



**Government of Bihar**  
Finance Department

**Economic Survey**  
**2008 - 09**



बिहार सरकार

February 2009

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## **Foreword**

The preparation of Economic Survey is essentially a pre-budget exercise for any State Government. This helps us understand the nuances of the state economy, its strengths and weaknesses, so that these may be taken care of in the impending budget. In view of its importance, the State Government has undertaken to publish the Survey Report on a regular basis. This year's Economic Survey is an endeavour in the same direction and presents the details of the current status of state's economy and the progress registered in various sectors.

The State Government has undertaken a number of crucial steps to accentuate the growth process, but it had to face a major challenge this year in the form of an unprecedented flood devastating a large part of its population in the north-eastern region. This, in no way, deterred the State Government in its developmental efforts. As a consequence of a number of initiatives taken by the State Government, the economy is well set on a development path. An inclusive growth with transparency in governance has remained our motto throughout.

I am sure, all the people, both common as well as intelligentsia, will immensely benefit from this document and continue with their development initiative for the State.

**( Nitish Kumar )**

**Sushil Kumar Modi**

Deputy Chief Minister &  
Finance Minister, Bihar



Patna

## **PREFACE**

Economic development of a State is a continuous process and needs regular interventions to accelerate its pace. For such interventions, the Economic Survey is a sine qua non which helps one feel the pulse of the economy. With this end in view and as part of good governance, the State Government is regularly publishing the Economic Survey since 2006-07. The Survey, inter alia, highlights the initiatives taken by the Government and the results thereof in various sectors of the economy.

The endeavours made by the State Government during the last three years have resonated through positive signs of development. There is a paradigm shift in the quality of governance and the law and order situation in the State, bringing about tangible improvements in delivery of services at all levels, including creation of a congenial atmosphere for outside investment. The financial and fiscal performance have improved through better resource mobilisation, rationalisation of expenditure and effective management of public debt. Endeavours are also being made by the State Government to pass on the benefits accruing on these accounts to the grassroots.

It is hoped that the Economic Survey will be useful, equally to the administrators, technocrats and academics engaged in developmental of the State.

**(Sushil Kumar Modi)**

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## Glossary of Technical Terms and Abbreviations

<b>ACP</b>	Annual Credit Programme
<b>ADB</b>	Asian Development Bank
<b>ADV</b>	Advertisement Tax
<b>AIBP</b>	Accelerated Irrigation Benefit Programme
<b>AICTE</b>	All India Council of Technical Education
<b>ANM</b>	Auxiliary Nurse-cum-Midwife
<b>APDRP</b>	Accelerated Power Development and Reforms Programme
<b>APHC</b>	Additional Primary Health Centre
<b>APMB</b>	Agricultural Produce Marketing Board
<b>APMC</b>	Agricultural Produce Marketing Cooperative
<b>AREP</b>	Accelerated Rural Electrification Programme
<b>ASHA</b>	Accredited Social Health Activist
<b>ASI</b>	Annual Survey of Industries
<b>ATMA</b>	Agricultural Technology Management Agency
<b>AWC</b>	Anganwadi Centre
<b>AWW</b>	Anganwadi Worker
<b>B2C</b>	Business to Citizen
<b>BADP</b>	Border Area Development Programme
<b>BAPMC</b>	Bihar Agricultural Produce Marketing Corporation
<b>BCR</b>	Balance of Current Revenue
<b>BDRM</b>	Bihar Disaster Risk Management
<b>BHEL</b>	Bharat Heavy Electricals Limited
<b>BIADA</b>	Bihar Industrial Area Development Authority
<b>BISCICO</b>	Bihar State Credit and Investment Corporation
<b>BISWAN</b>	Bihar State Wide Area Network
<b>BPSM</b>	Bihar Prashashanik Sudhar Mission
<b>BRAIN DC</b>	Bihar Revenue and Integrated Data Centre
<b>BREDA</b>	Bihar Renewable Energy Development Agency
<b>BSEB</b>	Bihar State Electricity Board
<b>BSFC</b>	Bihar State Financial Corporation



<b>BSHPC</b>	Bihar State Hydro Electric Power Corporation
<b>BSIDC</b>	Bihar State Industrial Development Corporation
<b>BSLIDC</b>	Bihar State Leather Industry Development Corporation
<b>BSSC</b>	Bihar State Sugar Corporation
<b>BSTDC</b>	Bihar State Tourism Development Corporation
<b>CBR</b>	Crude Birth Rate
<b>CCB</b>	Central Cooperative Bank
<b>CD</b>	Credit Deposit
<b>CDPO</b>	Child Development Project Officer
<b>CDR</b>	Crude Death Rate
<b>CEA</b>	Central Electrical Authority
<b>CEC</b>	Continuing Education Centre
<b>CEP</b>	Continuing Education Programme
<b>CST</b>	Central Sales Tax
<b>CGG</b>	Centre for Good Governance
<b>COMFED</b>	Cooperative Milk Producers Federation Limited
<b>CPI</b>	Consumer Price Index
<b>Cr.PC</b>	Criminal Procedure Code
<b>CRF</b>	Calamity Relief Fund
<b>CRF</b>	Central Road Fund
<b>CSO</b>	Central Statistical Organisation
<b>CSS</b>	Common Service Centre
<b>DDG</b>	Dicentralised Distribution and Generation
<b>DFID</b>	Department for International Development
<b>DIC</b>	District Industries Centre
<b>DME</b>	Directorate of Mass Education
<b>EBC</b>	Extremely Backward Caste
<b>ED</b>	Electricity Duty
<b>ENT</b>	Entry Tax
<b>EOC</b>	Emergency Operation Centre
<b>ET</b>	Entertainment Tax
<b>FCP</b>	Fiscal Correlation Path

<b>FRBMA</b>	Fiscal Responsibility and Budget Management Act
<b>G 2 C</b>	Government to Citizen
<b>GDDP</b>	Gross District Domestic Product
<b>GFD</b>	Gross Fiscal Deficit
<b>GP</b>	Gram Panchayat
<b>GSDP</b>	Gross State Domestic Product
<b>HDI</b>	Human Development Index
<b>HLT</b>	Hotel Luxury Tax
<b>IAY</b>	Indira Awas Yojna
<b>ICD</b>	Investment Plus Credit to Deposit
<b>ICDS</b>	Integrated Child Development Services
<b>ICICI</b>	Industrial Credit and investment Corporation of India
<b>ID</b>	Investment : Deposit
<b>IDBI</b>	Industrial Development Bank of India
<b>IFCI</b>	Infrastructure Finance Corporation of India
<b>IMFL</b>	Indian Made Foreign Liquor
<b>IMR</b>	Infant Mortality Rate
<b>IPD</b>	In-patient Department
<b>IT</b>	Information Technology
<b>ITI</b>	Industrial Training Institute
<b>IWAI</b>	Inland Waterways Authority of India
<b>IWDMS</b>	Integrated Work Flow and Document Management Software
<b>JBSY</b>	Janani Evam Bal Suraksha Yojna
<b>KCC</b>	Kisan Credit Cards
<b>KSY</b>	Kisan Samman Yojna
<b>KVK</b>	Krishi Vigyan Kendra
<b>LAN</b>	Local Area Network
<b>MDMS</b>	Mid Day Meal Scheme
<b>MMR</b>	Maternal Mortality Rate
<b>MMSNY</b>	Mukhya Mantri Setu Nirman Yojna
<b>NABARD</b>	National Bank of Agricultural and Rural Development
<b>NCEC</b>	Nodal Continuing Education Centre

<b>NDMA</b>	National Disaster Management Authority
<b>NDRF</b>	National Disaster Relief Fund
<b>NHDP</b>	National Highways Development Project
<b>NHM</b>	National Horticulture Mission
<b>NHPC</b>	National Hydro Power Corporation
<b>NLM</b>	National Literacy Mission
<b>NPA</b>	Non Performing Assets
<b>NREGS</b>	National Rural Employment Guarantee Scheme
<b>NRHM</b>	National Rural Health Mission
<b>NSDP</b>	Net State Domestic Product
<b>NSSO</b>	National Sample Survey Organisation
<b>NTPC</b>	National Thermal Power Corporation
<b>OFPPC</b>	On Farm Primary Processing Centre
<b>OPD</b>	Out Patient Departments
<b>PACS</b>	Primary Agricultural Cooperative Societies
<b>PCRDB</b>	Primary Cooperative Agricultural and Rural Development Bank
<b>PDS</b>	Public Distribution Shop
<b>PGCIL</b>	Power Grid Corporation of India Limited
<b>PHC</b>	Primary Health Centre
<b>PIM</b>	Participatory Irrigation Management
<b>PLF</b>	Plant Load Factor
<b>PLP</b>	Post Literacy Programme
<b>PMRY</b>	Prime Minister's Rozgar Yojana
<b>PPP</b>	Public Private Partnership
<b>PQLI</b>	Physical Quality of Life Index
<b>PRD</b>	Panchayati Raj Department
<b>PRI</b>	Panchayati Raj Institution
<b>PS</b>	Panchayat Samiti
<b>QE</b>	Quick Estimates
<b>RGVY</b>	Rajeev Gandhi Gramin Vidyutikarn Yojna
<b>RIDF</b>	Rural Infrastructure Development Fund
<b>RRB</b>	Regional Rural Bank

<b>RSVY</b>	Rashtriya Sam Vikas Yojna
<b>RUDSETI</b>	Rural Development and Self - Training Institution
<b>SAP</b>	Special Auxiliary Police
<b>SCA</b>	Service Centre Agency
<b>SCARDB</b>	State Cooperative Agricultural and Rural Development Bank
<b>SCB</b>	Schedule Commercial Bank
<b>SDC</b>	State Data Centre
<b>SDRF</b>	State Disaster Relief Fund
<b>SFC</b>	State Food Corporation
<b>SFC</b>	State Finance Commission
<b>SGRY</b>	Sampoorna Gramin Rojgar Yojana
<b>SGSY</b>	Swarnajayanti Gramin Swarajgar Yojana
<b>SHGs</b>	Self Help Groups
<b>SIDBI</b>	Small Industries Development Bank of India
<b>SIPB</b>	State Investment Promotion Board
<b>SRR</b>	Seed Replacement Ratio
<b>SSA</b>	Sarva Shiksha Abhiyan
<b>SSI</b>	Small Scale Industry
<b>SWAN</b>	State Wide Area Network
<b>TFC</b>	Twelfth Finance Commission
<b>TINXSYS</b>	Tax Information Exchange System
<b>TLC</b>	Total Literacy Campaign
<b>UNDP</b>	United Nations' Development Programme
<b>VAT</b>	Value Added Tax
<b>VDA</b>	Variable Dearness Allowance
<b>VPGCL</b>	Vaishali Power Generating Company
<b>VTF</b>	Village Task Force
<b>WPI</b>	Wholesale Price Index
<b>WPR</b>	Work Participation Ratio
<b>WUA</b>	Water Users' Association
<b>ZP</b>	Zila Parisad

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## EXECUTIVE SUMMARY

### Macro Overview

1. The medium term growth rate of NSDP at constant prices, during the period 1999-00 to 2008-09, is estimated to be 5.57 percent. Although this growth rate is lower than the national growth rate of about 6-7 percent, it indicates an improved growth performance compared to the recent past when the state economy managed to grow at barely 3-4 percent. The per capita NSDP of Bihar has grown at 3.61 percent. The growth rate for NSDP at constant prices has been very good for at least three sectors — Construction (21.53 percent), Communications (16.01 percent) and Trade, Hotels and Restaurants (12.08 percent). Agriculture, because of two consecutive severe floods, has grown at a slower rate of only 1.38 percent.
2. Bihar suffers not only from its comparatively lower trend growth rates, but from substantial year-to-year variation in growth rates as well. During the past decade, the growth rate has varied between (-) 21.92 to 37.22 percent in Primary sectors; between (-)2.26 to 22.80 percent in Secondary sectors; and between 2.03 to 18.44 percent in Tertiary sectors. For the aggregate GSDP, the yearly growth rate varies from (-) 4.73 percent to 11.31 percent.
3. Bihar like most other states also suffers from regional disparities within the State. In the ranking of the districts with respect to Per Capita GDDP, Patna appears at the top with a figure of Rs. 29,482.
4. In 2007-08 and first eight months of 2008-09, it is observed that Consumer Price Index for industrial labourers has increased more in Bihar than in the country as whole. For urban non-manual employees (for which indices for 2008-09 are not available), one again notices that CPI in Bihar has been rising faster than in the country as a whole. However, in the rural areas, the CPI has been increasing at a slower pace in Bihar.
5. In the last three years, there has been a paradigm shift in the quality of governance. There is a concerted effort to make the work atmosphere congenial to both staff and as well as visitors. To understand the travails and trauma of the people, the Chief Minister has started the innovative practice of direct feedback by organizing the weekly '*Janta Ke Darbar Me Mukhyamantri*'. After completion of the three year tenure of the present government, the Chief Minister has also started 'Vikash Yatra' in select districts to understand the impact of governance in rural Bihar.

6. The Bihar Prashasnik Sudhar Mission (BPSM) is an initiative of the State Government to strengthen its administrative machinery. This mission will encompass the entire state, from the state capital to the districts. The BPSM was launched by the Chief Minister on November, 2008. The Mission enables the state government to deliver better quality services to all its citizens, particularly the poorest and the excluded.
7. Among all States and union territories, Bihar with a crime rate of 118 stood at 28<sup>th</sup> position in the country. There has been a decline in major crimes including murder (-3.2 percent), dacoity (-10.10 percent), robbery (-4.99 percent), kidnapping for ransom (-23 percent), bank robbery (-15.03 percent), etc. during the period 2001-08. There has been a sharp decline of around 50 percent or more in the cases of dacoity, kidnapping, road dacoity and bank robbery in 2008 over 2001. Most of the districts reported a drop in murder.
8. There has also been an appreciable drop in the major cases of extremism in the state over the last 3-4 years. As against 382 cases reported in 2004, only 79 cases have been reported in 2008. The drop in the number of cases is largely due to holistic development programme. '*Ap Ki Sarkar Ap Ke Dwar*' (government at your door step) programme. Apart from social cooption, the security apparatus of the state administration was strengthened by deployment of para-military and special training to police personnel.
9. The IPC cases against women at the national level have recorded an increase of 7.4 percent during the five year period (2002-2006). During 2007, Bihar's rank was 28<sup>th</sup> among the major states, with the rate of total cognizable crimes at 8.1 percent in the state. Due to State initiatives, the crimes against scheduled castes has declined from 9.3 percent in 2006 to 7.5 percent in 2007. Similarly, a drop in crime from 1.2 percent to 1.0 percent has also been recorded in the case of tribal population
10. In order to have an effective control over corruption in the state, the Bihar Vigilance Investigation Bureau is functioning in heightened manner. Through vigorous publicity of mobile phone numbers, the Bureau could catch hold of a number of corrupt public servants. During 1995-2005, a total of only 47 trap cases were registered. In 2007, there were 108 trap cases and 126 arrests, and in 2008 (upto November), the numbers were 78 and 92 respectively.

## **Agriculture and Allied Sectors**

1. During the period 2000-01 to 2005-06, the share of land under tree crops increased from 2.47 to 2.57 percent, which implies that an additional 10 thousand hectares of land is under the trees. It is most likely that the fallow land is being gradually converted into tree-bearing land, because of which the share of fallow land in total geographical area has recorded a small decline. That the soil of Bihar is very fertile is revealed by the high share of net sown area in the total geographical area (60 percent). There has not been any change in the share of net sown area in the recent years, but the gross sown area has increased much during the period and the cropping intensity for the agricultural economy now stands at 2.06. This implies that, on an average, every piece of agricultural land is double-cropped in Bihar.
2. Taking the five-year period of 2003-04 to 2007-08, the average levels of production of major crops in Bihar are — 43.7 lakh tonnes (rice), 36.0 lakh tonnes (wheat), and 14.9 lakh tonnes (maize). Adding to this, the production of other cereals (which are all considered as coarse cereals), the total production of cereals is 95.4 lakh tonnes. Further, taking into consideration the total production of pulses at 4.9 lakh tonnes, the total production of foodgrains is 100.3 lakh tonnes, for a population of about 99.0 million.
3. Nearly 95 percent of the area under major crops is devoted to foodgrains. Within that category, the share of cereals production has been increasing — it was 87.21 percent in 2000-01 to 94.20 percent in 2007-08. Consequently, the share of area under pulses has decreased from 8.77 percent in 2000-01 to only 1.42 percent in 2006-07.
4. For rice, the average productivity is 1287 kgs/hectare, although for aghani rice (the most important among three rice varieties), the productivity is a little higher at 1327 kgs/ hectare. The productivity of wheat is higher and stands at 1749 kgs/ hectare. The most satisfactory levels of productivity is attained by maize (2367 kgs/ hectare) and here again rabi maize (the most important among the three varieties of maize) has an even higher productivity at 3030 kgs/hectare. For the pulses, the productivity of kharif pulses (929 kgs/hectare) is found be higher than the productivity of rabi pulses (738 kgs/hectare).
5. Among the remaining miscellaneous crops grown of farmers in Bihar, those which are important under the category of vegetables include potato, cauliflower, tomato and brinjal. The production level of these vegetables in 2006-07 were — 11.8 lakh tonnes (potato), 10.1 lakh tonnes (cauliflower), 9.2 lakh tonnes (tomato) and 11.2 lakh tonnes (brinjal). The category of fruits also include a number of species, but the four most important

ones are — mango, litchi, guava and banana. The production levels of these fruits in 2006-07 were — 13.1 lakh tonnes (mango), 2.1 lakh tonnes (litchi), 2.5 lakh tonnes (guava) and 11.3 lakh tonnes (banana).

