



सत्यमेव जयते

ACCOUNTS AT A GLANCE 2017-18



लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest



Government of Bihar

ACCOUNTS AT A GLANCE

for the year 2017-18

Government of Bihar

P R E F A C E

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 facets of the finances of the Government of Bihar.

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


Mani K.

Accountant General (A&E)
Bihar, Patna

Place: Patna

Date: 02 August 2019

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.

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 core values :

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



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OVERVIEW

1.1 Introduction

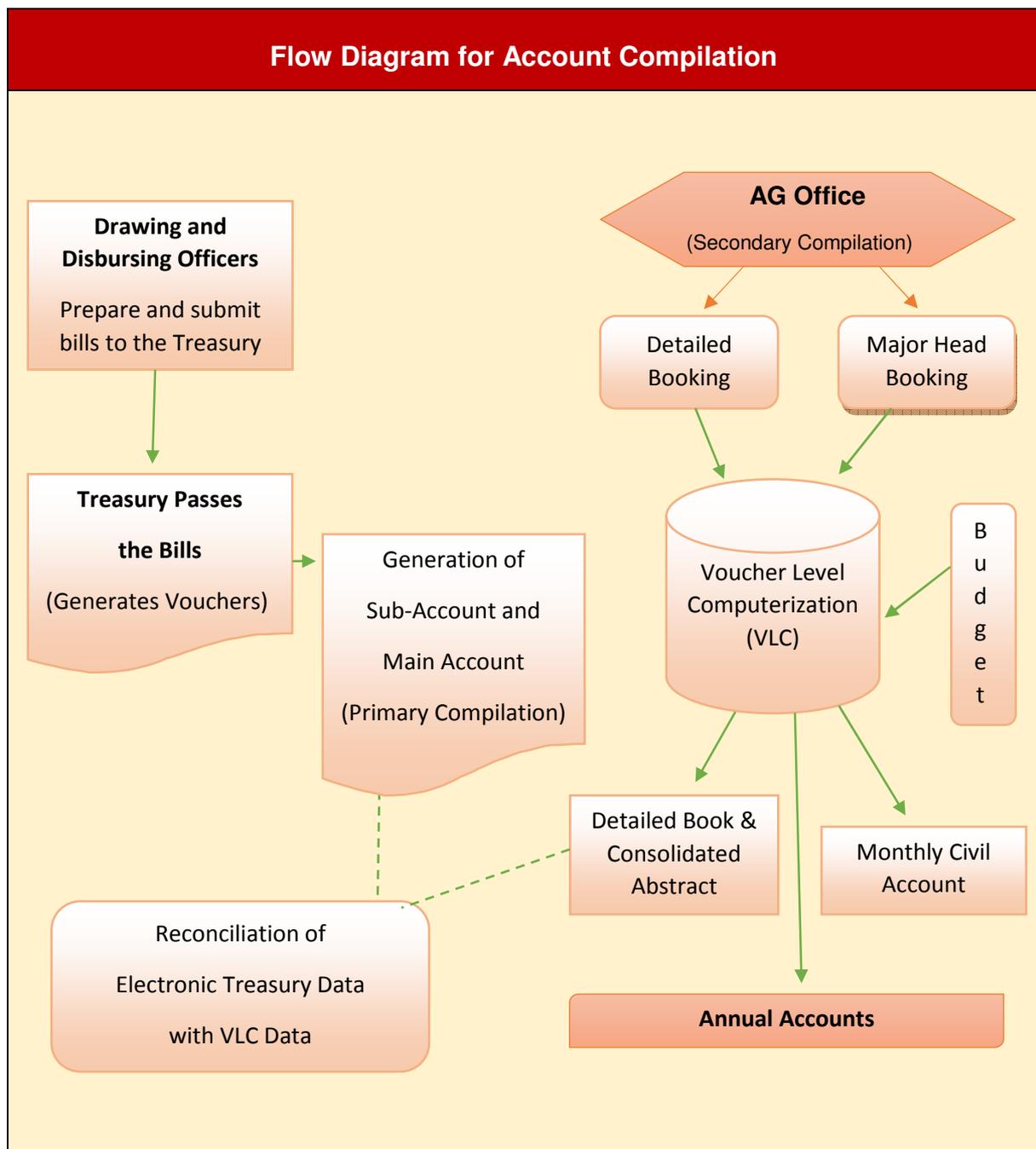
The Accountant General (Accounts and Entitlement), Bihar collates, classifies, compiles the accounts data rendered by multiple agencies, and prepares the accounts of the Government of Bihar. The compilation is done from the initial accounts rendered by the Treasuries, Public Works & Forest Divisions, accounts rendered by the other states/accounting offices through their monthly accounts and advices of the Reserve Bank of India. Every month a Monthly Civil Account is presented by the office of the Accountant General (A&E) to the Government of Bihar. The year long 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.

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).

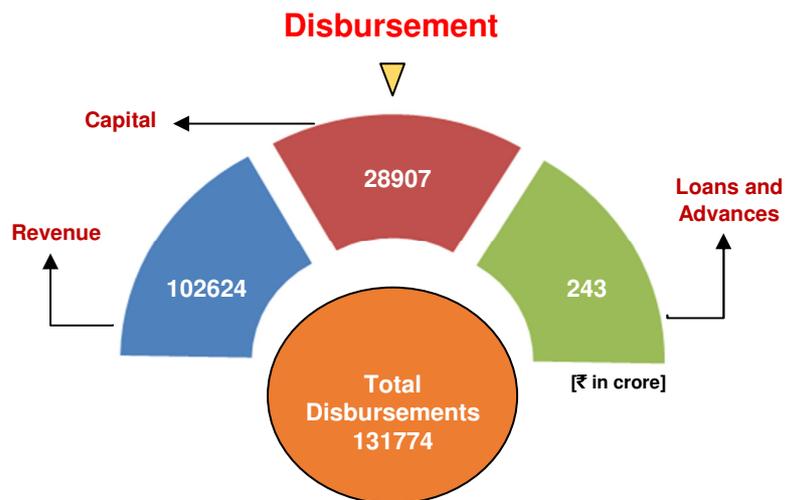
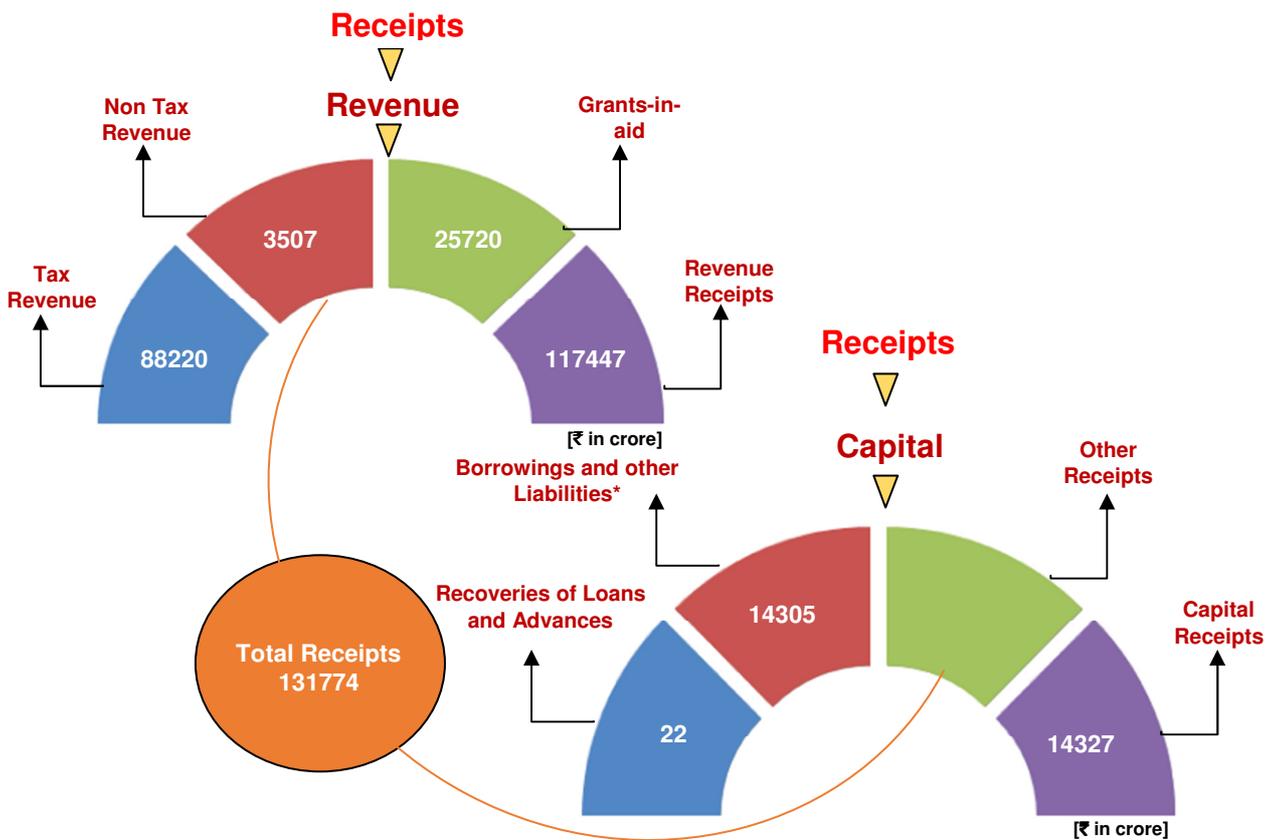
The Union Government transfers substantial funds directly to State Implementing Agencies / NGOs for implementation of various schemes and programmes. During the year 2017-18, the Government of India (GoI) released ₹ 7,953 crore directly (₹ 2,538 crore last year) to the implementing agencies in Bihar. 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 2017-18.

	Budget Estimate	Actuals	Percentage of actuals to B.E.	Percentage of actuals to GSDP (*)
	(₹ in crore)			
1. Tax Revenue (including Central Share)	97,327	88,220	91	18
2. Non-Tax Revenue	2,875	3,507	122	1
3. Grant-in-aid and Contributions	36,956	25,720	70	5
4. Revenue Receipts (1+2+3)	1,37,158	1,17,447	86	24
5. Recovery of Loans and Advances	18	22	122	0
6. Other Receipts	-	-	-	-
7. Borrowings and other Liabilities	18,112	14,305	79	3
8. Capital Receipts (5+6+7)	18,130	14,327	79	3
9. Total Receipts (4+8)	1,55,288	1,31,774	85	27
10. Revenue Expenditure	1,22,603	1,02,624	84	21
11. Expenditure on Interest Payments (out of Revenue Expenditure)	9,591	9,141	95	2
12. Capital Expenditure	32,195	28,907	90	6
13. Loans and Advances Disbursed	490	243	50	0
14. Total Expenditure (10+12+13)	1,55,288	1,31,774	85	27
15. Revenue Surplus (4-10)	14,555	14,823	102	3
16. Fiscal Deficit (4+5-14)	18,112	14,305	79	3

* GSDP of 2017-18 was ₹4,87,628 crore.

Receipts and disbursement in year 2017-18



* 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, 2017-18, had provided for gross expenditure of ₹ 1,87,344 crore and reduction of expenditure (recoveries) of ₹ 0.01 lakh. Against this, the actual gross expenditure was ₹ 1,40,947 crore and reduction of expenditure was ₹ 4,519 crore, resulting in net savings of ₹ 53,370 crore (27.47 per cent) and an under-estimation of ₹ 4,519 crore on reduction of expenditure. The gross expenditure includes ₹ 2,907 crore drawn on Abstract Contingent (AC) Bills, out of which ₹ 2,904 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 2017-18, 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 2017-18, the Government of Bihar had maintained the minimum balance without taking any advance.

1.4.3 Funds flow statement

The State had a Revenue Surplus of ₹ 14,823 crore and a Fiscal Deficit of ₹ 14,305 crore representing 3.04 per cent and 2.93 per cent of the Gross State Domestic Product (GSDP). The Fiscal Deficit constituted 10.86 per cent of total expenditure. This deficit was met from Public Debt (₹ 8,515 crore), surplus in Public Account ₹ 5,722 crore and net of opening and closing cash balance ₹ 68 crore. A sum of ₹ 41,213 crore which was 35 per cent of the revenue receipts (₹ 1,17,447 crore) of the State Government was spent on committed expenditure like salaries (₹ 17,779 crore), interest payments (₹ 9,141 crore) and pension (₹ 14,293 crore).

