



सत्यमेव जयते

ACCOUNTS AT A GLANCE 2021-22



SUPREME AUDIT INSTITUTION OF INDIA

लोकहितार्थ सत्यनिष्ठा

Dedicated to Truth in Public Interest



Government of Bihar

ACCOUNTS AT A GLANCE

for the year 2021-22

Government of Bihar



PREFACE

I am happy to bring out the annual publication, the ‘**Accounts at a Glance**’ of the Government of Bihar.

Article 149 of the Constitution of India mandates that Comptroller and Auditor General of India shall perform such duties and exercise such power in relation to the accounts of the State as prescribed by any law made by Parliament. Article 10 of the CAG’s (Duties, Powers and Conditions of service) 1971 prescribes that CAG is responsible for compiling the accounts of the State from the initial accounts rendered to the accounts offices by treasuries, offices and departments responsible for keeping those accounts.

In discharging the entrusted responsibility, the annual accounts of the State of Bihar has been prepared into (a) Finance Accounts and (b) Appropriation Accounts. Finance Accounts consists of three divisions containing summary of transactions took place under Consolidated Fund, Contingency Fund and Public Account of the State. The Appropriation Accounts record expenditure incurred against provisions approved by State Legislature under each of the Grant and offer explanations for variations between the actual expenditure and the funds provided.

‘Accounts at a Glance’ provides a broad overview of Governmental activities, as reflected in Finance Accounts and Appropriation Accounts. The information is presented through brief explanations, statements, graphs and time series analysis for providing accounting information to the stakeholders-the Legislature, the Executives and the Public. A combined reading of the Finance Accounts and Appropriation Accounts, the Report on State Finances and the ‘Accounts at a Glance’, will help the stakeholders to comprehend more effectively the various facts of the finances of the Government of Bihar.

We look forward to your valuable comments and suggestions for improving this publication.



Praveen Kumar Singh

Pr. Accountant General (A&E)

Bihar, Patna

Place: Patna

Date: 29 December 2022

Our Vision, Mission and Core Values

Vision: We strive to be a global leader and initiator of national and international best practices in public sector auditing and accounting and recognised for independent, credible, balanced and timely reporting on public finance and governance.

(The vision of the institution of the Comptroller and Auditor General of India represents what we aspire to become.)

Mission: We promote accountability, transparency and good governance through high quality auditing and accounting and provide independent assurance to our stakeholders – the Legislature, the Executive and the Public – that public funds are being used efficiently for the intended purposes.

(Our mission enunciates our current role and describes what we are doing today.)

Our core values :

- Independence
- Objectivity
- Integrity
- Reliability
- Professional Excellence
- Transparency
- Positive Approach

(Our core values are the guiding beacons for all that we do and give us the benchmarks for assessing our performance.)



TABLE OF CONTENTS

Chapter I	Overview	Page
1.1	Introduction	7
1.2	Structure of Accounts	7
1.3	Finance Accounts and Appropriation Accounts	9
1.4	Sources and Application of Funds	11
1.5	Financial highlights of year 2021-22	14
1.6	Bihar Fiscal Responsibility and Budget Management Act, 2006	15
Chapter II	Receipts	
2.1	Introduction	18
2.2	Revenue Receipts	18
2.3	Trend of Revenue Receipts	20
2.4	State's own Tax and State's Share of Union Taxes	21
2.5	Efficiency of Tax Collection	22
2.6	Trend in State's Share of Union Taxes over the past five years	23
2.7	Grants-in-aid	24
2.8	Public Debt	24
Chapter III	Expenditure	
3.1	Introduction	26
3.2	Revenue Expenditure	26
3.3	Capital Expenditure	27
Chapter IV	Establishment & Committed and Scheme Expenditure	
4.1	Distribution of Expenditure (2021-22)	29
4.2	Scheme Expenditure	29
4.3	Establishment & Committed Expenditure	30
4.4	Committed Expenditure	31
Chapter V	Appropriation Accounts	
5.1	Summary of Appropriation Accounts for 2021-22	32
5.2	Trend of Savings/Excess during the past five years	32
5.3	Significant Savings	33

Chapter VI Assets and Liabilities		
6.1	Assets	36
6.2	Debt and Liabilities	36
6.3	Guarantees	37
Chapter VII Other Items		
7.1	Balances under Internal Debt	38
7.2	Loans and Advances by the State Government	38
7.3	Financial assistance to Local Bodies and Others	38
7.4	Cash Balance and investment of Cash Balance	39
7.5	Submission of Accounts by Accounts rendering Units	39
7.6	Investments	40
7.7	Status of Temporary Advance and Imprest	40
7.8	Unadjusted Abstract Contingent (AC) Bills	41
7.9	Utilisation Certificates (UCs) for Grants-in-aid not received	41
7.10	Transfer of funds to Personal Deposits (PD) Accounts	42
7.11	Reconciliation of Receipts and Expenditure between CCOs and Pr. Accountant General (A&E)	43
7.12	Booking of transactions under Suspense Accounts	43
7.13	Suspense Accounts Balances	44
7.14	Commitments on account of Incomplete Capital Works	44
7.15	Expenditure relating to unforeseen/extraordinary events	45
7.16	Compliance of Indian Government Accounting Standards (IGASs)	45

Chapter I

OVERVIEW

1.1 Introduction

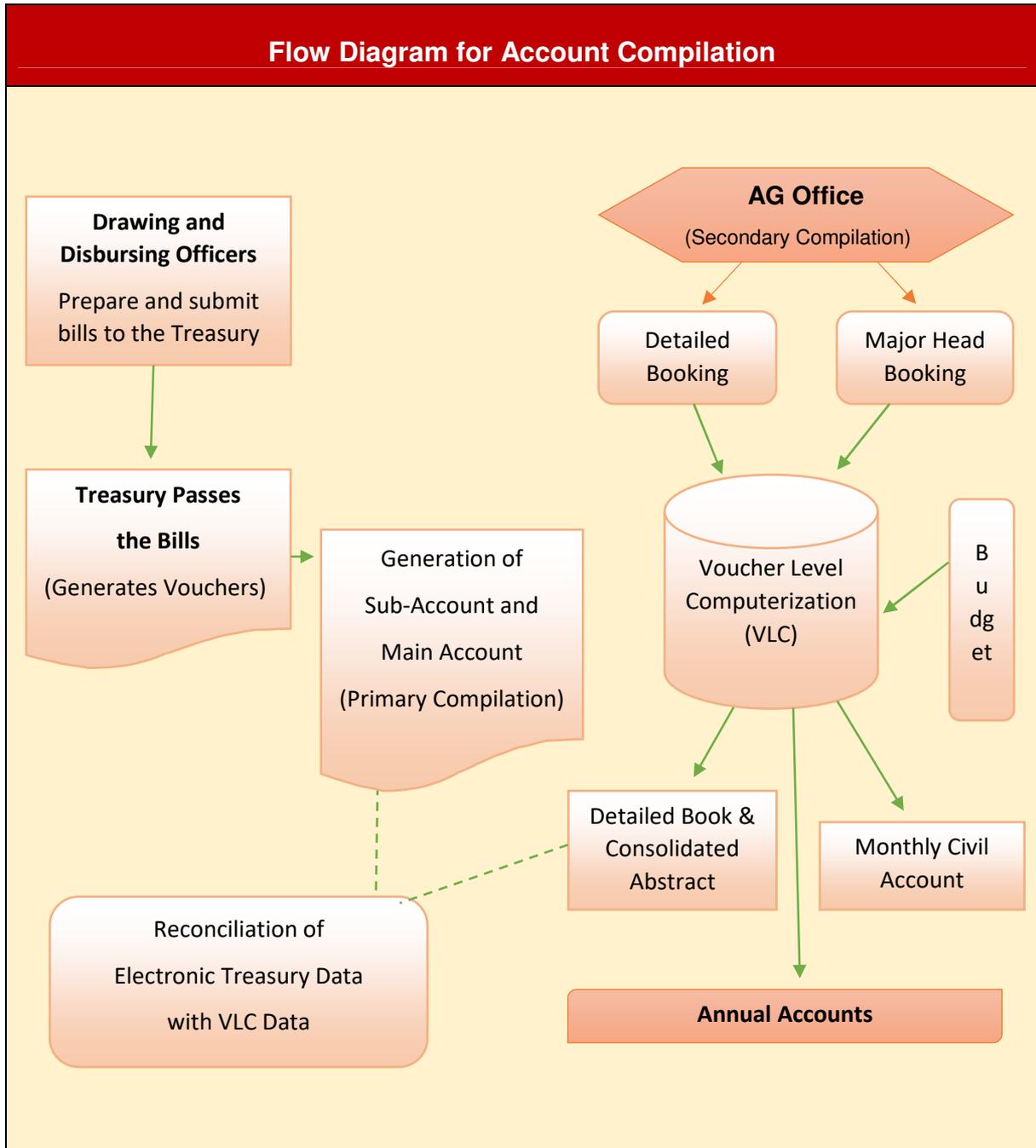
The Pr. Accountant General (Accounts and Entitlements), Bihar collates, classifies, compiles the accounts data rendered by multiple agencies, and prepares the accounts of the Government of Bihar. The compilation is done from the initial accounts rendered by the Treasuries, accounts rendered by the other states/accounting offices through their monthly accounts and advices of the Reserve Bank of India. The accounts of Public Works & Forest Division have been merged with Treasury Accounts after implementation of CFMS w.e.f. 01.04.2019. Every month a Monthly Civil Account is presented by the office of the Pr. Accountant General (A&E) to the Government of Bihar. The yearlong compilation activity culminates into preparation of the annual Finance Accounts and Appropriation Accounts. They are subjected to audit by the Accountant General (Audit), Bihar and certification by the Comptroller and Auditor General of India after which they are placed before Legislature.

1.2 Structure of Accounts

1.2.1 Government Accounts are kept in three parts:

Part 1 CONSOLIDATED FUND	All revenue received by the Government including tax and non-tax revenues, loans raised and repayment of loans given (including interest thereon) from the Consolidated Fund. All expenditure and disbursement of the Government, including release of loans and repayments of loans taken (and interest thereon) are met from this fund.
Part 2 CONTINGENCY FUND	The Contingency Fund is in the nature of an imprest, intended to meet unforeseen expenditure, pending authorization by the Legislature. Such expenditure is recouped subsequently from the Consolidated Fund. The corpus of this fund for the Government of Bihar is ₹ 350 crore.
Part 3 PUBLIC ACCOUNT	In Public Accounts the transactions relating to Debt (Other than those included in Part I), 'Deposits', 'Advances', 'Remittances' and 'Suspense' shall be recorded. Debts and Deposits represent repayable liabilities of the Government. Advances are receivables of the Government. Remittances and Suspense transactions are adjusting entries that are required to be cleared eventually by booking to final heads of account.

1.2.2 *Compilation of Accounts*



1.3 Finance Accounts and Appropriation Accounts

1.3.1 Finance Accounts

The Finance Accounts depict the receipts and disbursement of the Government for the year, together with the financial results disclosed by the Revenue and Capital Accounts, Public Debt and Public Account balances recorded in the accounts. Finance Accounts are prepared in two volumes to make them more comprehensive and informative. Volume I of the Finance Accounts contains the certificate of the Comptroller and Auditor General of India, summarized statements of overall receipts and disbursements and 'Notes to Accounts' containing summary of significant accounting policies, comments on quality of accounts and other items. Volume II contains detailed statements (part-I) and appendices (part-II).

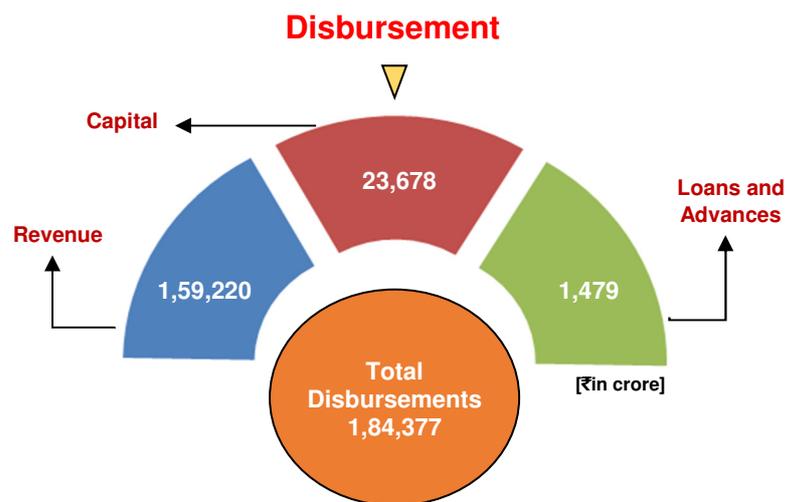
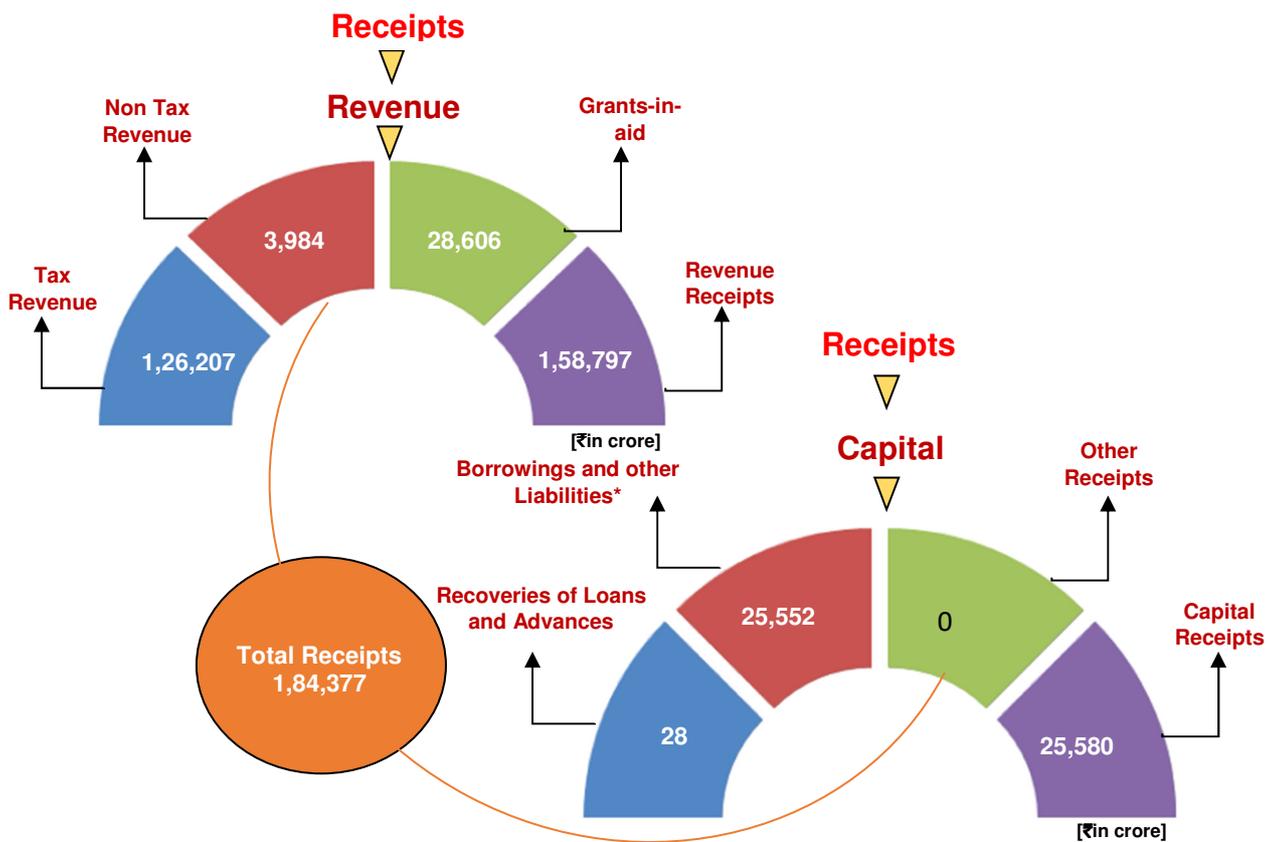
The Union Government transfers substantial funds directly to State Implementing Agencies/ NGOs for implementation of various schemes and programmes. During the year 2021-22, the Government of India (GoI) released ₹19,117 crore directly (₹16,441 crore last year) to the implementing agencies in Bihar. Since these funds are not routed through the State Budget, these are not reflected in the accounts of the State Government. These transfers are now exhibited in Appendix VI of Volume II of the Finance Accounts.