6. The top five districts in terms of rice production are Nalanda (2.3 lakh tonnes), Bhojpur (2.3 lakh tonnes), Rohtas (4.7 lakh tonnes), Bhabhua (3.1 lakh tonnes) and Aurangabad (4.4 lakh tonnes). The top five districts in terms of productivity are — Bhojpur (2654 kgs/hectare), Nalanda (2382 kgs/ hectare), Aurangabad (2598 kgs/ hectare), Sheikhpura (2399 kgs/hectare) and Banka (2595 kgs/hectare). The highest and the lowest levels of productivity in the districts is very large for all the crops — rice, wheat and maize. For rice, the two extreme levels of productivity are 2808 kgs/hectare (Bhabhua) and 522 kgs/hectare (Sheohar). Similarly, for wheat, the two extreme levels of productivity are 2789 kgs/hectare (Samastipur) and 698 kgs/hectare (Araria). Finally, for maize, the two extreme levels of productivity are 4108 kgs/hectare (Khagaria) and 115 kgs/hectare (Jamui). because of the devastating floods in the Kosi region of Bihar, the state is expected to face a considerable loss of crop production in 2008-09. These losses are expected for all the crops for which advanced estimates are available, except aghani rice and jowar.
7. The Seed Replacement Rate (SRR) is one of the lowest in Bihar Among the important kharif crops, the SRR for paddy in 2008-09 was 19.0 percent, compared to only 12.0 percent in 2006-07. In case of kharif maize, there has been a modest increase in SRR from 50.0 percent in 2006-07 to 57.0 percent in 2008-09. Among the important rabi crops, the SRR is available only for 2006-07 and 2007-08. Between these two years, the SRR for two crops has gone up substantially — maize (from 60.0 to 74.0 percent) and rape/mustard (from 40.0 to 73.0 percent).
9. The consumption of chemical fertiliser in Bihar has been rising steadily in recent years. Over a four-year period, consumption has increased by 62.2 percent which shows the eagerness of the farmers in Bihar to utilize this valuable input. The per hectare consumption of fertiliser stands at 155.60 kgs. in 2007-08. Between the two important crop seasons, the use of fertiliser is higher in rabi season (195.80 kgs/ha) which is more than one and a half times the consumption in kharif season (120.10 kgs/ha). Among the different types of fertilisers, the use of urea is the widest, as it alone accounts for about half the fertilisers consumption.
10. Mainly because of limited staff strength of the concerned department, the extension services for agricultural development has been rather limited in Bihar. Among the extension services



that the state government is presently providing at a large scale is the Minikit Demonstrations for important crops. In kharif season, such demonstrations were only 27.3 thousand in 2006-07, but it has increased to 85.6 thousand in 2008-09. Similarly, for rabi season, such demonstrations were 17.7 thousand in 2006-07, which has increased to 43.8 thousand next year.

11. Among the three principal sources of credit, the commercial banks are most important, which account for about 65 percent of the total credit disbursement; the shares of regional rural banks and central cooperative banks are about 25 and 10 percent respectively. Since the commercial banks are the most important source of credit, it is a matter of concern that the achievement rates for these banks have also shown a declining trend. In 2007-08, the achievement rate for the three types of banks were — 81.47 percent (commercial banks), 75.80 percent (regional rural banks) and 57.42 percent (central commercial banks). The cooperative banks presently account for only 10 percent of the agricultural credit in Bihar. One of the main reason for such limited reach of cooperative banks is that such banks are absent in no less than 16 districts of Bihar
12. As regards, the scheme for Kisan Credit Card (KCC), as on September, 2008, there were 20.88 lakh farmers in Bihar who were issued KCCs. Compared to the target of 44.60 lakh farmers, the achievement rate for KCC is only 46.81 percent. There is not much difference among the achievement rates for three sources of credit — commercial banks (48.24 percent), regional rural banks (47.49 percent) and central commercial banks (44.40 percent).
13. By the end of 2007-08, there were only 9.13 lakh farmers who were able to insure their crops. By a broad calculation, this implies a coverage of less than 10 percent of the farmers under crop insurance. However, over the years, the practice of crop insurance is increasing in the state. Among the districts where more than 50 thousand farmers avail crop insurance are included — Patna, Nalanda, Muzaffarpur, East Champaran, Sitamarhi, Samastipur and Begusarai.
14. The total livestock population in the state, according to Census 2003, is 407.83 lakh. Of this, 39.8 percent are milch animals with population of cows being 104.7 lakhs, and that of buffaloes being 57.66 lakhs. The state also has a substantive number of goats (96.06 lakhs). The strength of poultry in the state is quite large at 139.68 lakhs. With such a huge livestock wealth, there is abundant growth potential of livestock products in the state. There is considerable variation in the districtwise endowment of livestock wealth. To strengthen the

animal husbandry sector in Bihar, the concerned department of the state government provides a number of useful services like breeding, sterilisation, immunization and free distribution of foeder seeds.

15. The state government has prepared a Road Map of Agriculture and Allied Sectors in Bihar which identifies a number of development interventions during the period of 2008-12. The Road Map has identified a number of programmes that together cover all aspect of agriculture and its allied sectors.

### **Industry and Allied Sectors**

1. The Net State Domestic Product (NSDP) at current prices for the present Bihar in 2007-08 was Rs. 94,489 crore, of which manufacturing sector accounted for only Rs. 4,664 crore (5.16 percent). There are practically no mineral based industries left in Bihar and the agro-based industries including textiles, leather, wood and paper accounted for nearly 43 percent of the gross value added. The share of gross value added of petroleum and atomic fuel, was around 48 percent. Bihar constituted a very nominal share of 0.48 percent in the total production of agro-based industries at the all-India level.
2. Of the total of 263 large and medium industrial units, the highest concentration (38 percent) is in Patna division with Tirhut division ranking a distant second (22.5 percent). Magadh and Darbhanga divisions have only 9.5 percent and 7.3 percent respectively as their share. The Kosi division, however, does not report any large or medium industries. Out of 38 districts in the state, as many as 10 districts do not have any large/ medium industrial unit and in another 11 districts, there are only less than 5 units in each.
3. The industrial sector of present Bihar is characterised not only by the small size units, but also by the predominance of unregistered units which account for one-third of the total units. The small industries sector is dominated by tiny and artisan-based units. Although not highly productive, the small scale, tiny and artisan-based industries play a crucial role in providing employment opportunities outside agriculture. As on December, 2008, there were 1,74,278 permanent registered units in Bihar, which consisted of 1502 small scale units, 1,02,676 tiny units and 70,100 artisan-based units. The total investment in these units was to the tune of Rs. 1,017.62 crore and it provided employment to 5.68 lakh workers.
4. The pattern of concentration of small, tiny and artisan-based industries remained similar to large/ medium units. The highest concentration of these units was in Tirhut division (20

percent), followed by Patna (17.4 percent). Magadh and Purnea divisions reported around 10 percent share each, with Bhagalpur (4.9 percent) and Kosi (5.8 percent) reporting the least share.

5. Among the agro-based industries, along with the fruits and vegetables, milk and eggs are very important for employment generation. The efforts are also continuing to expand horticulture in Bihar through the National Horticulture Mission, launched by the central government in half of its districts. The Chief Minister's Horticulture Mission has been launched in the remaining 19 districts which were not covered under the National Horticulture Mission.
6. The food processing industry has a great potential in the state. It may generate additional employment to atleast 5 lakh persons. Besides processing of cereals, great potential remains to be tapped in fruits and vegetables. In view of huge potential for development of food processing industry in Bihar, the Industries Department has planned a Rs. 1760 crore project for development of food processing infrastructure and other facilities in the state.
7. The sugar has a significant position in the agro-based industry of the state. It generates employment in the farm sector, directly as well as through ancillaries and related activities. An estimated 5 lakh farmers are engaged in the cultivation of sugarcane and another half a lakh skilled and unskilled persons in sugar industries. The objectives during the Eleventh Plan are to enhance the sugarcane production by augmenting the area under cultivation as also its productivity. The long term goal is to gradually increase its area to 4.6 lakh hectares.
8. The handloom industry is primarily concentrated in the districts of Patna, Gaya, Bhagalpur, Banka, Darbhanga, Arwal, Jehanabad, Aurangabad, Nawada, Nalanda, Bhabua, Khagaria, Madhubani and Siwan. There are around 1071 weavers' cooperative societies in the state, with 10,817 handlooms. Besides, 23,503 handlooms exist outside the cooperative sector. Around 1.33 lakh weavers are engaged in this sector, of which nearly a lakh are outside the cooperative sector. The state government has introduced welfare schemes for weavers in the form of marketing assistance, modernisation of training centres and repair of shed-cum-housing.
9. Bihar had 12 support institutions. Out of these, BSFC and BISCICO, the two financial support institutions are in the process of revival. The revival of BSIDC has also been initiated. Similarly, the reorganisation of Udyog Mitra is on anvil. BIADA is responsible for

providing developed infrastructure in industrial estates like water, roads, drainage, electricity, etc. It also provides information and assistance to prospective entrepreneurs to set up industry.

10. A beginning has been made in the state to exploit the great potential in the field of Information and Communication Technology (ICT) with a view to expand knowledge base and employment in various sectors of the economy. Video-conferencing in all the 38 districts has already been in operation. Computerisation of treasury, finance, provident fund, tax collection, electricity bills, registration of properties, e-governance, etc. is planned on a public-private partnership basis with Beltron as an important player.
11. In 2008-09 (upto December, 2008), the cumulative total of proposals approved by the State Industrial Promotion Board (SIPB) has gone upto 164 with an aggregate investment of Rs. 91.75 thousand crore and employment potential of 1.23 lakh persons. Out of 164 approved proposals, 15 proposals have already been implemented and are working, one is ready for production, and as many as 49 with a total investment of Rs. 22.91 thousand crore are in the advanced stage of implementation. The remaining 99 proposals are, however, under different stages of implementation.
12. The State Tourism Development Corporation (STDC) has taken a number of measures to develop tourism. With improvement in law and order as well as infrastructural facilities at various tourist destinations, the number of both foreign and domestic tourists has recorded an increase from 69.44 lakh in 2005 to 107.65 lakh in 2006 and to 105.30 lakh in 2007.

### **Physical Infrastructure**

1. The existing low level of infrastructure facilities are the major bottleneck in accelerating the process of development in the state. In pursuance of the Bihar Infrastructure Development Enabling Act, the state government has already begun to explore and introduce the option of Public-Private Partnership (PPP) in some sectors and is planning to expand these initiatives.
2. Being a densely populated state, the road density per lakh population in Bihar stands at only 111 kms.; while for the country as a whole this density is more than three times (360 kms.). The proportion of the villages connected through roads is only 57 percent as against 62 percent for all-India and 99 percent for Gujarat. In Bihar, the total road length in 2008 was 82,959 kms. which constituted National Highways (4.50 percent), State Highways (4.81 percent), Major District Roads (9.83 percent), Other District Roads (4.60 percent) and

Village Roads (76.26 percent). However, part of the roads under the last two categories are unpaved. There is vast inter-district variation in terms of the road length in the state. During the Eleventh Five year Plan, besides the national highways, the state highways and major district roads are also to be upgraded.

3. The number of motor vehicles in Bihar has increased by 239 percent in 2007. This is indicative of the fact that the increase in road network was not commensurate with the increase in transport in the state. Keeping in view the phenomenal increase in the motor vehicles, all the important corridors in the state are to be upgraded to four lanes under NHDP.
4. Presently, there are 1055 bridges, small and big, on the state highways and 3049 on the major district roads. For maintaining the connectivity, there is a need of a bridge at a distance of every 50 kms. on of the important rivers in the state. Besides, bridges are proposed to be constructed on smaller rivers too. There is a target to complete 1844 schemes during the year 2008-09, under the Mukhya Mantri Setu Nirman Yojana.
5. Practically, airways in Bihar are yet to develop. Patna, being the capital of the state, is on the air route from Delhi to Kolkata. It is also connected with Mumbai by air. Regular air services from Patna are also available for Ranchi and Lucknow. Among the districts, Gaya has also an international airport. Besides Indian Airlines, Jetlite, Kingfisher and Jet Airways also operate from Patna airport.
6. In the field of telecommunication, there are various players — BSNL, Reliance, Bharti Airtel, ABTL (IDEA), Vodaphone Essar and Dishnet wireless. The total number of GSM subscribers in November 2008 registered a phenomenal increase to 1.24 crore, compared to only 9.70 lakh subscribers in 2004-05. Among different operators, Bharati Airtel reported the highest number of subscribers (64.19 lakh).
7. Post offices have been playing the role of providing connectivity to the remotest places in rural areas. Upto March, 2008, there were as many as 9,057 post offices in the state, of which around 95 percent were in rural areas. But the rural areas were mostly serviced by extra-departmental post offices (92 percent). Nearly all the post offices, either departmental or extra departmental, were granted permanent status.

8. There is severe power shortage in the state and only 41 percent of its villages and 10 percent of the households are electrified. The peak availability is about 950 MW, causing a peak shortfall of 550 MW, which results in widespread shortage in supply to all categories of consumers. Bihar has only 592 MW of installed capacity, of which 540 MW is thermal and the remaining 47 MW is hydel and 5 MW is renewable energy. However, generation from its own thermal power stations is negligible, and most of the power requirement is met by purchases from the central generating plants. The annual per capita consumption of electricity in Bihar is only 76 units. There still remains a substantial energy shortage in the state. In 2006-07, the shortage was 1049 MU (15.31 percent) and it stepped upto 1471 MU (11.50 percent) in the next year.
9. Bihar has a total irrigation capacity of 98.38 lakh hectares, of which 53.53 lakh hectares are under major and medium irrigation and 49.56 lakh hectares are under minor irrigation. While more than half the area gets irrigation through minor sources, around 98 percent of minor irrigation is through tubewells. Since state tubewells are less in number, it is the private tubewells which are very important as an irrigation source in Bihar. In 2006-07, 5130 state tubewells were in operation, out of a total of 5556 state tubewells. Again, out of a total of 10.97 lakh private tubewells, 9.55 lakh were operational. The area under major/medium sources of irrigation has fluctuated much over the years. Among the different components of minor irrigation, it is the area irrigated thorough tubewells that has registered a steady increase over the years.
10. To meet the irrigation needs, about 1.65 thousand hectare of additional potential will be created and 4 lakh hectares of lost potential will be restored through minor irrigation schemes. Such schemes will also include rennovation and restoration of Ahars and Pynes. Under the Bharat Nirman Programme, the irrigation potential of 80 thousand hectares will be added by completing surface schemes under RIDF (Phase XII). The state government has made significant progress in transferring the operation, maintenance and upkeep of 32 distributaries to Water Users Associations (WUAs), involving 1,10,549 hectares of command area. The overall strategy is to decentralise the delivery system of all the irrigation system to the WUAs by the end of the Eleventh Plan period.

### **Social Sectors**

1. Bihar has been at the lowest position among the major states in India in 1981, 1991 and 2001. The same pattern is replete in its ranking with respect to Per Capita Income. In Bihar, the twin challenges of economic growth and human development are further accentuated by

its high poverty ratios and low per capita income. However, the rate of decline of poverty has been higher in Bihar compared to the national average.

2. The overall literacy rate in India in 2001 was 65.4 percent while in Bihar it was 47.0 percent. The female literacy rate in Bihar in 2001 was much lower at 33.6 percent, as against a national average of 54.2 percent. Bhojpur and Rohtas are relatively high on the literacy indicator with literacy rates at 59.0 and 61.3 percent respectively. However, the female literacy rates in the two districts are 41.8 percent and 45.7 percent respectively. Patna is the only district in Bihar where 50 percent of the female population is literate. In Kishanganj, less than 20 percent of the women are literate. The male literacy rate is also the lowest in Kishanganj.
3. The overall enrolment at the primary and upper primary level has increased by 34.5 percent. There has been a 41.5 percent increase in enrolment of children from SC communities and 80.7 percent increase for ST communities. The enrolment has significantly improved in upper primary level with an overall increase of 72.8 percent. For SCs, the enrolment in upper primary has increased by 97.4 percent while, for STs, it has increased by 126.0 percent.
4. The dropout rates in Bihar in primary education level have declined by 5 percentage points between 2004-05 and 2005-06. The decline has been higher in the case of boys, as compared to girls. However, at upper primary level, there was a very modest decline by just 1 percentage point. At the secondary level, the position has deteriorated with a marginal increase of dropout rate by 0.01 percent.
5. With a Gross Enrolment Ratio (GER) in higher education at 6.71 percent in Bihar, it is well below the national average of 9.21 percent. While male GER is close to the national average, there is a huge gap once again in female GER between Bihar (3.50 percent) and the national average (7.65 percent).
6. Though there are 12 universities, one open university and 504 colleges and institutes in Bihar for higher education, it still lags behind in the number of medical colleges (23) and engineering and technical colleges (7). The enrolment of female SC students, among all female students in general streams like arts, science and commerce, is low at 5-6 percent; for males, it is much higher at 11-15 percent. In medicine and engineering, however, the enrolments are the same for male and female SC students. Among ST students, male and

female enrolment in percentage terms are almost equal in all courses measured within the same population cohorts.

7. Of Bihar's total population, 89.5 per cent live in rural area, making the state the least urbanized. Patna is the most urbanized district with a rural population of 58.4 percent. Munger comes next at 72.1 percent. All other districts have a rural population of over 80 percent, with 7 districts having a rural population of over 95 percent. The sex ratio in Bihar at 919 females per thousand males is slightly lower than the national ratio at 933. The total share of SC in the population is 15.7 percent.
8. The average rate of work participation is 32.9 percent for Bihar. Saran, Siwan, Vaishali, Buxar, Munger, Bhojpur and Gopalganj have Work Participation Ratio (WPR) below 30 percent. The WPR is higher than 40 percent in Supaul, Jamui and Madhepura and higher than 35 percent in another 14 districts. The gender gap is stark with the female WPR for the state at 18.4 percent while the male WPR is 46.3 percent.
9. Vaccination coverage increased in Bihar between 1998-99 and 2004-05, from 12 percent to 33 percent while there was only a 2 percent increase in the national average in the same period. Infant mortality in Bihar decreased from 72 to 68 per 1000 live births in the same period. This was mainly attributable to rise in institutional deliveries from 15 to 22 percent in the same period.
10. There are 11,107 health centres of all types in Bihar. For every lakh of population, there are 13 health centres. There are wide variations in coverage at the district level. While Khagaria has 153 health centres and Gopalganj has 89 centres for every lakh of population, Nawada has only 8. Apart from Gopalganj and Khagaria, no district has more than 19 centres for every lakh of population. While 28 districts have atleast one rural referral hospital, the remaining 10 have none. The total number of referral hospitals in the state is 70.
11. There are 4643 regular and 2369 contractual posts sanctioned for doctors in the state. At present, 58.4 percent of the regular and 58.8 percent of the contractual posts have been filled up. There are 5 doctors in position and working for every lakh of population in the state. There are districtwise differences in availability of doctors. While 49 doctors are available per lakh of population in Khagaria and 38 in Gopalganj, there is only 1 doctor available per lakh population in Arwal. There are only 2 Grade A staff nurses in position and working for every lakh of population. For such nurses, 57.1 percent of the regular 26.4 percent of the



contractual posts have been filled up. The same pattern is replete in the availability of ANMs. There are 16 ANMs working for every lakh of population in the state.

