non-Quality) at Obra in Aurangabad | 111.47 | 2019-20 | 2020-21 | 56 | 55.71 | 50.82 | 11.27 | * | * |
| 81 | Mukhya Mantri Nishchay Yojna (Non-Quality) at Obra in Aurangabad | 113.65 | 2019-20 | 2020-21 | 55 | 55.19 | 51.64 | 11.08 | * | * |
| 82 | Har Ghar Nal ka Jal (Ward Implementation and Management Committee) in Basantpur, Siwan | 883 | 2019-20 | 2020-21 | 85 | 50.48 | 77.98 | 23.00 | * | * |
| 83 | Har Ghar Nal ka Jal (Ward Implementation and Management Committee) in Lakari Dargah, Siwan | 883 | 2019-20 | 2020-21 | 50 | 14.49 | 24.84 | 119.26 | * | * |
| 84 | Har Ghar Nal ka Jal (Ward Implementation and Management Committee) in Darauli, Siwan | 883 | 2019-20 | 2020-21 | 80 | 14.74 | 52.27 | 71.77 | * | * |
| 85 | Har Ghar Nal ka Jal (Ward Implementation and Management Committee) in Hasanpura, Siwan | 883 | 2019-20 | 2020-21 | 50 | 237.09 | 237.09 | 125.01 | * | * |
| 86 | Har Ghar Nal ka Jal (Ward Implementation and Management Committee) in Sagat Sultanpur, Siwan | 883 | 2019-20 | 2020-21 | 85 | 48.94 | 55.56 | 6.37 | * | * |
| 87 | Har Ghar Nal ka Jal (Ward Implementation and Management Committee) in Jiyaye, Siwan | 883 | 2019-20 | 2020-21 | 25 | 12.09 | 12.09 | 149.16 | * | * |
| 88 | Har Ghar Nal ka Jal (Ward Implementation and Management Committee) in Goriyakothi, Siwan | 883 | 2019-20 | 2020-21 | 75 | 61.46 | 61.46 | 119.56 | * | * |
| 89 | Construction of Information Technology centre at Gwalpara in Madhepura | 1030.17 | 2019-20 | 2020-21 | 38 | 94.79 | 394.79 | 635.18 | * | * |
| 90 | Construction of D type (G+3) residence at Udakishunganj in Madhepura | 272.16 | 2019-20 | 2020-21 | 5 | 12.51 | 12.51 | 259.65 | * | * |
| 91 | Construction work of inspection building in Chandan block in Banka | 149.56 | 2019-20 | 2020-21 | 75 | 81.95 | 111.95 | 37.61 | * | * |
| 92 | Construction work of Katoria block-cum-circle office-cum-inspection building in Banka | 1,573.20 | 2019-20 | 2020-21 | 27 | 130.43 | 429.74 | 1,143.46 | * | * |
| 93 | Construction work of Banka block-cum-zone office-cum-inspection building in Banka | 1546.54 | 2019-20 | 2020-21 | 23 | 214.42 | 359.91 | 1,186.62 | * | * |
| 94 | Construction work of Sahakar building in Banka | 213.57 | 2019-20 | 2020-21 | 37 | 33.76 | 78.76 | 134.81 | * | * |
| 95 | Construction of 100 bedded Boys Hostel (G+3) at Industrial Training Institute at Prashigha in Jehanabad | 410.58 | 2019-20 | 2020-21 | 75 | 185.25 | 287.87 | 122.71 | * | * |
| 96 | Construction of Engineering college at Bidupur, Hajipur in Vaishali | 5,914.96 | 2018-19 | 2020-21 | 70 | 1,335.84 | 4,020.76 | 302.36 | * | * |

| Sl. No. | Name of the project / works | Estimated cost of work/date of sanction | Year of commencement | Target year of completion | Physical progress of work (in per cent) | Expenditure during the year | Progressive expenditure to the end of the year | Pending payments | Revised cost, if any/ date of revision # | Cost of balance work adjusted to inflation |
|---------|--|---|----------------------|---------------------------|---|-----------------------------|--|------------------|--|--|
| 97 | Construction of Block Information Technology Centre at Hajipur in Vaishali | 481.39 | 2018-19 | 2020-21 | 80 | 99.00 | 342.27 | 139.12 | * | * |
| 98 | Construction work of 10 counter building in the office of District Transport Office cum Facilitation Center in Darbhanga | 256.44 | 2019-20 | 2020-21 | 65 | 48.76 | 133.68 | 122.75 | * | * |
| 99 | Construction work of flood shelter in Budhaiv Inayatpur Panchayat of Ghanshyampur circle in Darbhanga | 100.13 | 2019-20 | 2020-21 | 5 | * | * | 100.13 | * | * |
| 100 | Construction of C-Type residence, Sub Registry office (Residential and Non Residential) at Bihpur block, Bhagalpur | 141 | 2019-20 | 2020-21 | 60 | 18.20 | 18.20 | 122.79 | * | * |
| 101 | Construction work of type A, B, C, D, F, G and special type boundary wall, approach path, earth filling and drainage at Collectorate Complex in Arwal | 546.3 | 2019-20 | 2020-21 | 27 | * | 149.75 | 396.55 | * | * |
| 102 | Construction work of 100 bedded male hostel in the premises of Industrial Training Institute at Shivnagar in Arwal | 398.73 | 2019-20 | 2020-21 | 57 | * | 226.85 | 171.88 | * | * |
| 103 | Construction of VVPAT Godown at Maghra Biharsharif in Nalanda | 555.7 | 2019-20 | 2020-21 | 39 | 190.18 | 190.18 | 365.51 | * | * |
| 104 | Construction of Exise Building in Kishanganj | 284.44 | 2019-20 | 2020-21 | 80 | 127.49 | 127.49 | 151.53 | * | * |
| 105 | Construction of Mahabodhi Cultural Center at Bodhgaya at Gaya | 14,514.00 | 2018-19 | 2020-21 | 49 | 2,281.98 | 8,108.50 | 6,391.02 | * | * |
| 106 | Construction of state Sports Academy cum International Standard Modern Cricket Stadium at Rejgir in Nalanda | 63300 | 2018-19 | 2020-21 | 33 | 4,903.41 | 26,239.80 | 47,842.66 | * | * |
| 107 | Construction of Residence for Class- IV Staff in the Campus of Raj Bhawan at Patna | 1,020.00 | 2018-19 | 2020-21 | 75 | 198.05 | 757.11 | 283.84 | * | * |
| 108 | Construction of District Transport Office at Ara | 209 | 2018-19 | 2020-21 | 66 | 25.00 | 95.92 | 33.24 | * | * |
| 109 | Construction work of 2000 capacity auditorium in West Champaran Bettiah | 3941.87 | 2019-20 | 2020-21 | 85 | 3,243.03 | 3,243.03 | 698.83 | * | * |
| 110 | Construction work of Barrack, Hajat, Malkhana, Office Building of District Excise office in Bettiah, Wesh champaran | 278.05 | 2019-20 | 2020-21 | 70 | 132.30 | 132.30 | 145.74 | * | * |
| 111 | Construction work of additional guest house in District Guest House in West Champaran, Bettiah | 326.5 | 2019-20 | 2020-21 | 60 | 30.74 | 30.74 | 295.75 | * | * |
| 112 | Construction of Panchayat sarkar bhawan at Bisunpura in blocks Sadar under Saran District | 100.1 | 2019-20 | 2020-21 | 75 | 50.27 | 50.27 | 49.82 | * | * |
| 113 | Construction work of Panchayat Sarkar Bhawan from Mahisatha Panchayat of the block | 145.64 | 2020 | 2020-21 | 80 | 91.93 | 91.93 | 53.71 | * | * |
| 114 | Construction/Improvement work for Tarhari to Thekahi (Halsi S.H. 08) Road length 7.50 km under RCD road division Lakhisarai for the year 2018-19 in Lakhisarai | 1479.83 | 2019-20 | 2020-21 | 58 | 376.32 | 851.64 | 628.18 | * | * |

Appendices

| Sl. No. | Name of the project / works | Estimated cost of work/date of sanction | Year of commencement | Target year of completion | Physical progress of work (in per cent) | Expenditure during the year | Progressive expenditure to the end of the year | Pending payments | Revised cost, if any/ date of revision # | Cost of balance work adjusted to inflation |
|---------|--|---|----------------------|---------------------------|---|-----------------------------|--|------------------|--|--|
| 115 | Widening & strengthening of Dayal chowk (RCD road) to Maddudabad (RCD road) via Kancha in Vidyapati block under SBD for the year 2018-19 in Samastipur | 2,278.26 | 2018-19 | 2020-21 | 70 | 617.67 | 1,595.89 | 682.36 | * | * |
| 116 | Construction/Improvement Cum (CMBD) work for Badajimi - Kailgarh road (in Mirganj - Barharia road from Gyani more to Khanpur) from km 6.103 to 11.123 (length 5.02 km) under RCD in Siwan | 1,175.40 | 2015-16 | 2020-21 | 78.54 | 44.89 | 923.23 | 252.17 | * | 252.17 |
| 117 | IRQP work of Maharajganj - Jarwara road in km 0.00 to 10.20 for the year 2014-15 under CMBD in Siwan | 1,665.63 | 2015-16 | 2020-21 | 82.91 | 43.34 | 1,381.03 | 284.60 | * | 284.60 |
| 118 | Construction/Improvement (Widening & Strengthening) cum CMBD work for Ziradei - Narendrapur road from km 0.00 to 5.00 for the year 2013-14 under CMBD in Siwan | 598.29 | 2014-15 | 2020-21 | 86.93 | 76.59 | 520.13 | 78.16 | * | 78.16 |
| 119 | Construction/Improvement (Widening & Strengthening) cum output and performance based road Assets maintenance work for Ander - Raghunathpur road from km 0.0 - 11.40 for the year 2013-14 in Siwan | 2258.68 | 2014-15 | 2020-21 | 79.5 | 198.07 | 1,795.77 | 462.91 | * | 462.91 |
| 120 | Widening and Strengthening of Fariyani chowk N.H.-31 to Bahelua Asthan (Dhamdaha - Rupauli SH-65 road) via Chapay, Kamakhya asfhan to Majra, Kakarjan, Murhi, Sahra road from km. 0.00 to 20.84 (Total length of road - 20.84 km) (NABARD) in Purnea | 3,811.37 | 2018-19 | 2020-21 | 50 | 532.08 | 532.08 | 2,081.17 | * | * |
| 121 | Construction of road including earth work, road crust, Box Culvert and Misc. work from Syndicate more to Singahi more via Bindtoli, Marutnagar, Lakadiya pul, Balatara (km 0.00 to 2.41) total length 2.41 for the year 2019-20 Banshidhar construction Pvt. Ltd. in Ara | 410.78 | 2020-21 | 2020-21 | 86 | 292.55 | 292.55 | 46.45 | * | * |
| 122 | Widening and Strengthening (Upto four laning with service lane) of Saguna more to Khagaul road Damapur (Km 0.00 to 4.050) for the year 2018-19 in Patna | 5,787.00 | 2018-19 | 2020-21 | 71 | 347.98 | 4,114.76 | 1,672.24 | * | * |
| 123 | Widening and Strengthening and Improvement of Road construction department road Bikram Via Gonawan more to Road construction department road Amhara km 0.00 to 20.811 Km for the year 2018-19 in Patna | 3,946.93 | 2018-19 | 2020-21 | 46 | 550.92 | 1,830.23 | 2,116.70 | * | * |
| 124 | IRQP work of Chainwa-Champur Road in Km 0 to 6.44 for the year 2018-19 in Chhapra | 1,362.70 | 2019-20 | 2020-21 | 79 | * | 1,110.70 | 302.55 | * | * |
| 125 | Widening and Strengthening work Ramgarh - Barora road in km 0 to 7.255 in Bhabhua | 1,706.61 | 2019 | 2020-21 | 82 | * | 1,402.40 | 304.20 | * | * |
| 126 | Pabhedhi Mod-Redbigha-Bosbigha (Km.-0.00 to 7.15) and Link Path Pabhedha (K.M.-0.00 to 2.60) Work Year 2018-19 in Patna | 3,049.89 | 2018-19 | 2020-21 | 10 | 500.00 | 500.00 | 2,549.89 | * | * |

| Sl. No. | Name of the project / works | Estimated cost of work/date of sanction | Year of commencement | Target year of completion | Physical progress of work (in per cent) | Expenditure during the year | Progressive expenditure to the end of the year | Pending payments | Revised cost, if any/ date of revision # | Cost of balance work adjusted to inflation |
|---------|---|---|----------------------|---------------------------|---|-----------------------------|--|------------------|--|--|
| 127 | Widening & Strengthening of Dinara (NH-30) to Jalhara (SH-17) road under road division, Buxar for the year 2018-19 in Buxar | 2,572.08 | 2019-20 | 2020-21 | 81 | 758.24 | 1,887.60 | 500.00 | * | * |
| 128 | Bajrangbali to Bande Siman via Kasturba Vidyalay work in Samastipur | 124.41 | 2019-20 | 2020-21 | 70 | 59.37 | 59.37 | 47.11 | * | * |
| 129 | MRL01- Rahepur more to Tetarpur via Maniyar tola Mohiuddinpur Chowk work in Samastipur | 229.55 | 2019-20 | 2020-21 | 40 | 24.84 | 24.84 | 200.25 | * | * |
| | | | | | | | | 146,020.61 | | |
| | | | | | | | | (1460.21 crore) | | |

** Details not provided by the concerned Divisions/State Government.
(Source: Finance Accounts 2020-21)

Appendix- 3.1
(Reference: Paragraph 3.3.2)
Cases where supplementary provisions proved unnecessary
(₹1 Crore or more in each case)

(₹ in crore)

| Sl. No | Number and Name of the Grant | Original Provision | Supplementary Provision | Expenditure | Savings out of Original Provision |
|------------------------------------|---|--------------------|-------------------------|------------------|-----------------------------------|
| 1 | 2 | 3 | 4 | 5 | 6(3-5) |
| Revenue (Charged) | | | | | |
| 1 | 13-Interest Payment | 12,924.65 | 26.03 | 12,484.04 | 440.61 |
| 2 | 28-High Court of Bihar | 182.28 | 1.31 | 155.00 | 27.28 |
| (A) Total Revenue (Charged) | | 13,106.93 | 27.34 | 12,639.04 | 467.89 |
| Revenue (Voted) | | | | | |
| 3 | 01-Agriculture Department | 3,102.81 | 221.66 | 1,498.54 | 1,604.27 |
| 4 | 02-Animal and Fisheries Resource Department | 1,178.92 | 66.20 | 638.17 | 540.75 |
| 5 | 04-Cabinet Secretariat Department | 380.49 | 2.28 | 181.55 | 198.94 |
| 6 | 08-Art, Culture and Youth Department | 169.27 | 1.60 | 73.80 | 95.47 |
| 7 | 09-Co-Operative Department | 1,132.63 | 240.56 | 894.63 | 238.00 |
| 8 | 11-BC and MBC Welfare Department | 1,641.46 | 59.11 | 412.78 | 1,228.68 |
| 9 | 12-Finance Department | 327.61 | 3.65 | 184.09 | 143.52 |
| 10 | 16-Panchayati Raj Department | 10,135.21 | 2,462.63 | 8,236.01 | 1,899.20 |
| 11 | 18-Food and Consumer Protection Department | 1,579.45 | 657.44 | 728.06 | 851.39 |
| 12 | 20-Health Department | 9,129.43 | 2,284.93 | 8,520.45 | 608.98 |
| 13 | 21-Education Department | 33,950.48 | 3,177.54 | 26,401.69 | 7,548.79 |
| 14 | 22-Home Department | 11,602.49 | 154.76 | 9,472.35 | 2,130.14 |
| 15 | 23-Industries Department | 656.74 | 7.16 | 367.68 | 289.06 |
| 16 | 25-Information Technology Department | 123.52 | 52.17 | 97.12 | 26.40 |
| 17 | 27-Law Department | 915.71 | 34.54 | 809.63 | 106.08 |
| 18 | 29-Mines and Geology Department | 53.51 | 2.65 | 34.06 | 19.45 |
| 19 | 30-Minorities Welfare Department | 237.24 | 94.76 | 204.97 | 32.27 |
| 20 | 32-Legislature | 224.87 | 7.62 | 181.91 | 42.96 |
| 21 | 33-General Administration Department | 735.62 | 58.41 | 560.42 | 175.20 |
| 22 | 35-Planning and Development Department | 811.90 | 3.01 | 485.34 | 326.56 |
| 23 | 40-Revenue and Land Reforms Department | 892.74 | 469.55 | 667.49 | 225.25 |
| 24 | 42-Rural Development Department | 15,940.28 | 1,890.75 | 9,299.16 | 6,641.12 |
| 25 | 43-Science and Technology Department | 258.50 | 18.25 | 216.40 | 42.10 |
| 26 | 44-Scheduled Castes & Scheduled Tribes Welfare Department | 1,720.81 | 2.50 | 1,270.24 | 450.57 |
| 27 | 46-Tourism Department | 62.49 | 17.85 | 18.69 | 43.80 |
| 28 | 47-Transport Department | 358.69 | 42.37 | 217.74 | 140.95 |
| 29 | 48-Urban Development and Housing Department | 7,163.72 | 2,179.48 | 5,590.39 | 1,573.33 |
| (B) Total Revenue (Voted) | | 1,04,486.59 | 14,213.43 | 77,263.36 | 27,223.23 |
| Total Revenue (A+B) | | 1,17,593.52 | 14,240.77 | 89,902.4 | 27,691.12 |

| Sl. No | Number and Name of the Grant | Original Provision | Supplementary Provision | Expenditure | Savings out of Original Provision |
|------------------------------------|---|--------------------|-------------------------|--------------------|-----------------------------------|
| 1 | 2 | 3 | 4 | 5 | 6(3-5) |
| Capital (Charged) | | | | | |
| 30 | 14-Repayment of Loans | 7,035.27 | 18.06 | 6,880.47 | 154.80 |
| (C) Total Capital (Charged) | | 7,035.27 | 18.06 | 6,880.47 | 154.80 |
| Capital (Voted) | | | | | |
| 31 | 01-Agriculture Department | 50.00 | 60.55 | 0.00 | 50.00 |
| 32 | 03-Building Construction Department | 4,530.40 | 7.06 | 1,156.68 | 3,373.72 |
| 33 | 12-Finance Department | 3,911.50 | 62.47 | 681.89 | 3,229.61 |
| 34 | 21-Education Department | 1,240.57 | 230.07 | 412.06 | 828.51 |
| 35 | 22-Home Department | 481.01 | 17.22 | 139.44 | 341.57 |
| 36 | 23-Industries Department | 259.11 | 43.02 | 96.91 | 162.20 |
| 37 | 25-Information Technology Department | 150.00 | 17.00 | 115.50 | 34.50 |
| 38 | 35-Planning and Development Department | 1,289.66 | 90.00 | 735.60 | 554.06 |
| 39 | 36-Public Health Engineering Department | 5,250.00 | 600.00 | 4,751.32 | 498.68 |
| 40 | 41-Road Construction Department | 5,068.75 | 1,346.84 | 3,203.88 | 1,864.87 |
| 41 | 43-Science and Technology Department | 78.00 | 10.94 | 72.05 | 5.95 |
| 42 | 46-Tourism Department | 221.14 | 8.05 | 37.72 | 183.42 |
| 43 | 49-Water Resources Department | 2,957.74 | 1,075.57 | 1,956.17 | 1,001.57 |
| 44 | 51-Social Welfare Department | 20.19 | 27.44 | 0.00 | 20.19 |
| (D) Total Capital (voted) | | 25,508.07 | 3,596.23 | 13,359.22 | 12,148.85 |
| Total for Capital(C+D) | | 32,543.34 | 3,614.29 | 20,239.69 | 12,303.65 |
| Grand Total (A+B+C+D) | | 1,50,136.86 | 17,855.06 | 1,10,142.09 | 39,994.77 |

(Source: Appropriation Accounts for the year 2020-21)