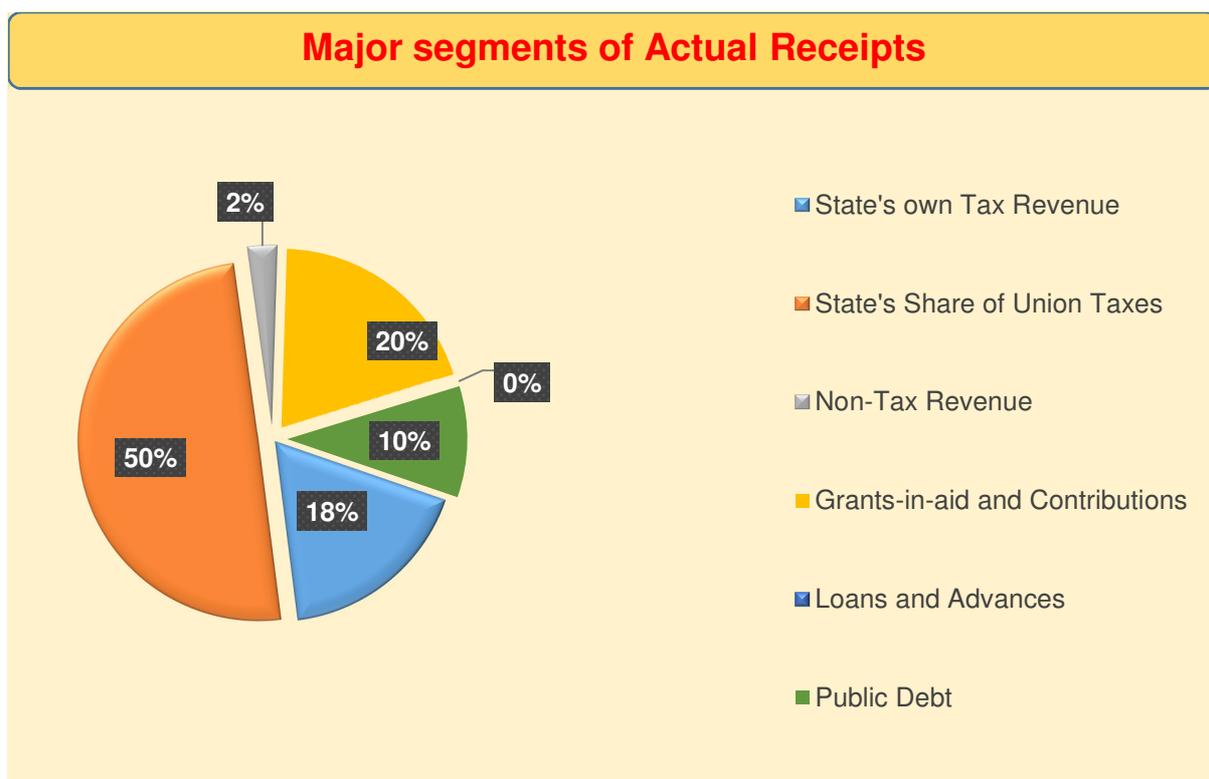
Sources and Application of Funds

(₹ in crore)

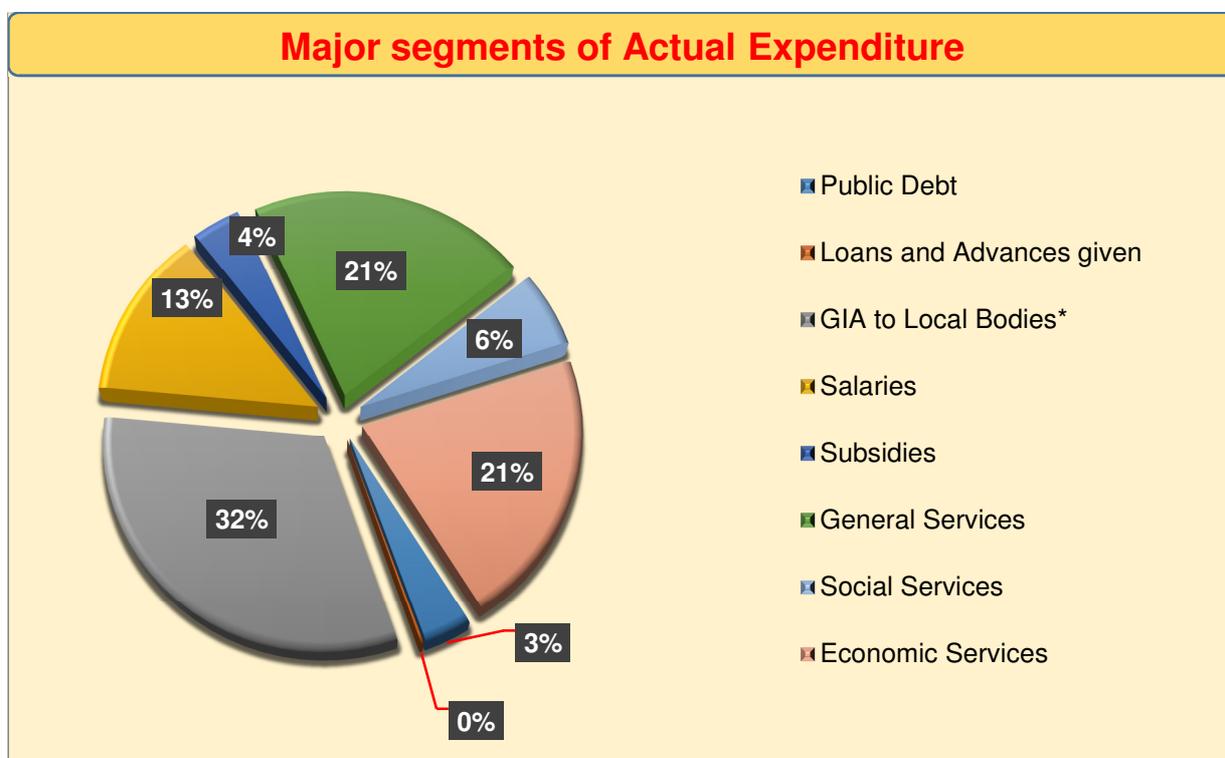
SOURCES	Particulars	
	Opening Reserve Bank Cash Balance as on 1 April 2017	
Revenue Receipts		1,17,447
Recovery of Loans & Advances		22
Public Debt		13,169
Small Savings, Provident Fund & Others		1,844
Reserves & Sinking Funds		1,415
Deposits Received		42,984
Civil Advances Repaid		196
Suspense Account		3,88,812
Remittances		9,863
Contingency Fund		0
Total		5,75,867

APPLICATION	Revenue Expenditure	1,02,624
	Capital Expenditure	28,907
	Loans Given	243
	Repayment of Public Debt	4,654
	Small Savings, Provident Fund and Others	1,924
	Reserves & Sinking Funds	2,111
	Deposits Spent	32,668
	Civil Advances Given	198
	Suspense Account	3,92,626
	Remittances	9,865
	Closing Reserve Bank Cash Balance as on 31 March 2018	47
	Total	5,75,867

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 2017-18

	Budget Estimate (B.E.) 2017-18	Actuals	Percentage of actuals to B.E.	Percentage of actuals to GSDP (\$)
	(₹ in Crore)			
1. State's own Tax Revenue	32,001	23,137	72	5
2. State's Share of Union Taxes	65,326	65,083	100	13
3. Non-Tax Revenue	2,875	3,507	122	1
4. Grant-in-aid and Contributions	36,956	25,720	70	5
5. Revenue Receipts (1+2+3+4)	1,37,158	1,17,447	86	24
6. Other Receipts	-	-	-	-
7. Recovery of Loans and Advances	18	22	122	0
8. Borrowings and other Liabilities (A)	18,112	14,305	79	3
9. Capital Receipts (6+7+8)	18,130	14,327	79	3
10. Total Receipts (5+9)	1,55,298	1,31,774	85	27
11. Establishment & Committed Expenditure (*)	74,031	66,747	90	14
12. Revenue Account	73,952	66,673	90	14
13. Interest Payments out of 12	9,591	9,141	95	2
14. Capital Account	69	74	107	0
15. Scheme Expenditure (*)	81,267	65,027	80	13
16. Revenue Account	48,651	35,951	74	7
17. Capital Account	32,616	29,076	89	6
18. Total Expenditure (11+15)	1,55,298	1,31,774	85	27
19. Revenue Expenditure (12+16)	1,22,603	1,02,624	84	27
20. Capital Expenditure (14+17) (#)	32,685	29,150	89	6
21. Revenue Surplus (5-19) (@)	14,555	14,823	102	3
22. Fiscal Deficit (5+6+7-18) (@)	18,112	14,305	79	3

(\$) Gross State Domestic Product (GSDP) figure of ₹ 4,87,628 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 (₹ 28,907 crore), Loans and Advances disbursed (₹ 243 crore).

(*) Includes ₹ 33 crore under Establishment and Committed Expenditure and ₹ 210 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 Surplus 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 Fiscal Responsibility and Budget Management Act, 2006

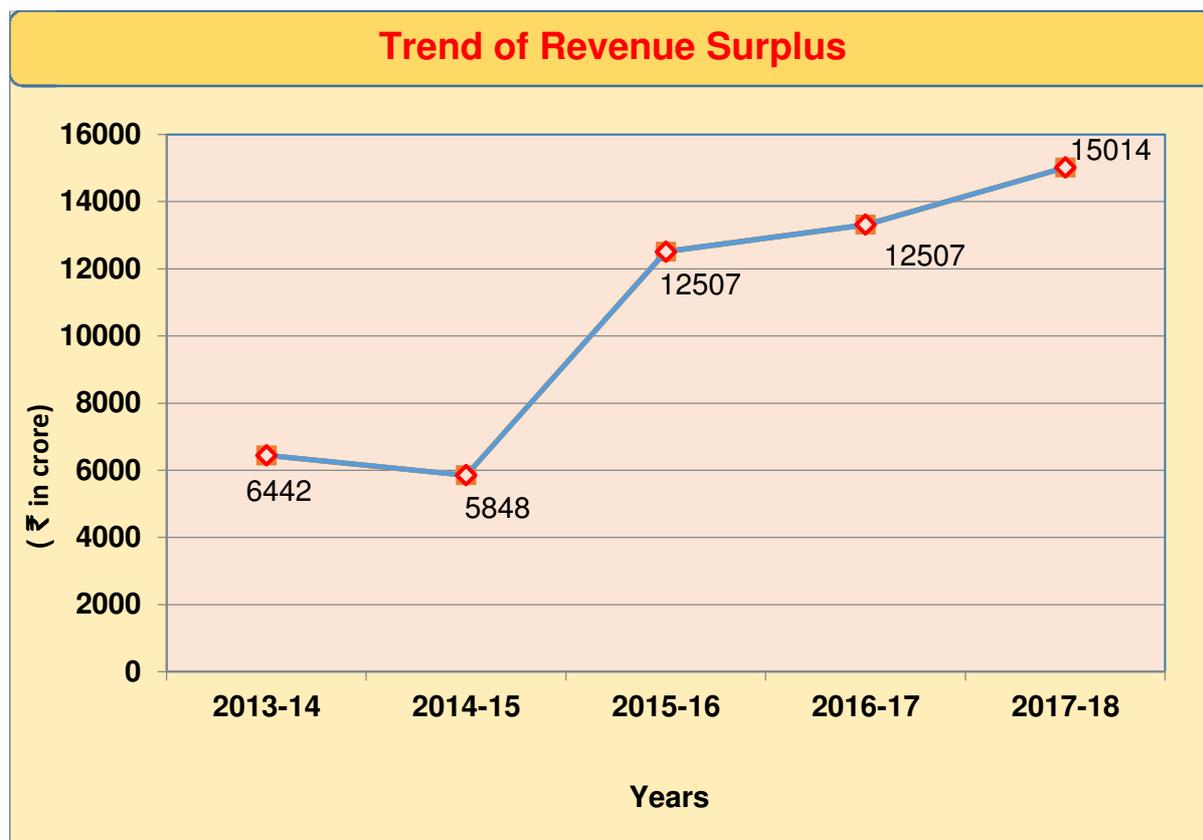
Targets fixed by the State Government in the Bihar Fiscal Responsibility and Budget Management Act, 2006, read with the Bihar Fiscal Responsibility and Budget Management (Amendment) Act 2016, and the achievements as per the accounts of 2017-18 are given below:

Sl. No.	Targets	Achievements
1	Attain Revenue Surplus in 2007-08 and maintain surplus thereafter.	The State Government achieved Revenue Surplus for the last seven years. The Revenue surplus (without UDAY) for the year 2017-18 stood at ₹ 15,014.37 crore (3.08 <i>per cent</i> of GSDP). However, It would be ₹ 14,823.01 crore (3.04 <i>per cent</i> of GSDP) if expenditure under UDAY is considered.
2	Bring the Fiscal Deficit / Gross State Domestic Product (GSDP)* ratio to 3.00 <i>per cent</i> in 2011-12 and maintain this upto 2017-18.	The Fiscal Deficit (₹ 14,113.47 crore) was 2.89 <i>per cent</i> of GSDP during 2017-18 (without UDAY). However, It would be (₹ 14,304.83 crore) 2.93 <i>per cent</i> of GSDP during 2017-18 if expenditure under UDAY is considered.
3	Bring Debt as <i>per cent</i> of Gross State Domestic Product (GSDP) in the financial year 2017-18 to 23.60 <i>per cent</i> .	Debt and outstanding liability (₹ 1,54,444.99 crore) (without UDAY) was 31.67 <i>per cent</i> of Gross State Domestic Product (GSDP) estimate during 2017-18. However, It would be (₹ 1,56,776.77 crore) 32.15 <i>per cent</i> of GSDP if borrowings under UDAY is considered.
4	Raise total Tax Revenue Collection as <i>per cent</i> of Gross State Domestic Product (GSDP) in the financial year 2017-18 to 15.40 <i>per cent</i> .	The total Tax Revenue Collection (₹ 88,219.87 crore) was 18.09 <i>per cent</i> of Gross State Domestic Product (GSDP) estimate during 2017-18.