12. The incidence of rural poverty in Bihar has come down from a level of 64.4 percent in 1983-84 to 45.7 percent in 2004-05. Urban poverty has declined from 47.3 percent to 34.6 percent during the same period. Nevertheless, the poverty ratio for 2004-05 is still quite high compared to the corresponding ratios at the national level — rural (28.3 percent) and urban (25.7 percent).
13. SGSY is a scheme to promote self-employment among the communities through SHGs as well as individual self-employment programmes. A total of 14,036 SHGs were formed in 2007-08 under SGSY compared to 8324 in the pervious year. In 2007-08, a total of 85,355 swarojgari members of SHGs and 18,205 individual swarojgaris were given assistance for economic activities under SGSY. Likewise NREGS is a demand based guaranteed employment programme. The job cards were issued to 81,24,997 households in 2007-08 under this programme. Only 1.3 percent (49,945 households) of total number of households were provided with 100 days of employment in 2007-08. The Indira Awas Yojana is an important intervention for affordable housing for people below the poverty line.
14. The Public Distribution System (PDS) for essential commodities has been an important part of the measures to promote food security in the state. Under Antyodaya, BPL families are provided foodgrains at the very nominal price; whereas, Annapurna provides homeless senior citizens with free foodgrains.
15. New initiatives through the Bihar Mahadalit Development Mission have been taken to benefit the extremely deprived Mahadalits among the Dalits. Similarly, a Mukhya Mantri Nari Shakti Yojana is being implemented to sensitise, empower and assist women to lead a life based on self-respect and confidence through strengthening their economic states. The necessary welfare measures are also being taken up for the overall development of the backwards, extremely backwards and minorities of the state.

### **Banking and Allied Sectors**

1. There are three kinds of financial institutions functioning in the state: (i) Scheduled Commercial Banks (SCB), (ii) Regional Rural Banks (RRB) and (iii) Cooperative Banks their numbers being 3769, 1465 and 293 respectively.

2. While there has been significant growth in total deposits in Bihar in 2007-08 over the previous year by Rs 11,681 crore, the credit expanded by only Rs 3,712 crore. But Bihar's share in the total credit of scheduled commercial banks has remained practically the same at 0.9 percent over the years. In terms of both per capita deposit and credit, Bihar ranks the lowest among the major Indian states. While the per capita deposit of Bihar has increased significantly in 2007-08, the increase in per capita credit has not been appreciable.
3. The CD ratio of Bihar currently stands at 32.35 percent, far below the national average of 72.4 percent, and way behind the CD ratios of states like Maharashtra (102.2 percent), Rajasthan (82 percent), West Bengal (62.6 percent) and Madhya Pradesh (61.4 percent). In absolute terms, it means that if the current CD ratio of about 32 percent in the state were to increase to the national level of around 72 percent, investments in the state would go up by Rs. 27,000 crore, which is more than the current annual plan outlay of the state and would provide the much-needed impetus to economic activities. The poor CD ratio of the state can be attributed to a number of factors such as poor credit absorption capacity, poor basic infrastructure, apart from higher incidence of NPA (Non Performing Assets) accounts.
4. Among the Lead Banks, UCO Bank has the highest CD ratio of nearly 38.78 percent, down from 41.21 percent in the previous year. Among others, Syndicate Bank has the highest CD ratio of nearly 53.80 percent. For some banks, the CD ratios were very low, like the Corporation Bank (6.95 percent) or the Indian Overseas Bank (12.05 percent).
5. During 2007-08, the CD ratios across the districts showed wide variations, from 20.66 percent in Siwan to 48.99 percent in neighbouring West Champaran to 55.59 percent in Katihar. It is less than 25 percent in Bhojpur, Lakhisarai, Munger, Saran and Siwan. It is above 50 percent in Araria, Katihar, Kishanganj, Purnea and West Champaran. However, the high CD ratios in many districts are related to high accumulated interests on previous loans.
6. The total involvement of the banks in the economic activities of a state is truly reflected not by the Credit-Deposit ratios alone, but by the Investment plus Credit to Deposit (ICD) ratios. As of March 2007, Bihar had an ICD ratio of 57.9 percent, compared to its CD ratio of 32.35 percent. Nevertheless, even the ICD ratio of Bihar is much lower as compared to that of states like Rajasthan (104.5 percent), Madhya Pradesh (74.4 percent) and Orissa (82.4 percent) as well as a national average of 79.8 percent.

7. Under the Annual Credit Plan of banks in Bihar, the total credit flow in Bihar has gone up from Rs. 8738 crore in 2006-07 to Rs 10763 crore in 2007-08, registering a growth of 23 percent growth. In 2006-07, the priority sector advances constituted 62 percent of the total advances, of which agriculture accounted for nearly half the total priority sector advances and more than one third of the total advances within the state. The advances made to the small scale industries were very low.
8. While for the commercial banks, the achievement figures for Kisan Credit Cards were consistently high during the entire period from 1999-00 through 2008-09, the RRBs have been showing higher performance of late. The cooperative banks, however, are yet to gear up fully for the job. Overall, the achievement in the state has been only around 45.07 percent of the target for the entire period.
9. Till December 2007, NABARD had sanctioned 9,372 projects in the state under the RIDF, of which as many as 7,951 are related to minor irrigation. The total credit disbursed by NABARD by way of refinancing the banks amounted to Rs 184 crore during 2007-08. The total disbursements made by NABARD under the various tranches of the RIDF till March, 2008 in Bihar is only Rs 747 crore out of total sanctioned amount of Rs 2309 crore, or 31.19 percent of the sanctioned amount leaving a huge shortfall between sanction and disbursement.
10. The Self-Help Groups (SHGs) and the SHG-Bank Linkage Programme, implemented by commercial banks, RRBs and cooperative banks, have emerged as the major microfinance programme in the country. Bihar is gradually catching up with other states in SHG-Bank Linkages. As on March 31, 2008, an impressive cumulative number of 141,377 SHGs were credit-linked to banks and the total credit flow to these SHGs was Rs. 296.12 crore.
11. Among different rural poverty alleviation schemes, Pradhan Mantri Rojgar Yojana (PMRY) and Swarnjayanti Grammeen Swarojgar Yojana (SGSY) are important anti-poverty programmes in the state. For SGSY and PMRY schemes, the recovery rates are only around 31 percent and 25 percent respectively in 2006-07.

## **Public Finance**

1. In 2004-05, for the first time, Bihar had a revenue surplus of more than Rs 1000 crore. This surplus has been increasing continuously, from Rs 82 crore in 2005-06 to Rs 4647 crore in 2007-08. In the budget estimates of 2008-09 also, the state government projected to keep it

at almost the same level. This has been made possible not by squeezing the expenditure necessary for maintaining the pace of development, but by increasing the revenue (especially since 2005-06) and efficient debt management.

2. The gap between plan and non-plan expenditure has also been closing since 2005-06. As on March 2008, the non-plan expenditure was less than twice the plan expenditure, compared to three times 4 years ago. The year 2005-06 also marks the beginning of a declining Gross Fiscal Deficit (GFD), from Rs 3,700 crore in 2005-06 to Rs 1,703 crore in 2007-08. As a percentage of Gross State Domestic Product (GSDP), it came down from 4.64 to 1.62 percent, well within the FRBMA target of 3 percent. In the budget estimates of 2008-09, the GFD will be contained at 2.96 percent of the GSDP.
3. Its debt management, while the total debt stock in the economy has not been allowed to increase, the interest payments have also been contained at nearly the same level by reducing borrowings, from Rs 5,653 crore in 2003-04 to Rs 1,612 crore in 2007-08.
4. At the end of 2007-08, the finances of the state government were on a much stronger footing than ever before in the past. All key fiscal indicators pointed to a marked improvement in the fiscal position of the state government. The sustainability parameters had improved significantly, though the tax potential remains substantially untapped and the tax efforts leave much scope for improvement. Tax revenues were buoyant, though non-tax revenues showed no responsiveness to increasing the state income. The state government still remains overwhelmingly dependent on external resources, i.e., central funds, for meeting its own expenditure needs.
5. The revenue deficit of Bihar was contained effectively and as a result, from 2006-07 onwards, there was a growing surplus in the revenue account. In the combined revenue and capital accounts of Bihar, the budget deficit could also be reduced from Rs 1724 crore in 2007-08 to only Rs 501 crore in the 2008-09, largely due to surplus on revenue account.
6. From 2003-04 to 2008-09, revenue receipts and expenditure grew at nearly the same rate. With receipts outgrowing the expenditure during the last 4 years, it has resulted in a revenue surplus. The state government's own revenue, tax and non-tax combined, barely meets 20 percent of its revenue expenditure needs, and the rest has to come from its share of taxes and grants from the central government. While the total revenue of the state government has grown nearly threefold during the period 2003-2009, from Rs 12,456 crore to Rs 33,551

crore, the state government's own total revenue, tax and non-tax combined, have grown at a much slower rate, from Rs. 3239 crore to Rs. 5678 crore during the same period, i.e., by 75 percent.

7. The developmental expenditure in Bihar has constituted about 60 -70 percent of the total expenditure during all the years under consideration. In absolute terms, it has nearly doubled over the years and, except for a marginal decline in 2004-05, the pace of growth has been very high. The non-developmental expenditure, on the other hand, has increased at a slower rate. About 20 percent of the total expenditure of the state government has been plan expenditure till 2005-06, after which the share of plan expenditure has increased steadily to about 40 percent in 2008-09. Nearly half of the non-plan expenditure is non-developmental in nature, and nearly a quarter is solely due to interest payment on outstanding loans and payments on account of pension and gratuity.
8. The outstanding liability of the state government, as a percentage of GSDP, had decreased from 51 percent to 42 percent during the period from 2003-04 to 2008-09 and it reflects the state government's ability to contain the debt burden. The total public debt of the state government was Rs 35,045 crore at the end of 2007-08, which is 33 percent of the State's GSDP. This large figure is the accumulated effect of past borrowings, growing at an average annual rate of about 5.5 percent since 2003-04. The major part of this huge debt (about 60 percent) is due to the internal loans raised by the state government from the market, and about 16 percent is from the central government.
9. During 2003-04 to 2008-09 about 80 percent of the total receipts of the state government came from the central government by way of grants-in-aid and state's share of divisible pool of taxes. While the own tax revenue of the state government has grown by 80 percent from Rs 2919 crore in 2003-04 to Rs 5256 crore in 2008-09, the non-tax revenue has grown by 32 percent, from Rs. 320 crore to Rs. 422 crore during the same period.
10. The major sources of taxes are sales tax, stamp and registration fees, state excise duty, taxes and duties on electricity and taxes on vehicles. These five taxes together made up as much as 98 percent of the total tax receipts of the state government in 2008-09. Of these, sales tax alone comprises 56 percent of the total tax receipts, followed by Stamp and Registration Fees (16 percent). These taxes are highly buoyant and their yields increase automatically with the general increase in the income level as reflected by the GSDP. The most important element of the state government's non-tax revenue is the royalty from mines and minerals,

the other important source being the interest receipts. The receipt from these two together was about 46 percent of the total non-tax receipts in 2008-09, down from more than 66 percent the year before, due to a substantial drop in the interest receipts. In 2007-08, sales tax, stamp and registration fees, taxes on goods and passengers, taxes on vehicles and state excise were far more buoyant than the total tax revenues of the state government.

11. There has been a change in the structure of expenditure of the state government since 2007-08. Prior to 2007-08, the expenditure on General Services, mostly incurred on running the day-to-day administration of the state government, used to account for the bulk of expenditure from the Consolidated Fund, followed by Social Services and Economic Services. Since 2007-08, General Services no longer holds that predominant position. Now Social Services account for the bulk of the expenditure which reflects the state government's changed priority, in view of the importance accorded to education, health and social development. Capital expenditure that has the potential of generating income and employment has also been accorded high priority and accounts for a quarter of the total expenditure of the state government.
12. With a 75 percent share, revenue expenditure constitutes the bulk of total expenditure. The total expenditure and the revenue expenditure respectively are at 34 percent and 19 percent of GSDP for Bihar. From the buoyancy ratios, it can be seen that revenue expenditure is increasing much faster than GSDP, but not faster than revenue receipts. The salary of the state government employees alone accounted for more than one quarter of the state government's revenue expenditure at 28 percent
13. The quality of expenditure in Bihar has undergone significant improvement over these 5 years. The capital outlay has increased from a meager 7 percent to nearly a fifth of total expenditure, while revenue expenditure has practically remained the same at 75 percent of total expenditure. The remaining components of expenditure is accounted for by discharge of public debt and loans and advances made by the state government. The salary component of developmental revenue expenditure has declined from 54 percent to only 23 percent during this period, whereas the non-salary component has gone up from 46 percent to 77 percent of total developmental expenditure. The share of plan expenditure in total expenditure has also increased from 23 percent to 34 percent.
14. The per capita capital outlay has been continuously rising since 2005-06 and now stands at Rs 770 compared to the per capita expenditure on social services at Rs 1374 and on

economic services at Rs 1193. However, the low level of per capita expenditure on medical and public health as well as drinking water supply and sanitation are matters of concern. The per capita expenditure on general education (i.e. primary, secondary and higher education) increased from 2004-05 and stood at Rs 726 at the end of 2008-09, compared to only Rs 143 for medical and public health and only Rs 97 for water supply and sanitation.

15. In 2007-08, 67 percent of the total state government revenue expenditure on education were made on primary education, followed by 17 percent in secondary education and 14 percent on university and higher education. This signifies the priorities the state government places upon primary education. In medical and public health, 50 percent of the total expenditure were made on rural areas, as compared to 46 percent last year, followed by 30 percent on urban areas and 10 percent on medical training and research and the rest 6 percent on public health.

## **CHAPTER I**

### **MACRO OVERVIEW**

Bihar's economy is now set on a development path which would ensure that it reaches its targets under the Eleventh Five Year Plan period (2007-12). Essentially, these targets include an accelerated growth which is inclusive as well, implying higher levels of development in social sector and improved delivery of social services. In 2008-09, the population of Bihar is estimated to be 99.0 million, implying a population density of 951 persons per sq. km. But, fortunately, in spite of such high demographic pressure on land, the present Bihar has abundant natural resources in the form of its fertile land and plentiful water to pursue its development goals.

Although a number of crucial steps have been taken to accelerate the growth process in Bihar, it has had to face a major challenge this year in the form of an unprecedented flood, devastating a large part of its population in the north-eastern region. In this flood, about 50 lakh people were marooned and nearly all their houses and assets were destroyed. For rescue operations alone, the state government had to spend a huge amount. This, however, has not deterred the state government from continuing its efforts to strengthen the economy through higher levels of expenditure in infrastructure and social sectors.

This Economic Survey presents the details of the current status of the state's economy and the progress made in different sectors in the recent past. Apart from the Macro Overview, the survey is divided into six chapters — Agriculture, Industry and Allied Sectors, Physical Infrastructure, Social Sector, Banking and Allied Sectors and, finally, Public Finances.

#### **1.1 State Domestic Product**

Following the national pattern, the State Domestic Product of Bihar is now estimated both at current and constant (1999-00) prices. These estimates are also prepared separately for both Gross State Domestic Product (GSDP) and Net State Domestic Product (NSDP). Tables 1.1 and 1.2 present the estimates of GSDP in current and constant prices respectively; similarly, Tables 1.3 and 1.4 present the estimates of NSDP again in current and constant prices respectively.