Appendix-3.2
(Reference: Paragraph 3.3.3)
Un-necessary re-appropriation of funds

(₹ in crore)

| Sl. No. | Grant No. | Head of Account and Description | Original Provision | Supplementary Provision | Total provision | Reappropriation (+) | Actual Expenditure | Surrender | Final savings |
|---------|-----------|---|--------------------|-------------------------|-----------------|---------------------|--------------------|-----------|---------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 1 | 01 | 2402-00-102-0004 - Regional Establishment | 7.04 | 0.00 | 7.04 | 0.64 | 6.25 | 0.00 | 1.43 |
| 2 | 03 | 2059-80-001-0011- Horticulture (Establishment) | 19.41 | 0.00 | 19.41 | 1.57 | 9.00 | 0.00 | 11.98 |
| 3 | | 4059-60-051-0104- Construction and Maintenance of Circuit House | 8.69 | 0.00 | 8.69 | 10.50 | 5.66 | 0.00 | 13.53 |
| 4 | 06 | 2015-00-102-0001- Headquarters Charges and General Establishment | 44.34 | 0.00 | 44.34 | 1.69 | 36.87 | 0.00 | 9.16 |
| 5 | | 2015-00-106-0005- Expenditure on Paramilitary Forces Deputed in Elections | 97.37 | 25.00 | 122.37 | 3.75 | 111.08 | 0.00 | 15.04 |
| 6 | 08 | 2205-00-103-0101- Archaeology Directorate | 2.25 | 0.00 | 2.25 | 2.20 | 1.16 | 0.00 | 3.29 |
| 7 | 20 | 2210-01-001-0001- Health Directorate | 35.58 | 0.00 | 35.58 | 0.55 | 20.41 | 0.00 | 15.72 |
| 8 | | 2210-01-110-0002- Darbhanga Medical College Hospital | 105.01 | 19.43 | 124.44 | 3.40 | 106.34 | 0.00 | 21.50 |
| 9 | | 2210-01-200-0008- Blood Bank | 4.49 | 0.00 | 4.49 | 0.53 | 4.40 | 0.00 | 0.62 |
| 10 | | 2210-03-103-0001- Primary Health Centre | 1,330.52 | 37.64 | 1,368.16 | 8.18 | 1,191.30 | 0.00 | 185.04 |
| 11 | | 2210-05-105-0012- Nurses Training | 23.03 | 0.00 | 23.03 | 3.42 | 12.15 | 0.00 | 14.30 |
| 12 | | 2210-06-104-0001- Drug Control Establishment | 24.17 | 0.00 | 24.17 | 1.92 | 21.76 | 0.00 | 4.33 |
| 13 | 21 | 2202-03-102-0127- Nalanda Open University | 1.50 | 0.00 | 1.50 | 33.77 | 0.00 | 0.00 | 35.27 |
| 14 | 22 | 2055-00-001-0001- Superintendence | 83.69 | 5.46 | 89.15 | 10.06 | 74.65 | 0.00 | 24.56 |
| 15 | | 2055-00-003-0008- Training School, Dumaron | 9.45 | 0.53 | 9.98 | 0.52 | 8.02 | 0.00 | 2.48 |
| 16 | | 2055-00-101-0001- Criminal Investigation Department | 336.49 | 0.00 | 336.49 | 1.75 | 231.41 | 0.00 | 106.83 |
| 17 | | 2055-00-104-0002- Unmounted Military Police | 1,344.30 | 0.00 | 1,344.30 | 3.50 | 1,200.64 | 0.00 | 147.16 |
| 18 | | 2055-00-114-0002- Computer | 5.92 | 0.00 | 5.92 | 0.69 | 4.57 | 0.00 | 2.04 |

| Sl. No. | Grant No. | Head of Account and Description | Original Provision | Supplementary Provision | Total provision | Reappropriation (+) | Actual Expenditure | Surrender | Final savings |
|---------|-----------|---|--------------------|-------------------------|-----------------|---------------------|--------------------|---------------|---------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 19 | | 2070-00-108-0001- Fire Protection Service | 117.78 | 0.00 | 117.78 | 8.00 | 116.38 | 0.00 | 9.40 |
| 20 | | 2235-02-106-0002- Probation Services | 20.61 | 0.00 | 20.61 | 0.68 | 17.41 | 0.00 | 3.88 |
| 21 | 23 | 2851-00-103-0113- Strengthening of Craft Research Scheme Institution | 8.00 | 3.00 | 11.00 | 1.55 | 6.89 | 0.00 | 5.66 |
| 22 | 32 | 2011-02-103-0002- Legislative Council Secretariat | 49.10 | 7.62 | 56.72 | 1.15 | 50.10 | 5.30 | 2.47 |
| 23 | 39 | 2245-02-101-0016- Grant for relief to the state local Natural disaster | 200.00 | 0.00 | 200.00 | 4.35 | 191.04 | 0.00 | 13.31 |
| 24 | | 2245-02-109-0001- Repairs and Restoration of damaged water supply, drainage and sewerage system | 2.00 | 28.00 | 30.00 | 8.68 | 25.91 | 5.00 | 7.77 |
| 25 | | 2245-02-115-0002- Extraction of salinity/ sand etc. from fishery area | 0.01 | 0.00 | 0.01 | 5.00 | 0.00 | 0.00 | 5.01 |
| 26 | | 2251-00-090-0017- Disaster Management Department | 7.41 | 0.25 | 7.66 | 0.79 | 5.94 | 0.00 | 2.51 |
| 27 | 40 | 2052-00-090-0017- Revenue and Land Reforms Department | 19.19 | 0.88 | 20.07 | 0.79 | 13.61 | 0.00 | 7.25 |
| 28 | 51 | 2235-02-103-0325- Maternity advantage Plan. | 52.48 | 184.17 | 236.65 | 51.00 | 235.53 | 0.00 | 52.12 |
| 29 | | 2236-02-789-0204- Integrated Child Development Services (ICDS) | 537.25 | 0.00 | 537.25 | 224.78 | 432.75 | 303.23 | 26.05 |
| | | Total | 4,497.08 | 311.98 | 4,809.06 | 395.41 | 4,141.23 | 313.53 | 749.71 |

(Source: Detailed Appropriation Accounts including Grants Audit Register, 2020-21)

Appendix- 3.3
(Reference: Paragraph 3.3.3)
Excessive re-appropriation of funds

(₹ in crore)

| Sl. No. | Grant No. | Head of Accounts and Description | Total provision | Reappropriation (+) | Actual Expenditure | Surrender | Final savings |
|--------------|-----------|---|-----------------|---------------------|--------------------|-------------|---------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| 1 | 03 | 2059-01-053-0029- Renovation of buildings of Health Department | 0.00 | 1.25 | 0.46 | 0.00 | 0.79 |
| 2 | 06 | 2015-00-105-0005- Expenditure on Paramilitary Forces Deputed in Elections | 2.35 | 5.35 | 4.94 | 0.00 | 2.76 |
| 3 | 13 | 2049-01-305-0001- Expenditure related to Old Loans | 20.00 | 5.50 | 24.09 | 0.00 | 1.41 |
| 4 | 15 | 2071-01-105-0001- Family Pension to pre 15/11/2000 pensioners | 98.15 | 500.00 | 445.53 | 0.00 | 152.62 |
| 5 | 16 | 2515-00-001-0001- Headquarters Panchayat Establishment | 5.30 | 4.44 | 7.64 | 0.00 | 2.10 |
| 6 | 20 | 2210-05-101-0001- Ayurvedic College, Begusarai | 11.65 | 3.02 | 13.96 | 0.00 | 0.71 |
| 7 | 21 | 2202-03-102-0024- Patliputra University, Patna | 312.87 | 90.00 | 325.26 | 0.00 | 77.61 |
| 8 | 22 | 2055-00-001-0008- Central Selection Board for appointment of police | 23.25 | 15.00 | 36.08 | 0.00 | 2.17 |
| 9 | | 2055-00-003-0006- Bihar Police Academy | 21.21 | 11.26 | 28.24 | 0.00 | 4.23 |
| 10 | | 2055-00-109-0012- Expenditure for Police Station | 2.00 | 4.00 | 3.88 | 0.00 | 2.12 |
| 11 | 30 | 2225-04-277-0103- Bihar State Madrasa Strengthening Scheme | 10.00 | 14.00 | 14.00 | 8.00 | 2.00 |
| 12 | 35 | 2235-60-200-0117- Mukhya Mantri Nishchaya Swayam Sahayata Yojna | 114.50 | 33.21 | 125.30 | 0.00 | 22.41 |
| 13 | | 2235-60-789-0106- Mukhya Mantri Nishchaya Swayam Sahayata Yojna | 24.00 | 6.40 | 27.40 | 0.00 | 3.00 |
| 14 | 39 | 2235-01-200-0003- Remedy for protection from cold wave | 0.50 | 1.40 | 0.74 | 0.00 | 1.16 |
| 15 | | 2245-02-101-0001- Grants in cash to helpless and handicapped persons | 2,900.00 | 500.00 | 3,005.40 | 0.00 | 394.60 |
| 16 | 42 | 2501-06-789-0302- National Rural Livelihood Mission (NRLM) | 155.40 | 5.66 | 157.18 | 0.00 | 3.88 |
| 17 | 48 | 2215-02-789-0101- Grants-in-aid to Urban Local Bodies for construction of drainage and sewerage | 145.00 | 96.00 | 232.61 | 0.00 | 8.39 |
| 18 | | 2217-01-191-0109- Civil amenities in Urban Areas - Grants-in-aid | 70.00 | 60.00 | 109.95 | 0.00 | 20.05 |
| Total | | | 3,916.18 | 1,356.49 | 4,562.66 | 8.00 | 702.01 |

(Source: Detailed Appropriation Accounts including Grants Audit Register, 2020-21)

Appendix-3.4
(Reference: Paragraph 3.3.3)
Cases of Re-appropriation on last day of the Financial year

(₹ in crore)

| Sl. No. | Grant No. and name | letter no and date of Department | | letter no and date of approval by Finance Department | | Amount |
|--------------|--|----------------------------------|------------|--|------------|--------------|
| | | Letter no | Date | Letter no | Date | |
| 1 | 02-Animal and Fisheries Resources Department | 1206 | 24.03.2021 | 329 | 31.03.2021 | 0.22 |
| 2 | | 1249 | 25.03.2021 | 340 | 31.03.2021 | 0.02 |
| 3 | 03-Building Construction Department | 2071 | 20.03.2021 | 351 | 31.03.2021 | 0.12 |
| 4 | | 2077 | 20.03.2021 | 349 | 31.03.2021 | 0.73 |
| 5 | 18-Food and Consumer Protection Department | 03 | 8.04.2021 | 06 | 31.03.2021 | 5.47 |
| 6 | 20-Health Department | 119 | 24.03.2021 | 330 | 31.03.2021 | 20.48 |
| 7 | | 330 | 24.03.2021 | 343 | 31.03.2021 | 0.05 |
| 8 | 22-Home Department | 2898 | 31.03.2021 | 348 | 31.03.2021 | 2.02 |
| 9 | | 2899 | 31.03.2021 | 345 | 31.03.2021 | 0.06 |
| 10 | | 2794 | 25.03.2021 | 346 | 31.03.2021 | 0.05 |
| 11 | 26-Labour Resource Department | 1175 | 19.03.2021 | 333 | 31.03.2021 | 0.12 |
| 12 | 51-Social Welfare Department | 647 | 19.03.2021 | 337 | 31.03.2021 | 0.06 |
| 13 | | 383 | 25.02.2021 | 336 | 31.03.2021 | 0.40 |
| 14 | | 572 | 12.03.2021 | 335 | 31.03.2021 | 0.26 |
| 15 | | 17 | 23.03.2021 | 334 | 31.03.2021 | 51.00 |
| Total | | | | | | 81.06 |

(Source: Compilation of letters of surrenders of GoB)

Appendix-3.5

(Reference: Paragraph 3.3.4)

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

(₹ in crore)

| Sl No | Number and Name of grant/appropriation | Original provision | Supplementary Provision | Total | Expenditure | Savings | Percentage of savings | per cent expenditure against provision |
|--------------------------------|---|--------------------|-------------------------|------------------|------------------|-----------------|-----------------------|--|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| (A) REVENUE (Charged) | | | | | | | | |
| 1 | 12-Finance Department | 972.54 | 0.00 | 972.54 | 0.05 | 972.49 | 99.99 | 0.01 |
| 2 | 13-Interest Payment | 12,924.65 | 26.03 | 12,950.68 | 12,484.04 | 466.64 | 3.60 | 96.40 |
| Total Revenue (Charged) | | 13,897.19 | 26.03 | 13,923.22 | 12,484.09 | 1,439.13 | 10.34 | 89.66 |
| (B) REVENUE (Voted) | | | | | | | | |
| 3 | 01-Agriculture Department | 3,102.81 | 221.66 | 3,324.47 | 1,498.54 | 1,825.93 | 54.92 | 45.08 |
| 4 | 02-Animal and Fisheries Resource Department | 1,178.92 | 66.20 | 1,245.12 | 638.17 | 606.95 | 48.75 | 51.25 |
| 5 | 03-Building Construction Department | 865.32 | 0.00 | 865.32 | 415.36 | 449.96 | 52.00 | 48.00 |
| 6 | 04-Cabinet Secretariat Department | 380.49 | 2.28 | 382.77 | 181.55 | 201.22 | 52.57 | 47.43 |
| 7 | 06-Election Department | 797.23 | 250.00 | 1,047.23 | 922.73 | 124.50 | 11.89 | 88.11 |
| 8 | 09-Co-Ooperative Department | 1,132.63 | 240.56 | 1,373.19 | 894.63 | 478.56 | 34.85 | 65.15 |
| 9 | 11-BC and MBC Welfare Department | 1,641.46 | 59.11 | 1,700.57 | 412.78 | 1,287.79 | 75.73 | 24.27 |
| 10 | 12-Finance Department | 327.61 | 3.65 | 331.26 | 184.09 | 147.17 | 44.43 | 55.57 |
| 11 | 15-Pension | 20,454.11 | 0.00 | 20,454.11 | 19,665.43 | 788.68 | 3.86 | 96.14 |
| 12 | 16-Panchayati Raj Department | 10,135.21 | 2,462.63 | 12,597.84 | 8,236.01 | 4,361.83 | 34.62 | 65.38 |
| 13 | 18-Food and Consumer Protection Department | 1,579.45 | 657.44 | 2,236.89 | 728.06 | 1,508.83 | 67.45 | 32.55 |
| 14 | 20-Health Department | 9,129.43 | 2,284.93 | 11,414.36 | 8,520.45 | 2,893.91 | 25.35 | 74.65 |
| 15 | 21-Education Department | 33,950.48 | 3,177.54 | 37,128.02 | 26,401.69 | 10,726.33 | 28.89 | 71.11 |
| 16 | 22-Home Department | 11,602.49 | 154.76 | 11,757.25 | 9,472.35 | 2,284.90 | 19.43 | 80.57 |
| 17 | 23-Industries Department | 656.74 | 7.16 | 663.90 | 367.68 | 296.22 | 44.62 | 55.38 |
| 18 | 26-Labour Resource Department | 859.52 | 0.67 | 860.19 | 438.16 | 422.03 | 49.06 | 50.94 |
| 19 | 27-Law Department | 915.71 | 34.54 | 950.25 | 809.63 | 140.62 | 14.80 | 85.20 |
| 20 | 30-Minorities Welfare Department | 237.24 | 94.76 | 332.00 | 204.97 | 127.03 | 38.26 | 61.74 |

| Sl No | Number and Name of grant/appropriation | Original provision | Supplementary Provision | Total | Expenditure | Savings | Percentage of savings | per cent expenditure against provision |
|--------------------------------|---|--------------------|-------------------------|--------------------|--------------------|------------------|-----------------------|--|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 21 | 33-General Administration Department | 735.62 | 58.41 | 794.03 | 560.42 | 233.61 | 29.42 | 70.58 |
| 22 | 35-Planning and Development Department | 811.90 | 3.01 | 814.91 | 485.34 | 329.57 | 40.44 | 59.56 |
| 23 | 36-Public Health Engineering Department | 606.45 | 468.03 | 1,074.48 | 626.92 | 447.56 | 41.65 | 58.35 |
| 24 | 37-Rural Works Department | 1,214.89 | 1,000.00 | 2,214.89 | 1,897.72 | 317.17 | 14.32 | 85.68 |
| 25 | 38-Prohibition, Excise and Registration Department | 280.48 | 0.41 | 280.89 | 178.65 | 102.24 | 36.40 | 63.60 |
| 26 | 39-Disaster Management Department | 4,438.01 | 4,920.98 | 9,358.99 | 6,741.96 | 2,617.03 | 27.96 | 72.04 |
| 27 | 40-Revenue and Land Reforms Department | 892.74 | 469.55 | 1,362.29 | 667.49 | 694.80 | 51.00 | 49.00 |
| 28 | 41-Road Construction Department | 1,637.36 | 773.16 | 2,410.52 | 1,690.52 | 720.00 | 29.87 | 70.13 |
| 29 | 42-Rural Development Department | 15,940.28 | 1,890.75 | 17,831.03 | 9,299.16 | 8,531.87 | 47.85 | 52.15 |
| 30 | 44-Scheduled Castes & Scheduled Tribes Welfare Department | 1,720.81 | 2.50 | 1,723.31 | 1,270.24 | 453.07 | 26.29 | 73.71 |
| 31 | 47-Transport Department | 358.69 | 42.37 | 401.06 | 217.74 | 183.32 | 45.71 | 54.29 |
| 32 | 48-Urban Development and Housing Department | 7,163.72 | 2,179.48 | 9,343.20 | 5,590.39 | 3,752.81 | 40.17 | 59.83 |
| 33 | 49-Water Resources Department | 1,095.87 | 0.00 | 1,095.87 | 814.31 | 281.56 | 25.69 | 74.31 |
| 34 | 50-Minor Water Resource Department | 411.59 | 642.75 | 1,054.34 | 872.51 | 181.83 | 17.25 | 82.75 |
| 35 | 51-Social Welfare Department | 7,974.16 | 2,996.39 | 10,970.55 | 8,794.69 | 2,175.86 | 19.83 | 80.17 |
| Total Revenue (Voted) | | 1,44,229.42 | 25,165.68 | 1,69,395.10 | 1,19,700.34 | 49,694.76 | 29.34 | 70.66 |
| Total Revenue(A+B) | | 1,58,126.61 | 25,191.71 | 1,83,318.32 | 1,32,184.43 | 51,133.89 | 27.89 | 72.11 |
| (C) CAPITAL (Charged) | | | | | | | | |
| 36 | 14-Repayment of Loans | 7,035.27 | 18.06 | 7,053.33 | 6,880.47 | 172.86 | 2.45 | 97.55 |
| Total Capital (Charged) | | 7,035.27 | 18.06 | 7,053.33 | 6,880.47 | 172.86 | 2.45 | 97.55 |
| (D) CAPITAL (Voted) | | | | | | | | |
| 37 | 01-Agriculture Department | 50.00 | 60.55 | 110.55 | 0.00 | 110.55 | 100.00 | 0.00 |
| 38 | 03-Building Construction Department | 4,530.40 | 7.06 | 4,537.46 | 1,156.68 | 3,380.78 | 74.51 | 25.49 |

| Sl No | Number and Name of grant/appropriation | Original provision | Supplementary Provision | Total | Expenditure | Savings | Percentage of savings | per cent expenditure against provision |
|------------------------------|---|--------------------|-------------------------|--------------------|--------------------|------------------|-----------------------|--|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 39 | 04-Cabinet Secretariat Department | 130.01 | 0.00 | 130.01 | 0.00 | 130.01 | 100.00 | 0.00 |
| 40 | 09-Co-Ooperative Department | 35.75 | 275.89 | 311.64 | 175.86 | 135.78 | 43.57 | 56.43 |
| 41 | 10-Energy Department | 1,263.93 | 1,011.04 | 2,274.97 | 1,368.96 | 906.01 | 39.83 | 60.17 |
| 42 | 12-Finance Department | 3,911.50 | 62.47 | 3,973.97 | 681.89 | 3,292.08 | 82.84 | 17.16 |
| 43 | 16-Panchayati Raj Department | 480.00 | 0.00 | 480.00 | 166.40 | 313.60 | 65.33 | 34.67 |
| 44 | 20-Health Department | 1,808.25 | 0.00 | 1,808.25 | 645.72 | 1,162.53 | 64.29 | 35.71 |
| 45 | 21-Education Department | 1,240.57 | 230.07 | 1,470.64 | 412.06 | 1,058.58 | 71.98 | 28.02 |
| 46 | 22-Home Department | 481.01 | 17.22 | 498.23 | 139.44 | 358.79 | 72.01 | 27.99 |
| 47 | 23-Industries Department | 259.11 | 43.02 | 302.13 | 96.91 | 205.22 | 67.92 | 32.08 |
| 48 | 30-Minorities Welfare Department | 295.00 | 0.00 | 295.00 | 76.82 | 218.18 | 73.96 | 26.04 |
| 49 | 35-Planning and Development Department | 1,289.66 | 90.00 | 1,379.66 | 735.60 | 644.06 | 46.68 | 53.32 |
| 50 | 36-Public Health Engineering Department | 5,250.00 | 600.00 | 5,850.00 | 4,751.32 | 1,098.68 | 18.78 | 81.22 |
| 51 | 37-Rural Works Department | 9,424.00 | 0.00 | 9,424.00 | 3,301.93 | 6,122.07 | 64.96 | 35.04 |
| 52 | 41-Road Construction Department | 5,068.75 | 1,346.84 | 6,415.59 | 3,203.88 | 3,211.71 | 50.06 | 49.94 |
| 53 | 46-Tourism Department | 221.14 | 8.05 | 229.19 | 37.72 | 191.47 | 83.54 | 16.46 |
| 54 | 48-Urban Development and Housing Department | 50.00 | 200.00 | 250.00 | 50.00 | 200.00 | 80.00 | 20.00 |
| 55 | 49-Water Resources Department | 2,957.74 | 1,075.57 | 4,033.31 | 1,956.17 | 2,077.14 | 51.50 | 48.50 |
| 56 | 50-Minor Water Resource Department | 787.50 | 0.00 | 787.50 | 257.19 | 530.31 | 67.34 | 32.66 |
| Total Capital (Voted) | | 39,534.32 | 5,027.78 | 44,562.10 | 19,214.55 | 25,347.55 | 56.88 | 43.12 |
| TOTAL CAPITAL(C+D) | | 46,569.59 | 5,045.84 | 51,615.43 | 26,095.02 | 25,520.41 | 49.44 | 50.56 |
| GRAND TOTAL (A+B+C+D) | | 2,04,696.2 | 30,237.55 | 2,34,933.75 | 1,58,279.45 | 76,654.3 | 32.63 | 67.37 |