The following table provides the details of actual financial results vis-a-vis budget estimates for the year 2021-22.

	Budget Estimate	Actuals	Percentage of actuals to B.E.	Percentage of actuals to GSDP (*)
	(₹ in crore)			
1. Tax Revenue (including Central Share)	1,26,231	1,26,207	100	19
2. Non-Tax Revenue	5,505	3,984	72	1
3. Grant-in-aid and Contributions	54,531	28,606	52	4
4. Revenue Receipts (1+2+3)	1,86,267	1,58,797	85	24
5. Recovery of Loans and Advances	430	28	7	0
6. Other Receipts	-	-	-	-
7. Borrowings and other Liabilities	9,626	25,552	265	4
8. Capital Receipts (5+6+7)	10,056	25,580	254	4
9. Total Receipts (4+8)	1,96,323	1,84,377	94	27
10. Revenue Expenditure	1,77,071	1,59,220	90	24
11. Expenditure on Interest Payments (out of Revenue Expenditure)	14,517	13,822	95	2
12. Capital Expenditure	30,788	23,678	77	4
13. Loans and Advances Disbursed	1,349	1,479	110	0
14. Total Expenditure (10+12+13)	2,09,208	1,84,377	88	27
15. Revenue Surplus/Deficit (4-10)	9,196	423	5	0
16. Fiscal Deficit (4+5-14)	9,626	25,552	265	4

* GSDP of 2021-22 was ₹6,75,448 crore.

Receipts and disbursement in year 2021-22



*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

1.3.2 Appropriation Accounts

Under the Constitution, no expenditure can be incurred by the Government except with the authorisation of the Legislature. Barring certain expenditure specified in the Constitution as “Charged” on the Consolidated Fund, which can be incurred without vote of the Legislature, all other expenditure requires to be “Voted”. The budget of the Bihar Government has 51 Grants/Appropriations. The purpose of the Appropriation Accounts is to indicate the extent to which the actual expenditure conforms with the appropriations authorised by the Legislature through the Appropriation Act of each year.

The Appropriation Act, 2021-22, had provided for gross expenditure of ₹2,65,397 crore and reduction of expenditure (recoveries) of ₹0.01 crore. Against this, the actual gross expenditure was ₹1,94,202 crore and reduction of expenditure was ₹1,079 crore, resulting in net savings of ₹71,195 crore (28.83 *per cent*) and an under-estimation of ₹1,079 crore on reduction of expenditure. The gross expenditure includes ₹2,461 crore drawn on Abstract Contingent (AC) Bills, out of which ₹2,461 crore is still outstanding at the end of the year for want of supporting Detailed Contingent (DC) Bills.

1.4 Sources and Application of Funds

1.4.1 Ways and Means Advances

The Reserve Bank of India (RBI) extends the facility of Ways and Means Advances (WMA) to enable State Governments to maintain their liquidity. Overdraft (OD) facilities are provided when there is a shortfall in the agreed minimum cash balance (₹1.73 crore) maintained with the RBI. The larger the amount and more the number of times such Ways and Means Advances are taken or drawals are made, the more it reflects the adverse position of the cash balance of the State Government. During the financial year 2021-22, the Government of Bihar had maintained the minimum balance without taking any advance.

1.4.2 Overdraft from the Reserve Bank of India

Overdraft is taken from the Reserve Bank of India when the limit of minimum cash balance falls below i.e. ₹1.73 crore, even after taking Ways and Means Advances (WMA) which is required to be maintained with the Reserve Bank of India. During the financial year 2021-22, the Government of Bihar had maintained the minimum balance without taking any advance.

1.4.3 Funds flow statement

The State had a Revenue Deficit of ₹423 crore and a Fiscal Deficit of ₹25,552 crore representing 0.06 per cent and 3.78 per cent of the Gross State Domestic Product (GSDP). The Fiscal Deficit constituted 13.86 per cent of total expenditure. This deficit was met from Public Debt (₹31,698 crore), Deficit in Public Account ₹5,778 crore and net of opening and closing cash balance ₹369.45 crore. A sum of ₹57,677 crore which was 36.32 per cent of the revenue receipts (₹1,58,797 crore) of the State Government was spent on committed expenditure like salaries (₹23,525 crore), interest payments (₹13,822 crore) and pension (₹20,295 crore).

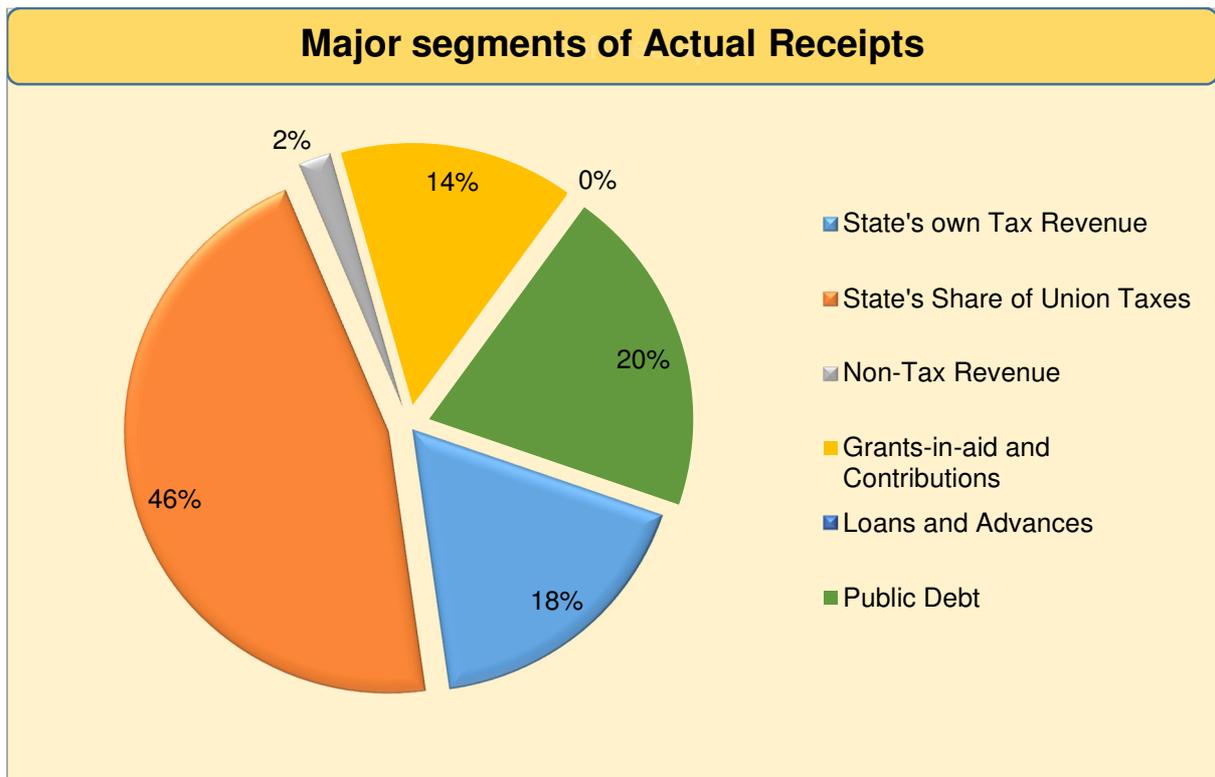
Sources and Application of Funds

(₹ in crore)

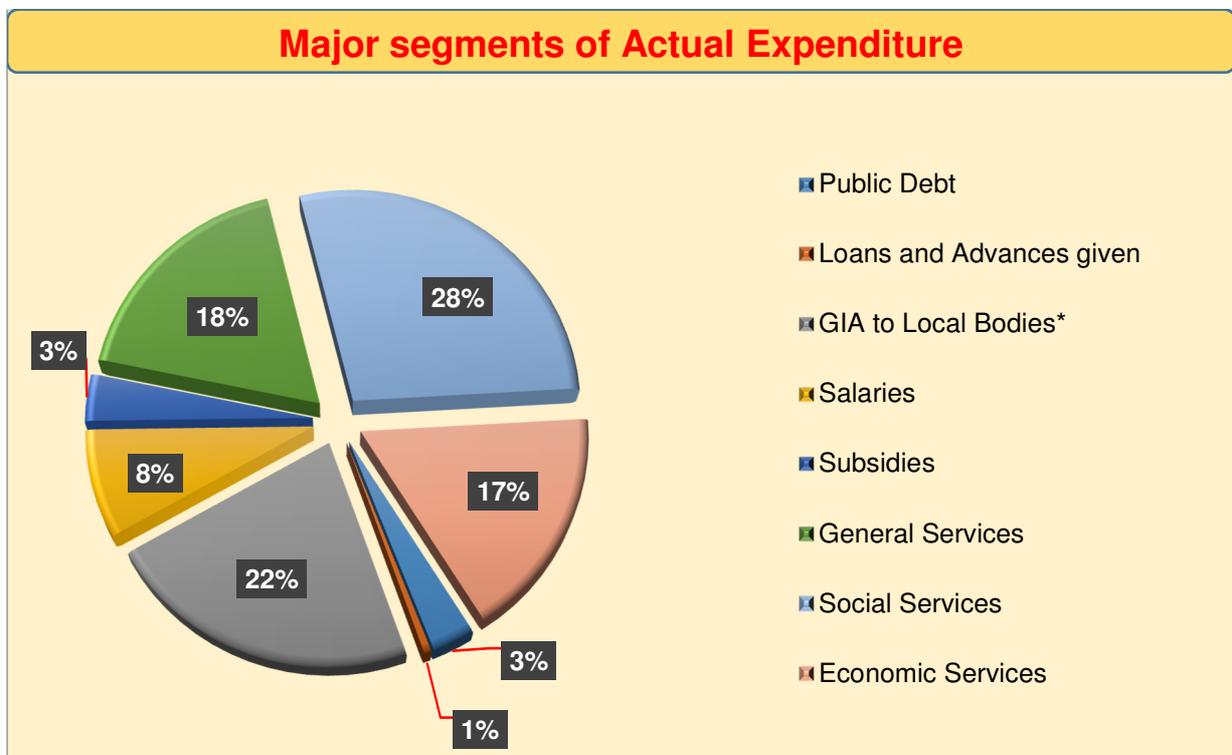
	Particulars	Amount
SOURCES	Opening Reserve Bank Cash Balance as on 1 April 2021	302
	Revenue Receipts	1,58,797
	Recovery of Loans & Advances	28
	Public Debt	40,445
	Small Savings, Provident Fund & Others	2,593
	Reserves & Sinking Funds	3,187
	Deposits Received	71,302
	Civil Advances Repaid	0
	Suspense Account	5,55,415
	Remittances	(-)2
	Contingency Fund	0
	Total	8,32,069

APPLICATION	Revenue Expenditure	1,59,220
	Capital Expenditure	23,678
	Loans Given	1,479
	Repayment of Public Debt	8,746
	Small Savings, Provident Fund and Others	2,517
	Reserves & Sinking Funds	3,047
	Deposits Spent	72,903
	Civil Advances Given	0
	Suspense Account	5,59,802
	Remittances	6
	Closing Reserve Bank Cash Balance as on 31 March 2022	671
	Total	8,32,069

1.4.4 Where the Rupee came from



1.4.5 Where the Rupee went



* Includes also expenditure made on Mid Day Meal Scheme, Cycle Scheme, Uniform Scheme and Sarva Siksha Abhiyan etc.