**Table 1.1 : Gross State Domestic Product (GSDP) at Factor Cost at Current Prices**

(Rs. crore)

Sector	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07 (P)	2007-08 (Q)	2008-09 Advance	Growth Rate
1. Agriculture/ An. Hus.	15202.45	19732.38	17666.38	21144.54	19040.88	19717.33	19575.16	24597.99	23470.31	22231.34	4.31
2. Forestry / Logging	910.61	1007.82	1083.73	1151.37	1243.03	1351.46	1465.93	1589.17	1722.20	1837.31	8.11
3. Fishing	696.66	825.32	1031.79	1126.67	1189.94	1135.66	1167.44	1323.42	1448.68	1388.95	7.97
4. Mining / Quarrying	94.44	109.08	165.69	51.27	44.95	40.25	95.29	81.34	81.22	61.76	-4.61
<b>Sub Total (Primary)</b>	<b>16904.16</b>	<b>21674.60</b>	<b>19947.59</b>	<b>23473.85</b>	<b>21518.80</b>	<b>22244.70</b>	<b>22303.82</b>	<b>27591.92</b>	<b>26722.41</b>	25441.32	<b>4.65</b>
5. Manufacturing	3614.00	3470.43	3237.16	3686.05	3719.63	4290.94	4879.59	5425.99	5970.15	6910.25	7.47
5.1 Registered	1150.65	871.15	749.08	1025.59	738.33	1119.07	1334.01	1591.05	1892.59	2450.19	8.76
5.2 Un-registered	2463.35	2599.28	2488.08	2660.46	2981.30	3171.87	3545.58	3834.94	4077.56	4533.76	7.01
6. Construction	1929.19	1941.37	2235.18	2688.81	2775.68	3433.37	5973.34	7721.36	8130.28	11858.30	22.36
7. Elec. /Wat. Sup/ Gas	718.52	1008.37	727.18	740.17	906.59	1082.21	1163.88	1159.09	1299.17	1330.53	7.09
<b>Sub Total (Secondary)</b>	<b>6261.71</b>	<b>6420.17</b>	<b>6199.52</b>	<b>7115.03</b>	<b>7401.90</b>	<b>8806.52</b>	<b>12016.81</b>	<b>14306.44</b>	<b>15399.60</b>	19404.37	<b>13.39</b>
8. Trans. Storage/ Comm.	3723.96	3904.94	3898.86	4190.78	3969.28	4338.87	4868.60	5411.68	5555.32	5891.18	5.23
8.1 Railways	1563.75	1711.05	1716.13	1822.88	1413.74	1558.15	1756.15	2053.14	2053.14	1965.71	2.57
8.2 Other Trans. / Storage	1392.61	1472.07	1496.17	1621.67	1720.17	1863.77	2032.27	2228.68	2372.32	2586.15	7.12
8.3 Comm.	767.60	721.82	686.56	746.23	835.37	916.95	1080.18	1129.86	1129.86	1399.27	6.90
9. Trade/ Hotel / Restaurant	7540.85	8614.05	9582.62	11936.37	12761.66	16045.27	16844.34	22923.76	27612.78	31599.60	17.26
<b>Sub Total (8&amp;9)</b>	<b>11264.81</b>	<b>12518.99</b>	<b>13481.48</b>	<b>16127.15</b>	<b>16730.94</b>	<b>20384.14</b>	<b>21712.94</b>	<b>28335.44</b>	<b>33168.10</b>	37163.68	<b>14.18</b>
10. Banking / Insurance	1819.14	2056.00	2735.69	2723.18	2889.89	2908.21	2938.59	3567.48	3567.48	3603.05	7.89
11. REODB	2097.09	2358.44	2583.31	2900.14	3401.22	3737.55	4251.33	4831.28	5514.18	6238.96	12.88
<b>Sub Total (10&amp;11)</b>	<b>3916.23</b>	<b>4414.44</b>	<b>5319.00</b>	<b>5623.32</b>	<b>6291.11</b>	<b>6645.76</b>	<b>7189.92</b>	<b>8398.76</b>	<b>9081.66</b>	9725.24	<b>10.63</b>
12. Public Administration	3793.61	4113.73	4540.48	4084.96	4903.03	5367.87	5542.50	6895.30	7187.76	7767.72	8.29
13. Other Services	8059.41	8127.83	8200.03	8576.07	9408.29	9771.83	11390.53	13428.91	13588.82	15555.42	7.58
<b>Sub Total (Tertiary)</b>	<b>27034.06</b>	<b>29174.99</b>	<b>31540.99</b>	<b>34411.50</b>	<b>37333.37</b>	<b>42169.60</b>	<b>45835.89</b>	<b>57058.41</b>	<b>63026.34</b>	<b>70066.48</b>	<b>11.16</b>
<b>Total GSDP</b>	<b>50199.93</b>	<b>57269.76</b>	<b>57688.10</b>	<b>65000.38</b>	<b>66254.07</b>	<b>73220.82</b>	<b>80156.52</b>	<b>98956.77</b>	<b>105148.35</b>	<b>112424.35</b>	<b>9.37</b>
<b>Per Capita GSDP (Rs.)</b>	<b>6304.00</b>	<b>6995.00</b>	<b>6836.00</b>	<b>7596.00</b>	<b>7604.00</b>	<b>8258.00</b>	<b>8890.00</b>	<b>10799.00</b>	<b>11298.00</b>	<b>11917.60</b>	<b>7.33</b>

Note : REODB = Real Estate, Ownership of Dwelling &amp; Business

**Table 1.2 : Gross State Domestic Product (GSDP) at Factor Cost at Constant (1999-00) Prices**

(Rs. crore)

Sector	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07 (P)	2007-08 (Q)	2008-09 Advance	Growth Rate
1. Agriculture/ An. Hus.	15202.45	20861.35	16287.60	20666.04	16899.48	19417.48	16983.80	21729.49	19083.25	17804.05	1.77
2. Forestry / Logging	910.61	962.94	987.71	1023.17	1066.04	1116.76	1166.02	1216.03	1267.56	1313.54	4.15
3. Fishing	696.66	769.24	984.79	1069.27	1091.47	1095.34	1144.70	1069.06	1148.74	1145.09	5.68
4. Mining / Quarrying	94.44	133.42	242.54	67.95	55.70	43.82	74.76	64.19	64.00	35.39	-10.33
<b>Sub Total (Primary)</b>	<b>16904.16</b>	<b>22726.95</b>	<b>18502.64</b>	<b>22826.43</b>	<b>19112.69</b>	<b>21673.40</b>	<b>19369.28</b>	<b>24078.77</b>	<b>21563.55</b>	<b>20198.02</b>	<b>2.00</b>
5. Manufacturing	3614.00	3389.89	3143.56	3386.16	3317.22	3526.58	3789.47	4002.46	4183.01	4524.25	2.53
5.1 Registered	1150.65	785.84	677.24	841.63	621.81	790.40	871.55	963.61	1061.33	1283.86	1.22
5.2 Un-registered	2463.35	2604.05	2466.32	2544.53	2695.41	2736.18	2917.92	3038.85	3121.68	3236.37	3.08
6. Construction	1929.19	1952.50	2159.39	2574.73	2517.52	3103.99	5698.33	7419.19	7750.18	11148.97	21.52
7. Elec. /Wat. Sup/ Gas	718.52	778.00	602.14	615.71	631.70	654.44	727.82	771.98	821.52	828.90	1.60
<b>Sub Total (Secondary)</b>	<b>6261.71</b>	<b>6120.39</b>	<b>5905.09</b>	<b>6576.60</b>	<b>6466.44</b>	<b>7285.01</b>	<b>10215.62</b>	<b>12193.63</b>	<b>12754.71</b>	<b>15662.63</b>	<b>10.72</b>
8. Trans. Storage/ Comm.	3723.96	4053.84	4050.59	4357.25	4070.67	4390.91	4890.87	5396.72	5425.28	5623.87	4.69
8.1 Railways	1563.75	1755.17	1802.44	1836.62	1383.12	1485.20	1613.19	1758.55	1758.55	1573.43	0.07
8.2 Other Trans. / Storage	1392.61	1503.87	1497.88	1575.46	1582.05	1655.99	1674.54	1778.25	1806.81	1828.96	3.07
8.3 Comm.	767.60	794.80	750.27	945.17	1105.50	1249.72	1603.14	1859.92	1859.92	2506.27	14.05
9. Trade/ Hotel / Restaurant	7540.85	8700.94	9529.99	11357.42	11419.66	13880.69	13571.04	17413.14	19600.68	20943.37	12.02
<b>Sub Total (8&amp;9)</b>	<b>11264.81</b>	<b>12754.78</b>	<b>13580.58</b>	<b>15714.67</b>	<b>15490.33</b>	<b>18271.60</b>	<b>18461.91</b>	<b>22809.86</b>	<b>25025.96</b>	<b>26494.43</b>	<b>9.97</b>
10. Banking / Insurance	1819.14	2014.32	2473.59	2366.69	2295.32	2424.91	2602.62	3199.76	3199.76	3203.83	6.49
11. REODB	2097.09	2209.78	2304.39	2399.66	2508.55	2637.63	2782.37	2947.23	3128.82	3257.40	5.01
<b>Sub Total (10&amp;11)</b>	<b>3916.23</b>	<b>4224.10</b>	<b>4777.98</b>	<b>4766.35</b>	<b>4803.87</b>	<b>5062.54</b>	<b>5384.99</b>	<b>6146.99</b>	<b>6328.58</b>	<b>6467.83</b>	<b>5.73</b>
12. Public Administration	3793.61	4129.39	4461.52	3846.02	4362.53	4587.63	4431.99	5210.40	5091.62	5149.91	3.45
13. Other Services	8059.41	8295.06	8267.58	8328.77	8663.59	8683.54	9530.42	10613.98	10229.45	10910.55	3.42
<b>Sub Total (Tertiary)</b>	<b>27034.06</b>	<b>29403.33</b>	<b>31087.66</b>	<b>32655.81</b>	<b>33320.32</b>	<b>36605.31</b>	<b>37809.31</b>	<b>44781.23</b>	<b>46675.61</b>	<b>48907.34</b>	<b>6.81</b>
<b>Total GSDP</b>	<b>50199.93</b>	<b>58250.67</b>	<b>55495.39</b>	<b>62058.84</b>	<b>58899.45</b>	<b>65563.72</b>	<b>67394.21</b>	<b>81053.63</b>	<b>80993.87</b>	<b>82947.52</b>	<b>5.74</b>
<b>Per Capita GSDP (Rs.)</b>	<b>6304</b>	<b>7115</b>	<b>6576</b>	<b>7253</b>	<b>6760</b>	<b>7395</b>	<b>7475</b>	<b>8846</b>	<b>8703</b>	<b>8794</b>	<b>3.77</b>

Note : REODB = Real Estate, Ownership of Dwelling & Business

**Table 1.3 : Net State Domestic Product (NSDP) at Factor Cost at Current (1999-00) Prices**

(Rs. crore)

Sector	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07 (P)	2007-08 (Q)	2008-09 Advance	Growth Rate
1. Agriculture/ An. Hus.	14322.92	18735.97	16522.50	19896.05	17671.26	18152.64	17815.67	22387.03	21360.71	19898.49	3.72
2. Forestry / Logging	878.63	973.49	1046.70	1110.02	1197.71	1301.05	1412.69	1531.45	1659.65	1768.04	8.08
3. Fishing	628.22	737.17	901.99	974.99	1012.88	938.27	972.36	1102.28	1206.60	1132.65	6.77
4. Mining / Quarrying	74.84	87.34	131.73	42.86	37.13	33.91	80.33	68.57	68.47	52.96	-3.77
<b>Sub Total (Primary)</b>	<b>15904.61</b>	<b>20533.97</b>	<b>18602.92</b>	<b>22023.92</b>	<b>19918.98</b>	<b>20425.87</b>	<b>20281.05</b>	<b>25089.33</b>	<b>24295.43</b>	<b>22773.35</b>	<b>4.07</b>
5. Manufacturing	3153.14	2947.19	2656.42	3050.22	2990.49	3401.11	3817.97	4242.86	4664.89	5325.61	6.00
5.1 Registered	999.95	699.87	557.30	818.83	510.24	853.07	1020.05	1216.60	1447.17	1931.03	7.59
5.2 Un-registered	2153.19	2247.32	2099.12	2231.39	2480.25	2548.04	2797.92	3026.26	3217.72	3483.41	5.49
6. Construction	1890.26	1885.96	2168.36	2620.57	2688.64	3321.66	5805.86	7504.87	7902.32	11559.54	22.29
7. Elec. /Wat. Sup/ Gas	407.87	568.93	322.32	384.11	469.86	566.47	574.15	571.79	640.89	675.75	5.77
<b>Sub Total (Secondary)</b>	<b>5451.27</b>	<b>5402.08</b>	<b>5147.10</b>	<b>6054.90</b>	<b>6148.99</b>	<b>7289.24</b>	<b>10197.98</b>	<b>12319.52</b>	<b>13208.10</b>	<b>16958.59</b>	<b>13.44</b>
8. Trans. Storage/ Comm.	3039.31	3238.80	3227.67	3438.83	3182.78	3390.48	3828.89	4296.73	4419.61	4538.50	4.56
8.1 Railways	1207.04	1350.45	1360.33	1446.00	1021.54	1073.40	1241.10	1501.86	1501.86	1342.99	1.19
8.2 Other Trans. / Storage	1239.77	1314.51	1319.51	1415.26	1499.04	1593.40	1738.51	1906.53	2029.41	2178.10	6.46
8.3 Comm.	592.50	573.84	547.83	577.57	662.20	723.68	849.28	888.34	888.34	1085.03	6.95
9. Trade/ Hotel / Restaurant	7427.58	8483.11	9454.98	11803.75	12611.02	15876.34	16654.80	22665.81	27302.07	31274.96	17.32
<b>Sub Total (8&amp;9)</b>	<b>10466.89</b>	<b>11721.91</b>	<b>12682.65</b>	<b>15242.58</b>	<b>15793.80</b>	<b>19266.82</b>	<b>20483.69</b>	<b>26962.54</b>	<b>31721.68</b>	<b>35420.61</b>	<b>14.51</b>
10. Banking / Insurance	1766.89	1988.58	2649.98	2645.45	2807.97	2821.03	2848.04	3467.52	3467.52	3508.62	7.92
11. REODB	1357.97	1492.92	1495.86	1632.55	1919.79	1921.75	2138.35	2430.06	2773.54	2960.53	9.05
<b>Sub Total (10&amp;11)</b>	<b>3124.86</b>	<b>3481.50</b>	<b>4145.84</b>	<b>4278.00</b>	<b>4727.76</b>	<b>4742.78</b>	<b>4986.39</b>	<b>5897.58</b>	<b>6241.06</b>	<b>6439.71</b>	<b>8.37</b>
12. Public Administration	3228.44	3445.69	3776.69	3385.62	4047.84	4453.00	4572.29	5688.28	5929.55	6428.89	7.95
13. Other Services	7920.88	7961.63	7999.17	8351.55	9142.56	9430.20	10975.88	12940.06	13094.15	14921.33	7.29
<b>Sub Total (Tertiary)</b>	<b>24741.07</b>	<b>26610.73</b>	<b>28604.35</b>	<b>31257.75</b>	<b>33711.96</b>	<b>37892.80</b>	<b>41018.25</b>	<b>51488.46</b>	<b>56986.44</b>	<b>62998.12</b>	<b>10.94</b>
<b>Total NSDP</b>	<b>46096.95</b>	<b>52546.78</b>	<b>52354.37</b>	<b>59336.57</b>	<b>59779.93</b>	<b>65607.91</b>	<b>71497.28</b>	<b>88897.31</b>	<b>94489.97</b>	<b>100138.36</b>	<b>9.00</b>
<b>Per Capita NSDP (Rs.)</b>	<b>5789.00</b>	<b>6418.00</b>	<b>6204.00</b>	<b>6934.00</b>	<b>6861.00</b>	<b>7400.00</b>	<b>7930.00</b>	<b>9702.00</b>	<b>10153.00</b>	<b>10616.30</b>	<b>6.97</b>

Note : REODB = Real Estate, Ownership of Dwelling & Business

**Table 1.4 : Net State Domestic Product (NSDP) at Factor Cost at Constant Prices**

(Rs. crore)

Sector	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07 (P)	2007-08 (Q)	2008-09 Advance	Growth Rate
1. Agriculture/ An. Hus.	14322.92	19882.95	15220.43	19537.87	15702.42	18157.17	15646.30	20018.26	17580.41	16202.30	1.38
2. Forestry / Logging	878.63	929.03	952.81	985.33	1025.78	1075.44	1124.47	1172.70	1222.39	1266.64	4.15
3. Fishing	628.22	684.57	867.33	932.04	935.73	932.75	987.02	921.80	990.50	981.29	5.08
4. Mining / Quarrying	74.84	112.34	211.45	60.48	48.96	38.77	63.53	54.55	54.39	29.12	-9.96
<b>Sub Total (Primary)</b>	<b>15904.61</b>	<b>21608.89</b>	<b>17252.02</b>	<b>21515.72</b>	<b>17712.89</b>	<b>20204.13</b>	<b>17821.32</b>	<b>22167.31</b>	<b>19847.69</b>	<b>18380.36</b>	<b>1.62</b>
5. Manufacturing	3153.14	2890.62	2618.42	2823.16	2701.19	2835.30	3014.39	3179.68	3317.90	3542.17	1.30
5.1 Registered	999.95	623.34	503.59	657.03	423.78	574.02	628.78	695.20	765.70	937.30	-0.72
5.2 Un-registered	2153.19	2267.28	2114.83	2166.13	2277.41	2261.28	2385.61	2484.48	2552.20	2592.73	2.09
6. Construction	1890.26	1899.99	2098.71	2513.39	2441.78	3011.60	5566.27	7247.25	7570.57	10929.24	21.53
7. Elec. /Wat. Sup/ Gas	407.87	352.92	232.16	298.83	255.63	243.37	284.26	301.51	320.86	339.03	-2.03
<b>Sub Total (Secondary)</b>	<b>5451.27</b>	<b>5143.53</b>	<b>4949.29</b>	<b>5635.38</b>	<b>5398.60</b>	<b>6090.27</b>	<b>8864.92</b>	<b>10728.44</b>	<b>11209.33</b>	<b>14093.45</b>	<b>11.13</b>
8. Trans. Storage/ Comm.	3039.31	3413.10	3424.02	3675.11	3410.52	3679.58	4151.77	4598.94	4623.37	4737.53	5.06
8.1 Railways	1207.04	1406.00	1464.50	1490.71	1068.71	1158.24	1286.33	1415.28	1415.28	1233.50	0.24
8.2 Other Trans. / Storage	1239.77	1354.59	1335.37	1387.28	1382.19	1424.22	1432.77	1521.51	1545.94	1529.14	2.36
8.3 Comm.	592.50	652.51	624.15	797.12	959.62	1097.12	1432.67	1662.15	1662.15	2255.70	16.01
9. Trade/ Hotel / Restaurant	7427.58	8576.88	9414.07	11238.29	11289.47	13745.02	13426.30	17227.42	19391.63	20729.03	12.08
<b>Sub Total (8&amp;9)</b>	<b>10466.89</b>	<b>11989.98</b>	<b>12838.09</b>	<b>14913.40</b>	<b>14699.99</b>	<b>17424.60</b>	<b>17578.07</b>	<b>21826.36</b>	<b>24015.00</b>	<b>25372.84</b>	<b>10.34</b>
10. Banking / Insurance	1766.89	1950.31	2395.92	2297.35	2224.53	2354.58	2533.45	3126.84	3126.84	3141.04	6.60
11. REODB	1357.97	1377.23	1333.40	1301.22	1276.17	1276.42	1285.54	1361.71	1445.61	1383.43	0.21
<b>Sub Total (10&amp;11)</b>	<b>3124.86</b>	<b>3327.54</b>	<b>3729.32</b>	<b>3598.57</b>	<b>3500.70</b>	<b>3631.00</b>	<b>3818.99</b>	<b>4488.55</b>	<b>4572.45</b>	<b>4531.00</b>	<b>4.21</b>
12. Public Administration	3228.44	3478.39	3754.17	3217.96	3618.02	3848.41	3689.12	4337.06	4238.19	4289.44	3.21
13. Other Services	7920.88	8136.00	8084.43	8128.06	8436.69	8414.79	9221.92	10270.41	9898.32	10514.43	3.20
<b>Sub Total (Tertiary)</b>	<b>24741.07</b>	<b>26931.91</b>	<b>28406.01</b>	<b>29857.99</b>	<b>30255.40</b>	<b>33318.80</b>	<b>34308.10</b>	<b>40922.38</b>	<b>42723.96</b>	<b>44593.62</b>	<b>6.76</b>
<b>Total GSDP</b>	<b>46096.95</b>	<b>53684.33</b>	<b>50607.32</b>	<b>57009.09</b>	<b>53366.89</b>	<b>59613.20</b>	<b>60994.34</b>	<b>73818.13</b>	<b>73780.98</b>	<b>75112.14</b>	<b>5.57</b>
<b>Per Capita NSDP (Rs.)</b>	<b>5789.00</b>	<b>6557.00</b>	<b>5997.00</b>	<b>6662.00</b>	<b>6125.00</b>	<b>6724.00</b>	<b>6765.00</b>	<b>8056.00</b>	<b>7928.00</b>	<b>7963.05</b>	<b>3.61</b>

Note : REODB = Real Estate, Ownership of Dwelling &amp; Business

The medium term growth rate of NSDP at constant prices, taking the period 1999-00 to 2008-09, is estimated to be 5.57 percent. Although this growth rate is lower than the national growth rate of about 6-7 percent, it indicates an improved growth performance compared to the recent past when the state economy had managed to grow at barely 3-4 percent. With the current population growth rate of about 1.96 percent for Bihar, the per capita NSDP in Bihar has grown at 3.61 percent. For the comparative position of Bihar, one can see from Table 1.5 that, in 2005-06, while the per capital NSDP for the whole country at current prices stood at Rs. 25,716, the figure for Bihar was Rs. 7,875 which was barely 30.6 percent of the national average.