(Source: Appropriation Accounts for the year 2020-21)

Appendix-3.6

(Reference: Paragraph 3.3.4)

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

(₹ in crore)

| Sl. No. | Number and Name of grant/appropriation | Original provision | Supplementary Provision | Total provision | Expenditure | per cent utilisation | Savings | Percentage of savings |
|---------|---|--------------------|-------------------------|-----------------|-------------|----------------------|-----------|-----------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 1 | 01-Agriculture Department | 3,152.81 | 282.21 | 3,435.02 | 1,498.54 | 43.63 | 1,936.48 | 56.37 |
| 2 | 02-Animal and Fisheries Resource Department | 1,178.92 | 69.08 | 1,248.00 | 639.99 | 51.28 | 608.01 | 48.72 |
| 3 | 03-Building Construction Department | 5,395.72 | 7.06 | 5,402.78 | 1,572.04 | 29.10 | 3,830.74 | 70.90 |
| 4 | 04-Cabinet Secretariat Department | 510.50 | 2.28 | 512.78 | 181.55 | 35.41 | 331.23 | 64.59 |
| 5 | 05-Secretariat of the Governor | 29.63 | 0.00 | 29.63 | 0.21 | 0.71 | 29.42 | 99.29 |
| 6 | 07-Vigilance Department | 42.72 | 0.00 | 42.72 | 29.95 | 70.11 | 12.77 | 29.89 |
| 7 | 08-Art, Culture and Youth Department | 169.27 | 1.60 | 170.87 | 73.80 | 43.19 | 97.07 | 56.81 |
| 8 | 09-Co-Operative Department | 1,168.38 | 516.45 | 1,684.83 | 1,070.49 | 63.54 | 614.34 | 36.46 |
| 9 | 11-BC and MBC Welfare Department | 1,659.96 | 59.11 | 1,719.07 | 413.42 | 24.05 | 1,305.65 | 75.95 |
| 10 | 12-Finance Department | 5,211.65 | 66.12 | 5,277.77 | 866.03 | 16.41 | 4,411.74 | 83.59 |
| 11 | 16-Panchayati Raj Department | 10,615.21 | 2,462.63 | 13,077.84 | 8,402.41 | 64.25 | 4,675.43 | 35.75 |
| 12 | 17-Commercial Tax Department | 196.43 | 0.00 | 196.43 | 131.80 | 67.10 | 64.63 | 32.90 |
| 13 | 18-Food and Consumer Protection Department | 1,594.45 | 657.44 | 2,251.89 | 728.06 | 32.33 | 1,523.83 | 67.67 |
| 14 | 20-Health Department | 10,937.68 | 2,284.93 | 13,222.61 | 9,166.17 | 69.32 | 4,056.44 | 30.68 |
| 15 | 21-Education Department | 35,191.05 | 3,407.61 | 38,598.66 | 26,813.75 | 69.47 | 11,784.91 | 30.53 |
| 16 | 22-Home Department | 12,083.50 | 171.98 | 12,255.48 | 9,611.79 | 78.43 | 2,643.69 | 21.57 |
| 17 | 23-Industries Department | 915.85 | 50.18 | 966.03 | 464.59 | 48.09 | 501.44 | 51.91 |
| 18 | 24-Information and Public Relation Department | 238.18 | 0.00 | 238.18 | 182.97 | 76.82 | 55.21 | 23.18 |
| 19 | 25-Information Technology Department | 273.52 | 69.17 | 342.69 | 212.62 | 62.04 | 130.07 | 37.96 |
| 20 | 26-Labour Resource Department | 869.52 | 0.67 | 870.19 | 439.66 | 50.52 | 430.53 | 49.48 |
| 21 | 29-Mines and Geology Department | 53.51 | 2.65 | 56.16 | 34.06 | 60.65 | 22.10 | 39.35 |
| 22 | 30-Minorities Welfare Department | 532.24 | 94.76 | 627.00 | 281.79 | 44.94 | 345.21 | 55.06 |
| 23 | 32-Legislature | 226.33 | 7.62 | 233.95 | 182.47 | 78.00 | 51.48 | 22.00 |

| Sl. No. | Number and Name of grant/ appropriation | Original provision | Supplementary Provision | Total provision | Expenditure | per cent utilisation | Savings | Percentage of savings |
|--------------|--|--------------------|-------------------------|--------------------|--------------------|----------------------|------------------|-----------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 24 | 33-Personnel and Administrative Reforms Department | 743.35 | 58.41 | 801.76 | 567.29 | 70.76 | 234.47 | 29.24 |
| 25 | 35-Planning and Development Department | 2,101.56 | 93.01 | 2,194.57 | 1,220.94 | 55.63 | 973.63 | 44.37 |
| 26 | 36-Public Health Engineering Department | 5,856.45 | 1,068.03 | 6,924.48 | 5,378.24 | 77.67 | 1,546.24 | 22.33 |
| 27 | 37-Rural Works Department | 10,638.89 | 1,000.00 | 11,638.89 | 5,199.65 | 44.67 | 6,439.24 | 55.33 |
| 28 | 38-Registration, Excise and Prohibition Department | 280.48 | 0.41 | 280.89 | 178.65 | 63.60 | 102.24 | 36.40 |
| 29 | 39-Disaster Management Department | 4,443.81 | 4,920.98 | 9,364.79 | 6,741.96 | 71.99 | 2,622.83 | 28.01 |
| 30 | 40-Revenue and Land Reforms Department | 937.94 | 469.55 | 1,407.49 | 668.47 | 47.49 | 739.02 | 52.51 |
| 31 | 41-Road Construction Department | 6,706.11 | 2,120.00 | 8,826.11 | 4,894.40 | 55.45 | 3,931.71 | 44.55 |
| 32 | 42-Rural Development Department | 15,955.29 | 1,890.75 | 17,846.04 | 9,314.16 | 52.19 | 8,531.88 | 47.81 |
| 33 | 43-Science and Technology Department | 336.50 | 29.19 | 365.69 | 288.45 | 78.88 | 77.24 | 21.12 |
| 34 | 44-SC & ST Welfare Department | 1,724.81 | 2.50 | 1,727.31 | 1,270.24 | 73.54 | 457.07 | 26.46 |
| 35 | 45-Sugar Industries Department | 118.95 | 0.83 | 119.78 | 46.95 | 39.20 | 72.83 | 60.80 |
| 36 | 46-Tourism Department | 283.63 | 25.90 | 309.53 | 56.41 | 18.22 | 253.12 | 81.78 |
| 37 | 47-Transport Department | 372.69 | 42.37 | 415.06 | 218.62 | 52.67 | 196.44 | 47.33 |
| 38 | 48-Urban Development and Housing Department | 7,213.72 | 2,379.48 | 9,593.20 | 5,640.39 | 58.80 | 3,952.81 | 41.20 |
| 39 | 49-Water Resources Department | 4,053.61 | 1,075.57 | 5,129.18 | 2,770.48 | 54.01 | 2,358.70 | 45.99 |
| 40 | 50-Minor Water Resource Department | 1,199.09 | 642.75 | 1,841.84 | 1,129.70 | 61.34 | 712.14 | 38.66 |
| 41 | 51-Social Welfare Department | 7,994.35 | 3,023.83 | 11,018.18 | 8,794.69 | 79.82 | 2,223.49 | 20.18 |
| TOTAL | | 1,63,208.26 | 29,057.11 | 1,92,265.37 | 1,17,377.85 | 61.05 | 74,887.52 | 38.95 |

(Source: Appropriation Accounts for the year 2020-21)

Appendix-3.7

(Reference: Paragraph 3.3.4)

List of Grants indicating persistent savings (₹100 crore and above)
during 2016-17 to 2020-21

(₹ in crore)

| Sl. No | No. and Name of the Grant | Amount of savings (percentage to total grant in bracket) | | | | |
|----------------------|--|--|---------------------|---------------------|----------------------|----------------------|
| | | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Revenue-Voted | | | | | | |
| 1 | 1-Agriculture Department | 1,214.66 (42.22) | 1,150.72 (41.01) | 1,436.00 (44.06) | 1,319.44 (38.00) | 1,825.93 (54.92) |
| 2 | 2-Animal and Fisheries Resource Department | 133.55 (22.25) | 148.73 (19.90) | 248.04 (26.51) | 336.30 (29.88) | 606.95 (48.75) |
| 3 | 3-Building Construction Department | 187.74 (29.91) | 102.59 (16.63) | 192.56 (24.81) | 433.89 (52.13) | 449.95 (52.00) |
| 4 | 4- Cabinet Secretariate Department | 135.68 (37.66) | 182.47 (42.95) | 123.94 (34.56) | 219.03 (59.03) | 201.22 (52.57) |
| 5 | 9-Co-Operative Department | 117.61 (21.62) | 138.21 (14.67) | 843.17 (46.26) | 1,155.32 (66.35) | 478.56 (34.85) |
| 6 | 11-BC and MBC Welfare Department | 921.82 (38.86) | 285.23 (19.11) | 342.72 (22.04) | 174.41 (10.99) | 1,287.78 (75.73) |
| 7 | 12-Finance Department | 100.83 (38.82) | 119.66 (44.64) | 104.75 (34.86) | 125.45 (40.21) | 147.18 (44.43) |
| 8 | 15-Pension | 3,770.68 (23.17) | 5,570.01 (28.04) | 650.32 (3.90) | 1,402.03 (7.57) | 788.67 (3.86) |
| 9 | 16-Panchayati Raj Department | 919.67 (12.45) | 607.76 (6.64) | 1,836.67 (17.93) | 4,686.73 (35.04) | 4,361.83 (34.62) |
| 10 | 18-Food and Consumer Protection Department | 1,097.53 (50.74) | 1,208.16 (49.93) | 255.11 (18.68) | 653.10 (48.20) | 1,508.83 (67.45) |
| 11 | 20-Health Department | 3,350.96 (41.37) | 1,427.99 (19.99) | 1,877.89 (22.84) | 2,322.97 (25.02) | 2,893.91 (25.35) |
| 12 | 21-Education Department | 3,837.45 (16.77) | 7,703.21 (24.50) | 9,957.93 (26.96) | 11,102.36 (29.96) | 10,726.33 (28.89) |
| 13 | 22-Home Department | 970.47 (13.55) | 866.99 (11.77) | 724.29 (8.10) | 2,033.64 (18.44) | 2,284.89 (19.43) |
| 14 | 26- Labour Resource Department | 273.01 (39.50) | 102.51 (22.49) | 175.23 (24.13) | 208.91 (24.51) | 422.03 (49.06) |
| 15 | 27-Law Department | 289.30 (34.98) | 204.74 (25.14) | 153.84 (16.66) | 228.92 (22.96) | 140.62 (14.80) |
| 16 | 33- General Administration Department | 169.23 (25.13) | 166.51 (30.27) | 221.94 (30.75) | 226.36 (30.08) | 233.61 (29.42) |
| 17 | 35-Planning and Development Department | 1,291.09 (55.48) | 1,030.36 (74.05) | 156.02 (25.78) | 596.72 (68.54) | 329.57 (40.44) |
| 18 | 37-Rural Works Department | 432.17 (27.33) | 228.19 (14.39) | 198.87 (16.53) | 545.26 (24.66) | 317.17 (14.32) |
| 19 | 39-Disaster Management Department | 1,210.03 (67.09) | 1,362.71 (34.39) | 3,176.72 (65.92) | 3,730.70 (50.74) | 2,617.04 (27.96) |
| 20 | 40-Revenue and Land Reforms Department | 363.65 (44.40) | 306.85 (35.34) | 238.51 (30.14) | 369.32 (39.67) | 694.80 (51.00) |
| 21 | 41-Road Construction Department | 222.55 (17.66) | 476.18 (35.81) | 487.94 (34.41) | 1,214.66 (58.70) | 720.00 (29.26) |
| 22 | 42-Rural Development Department | 4,468.35 (43.48) | 5,166.39 (49.82) | 6,175.24 (32.58) | 8,870.62 (47.79) | 8,531.88 (47.85) |

| Sl. No | No. and Name of the Grant | Amount of savings (percentage to total grant in bracket) | | | | |
|----------------------|---|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| | | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 23 | 44-Scheduled Castes and Scheduled Tribes Welfare Department | 497.99 (30.35) | 390.28 (27.75) | 441.72 (30.16) | 474.37 (29.73) | 453.07 (26.29) |
| 24 | 48-Urban Development and housing Department | 1,244.82 (26.93) | 1,811.89 (35.89) | 2,064.28 (38.50) | 3,250.51 (52.13) | 3,752.81 (40.17) |
| 25 | 51-Social Welfare Department | 1,798.95 (27.08) | 2,142.20 (26.02) | 3,243.44 (33.97) | 2,265.40 (23.52) | 2,175.85 (19.83) |
| Total | | 29,019.79 (27.70) | 32,900.54 (27.26) | 35,327.14 (25.61) | 47,946.42 (31.52) | 47,950.48 (29.34) |
| Capital-Voted | | | | | | |
| 26 | 3-Building Construction Department | 1,537.81 (53.43) | 2,348.80 (52.93) | 1,018.64 (27.76) | 3,771.12 (73.14) | 3,380.78 (74.51) |
| 27 | 9- Co-Operative Department | 120.67 (71.72) | 118.13 (45.98) | 230.27 (21.97) | 554.00 (98.70) | 135.77 (43.57) |
| 28 | 10-Energy Department | 5,330.74 (47.83) | 130.74 (1.79) | 623.36 (10.72) | 1,454.24 (31.80) | 906.01 (39.83) |
| 29 | 20- Health Department | 261.23 (23.32) | 619.16 (52.87) | 481.38 (29.80) | 1,259.58 (59.65) | 1,162.53 (64.29) |
| 30 | 35-Planning and Development Department | 278.56 (22.24) | 587.58 (40.10) | 380.40 (20.46) | 586.96 (34.82) | 644.06 (46.68) |
| 31 | 41-Road Construction Department | 442.80 (7.65) | 372.09 (6.26) | 192.24 (3.34) | 3,614.83 (65.29) | 3,211.71 (50.06) |
| 32 | 49-Water Resources Department | 511.32 (23.38) | 1,405.44 (35.54) | 179.43 (5.89) | 3,553.85 (78.83) | 2,077.14 (51.50) |
| Total | | 8,483.13 (34.58) | 5,581.94 (22.77) | 3,105.72 (13.62) | 14,794.58 (61.31) | 11,518.00 (55.48) |
| Grand Total | | 37,502.92 (29.00) | 38,482.48 (26.50) | 38,432.86 (23.91) | 62,741.00 (35.60) | 59,468.48 (32.28) |

(Source: Appropriation Accounts for the year 2016-17 to 2020-21)

Appendix- 3.8

(Reference: Paragraph 3.3.4)

Details of surrender of funds in excess of ₹ 100 crore and above in 2020-21

(₹ in crore)

| Sr. No. | Grant No. & Department | Original Provision | Supplementary Provision | Total provision | Actual Expenditure | Savings | Amount Surrendered |
|---------|---------------------------------|--------------------|-------------------------|--------------------|--------------------|------------------|--------------------|
| 1 | 01- Agriculture | 3,152.81 | 282.21 | 3,435.02 | 1,498.54 | 1,936.48 | 234.01 |
| 2 | 03- Building Construction | 5,395.72 | 7.06 | 5,402.78 | 1,572.04 | 3,830.74 | 781.48 |
| 3 | 09- Co-Operative | 1,168.38 | 516.45 | 1,684.83 | 1,070.49 | 614.34 | 135.23 |
| 4 | 12- Finance | 5,211.66 | 66.12 | 5,277.77 | 866.03 | 4,411.75 | 3,950.40 |
| 5 | 16- Panchayati Raj | 10,615.21 | 2,462.63 | 13,077.84 | 8,402.41 | 4,675.43 | 1,067.13 |
| 6 | 18- Food & Consumer Protection | 1,594.45 | 657.44 | 2,251.89 | 728.06 | 1,523.83 | 639.96 |
| 7 | 21- Education | 35,191.05 | 3,407.61 | 38,598.66 | 26,813.75 | 11,784.91 | 493.08 |
| 8 | 22- Home | 12,083.50 | 171.98 | 12,255.48 | 9,611.79 | 2,643.69 | 114.42 |
| 9 | 35- Planning & Development | 2,101.56 | 93.01 | 2,194.57 | 1,220.94 | 973.63 | 160.51 |
| 10 | 39- Disaster Management | 4,443.81 | 4,920.98 | 9,364.79 | 6,741.96 | 2,622.83 | 1,066.37 |
| 11 | 41- Road Construction | 6,706.11 | 2,120.00 | 8,826.11 | 4,894.40 | 3,931.71 | 1,419.73 |
| 12 | 42- Rural Development | 15,955.29 | 1,890.75 | 17,846.04 | 9,314.16 | 8,531.89 | 671.51 |
| 13 | 48- Urban Development & Housing | 7,213.72 | 2,379.48 | 9,593.20 | 5,640.39 | 3,952.81 | 275.00 |
| 14 | 49- Water Resources | 4,053.61 | 1,075.57 | 5,129.18 | 2,770.48 | 2,358.70 | 421.67 |
| 15 | 51- Social Welfare | 7,994.35 | 3,023.83 | 11,018.18 | 8,794.69 | 2,223.49 | 1,406.35 |
| | Total | 1,22,881.21 | 23,075.12 | 1,45,956.34 | 89,940.13 | 56,016.21 | 12,836.85 |

(Source: Appropriation Accounts for the year 2020-21)

Appendix- 3.9

(Reference: Paragraph 3.4.1)