1.5 Financial highlights of year 2021-22

	Budget Estimate (B.E.) 2021-22	Actual	Percentage of actual to B.E.	Percentage of actual to GSDP (\$)
	(₹ in crore)			
1. State's own Tax Revenue	35,050	34,855	99	5
2. State's Share of Union Taxes	91,181	91,353	100	14
3. Non-Tax Revenue	5,505	3,984	72	1
4. Grant-in-aid and Contributions	54,531	28,606	52	4
5. Revenue Receipts (1+2+3+4)	1,86,267	1,58,798	85	24
6. Other Receipts	-	-	-	-
7. Recovery of Loans and Advances	430	28	7	0
8. Borrowings and other Liabilities (A)	22,511	25,551	114	4
9. Capital Receipts (6+7+8)	22,941	25,579	111	4
10. Total Receipts (5+9)	2,09,208	1,84,377	88	27
11. Establishment & Committed Expenditure (*)	1,08,689	1,01,079	93	15
12. Revenue Account	1,08,484	1,00,733	93	15
13. Interest Payments out of 12	14,517	13,822	95	2
14. Capital Account	205	346	169	0
15. Scheme Expenditure (*)	1,00,519	83,298	83	12
16. Revenue Account	68,587	58,487	85	9
17. Capital Account	31,932	24,811	78	4
18. Total Expenditure (11+15)	2,09,208	1,84,377	88	27
19. Revenue Expenditure (12+16)	1,77,071	1,59,220	90	24
20. Capital Expenditure (14+17) (#)	32,137	25,157	78	4
21. Revenue Surplus/Deficit (5-19) (@)	9,196	422	5	0
22. Fiscal Deficit (5+6+7-18) (@)	22,511	25,551	114	4

(\$) Gross State Domestic Product (GSDP) figure of ₹6,75,448 crore adopted from the information received from Planning and Development Department (Directorate of Economics and Statistics) of the Government of Bihar.

(#) Expenditure on Capital Account includes Capital Expenditure (₹23,678 crore), Loans and Advances disbursed (₹1,479 crore).

(*) Includes ₹318 crore under Establishment and Committed Expenditure and ₹1,160 crore under Scheme Expenditure which pertains to Loans and Advances.

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

(@) Calculation of Revenue Deficit and Fiscal Deficit includes expenditure under UDAY.

What do the Deficits and Surpluses indicate?

Deficit	Refers to the gap between Revenue and Expenditure. The kind of deficit, how the deficit is financed, and application of funds are important indicators of prudence in Financial Management.
Revenue Deficit / Surplus	Refers to the gap between Revenue Receipts and Revenue Expenditure. Revenue Expenditure is required to maintain the existing establishment of Government and ideally, should be fully met from Revenue Receipt.
Fiscal Deficit / Surplus	Refers to the gap between Total Receipts (excluding borrowings) and Total Expenditure. This gap, therefore, indicates the extent to which expenditure is financed by borrowings. Ideally, the Borrowings should be invested in capital projects.

1.6 Bihar Fiscal Responsibility and Budget Management Act, 2006

In terms of Section 9 of the Bihar Fiscal Responsibility and Budget Management (FRBM) Act 2006, the Government of Bihar presented the Medium Term Fiscal Policy and Strategy Statement along with the State Budget for 2021-22. The targets mentioned in the Act and achievements in 2021-22 as depicted in the Accounts are as follows:

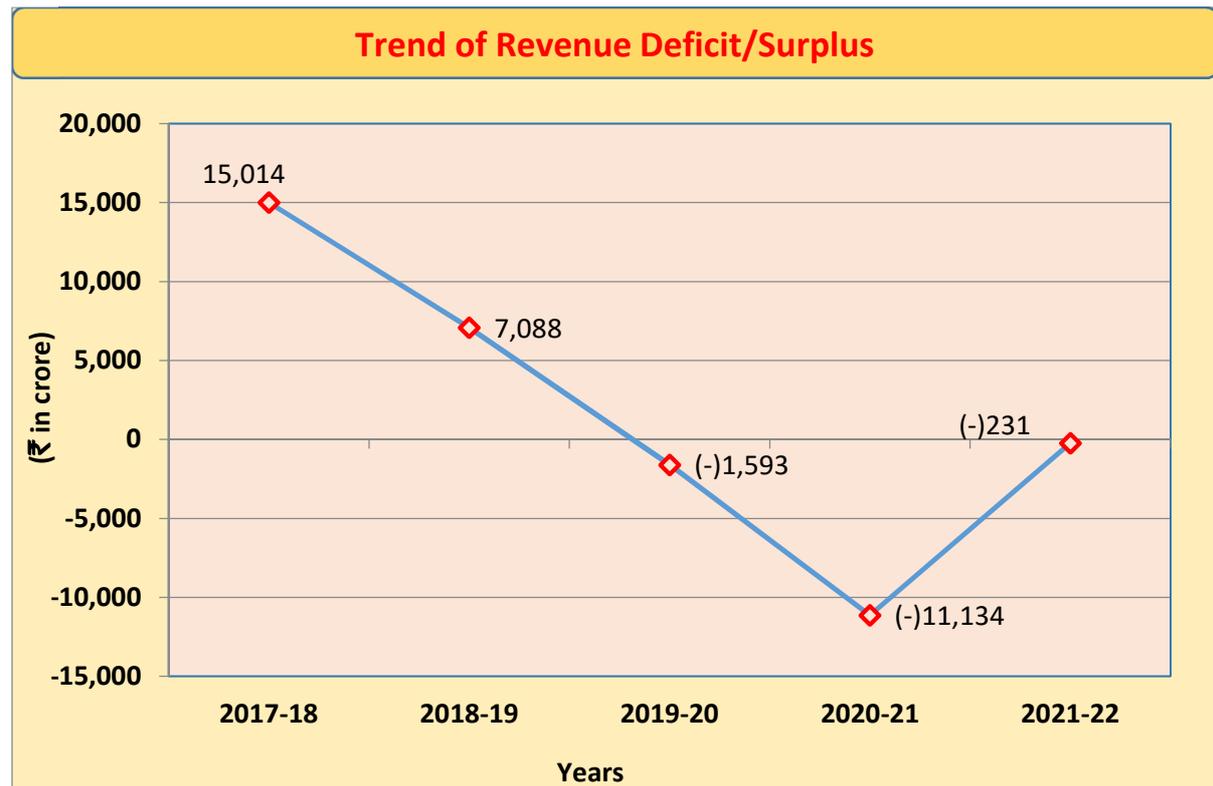
Sl. No.	Targets	Achievements during the year as per the accounts and Gross State Domestic Product (GSDP)
1	Attain Revenue Surplus in 2007-08 and maintain surplus up to 2018-19 and failed to achieve revenue surplus thereafter.	In FY- 2021-22, the State has Revenue deficit of ₹422.38 crore (0.06 per cent of GSDP).
2	Fiscal deficit shall not exceed 4.5 per cent during the period 2021-22 of GSDP.	During the FY- 2021-22, the State has fiscal deficit of ₹25,551.26 crore which is 3.78 per cent of GSDP.
3	Outstanding debt expressed as percentage of GSDP shall be less than 40.2 per cent of GSDP during 2021-22	Debt and outstanding liabilities (₹2,57,510.21 crore) was 38.12 per cent of GSDP estimate during 2021-22.
4.	Primary Deficit	Primary Deficit was ₹11,729.33 crore

The Fiscal Deficit of ₹25,551.26 crore was financed by way of (i) Internal debt (Market borrowing, Loans from financial Institution etc.) ₹23,297.82 crore, (ii) Loans and Advances from the Central Government ₹8,400.61 crore, (iii) Small Savings, Provident Fund etc. ₹76.28 crore (iv) Deposit and Advances ₹(-)1,600.42 crore, (v) Sinking Funds and Reserve Funds ₹140.42 crore, (vi) Suspense and Miscellaneous ₹(-)4,386.48 crore, (vii) Remittances ₹(-)7.52 crore, (viii) Cash Balance ₹369.45 crore. The total debt and other

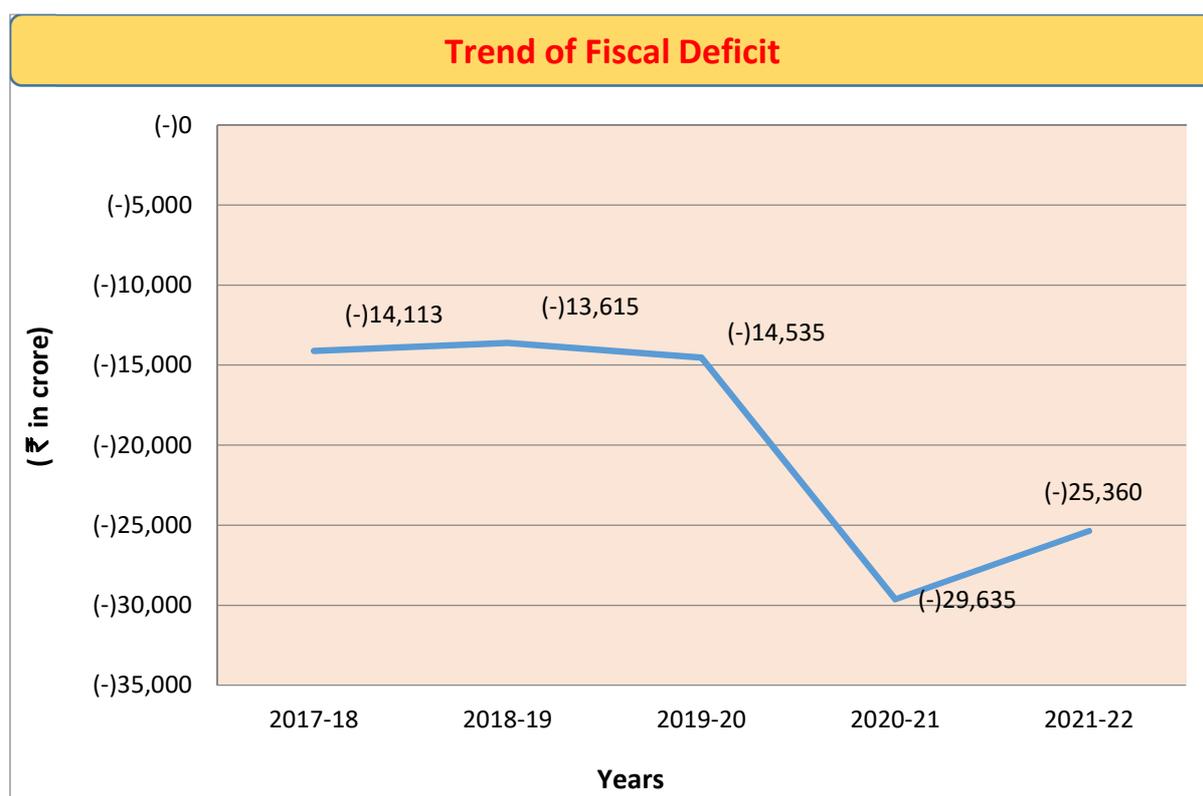
obligations of the Government has been reduced by Cash Balance Investment of ₹4,243.60 crore.

GSDP of Bihar for 2021-22 as available from Ministry of Statistics and Programme Implementation is ₹6,75,448.00 crore. Outstanding debt includes all debts and other liabilities.

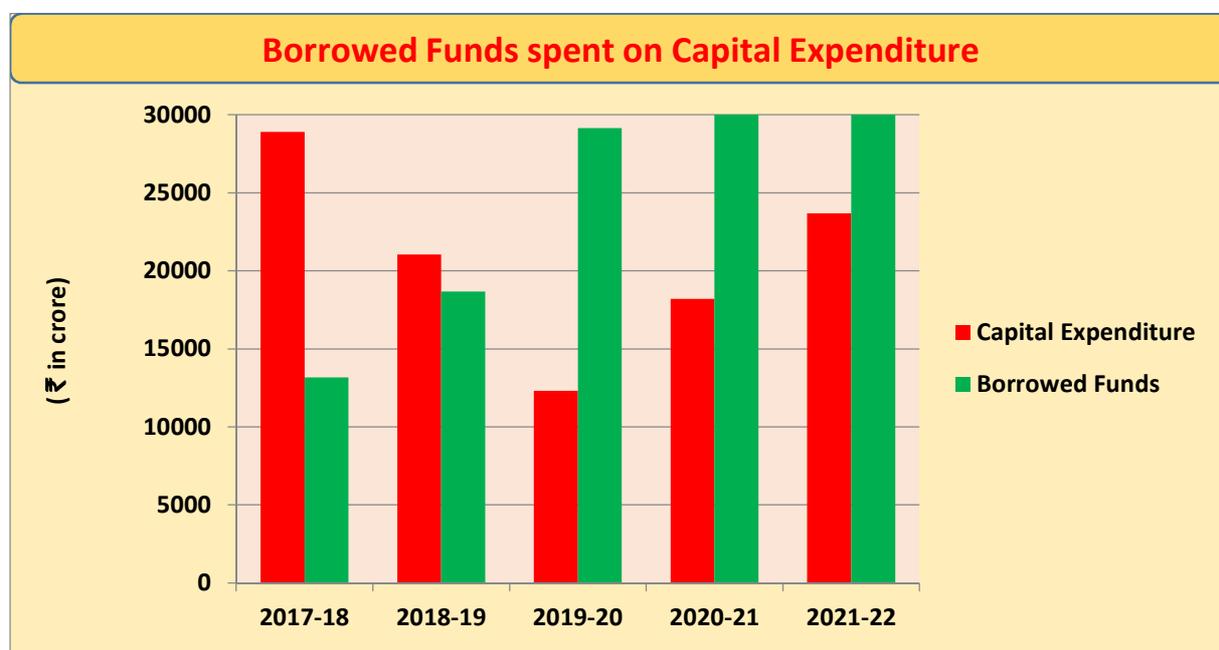
1.6.1 Trend of Revenue Deficit / Surplus (Excluding UDAY)



1.6.2 Trend of Fiscal Deficit (Excluding UDAY)



1.6.3 Proportion of borrowed funds spent on Capital Expenditure



It is desirable that the Capital expenditures are fully financed by borrowed funds, and revenue receipts are used for the repayment of principal and interest. The State Government has financed its Capital Expenditure (₹23,678 crore) from borrowing of the current year (₹40,445 crore) and revenue deficit (₹423 crore) during the year 2021-22.