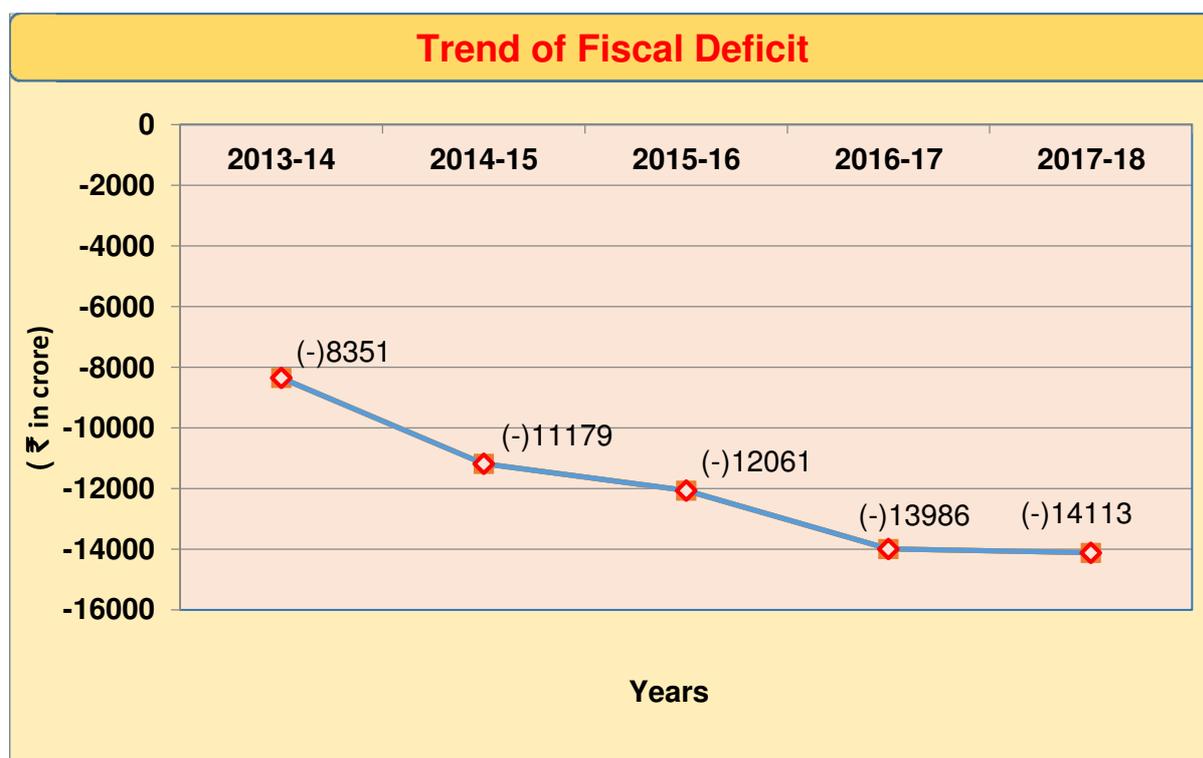
*Source: Planning and Development Department (Economics and Statistics Directorate), Bihar letter No र०आ० (रा.घ.उ.)-04/2016/894/पटना dated 06-08-2018. GSDP figures for Bihar assumed ₹ 4,87,628 crore for the year 2017-18 adopted in NTA for FRBM target achievement calculation.

The State Government has however, not yet framed rules under the BFRBM Act.

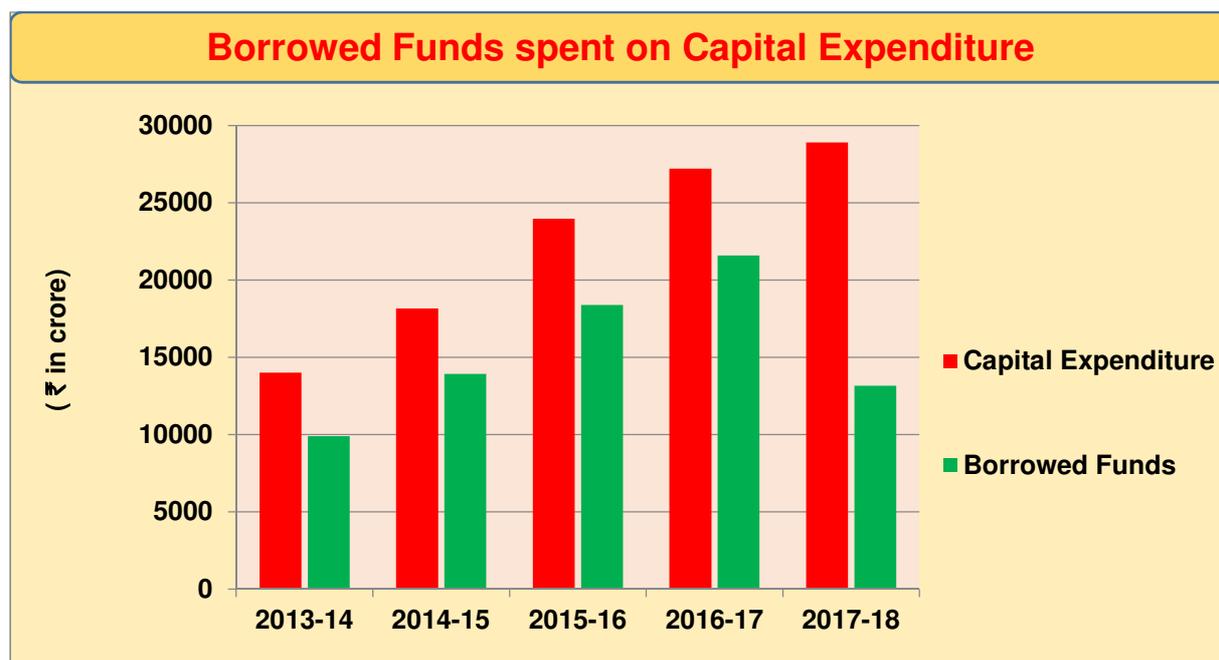
1.6.1 Trend of Revenue Deficit / Surplus (Excluding UDAY)



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 (₹ 28,907 crore) from borrowing of the current year (₹ 13,369 crore) and revenue surplus (₹14,823 crore) during the year 2017-18.

CHAPTER II

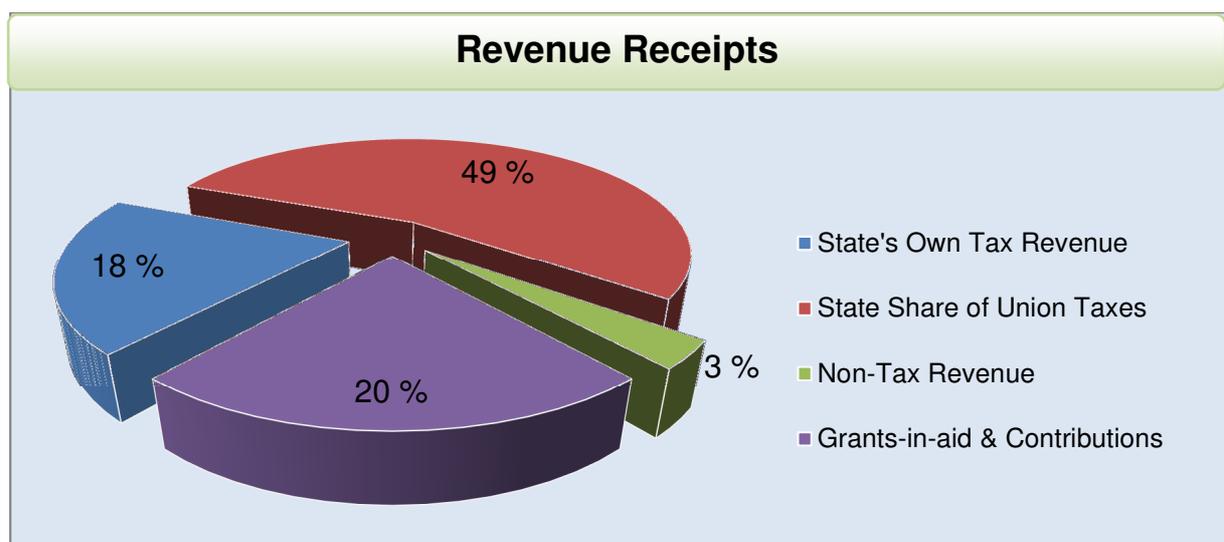
RECEIPTS

2.1 Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts according to the nature of receipts. Total Receipts for 2017-18 were ₹ 1,31,774 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 (2017-18)

(*₹ in crore*)

Components	Actuals
A. Tax Revenue	88,220
State's own Tax Revenue	23,137
Goods and Services Tax	6,747
Taxes on Income and Expenditure	87
Taxes on Property and Capital Transactions	4,504
Taxes on Commodities and Services	11,799
State's share of Union Taxes	65,083
Goods and Services Tax	7,497
Taxes on Income and Expenditure	36,770
Taxes on Property and Capital Transactions	(-) ¹
Taxes on Commodities and Services	20,817
B. Non-Tax Revenue	3,507
Interest Receipts, Dividends and Profits	1,579
General Services	474
Social Services	124
Economic Services	1,330
C. Grants-in-aid and Contributions	25,720
Total - Revenue Receipts	1,17,447

2.3 Trend of Revenue Receipts

(₹ in crore)

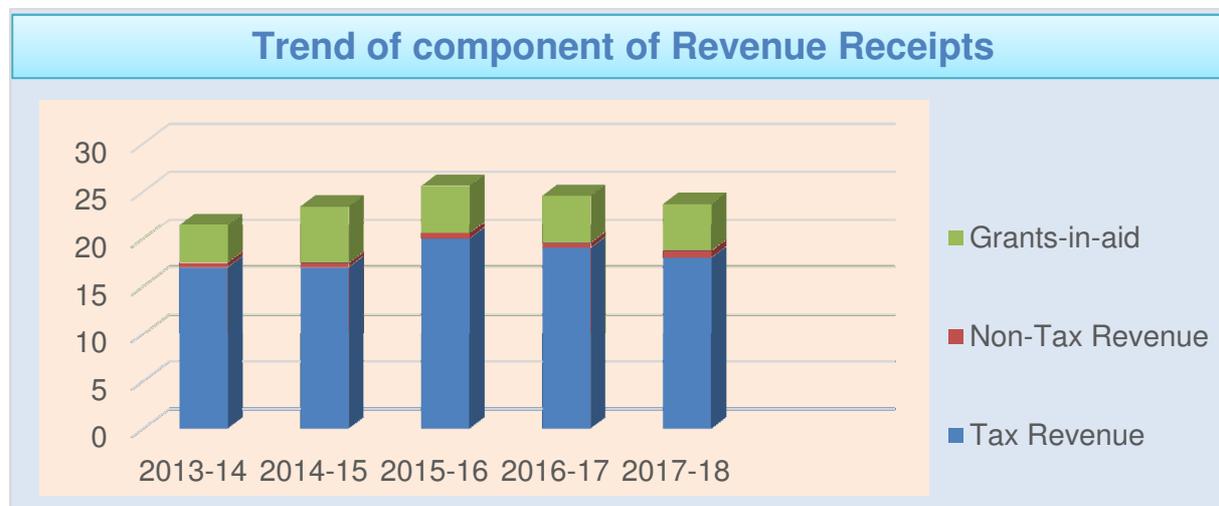
	2013-14	2014-15	2015-16	2016-17	2017-18
Tax Revenue	54,790 (17)	57,713 (17)	74,372 (20)	82,623 (19)	88,220 (18)
Non-Tax Revenue	1,545 (0.49)	1,558 (0.45)	2,186 (0.59)	2,403 (0.56)	3,507 (0.72)
Grants-in-aid	12,584 (4)	19,146 (6)	19,565 (5)	20,559 (5)	25,720 (5)
Total Revenue Receipts	68,919 (22)	78,417 (23)	96,123 (26)	1,05,585 (25)	1,17,447 (24)
GSDP	3,17,101	3,42,951	3,69,469	4,25,888	4,87,628

Note: Figures in parentheses represent percentage to GSDP.