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

(₹ in crore)

| Sl. No. | Grant No. | Head of accounts and description | Total provision unutilised |
|---------|---|---|---|
| 1 | 2 | 3 | 4 |
| 1 | 01 | 2401-00-103-0218-Sub Mission on Seed and Planting Material | 20.75 |
| 2 | | 2401-00-103-0318-Sub Mission on Seed and Planting Material | 12.16 |
| 3 | | 2401-00-109-0218-Pradhan Mantri Krishi Sinchai Yojana | 33.20 |
| 4 | | 2401-00-109-0318-Pradhan Mantri Krishi Sinchai Yojana | 19.46 |
| 5 | | 2401-00-113-0217-Sub Mission on Agriculture Mechanisation | 79.68 |
| 6 | | 2401-00-113-0317-Sub Mission on Agriculture Mechanisation | 53.12 |
| 7 | | 2401-00-789-0245-Sub Mission on Agriculture Mechanisation | 15.36 |
| 8 | | 2401-00-789-0345-Sub Mission on Agriculture Mechanisation | 10.24 |
| 9 | | 2415-01-277-0112-Skill development mission | 11.62 |
| 10 | | 4401-00-051-0101-Establishment of Agriculture Office Buildings | 41.50 |
| 11 | | 6401-00-190-0002-Loans to Bihar State Agriculture Industry Development Corporation | 60.55 |
| 12 | 02 | 2403-00-101-0201-National Livestock Health and Disease Control Program | 22.03 |
| 13 | | 2403-00-106-0501-Bihar Aquaculture and Livestock Implementation Project (Bali) (IFD Endowed) | 22.00 |
| 14 | | 2403-00-106-0212-National Cattle Management | 22.03 |
| 15 | | 2404-00-191-0201-National Agriculture Development Scheme (RKVY) (ACA) | 15.00 |
| 16 | | 2405-00-109-0501-Bihar Aqua Culture and Livestock Implementation Project (Bali) (IFAD Sustainable) | 17.00 |
| 17 | | 03 | 4059-60-051-0126-Development Management Institute |
| 18 | 4408-02-101-0101-Programme for construction of god own for food storage for targeted Public Distribution System | | 100.00 |
| 19 | 4408-02-101-0102-Construction of food storage god own (NABARD) | | 50.00 |
| 20 | 04 | 5053-02-102-0101-Aerodromes | 130.01 |
| 21 | 09 | 2425-00-108-0118-Grants for setting up dryers at PACS / trade boards | 18.00 |
| 22 | 10 | 6801-00-201-0105-Loans to Bihar State Hydro Electric Corporation (NABARD) | 10.00 |
| 23 | 12 | 2054-00-098-0001-Local Fund Audit | 32.27 |
| 24 | | 4202-01-190-0102-Bihar State Education Finance Corporation | 2,975.00 |
| 25 | 13 | 2049-03-117-0001-Interest on Contributory pension plan for Government employee. | 10.00 |
| 26 | 15 | 2071-01-197-0001-Contribution under retired pension benefit scheme of Teacher | 40.00 |
| 27 | | 2071-01-198-0001-Contribution under retired pension benefit scheme of Teacher | 42.00 |
| 28 | 16 | 2515-00-800-0114-Other Provision of Panchayati Raj | 25.00 |
| 29 | 18 | 2408-01-101-0201-Inter-State Handling of Food and Fair Price Shop Dealers Margins under NFSA | 317.54 |
| 30 | | 2408-01-101-0405-N.F.S.A Antargat Khadayno ke Antah Rajjiye Hathan and fair Price Shop Dealers margin | 417.54 |
| 31 | | 5475-00-051-0104-Construction of the approach road for godowns under the Department of Food and consumer protection | 10.00 |
| 32 | 19 | 2406-01-105-0104-Pollution Control Board | 20.00 |

| Sl. No. | Grant No. | Head of accounts and description | Total provision unutilised |
|---------|---|---|----------------------------|
| 1 | 2 | 3 | 4 |
| 33 | 20 | 2210-04-200-0203-Medicinal Plant related Mission including National AYUSH Mission | 12.00 |
| 34 | | 2235-60-110-0204-Social Security for Unorganised Labours including National Health Insurance Scheme | 45.00 |
| 35 | | 2235-60-110-0305-Ayushman Bharat - National Health Security (AB-NHPM) | 100.00 |
| 36 | | 4210-01-051-0104-Construction of Government Dispensary in Urban Area | 20.00 |
| 37 | | 4210-03-105-0112-Auxiliary Nursing Midwifery (ANM) and General Nursing Midwifery (GNM) School | 20.00 |
| 38 | | 4210-03-105-0119-B.S.C. NARSING COLLEGE (CERTAIN) | 15.00 |
| 39 | 21 | 2202-01-109-0103-Tour for Student of Middle Schools | 58.45 |
| 40 | | 2202-02-004-0102-Skil | 40.00 |
| 41 | | 2202-02-052-0103-Upgradation of High School | 94.55 |
| 42 | | 2202-02-109-0110-Chief Minister Bihar Darshan Yojana | 12.00 |
| 43 | | 2202-02-109-0207-Rastriya Madhyamik Shiksha Abhiyan (RMSA) | 556.63 |
| 44 | | 2202-02-109-0307-Rastriya Madhyamik Shiksha Abhiyan (RMSA) | 101.33 |
| 45 | | 2202-02-789-0207-Comprehensive Education - Secondary Education (Surva Shiksha Abhiyan) | 300.00 |
| 46 | | 2202-02-789-0307-Comprehensive Education - Secondary Education (Surva Shiksha Abhiyan) | 200.00 |
| 47 | | 2202-02-796-0209-Comprehensive Education - Secondary Education (Surva Shiksha Abhiyan) | 25.00 |
| 48 | | 2202-02-796-0309-Comprehensive Education - Secondary Education (Surva Shiksha Abhiyan) | 18.81 |
| 49 | | 2202-04-200-0204-Rashtriya Siksha Mission-Sakshar Mission | 66.87 |
| 50 | | 2202-04-200-0304-National Mission on Education - Sakshar Bharat | 44.58 |
| 51 | | 4202-01-201-0105-Primary School Building | 375.00 |
| 52 | | 4202-01-201-0106-Water life greenery | 50.00 |
| 53 | | 4202-01-202-0109-Building of Government High School | 105.00 |
| 54 | | 4202-01-202-0112-Education Building | 15.00 |
| 55 | | 4202-01-202-0113-Simultalla Residential School | 50.00 |
| 56 | | 4202-01-202-0115- | 23.00 |
| 57 | | 4202-01-203-0108-Opening Govt. College. | 10.00 |
| 58 | 4202-01-789-0101-Building Construction of Government and Government Recognised Secondary School | 100.00 | |
| 59 | 22 | 4055-00-051-0304-National Scheme for modernisation of Police and other forces | 14.42 |
| 60 | 23 | 2852-80-102-0110-Industrial Area Development Authority | 10.00 |
| 61 | | 4885-02-050-0101-Land Acquisition for Industrial Development | 50.00 |
| 62 | | 6851-00-103-0001-Bihar State Handloom / Power loom / Hand Slip Development Corporation | 14.00 |
| 63 | | 6857-01-190-0001-Loans to Bihar State chemical and pharmaceutical Corporation Ltd. | 11.60 |
| 64 | 6860-01-190-0001-Loans to Bihar State Textiles Corporation | 16.40 | |
| 65 | 35 | 4070-00-051-0210-Border Area Development Programme (BADP) | 51.09 |
| 66 | | 4070-00-051-0310-Border Area Development Programme (B.A.D.P) | 21.80 |
| 67 | | 4070-00-789-0302-Border Area Development Programme (B.A.D.P) | 12.27 |
| 68 | 39 | 2245-02-112-0104-Purchase of Communication Equipment's | 12.00 |
| 69 | | 2245-02-800-0008-Damaged Electric System | 12.00 |

| Sl. No. | Grant No. | Head of accounts and description | Total provision unutilised |
|---------|--------------------------------------|--|--|
| 1 | 2 | 3 | 4 |
| 70 | 40 | 2029-00-103-0206-National Land Records Management Programme (NLRMP) | 86.35 |
| 71 | | 3454-01-101-0403-Census 2021 | 126.55 |
| 72 | 41 | 5054-03-101-0104-Chief Minister Bridge Construction Scheme. | 20.00 |
| 73 | | 5054-03-337-0211-Special Assistance (BRG Path) | 155.00 |
| 74 | 42 | 2215-02-105-0103-Lohiya Swachchhata Yojana | 200.00 |
| 75 | | 2216-03-105-0107-Chief Minister Rural Housing Scheme | 167.51 |
| 76 | | 2216-03-789-0105-Chief Minister Rural Housing Scheme | 250.00 |
| 77 | | 2216-03-789-0202-Indira Awas Yojana (IAY) | 1,762.62 |
| 78 | | 2216-03-796-0202-Indira Awas Yojana (IAY) | 60.78 |
| 79 | | 2515-00-102-0218-Shayama Prasad Mukherjee Rurban Mission. | 79.20 |
| 80 | | 2515-00-102-0318-Shayama Prasad Mukherjee Rurban Mission. | 20.00 |
| 81 | | 44 | 2225-01-102-0216-Pradhan Mantri Adarsh Gram Yojana (PMAGY) |
| 82 | 2225-01-277-0219-Post Matric Stipend | | 60.00 |
| 83 | 45 | 2852-08-789-0101-Economic Assistance | 11.20 |
| 84 | 48 | 2215-01-796-0102-Grants-in-aid to Local Bodies for supply of drinking water | 10.00 |
| 85 | | 2217-01-789-0205-Sabke Liye Awas (Urban) Mission. | 48.00 |
| 86 | | 2217-03-051-0201-Clean India Campaign | 190.10 |
| 87 | | 2217-03-051-0204-Smart City Mission Yojana | 420.00 |
| 88 | | 2217-03-051-0301-Clean India Campaign | 50.00 |
| 89 | | 2217-03-192-0106-Grants-in-aid to Urban Bodies/Authorities and Institutions equivalent thereof for preparation of project report relating to Urban Basic Infrastructure Problems | 25.00 |
| 90 | | 2217-03-193-0105-Regarding Urban Basic Infrastructure | 20.00 |
| 91 | | 2217-03-193-0113-Special cleanliness grant | 17.00 |
| 92 | | 2217-05-001-0101-For e-governance / Urban Improvement Programs and its Equivalent Programs | 15.00 |
| 93 | | 2217-05-001-0107-Grants-in-Aid to Municipal Bodies/Authorities and their Equivalent Institutions for preparation of Project Reports related to Urban Infrastructure Problems | 10.00 |
| 94 | | 2217-80-001-0501-Bihar Urban Development Project (EAP) | 143.00 |
| 95 | | 2217-80-192-0009-Grants in the light of Professional Tax | 25.74 |
| 96 | | 2217-80-193-0008-Grants in the light of Professional Tax | 15.66 |
| 97 | | 49 | 4700-80-051-0310-North Koyal Reservoir Project (NABARD LTIF) |
| 98 | 51 | 2235-02-101-0223-Scheme for persons with Disabilities (SIPDA) | 18.00 |
| 99 | | 2235-02-103-0219-National Women Empowerment Mission including Indira Gandhi Maternity Assistance Scheme | 15.00 |
| 100 | | 2235-02-104-0110-Bihar Social Protection Project | 50.00 |
| 101 | | 4235-02-102-0208-Integrated Child Development Services (ICDS) | 27.35 |
| 102 | | 4235-02-102-0308-Integrated Child Development Services (ICDS) | 20.23 |
| | | | Total |

(Source: Detailed Appropriation Accounts, 2020-21)

Appendix- 3.10
(Reference: Paragraph 3.4.4)
Rush of Expenditure in the month of March 2021

(₹ in crore)

| Sl. No. | Grant No. and name of the Department | 1st Quarter | 2nd Quarter | 3rd Quarter | 4th Quarter | Total expenditure during 2020-21 | Expenditure incurred in March 2021 | Percentage of total expenditure w.r.t. expenditure during | |
|---------|---|----------------|----------------|----------------|-----------------|----------------------------------|------------------------------------|---|--------------|
| | | | | | | | | January – March 2021 | March 2021 |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 1 | 01-Agriculture Department | 97.33 | 208.58 | 411.83 | 780.80 | 1498.54 | 615.89 | 52.10 | 41.10 |
| 2 | 03-Building Construction Department | 87.02 | 223.35 | 375.92 | 885.76 | 1572.05 | 512.72 | 56.34 | 32.61 |
| 3 | 06-Election Department | 9.05 | 23.33 | 359.30 | 531.04 | 922.73 | 303.13 | 57.55 | 32.85 |
| 4 | 11-BC and MBC Welfare Department | 5.19 | 2.29 | 2.61 | 403.34 | 413.42 | 400.85 | 97.56 | 96.96 |
| 5 | 14-Repayment of Loans | 1577.43 | 836.15 | 1017.77 | 3449.12 | 6880.47 | 1627.25 | 50.13 | 23.65 |
| 6 | 30-Minorities Welfare Department | 11.55 | 42.00 | 40.95 | 187.28 | 281.79 | 165.23 | 66.46 | 58.64 |
| 7 | 31-Parliamentary Affairs Department | 0.58 | 0.56 | 0.50 | 5.24 | 6.87 | 5.03 | 76.20 | 73.15 |
| 8 | 37-Rural Works Department | 1278.13 | 136.00 | 324.31 | 3461.22 | 5199.65 | 1663.17 | 66.57 | 31.99 |
| 9 | 43-Science and Technology Department | 36.38 | 42.34 | 53.82 | 155.91 | 288.45 | 105.46 | 54.05 | 36.56 |
| 10 | 44-Scheduled Castes & Scheduled Tribes Welfare Department | 47.65 | 114.58 | 118.79 | 989.22 | 1270.24 | 943.63 | 77.88 | 74.29 |
| 11 | 45-Sugar Industries Department | 3.27 | 3.29 | 4.33 | 36.05 | 46.95 | 33.90 | 76.80 | 72.22 |
| 12 | 48-Urban Development and Housing Department | 1005.53 | 546.58 | 1037.23 | 3051.05 | 5640.39 | 2590.56 | 54.09 | 45.93 |
| 13 | 50-Minor Water Resource Department | 119.47 | 66.28 | 41.57 | 902.38 | 1129.70 | 870.38 | 79.88 | 77.04 |
| | TOTAL | 4278.59 | 2245.32 | 3788.94 | 14838.40 | 25151.25 | 9837.20 | 59.00 | 39.11 |

(Source: Monthly Appropriation Accounts 2020-21)

Appendix- 3.11
(Reference: Paragraph 3.4.4)
Hundred per cent Expenditure incurred in March 2021
(₹ one crore and above in each case)

(₹ in crore)

| Sl. No. | Grant No. | Head of accounts and description | 100 per cent Expenditure During March |
|---------|-----------|---|---------------------------------------|
| 1 | 2 | 3 | 4 |
| 1 | 02 | 2403-00-789-0111-Hospital dispensary and other establishment | 1.81 |
| 2 | | 2403-00-789-0102-Back Yard Poultry Farm Scheme | 1.00 |
| 3 | | 4403-00-102-0101-Frozen Semen Bank Opening | 1.82 |
| 4 | 09 | 2401-00-110-0107-Premium Grant to State Crop Insurance Fund for pilot seasonal based crop scheme | 28.07 |
| 5 | | 2401-00-110-0104-Grants to State Crop Insurance Fund for compensation of insured crops of farmers under National Agriculture Insurance Scheme | 5.46 |
| 6 | | 4425-00-051-0303-Rashtriya Krishi Vikash Yojana (RKVY) (ACA) | 4.96 |
| 7 | 10 | 4801-05-796-0101-Bihar State Power (Ho.) co. Ltd. | 1.33 |
| 8 | | 6801-00-201-0101-Loans to Bihar State Hydro Electric Corporation | 5.79 |
| 9 | 11 | 2225-03-277-0214-Pre-Matric Scholarship. | 16.19 |
| 10 | | 2225-03-277-0314-Pre-Matric Scholarship. | 16.19 |
| 11 | | 2225-03-277-0215-Post-Entrance Scholarship. | 56.99 |
| 12 | 13 | 2049-03-104-0001-Interest on General Provident Funds | 450.00 |
| 13 | | 2049-03-104-0002-Interest on All India Administrative Service Provident Funds | 13.50 |
| 14 | | 2049-03-108-0001-Interest on Insurance and Pension Fund | 430.00 |
| 15 | 14 | 6003-00-101-M0062-8.38% Bihar Govt. Stock 2021 | 600.00 |
| 16 | 15 | 2071-01-106-0001-Due contribution to Judges of High Court under Article 290 of the Constitution of India | 4.68 |
| 17 | 16 | 2515-00-789-0214-National Rural Swaraj Campaign (RGSA) | 1.57 |
| 18 | | 2515-00-800-0112-Different items of Gram Kutuchery | 2.81 |
| 19 | 18 | 3456-00-103-0101-Supply of food on economic rate to B.P.L Families | 9.05 |
| 20 | 19 | 3435-04-101-0001-Pollution Control | 10.00 |
| 21 | 20 | 2210-01-103-0301-Upgradation of IGIMS under Prime Minister's Health Protection (PMSSY) Phase-5 (B) | 8.00 |
| 22 | | 2210-02-200-0202-Medicinal Plant related mission including National AYUSH Mission | 5.17 |
| 23 | | 2210-02-200-0302-Medicinal Plant related mission including National AYUSH Mission | 1.00 |
| 24 | | 2210-05-200-0002-State Health and Family Welfare Institution | 1.91 |
| 25 | | 4210-01-110-0110-Indira Gandhi Institute of Cardiology, Patna | 10.00 |
| 26 | | 4210-03-105-0220-National Programme of Prevention and Management for Burn Injury (NPPMBI) | 2.69 |
| 27 | | 2202-01-102-0102-Compensation to recognised Private Schools in the light of Right to Education Act, 2009 | 22.66 |
| 28 | | 2202-01-109-0102-Chief Minister Girls Uniform Scheme | 55.00 |
| 29 | | 2202-01-789-0102-Chief Minister Uniform Scheme | 5.35 |
| 30 | 21 | 2202-02-110-0002-Sainik School | 3.66 |
| 31 | | 2202-02-110-0006-Simultala Residential School | 4.48 |

| Sl. No. | Grant No. | Head of accounts and description | 100 per cent Expenditure During March |
|---------|-----------|---|---------------------------------------|
| 1 | 2 | 3 | 4 |
| 32 | | 2202-02-110-0007-Assistance to Non Government Schools | 225.40 |
| 33 | | 2202-03-102-0028-Aryabhata Knowledge University | 8.00 |
| 34 | | 2202-03-107-0108-Chief Ministers Girls Incentive Schemes (Intermediate Passed) | 375.95 |
| 35 | 21 | 2202-04-200-0203-Support for Educational Development to Teachers Training along with Adult Education | 4.54 |
| 36 | | 2202-04-789-0202-Support for Educational Development to Teachers Training along with Adult Education | 1.16 |
| 37 | | 2202-80-004-0011-Lalit Narayan Mishra Institute of Economic Development and Social Changes | 2.50 |
| 38 | | 4202-01-203-0207-National Higher Education Abhiyan. | 16.20 |
| 39 | 22 | 4055-00-210-0402-Prevention of cybercrime against women and children(CCPWC) | 1.93 |
| 40 | | 4070-00-051-0113-Construction of building of Home Guard | 1.10 |
| 41 | | 2851-00-102-0106-Udyog Mitra | 1.53 |
| 42 | | 2851-00-103-0113-Strengthening of Craft Research Scheme Institution | 6.89 |
| 43 | 23 | 2851-00-108-0101-Powerloom Scheme | 5.00 |
| 44 | | 2852-80-102-0150-Establishment of Central Institute of Plastic Engineering and Technology | 3.96 |
| 45 | | 2852-80-102-0135-Establishment of Entrepreneurs Development Scheme | 6.57 |
| 46 | | 2225-04-050-0101-Maulana Azad Nationals Urdu Vishwidyala, Darbhanga | 30.38 |
| 47 | 30 | 2225-04-277-0101-Post Matric Scholarship | 30.00 |
| 48 | | 5465-01-190-0104-Capital share in form of share capital of Bihar State Minority Financial Corporation | 35.64 |
| 49 | 31 | 2011-02-101-0201-National E-Vidhan Application (NEVA) | 1.92 |
| 50 | | 2011-02-101-0301-National E-Vidhan Application (NEVA) | 1.28 |
| 51 | 33 | 2070-00-003-0006-Bihar Institute of Public Administration and Rural Development (BIPARD) | 3.16 |
| 52 | 35 | 4515-00-102-0203-Additional Central Assistance (ACA) for Left Wing Extremism (LWE) Districts | 80.00 |
| 53 | 37 | 4515-00-103-0216-Pradhan Manti Gram Sadak Yojana (PMGSY) | 1.13 |
| 54 | 38 | 2030-02-101-0001-Cost of Stamps received from Central Stamp Depot, Nasik Road | 7.22 |
| 55 | 39 | 2245-02-106-0001-Repairs and Restoration of damaged roads and bridges | 3.94 |
| 56 | | 2245-05-101-0001-Natural Disaster Fund | 2,441.17 |
| 57 | 40 | 3604-00-200-0001-Payment of cess to District Councils on the basis of annual evaluation of land | 1.96 |
| 58 | 41 | 3054-80-797-0101-Transfer from Central Road Fund | 649.09 |
| 59 | 42 | 2515-00-003-0101-Bihar Rural Development Training Institution | 1.73 |
| 60 | | 2225-01-190-0001-Bihar State Scheduled Castes Co-operative Development Corporation, Patna | 6.44 |
| 61 | | 2225-01-198-0101-Scholarship/Stipend | 250.92 |
| 62 | 44 | 2225-01-277-0222-pre matric scholarship for SC students | 25.00 |
| 63 | | 2225-02-102-0202-Special Central Assistance for Schedule Tribes | 11.46 |
| 64 | | 2225-02-102-0105-For development of Scheduled Tribes | 2.00 |
| 65 | | 2225-02-197-0101-Scholarship/Stipend | 6.05 |