**Table 1.5 : Per Capita Net State Domestic Product at Current Prices for Major Indian States**

(Rupees)

State	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06
Andhra Pradesh	15507	17243	18630	19568	22041	23729	26211
Assam	12269	12797	13153	14600	15687	16825	18598
<b>Bihar</b>	<b>5766</b>	<b>6396</b>	<b>6197</b>	<b>6928</b>	<b>6913</b>	<b>7464</b>	<b>7875</b>
Chhattisgarh	11761	10985	12443	13145	16098	18068	20151
Gujarat	18864	18392	19823	22683	26922	29468	34157
Haryana	21966	24138	26077	28259	31509	35044	38832
Himachal Pradesh	20806	22795	24608	26627	28333	31140	33805
Jharkhand	12747	10294	10972	11865	12941	17493	19066
Karnataka	16758	17464	17776	19041	20515	24199	27291
Kerala	19294	19917	21047	23207	25645	27864	30668
Madhya Pradesh	12384	11862	12697	12303	14306	14534	15647
Maharashtra	23340	22992	24450	26697	29770	32979	37081
Orissa	10567	10452	11075	11788	14252	16306	17299
Punjab	25615	27863	28949	29443	31192	32945	34929
Rajasthan	13477	12897	14165	13126	16704	16800	17863
Tamil Nadu	19378	20927	20924	21813	24106	27137	29958
Uttar Pradesh	9405	9541	9781	10435	11250	11941	13262
West Bengal	15826	16521	17826	18746	20806	22522	25223
India	15839	16648	17800	18899	20936	22946	25716

Source : Economic Survey, 2007-08, Government of India

Among the major sectors, the medium term growth rate for NSDP at constant prices has been satisfactory for at least three sectors — Construction (21.53 percent), Communications (16.01 percent) and Trade, Hotels and Restaurants (12.08 percent). Apparently, Agriculture with a growth rate of only 1.38 percent appears as one of the lagging sectors; but it should be noted that the two consecutive floods in 2007-08 and 2008-09 had caused substantial loss of agricultural income in both the years, resulting in a low growth rate of NSDP from the sector. In the absence of this calamity, agricultural growth rate would have been much higher. Because of lower growth rate of the primary sectors, the sectoral composition of the NSDP has been undergoing a slow but steady change over the years (Table 1.6). In the beginning of the current decade, the sectoral composition of NSDP was as follows — Primary (35 percent), Secondary (11 percent) and Tertiary (54 percent). At present, the changed composition stands at — Agriculture (27 percent), Secondary (17 Percent) and Tertiary (56 percent).

The disadvantaged economy of Bihar suffers not only from its comparatively lower growth rates, but from substantial year-to-year variation in growth rates as well. Agricultural growth is possibly the most important source of this variation, but many other sectors too are not free from this structural weakness (Table 1.7). During the past decade, the growth rate has varied between (-) 21.92 to 37.22 percent in Primary sectors; between (-)2.26 to 22.80 percent in Secondary sectors; and between 2.03 to 18.44 percent in Tertiary sectors. For the aggregate GSDP, the yearly growth rate varies from (-) 4.73 percent to 11.31 percent.

As regards the performance of the state economy in 2008-09, as revealed by the advance estimate of GSDP (Table 1.2), it might be noted that this year the estimated growth rate is lower than the average. This is largely because of the unprecedented floods in 2008 which has badly affected the agricultural sector. But two buoyant sectors of the state economy are estimated to grow at an even higher rate this year — Construction (43.85 percent) and Communications (34.75 percent). Because of strong policy interventions, the registered Manufacturing sector is also estimated to grow at 20.97 percent in 2008-09.

**Table 1.6 : Percentage Distribution of Sectoral Composition of Gross State Domestic Product at Factor Cost at Constant (1999-00) Prices**

Sector	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07 (P)	2007-08 (Q)	2008-09 Advance
1. Agriculture/ An. Hus.	30.28	35.81	29.35	33.30	28.69	29.62	25.20	26.81	23.56	21.46
2. Forestry / Logging	1.81	1.65	1.78	1.65	1.81	1.70	1.73	1.50	1.57	1.58
3. Fishing	1.39	1.32	1.77	1.72	1.85	1.67	1.70	1.32	1.42	1.38
4. Mining / Quarrying	0.19	0.23	0.44	0.11	0.09	0.07	0.11	0.08	0.08	0.04
<b>Sub Total (Primary)</b>	<b>33.67</b>	<b>39.02</b>	<b>33.34</b>	<b>36.78</b>	<b>32.45</b>	<b>33.06</b>	<b>28.74</b>	<b>29.71</b>	<b>26.62</b>	<b>24.35</b>
5. Manufacturing	7.20	5.82	5.66	5.46	5.63	5.38	5.62	4.94	5.16	5.45
5.1 Registered	2.29	1.35	1.22	1.36	1.06	1.21	1.29	1.19	1.31	1.55
5.2 Un-registered	4.91	4.47	4.44	4.10	4.58	4.17	4.33	3.75	3.85	3.90
6. Construction	3.84	3.35	3.89	4.15	4.27	4.73	8.46	9.15	9.57	13.44
7. Elec. /Wat. Sup/ Gas	1.43	1.34	1.09	0.99	1.07	1.00	1.08	0.95	1.01	1.00
<b>Sub Total (Secondary)</b>	<b>12.47</b>	<b>10.51</b>	<b>10.64</b>	<b>10.60</b>	<b>10.98</b>	<b>11.11</b>	<b>15.16</b>	<b>15.04</b>	<b>15.75</b>	<b>18.88</b>
8. Trans. Storage/ Comm.	7.42	6.96	7.30	7.02	6.91	6.70	7.26	6.66	6.70	6.78
8.1 Railways	3.12	3.01	3.25	2.96	2.35	2.27	2.39	2.17	2.17	1.90
8.2 Other Trans. / Storage	2.77	2.58	2.70	2.54	2.69	2.53	2.48	2.19	2.23	2.20
8.3 Comm.	1.53	1.36	1.35	1.52	1.88	1.91	2.38	2.29	2.30	3.02
9. Trade/ Hotel / Restaurant	15.02	14.94	17.17	18.30	19.39	21.17	20.14	21.48	24.20	25.25
<b>Sub Total (8&amp;9)</b>	<b>22.44</b>	<b>21.90</b>	<b>24.47</b>	<b>25.32</b>	<b>26.30</b>	<b>27.87</b>	<b>27.39</b>	<b>28.14</b>	<b>30.90</b>	<b>31.94</b>
10. Banking / Insurance	3.62	3.46	4.46	3.81	3.90	3.70	3.86	3.95	3.95	3.86
11. REODB	4.18	3.79	4.15	3.87	4.26	4.02	4.13	3.64	3.86	3.93
<b>Sub Total (10&amp;11)</b>	<b>7.80</b>	<b>7.25</b>	<b>8.61</b>	<b>7.68</b>	<b>8.16</b>	<b>7.72</b>	<b>7.99</b>	<b>7.58</b>	<b>7.81</b>	<b>7.80</b>
12. Public Administration	7.56	7.09	8.04	6.20	7.41	7.00	6.58	6.43	6.29	6.21
13. Other Services	16.05	14.24	14.90	13.42	14.71	13.24	14.14	13.10	12.63	13.15
<b>Sub Total (Tertiary)</b>	<b>53.85</b>	<b>50.48</b>	<b>56.02</b>	<b>52.62</b>	<b>56.57</b>	<b>55.83</b>	<b>56.10</b>	<b>55.25</b>	<b>57.63</b>	<b>58.96</b>
<b>Total GSDP</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

Note : REODB = Real Estate, Ownership of Dwelling & Business

**Table 1.7 : Yearly Growth Rate of Gross State Domestic Product at Constant (1999-00) Prices**

Sector	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07 (P)	2007-08 (Q)	2008-09 Advance
1. Agriculture/ An. Hus.	37.22	-21.92	26.88	-18.23	14.90	-12.53	27.94	-12.18	-6.70
2. Forestry / Logging	5.75	2.57	3.59	4.19	4.76	4.41	4.29	4.24	3.63
3. Fishing	10.42	28.02	8.58	2.08	0.35	4.51	-6.61	7.45	-0.32
4. Mining / Quarrying	41.27	81.79	-71.98	-18.03	-21.33	70.61	-14.14	-0.30	-44.70
<b>Sub Total (Primary)</b>	<b>34.45</b>	<b>-18.59</b>	<b>23.37</b>	<b>-16.27</b>	<b>13.40</b>	<b>-10.63</b>	<b>24.31</b>	-10.45	-6.33
5. Manufacturing	-6.20	-7.27	7.72	-2.04	6.31	7.45	5.62	4.51	8.16
5.1 Registered	-31.70	-13.82	24.27	-26.12	27.11	10.27	10.56	10.14	20.97
5.2 Un-registered	5.71	-5.29	3.17	5.93	1.51	6.64	4.14	2.73	3.67
6. Construction	1.21	10.60	19.23	-2.22	23.30	83.58	30.20	4.46	43.85
7. Elec. /Wat. Sup/ Gas	8.28	-22.60	2.25	2.60	3.60	11.21	6.07	6.42	0.90
<b>Sub Total (Secondary)</b>	<b>-2.26</b>	<b>-3.52</b>	<b>11.37</b>	<b>-1.68</b>	<b>12.66</b>	<b>40.23</b>	<b>19.36</b>	<b>4.60</b>	<b>22.80</b>
8. Trans. Storage/ Comm.	8.86	-0.08	7.57	-6.58	7.87	11.39	10.34	0.53	3.66
8.1 Railways	12.24	2.69	1.90	-24.69	7.38	8.62	9.01	0.00	-10.53
8.2 Other Trans. / Storage	7.99	-0.40	5.18	0.42	4.67	1.12	6.19	1.61	1.23
8.3 Comm.	3.54	-5.60	25.98	16.96	13.05	28.28	16.02	0.00	34.75
9. Trade/ Hotel / Restaurant	15.38	9.53	19.18	0.55	21.55	-2.23	28.31	12.56	6.85
<b>Sub Total (8&amp;9)</b>	<b>13.23</b>	<b>6.47</b>	<b>15.71</b>	<b>-1.43</b>	<b>17.95</b>	<b>1.04</b>	<b>23.55</b>	<b>9.72</b>	<b>5.87</b>
10. Banking / Insurance	10.73	22.80	-4.32	-3.02	5.65	7.33	22.94	0.00	0.13
11. REODB	5.37	4.28	4.13	4.54	5.15	5.49	5.93	6.16	4.11
<b>Sub Total (10&amp;11)</b>	<b>7.86</b>	<b>13.11</b>	<b>-0.24</b>	<b>0.79</b>	<b>5.38</b>	<b>6.37</b>	<b>14.15</b>	<b>2.95</b>	<b>2.20</b>
12. Public Administration	8.85	8.04	-13.80	13.43	5.16	-3.39	17.56	-2.28	1.14
13. Other Services	2.92	-0.33	0.74	4.02	0.23	9.75	11.37	-3.62	6.66
<b>Sub Total (Tertiary)</b>	<b>8.76</b>	<b>5.73</b>	<b>5.04</b>	<b>2.03</b>	<b>9.86</b>	<b>3.29</b>	<b>18.44</b>	<b>4.23</b>	<b>4.78</b>
<b>Total GSDP</b>	<b>16.04</b>	<b>-4.73</b>	<b>11.83</b>	<b>-5.09</b>	<b>11.31</b>	<b>2.79</b>	<b>20.27</b>	-0.07	2.41
<b>Per Capita GSDP</b>	<b>12.86</b>	<b>-7.58</b>	<b>10.30</b>	<b>-6.80</b>	<b>9.39</b>	<b>1.08</b>	<b>18.34</b>	<b>-1.62</b>	<b>1.04</b>

Note : REODB = Real Estate, Ownership of Dwelling & Business



## 1.2 Regional Disparity

Besides being the state with the lowest per capita income, Bihar also suffers from high regional disparities within the state. To obtain an idea of about such disparity, the Directorate of Statistics and Evaluation of the state government has estimated Gross District Domestic Product (GDDP) for 2003-04 and 2004-05. (Table 1.8). Taking the average of the GDDP estimates of two years, Table 1.8 also presents the average Per Capita GDDP in 38 districts of Bihar. In the ranking of the districts with respect to Per Capita GDDP, Patna appears at the top with a figure of Rs. 29,482. Munger, appearing as the second most prosperous district, has a Per Capita GDDP figure of Rs. 9,763. The two districts at the bottom the ranking are Sitamarhi (Rs. 4,392) and Sheohar (Rs. 3,967). Broadly speaking, the Per Capita GDDP figures indicate that the districts in south Bihar are relatively more prosperous than those in the north.

**Table 1.8 : Gross District Domestic Product (GDDP) and Per Capita GDDP in Bihar**

Division / District	GDDP (1999-00 Prices) (Rs. crore)			Per Capita GDDP (Rs.)	Division / District	GDDP (1999-00 Prices) (Rs. crore)			Per Capita GDDP (Rs.)
	2003- 04	2004- 05	Average			2003- 04	2004- 05	Average	
Patna	13721	15924	14823	29842 (1)	Buxar	793	795	794	5365 (21)
Munger	1141	1198	1169	9763 (2)	Kishanganj	699	763	731	5355 (22)
Begusarai	1871	2342	2106	8525 (3)	Samastipur	1757	2075	1916	5322 (23)
Bhagalpur	2002	2129	2066	8059 (4)	Arwal	306	297	302	5301 (24)
Muzaffarpur	2674	3031	2852	7225 (5)	Madhepura	804	886	845	5255 (25)
Rohtas	1780	1864	1822	7056 (6)	Saran	1716	1831	1774	5172 (26)
East Champaran	2067	2287	2177	6784 (7)	Jehanabad	532	522	527	5138 (27)
Katihar	1519	1744	1632	6474 (8)	Supaul	854	1032	943	5124 (28)
Saharsa	972	1064	1018	6405 (9)	Gopalganj	1123	1167	1145	5050 (29)
Gaya	2259	2245	2252	6163 (10)	Sekhpura	285	274	279	5039 (30)
Lakhisarai	495	516	506	5986 (11)	Banka	805	903	854	5031 (31)
Khagaria	758	850	804	5970 (12)	Siwan	1371	1440	1405	4920 (32)
Bhojpur	1395	1373	1384	5876 (13)	Jamui	695	743	719	4879 (33)
Kaimur	807	756	781	5766 (14)	Nawada	942	911	927	4857 (34)
Nalanda	1425	1409	1417	5673 (15)	W. Champaran	1901	1997	1949	4699 (35)
Purnea	1486	1550	1518	5664 (16)	Araria	997	1071	1034	4613 (36)
Madhubani	1648	2599	2124	5639 (17)	Sitamarhi	1210	1263	1237	4392 (37)
Vaishali	1402	1738	1570	5488 (18)	Sheohar	226	205	215	3967 (38)
Aurangabad	1167	1143	1155	5463 (19)	<b>Total</b>	<b>59386</b>	<b>65913</b>	<b>62650</b>	<b>7168</b>
Darbhanga	1783	1976	1880	5425 (20)					