Though the GSDP increased by 14% between 2016-17 and 2017-18, Revenue collection increased by 11%, Tax revenue increased by 7% and Non-Tax revenue increased by 46% in 2017-18 with comparison to 2016-17. The increase in Non-tax revenues was mainly on account of significant collections under:

- ‘Interest Receipts’ (₹ 1,577 crore),
- ‘Non-ferrous Mining and Metallurgical Industries (₹ 1,082 crore)
- ‘Contributions and Recoveries towards Other retirement benefits’ (₹ 203 crore)’ and
- ‘Public Service Commission (₹ 130 crore)’.

Further collection under ‘Education, Sports, Art and Culture’ and Medical and Public Health were ₹ 21 crore and ₹ 55 crore respectively in 2017-18 against ₹ 17 crore and ₹ 40 crore in 2016-17. The State’s own revenue under ‘Stamps and Registration Fees (₹ 3,726 crore) and ‘Taxes on Vehicles (₹ 1,600 crore) showed a increasing growth.

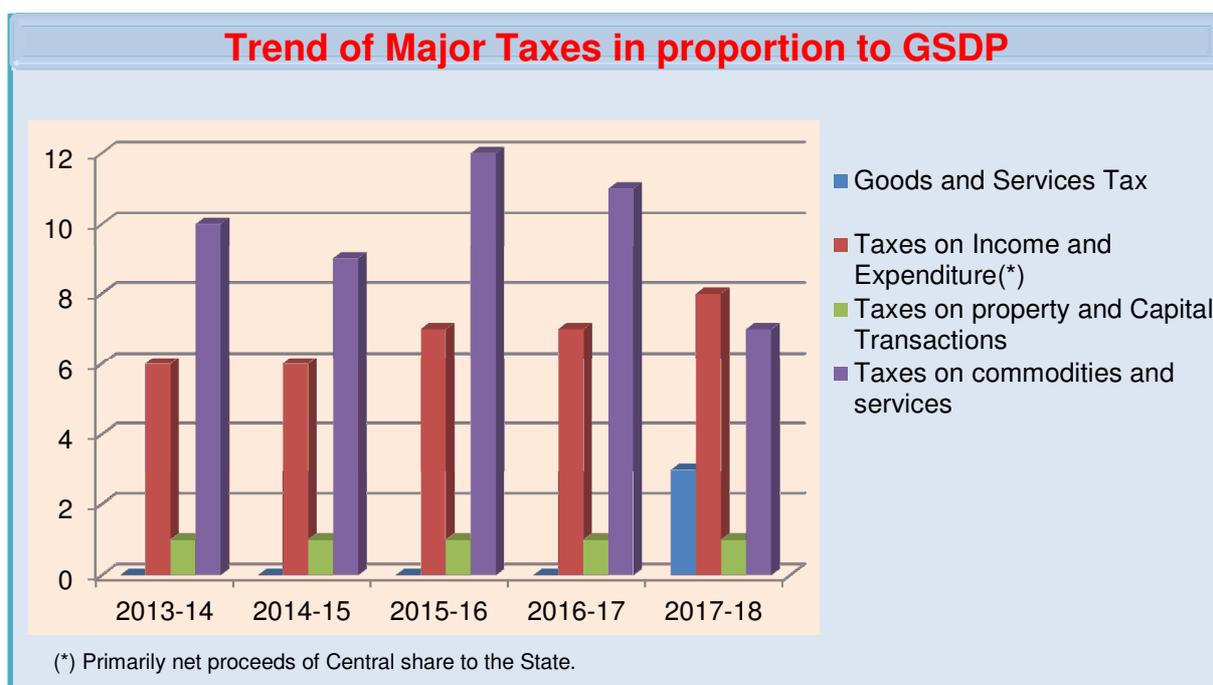


Sector-wise Tax Revenue

(₹ in crore)

	2013-14	2014-15	2015-16	2016-17	2017-18
Goods and Services Tax	0	0	0	0	14,244
Taxes on Income and Expenditure	19,474	22,180	26,085	32,097	36,857
Taxes on Property and Capital Transactions	2,946	3,011	4,108	3,996	4,503
Taxes on Commodities and Services	32,370	32,522	44,179	46,530	32,616
Total Tax Revenue	54,790	57,713	74,372	82,623	88,220

The increase in total tax revenue is mainly attributed to higher collection under 'Goods and Services Tax' (₹ 14,244 crore), 'Corporation Tax' (₹ 19,936 crore), 'Taxes on Income other than Corporation Tax' (₹ 16,834 crore) and 'Taxes on Vehicles' (₹ 1,600 crore).



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
2013 - 14	54,790	34,829	19,961	6.29%
2014 - 15	57,713	36,963	20,750	6.05%
2015 - 16	74,372	48,923	25,449	6.89%
2016 - 17	82,623	55,881	23,742	5.57%
2017 - 18	88,220	65,083	23,137	4.74%

The proportion of the State's own Tax Revenue to GSDP is perceptibly lower than the target of 6.40 *per cent* recommended by the 14th Finance Commission. While the percentage of "State share of Union taxes" to GSDP has increased from 10.98% in 2013-14 to 13.35% in 2017-18, the percentage of "State's own tax revenue" to GSDP has declined to 4.74% from 5.57% during the same period.

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

(₹ in crore)

Taxes	2013-14	2014-15	2015-16	2016-17	2017-18
Taxes on Sales, Trade etc.	8,453	8,607	10,603	11,873	8,298
State Goods and Services Tax	0	0	0	0	6,747
Stamps and Registration Fees	2,712	2,699	3,409	2,982	3,726
Taxes on Goods and Passengers	4,349	4,451	6,087	6,246	1,645
Taxes on Vehicles	837	964	1,081	1,257	1,599
Land Revenue	202	277	695	971	778
Other Taxes on Income and Expenditure	48	55	65	79	87
State Excise	3,168	3,217	3,142	29	(-)3
Others	192	480	367	305	260
Total State's own Taxes	19,961	20,750	25,449	23,742	23,137

2.5 Efficiency of Tax Collection

A. Goods and Services Tax

(₹ in crore)

	2013-14	2014-15	2015-16	2016-17	2017-18
Revenue Collection	0	0	0	0	14,244
Expenditure on Collection	0	0	0	0	72
Efficiency of Tax Collection	0	0	0	0	0.5%

B. Taxes on Property and Capital Transactions

(₹ in crore)

	2013-14	2014-15	2015-16	2016-17	2017-18
Revenue Collection	2,946	3,011	4,108	3,996	4,503
Expenditure on Collection	526	511	486	477	564
Efficiency of Tax Collection	18%	17%	12%	12%	13%

C. Taxes on Commodities and Services

(₹ in crore)

	2013-14	2014-15	2015-16	2016-17	2017-18
Revenue Collection	32,370	32,522	44,179	46,530	32,615
Expenditure on Collection	146	185	180	256	289
Efficiency of Tax Collection	0.45%	0.57%	0.41%	0.55%	0.89%

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

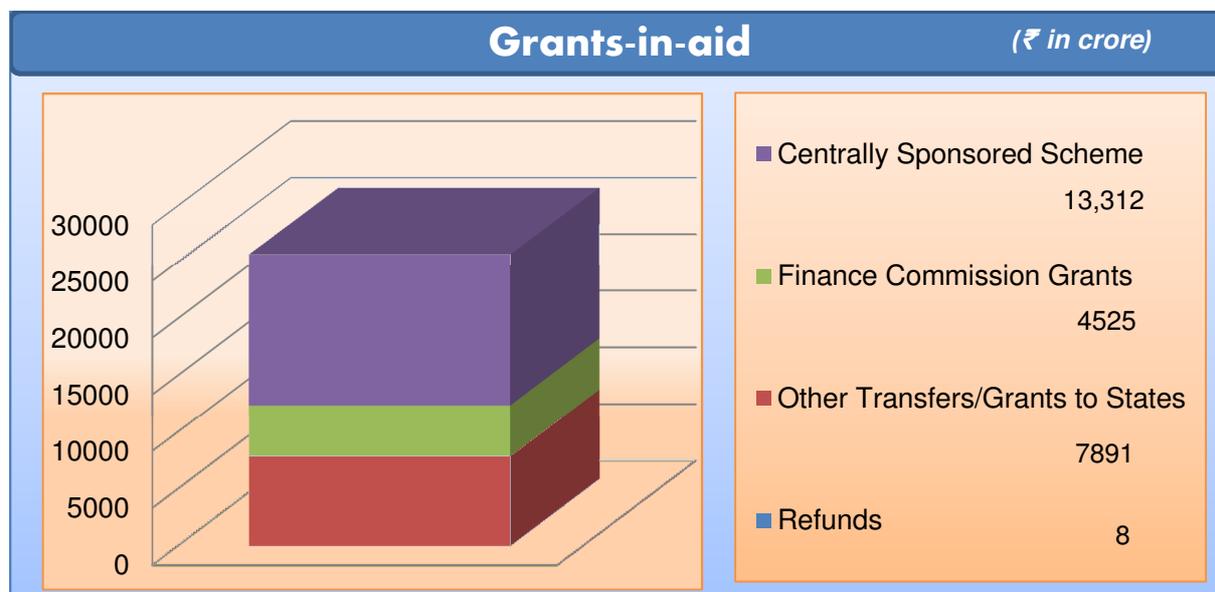
2.6 Trend in State's Share of Union Taxes over the past five years

(₹ in crore)

	2013-14	2014-15	2015-16	2016-17	2017-18
Goods and Services Tax	0	0	0	0	7,497
Corporation Tax	11,713	12,908	15,378	18,889	19,936
Taxes on Income other than Corporation Tax	7,713	9,217	10,643	13,128	16,834
Taxes on Wealth	32	35	4	43	(-)1
Customs	5,683	5,978	7,850	8,126	6,570
Union Excise Duties	4,014	3,376	6,577	9,279	6,868
Service Tax	5,674	5,449	8,430	9,416	7,379
Other Taxes and Duties on Commodities and Services	--	--	--	--	--
State Share of Union Taxes	34,829	36,963	48,923	58,881	65,083
Total Tax Revenue	54,790	57,713	74,372	82,623	88,220
% of Union Taxes to Total Tax Revenue	64	64	66	71	74
% of Share of Union Taxes to GSDP	11	11	13	14	13

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 2017-18 under Grants-in-aid were ₹ 25,720 crore as shown below :-



The grants-in-aid increased by 25 per cent in 2017-18 as compared to 2016-17. As against a Budget Estimate (BE) of ₹ 36,956 crore of grants-in-aid, the State Government has actually received ₹ 25,720 crore of Grants-in-aid (70 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

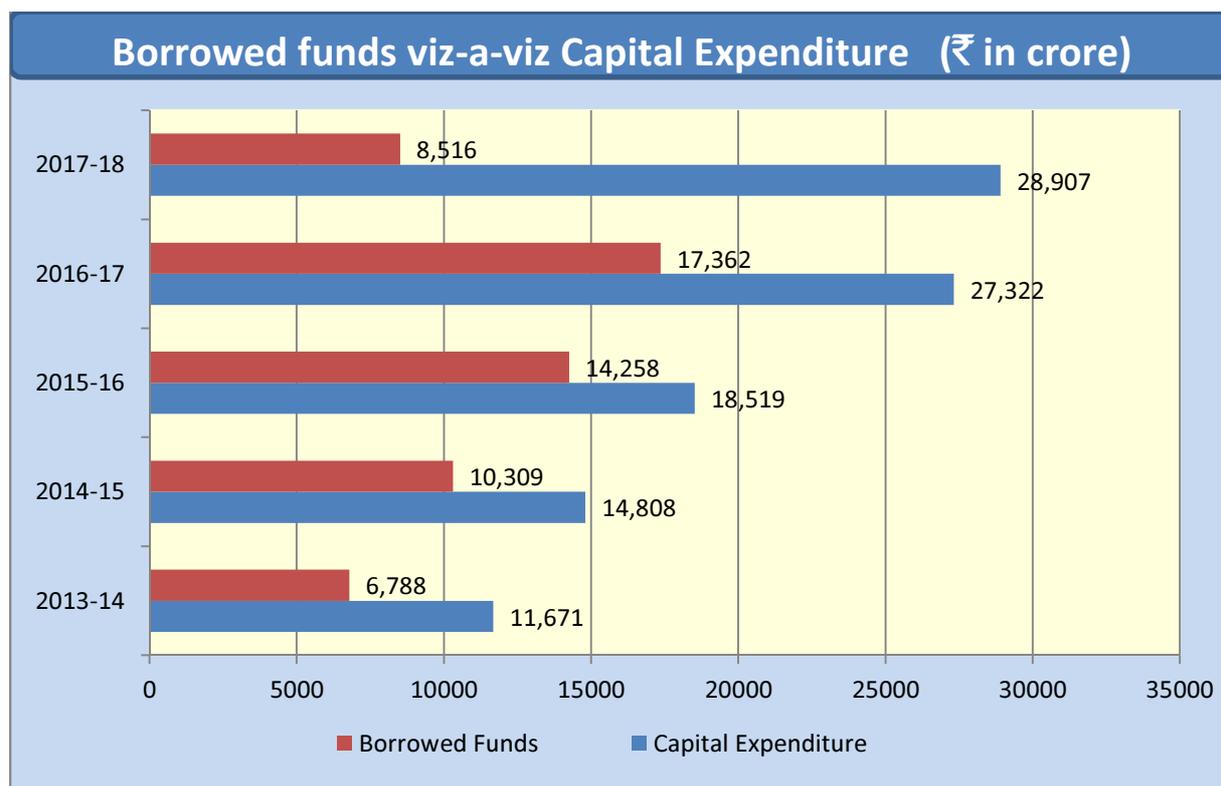
(₹ in crore)