CHAPTER II

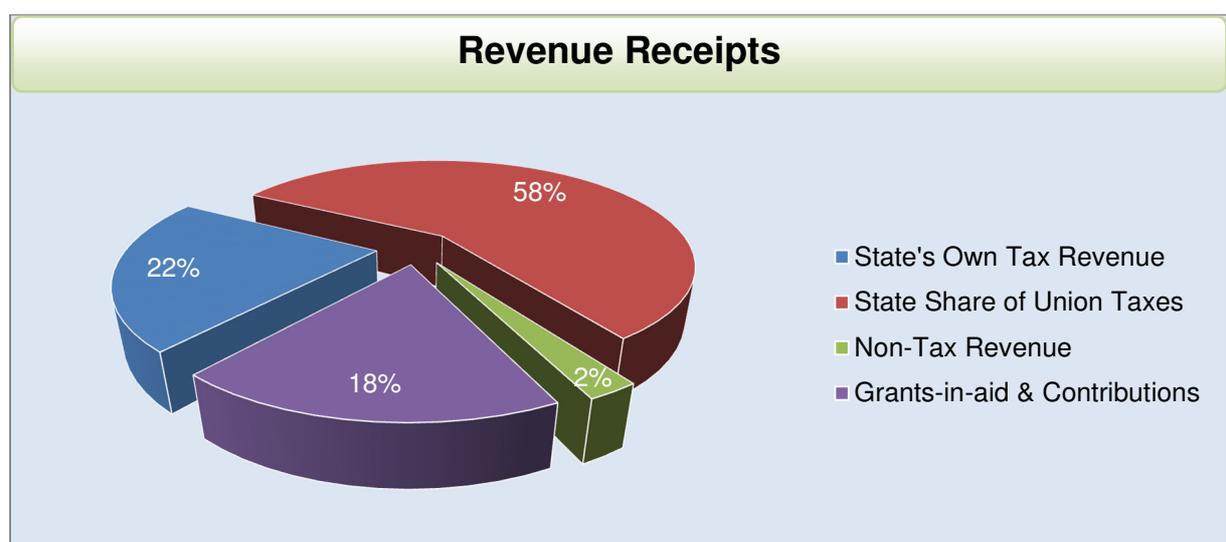
RECEIPTS

2.1 Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts according to the nature of receipts. Total Receipts for 2021-22 were ₹1,84,377 crore.

2.2 Revenue Receipts

Tax Revenue	Comprises taxes collected and retained by the State and State's share of Union taxes under Article 280(3) of the Constitution.
Non-Tax Revenue	Includes interest receipts, dividends, profits etc.
Grants-in-aid	Central Assistance to the State Government. Includes 'External Grant Assistance' and 'Aid, Material & Equipment' received from Foreign Governments and channelised through the Union Government.



Revenue Receipt Components (2021-22)

(*₹ in crore*)

Components	Actuals
A. Tax Revenue	1,26,207
State's own Tax Revenue	34,854
Goods and Services Tax	19,264
Taxes on Income and Expenditure	141
Taxes on Property and Capital Transactions	5,508
Taxes on Commodities and Services	9,941
State's share of Union Taxes	91,353
Goods and Services Tax	25,442
Taxes on Income and Expenditure	53,840
Taxes on Property and Capital Transactions	7
Taxes on Commodities and Services	12,064
B. Non-Tax Revenue	3,984
Interest Receipts, Dividends and Profits	729
General Services	693
Social Services	573
Economic Services	1,989
C. Grants-in-aid and Contributions	28,606
Total - Revenue Receipts	1,58,797

2.3 Trend of Revenue Receipts

(₹ in crore)

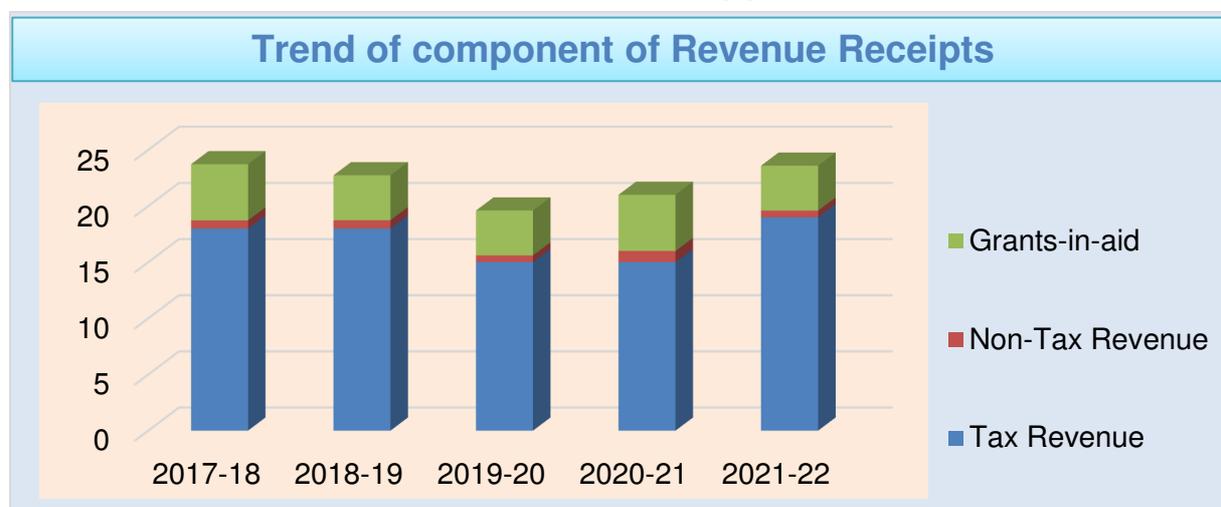
	2017-18	2018-19	2019-20	2020-21	2021-22
Tax Revenue	88,220 (18)	1,03,011 (18)	93,564 (15)	90,203 (15)	1,26,207 (19)
Non-Tax Revenue	3,507 (0.72)	4,131 (0.74)	3,700 (0.60)	6,201 (1)	3,984 (1)
Grants-in-aid	25,720 (5)	24,652 (4)	26,969 (4)	31,764 (5)	28,606 (4)
Total Revenue Receipts	1,17,447 (24)	1,31,794 (24)	1,24,233 (20)	1,28,168 (21)	1,58,797 (24)
GSDP	4,87,628	5,57,490	6,11,804	6,18,628	6,75,448

Note: Figures in parenthesis represent percentage to GSDP.

Though the GSDP increased by 9% between 2020-21 and 2021-22, Revenue collection increased by 23.90%, Tax revenue increased by 40% and Non-Tax revenue decreased by 36% in 2021-22 with comparison to 2020-21. The decrease in Non-tax revenues was mainly on account of short collections under:

- 'Interest Receipts' (₹722 crore),
- 'Non-ferrous Mining and Metallurgical Industries (₹2,018 crore),
- 'Contributions and Recoveries towards Other retirement benefits' (₹1 crore), and
- 'Public Service Commission' (₹40 crore).

Further collection under 'Education, Sports, Art and Culture' and Medical and Public Health were ₹509 crore and ₹41 crore respectively in 2021-22 against ₹12 crore and ₹42 crore in 2020-21. The State's own revenue under 'Stamps and Registration Fees (₹5,224 crore) and 'Taxes on Vehicles (₹2,475 crore) showed an increasing growth.

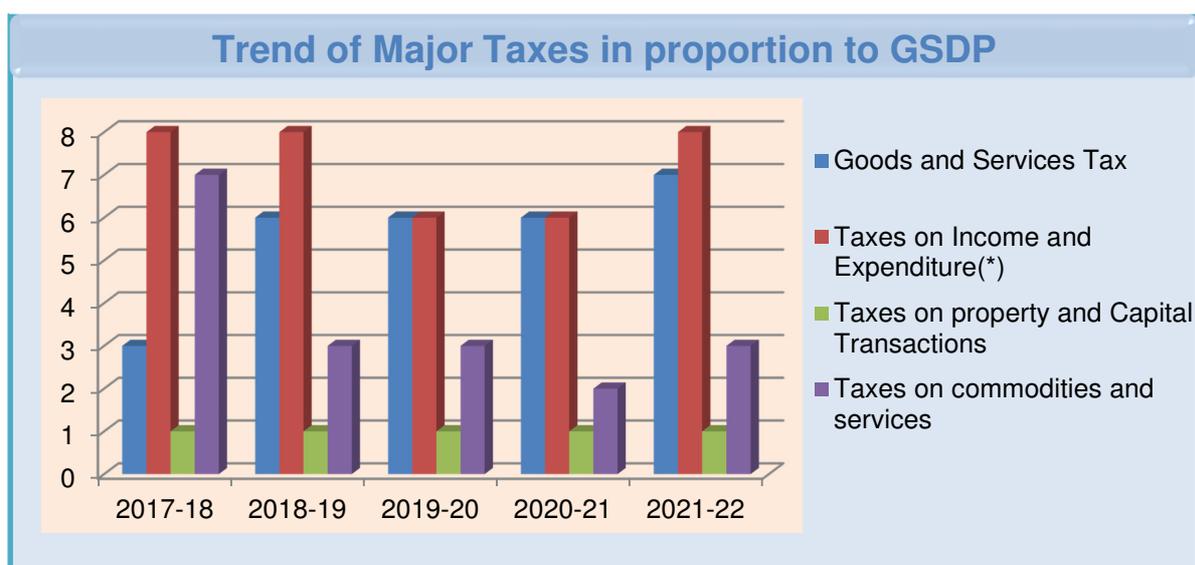


Sector-wise Tax Revenue

(₹ in crore)

	2017-18	2018-19	2019-20	2020-21	2021-22
Goods and Services Tax	14,244	34,905	33,794	33,839	44,706
Taxes on Income and Expenditure	36,857	44,573	38,673	36,705	53,981
Taxes on Property and Capital Transactions	4,503	4,675	4,937	4,508	5,515
Taxes on Commodities and Services	32,616	18,688	16,160	15,151	22,005
Total Tax Revenue	88,220	1,03,011	93,564	90,203	1,26,207

The increase in total tax revenue is mainly attributed to more collection under 'Goods and Services Tax' (₹44,706 crore), 'Corporation Tax' (₹27,179 crore), 'Taxes on Income other than Corporation Tax' (₹26,661 crore), 'Stamps and Registration Fees' (₹5,224 crore), 'Customs' (₹6,775 crore), 'Union Excise Duties' (₹3,868 crore), 'Taxes on Vehicles' (₹2,475 crore) and 'Service Tax' (₹1,326 crore).



(*) Primarily net proceeds of Central share to the State.

2.4 State's own Tax and State's Share of Union Taxes

(₹ in crore)

Year	Tax Revenue	State share of Union Taxes	State's Own Tax Revenue	
			Amount	Percentage to GSDP
2017 - 18	88,220	65,083	23,137	4.74%
2018 - 19	1,03,011	73,603	29,408	5.27%
2019 - 20	93,564	63,406	30,158	4.93%
2020 - 21	90,203	59,861	30,342	4.90%
2021 - 22	1,26,207	91,353	34,854	5.16%

The proportion of the State's own Tax Revenue to GSDP is perceptibly lower than the target of 4.60 *per cent* recommended by the 15th Finance Commission. While the percentage of "State share of Union taxes" to GSDP has increased from 13.35% in 2017-18 to 13.52% in 2021-22, the percentage of "State's own tax revenue" to GSDP has increased to 5.16% from 4.74% during the same period.

2.4.1 Trend in State's own Tax collection over the past five years

(₹ in crore)

Taxes	2017-18	2018-19	2019-20	2020-21	2021-22
Taxes on Sales, Trade etc.	8,298	6,584	6,121	6,031	6,872
State Goods and Services Tax	6,747	15,288	15,801	16,050	19,264
Stamps and Registration Fees	3,726	4,189	4,661	4,206	5,224
Taxes on Goods and Passengers	1,645	399	23	6	(-)1
Taxes on Vehicles	1,599	2,086	2,713	2,268	2,475
Land Revenue	778	477	275	302	284
Other Taxes on Income and Expenditure	87	125	114	126	141
State Excise	(-)3	(-)10	(-)4	(-)4	(-)1
Others	260	270	454	1,357	596
Total State's own Taxes	23,137	29,408	30,158	30,342	34,854

2.5 Efficiency of Tax Collection

A. Goods and Services Tax

(₹ in crore)

	2017-18	2018-19	2019-20	2020-21	2021-22
Revenue Collection	14,244	34,905	33,794	33,839	44,706
Expenditure on Collection	72	114	121	131	133
Efficiency of Tax Collection	0.5%	0.32%	0.36%	0.39%	0.30%

B. Taxes on Property and Capital Transactions

(₹ in crore)

	2017-18	2018-19	2019-20	2020-21	2021-22
Revenue Collection	4,503	4,675	4,937	4,509	5,515
Expenditure on Collection	564	583	290	704	847
Efficiency of Tax Collection	13%	12%	6%	16%	15%

C. Taxes on Commodities and Services

(₹ in crore)

	2017-18	2018-19	2019-20	2020-21	2021-22
Revenue Collection	32,615	18,726	16,160	15,150	22,005
Expenditure on Collection	289	269	326	324	348
Efficiency of Tax Collection	0.89%	1.43%	2.02%	2.14%	1.58%

Taxes on Commodities and Services form a major chunk of tax revenue. Tax collection efficiency of taxes on Commodities and Services has appreciably improved.