| Sl. No. | Grant No. | Head of accounts and description | 100 per cent Expenditure During March | |
|---------|--|---|---|-------|
| 1 | 2 | 3 | 4 | |
| 66 | 44 | 2225-02-198-0101-Stipend/Scholarship | 18.55 | |
| 67 | | 2225-02-277-0216-Post-Matric Scholarship | 3.00 | |
| 68 | | 2225-02-277-0217-Pre-Matric Scholarship for Students of Scheduled Tribes | 8.05 | |
| 69 | | 2225-02-796-0125-Development of Tharuhat Area | 2.00 | |
| 70 | 48 | 2215-01-192-0103-Water life greenery | 3.50 | |
| 71 | | 2215-01-796-0103-Grants-in-aid to Municipal Councils for supply of drinking water | 5.50 | |
| 72 | | 2217-01-001-0002-Patna Metropolitan Area Authority. | 5.99 | |
| 73 | | 2217-01-796-0201-Sabke Liye Awas (Urban) Mission | 1.04 | |
| 74 | | 2217-03-191-0113-LAND ACQUISITION. | 5.68 | |
| 75 | | 2217-03-192-0114-Special cleanliness grant | 20.00 | |
| 76 | | 2217-03-193-0104-Civil amenities in Civil Areas | 3.35 | |
| 77 | | 2217-03-193-0103-Grants-in-aid to Urban Local Bodies for Transport | 9.34 | |
| 78 | | 2217-80-191-0016-Grants in the light of Professional Tax | 32.55 | |
| 79 | | 2217-80-191-0003-Grants-in-aid to Municipal Corporations for payment of arrear Electric bills | 700.00 | |
| 80 | | 3475-00-108-0202-National Urban Livelihood Mission | 22.62 | |
| 81 | | 3475-00-789-0202-National Urban Livelihood Mission | 6.95 | |
| 82 | | 49 | 4700-80-005-0101-Survey and Research (Establishment) | 2.32 |
| 83 | | 50 | 2702-02-005-0002-Maintenance of lift irrigation schemes | 45.95 |
| 84 | 2702-03-103-0002-Government Tube wells | | 650.00 | |
| 85 | 51 | 2235-03-101-0102-Indira Gandhi National Disability Pension Scheme | 2.00 | |
| 86 | | 2235-03-102-0203-National Family Benefit Scheme | 1.00 | |
| 87 | | 2235-03-789-0303-Indira Gandhi National Disabled Pension Scheme | 2.00 | |
| | | Total | 7,583.75 | |

(Source: Appropriation Accounts 2020-21)

| Appendix- 3.12 | | | | |
|---|-------------------|---------------------------------------|--|---------------|
| (Reference: Paragraph 3.4.5) | | | | |
| Withdrawals from Contingency fund for non-contingent expenditure | | | | |
| <i>(₹ in crore)</i> | | | | |
| Sl. No. | Major Head | Name of Department | Purpose | Amount |
| 1 | 2 | 3 | 4 | 5 |
| 1 | 2013 | Council of Ministers | Amount for payment of electricity bill to Honourable Minister. | 0.80 |
| 2 | 2014 | Administration of Justice | For payment of honorarium to Contract based employee DEO in Civil Courts with reference to 14th Finance Commission recommendation. | 12.72 |
| 3 | | Administration of Justice | For implementation of E-Court Mission Mode Project for payment of honorarium to technical staff in Civil Courts and record digitization of honourable High Court, Patna. | 1.31 |
| 4 | | Administration of Justice | Advance for honorarium to the Presiding Officers and Class C/D employees in various Judicial Board. | 4.50 |
| 5 | 2029 | Land Revenue | Amount for payment of honorarium for newly employed contract worker under Bihar special surveys and arrangements programme. | 178.67 |
| 6 | 2049 | Interest Payments | Amount for Interest payment of National Cooperative Development Nigam, New Delhi. | 26.03 |
| 7 | 2052 | Secretariat-General Services | To purchase a car via GeM portal for office use to Honourable Dy.CM. | 0.17 |
| 8 | | Secretariat-General | To purchase an Innova Car for the use of the Secretary (Resources), Bihar via GeM Portal | 0.18 |
| 9 | | Secretariat-General | Advance for employed Workers/ officers payment for salary in Bihar Administrative Improvement Mission Society. | 58.00 |
| 10 | 2070 | Other Administrative | Advance Payment of Services Salary etc. of newly employed staff of Divisional Hindi Training Center, Patna. | 0.07 |
| 11 | 2202 | General Education | To provide incentive to Minority Students under CM student incentive scheme. | 34.00 |
| 12 | 2215 | Water Supply and Sanitation | Advance under Request No. 42 of Rural Development Deptt. for creation of Clean India Mission as a part of State Item. Total Item under Grant No. 42 is 41816.66 Lakh. | 8.36 |
| 13 | | Water Supply and Sanitation | Advance under Request No. 42 of Rural Development Deptt. for creation of Clean India Mission as a part of State Item. Total Item under Grant No. 42 is 41816.66 Lakh. | 83.63 |
| 14 | | Water Supply and Sanitation | Advance under Request No. 42 of Rural Development Deptt. for creation of Clean India Mission as a part of State Item. | 326.17 |
| 15 | 2225 | Welfare of SC, ST, OBC and Minorities | Development and expansion of branch premises creation of basic facilities and Minority Welfare Hostel in Maulana Azad National Urdu University, Laheriasarai, Darbhanga. | 30.38 |

| Sl. No. | Major Head | Name of Department | Purpose | Amount |
|--------------|------------|---|---|-----------------|
| 1 | 2 | 3 | 4 | 5 |
| 16 | 2404 | Dairy Development | Sanction for completing 10 projects being set up by Milk Associations subordinate of COMFED under State Scheme. | 47.70 |
| 17 | 2406 | Forestry and Wildlife | Advance of Rs. 2151.17 Lac for Financial Year 2020-21 for implementation to scheme related to "State Campa Scheme. | 21.51 |
| 18 | | Forestry and Wildlife | Advance of Rs.864.40 Lac for Financial Year 2020-21 for implementation to scheme related to "State Campa Scheme. | 8.64 |
| 19 | | Forestry Life and Wild | For implementation of Schemes according to Annual Work Scheme approved by Govt. of India | 135.00 |
| 20 | | Forestry Life and Wild | Sanction received in the light of National Authority, Govt. of India, New Delhi L.No. NA-5/1/2020-NA and Deptt. Sanction No. 2222 Dated 27/07/2020. | 77.54 |
| 21 | | Forestry and Wildlife | Sanction received in the light of National Authority, Govt. of India, New Delhi L.No. NA-5/1/2020-NA and Deptt. Sanction No. 2222 Dated 27/07/2020. | 2.56 |
| 22 | 2425 | Co-operation | Amount for setting up of agriculture plant bank in Packs for CM green farming plant scheme. | 219.53 |
| 23 | 3451 | Secretariat-Economic Services | To purchase a new Innova Car to the Principal Secretary, Sugar Cane Industry, Bihar, Patna. | 0.20 |
| 24 | | Secretariat-Economic Services | Liability payment in favour of Bihar State Electronics Development Limited, Patna. | 11.00 |
| 25 | 4215 | Capital Outlay on Water Supply and Sanitation | Advance for expenditure under CM Rural drinking determination plan. | 48.00 |
| 26 | | Capital Outlay on Water Supply and Sanitation | Advance for expenditure under CM Rural drinking determination plan. | 3.00 |
| 27 | | Capital Outlay on | Advance for Water Supply and expenditure under Sanitation CM Rural drinking determination plan. | 249.00 |
| 28 | 4700 | Capital Outlay on Major Irrigation | Advance for Main Construction work in Irrigation project. | 456.00 |
| 29 | 5475 | Capital Outlay on other General Economic Services | Amount for re registration of Regional Rural Banks employed in Bihar. | 33.52 |
| 30 | | Capital Outlay on other General Economic Services | Payment of Rs.19.95 Crore for the reprocess assistance of working regional Banks for Financial Year 2020-21. | 19.95 |
| 31 | 6003 | Internal Debt of the State Government | Amount for payment of Internal Loan of National Cooperative Development Nigam, New Delhi. | 18.05 |
| 32 | 6425 | Loans for Co-operation | Amount for setting up of agriculture plant bank in Packs for CM green farming plant scheme. | 219.53 |
| Total | | | | 2,335.72 |

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

| Appendix- 3.13 | | | | | | |
|--|--------------|--------------|--------------|-------------------------|---|--------------|
| (Reference: Paragraph 3.6.1.2) | | | | | | |
| Details of Dropped Road Projects including State scheme | | | | | | |
| Sl. No. | Year | PMGSY | MMGSY | | GTSNY (Gramin Tola Sampark Nishchay Yojna) | Total |
| | | | MMGSY | MMGSY NABARD | | |
| 1 | 2006-07 | - | - | 12 | - | 12 |
| 2 | 2007-08 | - | - | 06 | - | 06 |
| 3 | 2008-09 | - | - | 01 | - | 01 |
| 4 | 2009-10 | - | - | - | - | - |
| 5 | 2010-11 | - | - | - | - | - |
| 6 | 2011-12 | - | - | - | - | - |
| 7 | 2012-13 | - | - | 02 | - | 02 |
| 8 | 2013-14 | - | 08 | - | - | 08 |
| 9 | 2014-15 | - | 29 | - | - | 29 |
| 10 | 2015-16 | - | 11 | 01 | - | 12 |
| 11 | 2016-17 | 41 | 16 | - | 04 | 61 |
| 12 | 2017-18 | - | 23 | 04 | 16 | 43 |
| 13 | 2018-19 | - | 11 | 02 | 29 | 42 |
| 14 | 2019-20 | 79 | 16 | - | - | 95 |
| 15 | 2020-21 | 75 | 2 | - | - | 77 |
| | Total | 195 | 116 | 28 | 49 | 388 |

(Source: Records of Rural works Department, Government of Bihar)

| Appendix- 3.14 | | | | | |
|--|---------------------|--|-----------------------|----------------------------------|--------------|
| (Reference: Paragraph 3.6.1.2) | | | | | |
| NQM reports of PMGSY 2016-17 to 2020-21 | | | | | |
| Sl. No. | Satisfactory | Satisfactory Required Improvement | Unsatisfactory | Unsatisfactory (per cent) | Total |
| Completed Works | | | | | |
| 1 | 674 | 127 | 114 | 12.46 | 915 |
| Ongoing Works | | | | | |
| 2 | 1643 | 388 | 337 | 14.23 | 2368 |
| Maintenance | | | | | |
| 3 | 633 | 195 | 565 | 40.56 | 1393 |
| Bridge | | | | | |
| 4 | 224 | 60 | 13 | 4.38 | 297 |
| | Total | | 1029 | | 4973 |

(Source: Records of Rural works Department, Government of Bihar)

Appendix- 3.15
(Reference: Paragraph 3.6.1.3)
Capital Expenditure under PMGSY

(₹ in crore)

| Sl. No. | Booking of expenditure | Heads of Accounts | Financial Years | | | | | Total |
|-------------------|--|----------------------------|-----------------|---------------|--------------------|--------------------|--------------------|--------------------|
| | | | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | |
| 1 | Capital expenditure booked in Appropriation Accounts of GoB. | 37-4515-00-103-0316 & 0216 | 4,956.76 | 2,242.74 | 100.00 | 40.00 | 234.26 | 7,573.76 |
| 2 | Capital expenditure as per OMMAS of PMGSY | 37-4515-00-103-0316 & 0216 | 3,276.24 | 1,539.64 | 1,789.59 | 1,172.87 | 1,680.60 | 9,458.94 |
| Difference | | | 1,680.52 | 703.10 | (-1,689.59) | (-1,132.87) | (-1,446.34) | (-1,885.18) |

(Source: Appropriation Accounts compared with the Records of Rural works Department)

Appendix- 3.16

(Reference: Paragraph 3.6.1.3)

Table-I Revenue Expenditure of RWD on Road Maintenance

(*₹ in crore*)

| Sl. No. | Booking of expenditure | Heads of Accounts | Financial Years | | | | |
|---------|---|-------------------|-----------------|---------------|---------------|---------------|-------------------|
| | | | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
| 1 | Road maintenance expenditure booked in Appropriation Accounts of GoB. | 37-3054 & 37-2245 | 966.57 | 1157.43 | 780.70 | 1,441.91 | 1,683.93 |
| 2 | Road maintenance expenditure as per BRRDA | 37-3054 & 37-2245 | 85.85 | 260.38 | 295.64 | 521.11 | Data not provided |
| | Difference | | 880.72 | 897.05 | 485.06 | 920.80 | N.A |
| | Total of Difference | | 3,183.63 | | | | |

(Source: Appropriation Accounts compared with the Records of Rural works Department, GoB)

Table-II Capital Expenditure of RWD

(*₹ in Crore*)

| Sl. No. | Booking of expenditure | Heads of Accounts | Financial Years | | | | |
|---------|--|-------------------|-----------------------------------|-----------------|--------------------|--------------------|----------------------------|
| | | | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
| 1 | Capital expenditure booked in Appropriation Accounts of GoB. | 37-4515 | 7,748.97 | 6,396.35 | 2,951.29 | 1,883.27 | 3,301.93 |
| 2 | Capital expenditure as per BRRDA | 37-4515 | 5,195.63 | 3,621.44 | 4,573.51 | 4,009.72 | Data not provided to audit |
| | Difference | | 2,553.34 | 2,774.91 | (-1,622.22) | (-2,126.45) | N.A |
| | Total of Differences | | 5,328.25-3,748.67=1,579.58 | | | | |

(Source: Appropriation Accounts compared with the Records of Rural Works Department, GoB)

Appendix- 3.17
(Reference: Paragraph 3.6.1.3)
Details of incorrect bookings of five years (2016-17 to 2020-21)

(₹ in crore)

| Year wise | | | | | | | |
|--------------------|-------------------------------------|------------------------|---------------|--------------|--------------|--------------|--------------|
| Sl. No. | Particulars | Bill Code | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
| 1 | Salary | 37-4515-00-103-0101-01 | 62.18 | 62.18 | 42.14 | 64.47 | 61.76 |
| 2 | Medicals Reimbursement | 37-4515-00-103-0101-06 | 0.40 | 0.40 | 0.02 | 0.40 | 0.40 |
| 3 | Transport | 37-4515-00-103-0101-11 | 0.70 | 0.70 | 0.19 | 0.70 | 0.70 |
| 4 | Office expenditure | 37-4515-00-103-0101-13 | 4.86 | 4.75 | 2.75 | 5.71 | 4.80 |
| 5 | Rent, Rates & Taxes | 37-4515-00-103-0101-14 | 0.70 | 0.70 | 0.06 | 0.70 | 0.50 |
| 6 | Other Administrative Exp.(Training) | 37-4515-00-103-0101-20 | 0.05 | 0.05 | 0.00 | 0.05 | 0.05 |
| Total | | | 68.89 | 68.78 | 45.16 | 72.03 | 68.21 |
| Grand Total | | | 323.07 | | | | |

(Source: Records of Rural works Department, GoB)

Appendix- 3.18
(Reference: Paragraph 3.7.1)
Department wise Gender Budget provision under
Category 'A' & Category 'B' during 2020-21

(₹ in crore)

| Sl. No. | Grant No. and Department | Gender Budget 2020-21 | | Category A Schemes | | Category B Schemes | | Total Expenditure (A+B) |
|---------|--|-----------------------|------------------|--------------------|------------------|--------------------|------------------|-------------------------|
| | | No. of Schemes | Budget Estimate | No. of Schemes | Expenditure | No. of Schemes | Expenditure | |
| 1 | 01- Agriculture | 114 | 2,384.22 | 0 | 0.00 | 114 | 715.37 | 715.37 |
| 2 | 03- Building Construction | 5 | 465.00 | 0 | 0.00 | 5 | 230.50 | 230.50 |
| 3 | 08- Art, Culture and Youth | 4 | 68.82 | 0 | 0.00 | 4 | 20.65 | 20.65 |
| 4 | 11- Backward Class and Most Backward Class Welfare | 12 | 1,654.94 | 1 | 15.04 | 11 | 768.32 | 783.36 |
| 5 | 16- Panchayati Raj | 9 | 551.00 | 0 | 0.00 | 9 | 275.50 | 275.50 |
| 6 | 18- Food and Consumer Protection | 0 | 601.42 | 0 | 0.00 | 0 | 0.00 | 0.00 |
| 7 | 20- Health | 29 | 3,657.74 | 9 | 891.87 | 20 | 1,071.27 | 1,963.14 |
| 8 | 21- Education | 90 | 26,510.57 | 12 | 1,035.15 | 78 | 7,639.50 | 8,674.65 |
| 9 | 22- Home | 1 | 356.23 | 1 | 0.50 | 0 | 0.00 | 0.50 |
| 10 | 23- Industry | 7 | 675.90 | 0 | 0.00 | 7 | 132.80 | 132.80 |
| 11 | 26- Labour Resources | 9 | 382.64 | 2 | 15.26 | 7 | 110.21 | 125.47 |
| 12 | 30- Minority Welfare | 7 | 329.00 | 1 | 2.00 | 6 | 85.55 | 87.55 |
| 13 | 36- Public Health & Engineering (PHED) | 19 | 4,631.00 | 0 | 0.00 | 19 | 1,389.30 | 1,389.30 |
| 14 | 40- Revenue & Land Reforms | 3 | 45.20 | 3 | 45.20 | 0 | 0.00 | 45.20 |
| 15 | 42- Rural Development | 39 | 15,320.33 | 17 | 8,977.92 | 22 | 3,694.43 | 12,672.35 |
| 16 | 43- Science and Technology | 3 | 117.25 | 3 | 117.25 | 0 | 0.00 | 117.25 |
| 17 | 44- SC & ST Welfare | 38 | 1628.15 | 0 | 0.00 | 38 | 557.27 | 557.27 |
| 18 | 46- Tourism | 1 | 221.14 | 0 | 0.00 | 1 | 110.57 | 110.57 |
| 19 | 48- Urban Development & Housing | 54 | 3,323.10 | 0 | 0.00 | 54 | 998.78 | 998.78 |
| 20 | 51- Social Welfare | 76 | 7,130.42 | 31 | 801.74 | 45 | 3,474.31 | 4,276.05 |
| | Total | 520 | 70,054.07 | 80 | 11,901.94 | 440 | 21,274.33 | 33,176.27 |

(Source : Gender Budget document and Appropriation Accounts 2020-21)

Appendix- 3.19
(Reference: Paragraph 3.7.1)
Gender Budget provisions under Category 'A'
in two departments during 2020-21

(₹ in crore)