	2013-14	2014-15	2015-16	2016-17	2017-18
Internal Debt	6,799	10,224	14,142	16,604	7,930
Central Loans	(-)11	85	116	758	586
Total Public Debt	6,788	10,309	14,258	17,362	8,516

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

Six loans totalling ₹ 10,000 crore at interest rates varying from 7.74 *per cent* to 8.36 *per cent* and redeemable in the years 2028-29 were raised at par during 2017-18.

Against the total internal debt of ₹ 11,771 crore of the State Government in 2017-18 plus the Central loan component of ₹ 1,399 crore received during this period, capital expenditure was ₹ 28,907 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 ₹ 1,02,624 crore for 2017-18 fell short of budget estimates by ₹ 19,979 crore. Revenue Expenditure was 27 per cent of the GSDP in 2017-18. Expenditure was less by ₹ 12,700 crore under Scheme Expenditure and ₹ 7,279 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)

	2013-14	2014-15	2015-16	2016-17	2017-18
Budget Estimates	73,258	91,765	91,209	1,09,941	1,22,603
Actuals	62,477	72,570	83,616	94,765	1,02,624
Gap	10,781	19,195	7,593	15,176	19,979
% of gap over BE	15	21	8	16	16

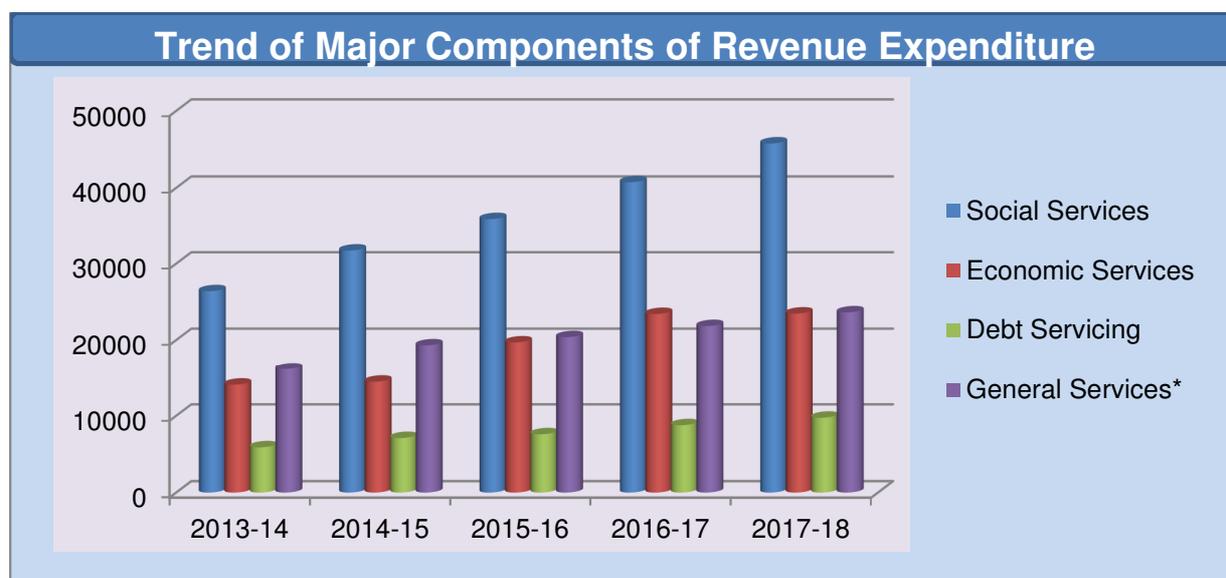
The State is unable to spend whatever has been budgeted, though the resources were available. The percentage of gap of actual expenditure to budgeted expenditure is at 16 indicating the need to accelerate the pace of developmental expenditure.

3.2.1 Sectoral distribution of Revenue Expenditure (2017-18)

Components	Amount (₹ in crore)	Percentage
A. General Services	33,374	32
B. Social Services	45,770	45
C. Economic Services	23,476	23
D. Grants-in-aid and Contributions	4	-
Total - Expenditure (Revenue Account)	1,02,624	100

3.2.2 Major components of Revenue Expenditure (2013-17)

(₹ 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 2017-18 was ₹ 29,150 crore which was 6 per cent of GSDP. It was less than Budget Estimates by ₹ 3,535 crore.

3.3.1 Sectoral distribution of Capital Expenditure

During 2017-18, the Government spent ₹ 1,378 crore on various Projects (₹ 1,248 crore on Major Irrigation and ₹ 130 crore on Minor Irrigation), ₹ 1,288 crore on Flood Control Projects and ₹ 6,931 crore on Power Projects. Apart from above, the Government invested ₹ 7,121 crore in various Corporations/Companies/Societies.

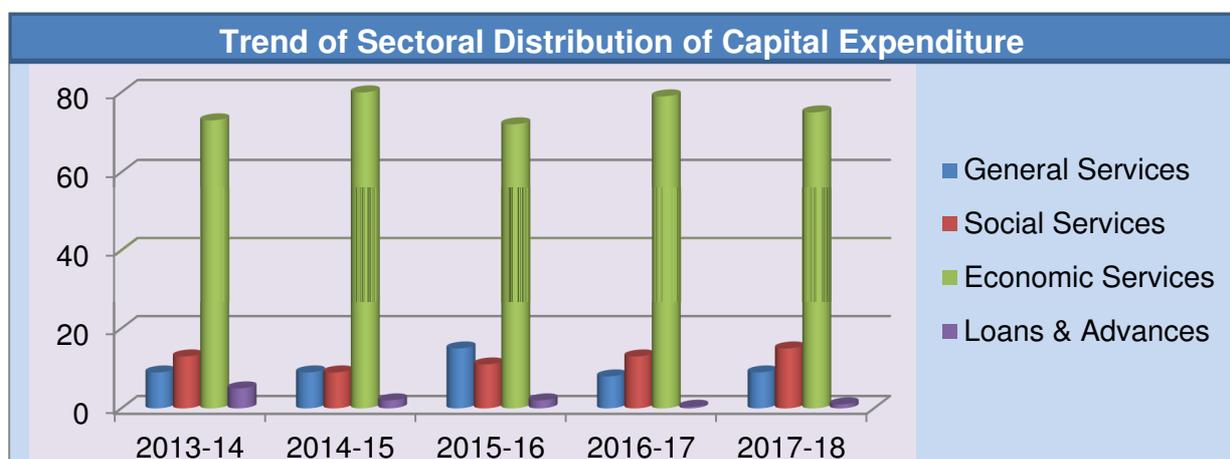
(₹ in crore)

Sl. No.	Sector	Amount	Percentage
1.	General Services - Police, Land Revenue etc.	2,765	9
2.	Social Services - Education, Health & Family Welfare Water Supply, Welfare of SC/ST etc.	4,258	15
3.	Economic Services - Agriculture, Rural Development Irrigation, Co-operation, Energy, Industries, Transport etc.	21,884	75
4.	Loans and Advances Disbursed	243	1
	Total	29,150	100

3.3.2 Sectoral distribution of capital expenditure over the past 5 years

(₹ in crore)

Sl. No.	Sector	2013-14	2014-15	2015-16	2016-17	2017-18
1.	General Services	1,332	1,749	3,617	2,090	2,765
2.	Social Services	1,858	1,673	2,740	3,592	4,258
3.	Economic Services	10,811	14,728	17,609	21,526	21,884
4.	Loans and Advances	807	369	621	114	243
	Total	14,808	18,519	24,587	27,322	29,150



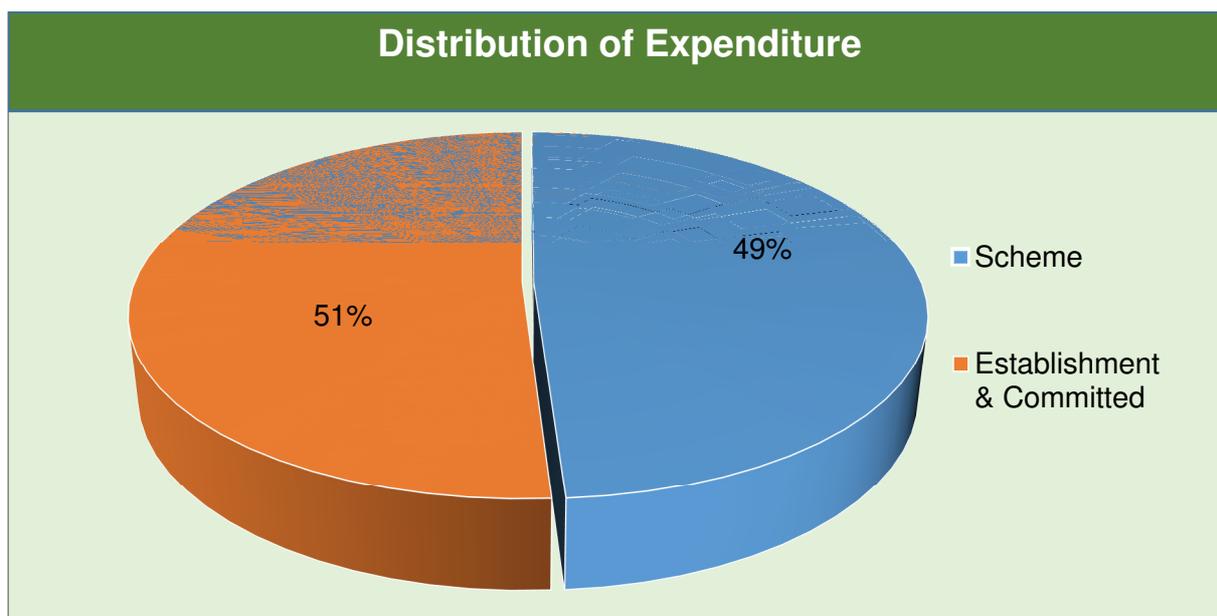
CHAPTER IV

ESTABLISHMENT & COMMITTED AND SCHEME EXPENDITURE

4.1 Distribution of Expenditure (2017-18)

(₹ in crore)

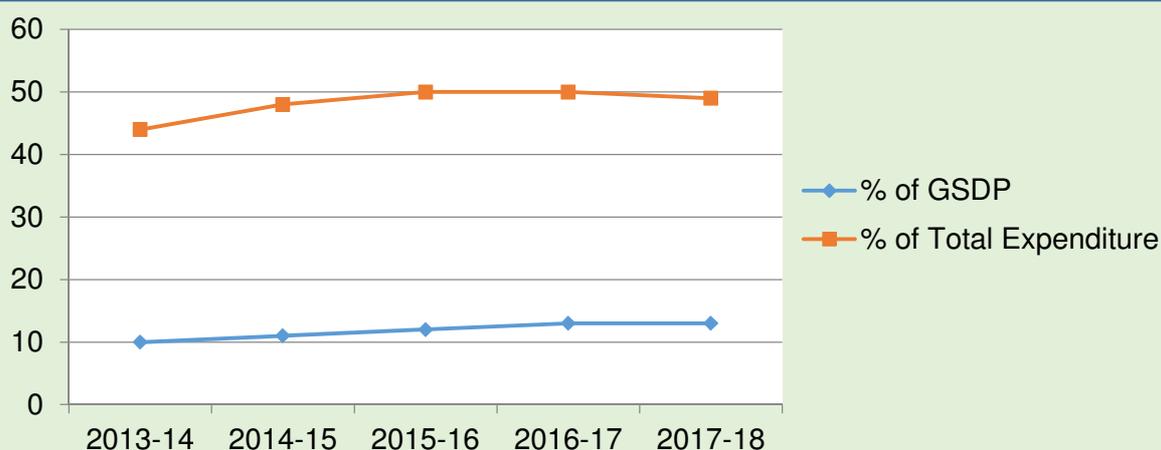
	Actual Expenditure
Scheme Expenditure (both revenue and capital)	65,027
Establishment & Committed Expenditure (both revenue and capital)	66,747



4.2 Scheme Expenditure

Scheme expenditure (both revenue and capital) during 2017-18 was ₹ 65,027 crore, constituting 49 *per cent* of total disbursements of ₹ 1,31,774 crore. This comprised, ₹ 32,468 crore under State Schemes, ₹ 31,464 crore under Centrally Sponsored Schemes, ₹ 885 crore under Central Area Schemes and ₹ 210 crore under Loans and Advances.