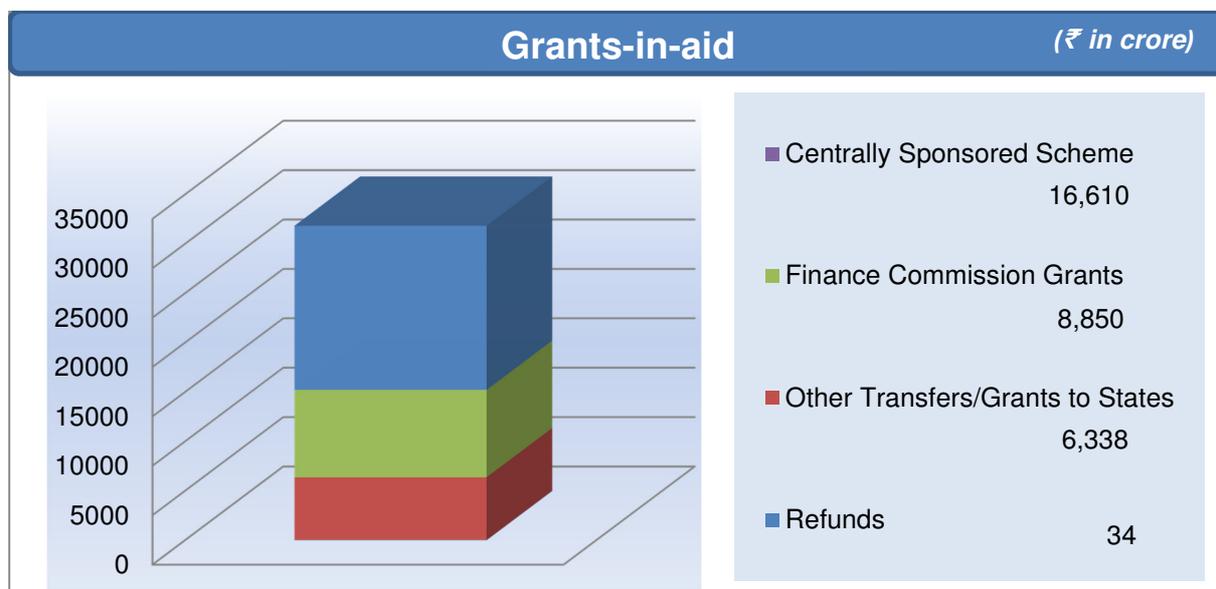
2.6 Trend in State's Share of Union Taxes over the past five years

(₹ in crore)

	2017-18	2018-19	2019-20	2020-21	2021-22
Goods and Services Tax	7,497	19,617	17,993	17,789	25,442
Corporation Tax	19,936	25,597	21,619	18,062	27,179
Taxes on Income other than Corporation Tax	16,834	18,851	16,940	18,517	26,661
Taxes on Wealth	(-)1	9	1	0	7
Customs	6,570	5,217	4,019	3,180	6,776
Union Excise Duties	6,868	3,467	2,794	2,012	3,869
Service Tax	7,379	673	0.00	258	1,326
Other Taxes and Duties on Commodities and Services	--	171	40	43	93
State Share of Union Taxes	65,083	73,603	63,406	59,861	91,353
Total Tax Revenue	88,220	1,03,011	93,564	90,203	1,26,207
% of Union Taxes to Total Tax Revenue	74	71	68	66	72
% of Share of Union Taxes to GSDP	13	13	10	10	14

2.7 Grants-in-aid

Grants-in-aid represent assistance from the Government of India, and comprise, Grants for Centrally Sponsored Schemes, Finance Commission Grants and Other Transfers/Grants to States/Union Territories with Legislature. Total receipts during 2021-22 under Grants-in-aid were ₹ 28,606 crore as shown below :-



The grants-in-aid decreased by 9.94 *per cent* in 2021-22 as compared to 2020-21. As against a Budget Estimate (BE) of ₹54,531 crore of grants-in-aid, the State Government has actually received ₹28,606 crore of Grants-in-aid (52 *per cent* of BE).

2.8 Public Debt

Public Debt includes borrowing under Internal Debt and Loans and Advances received from Government of India. Internal Debt includes Market Loans, Ways and Means advances from RBI, Loans from Financial Institutions and Special Securities issued to National Small Savings Fund etc.

Trend of Public Debt over the past five years

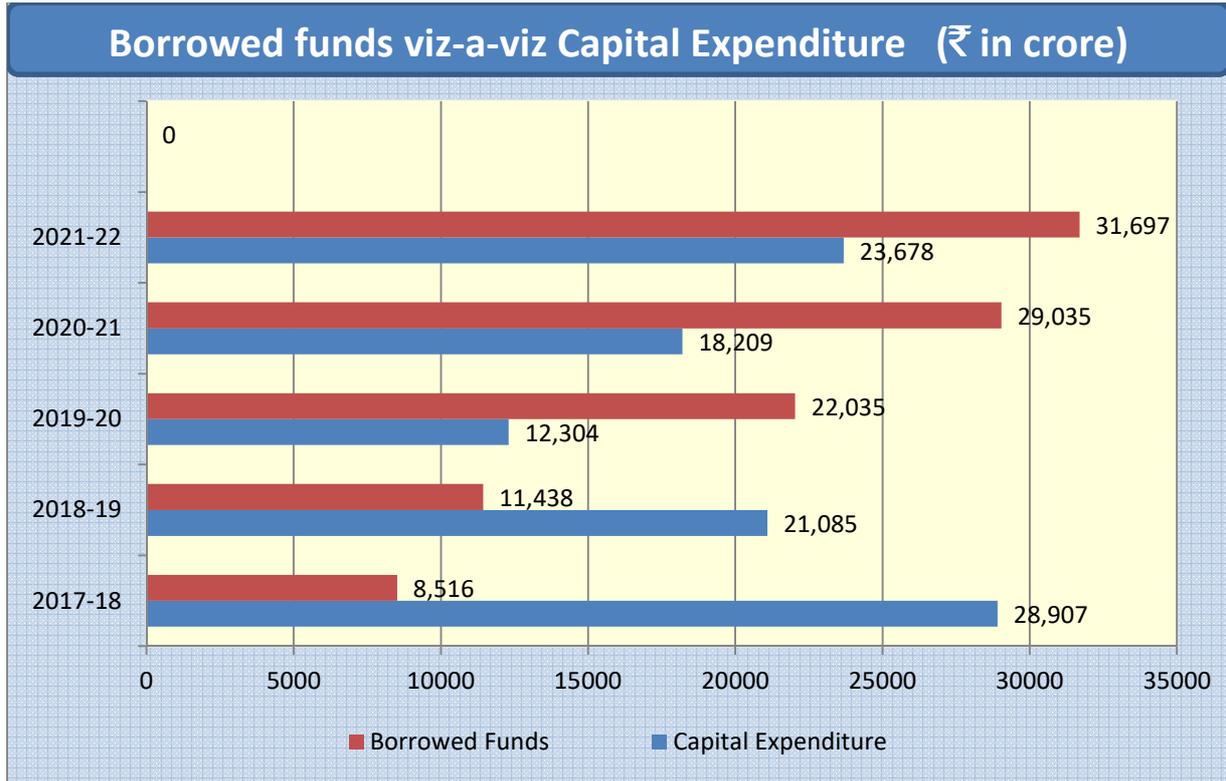
(₹ in crore)

	2017-18	2018-19	2019-20	2020-21	2021-22
Internal Debt	7,930	9,835	21,722	23,475	23,297
Central Loans	586	1,603	313	5,559	8,400
Total Public Debt	8,516	11,438	22,035	29,035	31,697

Note : Negative figures indicate that repayment is in excess of receipts.

Fifteen loans totalling ₹28,517 crore at interest rates varying from 6.39 per cent to 7.24 per cent and redeemable in the years 2032-33 were raised at par during 2021-22.

Against the total internal debt of ₹30,917 crore of the State Government in 2021-22 plus the Central loan component of ₹9,527 crore received during this period, capital expenditure was ₹23,678 crore, indicating that the total of the public debt was used for creation of capital assets and developmental purposes.



CHAPTER III

EXPENDITURE

3.1 Introduction

Expenditure is classified as Revenue expenditure and Capital expenditure. Revenue expenditure means the expenditure on current consumption of goods and services and establishment expenditure of a department of activities of non-capital character. Capital expenditure is expenditure incurred with the objective of creating new assets or increasing value of existing assets of a material and permanent character. It also includes investments where the benefits from the investments are available beyond the year.

General Services	Includes General Administration, Justice, Police, Jail, PWD, Pension etc.
Social Services	Includes Education, Health & Family Welfare, Water Supply, Welfare of SC & ST etc.
Economic Services	Includes Agriculture, Rural Development, Irrigation, Co-operation, Energy, Industries, Transport etc.

3.2 Revenue Expenditure

Revenue Expenditure of ₹1,59,220 crore for 2021-22 fell short of Budget Estimates by ₹17,851 crore. Revenue Expenditure was 24 *per cent* of the GSDP in 2021-22. Expenditure was less by ₹10,100 crore under Scheme Expenditure and ₹10,050 crore under Establishment & Committed Expenditure. The shortfall of expenditure against Budget Estimates under Revenue section during the past five years is given below:

(₹ in crore)

	2017-18	2018-19	2019-20	2020-21	2021-22
Budget Estimates	1,22,603	1,36,740	1,55,230	1,64,751	1,77,071
Actuals	1,02,624	1,24,897	1,26,017	1,39,493	1,59,220
Gap	19,979	11,843	29,213	25,258	17,851
% of gap over BE	16	9	19	15	10

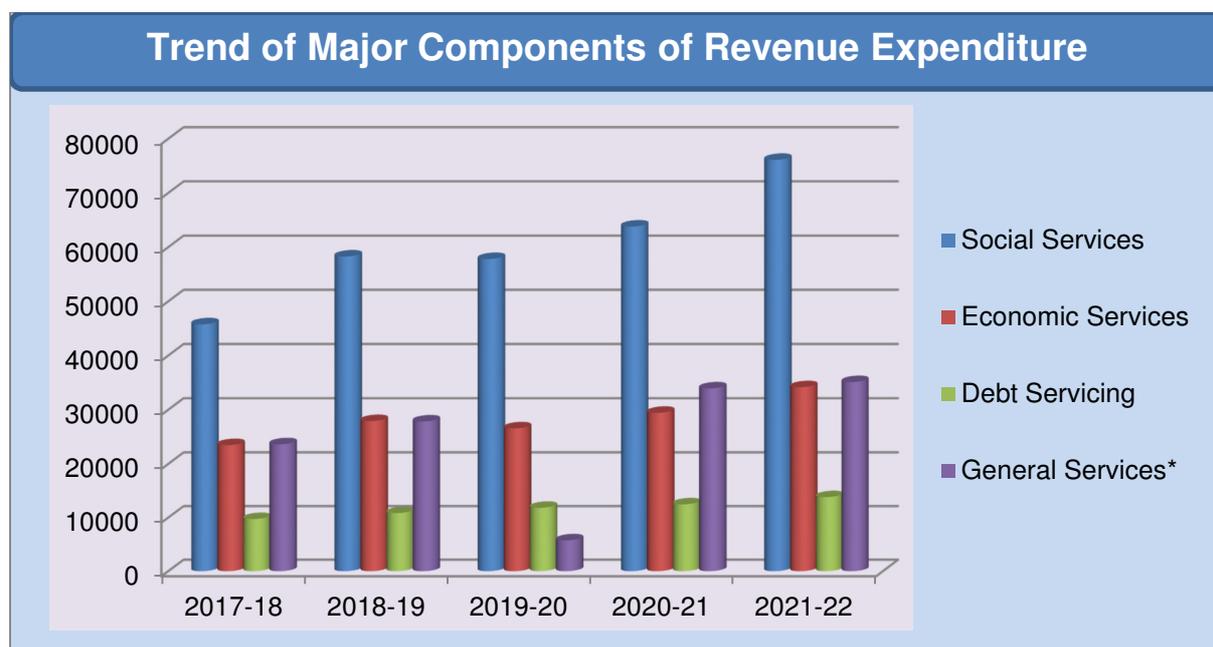
The State is unable to spend whatever has been budgeted, though the resources were available. The percentage of gap of actual expenditure to budgeted expenditure is at 22 indicating the need to accelerate the pace of developmental expenditure.

3.2.1 Sectoral distribution of Revenue Expenditure (2021-22)

Components	Amount (₹ in crore)	Percentage
A. General Services	48,939	31
B. Social Services	76,115	48
C. Economic Services	34,166	21
D. Grants-in-aid and Contributions	-	-
Total - Expenditure (Revenue Account)	1,59,220	100

3.2.2 Major components of Revenue Expenditure (2017-22)

(₹ in crore)



*General Services excludes MH 2048 (Appropriation for reduction or avoidance of debt), MH 2049 (Interest payment) and includes MH 3604 (Compensation and Assignments to Local Bodies and Panchayati Raj Institutions).

3.3 Capital Expenditure

Capital disbursements for the year 2021-22 was ₹25,157 crore which was 4 per cent of GSDP. It was less than Budget Estimates by ₹6,980 crore.

3.3.1 Sectoral distribution of Capital Expenditure

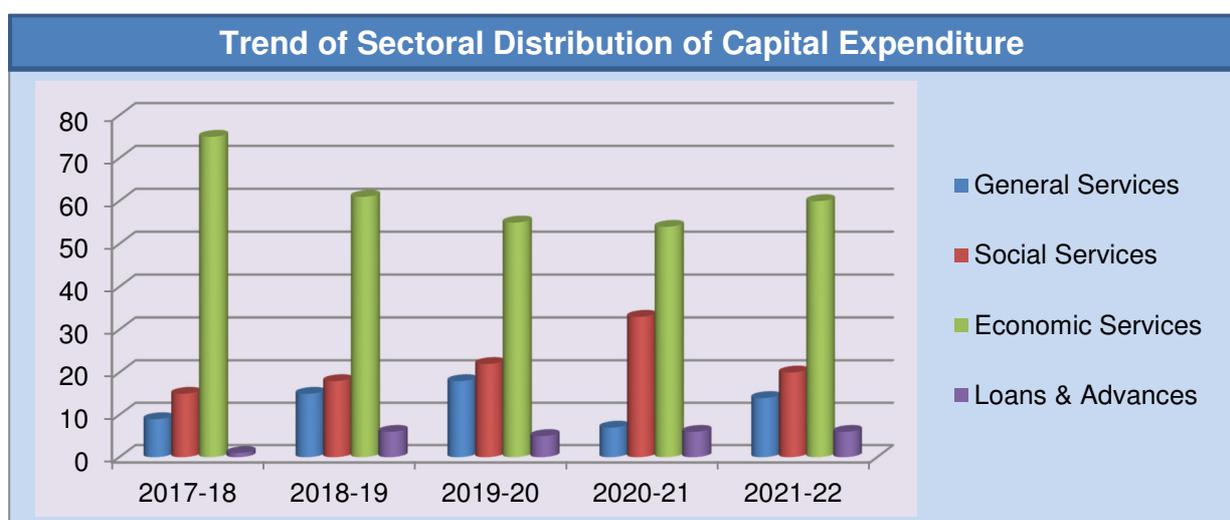
During 2021-22, the Government spent ₹2,501 crore on various Projects (₹2,231 crore on Major Irrigation and ₹270 crore on Minor Irrigation), ₹1,109 crore on Flood Control Projects and ₹1,430 crore on Power Projects. Apart from above, the Government invested ₹2,566 crore in various Corporations/Companies/Societies.