I Rural Development Department

| Sl. No. | Bill Code - Schemes | Budget Estimate | Gender Budget | Net Budget as per AA | Expenditure as per AA | Percent Expenditure |
|---------|--|-----------------|-----------------|----------------------|-----------------------|---------------------|
| 1 | 42-2216031020101- Chief minister's accommodation purchase scheme | 1.20 | 1.20 | 1.20 | 0.00 | 0.00 |
| 2 | 42-2216031050106- Chief Minister Centenary Indira Awaas Renovation Scheme | 0.01 | 0.01 | 0.01 | 0.00 | 0.00 |
| 3 | 42-2216031050107- Chief Minister Rural Housing Scheme | 167.51 | 167.51 | 167.51 | 0.00 | 0.00 |
| 4 | 42-2216031050202- Indira Awaas Yojana (IAY) | 4,254.59 | 4,254.59 | 4,385.52 | 1,885.32 | 42.99 |
| 5 | 42-2216031050302- Indira Awaas Yojana (IAY) | 2,049.98 | 2,049.98 | 2,923.64 | 2,842.16 | 97.21 |
| 6 | 42-2216037890103- Chief Minister Indira Awas upgradation | 0.01 | 0.01 | 0.01 | 0.00 | 0.00 |
| 7 | 42-2216037890104- Chief minister's accommodation purchase scheme | 2.40 | 2.40 | 2.40 | 0.00 | 0.00 |
| 8 | 42-2216037890105- Chief Minister Rural Housing Scheme | 250.00 | 250.00 | 250.00 | 0.00 | 0.00 |
| 9 | 42-2216037890202- Indira Awaas Yojana (IAY) | 1,762.62 | 1,762.62 | 1,762.62 | 0.00 | 0.00 |
| 10 | 42-2216037890302- Indira Awaas Yojana (IAY) | 0.01 | 0.01 | 0.01 | 0.00 | 0.00 |
| 11 | 42-2216037960103- Chief Minister accommodation purchase scheme | 0.40 | 0.40 | 0.40 | 0.00 | 0.00 |
| 12 | 42-2216037960104- Chief Minister Rural Housing Scheme | 5.00 | 5.00 | 5.00 | 0.00 | 0.00 |
| 13 | 42-2216037960202- Indira Awaas Yojana (IAY) | 60.78 | 60.78 | 60.78 | 0.00 | 0.00 |
| 14 | 42-2216037960302- Indira Awaas Yojana (IAY) | 0.01 | 0.01 | 0.01 | 0.00 | 0.00 |
| 15 | 42-2515001020517- Bihar Rural Livelihood Project (World Bank Aided-for Rural Development Department) | 296.38 | 296.38 | 296.38 | 234.14 | 79.00 |
| 16 | 42-2515007890510- Bihar Rural Livelihood Project (World Bank Aided-for Rural Development Department) | 122.79 | 122.79 | 122.79 | 97.01 | 79.00 |
| 17 | 42-2515007960517- Bihar Rural Livelihood Project (World Bank Aided-for Rural Development Department) | 4.23 | 4.23 | 4.23 | 3.34 | 78.98 |
| | Total | 8,977.92 | 8,977.92 | 9,982.51 | 5,061.97 | 50.71 |

II Social Welfare Department

| Sl. No. | Bill Code - Schemes | Budget Estimate | Gender Budget | Net Budget as per AA | Expenditure as per AA | Percent Expenditure |
|---------|--|-----------------|---------------|----------------------|-----------------------|---------------------|
| 1 | 51-2235021010111- Training of Regional Officers for different Institutions | 0.10 | 0.10 | 0.10 | 0.06 | 63.83 |
| 2 | 51-2235021020116- Parwarish | 22.00 | 22.00 | 22.00 | 22.00 | 100.00 |
| 3 | 51-2235021020224- Rajiv Gandhi Scheme for Empowerment of Adolescent Girls (SABLA) | 4.34 | 4.34 | 4.34 | 2.59 | 59.80 |
| 4 | 51-2235021020226- National Krech Scheme | 0.60 | 0.60 | 0.60 | 0.00 | 0.00 |
| 5 | 51-2235021020324- Rajiv Gandhi Scheme for Empowerment of Adolescent Girls (SABLA) | 0.00 | 0.00 | 3.11 | 1.93 | 62.22 |
| 6 | 51-2235021020326- National Krech Scheme | 0.30 | 0.30 | 0.30 | 0.00 | 0.00 |
| 7 | 51-2235021030003- Bihar State Women Commission | 2.50 | 2.50 | 4.74 | 3.86 | 81.53 |
| 8 | 51-2235021030105- Women Development Corporation- Grants-in-aid | 5.00 | 5.00 | 5.00 | 3.25 | 65.00 |
| 9 | 51-2235021030109- Chief Minister Girls Marriage Scheme | 23.83 | 23.83 | 23.83 | 23.37 | 98.08 |
| 10 | 51-2235021030110- Nari Shakti Yojana | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 11 | 51-2235021030111- Kanya Suraksha Yojana | 40.00 | 40.00 | 40.00 | 26.00 | 65.00 |
| 12 | 51-2235021030219- National Women Empowerment Mission including Indira Gandhi Maternity Assistance Scheme | 15.00 | 15.00 | 15.00 | 0.00 | 0.00 |
| 13 | 51-2235021030225- Maternity advantage Plan. | 24.24 | 24.24 | 24.24 | 9.90 | 40.84 |
| 14 | 51-2235021030319- National Women Empowerment Mission including Indira Gandhi Maternity Assistance Scheme | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 15 | 51-2235021030325- Maternity advantage Plan. | 52.48 | 52.48 | 236.65 | 235.53 | 99.53 |
| 16 | 51-2235021040001- State House and Protection Shelter-Home | 2.19 | 2.19 | 2.19 | 1.80 | 82.38 |
| 17 | 51-2235027890107- Chief Minister Girls Marriage Scheme | 36.91 | 36.91 | 36.91 | 5.77 | 15.63 |
| 18 | 51-2235027890108- Chief Minister Women Power Scheme | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 19 | 51-2235027890109- Chief Minister Girl Security Scheme | 40.00 | 40.00 | 40.00 | 26.00 | 65.00 |
| 20 | 51-2235027890312- Rajiv Gandhi Scheme for Empowerment of Adolescent Girls (SABLA) | 0.00 | 0.00 | 0.65 | 0.65 | 99.87 |
| 21 | 51-2235027890313- National Women Empowerment Mission including Indira Gandhi Maternity Assistance Scheme | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

| Sl. No. | Bill Code - Schemes | Budget Estimate | Gender Budget | Net Budget as per AA | Expenditure as per AA | Percent Expenditure |
|---------|---|-----------------|---------------|----------------------|-----------------------|---------------------|
| 22 | 51-2235027960123- Chief Minister Girls Marriage Scheme | 6.26 | 6.26 | 6.26 | 0.57 | 9.06 |
| 23 | 51-2235028000002- Inter-caste marriage | 5.00 | 5.00 | 10.00 | 3.66 | 36.60 |
| 24 | 51-2235031010103- Indira Gandhi National Widow Pension Scheme | 0.70 | 0.70 | 45.70 | 17.28 | 37.81 |
| 25 | 51-2235031010203- Indira Gandhi National Widow Pension Scheme | 176.00 | 176.00 | 184.00 | 182.00 | 98.91 |
| 26 | 51-2235031010303- Indira Gandhi National Widow Pension Scheme | 33.00 | 33.00 | 63.56 | 63.56 | 100.00 |
| 27 | 51-2235037890102- Indira Gandhi National Widow Pension Scheme | 0.30 | 0.30 | 0.30 | 0.00 | 0.00 |
| 28 | 51-2235037890202- Indira Gandhi National Widow Pension Scheme | 74.00 | 74.00 | 74.00 | 74.00 | 100.00 |
| 29 | 51-2235037890302- Indira Gandhi National Widow Pension Scheme | 7.00 | 7.00 | 7.00 | 7.00 | 100.00 |
| 30 | 51-2235601020105- Lakshmibai Social Security Pension Scheme | 182.00 | 182.00 | 265.00 | 281.50 | 106.23 |
| 31 | 51-2235607890102- Lakshmibai Social Security Pension Scheme | 48.00 | 48.00 | 48.00 | 48.00 | 100.00 |
| | Total | 801.74 | 801.74 | 1,163.47 | 1,040.30 | 89.41 |

(Source : Gender Budget document and Appropriation Accounts 2020-21)

Appendix - 3.20
(Reference: Paragraph 3.7.3)
Department wise Green Budget provision during 2020-21

(₹ in crore)

| Sl. | Grant | Department | No. of Schemes | 2020-21 BE | Green Budget | Percent |
|-----|-------|------------------------------------|----------------|------------------|-----------------|--------------|
| 1 | 1 | Agriculture | 69 | 1,421.85 | 798.54 | 56.16 |
| 2 | 2 | Animal & Fish Resources | 4 | 146.74 | 80.47 | 54.84 |
| 3 | 3 | Building | 5 | 620.00 | 24.03 | 3.88 |
| 4 | 10 | Energy | 2 | 35.00 | 35.00 | 100.00 |
| 5 | 19 | Forest | 35 | 440.00 | 440.00 | 100.00 |
| 6 | 20 | Health | 1 | 10.00 | 10.00 | 100.00 |
| 7 | 21 | Education | 3 | 78.00 | 73.25 | 93.91 |
| 8 | 23 | Industry | 1 | 10.00 | 10.00 | 100.00 |
| 9 | 24 | Information & Public Relation | 1 | 82.73 | 11.50 | 13.90 |
| 10 | 36 | Public Health & Engineering (PHED) | 3 | 37.00 | 37.00 | 100.00 |
| 11 | 37 | Rural Works | 6 | 8,418.95 | 290.69 | 3.45 |
| 12 | 41 | Road Construction | 3 | 3,951.96 | 51.58 | 1.31 |
| 13 | 42 | Rural Development | 15 | 4,605.23 | 1,914.01 | 41.56 |
| 14 | 45 | Sugar Cane Industry | 3 | 30.00 | 7.09 | 23.63 |
| 15 | 46 | Tourism | 1 | 221.14 | 20.00 | 9.04 |
| 16 | 47 | Transport | 5 | 195.00 | 195.00 | 100.00 |
| 17 | 48 | Urban Development & Housing | 42 | 3,071.75 | 610.72 | 19.88 |
| 18 | 49 | Water Resources | 17 | 3,000.00 | 300.00 | 10.00 |
| 19 | 50 | Minor Water Resources | 15 | 787.50 | 785.00 | 99.68 |
| | | Total | 231 | 27,162.85 | 5,693.88 | 20.96 |

(Source : Green Budget document and Appropriation Accounts 2020-21)

Appendix- 5.1

(Reference: paragraphs 5.1.3 and 5.5.1)

Summarised financial results of State PSEs covered in this Report during the year 2018-19, 2019-20 and 2020-21

| Sl. No. | Name of SPSEs | Year of Finalised Account | EBIT (Earnings before interest and tax) | Net profit/ loss after tax and preference dividend | Turnover | Total Paid up Capital | Investment (Paid up capital +Free Reserve +Long term loan) | Shareholders fund (Paid up capital + Reserve & surplus- accumulated loss-deferred revenue expenditure) | Capital employed (i.e. Share-holders fund plus Long term Borrowings) | Return on Capital employed (4×100/10) | Return on Investment (4×100/8) | Return on Equity (5×100/9) | (₹ in crore) |
|--------------------|--|---------------------------|---|--|------------------|-----------------------|--|--|--|---------------------------------------|--------------------------------|----------------------------|--|
| | | | | | | | | | | | | | Net worth (paid-up share capital + free reserves & surplus less accumulated loss and deferred revenue expenditure) |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11= | 12= | 13= | 14 |
| 2020-21 | | | | | | | | | | | | | |
| Power | | | | | | | | | | | | | |
| 1 | Bihar State Power (Holding) Company Limited | 2019-20 | 0.00 | 0.00 | 0.00 | 1,271.06 | 1,709.56 | 1,271.06 | 1,709.56 | 0.00 | 0.00 | 0.00 | 1,271.06 |
| 2 | Bihar State Power Generation Company Limited | 2019-20 | -255.93 | -255.93 | 0.00 | 4,812.96 | 4,812.96 | 579.85 | 579.85 | -44.14 | -5.32 | -44.14 | 579.85 |
| 3 | Lakhisarai Bijlee Company Private Limited | 2019-20 | 0.00 | 0.00 | 0.00 | 0.01 | 0.01 | -0.04 | -0.04 | 0.00 | 0.00 | 0.00 | -0.04 |
| 4 | Pirpaimti Bijlee Company Private Limited | 2019-20 | 0.00 | 0.00 | 0.00 | 0.01 | 0.01 | -0.03 | -0.03 | 0.00 | 0.00 | 0.00 | -0.03 |
| 5 | Bihar State Power Transmission Company Limited | 2019-20 | 445.18 | 460.16 | 1,033.08 | 7,949.99 | 9,655.82 | 8,691.79 | 9,655.82 | 4.61 | 4.61 | 5.29 | 8,691.79 |
| 6 | Bihar Grid Company Limited | 2020-21 | 358.20 | 154.82 | 460.20 | 580.59 | 2,742.44 | 815.73 | 2,742.44 | 13.06 | 13.06 | 18.98 | 815.73 |
| 7 | North Bihar Power Distribution Company Limited | 2019-20 | -1,068.89 | -1,282.88 | 7,469.78 | 11,653.84 | 13,135.11 | 6,482.83 | 7,964.10 | -13.42 | -8.14 | -19.79 | 6,482.83 |
| 8 | South Bihar Power Distribution Company Limited | 2019-20 | -1,501.20 | -1,664.84 | 8,367.20 | 12,267.96 | 13,787.68 | 2,233.22 | 3,752.94 | -40.00 | -10.89 | -74.55 | 2,233.22 |
| Total Power | | | -2,022.64 | -2,588.67 | 17,330.26 | 38,536.42 | 45,843.59 | 20,074.41 | 26,404.64 | -7.66 | -4.41 | -12.90 | 20,074.41 |

| Sl. No. | Name of SPSEs | Year of Finalised Account | EBIT (Earnings before interest and tax) | 5 | 6 | 7 | 8 | 9 | 10 | 11= (4×100/10) | 12= (4×100/8) | 13= (5×100/9) | Net worth (paid-up share capital + free reserves & surplus less accumulated loss and deferred revenue expenditure) |
|------------------|--|---------------------------|---|------------------|------------------|------------------|------------------|------------------|------------------|----------------|---------------|---------------|--|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11= (4×100/10) | 12= (4×100/8) | 13= (5×100/9) | 14 |
| Non-Power | | | | | | | | | | | | | |
| 1 | Bhagalpur Smart City Limited | 2018-19 | 6.46 | 23.86 | 0.00 | 0.10 | 0.10 | 8.60 | 8.60 | 75.12 | 6,460.00 | 277.44 | 8.60 |
| 2 | Bihar State Agro Industries Development Corporation Limited | 2019-20 | 0.01 | -9.12 | 0.00 | 7.64 | 38.62 | -182.31 | -151.33 | -0.01 | 0.03 | 5.00 | -182.31 |
| 3 | Bihar State Road Development Corporation Limited | 2018-19 | 61.02 | 35.78 | 1,567.45 | 20.00 | 557.90 | 557.90 | 557.90 | 10.94 | 10.94 | 6.41 | 557.90 |
| 4 | Bihar State Electronics Development Corporation Limited | 2018-19 | 33.27 | 23.57 | 424.73 | 25.00 | 129.89 | 131.74 | 131.74 | 25.25 | 25.61 | 17.89 | 131.74 |
| 5 | Patna Smart City Limited | 2018-19 | 0.01 | 0.01 | 0.00 | 0.10 | 388.72 | -0.06 | 388.56 | 0.00 | 0.00 | -16.67 | -0.06 |
| 6 | Bihar Forestry Development Corporation Limited | 2019-20 | 0.00 | 0.00 | 0.30 | 0.34 | 1.26 | 1.26 | 1.26 | 0.00 | 0.00 | 0.00 | 1.26 |
| 7 | Bihar State Educational Infrastructure Development Corporation Limited | 2019-20 | 7.14 | 7.14 | 22.39 | 20.00 | 258.36 | 258.36 | 258.36 | 2.76 | 2.76 | 2.76 | 258.36 |
| 8 | Bihar State Education Finance Corporation Limited | 2020-21 | 2.69 | 0.25 | 0.00 | 9.50 | 19.06 | 13.89 | 22.70 | 11.85 | 14.11 | 1.80 | 13.89 |
| 9 | Patna Metro Rail Corporation | 2019-20 | -0.36 | -0.36 | 0.00 | 110.50 | 114.08 | 110.14 | 113.72 | -0.32 | -0.32 | -0.33 | 110.14 |
| 10 | Bihar State Financial Corporation | 2019-20 | 36.26 | 18.58 | 6.97 | 77.84 | 306.31 | -405.38 | -176.91 | -20.50 | 11.84 | -4.58 | -405.38 |
| | Total Non-Power | | 146.50 | 99.71 | 2,021.84 | 271.02 | 1,814.3 | 494.14 | 1,154.6 | 12.69 | 8.07 | 20.18 | 494.14 |
| | Grand Total (2020-21) | | -1,876.14 | -2,488.96 | 19,352.10 | 38,807.44 | 47,657.89 | 20,568.55 | 27,559.24 | -6.81 | -3.94 | -12.10 | 20,568.55 |
| Power | | | | | | | | | | | | | |
| 1 | Bihar State Power (Holding) Company Limited | 2019-20 | 0.00 | 0.00 | 0.00 | 1,271.06 | 1,709.56 | 1,271.06 | 1,709.56 | 0.00 | 0.00 | 0.00 | 1,271.06 |
| 2 | Bihar State Power Generation Company Limited | 2019-20 | -255.93 | -255.93 | 0.00 | 4,812.96 | 4,812.96 | 579.85 | 579.85 | -44.14 | -5.32 | -44.14 | 579.85 |

| Sl. No. | Name of SPSEs | Year of Finalised Account | EBIT (Earnings before interest and tax) | 5 | 6 | 7 | 8 | 9 | 10 | 11= (4×100/10) | 12= (4×100/8) | 13= (5×100/9) | Net worth (paid-up share capital + free reserves & surpluses less accumulated loss and deferred revenue expenditure) |
|------------------|--|---------------------------|---|------------------|-----------------|------------------|------------------|------------------|------------------|----------------|---------------|---------------|--|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11= (4×100/10) | 12= (4×100/8) | 13= (5×100/9) | 14 |
| 3 | Lakhsarai Bijlee Company Private Limited | 2019-20 | 0.00 | 0.00 | 0.00 | 0.01 | 0.01 | -0.04 | -0.04 | 0.00 | 0.00 | 0.00 | -0.04 |
| 4 | Pirpaimti Bijlee Company Private Limited | 2019-20 | 0.00 | 0.00 | 0.00 | 0.01 | 0.01 | -0.03 | -0.03 | 0.00 | 0.00 | 0.00 | -0.03 |
| 5 | Bihar State Power Transmission Company Limited | 2019-20 | 445.18 | 460.16 | 1,033.08 | 7,949.99 | 9,655.82 | 8,691.79 | 9,655.82 | 4.61 | 4.61 | 5.29 | 8,691.79 |
| 6 | Bihar Grid Company Limited | 2019-20 | 124.81 | 31.63 | 207.84 | 514.58 | 2,284.81 | 594.9 | 2,284.81 | 5.46 | 5.46 | 5.32 | 594.9 |
| 7 | North Bihar Power Distribution Company Limited | 2019-20 | -1,068.89 | -1,282.88 | 7,469.78 | 11,653.84 | 13,135.11 | 6,482.83 | 7,964.10 | -13.42 | -8.14 | -19.79 | 6,482.83 |
| 8 | South Bihar Power Distribution Company Limited | 2019-20 | -1,501.20 | -1,664.84 | 8,367.20 | 12,267.96 | 13,787.68 | 2,233.22 | 3,752.94 | -40.00 | -10.89 | -74.55 | 2,233.22 |
| | Total Power | | -2,256.03 | -2,711.86 | 17,077.9 | 38,470.41 | 45,385.96 | 19,853.58 | 25,947.01 | -8.69 | -4.97 | -13.66 | 19,853.58 |
| Non-Power | | | | | | | | | | | | | |
| 1 | Bhagalpur Smart City Limited | 2018-19 | 6.46 | 23.86 | 0.00 | 0.10 | 0.10 | 8.60 | 8.60 | 75.12 | 6,460.00 | 277.44 | 8.60 |
| 2 | Bihar State Agro Industries Development Corporation Limited | 2019-20 | 0.01 | -9.12 | 0.00 | 7.64 | 38.62 | -182.31 | -151.33 | -0.01 | 0.03 | 5.00 | -182.31 |
| 3 | Bihar State Road Development Corporation Limited | 2018-19 | 65.00 | 35.78 | 1,567.45 | 20.00 | 557.90 | 557.90 | 557.90 | 11.65 | 11.65 | 6.41 | 557.90 |
| 4 | Bihar State Electronics Development Corporation Limited | 2018-19 | 33.27 | 23.57 | 424.73 | 25.00 | 129.89 | 131.74 | 131.74 | 25.25 | 25.61 | 17.89 | 131.74 |
| 5 | Patna Smart City Limited | 2018-19 | 0.01 | 0.01 | 0.00 | 0.10 | 388.72 | -0.06 | 388.56 | 0.00 | 0.00 | -16.67 | -0.06 |
| 6 | Bihar Forestry Development Corporation Limited | 2019-20 | 0.00 | 0.00 | 0.30 | 0.34 | 1.26 | 1.26 | 1.26 | 0.00 | 0.00 | 0.00 | 1.26 |
| 7 | Bihar State Educational Infrastructure Development Corporation Limited | 2019-20 | 7.14 | 7.14 | 22.39 | 20.00 | 258.36 | 258.36 | 258.36 | 2.76 | 2.76 | 2.76 | 258.36 |
| 8 | Bihar State Education Finance Corporation Limited | 2019-20 | 1.93 | 0.26 | 0.00 | 9.50 | 18.80 | 15.87 | 24.68 | 7.82 | 10.27 | 1.64 | 15.87 |