Scheme Expenditure as proportion of total expenditure and GSDP



4.2.1. Plan expenditure under Capital Account

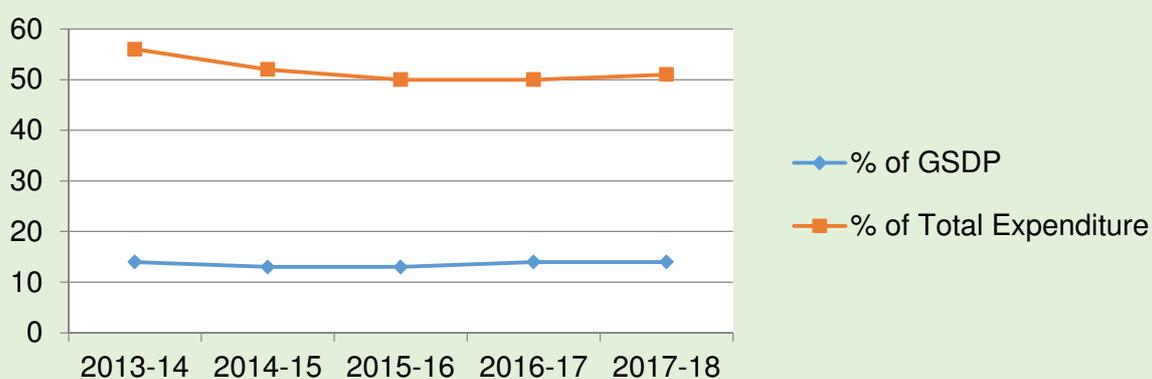
(₹ in crore)

	2013-14	2014-15	2015-16	2016-17	2017-18
Total Capital Expenditure	14,808	18,519	24,587	27,322	29,150
Capital Expenditure (Scheme)	14,602	18,428	24,082	27,264	29,076
Per cent of Capital Expenditure (Scheme) to Total Capital Expenditure	99	99	98	99	99

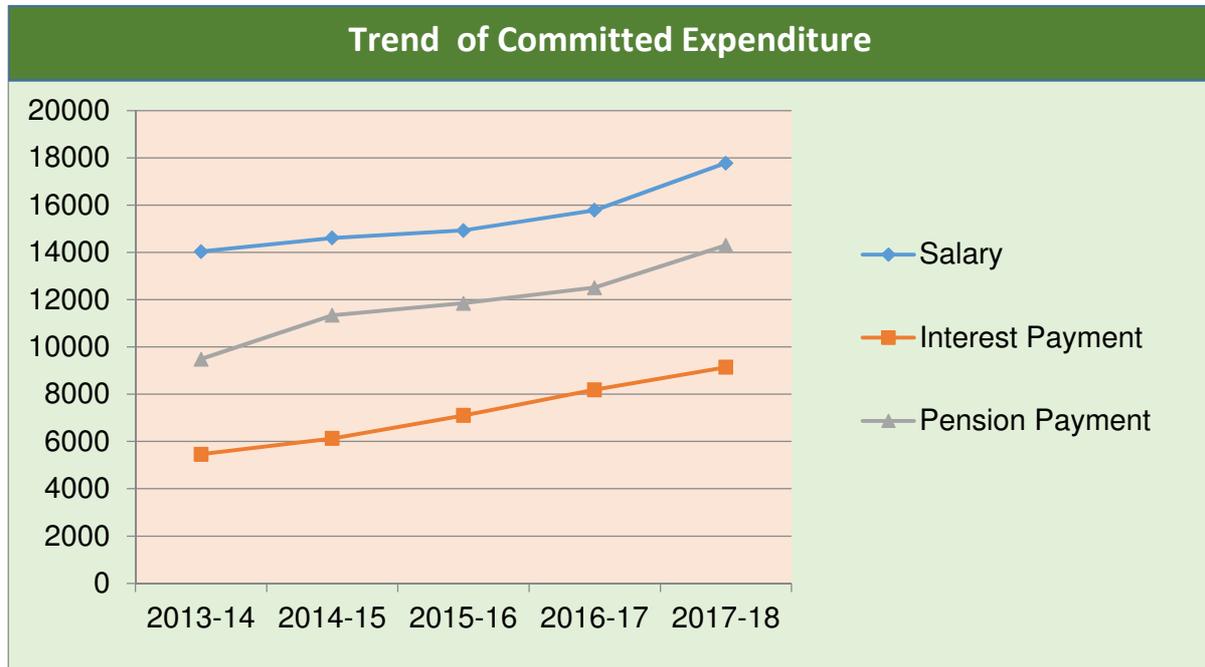
4.3 Establishment & Committed Expenditure

Establishment & Committed Expenditure during 2017-18 was ₹ 66,747 crore, constituting 51 per cent of total disbursements of ₹ 1,31,774 crore. This comprises ₹ 66,673 crore under Revenue, ₹ 41 crore under Capital ₹ 33 crore under Loans and Advances.

Establishment & Committed Expenditure as proportion of total expenditure and GSDP



4.4 Committed Expenditure



(₹ in crore)

Component	2013-14	2014-15	2015-16	2016-17	2017-18
Committed Expenditure	28,978	32,081	33,872	36,483	41,220
Revenue Expenditure	62,477	72,570	83,616	94,765	1,02,624
Revenue Receipts	68,919	78,417	96,123	1,05,585	1,17,447
<i>Per cent of committed expenditure to Revenue Receipts</i>	42	41	35	35	35
<i>Per cent of committed expenditure to Revenue Expenditure</i>	46	46	40	38	40

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 2017-18

(₹ in crore)

Sl. No.	Nature of expenditure	Original Grant	Supplementary Grant	Re-appropriation	Total	Actual expenditure	Saving (-) Excesses (+)
1.	Revenue						
	Voted	1,12,121	19,881	24,424	1,32,002	96,720	(-)35,282
	Charged	10,482	43	59	10,525	10,030	(-)495
2.	Capital						
	Voted	32,196	7,156	9,965	39,352	29,301	(-)10,051
	Charged	--	--	--	--	--	--
3.	Public Debt						
	Charged	4,797	0	3	4,797	4,654	(-)143
4.	Loans and Advances						
	Voted	490	178	320	668	243	(-)425
Total		1,60,086	27,258	34,771	1,87,344	1,40,948	(-)46,396

5.2 Trend of Savings / Excess during the past five years

(₹ in crore)

Year	Savings (-) / Excess (+)				Total
	Revenue	Capital	Public Debt.	Loans & Advances	
2013-14	(-)20,781	(-)8,223	(-)135	(-)2,341	(-)31,480
2014-15	(-)31,354	(-)10,558	(+)3	(-)2,017	(-)43,926
2015-16	(-)27,491	(-)7,014	(-)38	(-)470	(-)35,013
2016-17	(-)30,563	(-)10,194	(-)52	(-)542	(-)41,351
2017-18	(-)35,777	(-)10,051	(-)143	(-)425	(-)46,396

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	2013-14	2014-15	2015-16	2016-17	2017-18
1	Agriculture Department	45%	44%	54%	43%	44%
3	Building Construction Department	36%	54%	40%	49%	49%
4	Cabinet Secretariat Department	37%	26%	28%	21%	40%
17	Commercial Tax Department	45%	29%	31%	25%	45%
18	Food and Consumer Protection Department	93%	44%	41%	51%	50%
24	Information and Public Relation Department	13%	44%	35%	35%	36%
29	Mines and Geology Department	21%	29%	37%	35%	36%
30	Minorities Welfare Department	62%	6%	9%	12%	49%
35	Planning and Development Department	72%	51%	1%	44%	57%
37	Rural Works Department	19%	25%	16%	5%	31%
38	Registration, Excise and Prohibition Department	34%	30%	31%	29%	38%
39	Disaster Management Department	31%	59%	86%	67%	34%
40	Revenue and Land Reforms Department	42%	32%	33%	46%	37%
42	Rural Development Department	13%	54%	52%	44%	50%
45	Sugar Industries Department	18%	80%	29%	33%	58%
48	Urban Development and Housing Department	32%	46%	37%	27%	36%
50	Minor Water Resource Department	59%	55%	47%	42%	39%

During 2017-18, supplementary grants totalling ₹ 16,320 crore (12 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
1	Agriculture Department	Revenue	2,615	191	1,655
3	Building Construction Department	Revenue	602	15	514
		Capital	3,406	1,032	2,089
4	Cabinet Secretariat Department	Revenue	398	27	242
7	Vigilance Department	Revenue	36	1	33
9	Co-operative Department	Capital	185	72	139
11	Backward Classes and Most Backward Classes Welfare Department	Revenue	1,491	2	1,207
12	Finance Department	Revenue	962	38	842
16	Panchayati Raj Department	Revenue	8,694	454	8,541
18	Food and Consumer Protection Department	Revenue	1,642	778	1,211
19	Environment and Forest Department	Revenue	317	20	259
20	Health Department	Revenue	6,183	963	5,717
		Capital	819	352	552
21	Human Resource Development Department	Revenue	24,319	7,126	23,742
22	Home Department	Revenue	7,234	134	6,501
23	Industries Department	Revenue	733	89	672
25	Information Technology Department	Revenue	169	151	121
26	Labour Resource Department	Revenue	414	42	353
27	Law Department	Revenue	697	118	610
28	High Court Of Bihar	Revenue	166	12	151

Grant	Name of Department	Section	Original	Supplementary	Actual Expenditure
29	Mines And Geology Department	Revenue	26	18	21
30	Minorities Welfare Department	Revenue	290	8	89
		Capital	305	48	241
33	Personnel and Administrative Reforms Department	Revenue	525	32	390
35	Planning and Development Department	Revenue	1,386	5	361
		Capital	1,455	10	878
37	Rural Works Department	Capital	8,332	1,367	6,396
38	Registration, Excise and Prohibition Department	Revenue	153	67	137
40	Revenue and Land Reforms Department	Revenue	834	34	561
41	Road Construction Department	Revenue	1,130	200	854
42	Rural Development Department	Revenue	9,664	705	5,203
44	Scheduled Castes and Schedule Tribes Welfare Department	Revenue	1,298	109	1,016
45	Sugar Industries Department	Revenue	119	102	92
48	Urban Development and Housing Department	Revenue	4,335	713	3,236
49	Water Resources Department	Capital	2,794	1,160	2,549
50	Minor Water Resource Department	Revenue	303	98	300
51	Social Welfare Department	Capital	160	19	16

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 ₹ 23,037 crore at the end of 2017-18. However, dividends received during the year were ₹ 1.34 crore (i.e., 0.01 *per cent*) on investment. During 2017-18, investments increased by ₹ 7,121 crore, and dividend income decreased by ₹ 2.39 crore.

Cash Balance with RBI stood at ₹ 13,117 crore on 31 March 2017 and increased to ₹ 17,443 crore at the end of March, 2018.