Sl. No.	Sector	Amount (₹ in crore)	Percentage
1.	General Services - Police, Land Revenue etc.	3,507	14
2.	Social Services - Education, Health & Family Welfare Water Supply, Welfare of SC/ST etc.	5,154	20
3.	Economic Services - Agriculture, Rural Development Irrigation, Co-operation, Energy, Industries, Transport etc.	15,017	60
4.	Loans and Advances Disbursed	1,479	6
	Total	25,157	100

3.3.2 Sectoral distribution of capital expenditure over the past 5 years

(₹ in crore)

Sl. No.	Sector	2017-18	2018-19	2019-20	2020-21	2021-22
1.	General Services	2,765	3,311	2,388	1,387	3,507
2.	Social Services	4,258	4,061	2,803	6,332	5,154
3.	Economic Services	21,884	13,686	7,113	10,491	15,017
4.	Loans and Advances	243	1,471	666	1,113	1,479
	Total	29,150	22,529	12,970	19,323	25,157



CHAPTER IV

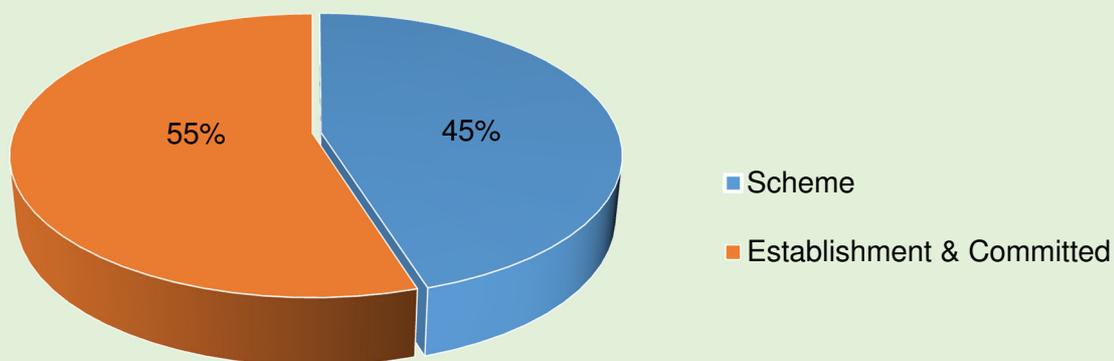
ESTABLISHMENT & COMMITTED AND SCHEME EXPENDITURE

4.1 Distribution of Expenditure (2021-22)

(₹ in crore)

	Actual Expenditure
Scheme Expenditure (both revenue and capital)	83,298
Establishment & Committed Expenditure (both revenue and capital)	1,01,079

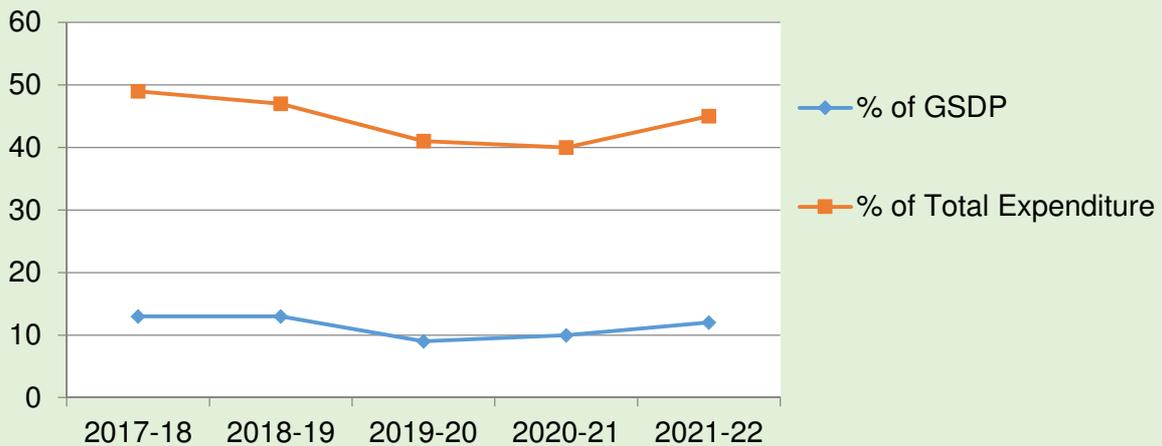
Distribution of Expenditure



4.2 Scheme Expenditure

Scheme expenditure (both revenue and capital) during 2021-22 was ₹83,298 crore, constituting 45 per cent of total disbursements of ₹1,84,377 crore. This comprised, ₹39,537 crore under State Schemes, ₹42,523 crore under Centrally Sponsored Schemes, ₹78 crore under Central Area Schemes and ₹1,160 crore under Loans and Advances.

Scheme Expenditure as proportion of total expenditure and GSDP



4.2.1 Scheme expenditure under Capital Account

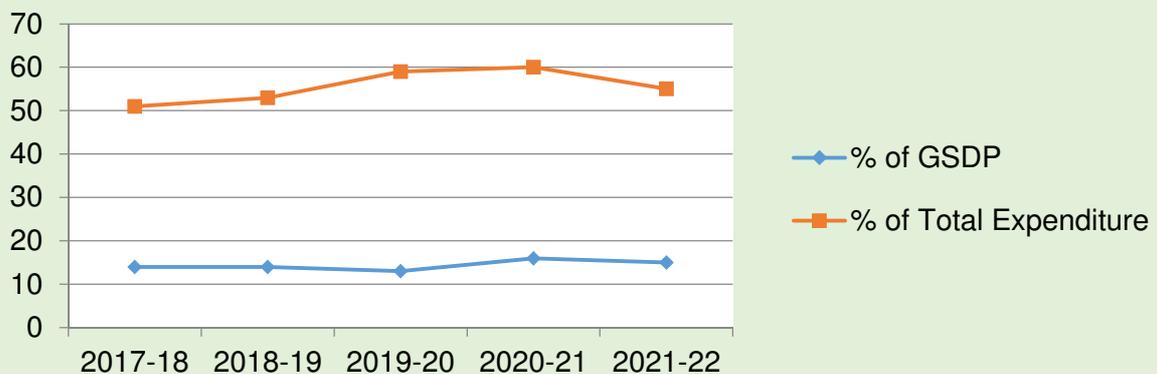
(₹ in crore)

	2017-18	2018-19	2019-20	2020-21	2021-22
Total Capital Expenditure	29,150	22,529	12,970	19,323	25,157
Capital Expenditure (Scheme)	29,076	22,407	12,863	19,204	24,811
Per cent of Capital Expenditure (Scheme) to Total Capital Expenditure	99	99	99	99	99

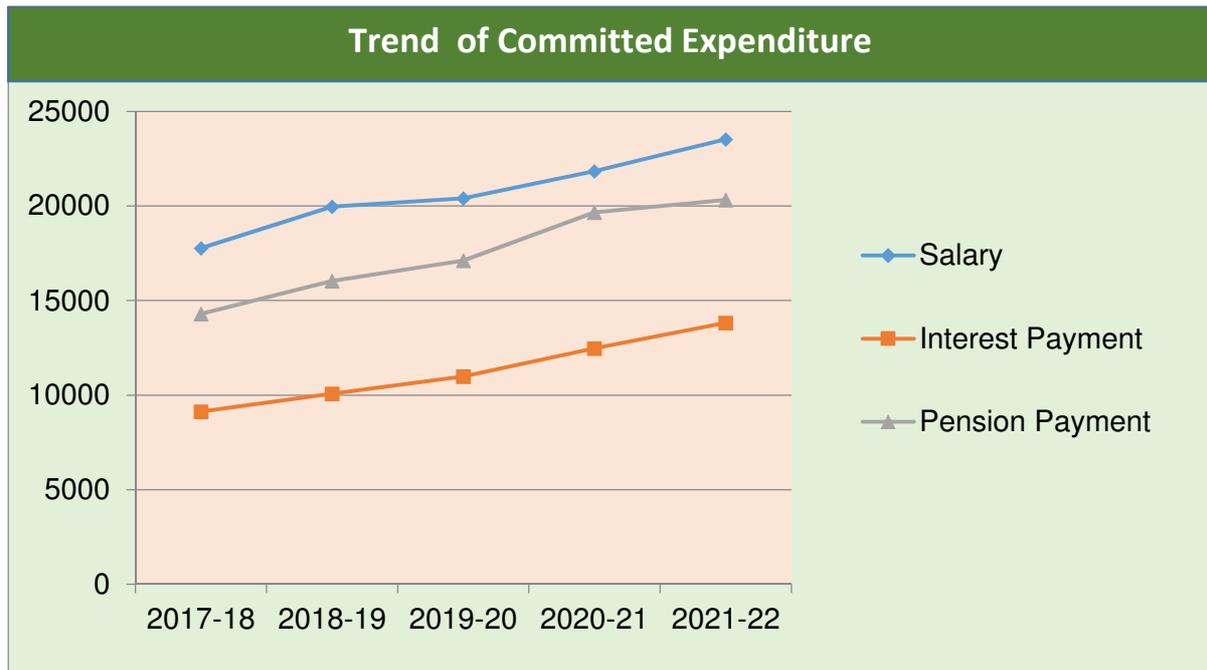
4.3 Establishment & Committed Expenditure

Establishment & Committed Expenditure during 2021-22 was ₹1,01,079 crore, constituting 55 per cent of total disbursements of ₹1,84,377 crore. This comprises ₹1,00,733 crore under Revenue, ₹28 crore under Capital ₹318 crore under Loans and Advances.

Establishment & Committed Expenditure as proportion of total expenditure and GSDP



4.4 Committed Expenditure



(₹ in crore)

Component	2017-18	2018-19	2019-20	2020-21	2021-22
Committed Expenditure	41,220	46,077	48,529	53,998	57,677
Revenue Expenditure	1,02,624	1,24,897	1,26,017	1,39,493	1,59,220
Revenue Receipts	1,17,447	1,31,794	1,24,233	1,28,168	1,58,797
<i>Per cent of committed expenditure to Revenue Receipts</i>	35	35	39	42	36
<i>Per cent of committed expenditure to Revenue Expenditure</i>	40	37	38	39	36

Disbursement of larger amount on committed expenditure leaves the Government with lesser flexibility for developmental spending.

CHAPTER V

APPROPRIATION ACCOUNTS

5.1 Summary of Appropriation Accounts for 2021-22

(₹ in crore)

Sl. No.	Nature of expenditure	Original Grant	Supplementary Grant	Re-appropriation	Total	Actual expenditure	Saving (-) Excesses (+)
1.	Revenue						
	Voted	1,62,261	36,989	7,650	1,99,250	1,46,155	(-)53,095
	Charged	14,811	13	1	14,824	14,060	(-)764
2.	Capital						
	Voted	30,788	9,822	2,189	40,610	23,762	(-)16,848
	Charged	--	--	--	--	--	--
3.	Public Debt						
	Charged	9,094	0	0	9,094	8,746	(-)348
4.	Loans and Advances						
	Voted	1,349	271	38	1,620	1,479	(-)141
Total		2,18,303	47,095	9,878	2,65,398	1,94,202	(-)71,196

5.2 Trend of Savings / Excess during the past five years

(₹ in crore)

Year	Savings (-) / Excess (+)				Total
	Revenue	Capital	Public Debt.	Loans & Advances	
2017-18	(-)35,777	(-)10,051	(-)143	(-)425	(-)46,396
2018-19	(-)37,220	(-)11,415	(-)96	(-)442	(-)49,173
2019-20	(-)50,551	(-)28,442	(-)558	(-)954	(-)80,505
2020-21	(-)51,842	(-)24,977	(-)173	(-)615	(-)77,607
2021-22	(-)53,857	(-)16,848	(-)348	(-)141	(-)71,194

5.3 Significant Savings

Substantial savings under a grant indicates either non-implementation or slow implementation of certain schemes / programmes.