Source : Directorate of Statistics and Evaluation, Government of Bihar

**Table 1.9 : Districtwise Consumption of Petroleum Products (2007-08)**

District	Share of Population	Consumption ( '000 tonne)			Kerosene
		Petrol	Diesel Retail	LPG	
Patna	5.69	29.90 (19.1)	120.27 (11.6)	55.87 (21.0)	39.52 (6.0)
Nalanda	2.86	3.22 (2.1)	32.21 (3.1)	7.67 (2.9)	18.56 (2.8)
Bhojpur	2.70	3.35 (2.1)	27.48 (2.7)	9.17 (3.4)	17.51 (2.6)
Buxar	1.69	2.21(1.4)	22.62 (2.2)	4.52 (1.7)	11.00 (1.7)
Rohtas	2.95	5.21 (3.3)	56.28 (5.4)	8.79 (3.3)	19.76 (3.0)
Kaimur	1.55	1.76 (1.1)	21.04 (2.0)	1.89 (0.7)	7.73 (1.2)
Gaya	4.18	5.96 (3.8)	41.02 (4.0)	10.01 (3.8)	27.18 (4.1)
Jahanabad	1.20	1.05 (0.7)	10.46 (1.0)	3.73 (1.4)	7.74 (1.2)
Arwal	0.63	0.31 (0.2)	2.22 (0.2)	0.47 (0.2)	4.04 (0.6)
Nawada	2.18	1.42 (0.9)	15.33 (1.5)	3.37 (1.3)	14.14 (2.1)
Aurangabad	2.43	3.99 (2.5)	32.48 (3.1)	4.52 (1.7)	15.14 (2.3)
Bhagalpur	2.92	5.99 (3.8)	40.58 (3.9)	9.59 (3.6)	19.99 (3.0)
Banka	1.94	1.62 (1.0)	9.78 (0.9)	3.08 (1.2)	11.82 (1.8)
Munger	1.37	2.13 (1.4)	9.84 (1.0)	7.03 (2.6)	9.98 (1.5)
Sheikhpura	0.63	0.65 (0.4)	8.60 (0.8)	9.91 (3.7)	4.02 (0.6)
Jamui	1.69	1.39 (0.9)	9.36 (0.9)	1.96 (0.7)	10.89 (1.6)
Lakhisarai	0.97	0.66 (0.4)	10.00 (1.0)	0.98 (0.4)	5.16 (0.8)
Khagaria	1.54	1.06 (0.7)	15.17 (1.5)	1.92 (0.7)	10.69 (1.6)
Begusarai	2.83	4.23 (2.7)	61.39 (5.9)	8.69 (3.3)	18.70 (2.8)
Muzaffarpur	4.51	1.07 (6.9)	60.52 (5.9)	14.95 (5.6)	32.80 (4.9)
Sitamarhi	3.23	3.25 (2.1)	19.40 (1.9)	6.78 (2.5)	25.02 (3.8)
Sheohar	0.62	0.26 (0.2)	1.43 (0.1)	1.28 (0.5)	1.76 (0.3)
VaishaliI	3.28	6.65 (4.3)	34.89 (3.4)	9.41 (3.5)	21.74 (3.3)
E. Champaran	3.67	6.43 (4.1)	51.51 (5.0)	7.92 (3.0)	29.228 (4.4)
W. Champaran	4.75	4.25 (2.7)	29.99 (2.9)	6.28 (2.4)	26.84 (4.0)
Darbhanga	3.97	5.64 (3.6)	28.29 (2.7)	10.35 (3.9)	28.03 (4.2)
Madhubani	4.31	4.92 (3.1)	20.85 (2.0)	7.70 (2.9)	29.15 (4.4)
Samastipur	4.09	5.15 (3.3)	32.13 (3.1)	3.28 (1.2)	27.50 (4.1)
Saran	3.91	5.75 (3.7)	34.79 (3.4)	6.64 (2.5)	25.36 (3.8)
Siwan	3.27	4.95 (3.2)	27.76 (2.7)	6.08 (2.3)	21.22 (3.2)
Gopalganj	2.59	4.55 (2.9)	25.45 (2.5)	5.03(1.9)	16.87 (2.5)
Saharsa	1.82	1.84 (1.2)	10.48 (1.0)	8.08 (3.0)	12.00 (1.8)
Supaul	2.09	1.75 (1.1)	8.10 (0.9)	.92 (0.3)	11.37 (1.7)
Madhepura	1.84	2.33 (1.5)	15.81 (1.5)	2.66 (1.0)	14.32 (2.2)
Purnea	3.07	4.17 (2.7)	35.06 (3.4)	6.87 (2.6)	19.87 (3.0)
Araria	2.60	2.98 (1.9)	20.83 (2.0)	2.99 (1.1)	16.88 (2.5)
Katihar	2.88	2.90 (1.9)	21.95 (2.1)	5.29 (2.0)	19.29 (2.9)
Kishanganj	1.56	1.94 (1.2)	8.28 (0.8)	0.79 (0.3)	10.10 (1.5)
Grand Total	100.00	156.52 (100)	103.44 (100)	266.44 (100)	662.89 (100)

Sources : Indian Oil Corporation

**Table 1.10 : Districtwise Small Saving in Post offices and Publics Provident Fund**

District	2007-08			2008-09 (upto November)		
	Target in (In crore)	Achievement (Rs. Crore)	Per Capita Saving (Rs.)	Target (In Crore)	Achievement (In Crore)	Per Capita Saving (Rs.)
Patna	400.00	111.02	208.14	200.00	91.56	168.67
Nalanda	100.00	58.97	220.06	50.00	58.95	216.17
Bhojpur	90.00	27.96	110.27	45.00	23.03	89.25
Buxar	50.00	17.01	107.30	25.00	15.03	93.16
Rohtas	90.00	25.92	93.56	45.00	24.04	85.27
Kaimur	35.00	10.08	69.17	18.00	9.42	63.52
Gaya	75.00	29.24	74.47	37.00	23.65	59.19
Jahanabad	15.00	7.74	68.80	8.00	7.63	66.65
Arwal	10.00	4.98	84.86	5.00	4.87	81.55
Nawada	40.00	30.70	150.07	20.00	21.00	100.87
Aurangabad	45.00	24.57	107.97	22.00	23.95	103.42
Bhagalpur	60.00	7.96	29.06	30.00	14.40	51.66
Banka	15.00	9.58	52.68	8.00	6.75	36.47
Munger	35.00	10.69	83.11	17.00	10.88	83.12
Sheikhpura	10.00	2.88	48.48	5.00	2.98	49.29
Jamui	15.00	7.54	47.68	8.00	7.37	45.80
Lakhisarai	10.00	2.97	32.75	5.00	2.94	31.86
Khagaria	10.00	3.08	21.28	5.00	2.53	17.18
Begusarai	55.00	16.57	62.39	27.00	13.07	48.36
Muzaffarpur	80.00	22.86	53.97	40.00	26.58	61.67
Sitamarhi	25.00	8.69	28.66	12.00	9.46	30.65
Sheohar	5.00	1.96	33.60	3.00	2.28	38.41
Vaishali	70.00	38.11	124.02	35.00	29.43	94.11
E. Champaran	50.00	29.51	85.78	25.00	23.71	67.72
W. Champaran	25.00	13.80	30.99	13.00	14.55	32.10
Darbhanga	70.00	28.39	76.20	35.00	38.80	102.34
Madhubani	55.00	31.10	76.95	27.00	21.94	53.34
Samastipur	50.00	20.63	53.76	25.00	19.40	49.68
Chhapra	140.00	76.32	207.82	70.00	62.79	168.01
Siwan	70.00	38.39	125.12	35.00	29.54	94.60
Gopalganj	45.00	29.15	119.79	22.00	24.82	100.23
Saharsa	25.00	13.19	77.37	13.00	13.18	75.97
Supaul	15.00	9.74	49.73	8.00	9.76	48.97
Madhepura	15.00	9.66	55.98	7.00	9.51	54.15
Purnea	40.00	13.08	45.48	20.00	14.91	50.95
Araria	15.00	4.62	18.93	8.00	5.75	23.16
Katihar	30.00	10.88	40.23	15.00	10.27	37.31
Kishanganj	15.00	5.54	37.80	7.00	4.60	30.85
<b>Total</b>	<b>2000.00</b>	<b>815.08</b>	<b>86.87</b>	<b>1000.00</b>	<b>735.33</b>	<b>77.01</b>

As further indicators of regional disparity, two more tables present the districtwise data on — consumption of petroleum products (Table 1.9) and small savings in post-office and public provident funds (Table 1.10). Taking into account petroleum consumption only, one notices that Patna accounts for 19.1 percent of total petroleum consumption in Bihar. Other districts whose share in petroleum consumption is substantially higher than their share in population are — Rohtas, Bhagalpur, Begusarai, Vaishali, Darbhanga, Saran and Gopalganj. The districts with very low consumption of petroleum are — Jehanabad, Arwal, Nawada, Sheikhpura, Jamui, Lakhisarai, Khagaria and Sheohar. As regards the small savings in post-office and public provident fund, the per capita savings in 2008-09 was the highest in Nalanda (Rs. 216), followed by Patna (Rs. 169), Chhapra (Rs. 168), Aurangabad (Rs. 103), Darbhanga (Rs. 102), Nawada (Rs. 101) and Gopalganj (Rs. 100). The four districts with the lowest per capita saving in 2008-09 are — Sitamarhi (Rs. 31), Araria (Rs. 23) and Khagaria (Rs. 17).

### **1.3 Consumer Price Indices**

Apart from computing an index of wholesale prices for the whole of the country, the central government also prepares consumer price indices (CPI) for Industrial Labourers, Urban Non-manual Employees, Agricultural Labourers and Rural Labourers, separately for different states. These indices, however, have different base years — 1993-94 for Wholesale Price Indices, 2000-01 for Industrial Labourers, 1984-85 for Urban Non-manual workers and 1986-87 for both for Agricultural and Rural Labourers. Table 1.11 presents these Indices.

In 2007-08 and first eight months of 2008-09, it is observed that CPI for industrial labourers has increased more in Bihar than in the country as whole. For urban non-manual employees (for which indices for 2008-09 are not available), one again notices that CPI in Bihar has been rising faster in Bihar than in the country as a whole. However, in the rural areas, the CPI has been increasing at a slower pace in Bihar. This is true for CPI of both agricultural labourers as well as rural labourers.

In November, 2009, the month for which the latest indices are available, the CPI stood at — 148 (Bihar) and 144 (India) for industrial labourers; 444 (Bihar) and 460 (India) for agricultural labourers; and 444 (Bihar) and 460 (India) for rural labourers.

**Table 1.11 : Wholesale and Consumer Price Indices in Bihar and India**

Year	Wholesale Price Index (Base : 1993-94=100)	Industrial Labourers (Base : 2000-2001=100 )		Urban Non-Manual Employees (Base : 1984-85=100)		Agricultural Labourers (Base : 1986-1987=100)		Rural Labourers (Base : 1986-1987=100)		
	India	Bihar	India	Bihar	India	Bihar	India	Bihar	India	
2001-02	161.3	98	100	359	390	290	311	292	313	
2002-03	166.8	102	104	366	405	299	323	301	325	
2003-04	180.0	109	108	382	420	311	322	313	335	
2004- 05	187.3	112	112	396	436	324	342	326	344	
2005- 06	195.6	120	117	418	456	347	358	348	360	
2006-07	206.2	128	125	451	486	376	380	377	382	
2007-08	215.8	136	133	484	515	403	409	403	409	
2007- 08	Apr	211.5	130	128	464	501	391	394	391	395
	May	212.3	128	129	461	503	385	395	386	396
	Jun	212.3	130	130	463	506	385	399	385	400
	Jul	213.6	134	132	475	514	390	404	391	404
	Aug	213.8	138	133	482	515	400	408	400	408
	Sep	215.1	141	133	490	516	408	410	408	410
	Oct	215.2	142	134	494	520	415	413	415	413
	Nov	215.9	142	134	495	519	413	414	413	414
	Dec	216.4	139	134	492	518	411	413	411	413
	Jan	218.2	136	134	496	520	409	413	409	414
	Feb	219.9	136	135	496	523	413	417	413	417
	Mar	225.5	140	137	501	528	416	423	417	423
2008-09	Apr	228.5	140	138	-	-	422	429	422	429
	May	231.1	140	139	-	-	419	431	419	431
	Jun	238.4	141	140	-	-	421	434	421	435
	Jul	240.7	145	143	-	-	433	442	433	442
	Aug	241.4	151	145	-	-	440	450	440	450
	Sep	241.3	151	146	-	-	443	455	444	455
	Oct	238.5 (P)	155	148	-	-	446	459	446	459
	Nov	233.6 (P)	154	148	-	-	444	460	444	460

#### 1.4 Governance

In the last three years, there has been a paradigm shift in the quality of governance. The various recommendations of the Administrative Reform Commission, constituted earlier, are being implemented gradually. All the instruments of the state which facilitate social justice, reform and development are being strengthened either by technological upgradation or by massive training of the personnel. Most of the government offices, after years of neglect, are now being

technologically equipped. The offices are being furnished appropriately and its exterior is getting the necessary facelifts to make them presentable. There is a concerted effort to make the work atmosphere congenial to both staff and as well as visitors. To understand the travails and trauma of the people, the Chief Minister has started the innovative practice of direct feedback by organizing the weekly '*Janta Ke Darbar Me Mukhyamantri*'. Earlier, the interactions were on general topic, but later these '*Durbars*' were organized around specific issues. An immediate fallout of this process is that this process is now being duplicated by District Magistrates on a weekly or fortnightly basis, thereby helping to alleviate miseries of a vast majority of the public. After completion of the three year tenure of the present government, the Chief Minister has also started '*Vikash Yatra*' in select districts, to understand the impact of governance in rural Bihar. The '*Yatra*' would also reveal whether a bridge has been built between the state machinery and the people, so that there is inbuilt mechanism for inclusive governance. The governance in Bihar is no more considered as an esoteric concept, but it is being tested on a concurrent basis to assess its fructification on ground.

### **Structure of Public Administration**

In 2007-08, the total sanctioned strength of the state administration was 5.79 lakh employees, but only 76.0 percent of these post were filled up. (Tables 1.12 and 1.13). During the last six years (2002-03 to 2007-08), the total strength of the state administration in terms of sanctioned posts has increased only marginally (1.2 percent), but their composition has changed, as some departments have experienced expansion, just as others have faced shrinkage. Among the departments that have faced substantial shrinkage are included — Large/Medium Irrigation (82.8 percent), Flood Control and Damage (38.3 percent), Industry (35.5 percent) and Tourism (39.4 percent). On the other hand, the departments that have experienced substantial expansion include — Vehicle Tax (25.3 percent), Treasury Administration (270.8 percent), Family Welfare (1074.4 percent) and Water Supply and Sanitation (190.3 percent).

As regards the actual strength of public administration, it was 76.0 percent of the sanctioned strength in 2007-08, implying about 4.40 lakh state government employees. Over the years, this ratio of filled up posts has varied between 80.7 percent in 2002-03 to 76.0 percent in 2007-08. However, the extent of filling up posts is not uniform across the departments. While only 21.7 posts of the Department of Urban Development is filled up, there are several departments where the ratio is close to 100 percent. Table 1.14 presents the distribution of departments of the

**Table 1.12 : Sanctioned Strength of Different Departments in State Government**

Department	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	Increase/ Decrease (%)
State Legislative	2026	2784	2851	2228	1822	1925	-5.0
Governor office	158	154	154	155	155	155	-1.9
Administration (Judiciary)	11686	11467	11470	11480	11689	11687	0.0
Election Commission	401	398	397	397	397	397	-1.0
Land Revenue	14520	14519	15076	15045	15041	15042	3.6
Stamp and Registration	1960	2005	2010	1915	1915	1916	-2.2
State Excise	1883	1877	1877	1876	1876	1876	-0.4
Sale Tax	2291	2275	2299	2298	2266	2266	-1.1
Vehicle tax	364	364	364	478	456	456	25.3
Other Tax	59	60	60	62	68	67	13.6
Other Fiscal Services	252	252	252	233	237	237	-6.0
Public Service Commission	285	318	315	351	339	351	23.2
Secretariat General Services	4116	4146	4388	2741	3444	3475	-15.6
District Administration	7711	8142	8142	8027	8027	8027	4.1
Treasury Administration	452	452	452	1782	1670	1676	270.8
Police	105176	104884	104920	110536	110977	110793	5.3
Prison	2989	2989	2989	2989	2989	2989	0.0
Stationary and Printing	1417	1508	1508	1549	1551	1551	9.5
Public Work	6797	6781	6673	6503	6499	6493	-4.5
Other Administrative Services	4530	4519	4526	3838	4008	3993	-11.9
General Education	230480	230966	230966	218410	221992	221945	-3.7
Technical Education	1442	1442	1442	1475	1475	1475	2.3
Sports and Youth Services	1117	1118	1109	1115	1114	1114	-0.3
Art and Culture	492	512	512	506	493	472	-4.1
Medical and Public Health	44617	44600	44602	52943	53013	56303	26.2
Family Welfare	172	172	172	2020	2020	2020	1074.4
Water Supply and Sanitation	3799	9458	9217	8859	8847	11030	190.3
Urban Development	284	339	284	247	253	253	-10.9
Information / Advertisement	854	849	849	829	794	790	-7.5
Welfare of SC/ ST/ OBC	3026	3026	3026	3596	3596	3596	18.8
Labour and Employment	3927	3929	3839	3852	3862	3860	-1.7
Social Security and Welfare	1502	1508	1544	1597	1371	1292	-14.0
Disaster management	0	154	150	150	150	150	100.0
Other Social Services	68	71	70	54	54	75	10.3
Secretariat Social Services	776	855	935	887	937	875	12.8

.....(Contd.)

**Table 1.12 : (Contd.)**

Department	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	Increase/ Decrease (%)
Agriculture	13479	12809	12802	12480	12268	12267	-9.0
Soil and Water Protection	373	377	377	379	379	379	1.6
Animal Husbandry	8492	8479	8191	7916	7905	9998	17.7
Dairy Development	328	328	348	351	316	335	2.1
Pisciculture	991	990	987	1158	1158	1158	16.9
Horticulture / Wild Life	2248	2453	2453	2528	2528	2401	6.8
Agricultural Research and Extension	271	462	462	271	271	271	0.0
Cooperative	3485	3813	3687	3553	3556	3556	2.0
Other Agricultural Programme	112	106	106	107	107	107	-4.5
Other Rural Development Work	24403	24389	24389	23709	23709	23696	-2.9
Major Irrigation	-	-	-	6318	6415	6415	-
Large/ Medium Irrigation	20189	17154	10656	6857	6847	3471	-82.8
Minor Irrigation	10711	10711	10361	10366	10366	10366	-3.2
Flood Control and Drainage	4723	4212	3313	3078	2913	2913	-38.3
Rural / Small Scale Industry	1321	1296	1295	1256	1518	1518	14.9
Industry	1265	1285	1295	956	956	816	-35.5
Non-Ferrous Mining / Industry	576	578	576	579	570	571	-0.9
Civil Aviation	55	55	55	54	56	56	1.8
Roads and Bridges	12819	12820	12820	12864	12939	12860	0.3
Other Transport Services	31	32	32	31	31	30	-3.2
Secretariat Economic Services	979	1044	1082	1076	1161	1150	17.5
Tourism	277	277	277	240	221	168	-39.4
Census/ survey/ Statistics	1438	1546	1546	1439	1439	1439	0.1
Civil Supply	1725	1739	1803	2145	2146	2155	24.9
Other General Economic Services	492	500	500	488	492	492	0.0
Total	572412	576348	568853	571222	575664	579210	1.2

(Concluded)

state government by percentage of posts filled up. Some of the department whose role in governance and development is very important, but suffer from inadequate strength are — Agriculture (43.4 percent), Census, Survey and Statistics (55.4 percent), Labour and Employment (54.3 percent), Civil Supply (53.2 percent) and Medical and Public Health (57.3 percent).