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 :

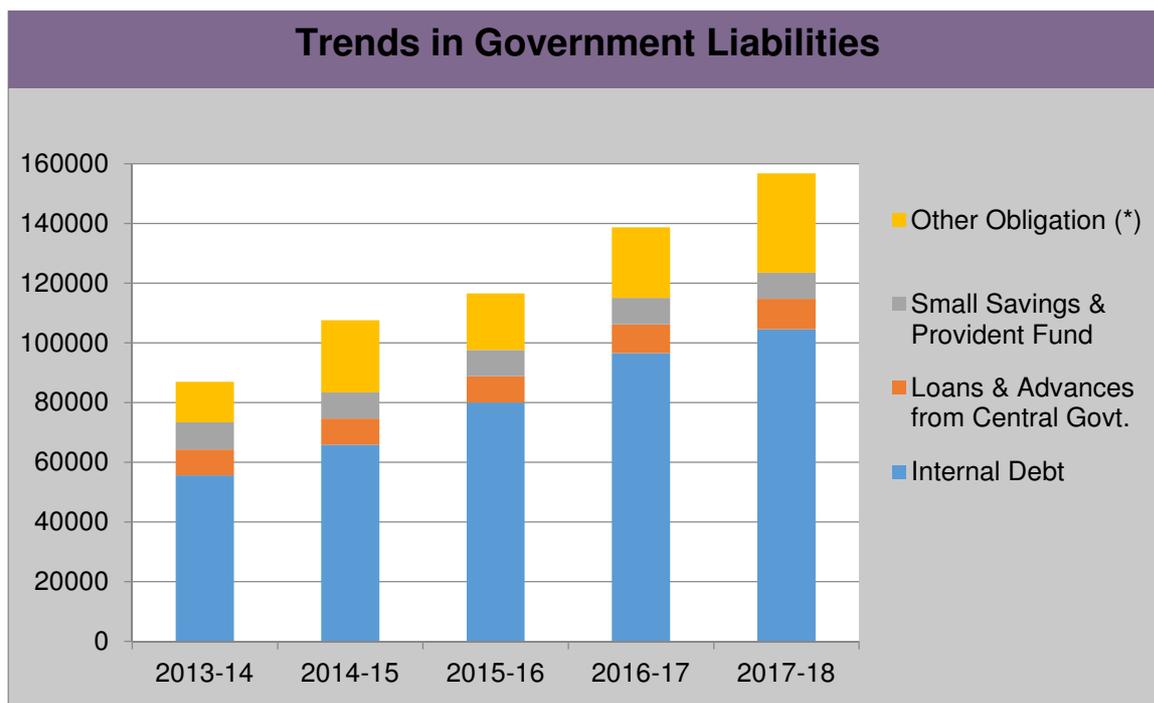
(₹ in crore)

Year	Public Debt	Percentage to GSDP	Public Accounts (*)	Percentage to GSDP	Total Liabilities	Percentage to GSDP
2013-14	64,262	20	22,677	7	86,939	27
2014-15	74,571	22	24,485	7	99,056	29
2015-16	88,829	24	27,749	8	1,16,578	32
2016-17	1,06,191	25	32,531	8	1,38,722	33
2017-18	1,14,707	23	42,070	9	1,56,777	32

(*) Excludes suspense and remittance balances.

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

There is a net increase of ₹ 18,055 crore (13 *per cent*) in Public Debt and Other liabilities as compared to 2016-17.



(*) 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
2013-14	2,587	1,090	112
2014-15	5,315	2,001	148
2015-16	9,397	6,309	229
2016-17	13,053	4,460	178
2017-18	20,234	5,174	97

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 ₹ 1,04,525 crore as on 31 March 2018.

7.2 Loans and Advances by the State Government

Out of total Loans and Advances of ₹ 21,191 crore made by the State Government at the end of 2017-18 ₹ 20,344 crore of Loans and Advances has been given to Government Corporations/Companies, Non-Government Institutes and Local Bodies. Recovery of Principal and of Interest amounting to ₹ 7,094 crore ₹ 7,823 crore respectively is in arrears at the end of 31 March 2018. During 2017-18 only ₹ 22 crore has been received towards repayment of Loans and Advances, out of which, ₹ 18 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 ₹ 18,935 crore in 2013-14 to ₹ 43,359 crore in 2017-18. Grants to Zila Parishads, Municipalities/Corporation and Panchayat Samities including Gram Panchayat (₹ 8,893 crore) represented 21 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	Zilla Parishads	Corporation/ Municipalities/ Councils	Panchayat Samities including Gram Panchayat	Others*	Total
2013-14	905	540	2,602	14,888	18,935
2014-15	1,173	659	1,253	19,274	22,359
2015-16	1,174	1,311	2,004	21,937	26,426
2016-17	725	1,700	1,934	31,850	36,209
2017-18	2,612	1,320	4,961	34,466	43,359

* 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 2017	As on 31 March 2018	Net increase (+) / decrease (-)
Cash Balances	115	47	(-)68
Investments from cash balances (GOI Treasury Bills)	13,002	17,396	4,394
Other cash balance			
i) Departmental Balance	186	186	0
ii) Permanent Cash Imprest	342	342	0
Investment from earmarked fund balances	3,418	4,111	693
(a) Sinking fund	3,418	4,111	693
(b) Guarantee Redemption Fund	--	--	--
(c) Other funds	--	--	--
* Interest Realised	804	800	(-)4

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

State Government had a positive closing cash balance at the end of 2017-18. Interest receipt on these investments has been decreased by 0.50 per cent.

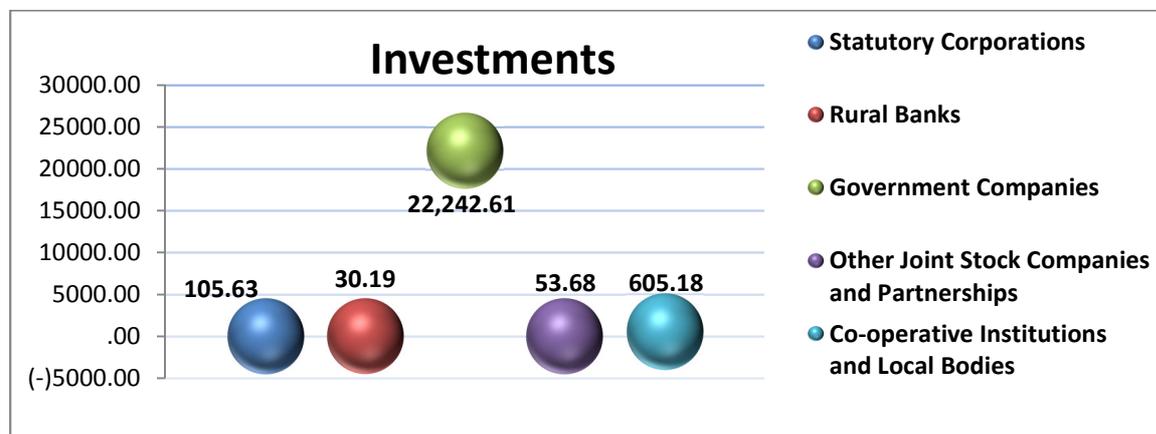
7.5 Submission of Accounts by Accounts rendering units

The accounts of the State Government compiled in Accountant General's office are mainly based on the initial accounts rendered by Treasuries, Public Works and Forest Divisions. The prescribed due date of its submission are 5th of the following month in the case of Treasury Accounts and 10th of the following month in case of Forest and Public Works Accounts. The non-submission of accounts in time leads to exclusion of the treasury in monthly accounts submitted to the State Government. As a result, the accounts figures do not reflect the actual expenditure or receipt of the month which may adversely affect the decisions, if taken on the basis of incomplete accounts.

Apart from exclusion in monthly accounts during the year no accounts were excluded at the end of the financial year.

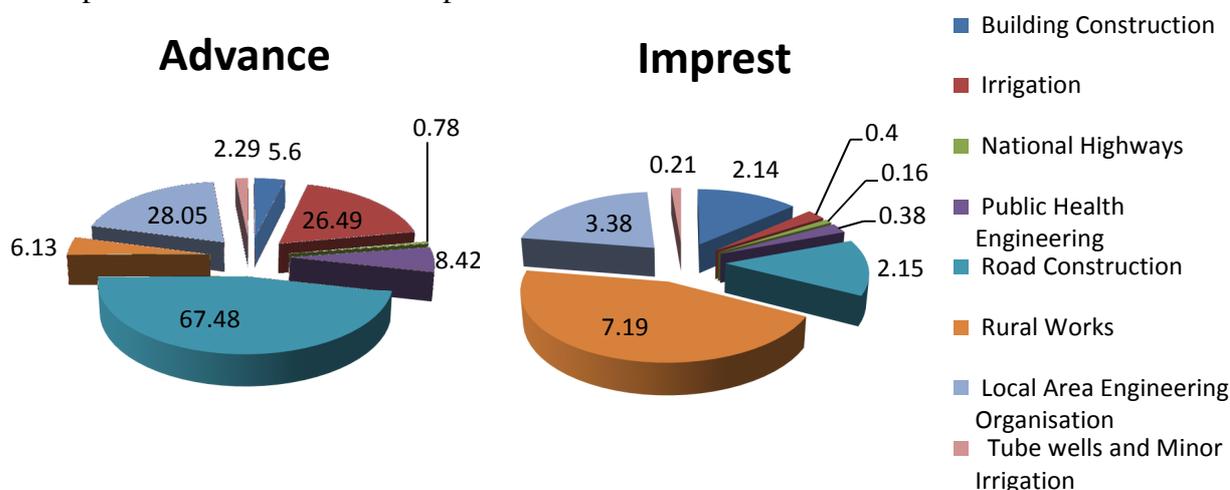
7.6 Investments

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 ₹ 23,079.29 crore at the end of 2017-18.



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 2018, ₹ 145.24 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 ₹ 16.01 crore was also kept in Works Divisions as imprest.



7.8 Unadjusted Abstract Contingent (AC) Bills

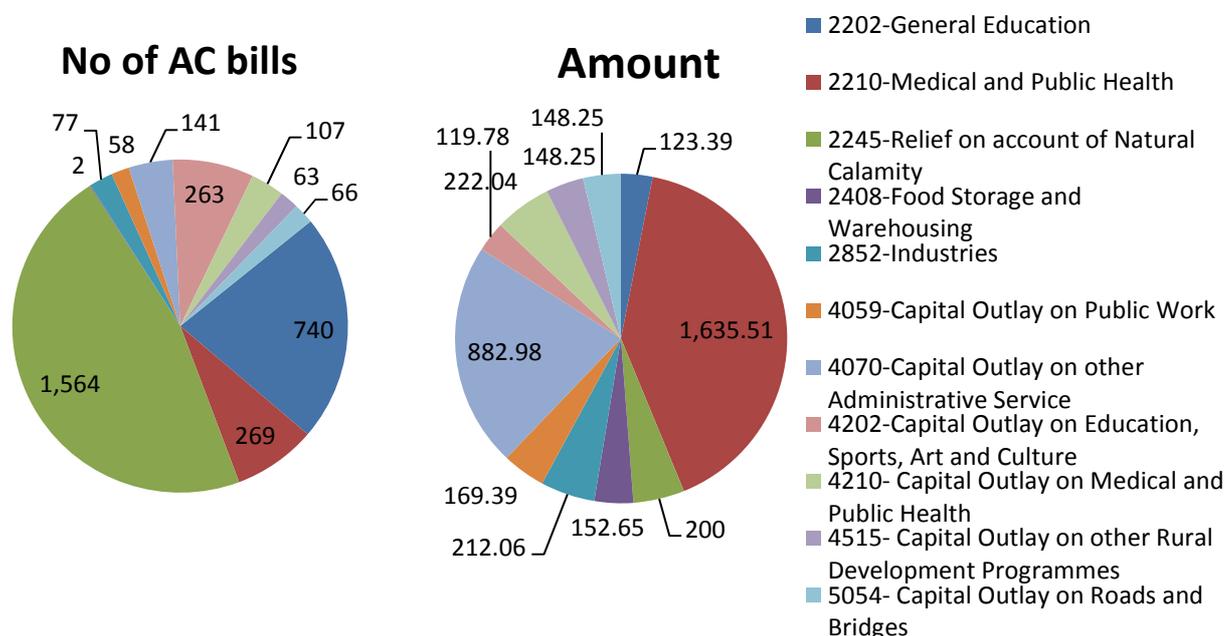
In terms of the Bihar Treasury Code 2011, the Drawing and Disbursing Officers are authorised to draw sums of money through AC bills to meet unforeseen expenditure by debiting service Major Heads against which they are required to present Detailed Contingent (DC) bills along with vouchers in support of final expenditure to the Accountant General within six months of the drawal of the AC bill. Delayed submission or prolonged non-submission of DC bills renders the expenditure under AC bills opaque. Details of outstanding AC bills as on 31 March 2018 are given below:

(₹ in crore)

Year	Number of pending DC bills	Amount
Upto 2015-16	12,689	2,348.48
2016-17	1,017	910.59
2017-18	1,508*	2,903.61
Total	15,214	6,162.68

*522 AC bills amounting to ₹ 884.31 crore out of 1,508 AC bills will be due after 31 March 2018.