Some grants with persistent and significant savings are given below:

(Percentage of savings to total allocation)

Grant	Nomenclature	2017-18	2018-19	2019-20	2020-21	2021-22
01	Agriculture Department	44%	43%	41%	56%	53%
02	Animal and Fisheries Resource Department	20%	27%	30%	49%	61%
03	Building Construction Department	49%	27%	70%	71%	40%
05	Secretariat of the Governor	30%	14%	97%	100%	88%
06	Election Department	6%	12%	35%	12%	39%
08	Art, Culture and Youth Department	30%	32%	39%	57%	45%
09	Co-operative Department	21%	37%	74%	36%	44%
16	Panchayati Raj Department	7%	18%	36%	36%	40%
18	Food and Consumer Protection Department	50%	21%	50%	68%	41%
19	Environment, Forest and Climate Change Department	24%	17%	28%	9%	53%
20	Health Department	25%	24%	31%	31%	34%
25	Information Technology Department	50%	56%	24%	38%	54%
29	Mines and Geology Department	36%	33%	42%	40%	37%
30	Minorities Welfare Department	49%	42%	51%	55%	52%
31	Parliamentary Affairs Department	0%	0%	10%	0%	69%
36	Public Health Engineering Department	4%	12%	49%	22%	31%
37	Rural Works Department	31%	66%	74%	55%	45%
39	Diasaster Management Department	34%	66%	51%	28%	33%
40	Revenue and Land Reforms Department	37%	32%	42%	53%	40%
42	Rural Development Department	50%	33%	48%	48%	40%
45	Sugar Industries Department	58%	33%	35%	61%	68%
46	Tourism Department	16%	56%	84%	82%	68%
47	Transport Department	22%	14%	43%	47%	53%
48	Urban Development and Housing Department	36%	38%	51%	41%	40%
50	Minor Water Resources Department	39%	19%	69%	39%	54%

During 2021-22, supplementary grants totalling ₹28,676 crore (15 per cent of total expenditure) proved to be unnecessary in some cases, where there were significant savings at the end of the year even against original allocations. A few instances are given below:

(₹ in crore)

Grant	Name of Department	Section	Original	Supplementary	Actual Expenditure
01	Agriculture Department	Revenue	3,235	567	1,698
02	Animal and Fisheries Resources Department	Revenue	1,562	63	640
03	Building Construction Department	Revenue	835	3	702
		Capital	4,486	928	3,027
04	Cabinet Secretariat Department	Revenue	311	8	219
06	Election Department	Revenue	423	84	309
07	Vigilance Department	Revenue	44	2	37
09	Co-operative Department	Revenue	1,301	32	807
10	Energy Department	Capital	1,513	504	1,507
12	Finance Department	Revenue	308	90	218
15	Pension	Revenue	21,817	5	20,295
16	Panchayati Raj Department	Revenue	9,224	4,001	8,057
17	Commercial Tax Department	Revenue	161	2	133
18	Food and Consumer Protection Department	Revenue	941	453	881
		Capital	95	55	34
19	Environment, Forest and Climate Change Department	Revenue	656	114	324
20	Health Department	Capital	2,438	721	866
21	Education Department	Revenue	36,971	8,944	33,373
22	Home Department	Revenue	13,239	178	10,112
		Capital	734	843	690
25	Information Technology Department	Revenue	137	17	73
		Capital	140	4	63
26	Labour Resource Department	Revenue	796	5	589
27	Law Department	Revenue	1,067	27	848
28	High Court of Bihar	Revenue	198	10	181
29	Mines and Geology Department	Revenue	48	3	32
31	Parliamentary Affairs Department	Revenue	13	3	5
32	Legislature	Revenue	243	2	195

Grant	Name of Department	Section	Original	Supplementary	Actual Expenditure
33	General Administration Department	Revenue	785	8	568
35	Planning and Development Department	Revenue	853	11	532
36	Public Health Engineering Department	Capital	2,431	500	1,976
37	Rural Works Department	Revenue	2,236	120	2,234
		Capital	7,188	1,288	3,756
38	Prohibition, Excise and Registration Department	Revenue	280	14	214
40	Revenue and Land Reforms Department	Revenue	1,191	46	786
		Capital	71	1	4
42	Rural Development Department	Revenue	16,785	6,386	13,995
43	Science and Technology Department	Revenue	310	58	293
		Capital	112	3	79
44	Scheduled Castes and Schedule Tribes Welfare Department	Revenue	1,799	120	1,456
45	Sugar Industries Department	Revenue	116	1	37
46	Tourism Department	Revenue	70	13	44
47	Transport Department	Revenue	387	15	193
48	Urban Development and Housing Department	Revenue	7,617	2,414	5,884
51	Social Welfare Department	Capital	10	10	1

CHAPTER VI

ASSETS AND LIABILITIES

6.1 Assets

The Finance Accounts of the Government do not depict valuation of Government assets except in the year of acquisition / purchase where they are recorded at their cost of acquisition. Similarly while the accounts present the impact of liabilities arising in the current year, they do not depict the overall impact of the liabilities to future generations except to the limited extent shown by the rate of interest and period of existing loans.

Total investments in the share capital of non-financial Public Sector Undertakings (PSUs) stood at ₹35,436 crore at the end of 2021-22. However, dividends received during the year were ₹6.54 crore (i.e., 0.02 *per cent*) on investment. During 2021-22, investments increased by ₹2,565 crore, and dividend income increased by ₹596.47 crore.

Cash Balance with RBI stood at ₹18,128 crore on 31 March 2021 and increased to ₹22,741 crore at the end of March, 2022.

6.2 Debt and Liabilities

Article 293 of the Constitution of India empowers the State Government to borrow on the security of the Consolidated Fund of the State within such limits, if any, as may be from time to time fixed by the State Legislature.

Details of the Public Debt and total liabilities of the State Government are as under:

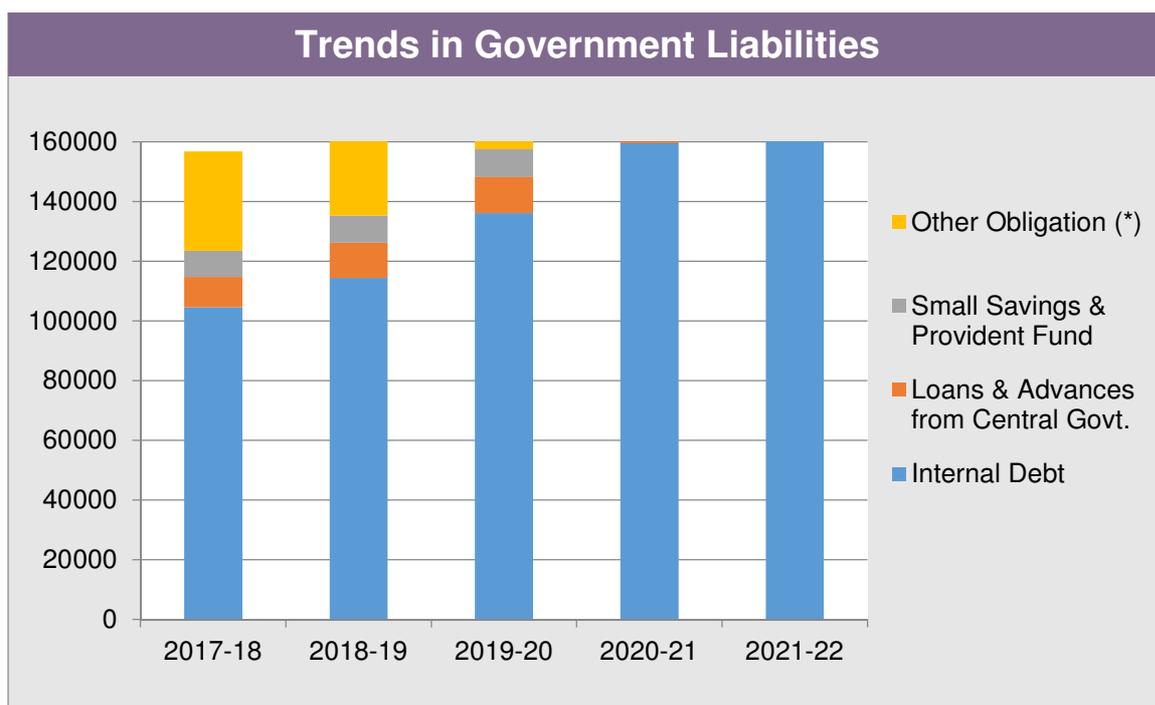
(₹ in crore)

Year	Public Debt	Percentage to GSDP	Public Accounts (*)	Percentage to GSDP	Total Liabilities	Percentage to GSDP
2017-18	1,14,707	23	42,070	9	1,56,777	32
2018-19	1,26,145	23	42,776	8	1,68,921	30
2019-20	1,48,180	24	45,202	7	1,93,382	32
2020-21	1,77,215	29	49,981	8	2,27,196	37
2021-22	2,08,913	31	48,597	7	2,57,510	38

(*) Excludes suspense and remittance balances.

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

There is a net increase of ₹30,314 crore (13 *per cent*) in Public Debt and Other liabilities as compared to 2020-21.



(*) Non-interest bearing obligations such as deposits of Local Funds, other Earmarked Funds, etc.

6.3 Guarantees

The quantum of guarantees provided by the State Government towards repayment of loans and capital and payment of interest thereon raised by Statutory Corporations, Government Companies, Corporations, Co-operative Societies etc., are given below:

(₹ In crore)

At the end of the year	Maximum Amount Guaranteed (Principal only)	Amount outstanding at the end of the year	
		Principal	Interest
2017-18	20,234	5,174	97
2018-19	20,834	5,398	104
2019-20	20,834	5,380	105
2020-21	24,972	16,080	328
2021-22	37,317	24,655	415

CHAPTER VII

OTHER ITEMS

7.1 Balances under Internal Debt

Borrowings of State Governments are governed by Article 293 of the Constitution of India. In addition to directly raising loans, State Governments also guarantee loans raised by Government Companies and Corporations from the market and financial institutions for implementation of various Plan schemes and programmes which are projected outside the State Budget. These loans are treated as receipts of the concerned Administrative Departments and do not appear in the books of the Government. The balances under Internal Debt is ₹1,82,855 crore as on 31 March 2022.

7.2 Loans and Advances by the State Government

Out of total Loans and Advances of ₹23,222 crore made by the State Government at the end of 2021-22, ₹22,472 crore of Loans and Advances has been given to Government Corporations/Companies, Non-Government Institutes and Local Bodies etc. Recovery of Principal and of Interest amounting to ₹9,284 crore, ₹12,762 crore respectively is in arrears at the end of 31 March 2022. During 2021-22 only ₹28 crore has been received towards repayment of Loans and Advances, out of which, ₹20 crore relates to repayment of loans from Government Servants.

7.3 Financial assistance to Local Bodies and Others

During the past five years, Grants-in-aid to local bodies etc., increased from ₹43,359 crore in 2017-18 to ₹65,015 crore in 2021-22. Grants to Zila Parishads, Municipalities/Corporation and Panchayat Samities including Gram Panchayat (₹17,683 crore) represented 32 per cent of total grants given during the year.

Details of Grants-in-aid for the past 5 years are as under:

(₹ in crore)

Year	Zila Parishads	Corporation/ Municipalities/ Councils	Panchayat Samities including Gram Panchayat	Others*	Total
2017-18	2,612	1,320	4,961	34,466	43,359
2018-19	1,749	1,759	5,769	42,487	51,764
2019-20	1,429	1,271	8,542	35,340	46,582
2020-21	1,760	4,784	11,139	37,246	54,929
2021-22	3,279	5,383	9,989	46,364	65,015

* Includes also the expenditure made on Mid Day Meal Scheme, Cycle Scheme, Uniform Scheme and Sarva Siksha Abhiyan etc.

7.4 Cash Balance and investment of Cash Balance

(₹ in crore)

Component	As on 1 April 2021	As on 31 March 2022	Net increase (+) / decrease (-)
Cash Balances	302	671	369
Investments from cash balances (GOI Treasury Bills)	17,827	22,070	4,243
Other cash balance			
i) Departmental Balance	235	235	0
ii) Permanent Cash Imprest	761	762	1
Investment from earmarked fund balances	5,740	5740	0
(a) Sinking fund	0	0	0
(b) Guarantee Redemption Fund	--	--	--
(c) Other funds	--	--	--
* Interest Realised	175	190	15

(*) This reflects only interest realised on investment of Cash Balances.

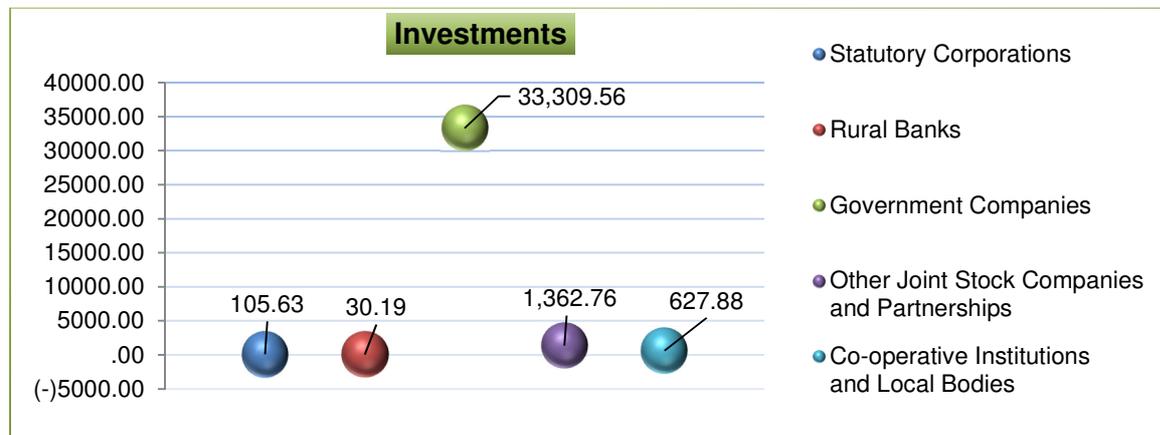
State Government had a positive closing cash balance at the end of 2021-22. Interest receipt on these investments has been increased by 8.57 per cent.

7.5 Submission of Accounts by Accounts rendering units

The accounts of Treasury Accounts through CFMS has been implemented w.e.f. 01.04.2019. The accounts of receipts and expenditure of the Government of Bihar have been compiled based on the initial accounts rendered by 43 Treasuries and Advices of the Reserve Bank of India. Transactions of 610 Divisions of various Public Works Departments viz. Building Works (60), Roads Construction (79), Water Resources (245), Public Health Engineering (51), Panchayati Raj (57), Rural Works (118) and 49 Divisions of Forest Department are included in treasury accounts. No accounts have been excluded at the end of the year.

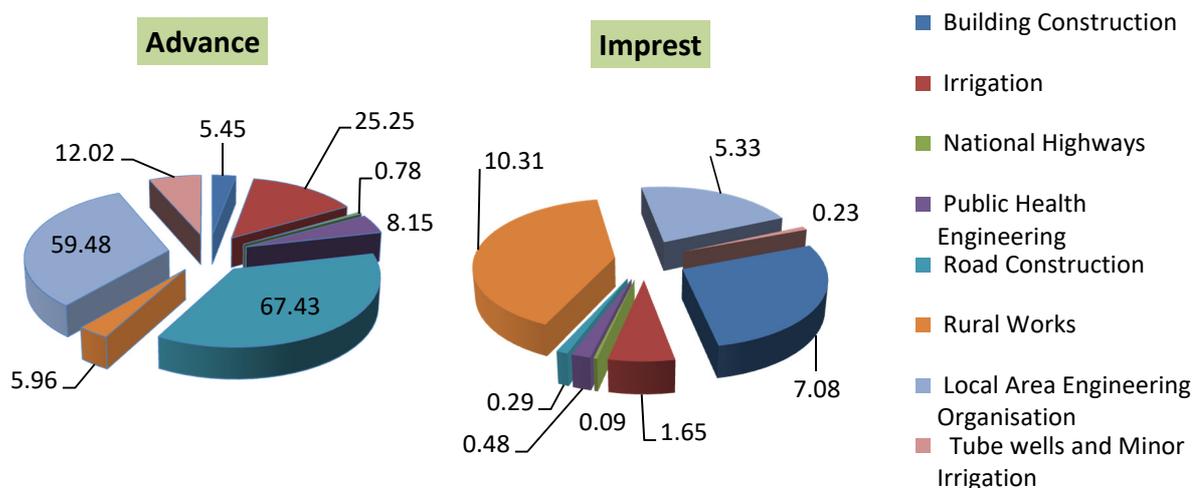
7.6 Investments

The State Government invests in the equity and shares of Statutory Corporations, Government Companies, Joint Stock Companies and Co-operative Institutions. As per the accounts Government has invested ₹35,436.02 crore at the end of 2021-22.