| Sl. No. | Name of SPSEs | Year of Finalised Account | EBIT (Earnings before interest and tax) | Net profit/ loss after tax and preference dividend | Turnover | Total Paid up Capital | Investment (Paid up capital +Free Reserve +Long term loan) | Shareholders fund (Paid up capital + Reserve & surplus- accumulated loss-deferred revenue expenditure) | Capital employed (i.e. Share-holders fund plus Long term Borrowings) | Return on Capital employed (4×100/10) | Return on Investment (4×100/8) | Return on Equity (5×100/9) | Net worth (paid-up share capital + free reserves & surplus less accumulated loss and deferred revenue expenditure) |
|----------------|--|---------------------------|---|--|------------------|-----------------------|--|--|--|---------------------------------------|--------------------------------|----------------------------|--|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11= (4×100/10) | 12= (4×100/8) | 13= (5×100/9) | 14 |
| 9 | Patna Metro Rail Corporation | 2019-20 | -0.36 | -0.36 | 0.00 | 110.50 | 114.08 | 110.14 | 113.72 | -0.32 | -0.32 | -0.33 | 110.14 |
| 10 | Bihar State Financial Corporation Limited | 2019-20 | 36.26 | 18.58 | 6.97 | 77.84 | 306.31 | -405.38 | -176.91 | -20.50 | 11.84 | -4.58 | -405.38 |
| | Total Non-Power | | 149.72 | 99.72 | 2,021.84 | 271.02 | 1,814.04 | 496.12 | 1,156.58 | 12.95 | 8.25 | 20.10 | 496.12 |
| | Grand Total (2019-20) | | -2,106.31 | -2,612.14 | 19,099.74 | 38,741.43 | 47,200.00 | 20,349.70 | 27,103.59 | -7.77 | -4.46 | -12.84 | 20,349.70 |
| 2018-19 | | | | | | | | | | | | | |
| Power | | | | | | | | | | | | | |
| 1 | Bihar State Power (Holding) Company Limited | 2018-19 | 0.00 | 0.00 | 0.00 | 1,147.42 | 1,585.92 | 1,147.42 | 1,585.92 | 0.00 | 0.00 | 0.00 | 1,147.42 |
| 2 | Bihar State Power Generation Company Limited | 2018-19 | -299.12 | -299.12 | 0.00 | 4,812.96 | 4,812.96 | 531.88 | 531.88 | -56.24 | -6.21 | -56.24 | 531.88 |
| 3 | Lakhisarai Bijlee Company Private Limited | 2018-19 | 0.01 | 0.01 | 0.00 | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4 | Pirpaimti Bijlee Company Private Limited | 2018-19 | 0.01 | 0.01 | 0.00 | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5 | Bihar State Power Transmission Company Limited | 2018-19 | 579.45 | 147.28 | 965.88 | 7,589.23 | 8,295.32 | 7,906.85 | 8,295.32 | 6.99 | 6.99 | 1.86 | 7,906.85 |
| 6 | Bihar Grid Company Limited | 2018-19 | 207.52 | 24.84 | 275.59 | 343.37 | 1,599.94 | 391.44 | 1,599.94 | 12.97 | 12.97 | 6.35 | 391.44 |
| 7 | North Bihar Power Distribution Company Limited | 2018-19 | -452.69 | -595.64 | 6,417.09 | 10,398.02 | 11,817.02 | 7,034.68 | 8,453.68 | -5.35 | -3.83 | -8.47 | 7,034.68 |
| 8 | South Bihar Power Distribution Company Limited | 2018-19 | -1,678.29 | -1,813.09 | 7,419.35 | 11,014.59 | 12,120.65 | 2,724.84 | 3,830.90 | -43.81 | -13.85 | -66.54 | 2,724.84 |
| | Total Power 2018-19 | | -1,643.11 | -2,535.71 | 15,077.91 | 35,305.61 | 40,231.83 | 19,737.05 | 24,297.58 | -6.76 | -4.08 | -12.85 | 19,737.05 |

| Sl. No. | Name of SPSEs | Year of Finalised Account | EBIT (Earnings before interest and tax) | Net profit/ loss after tax and preference dividend | Turnover | Total Paid up Capital | Investment (Paid up capital +Free Reserve +Long term loan) | Shareholders fund (Paid up capital + Reserve & surplus- accumulated loss-deferred revenue expenditure) | Capital employed (i.e. Share-holders fund plus Long term Borrowings) | Return on Capital employed (4×100/10) | Return on Investment (4×100/8) | Return on Equity (5×100/9) | Net worth (paid-up share capital + free reserves & surplus less accumulated loss and deferred revenue expenditure) |
|--------------------------|--|---------------------------|---|--|------------------|-----------------------|--|--|--|---------------------------------------|--------------------------------|----------------------------|--|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11= (4×100/10) | 12= (4×100/8) | 13= (5×100/9) | 14 |
| Non-Power 2018-19 | | | | | | | | | | | | | |
| 1 | Bhagalpur Smart City Limited | 2018-19 | 6.46 | 23.86 | 0.00 | 0.10 | 0.10 | 8.60 | 8.60 | 75.12 | 6,460.00 | 277.44 | 8.60 |
| 2 | Bihar State Agro Industries Development Corporation Limited | 2018-19 | -3.57 | -3.57 | 0.00 | 7.64 | 38.62 | -173.19 | -142.21 | 2.51 | -9.24 | 2.06 | -173.19 |
| 3 | Bihar State Road Development Corporation Limited | 2018-19 | 65.00 | 35.78 | 1,567.45 | 20.00 | 557.90 | 557.90 | 557.90 | 11.65 | 11.65 | 6.41 | 557.90 |
| 4 | Bihar State Electronics Development Corporation Limited | 2018-19 | 33.27 | 23.57 | 424.73 | 25.00 | 129.89 | 131.74 | 131.74 | 25.25 | 25.61 | 17.89 | 131.74 |
| 5 | Patna Smart City Limited | 2018-19 | 0.01 | 0.01 | 0.00 | 0.10 | 388.72 | -0.06 | 388.56 | 0.00 | 0.00 | -16.67 | -0.06 |
| 6 | Bihar Forestry Development Corporation Limited | 2018-19 | 0.00 | 0.00 | 0.87 | 0.34 | 1.26 | 1.26 | 1.26 | 0.00 | 0.00 | 0.00 | 1.26 |
| 7 | Bihar State Educational Infrastructure Development Corporation Limited | 2018-19 | 13.92 | 13.92 | 31.21 | 20.00 | 251.21 | 251.21 | 251.21 | 5.54 | 5.54 | 5.54 | 251.21 |
| 8 | Bihar State Education Finance Corporation Limited | 2018-19 | 0.31 | 0.23 | 0.00 | 9.50 | 9.73 | 9.95 | 9.95 | 3.12 | 3.19 | 2.31 | 9.95 |
| 9 | Bihar State Financial Corporation | 2018-19 | 4.64 | -13.45 | 4.05 | 77.84 | 306.31 | -423.96 | -195.49 | -2.37 | 1.51 | 3.17 | -423.96 |
| | Total Non-Power 2018-19 | | 120.04 | 80.35 | 2,028.31 | 160.52 | 1,683.74 | 363.45 | 1,011.52 | 11.87 | 7.13 | 22.11 | 363.45 |
| | Grand Total 2018-19 | | -1,523.07 | -2,455.36 | 17,106.22 | 35,466.13 | 41,915.57 | 20,100.50 | 25,309.10 | -6.02 | -3.63 | -12.22 | 20,100.50 |

(Source: Compiled based on the latest finalised accounts of SPSEs.)

| Appendix- 5.2 | | | | | | |
|---|--|-------------------------------------|-------------------------|----------------------------|----------------|-----------------|
| (Reference: paragraph 5.1.3) | | | | | | |
| Details of State PSEs not covered in this Report | | | | | | |
| <i>(₹ in crore)</i> | | | | | | |
| Sl. No. | Sector & Name of the SPSE | Period of latest finalised accounts | Year in which finalised | Net profit/ loss after tax | Turn over | Paid up capital |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| A. | Functional PSUs with arrears of accounts for three or more years/first accounts not received/ not due | | | | | |
| I. | Government Companies | | | | | |
| 1 | Bihar Rajya Beej Nigam Limited | 2004-05 | 2019-20 | -3.36 | 0.26 | 3.71 |
| 2 | Bihar State Credit & Investment Corporation Limited | 2015-16 | 2020-21 | 0.00 | 0.00 | 15.12 |
| 3 | Bihar State Backward Classes Finance & Development Corporation | 1997-98 | 2006-07 | -0.29 | 0.64 | 3.62 |
| 4 | Bihar State Minorities Finance Corporation Limited | 2014-15 | 2020-21 | -2.15 | 3.61 | 33.89 |
| 5 | Bihar Police Building Construction Corporation Limited | 2016-17 | 2020-21 | 11.06 | 37.28 | 0.10 |
| 6 | Bihar State Building Construction Corporation Limited | 2017-18 | 2019-20 | 37.99 | 82.99 | 3.50 |
| 7 | Bihar Rajya Pul Nirman Nigam Limited | 2017-18 | 2019-20 | 14.95 | 40.93 | 5.00 |
| 8 | Bihar State Urban Infrastructure Development Corporation LTD | 2017-18 | 2019-20 | 8.95 | 209.17 | 5.00 |
| 9 | Bihar State Tourism Development Corporation Limited | 2014-15 | 2016-17 | 3.54 | 11.63 | 5.00 |
| 10 | Bihar State Food & Civil Supplies Corporation Limited | 2010-11 | 2021-22 | -4.58 | 1,940.31 | 5.39 |
| 11 | Bihar Medical Services & Infrastructure Corporation Limited | 2015-16 | 2019-20 | 3.24 | 20.22 | 0.05 |
| 12 | Bihar State Text Book Publishing Corporation Limited | 2011-12 | 2020-21 | 114.46 | 233.43 | 0.48 |
| 13 | Bihar State Hydroelectric Power Corporation Limited | 2013-14 | 2020-21 | 28.28 | 13.54 | 99.04 |
| 14 | Bihar State Film Development & Finance Corporation | 2016-17 | 2019-20 | 0.43 | 0.2 | 1.00 |
| 15 | Bihar State Beverages Corporation Limited | 2017-18 | 2021-22 | -1.76 | 0.00 | 5.00 |
| 16 | Bihar State Mining Corporation Limited | - | - | 0.00 | 0.00 | 0.00 |
| 17 | Muzaffarpur Smart City Limited | - | - | 0.00 | 0.00 | 0.00 |
| 18 | Biharsariff Smart City Limited | - | - | 0.00 | 0.00 | 0.00 |
| | Sub Total | | | 210.76 | 2594.21 | 185.90 |
| II | Statutory Corporations | | | | | |
| 19 | Bihar State Road Transport Corporation | 2016-17 | 2020-21 | -156.73 | 37.15 | 101.27 |
| 20 | Bihar State Warehousing Corporation | 2015-16 | 2021-22 | 0.95 | 109.44 | 6.42 |
| | Sub Total | | | -155.78 | 146.59 | 107.69 |
| | Total A | | | 54.98 | 2740.8 | 293.59 |

| Sl. No. | Sector & Name of the SPSE | Period of latest finalised accounts | Year in which finalised | Net profit/loss after tax | Turn over | Paid up capital |
|---------------|--|-------------------------------------|-------------------------|---------------------------|-----------|-----------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| B. (I) | Non-Functional Government Companies | | | | | |
| 1 | Bihar Rajya Matasya Vikas Nigam Limited | 1992-93 | 1996-97 | -0.22 | 0.00 | 1.75 |
| 2 | SCADA Agro Business Company Limited | 2014-15 | 2016-17 | 0.02 | 0.00 | 0.05 |
| 3 | Bihar State Water Development Corporation Limited | 1978-79 | 1997-98 | 2.17 | 0.00 | 5.00 |
| 4 | Bihar State Dairy Corporation Limited | 1997-98 | 2014-15 | 0.00 | 0.00 | 6.72 |
| 5 | Bihar Hill Area Lift Irrigation Corporation Limited | 1982-83 | 1983-84 | -0.26 | 0.01 | 5.60 |
| 6 | Bihar State Fruit & Vegetables Development Corporation Limited | 2014-15 | 2018-19 | 1.47 | 0.00 | 1.91 |
| 7 | Bihar Insecticide Limited (Subsidiary of Sl. No. B 26) | 1986-87 | 1991-92 | -1.03 | 0.00 | 0.57 |
| 8 | SCADA Agro Business Limited, Khagaul* (Subsidiary of Sl. No. B 2) | - | - | 0.00 | 0.00 | 0.00 |
| 9 | SCADA Agro Business Limited, Dehri* (Subsidiary of Sl. No. B 2) | - | - | 0.00 | 0.00 | 0.00 |
| 10 | SCADA Agro Business Limited, Aurangabad* (Subsidiary of Sl. No. B 2) | - | - | 0.00 | 0.00 | 0.00 |
| 11 | SCADA Agro Business Limited, Mohania* (Subsidiary of Sl. No. B 2) | - | - | 0.00 | 0.00 | 0.00 |
| 12 | Bihar Panchayati Raj Finance Corporation Limited | 1984-85 | 1991-92 | -0.01 | 0.00 | 1.44 |
| 13 | Bihar State Handloom and Handicrafts Corporation Limited | 1983-84 | 1996-97 | -0.10 | 0.00 | 6.28 |
| 14 | Bihar State Industrial Development Corporation Limited | 2008-09 | 2017-18 | -7.63 | 0.16 | 14.04 |
| 15 | Bihar State Construction Corporation Limited | 2002-03 | 2017-18 | -3.52 | 23.34 | 7.00 |
| 16 | Bihar State Mineral Development Corporation Limited | 2000-01 | 2004-05 | 9.29 | 31.55 | 9.97 |
| 17 | Bihar Solvent & Chemicals Limited (Subsidiary of Sl. No. B 30) | 1986-87 | 1995-96 | -0.32 | 0.00 | 0.66 |
| 18 | Magadh Mineral Limited (Subsidiary of Sl. No. B 26) | - | - | 0.00 | 0.00 | 0.00 |
| 19 | Beltron Video System Limited (Subsidiary of Sl. No. A 6) | 1989-90 | 2016-17 | -0.34 | 0.44 | 3.06 |
| 20 | Beltron Mining System Limited (Subsidiary of Sl. No. A 6) | 1990-91 | 2017-18 | 0.14 | 0.41 | 1.32 |
| 21 | Beltron Informatics Limited* (Subsidiary of Sl. No. A 6) | - | - | 0.00 | 0.00 | 0.00 |
| 22 | Bihar State Sugar Corporation Limited | 1984-85 | 1996-97 | -9.20 | 0.00 | 9.97 |
| 23 | Bihar State Cement Corporation Limited* (Subsidiary of Sl. No. B 16) | - | - | 0.00 | 0.00 | 0.00 |

| Sl. No. | Sector & Name of the SPSE | Period of latest finalised accounts | Year in which finalised | Net profit/loss after tax | Turn over | Paid up capital |
|---------------|--|-------------------------------------|-------------------------|---------------------------|----------------|-----------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 24 | Bihar State Pharmaceuticals & Chemicals Development Corporation Limited | 1985-86 | 1992-93 | -0.17 | 0.00 | 3.62 |
| 25 | Bihar Maize Product Limited (Subsidiary of Sl. No. B 26) | 1983-84 | 1987-88 | -0.03 | 0.00 | 0.67 |
| 26 | Bihar Drugs and Chemicals Limited (Subsidiary of Sl. No. B 26) | 1985-86 | 1991-92 | -0.03 | 0.00 | 0.94 |
| 27 | Bihar State Textiles Corporation Limited | 1987-88 | 1995-96 | -0.09 | 0.00 | 4.98 |
| 28 | Bihar State Forest Development Corporation Limited | 2001-02 | 2020-21 | 0.06 | 23.24 | 2.29 |
| 29 | Bihar Paper Mills Limited (Subsidiary of Sl. No. B16) | 1985-86 | 1997-98 | -0.06 | 0.00 | 1.56 |
| 30 | Bihar State Glazed Tiles & Ceramics Limited (Subsidiary of Sl. No. B26) | 1985-86 | 1997-98 | -0.08 | 0.00 | 0.16 |
| 31 | Vishwamitra Paper Industries Limited (Subsidiary of Sl. No. B26) | 1984-85 | 1988-89 | -0.01 | 0.00 | 0.4 |
| 32 | Jhanjharpur Paper Industries Limited (Subsidiary of Sl. No. B26) | 1985-86 | 1991-92 | -0.01 | 0.00 | 0.42 |
| 33 | Bihar State Tannin Extract Limited (Subsidiary of Sl. No. B30) | 1988-89 | 1993-94 | -0.32 | 0.00 | 1.03 |
| 34 | Synthetic Resins (Eastern) Limited (Subsidiary of Sl. No. B26) | 1983-84 | 1987-88 | -0.02 | 0.00 | 0.09 |
| 35 | Bhavani Active Carbon Limited (Subsidiary of Sl. No. B26) | 1985-86 | 1989-90 | -0.01 | 0.00 | 0.02 |
| 36 | Bihar Scooters Limited* (Subsidiary of Sl. No. B16) | - | - | 0.00 | 0.00 | 0.00 |
| | Sub Total B (I) | | | -10.31 | 79.15 | 91.52 |
| B (II) | Companies under liquidation | | | | | |
| 1 | Kumardhubi Metal Casting & Engineering Limited (Subsidiary of Sl. No. B16) | 1994-95 | 1995-96 | -2.39 | 10.89 | 2.17 |
| 2 | Bihar State Finished Leathers Corporation Limited (Subsidiary of Sl. No. C3) | 1983-84 | 1986-87 | -1.49 | 0.00 | 1.47 |
| 3 | Bihar State Leather Industries Development Corporation Limited | 1982-83 | 2004-05 | -0.37 | 1.16 | 5.14 |
| 4 | Bihar State Export Corporation Limited | 1991-92 | 1999-00 | 0.10 | 4.94 | 2.00 |
| 5 | Bihar State Small Industries Corporation Limited | 1990-91 | 2005-06 | -1.42 | 15.22 | 7.18 |
| | Sub Total B (II) | | | -5.57 | 32.21 | 17.96 |
| | Total B | | | -15.88 | 111.36 | 109.48 |
| | Grand Total (A+B) | | | 39.10 | 2852.16 | 403.07 |

* SPSEs, which have not submitted/finalised their first accounts.
(Source: Compiled based on the latest finalised accounts of SPSEs.)