Major part of the pending AC bills pertains to :-



During 2017-18, 1,540 AC bills amounting to ₹ 2,906.91 crore were drawn, in which 491 AC bills amounting to ₹ 867.31 crore (29.84 per cent of the total amount drawn against AC bills in 2017-18) were drawn in March 2018 alone, and of this, 43 AC bill amounting to ₹ 73.01 crore was drawn on the last day of the financial year. Out of 1,540 AC bills, 260 AC bills amounting to ₹ 922.58 crore (31.74 per cent of the total amount drawn against AC bills in

2017-18) were drawn under various capital heads of accounts during the year 2017-18. Substantial expenditure against AC bills in March indicates that the drawal was primarily to exhaust the budget provisions and reveals insufficient budgetary control.

7.9 Utilisation Certificates for Grants-in-aid

According to Rule 342 of the Bihar Financial Rules as amended by the Finance Department vide Resolution No. M.04-15/2009-9736/F(2) dated 19 October 2011, the sanctioning authority shall obtain Utilisation Certificates (UCs) from the grantee and send it to the Accountant General within 18 months of the drawal of the grant. Details of Grants-in-aid given in the current financial year have been shown in **Appendix-III** of the Finance Accounts (Volume II).

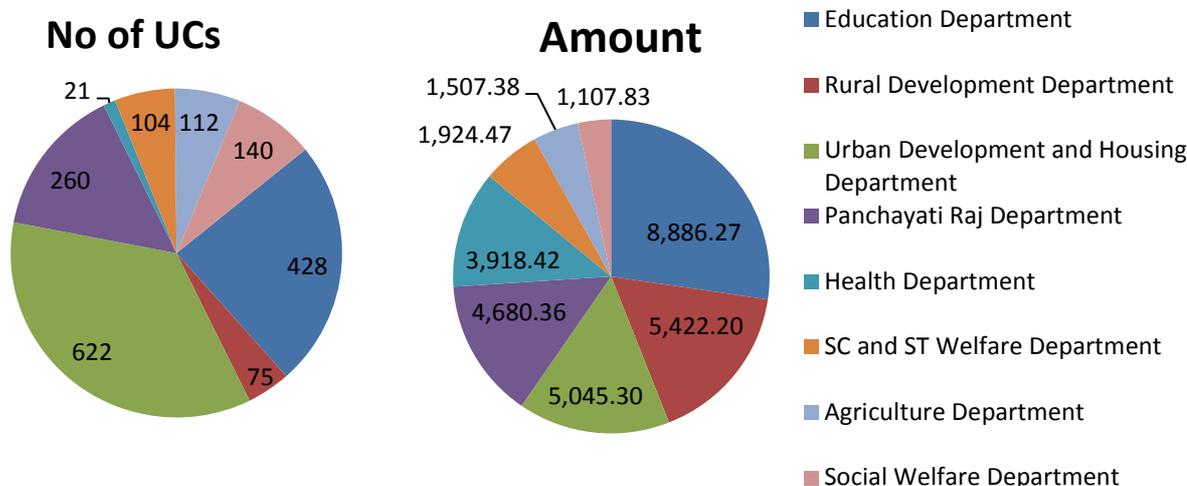
The status of outstanding UCs as on 31 March 2018 is mentioned below:

(₹ in crore)

Year(*)	Number of Utilisation Certificate awaited	Amount
Upto 2015-16	1,763	15,061.31
2016-17	376	6,851.79
2017-18	316	14,680.40
Total	2,455	36,593.50

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

As on 31 March 2018, 2,455 UCs amounting to ₹ 36,593.50 crore were due. Major defaulting departments which have not been submitted UCs are:-



UCs outstanding beyond the specified period indicates absence of assurance on utilization of the grants for intended purposes and within the stipulated time period.

7.10 Personal Deposit (PD) Accounts

This account shall only be used for special cases where public interest requires speed of expenditure which is 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. Rule 344 of Bihar Treasury Code 2011 read with Finance Department notification memo no. M-4-12/2013(part-I)-6487/F dated 21/07/2014 envisages that the deposit administrator shall review all Personal Deposit Accounts at the end of the each financial year. Money lying unspent after five consecutive financial years (including the financial year in which the money was withdrawn) should not be spent and the balance should be transferred to the Consolidated Fund as reduction of expenditure to the concerned service head.

During 2017-18, 75 treasuries have furnished information regarding PD Accounts in which 56 treasuries maintain PD Accounts and the remaining 19 treasuries have intimated that there are no PD Accounts with them. An amount of ₹ 65.77 crore has been lying unspent for five consecutive financial years in 9 PD Accounts in 9 Treasuries. No departmental officers had verified or reconciled the balances with the accounts maintained by the Accountant General. Of the total 174 PD Accounts, 94 are inoperative having balance of ₹ 27.73 crore. No Treasury Officer has furnished information regarding amounts lying in PD Accounts unspent for five consecutive financial years refunded to the Consolidated Fund as reduction of expenditure under the concerned service head.

Details of Personal Deposit accounts received from the 56 State treasuries are as under:

(₹ in crore)

Particulars	No. of PD Accounts	Amount
As on 1 April 2017	177	4,464.82
Opened during the year	0	0.00
Closed during the year	3	0.00
Total	174	4,464.82
Receipt during the year	55	2,762.21
Payment during the year	59	1,338.58
As on 31 March 2018	174	5,888.45

7.11 Reconciliation of Accounts

Accuracy and reliability of accounts depend, among other things, on timely reconciliation of the figures available with the departments and the figures appearing in the accounts compiled by the Accountant General (A&E). This exercise is to be conducted by respective controlling officers of the Departments. The reconciliation has been completed, only for an amount of ₹ 12,537 crore of expenditure against the total expenditure of ₹ 1,31,531 crore (Revenue and Capital) i.e., 10 per cent of the total expenditure and for ₹1,03,619 crore of receipt against the total receipt of ₹1,17,447 crore (Revenue and Capital) i.e. 88 per cent of the total receipts during the year 2017-18. Major defaulting Departments are:-

Revenue and Land Reforms Department (0029, 2029)	Registration, Excise and Prohibition Department (0039, 2039)	Commercial Tax Department (0040, 2040)	Transport Department (0040, 2040)
Home (Police) Department (0041, 2041)	Building and Construction Department (0055, 2055)	Finance Department (2071)	Education Department (0202, 2202)
Health Department (0210, 2210)	Rural Development Department (0215, 2215)	Urban Development and Housing Department (0216, 2216)	Social Welfare Department (0235, 2235)
Agriculture Department (0401, 2401)	Animal and Fisheries Resources Department (0405, 2405)	Environment and Forest Department (0406, 2406)	Panchayati Raj Department (0515, 2515)
Water Resource Department (0700, 2700)	Minor Water Resource Department (0702, 2702)	Road Construction Department (1054, 3054)	Food and Consumer Protection Department (1456, 3456)

7.12 Rush of Expenditure

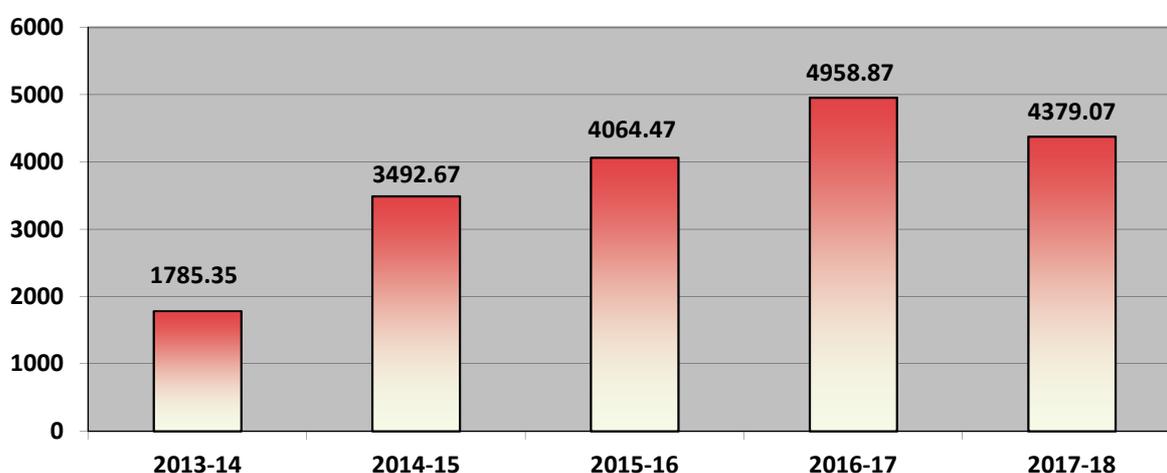
Rule 113 of the Bihar Budget Manual stipulate that rush of expenditure, particularly in the closing month of the financial year, shall be regarded as a breach of financial regularity and should be avoided. It was, however, noticed that 18 Departments of the State Government have incurred more than fifty *per cent* of their total expenditure during March 2018:-

(₹ in crore)

Grant No.	Description	1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr	Total	During March 2018	Percentage of expenditure in March 2018 w.r.t. total expenditure of 2017-18
03	Building Construction Department	130.61	297.11	348.63	1,826.11	2,602.46	1,490.67	57.28
04	Cabinet Secretariat Department	31.07	16.17	12.56	209.45	269.25	173.98	64.62
05	Secretariat of The Governor	3.02	0.00	0.00	11.12	14.14	11.12	78.64
07	Vigilance Department	8.02	0.00	0.00	24.56	32.58	24.56	75.38
09	Co-operative Department	26.05	40.06	278.19	598.73	943.03	520.80	55.23
10	Energy Department	1,619.57	738.00	984.00	8,188.73	11,530.30	7,696.73	66.75
11	Backward Class and Most Backward Class Welfare Department	(-)9.60	9.28	15.54	1,209.84	1,225.06	1,153.30	94.14
18	Food and Consumer Protection Department	12.29	17.30	13.35	1,169.55	1,212.49	1,160.02	95.67
24	Information and Public Relation Department	4.99	3.60	3.57	120.08	132.24	113.90	86.13
25	Information Technology Department	0.53	82.27	14.57	103.55	200.92	101.97	50.75
28	High Court of Bihar	35.79	0.00	0.00	114.91	150.70	114.73	76.13
30	Minorities Welfare Department	66.22	8.58	36.77	218.38	329.95	211.85	64.21
31	Parliamentary Affairs Department	0.51	0.00	0.00	1.39	1.90	1.39	73.16
32	Legislature	34.70	0.00	0.00	119.55	154.25	119.55	77.50
34	Bihar Public Service Commission	4.35	0.00	0.00	16.68	21.03	16.68	79.32
42	Rural Development Department	404.62	70.76	50.84	4,688.90	5,215.12	4,637.15	88.92
44	Scheduled Castes & Scheduled Tribes Welfare Department	18.13	37.11	29.61	931.39	1,016.24	891.15	87.69
46	Tourism Department	2.35	0.46	30.49	111.74	145.04	109.51	75.50

7.13 Suspense Accounts Balances

During the past five years, balances under suspense accounts increased from ₹1,785 crore in 2013-14 to ₹4,379 crore in 2017-18.



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

(₹ in crore)

Suspense Accounts	2013-14	2014-15	2015-16	2016-17	2017-18
Pay and Accounts Office Suspense	235.47	245.63	270.29	296.05	335.27
Suspense Accounts (Civil)	1,520.53	3,141.06	3,690.31	4,376.04	3,749.28
Cash Settlement Suspense Accounts	32.29	32.29	32.29	32.29	32.29
Reserve Bank Suspense (Headquarters)	270.81	263.83	266.28	265.26	261.88
Reserve Bank Suspense (Central Accounts Office)	330.53	340.66	347.52	370.41	382.10
Departmental Adjusting Account	104.45	104.45	104.45	104.45	104.41
Tax Deducted at Source (TDS) Suspense	702.41	629.29	640.99	480.28	481.00
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 ₹ 1,093 crore as per Appendix IX in Volume II of the Finance Accounts was incurred up to the year 2017-18 by the State Government on various incomplete projects against an original estimated cost of ₹ 4,295 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	519.40	51.61	51.61	66.52	-
2	Public Health Engineering Department	586.49	113.43	345.20	85.58	-
3	Building Construction Department	1,141.44	213.98	345.11	145.31	-
4	National Highways	46.54	9.57	34.58	7.08	-
5	Local Area Engineering Organisation	45.38	5.89	5.89	4.73	-
6	Road Construction Department	1,926.94	13.03	296.79	106.04	-
7	Rural Works Department	29.04	13.08	13.54	12.52	-
Total		4,295.23	420.59	1,092.72	427.78	-

7.15 Compliance of Indian Government Accounting Standards (IGASs)

Ministry of Finance, Government of India has notified 3 IGASs with respect to Guarantees, Grants-in-aid, and Loans and Advances during 2010-11 to 2012-13. The State Government has to comply with these Accounting Standards but till date the information being provided by the State Government is incomplete with regard to the disclosures outlined in the new Accounting Standards.

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