**Table 1.13 : Working Strength of Different Departments in State Government (In Percentage)**

Department	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
State Legislative	63.7	56.5	57.5	67.1	82.0	82.5
Governor office	100.0	99.4	99.4	97.4	100.0	98.7
Administration (Judiciary)	98.7	98.8	99.6	99.4	95.4	95.5
Election Commission	75.8	74.1	71.5	67.8	74.8	76.6
Land Revenue	80.8	80.4	80.5	80.0	78.7	79.4
Stamp and Registration	79.0	78.9	79.2	92.8	93.0	93.1
State Excise	83.2	80.9	80.8	81.0	86.1	86.1
Sale Tax	66.2	66.2	66.7	66.8	66.6	66.5
Vehicle tax	86.5	86.3	77.5	64.6	68.0	74.6
Other Tax	61.0	55.0	58.3	46.8	50.0	47.8
Other Fiscal Services	69.0	67.5	67.5	70.8	57.0	57.0
Public Service Commission	89.8	87.7	89.5	78.9	85.0	83.8
Secretariat General Services	59.4	58.2	54.1	63.7	67.5	66.0
District Administration	84.5	81.4	81.4	15.3	83.0	84.3
Treasury Administration	89.6	89.6	89.6	18.5	59.9	59.8
Police	85.5	82.1	81.7	77.1	77.6	77.5
Prison	78.3	70.7	70.7	71.2	70.7	67.0
Stationary and Printing	49.3	47.5	47.5	43.2	40.9	41.0
Public Work	70.7	72.1	68.9	69.1	68.3	66.6
Other Administrative Services	59.0	59.3	59.4	51.8	51.9	50.6
General Education	85.1	84.1	84.1	92.2	81.2	81.4
Technical Education	78.0	78.0	78.0	59.5	57.8	56.7
Sports and Youth Services	77.6	74.3	69.2	70.9	72.8	72.0
Art and Culture	78.5	76.4	75.2	72.7	74.2	75.8
Medical and Public Health	81.9	71.3	69.7	52.1	61.3	57.3
Family Welfare	98.3	98.3	94.2	8.0	66.4	67.9
Water Supply and Sanitation	80.8	90.6	86.9	88.6	88.7	91.4
Urban Development	41.5	37.8	36.6	21.9	23.7	21.7
Information / Advertisement	67.3	66.7	65.6	64.8	67.4	64.1
Welfare of SC/ ST/ OBC	67.5	59.5	59.6	51.3	67.2	69.8
Labour and Employment	64.5	62.6	55.4	51.3	51.6	54.3
Social Security and Welfare	88.7	77.3	74.6	63.0	70.8	81.1
Disaster management	-	76.0	78.7	74.7	70.7	70.7
Other Social Services	64.7	60.6	62.9	1.9	50.0	57.3
Secretariat Social Services	66.6	65.5	62.7	57.6	69.8	74.3

.....(Contd.)

**Table 1.13 : (Contd.)**

Department	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Agriculture	16.8	52.7	47.0	43.4	43.7	43.4
Soil and Water Protection	70.0	66.0	56.2	53.0	51.5	51.2
Animal Husbandry	47.8	66.6	68.8	63.8	62.1	65.5
Dairy Development	75.9	73.5	73.0	0.0	73.7	61.5
Pisciculture	69.1	61.4	66.0	0.0	61.5	56.7
Horticulture / Wild Life	83.6	80.5	80.5	81.6	73.1	77.8
Agricultural Research and Extension	66.8	78.4	77.1	75.3	78.2	75.3
Cooperative	61.6	60.0	61.1	50.6	51.7	51.7
Other Agricultural Programme	40.2	95.3	91.5	92.5	92.5	89.7
Other Rural Development Work	79.3	76.3	73.8	75.5	71.5	70.8
Major Irrigation	-	-	-	129.4	115.8	118.0
Large/ Medium Irrigation	78.1	78.5	119.7	56.8	93.2	93.2
Minor Irrigation	87.8	87.8	85.1	80.1	79.7	79.3
Flood Control and Drainage	74.5	78.9	97.2	100.2	96.2	101.9
Rural / Small Scale Industry	73.4	68.2	61.3	56.8	52.2	51.8
Industry	73.2	65.0	60.5	48.1	46.9	52.3
Non-Ferrous Mining / Industry	85.9	86.2	87.2	84.3	71.8	71.8
Civil Aviation	70.9	65.5	65.5	64.8	62.5	58.9
Roads and Bridges	84.2	82.2	81.8	81.5	79.7	80.5
Other Transport Services	58.1	56.3	68.8	61.3	54.8	56.7
Secretariat Economic Services	74.4	71.8	68.8	66.7	66.1	68.4
Tourism	73.3	73.3	73.3	59.2	49.8	51.8
Census/ survey/ Statistics	64.3	56.3	53.0	52.5	55.3	55.4
Civil Supply	56.4	48.6	46.9	50.3	46.3	53.2
Other General Economic Services	13.6	58.6	58.4	48.0	50.2	53.0
Total	80.7	79.7	79.9	77.9	76.2	76.0

(Concluded)

**Table 1.14 : Distribution of Departments of the State Government by Percentage of Post Filled Up**

Percentage of post filled up	No of Department	Name of Departments
Less than 40 Percent	1	Urban Development
41 to 50 Percent	3	Other Tax/ Agriculture/ Stationary and Printing
50 to 60 Percent	18	Treasury and A G Administration/ Civil Aviation/ Other Social Services/ Other Fiscal Services/ Pisciculture/ Technical Education/ Statistics (Census/ survey) / Labour and Employment/ Civil Supply/ Industry/ Tourism/ Rural / Small Scale Industry/ Soil and Water Protection/ Other Administrative Services/ Medical and Public Health/ Other Transport Services/ Other General Economic Services/Cooperative
51 to 60 Percent	10	Welfare (SC/ ST/ OBC) /Secretariat Economic Services /Family Welfare/ Public Work/ Sale Tax /Secretariat General Services /Information and Advertisement /Dairy Development/ Prison /Animal Husbandry
70 to 80 Percent	13	Land Revenue/ Minor Irrigation/ Horticulture and Wild Life/ Election Commission/ Art and Culture/ Agricultural Research and Extension/ Secretariat Social Services/ Sports and Youth Services/ Industry (Non-Ferrous Mining) / Police/ Vehicle tax/ Other Rural Development Work/ Disaster management
80 to 90 Percent	8	Other Agricultural Programme/ State Excise/ District Administration/ State Legislative/ General Education/ Social Security and Welfare/ Public Service Commission/ Roads and Bridges
Above 90 Percent	7	Major Irrigation/ Flood Control and Drainage/ Governor office/ Irrigation (Large/ Medium) / Stamp and Registration/ Water Supply and Sanitation/ Administration (Judiciary)

Apart from being distributed among the various departments, the state government employees are also divided into four major grades. The percentage distribution of the employees among these grades in various departments is presented in Table 1.15. For the entire state government employees, taking into account the sanctioned post, the distribution of posts is as follows — Grade 1 (1.4 percent), Grade 2 (4.1 percent), Grade 3 (64.9 percent) and Grade 4 (29.6 percent). This indicates that Grade 4 employees, whose productivity is rather low, comprise more than one-fourth of state government employees. If one takes into account, the working employees, the share of Grade 4 employees is even higher at 33.0 percent.

**Table 1.15 : Gradewise Sanctioned and Working Strength in Different Departments of State Government**

Department	Sanctioned/ Working	Number of employees				Total
		Grade 1	Grade 2	Grade 3	Grade 4	
State Legislative	Sanctioned	45 (6.9)	129 (19.9)	157 (24.2)	317 (48.9)	648 (100.0)
	Working	32 (6.5)	115 (23.3)	102 (20.7)	244 (49.5)	493 (100.0)
Parliamentary Work	Sanctioned	—	9 (47.4)	—	10 (52.6)	19 (100.0)
	Working	—	5 (50.0)	—	5 (50.0)	10 (100.0)
Personnel & Administrative Reforms	Sanctioned	69 (15.1)	3 (0.7)	54 (11.8)	330 (72.4)	456 (100.0)
	Working	64 (28.2)	2 (0.9)	25 (11.0)	136 (59.9)	227 (100.0)
Governor office	Sanctioned	5 (4.2)	1 (0.8)	33 (27.7)	80 (67.2)	119 (100.0)
	Working	5 (4.8)	1 (1.0)	34 (32.4)	65 (61.9)	105 (100.0)
Patna High Court	Sanctioned	87 (42.6)	7 (3.4)	106 (52.0)	4 (2.0)	204 (100.0)
	Working	73 (39.0)	7 (3.7)	103 (55.1)	4 (2.1)	187 (100.0)
Finance	Sanctioned	32 (0.8)	839 (19.8)	1832 (43.2)	1535 (36.2)	4238 (100.0)
	Working	22 (0.9)	465 (19.5)	811 (34.0)	1088 (45.6)	2386 (100.0)
Legal	Sanctioned	1564 (13.6)	2 (0.0)	4939 (43.0)	4985 (43.4)	11490 (100.0)
	Working	1233 (11.9)	0 (0.0)	4868 (47.0)	4247 (41.0)	10348 (100.0)
Election Commission	Sanctioned	2 (1.0)	87 (42.4)	108 (52.7)	8 (3.9)	205 (100.0)
	Working	3 (3.4)	46 (52.9)	34 (39.1)	4 (4.6)	87 (100.0)
Planning and Development	Sanctioned	75 (5.1)	150 (10.1)	1248 (84.10)	11 (0.7)	1484 (100.0)
	Working	36 (4.6)	53 (6.8)	689 (87.9)	6 (0.8)	784 (100.0)
Land Revenue	Sanctioned	773 (5.1)	928 (6.1)	9361 (61.8)	4074 (26.9)	15136 (100.0)
	Working	613 (5.2)	567 (4.8)	7453 (62.7)	3253 (27.4)	11886 (100.0)
Stamp and Registration	Sanctioned	46 (1.2)	132 (3.5)	2221 (59.4)	1339 (35.8)	3738 (100.0)
	Working	40 (1.2)	101 (3.1)	1847 (56.7)	1272 (39.0)	3260 (100.0)
Commercial Tax	Sanctioned	81 (2.5)	308 (9.6)	31 (1.0)	2794 (86.9)	3214 (100.0)
	Working	58 (2.1)	275 (10.1)	28 (1.0)	2370 (86.8)	2731 (100.0)
Bihar Public Service Commission	Sanctioned	0 (0.0)	16 (48.5)	16 (48.5)	1 (3.0)	33 (100.0)
	Working	1 (4.2)	10 (41.7)	12 (50.0)	1 (4.2)	24 (100.0)
Secretariat	Sanctioned	36 (1.9)	34 (1.8)	1705 (92.1)	77 (4.2)	1852 (100.0)
	Working	21 (1.5)	15 (1.1)	1285 (93.4)	55 (4.0)	1376 (100.0)
Panchayati Raj	Sanctioned	64 (0.7)	9 (0.1)	8696 (95.1)	379 (4.1)	9148 (100.0)
	Working	45 (0.7)	7 (0.1)	5944 (95.2)	247 (4.0)	6243 (100.0)
Art and Culture	Sanctioned	110 (11.5)	62 (6.5)	233 (24.4)	550 (57.6)	955 (100.0)
	Working	99 (13.3)	29 (3.9)	139 (18.7)	477 (64.1)	744 (100.0)
Health	Sanctioned	1344 (2.4)	5728 (10.2)	24776 (44.1)	24301 (43.3)	56149 (100.0)
	Working	776 (2.1)	4257 (11.6)	14865 (40.5)	16850 (45.9)	36748 (100.0)
Public Health Engineering	Sanctioned	100 (1.3)	219 (2.8)	3504 (45.5)	3885 (50.4)	7708 (100.0)
	Working	72 (1.2)	87 (1.5)	2544 (42.6)	3266 (54.7)	5969 (100.0)
Home	Sanctioned	217 (0.3)	1364 (1.8)	21889 (29.4)	51011 (68.5)	74481 (100.0)
	Working	148 (0.3)	985 (1.7)	14947 (26.1)	41086 (71.9)	57166 (100.0)
Urban Development	Sanctioned	20 (16.0)	42 (33.6)	62 (49.6)	1 (0.8)	125 (100.0)
	Working	3 (10.0)	6 (20.0)	20 (66.7)	1 (3.3)	30 (100.0)
Human Resource Development	Sanctioned	305 (0.1)	3729 (1.8)	199294 (97.7)	726 (0.4)	204054 (100.0)
	Working	234 (0.2)	2902 (2.1)	135614 (97.4)	447 (0.3)	139197 (100.0)
Information / Public Relation	Sanctioned	18 (3.3)	44 (8.0)	276 (50.3)	211 (38.4)	549 (100.0)
	Working	13 (3.9)	22 (6.6)	141 (42.6)	155 (46.8)	331 (100.0)
Information Technology	Sanctioned	-	7 (53.8)	6 (46.2)	-	13 (100.0)
	Working	-	0 (0.0)	3 (100.0)	-	3 (100.0)
Science and Technology	Sanctioned	182 (11.8)	32 (2.1)	1207 (78.0)	127 (8.2)	1548 (100.0)
	Working	119 (18.9)	11 (1.7)	399 (63.3)	101 (16.0)	630 (100.0)

.....(Contd.)

**Table 1.15 : (Contd.)**

Department	Sanctioned/ Working	Number of employees				Total
		Grade 1	Grade 2	Grade 3	Grade 4	
Welfare of SC/ ST/ OBC	Sanctioned	52 (1.9)	168 (6.2)	1865 (68.3)	645 (23.6)	2730 (100.0)
	Working	43 (2.3)	161 (8.5)	1251 (66.2)	435 (23.0)	1890 (100.0)
Welfare of BC/ EBC	Sanctioned	-	58 (59.8)	-	39 (40.2)	97 (100.0)
	Working	-	58 (65.9)	-	30(34.1)	88 (100.0)
Welfare of BC/ EBC	Sanctioned	2 (5.1)	9 (23.1)	22 (56.4)	6 (15.4)	39 (100.0)
	Working	0 (0.0)	8 (28.6)	14 (50.0)	6 (21.4)	28 (100.0)
Labour Resource	Sanctioned	103 (0.6)	1489 (8.6)	15592 (89.8)	172 (1.0)	17356 (100.0)
	Working	47 (0.5)	961 (9.5)	8942 (88.3)	177 (1.7)	10127 (100.0)
Social Welfare	Sanctioned	11 (0.70)	87 (5.4)	202 (12.6)	1299 (81.2)	1599 (100.0)
	Working	10 (1.1)	18 (2.1)	79 (9.0)	771 (87.8)	878 (100.0)
Disaster management	Sanctioned	3 (4.0)	1 (1.3)	58 (77.3)	13 (17.3)	75 (100.0)
	Working	3 (4.8)	0 (0.0)	51 (81.0)	9 (14.3)	63 (100.0)
Food & Consumer Protection	Sanctioned	27 (1.8)	58 (3.8)	1303 (85.8)	131 (8.6)	1519 (100.0)
	Working	20 (2.4)	1 (0.1)	715 (86.0)	95 (11.4)	831 (100.0)
Agriculture	Sanctioned	136 (0.6)	1126 (4.6)	20179 (82.6)	2991 (12.2)	24432 (100.0)
	Working	94 (0.6)	662 (4.2)	13584 (86.4)	1389 (8.8)	15729 (100.0)
Animal Husbandry /Pisciculture	Sanctioned	29 (0.4)	1445 (18.8)	4123 (53.6)	2089 (27.2)	7686 (100.0)
	Working	14 (0.3)	869 (21.5)	1610 (39.9)	1541 (38.2)	4034 (100.0)
Energy	Sanctioned	12 (0.5)	14 (0.6)	1609 (71.8)	605 (27.0)	2240 (100.0)
	Working	10 (0.5)	1 (0.0)	1077 (51.7)	996 (47.8)	2084 (100.0)
Environment / Forestry	Sanctioned	42 (2.1)	28 (1.4)	736 (36.6)	1207 (60.0)	2013 (100.0)
	Working	35 (2.2)	37 (2.3)	562 (35.2)	964 (60.3)	1598 (100.0)
Cooperative	Sanctioned	36 (1.1)	947 (29.0)	2282 (69.9)	1 (0.0)	3266 (100.0)
	Working	20 (1.3)	672 (42.7)	881 (56.0)	1 (0.1)	1574 (100.0)
Rural Development	Sanctioned	7 (0.1)	1561 (13.5)	9915 (86.0)	50 (0.4)	11533 (100.0)
	Working	3 (0.0)	1193 (16.1)	6206 (83.6)	22 (0.3)	7424 (100.0)
Rural Work	Sanctioned	12 (1.6)	89 (12.1)	99 (13.5)	536 (72.8)	736 (100.0)
	Working	8 (1.0)	69 (8.5)	101 (12.4)	636 (78.1)	814 (100.0)
Water Resource	Sanctioned	49 (0.1)	24 (0.0)	8496 (14.0)	52325 (85.9)	60894 (100.0)
	Working	29 (0.1)	11 (0.0)	7676 (15.1)	43069 (84.8)	50785 (100.0)
Minor Irrigation	Sanctioned	46 (0.6)	18 (0.2)	5701 (73.8)	1963 (25.4)	7728 (100.0)
	Working	27 (0.4)	5 (0.1)	4582 (73.4)	1626 (26.1)	6240 (100.0)
Industry	Sanctioned	51 (2.2)	42 (1.8)	1595 (69.0)	623 (27.0)	2311 (100.0)
	Working	31 (2.3)	19 (1.4)	979 (71.3)	345 (25.1)	1374 (100.0)
Sugarcane Industry	Sanctioned	18 (3.0)	155 (25.6)	411 (67.8)	22 (3.6)	606 (100.0)
	Working	5 (2.8)	37 (20.6)	125 (69.4)	13 (7.2)	180 (100.0)
Non-Ferrous Mining / Industry	Sanctioned	17 (3.4)	66 (13.1)	273 (54.4)	146 (29.1)	502 (100.0)
	Working	13(3.5)	25 (6.7)	230 (62.0)	103 (27.8)	371 (100.0)
Building Construction	Sanctioned	53 (1.9)	406 (14.5)	1273 (45.4)	1070 (38.2)	2802 (100.0)
	Working	21 (0.9)	208 (8.7)	790 (32.9)	1382 (57.6)	2401 (100.0)
Roads Construction	Sanctioned	78 (1.2)	85 (1.3)	3139 (49.0)	3099 (48.4)	6401 (100.0)
	Working	57 (1.1)	59 (1.2)	2360 (47.0)	2543 (50.7)	5019 (100.0)
Transport Services	Sanctioned	17 (6.1)	96 (34.5)	157 (56.5)	8 (2.9)	278 (100.0)
	Working	15 (7.9)	77 (40.7)	91 (48.1)	6 (3.2)	189 (100.0)
Tourism	Sanctioned	1 (1.3)	21 (26.9)	56 (71.8)		78 (100.0)
	Working	1 (2.9)	7 (20.6)	26 (76.5)		34 (100.0)
Vigilance	Sanctioned	1786 (29.2)	1055 (17.2)	3025 (49.5)	250 (4.1)	6116 (100.0)
	Working	1238 (27.6)	681 (15.2)	2366 (52.8)	198 (4.4)	4483 (100.0)
Total	Sanctioned	7763 (1.4)	22929 (4.1)	363865 (65.0)	166046 (29.6)	560603 (100.0)
	Working	5454 (1.4)	15807 (4.0)	246205 (61.7)	131737 (33.0)	399203 (100.0)

(Concluded)

### **Bihar Prashasanik Sudhar Mission (BPSM)**

The BPSM is an initiative of the government to strengthen the state administrative machinery. This mission will encompass the entire state, from the state capital to the districts. The BPSM was launched by the Chief Minister on November, 2008. The Mission enables the government to deliver better quality services to all its citizens, particularly the poorest and the excluded. It is now supported by DFID, a development agency of the British Government, by providing technical expertise and finance. The major objectives of the Mission are :

- (i) Faster, more transparent and more efficient government administration to serve the people better.
- (ii) Better trained and motivated public servants to work with a citizen-oriented approach.
- (iii) Better delivery of government services which is measurable, initially in land revenue and land registration, education, personnel, commercial taxes etc.
- (iv) Establish a 'Centre for Good Governance' (CGG), oriented to Bihar's specific needs and situation.