Appendix- 5.3

(Reference: Paragraph 5.8)

Budgetary support to PSUs whose accounts were in arrears as on August 2021

(₹ in crore)

| Sl. no. | Name of PSUs | Investment made by the State Government up to August 2021 for which accounts are in arrears | | | | | Total | Years from which accounts are in arrears | Accounts are in arrears (as on 2020-21) |
|---------------------------------------|--|---|---------|-----------|---------------|---------|----------|--|---|
| | | Equity | Loans | Guarantee | Capital Grant | Subsidy | | | |
| A WORKING GOVERNMENT COMPANIES | | | | | | | | | |
| 1 | Bihar state Education Finance Corporation Limited | 0.00 | 1198.00 | 0.00 | 12.65 | 0.00 | 1210.65 | 2019-20 | 2 |
| 2 | Patna Metro Rail Corporation | 113.60 | 0.00 | 0.00 | 0.00 | 0.00 | 113.60 | 2018-19 | 3 |
| 3 | Biharsharif Smart City Limited | 0.05 | 0.00 | 0.00 | 112.50 | 0.00 | 112.55 | 2018-19 | 3 |
| 4 | Muzaffarpur Smart City Limited | 0.05 | 0.00 | 0.00 | 0.00 | 0.00 | 0.05 | 2017-18 | 4 |
| 5 | Bihar State Mining Corporation | 20.00 | 0.00 | 0.00 | 0.00 | 0.00 | 20.00 | 2017-18 | 4 |
| 6 | Bihar State Film Development and Finance Corporation Limited | 0.00 | 0.00 | 0.00 | 2.45 | 0.00 | 2.45 | 2017-18 | 4 |
| 7 | Bihar State Tourism Development Corporation Limited | 0.00 | 0.00 | 0.00 | 5.23 | 0.00 | 5.23 | 2015-16 | 6 |
| 8 | Bihar Police Building Construction Corporation Limited | 9.90 | 0.00 | 0.00 | 0.00 | 0.00 | 9.90 | 2017-18 | 4 |
| 9 | Bihar State Minorities Finance Corporation Limited | 128.91 | 7.00 | 300.00 | 165.00 | 0.00 | 600.91 | 2014-15 | 9 |
| 10 | Bihar Rajya Beej Nigam Limited | 0.00 | 2.28 | 0.00 | 105.39 | 8.66 | 116.33 | 2005-06 | 16 |
| 11 | Bihar State Food & Civil Supplies Corporation Limited | 0.00 | 1114.81 | 4027.81 | 0.00 | 6283.07 | 11425.69 | 2003-04 | 18 |
| 12 | Bihar State Backward Classes Finance & Development Corporation | 20.74 | 7.49 | 25.00 | 0.00 | 0.00 | 53.23 | 1998-99 | 23 |
| 13 | Bihar State Hydroelectric Power Corporation Limited | 0.00 | 40.26 | 0.00 | 0.00 | 0.00 | 40.26 | 2014-15 | 7 |

| Sl. no. | Name of PSUs | Investment made by the State Government up to August 2021 for which accounts are in arrears | | | | | | Accounts are in arrears (as on 2020-21) | |
|--|---|---|----------------|----------------|----------------|----------------|-----------------|---|--|
| | | Equity | Loans | Guarantee | Capital Grant | Subsidy | Total | | Years from which accounts are in arrears |
| 14 | South Bihar Power Distribution Company Ltd. | 0.00 | 0.00 | 683.83 | 0.00 | 0.00 | 683.83 | 2019-20 | 2 |
| 15 | North Bihar Power Distribution Company Ltd. | 490.58 | 46.12 | 481.10 | 2251.37 | 0.00 | 3269.17 | 2020-21 | 1 |
| | Total A | 783.83 | 2415.96 | 5517.74 | 2654.59 | 6291.73 | 17663.85 | | |
| B. WORKING STATUTORY CORPORATION | | | | | | | | | |
| 1 | Bihar State Road Transport Corporation | 0.00 | 318.24 | 0.00 | 157.03 | 899.81 | 1375.08 | 2017-18 | 4 |
| 2 | Bihar State Warehousing Corporation Ltd. | 0.00 | 0.00 | 164.01 | 0.00 | 0.00 | 164.01 | 2015-16 | 6 |
| | Total B | 0.00 | 318.24 | 164.01 | 157.03 | 899.81 | 1539.09 | | |
| C. NON-WORKING GOVERNMENT COMPANIES | | | | | | | | | |
| 1 | Bihar State Fruits & Vegetables Development Corporation Limited. | 0.00 | 1.00 | 0.00 | 0.00 | 0.00 | 1.00 | 2015-16 | 6 |
| 2 | Bihar State Industrial Development Corporation Limited | 0.00 | 5.00 | 0.00 | 0.00 | 0.00 | 5.00 | 2011-12 | 12 |
| 3 | Bihar State Construction Corporation Limited | 0.00 | 2.28 | 0.00 | 0.00 | 0.00 | 2.28 | 2003-04 | 18 |
| 4 | Bihar State Mineral Development Corporation Limited | 0.00 | 0.00 | 0.00 | 11.00 | 0.00 | 11.00 | 2001-02 | 20 |
| 5 | Bihar state Forest Development Corporation Limited | 0.00 | 3.12 | 0.00 | 0.00 | 0.00 | 3.12 | 2001-02 | 20 |
| 6 | Bihar Rajya Matasya Vikas Nigam Limited | 1.25 | 5.63 | 0.00 | 0.26 | 0.00 | 7.14 | 1993-94 | 28 |
| 7 | Bihar State Export Corporation Limited | 0.00 | 2.21 | 0.00 | 0.00 | 0.08 | 2.29 | 1992-93 | 29 |
| 8 | Bihar State Small Industries Corporation Limited | 0.00 | 1.66 | 0.00 | 0.00 | 2.47 | 4.13 | 1991-92 | 30 |
| 9 | Bihar State Textile Corporation Limited | 5.80 | 2.74 | 0.00 | 0.00 | 0.00 | 8.54 | 1988-89 | 33 |
| 10 | Bihar State Pharmaceuticals & Chemical Development Corporation Limited. | 12.92 | 6.30 | 0.00 | 0.00 | 0.00 | 19.22 | 1986-87 | 35 |
| 11 | Bihar State Sugar Corporation Limited | 11.21 | 365.32 | 0.00 | 0.00 | 197.93 | 574.46 | 1985-86 | 36 |
| 12 | Bihar State Handloom & Handicrafts Corporation Limited. | 3.72 | 0.25 | 0.00 | 0.00 | 0.48 | 4.45 | 1984-85 | 37 |

| Sl. no. | Name of PSUs | Investment made by the State Government up to August 2021 for which accounts are in arrears | | | | | | Accounts are in arrears (as on 2020-21) | |
|---------|--|---|----------------|----------------|----------------|----------------|-----------------|---|--|
| | | Equity | Loans | Guarantee | Capital Grant | Subsidy | Total | | Years from which accounts are in arrears |
| 13 | Bihar Hill Area Lift Irrigation Corporation Limited | 5.22 | 18.78 | 0.00 | 0.00 | 55.41 | 79.41 | 1983-84 | 38 |
| 14 | Bihar State Leather Industries Development Corporation Limited | 12.26 | 43.18 | 0.00 | 0.00 | 0.00 | 55.44 | 1983-84 | 38 |
| 15 | Bihar State Water Development Corporation Limited | 5.00 | 154.33 | 0.00 | 0.00 | 0.00 | 159.33 | 1979-80 | 42 |
| 16 | Bihar scooter Limited | 0.00 | 6.09 | 0.00 | 0.00 | 0.00 | 6.09 | 1977-78 | 44 |
| | Total C | 57.38 | 617.89 | 0.00 | 11.26 | 256.37 | 942.90 | | |
| | Total (A+B+C) | 841.21 | 3352.09 | 5681.75 | 2822.88 | 7447.91 | 20145.84 | | |

(Source: Data compiled by Audit)

Appendix- 5.4
(Reference: Paragraph 5.11.2)
Details of accounts in arrears of SPSEs

I. Government Companies

| Sl. No. | Name of the Company | Period for which accounts are in arrear | Number of accounts in arrear |
|--|--|---|------------------------------|
| A | B | C | D |
| Industry Department | | | |
| 1 | Bihar State Pharmaceuticals & Chemical Development Corporation Limited | 1986-87 to 2020-21 | 35 |
| 2 | Bihar State Handloom & Handicrafts Corporation Limited | 1984-85 to 2020-21 | 37 |
| 3 | Bihar State Industrial Development Corporation Limited | 2011-12 to 2020-21 | 10 |
| 4 | Bihar State Cement Corporation Limited | 1981-82 to 2020-21 | 40 |
| 5 | Bihar Scooters Limited | 1977-78* to 2020-21 | 44 |
| 6 | Bihar Insecticides Limited | 1987-88 to 2020-21 | 34 |
| 7 | Bihar State Textile Corporation Limited | 1988-89 to 2020-21 | 33 |
| 8 | Bihar Maize Product Limited | 1984-85 to 2020-21 | 37 |
| 9 | Bihar State Glazed Tiles & Ceramics Limited | 1986-87 to 2020-21 | 35 |
| 10 | Vishwamitra Paper Industries Limited | 1985-86 to 2020-21 | 36 |
| 11 | Bihar Drugs & Chemicals Limited | 1986-87 to 2020-21 | 35 |
| 12 | Jhanjharpur Paper Industries Limited | 1986-87 to 2020-21 | 35 |
| 13 | Bihar Paper Mills Limited | 1986-87 to 2020-21 | 35 |
| 14 | Synthetic Resins (Eastern) Limited | 1984-85 to 2020-21 | 37 |
| 15 | Bhawani Active Carbon Limited | 1986-87 to 2020-21 | 35 |
| 16 | Magadh Minerals Limited | 1984-85* to 2020-21 | 37 |
| 17 | Bihar State Credit & Investment Corporation Limited | 2016-17 to 2020-21 | 05 |
| Information Technology Department | | | |
| 18 | Bihar State Electronic Development Corporation Limited | 2019-20 to 2020-21 | 02 |
| 19 | Beltron Video System Limited | 1990-91 to 2020-21 | 31 |
| 20 | Beltron Mining System Limited | 1991-92 to 2020-21 | 30 |
| 21 | Beltron Informatics Limited | Since 01.03.1988* to 2020-21 | 33 |
| Environment & Forest Department | | | |
| 22 | Bihar Forestry Development Corporation Limited | 2020-21 | 01 |
| 23 | Bihar State Tannin Extract Limited | 1989-90 to 2020-21 | 32 |
| 24 | Bihar State Solvent & Chemicals Limited | 1987-88 to 2020-21 | 34 |
| 25 | Bihar State Forest Development Corporation Limited | 2002-03 to 2020-21 | 19 |
| Energy Department | | | |
| 26 | Bihar State Hydroelectric Power Corporation Limited | 2014-15 to 2020-21 | 07 |
| 27 | Bihar State Power (Holding) Company Limited | 2018-19 to 2020-21 | 03@ |
| 28 | Bihar State Power Transmission Company Limited | 2020-21 | 01 |
| 29 | Bihar State Power Generation Company Limited | 2020-21 | 01 |
| 30 | South Bihar Power Distribution Company Limited | 2020-21 | 01 |
| 31 | North Bihar Power Distribution Company Limited | 2020-21 | 01 |
| 32 | Pirpanti Bijlee Company Private Limited | 2014-15 to 2020-21 | 07@ |
| 33 | Lakhisarai Bijlee Company Private Limited | 2014-15 to 2020-21 | 07@ |
| Animal & Fisheries Resources Department | | | |
| 34 | Bihar Rajya Matsya Vikas Nigam Limited | 1993-94 to 2020-21 | 28 |
| 35 | Bihar State Dairy Corporation Limited | 1998-99 to 2020-21 | 23 |

| Sl. No. | Name of the Company | Period for which accounts are in arrear | Number of accounts in arrear |
|--|--|---|------------------------------|
| A | B | C | D |
| Water Resources Department | | | |
| 36 | Bihar State Construction Corporation Limited | 2003-04 to 2020-21 | 18 |
| Art, Culture & Youth Department | | | |
| 37 | Bihar State Film Development & Finance Corporation Limited | 2017-18 to 2020-21 | 04 |
| Sugarcane Industries Department | | | |
| 38 | Bihar State Sugar Corporation Limited | 1985-86 to 2020-21 | 36 |
| Food & Consumer Protection Department | | | |
| 39 | Bihar State Food & Civil Supplies Corporation Limited | 2011-12 to 2020-21 | 10 |
| Road Construction Department | | | |
| 40 | Bihar Rajya Pul Nirman Nigam Limited | 2018-19 to 2020-21 | 03 |
| 41 | Bihar State Road Development Corporation Limited | 2019-20 to 2020-21 | 02 |
| Home (Police) Department | | | |
| 42 | Bihar Police Building Construction Corporation Limited | 2017-18 to 2020-21 | 04 |
| Minorities Welfare Department | | | |
| 43 | Bihar State Minorities Finance Corporation Limited | 2015-16 to 2020-21 | 06 |
| Mines & Geology Department | | | |
| 44 | Bihar State Mineral Development Corporation Limited | 2001-02 to 2020-21 | 20 |
| 45 | Bihar State Mining Corporation Limited | 2017-18 to 2020-21 | 04 |
| Panchayati Raj Department | | | |
| 46 | Bihar Panchayati Raj Finance Corporation Limited | 1985-86 to 2020-21 | 36 |
| Tourism Department | | | |
| 47 | Bihar State Tourism Development Corporation Limited | 2015-16 and 2020-21 | 06 |
| Minor Irrigation Department | | | |
| 48 | Bihar State Water Development Corporation Limited | 1979-80 to 2020-21 | 42 |
| 49 | Bihar Hill Area Lift Irrigation Corporation Limited | 1983-84 to 2020-21 | 38 |
| Education Department | | | |
| 50 | Bihar State Text Book Publishing Corporation Limited | 2012-13 to 2020-21 | 09 |
| 51 | Bihar State Educational Infrastructure Development Corporation Limited | 2020-21 | 01 |
| Backward Class & Most Backward Class Welfare Department | | | |
| 52 | Bihar State Backward Classes Finance & Development Corporation | 1998-99 to 2020-21 | 23 |
| Agriculture Department | | | |
| 53 | Bihar Rajya Beej Nigam Limited | 2005-06 to 2020-21 | 16 |
| 54 | Bihar State Agro Industries Limited | 2020-21 | 01 |
| 55 | Bihar Fruits & Vegetables Development Corporation Limited | 2015-16 to 2020-21 | 06 |
| 56 | SCADA Agro Business Company Limited | 2015-16 and 2020-21 | 06 |
| 57 | SCADA Agro Business Company, Khagaul Limited | 1993-94 to 2020-21 | 28 |
| 58 | SCADA Agro Business Company, Dehri Limited | 1993-94 to 2020-21 | 28 |
| 59 | SCADA Agro Business Company, Aurangabad Limited | 1993-94 to 2020-21 | 28 |
| 60 | SCADA Agro Business Company, Mohaniya Limited | 1993-94 to 2020-21 | 28 |
| Excise & Prohibition Department | | | |
| 61 | Bihar State Beverages Corporation Limited | 2018-19 to 2020-21 | 03 |
| Building Construction Department | | | |
| 62 | Bihar State Building Construction Corporation Limited | 2018-19 to 2020-21 | 03 |
| Urban Development & Housing Department | | | |
| 63 | Bihar Urban Infrastructure Development Corporation Limited | 2018-19 to 2020-21 | 03 |

| Sl. No. | Name of the Company | Period for which accounts are in arrear | Number of accounts in arrear |
|--------------------------|---|---|------------------------------|
| A | B | C | D |
| 64 | Patna Metro Rail Corporation Ltd | 2020-21 | 01 |
| Health Department | | | |
| 65 | Bihar Medical Services & Infrastructure Corporation Limited | 2016-17 to 2020-21 | 05 |
| Total I | | | 1,239 |

*Since inception

@ The information have been incorporated in Chapter V. However, the accounts were returned to the management on account of certain requirements.

II. Government controlled other Companies

| Sl. No. | Name of the Corporation | Name of Department | Period for which the accounts are in arrear | Number of accounts in arrear |
|-----------------|--------------------------------|-----------------------|---|------------------------------|
| 1 | Bhagalpur Smart City Limited | Urban | 2019-20 to 2020-21 | 02 |
| 2 | Patna Smart City Limited | Development & Housing | 2018-19@ to 2020-21 | 03 |
| 3 | Biharsharif Smart City Limited | | 2018-19 to 2020-21 | 03 |
| 4 | Muzaffarpur Smart City Limited | | 2017-18 to 2020-21 | 04 |
| Total II | | | 12 | |

III. Statutory Corporations

| Sl. No. | Name of the Corporation | Name of Department | Period for which the accounts are in arrear | Number of accounts in arrear |
|------------------|--|--------------------|---|------------------------------|
| 1 | Bihar State Road Transport Corporation | Transport | 2017-18 to 2020-21 | 04 |
| 2 | Bihar State Warehousing Corporation | Co-operative | 2016-17 to 2020-21 | 05 |
| 3 | Bihar State Financial Corporation | Industries | 2019-20@ to 2020-21 | 02 |
| Total III | | | 11 | |

@ The information have been incorporated in Chapter V. However, the accounts were returned to the management on account of certain requirements.

IV. Under Liquidation

| Sl. No. | Name of the SPSEs | Name of Department | Period of latest finalised accounts | Under liquidation with effected from | Period for which the accounts are in arrear | Number of accounts in arrear |
|-----------------|--|--------------------|-------------------------------------|--------------------------------------|---|------------------------------|
| 1 | Bihar State Small Industries Corporation Limited | Industry | 1990-91 | 04 October 2012 | 1991-92 to 2012-13 | 22 |
| 2 | Bihar State Finished Leathers Corporation Limited | | 1983-84 | 25 August 2008 | 1984-85 to 2008-09 | 25 |
| 3 | Bihar State Export Corporation Limited | | 1991-92 | 04 October 2012 | 1992-93 to 2012-13 | 21 |
| 4 | Bihar State Leather Industries Development Corporation Limited | | 1982-83 | 25 August 2008 | 1983-84 to 2008-09 | 26 |
| 5 | Kumardhubi Metal Casting & Engineering Limited | | 1994-95 | 17 August 1999 | 1995-96 to 1999-2000 | 06 |
| Total IV | | | | | | 100 |

Grand Total (I+II+III+IV) = 1,239+12+11+100 = 1,362

(Source: Compiled based on the latest finalised accounts of SPSEs.)

Appendix-5.5**(Reference: Paragraph 5.14)****Details of SPSEs where non-compliances of Accounting Standards/Ind AS reported by the Statutory Auditors**

| Sl. No. | Name of SPSE | Year of Finalised Account | Accounting Standard | Ind AS |
|----------------|---|----------------------------------|----------------------------|---------------|
| 1 | Bihar State Agro Industries Development Corporation Limited | 2019-20 | 5 | - |
| 2 | Bihar State Education Finance Corporation Limited | 2020-21 | 15 | - |

(Source: Compiled based on Statutory Auditor's Report on accounts of SPSEs.)

Appendix- 5.6**(Reference: Paragraph 5.14)****Details of SPSEs where non-compliances of Accounting Standards/Ind AS reported by the CAG**

| Sl. No. | Accounting Standard/ Ind AS | Name of the Company | Deviation |
|---------|--------------------------------|----------------------------|---|
| 1 | Ind AS 7 | Statement of Cash Flow | Bihar State Road Development Corporation Limited (2018-19) |
| 2 | Ind AS 37 | Contingent liabilities | |
| 3 | AS 26 | Intangible Assets | Bihar State Education Finance Corporation Limited (2018-19) |
| 4 | Ind AS 16 | Property Plant & Equipment | Bihar Grid Company Limited (2019-20) |
| 5 | Ind AS 23 | Borrowing Costs | |

(Source: Compiled based on the comments issued by CAG on accounts of SPSEs.)

GLOSSARY OF ABBREVIATIONS

Glossary of Abbreviations

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

| Sl. No | Abbreviation | Full Form |
|--------|--------------|--|
| 48 | SPSEs | State Public Sector Enterprises |
| 49 | ROC | Registrar of Companies |
| 50 | MCA | Ministry of Corporate Affairs |
| 51 | AGM | Annual General Meeting |
| 52 | ROE | Return on Equity |
| 53 | ICR | Interest Coverage Ratio |
| 54 | EBIT | Earning before Interest and Taxes |
| 55 | ROCE | Return on Capital Employed |
| 56 | RoRR | Rate of Real Return |
| 57 | ROI | Return on Investment |
| 58 | ICAI | Institute of Chartered Accountant of India |
| 59 | CSR | Corporate Social Responsibility |
| 60 | EDC | Expenditure during Construction |
| 61 | Ind-AS | Indian Accounting Standards |
| 62 | AS | Accounting Standards |
| 63 | NRC | Non Review Certificate |

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