7.7 Status of Temporary Advance and 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 2022, ₹184.52 crore, which should have been refunded to the treasury in terms of these instructions, remained outstanding as unadjusted advance. Apart from this, an amount of ₹25.46 crore was also kept in Works Divisions as imprest.



7.8 Unadjusted Abstract Contingent (AC) Bills

Financial rules (Rule 177 of Bihar Treasury Code, 2011) envisage that no moneys shall be drawn from the Treasury in anticipation of demands or to prevent lapse of budget grants. In emergent circumstances, Drawing and Disbursing Officers (DDOs) are authorised to draw sums of money through Abstract Contingent (AC) bills. In terms Rule 194 of the Bihar Treasury Code 2011, DDOs are required to submit Detailed Bill containing vouchers in support of final expenditure within six months following the month in which the abstract bill was drawn from the Treasury.

Out of 3,605 AC bills amounting to ₹2,460.86 crore drawn during the year 2021-22, 954 AC bills amounting to ₹572.76 crore (23.27 per cent) were drawn in March 2022. DC Bills in respect of a total of 25,928 AC bills amounting to ₹7,629.73 crore as on 31 March 2022 were not received. Details of unadjusted AC bills as on 31 March 2022 pending submission of the DC bills are given below:

Year	No. of unadjusted AC Bills*	Amount (₹ in crore)
Upto 2020-21	25,101	6,859.68
2021-22	827	770.05
Total	25,928	7,629.73

*AC Bills drawn upto September, 2021 have been taken into account.

Details of unadjusted AC bills as on 31 March 2021 pending submission of the DC bills are as follows:

Year	No. of unadjusted AC Bills	Amount (₹ in crore)
Upto 2018-19	14,507	4,394.37
2019-20	5,689	4,231.06
2020-21	6,308	4,834.28
Total	26,504	13,459.71

7.9 Utilisation Certificates (UCs) for Grants-in-aid not received:

In terms of Rule 271 of the Bihar Treasury Code, 2011 as amended by the Finance Department vide Resolution No. M.04-15/2009-9736/F(2) dated 19 October 2011. Utilisation Certificates (UCs) in respect of Grants-in-Aid received by the grantee should be furnished by the grantee to the authority that sanctioned it, within 18 months from the date of receipt of grant or before applying for a further grant on the same object, whichever is earlier. To the extent of non-submission of UCs, there is a risk that the amount mentioned in Finance Accounts may not have reached the beneficiaries.

During the year 2021-22, ₹ 55,959.75 crore pertaining to outstanding UCs for the period upto 31.03.2022 was cleared. The position of outstanding UCs as on 31.03.2022 is given below:

Year*	Number of UCs Outstanding	Amount (₹ in crore)
Upto 2018-19	3,641	54,102.75
01.04.2019 to 31.08.2020	19,547	45,076.14
Total	23,188	99,178.89

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

During the year 2021-22, 20,960 GIA bills amounting to ₹ 65,015.01 crore were added.

The position of outstanding UCs as on 31.03.2021 was as follows:

Year	Number of UCs Outstanding	Amount (₹ in crore)
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

7.10 Transfer of funds to Personal Deposit (PD) Accounts

The PD accounts enable designated Drawing Officers to incur expenditure for specific purposes pertaining to a scheme.

During 2021-22, an amount of ₹1,249.24 crore was transferred to these PD Accounts. This includes ₹670.23 crore transferred in March 2022, of which, ₹157.80 crore were transferred on the last working day of March 2022.

In terms of Rule 353 of Bihar Treasury Code, 2011, 26 annual verification certificates were furnished to the Treasury officer for onward submission to Principal Accountant General Office (A&E). Information regarding reconciliation of the balances with the Treasury by the PD Administrators is not available with the Office of the Principal Accountant General (Accounts & Entitlement).

Details of the PD accounts as on 31 March 2022 are given below:

Particulars	No. of PD Accounts	Amount
Opening balance	252	3,811.52
Not Migrated in CFMS	5	1.54
Opened during the year	42	40.71
Closed during the year	0	0.00
Receipt during the year	0	1,250.60
Payment during the year	82	1,021.91
Closing balance	212	4,040.21

The Finance Department, Government of Bihar vide its notification No. 2916 dated 03/06/2020, amended Rule 349 of the Bihar Treasury Code 2011, by increasing the period of money lying unspent from “Three Subsequent Financial Years” to “Five Subsequent Financial Years” and treated all PD/PL accounts opened prior to 01/04/2019 as opened on 01/04/2019 as a default under CFMS System. Thus, the inoperative and lapsed PD accounts shall be determined accordingly.

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

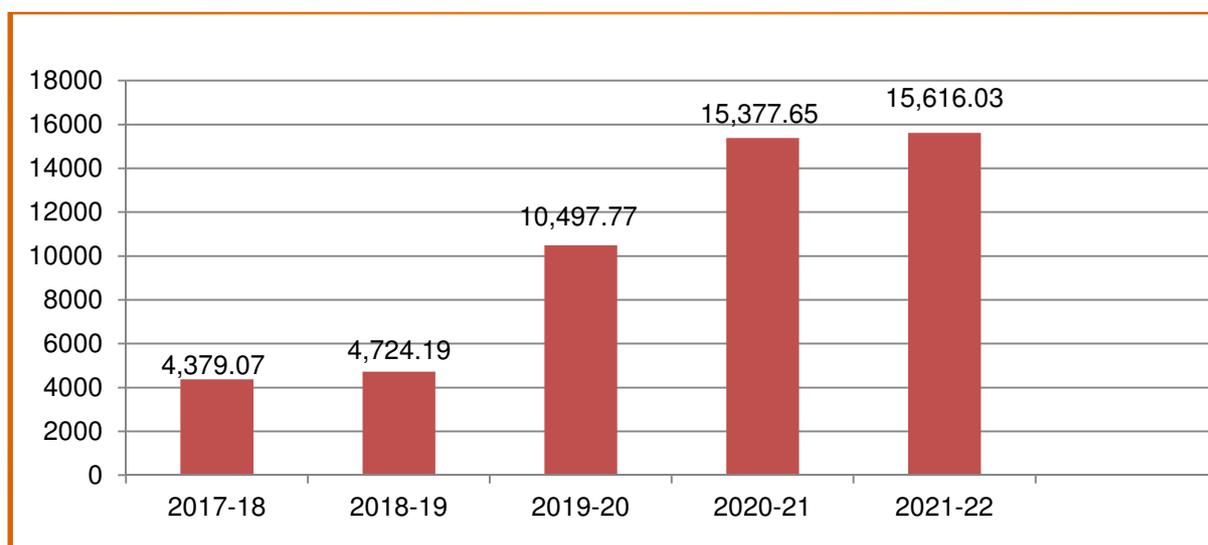
All Controlling Officers are required to reconcile receipts and expenditure of the Government with the figures accounted for by the Principal Accountant General (A&E), Bihar, Patna. During the year 2021-22, receipts amounting to ₹1,33,814.05 crore (84.27 per cent of total revenue receipts) and expenditure amounting to ₹20,606.37 crore (11.27 per cent of total revenue and capital expenditure) were reconciled by the State Government in respect of the RBI transactions.

7.12 Booking of transactions under Suspense Accounts

Office of the Principal Accountant General (A&E) has raised objections in regard to 2,805 vouchers, amounting to ₹2,384.56 crore (Revenue expenditure: ₹812.74 crore and Capital Expenditure: ₹1,571.82 crore), during the year 2021-22. These vouchers have been kept in Suspense Accounts, for want of sanction orders/pension payment documents/running bills/sub-vouchers etc. OB Suspense pertaining to previous years, amounting to ₹2,063.14 crore (Revenue Expenditure: ₹894.86 crore and Capital Expenditure: ₹1,168.28 crore), has been cleared during 2021-22. There is no assurance that the amount of ₹ 321.42 crore has actually been expended, during the financial year, for the purpose for which it was sanctioned/authorised by the Legislature. As such, there is an understatement of expenditure, amounting to ₹321.42 crore (Revenue expenditure: ₹(-)82.12 crore and Capital expenditure: ₹403.54 crore).

7.13 Suspense Accounts Balances

During the past five years, balances under suspense accounts increased from ₹4,379 crore in 2017-18 to ₹15,616 crore in 2021-22.



Details of balances under major suspense accounts for the past 5 years are as under:

(₹ in crore)					
Suspense Accounts	2017-18	2018-19	2019-20	2020-21	2021-22
Pay and Accounts Office Suspense	335.27	314.56	289.24	313.90	365.08
Suspense Accounts (Civil)	3,749.28	3,956.07	9,857.46	14,527.78	14,785.91
Cash Settlement Suspense Accounts	32.29	32.29	32.29	32.29	32.29
Reserve Bank Suspense (Headquarters)	261.88	264.58	274.00	262.63	261.72
Reserve Bank Suspense (Central Accounts Office)	382.10	385.43	299.58	605.60	354.98
Departmental Adjusting Account	104.41	104.41	104.41	104.41	104.41
Tax Deducted at Source (TDS) Suspense	481.00	328.36	327.70	464.67	284.44
Material Purchase Settlement Suspense Accounts	66.11	66.11	66.11	66.11	66.11

7.14 Commitments on account of Incomplete Capital Works

A total expenditure of ₹5,975.43 crore as per Appendix IX in Volume II of the Finance Accounts was incurred up to the year 2021-22 by the State Government on various incomplete projects against an original estimated cost of ₹13,976.41 crore.

A summarized view on commitments on account of 'Incomplete Capital Works' is furnished below:-

(₹ in crore)

Sl. No.	Name of Works Departments	Estimated Cost of Work	Expenditure during the year	Progressive Expenditure during the year	Pending Payments	Estimated Cost after revision
1	Water Resource Department	4,892.51	692.98	1,554.56	831.54	-
2	Public Health Engineering Department	1,274.74	186.41	727.11	495.11	-
3	Building Construction Department	2,968.78	762.62	1,567.67	2,050.76	-
4	Local Area Engineering Organisation	32.47	6.07	17.79	10.19	-
5	Road Construction Department	4,740.44	779.03	2,071.61	1,166.22	-
6	Rural Works Department	67.47	20.18	36.69	4.29	-
Total		13,976.41	2,447.29	5,975.43	4,558.11	-

7.15 Expenditure relating to unforeseen/extraordinary events

During the year 2021-22, the Government of Bihar incurred ₹981.40 crore (₹2,598.65 crore in previous year 2020-21) on relief measures relating to unforeseen/extraordinary events (e.g., COVID-19 Pandemic) under Major Head 2245 as Revenue Expenditure.

The Government received ₹506.31 crore from the Central Government for this purpose, being grants in aid/central assistance etc., which have been accounted for under Major Head 1601 and transferred to Major Head 8121.

7.16 Compliance of Indian Government Accounting Standards (IGASs)

With a view to improving standards of Governmental accounting and financial reporting which will enhance the quality of decision-making and public accountability, the Government Accounting Standards Advisory Board (GASAB) has formulated Indian Government Accounting Standards (IGAS) for cash system of accounting. The IGAS specifies the disclosure requirements in the Financial Statements of the Union and the State Governments. Accordingly, following three IGAS became mandatory from the effective date after their notification by Ministry of Finance, Government of India.

IGAS-1 - Guarantees given by the Government: IGAS-1 requires that sector-wise and class-wise disclosures on Guarantees given by the State Government should be incorporated in Finance Accounts. Statements 9 and 20 show the details of Guarantees given by the State Government and the interest on the Guaranteed amount. Sector-wise and Class-wise details have been disclosed in the NTFA.

The details on Guarantees reported in Statements 9 and 20 prepared as per IGAS 1, are on the basis of the information provided by the State Government.

IGAS-2 - Accounting and Classification of Grants-in-Aid: As per IGAS-2, expenditure relating to Grants-in-aid should be classified as revenue expenditure even if it involves creation of assets, except in cases specifically authorised by the President on the advice of the Comptroller and Auditor General of India. Requirements regarding accounting and classification of Grants-in-aid given by the State Government have been depicted in Statement 10 and Appendix III, which are prepared as per the requirements of IGAS 2. Detailed information in respect of Grants-in-aid given in kind has not been furnished by the State Government.

IGAS-3 - Loans and Advances made by the Government: IGAS-3 requires disclosure on Loans and Advances made by the Union and the State Governments.

Statements 7 and 18 of the Finance Accounts 2021-22 have been prepared incorporating the disclosures under IGAS 3. The details of loan and advances reported in these Statements of the Finance Accounts are based on information received through the accounts rendered to the Pr. Accountant General (A&E) and detailed accounts maintained by the Pr. Accountant General (A&E) in respect of loans and advances made to Government servants. The closing balances depicted in Statements 7 and 18 as on 31 March 2022 have not been reconciled with the Loanee Entities/State Government. The State Government has also not furnished the figures in respect of certain loans and advances for which they maintain detailed accounts. Amount mentioned in financial year 2021-22 in Statements 7 and 18 have not been reconciled by the State Government.

Details of information awaited from Departmental/Treasury Officers for Reconciliation of Balances have been provided in Appendix-VII of Finance Accounts-Vol-II.

**© COMPTROLLER AND
AUDITOR GENERAL OF INDIA
2022
www.cag.gov.in**



<https://cag.gov.in/ae/bihar/en>