The Mission is a public commitment to deliver tangible improvements in the delivery of services at all levels of governance through people-centered tools including citizen's charters, score cards, public information dissemination and more responsive public grievance systems. These objectives are to be achieved through a series of reforms so as to benefit citizens with increased efficiency in government functioning and motivation among the public servants. Some of the important measures are (i) modernization of district collectorates, through improved procedures, better staff structure and e-governance; (ii) land registration information on internet, (iii) online access to different certificates, (iv) digitization of old registration records; (v) better records management; (vi) speedy disposal of files through e-file movement at selected collectorates on pilot basis; (vii) modern and comprehensive HR policy, (viii) greater and better compliance of RTI requests; (ix) better management of litigations; and (x) strengthening of training institutions.

In order to make administrative reform effective, it will first be started at the departmental level and the identified departments are : (a) Department of Personnel and Administrative Reforms; (b)

Revenue and Land Reforms (including District Collectorates), (c) Commercial Taxes, (d) Registration and Prohibition; (e) Human Resource Development (Education), (f) Home (Police and Jail) and (g) Transport department. The dedicated Reform Support Units (RSU) are proposed to be created within focal departments to : (i) design a departmental reform strategy with target, timeline, etc., (ii) identify the existing bottlenecks with plans to overcome them; and (iii) support department head in implementing reform strategy, monitoring and communicating with public.

The key beneficiaries will include the citizens of the state, particularly the poor and the excluded, senior decision makers in the state government, and the state government employees benefiting from better skills and motivation. The district collectorates will be modernized in terms of E-PABX facilities, provision of modern storage of records, simplification of procedures, ISO certification of collectorates, filling up of vacancies, adoption of suitable e-governance, etc. The Department of Information Technology will execute e-governance related activities and for expansion of Information Technology in the state.

### **Law and Order**

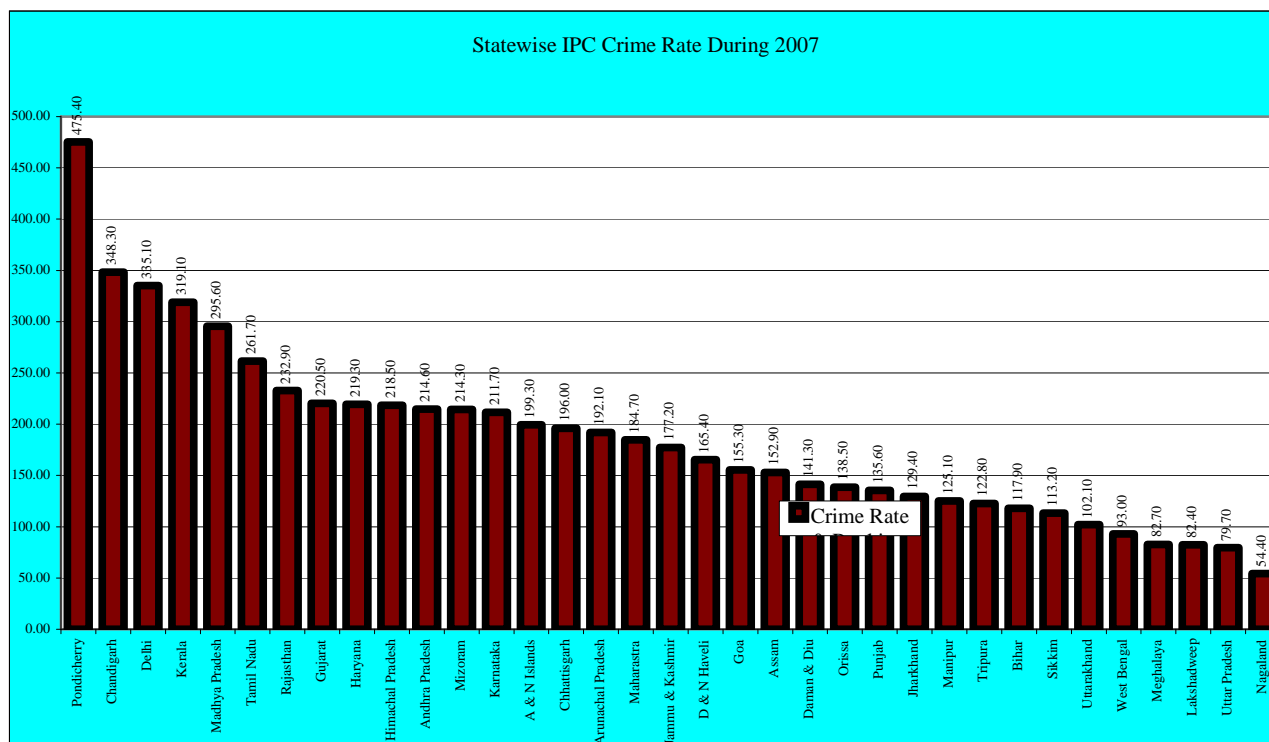
Governance and development are directly correlated. Responsive governance is important for speedy development of the state and its economy. In particular, the law and order situation of any state is an important indicator of governance. If law and order is maintained properly and crime is controlled, it creates a conducive atmosphere for investments, both domestic as well as foreign, thereby bringing about overall economic growth and socio-cultural development.

Comparative Crime Rates : During the year 2007, the all-India average crime rate (number of crime per lakh of population) was 175 with Pondicherry (475) at the top, followed by Chandigarh (348), and Delhi (335). Among the major states, the highest crime rate of 319 was reported from Kerala (319), closely followed by Madhya Pradesh (296) and Tamilnadu (262). The states which reported crime rate of less than 100 during the reference year were West Bengal (93), Meghalaya (83), Lakhshadweep (82), Uttar Pradesh (80) and Nagaland (54). Among all the 35 states and union territories, Bihar with a crime rate of 118 stood at 28<sup>th</sup> position in the country. The details may be obtained from the Table 1.16. From the table, it is derived that Bihar has come a long way

in improving its law and order situation and consequently lowering of the crime rates as compared to other states.

**Table 1.16 : Statewide IPC Crime Rate During 2007**

Sl. No.	States & Uts	Crime Rate & Ranking	Sl. No.	States & Uts	Crime Rate & Ranking
1	Pondicherry	475.40	19	D & N Haveli	165.40
2	Chandigarh	348.30	20	Goa	155.30
3	Delhi	335.10	21	Assam	152.90
4	Kerala	319.10	22	Daman & Diu	141.30
5	Madhya Pradesh	295.60	23	Orissa	138.50
6	Tamil Nadu	261.70	24	Punjab	135.60
7	Rajasthan	232.90	25	Jharkhand	129.40
8	Gujarat	220.50	26	Manipur	125.10
9	Haryana	219.30	27	Tripura	122.80
10	Himachal Pradesh	218.50	28	Bihar	117.90
11	Andhra Pradesh	214.60	29	Sikkim	113.20
12	Mizoram	214.30	30	Uttarakhand	102.10
13	Karnataka	211.70	31	West Bengal	93.00
14	A & N Islands	199.30	32	Meghalaya	82.70
15	Chhattisgarh	196.00	33	Lakshadweep	82.40
16	Arunachal Pradesh	192.10	34	Uttar Pradesh	79.70
17	Maharastra	184.70	35	Nagaland	54.40
18	Jammu & Kashmir	177.20		All India Average	175.10





With the present government coming to power, one of its priorities in governance was improvement in law and order and, accordingly, police organisation has strengthened with provisions of required basic infrastructure. These endeavors have brought positive results and there has been an appreciable improvement in law and order. No significant caste or communal clash has been reported. As may be discerned from Table 1.17, there has been a decline in major crimes including murder (-3.2 percent), dacoity (-10.16 percent), robbery (-4.99 percent), kidnapping for ransom (-22.9 percent), bank robbery (-15.03 percent), etc. during 2001-08. The decline became very sharp since 2004. It was the sharpest in the case of kidnapping for ransom.

**Table 1.17 : Number of IPC Crimes in Bihar from 2001-2008**

Name of Crime	Number of Crime								CAGR	
	2001	2002	2003	2004	2005	2006	2007	2008	2001-08	2004-08
Murder	3619	3634	3652	3861	3423	3225	2963	3029	-3.23	-6.10
Dacoity	1293	1259	1203	1297	1191	967	646	640	-10.16	-18.33
Robbery	2175	2236	2425	2909	2379	2138	1729	1536	-4.99	-14.75
Kidnapping for Ransom	385	396	335	411	251	194	89	66	-22.99	-37.47
Road Dacoity	257	252	247	287	224	211	151	146	-8.26	-16.02
Road Robbery	1296	1323	1430	1875	1310	1251	1109	897	-4.90	-15.14
Bank Dacoity	22	28	14	30	26	15	19	16	-4.77	-14.54
Bank Robbery	18	15	15	27	8	5	9	7	-15.03	-22.76

Extremism: There has also been an appreciable drop in the cases of extremism in the state over the years. As against 382 cases reported in 2004, only 79 cases have been reported in 2008. The drop in the number of cases is largely due to the holistic development programme '*Apke Sarkar Apke Dwar*' and other initiatives of the state government aimed at employment and income generation in the affected areas. Apart from social cooption, the security apparatus of the state administration was strengthened by deployment of para-military, special training to police personnel and strengthened police infrastructure etc. The details of extremist scenario can be obtained from Table 1.18.

**Table 1.18 : Overview of Naxal Violence in Bihar**

Description	2004	2005	2006	2007	2008	Drop(-) / Increase(+) in 2008 over 2004
No. of Violent attacks	382	210	63	73	79	-79.32
No. of civilian deaths	199	114	49	39	43	-78.39
No. of attacks on Police	19	14	7	10	5	-73.68
No. of killed extremists (encounter attack on police)	3	15	6	10	31	933.33
No. of arrested Naxalites	107	277	446	579	450	320.56
No. of Naxalites surrendered	1	74	21	29	20	1900.00
No. of seized police arms	6	14	9	21	18	200.00
No. of seized ammunition	85	275	146	162	133	56.47
No. of seized bullets	1050	2125	1193	4810	17098	1528.38
Amount of seized explosives (kgs.)		80	49	2500	7459	-
No. of seized Detonators	7401	472	480	2916	24147	226.27
No. of seized cane bomb/landmines	-	19	17	65	192	-
Levy Money seized	-	70820	30470	591131	729700	-

**Crime Rates in Districts:** The lowering of crime rate is also reflected at nearly all the districts. The improvement in 2008 over 2005 is almost uniformly visible in all the districts (Appendix I to VI). Most of the districts reported a drop in murder, ranging from the highest of 42 percent in Sheikhpura to the lowest of 1.5 percent in West Champaran. The districts of Vaishali, Darbhanga and Saharsa recorded an increase of around 76 percent each during the period. Other crimes like dacoity, robbery, road robbery, kidnapping, etc. also registered a uniform drop in 2008 over 2005. However, while the districts like West Champaran, Railway Katihar and Saharsa showed higher increase in dacoity cases, the districts of West Champaran, Saharsa, Samastipur and Sheohar reported an increase in robbery cases over the period. As may be seen, only a few stray cases of kidnapping, road dacoity and road robbery were reported from some of the districts and that too had recorded a decline.

**Conviction:** It is an admitted fact that the crime rate is directly related to the conviction of criminals. The absence of conviction tends to embolden the criminals to commit more crimes, whereas their quick conviction acts as a major deterrent. From this perspective, it is noticed that the total number of IPC cases were 2178 (2006), 3695 (2007) and 4461 (Upto November, 2008). This

implied a growth of 70 percent (between 2006 and 2007) and 20 percent (between 2007 and 2008). In cases relating to the Arms Act, the growth rate in number was actually negative. The conviction rates have been very high in all the three years of 2006, 2007 and 2008. For IPC cases, the growth rate in number of criminals convicted has been 68 percent (between 2006 and 2007) and 25 percent (between 2007 and 2008) (Table 1.19)

**Table 1.19 : Convictions of Criminals (January 2006 to November, 2008)**

Month	No. of Cases		No. of Convicted Criminals		Category of Punishment				
	IPC	Arms Act	IPC	Arms Act	Death sentence	Life Imprisonment	More than 10 yrs.	Less than 10 yrs.	Total Conviction
2006	2178	1156	5230	1609	17	1389	366	5067	6839
2007	3695	800	8774	1154	39	2168	680	6966	9853
2008	4461	706	10994	1018	27	2307	610	9063	12007
Grand Total	10334	2662	24998	3781	83	5864	1656	21096	28699
% Change from 2006 to 2007	69.65	-30.80	67.76	-28.28	129.41	56.08	85.79	37.48	44.07
% Change from 2007 to 2008	20.73	-11.75	25.30	-11.79	-30.77	6.41	-10.29	30.10	21.86

Crime against Women : From the data of NCRB, it is gathered that the IPC cases against women at the national level has recorded an increase of 7.4 percent during the five years period (2002-2006). Infact, except in the years 2002 and 2003, there has been a continuous increase in the cases against women since 1996. Analysis of crime data relating to women reveals that a sizeable proportion of cases (38.3 percent) are related to assault on them by their husbands and relations, whereas the rape and kidnappings were on the third and fourth position respectively. Again, a glance through the national data on crime against women reveals that the states of Andhra Pradesh, Uttar Pradesh and Maharashtra ranked high. During 2007, Bihar's rank was 28<sup>th</sup> among the major states, with the rate of total cognizable crimes at 8.1 percent in the state (Appendix VII).

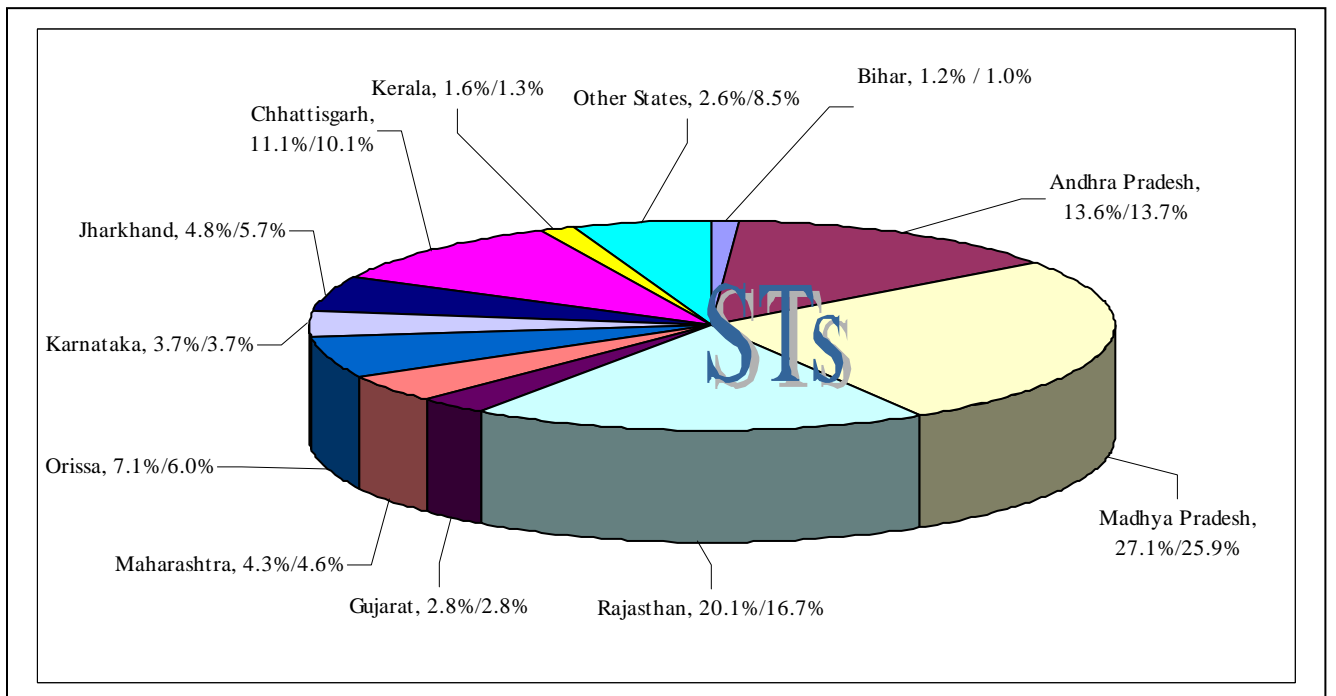
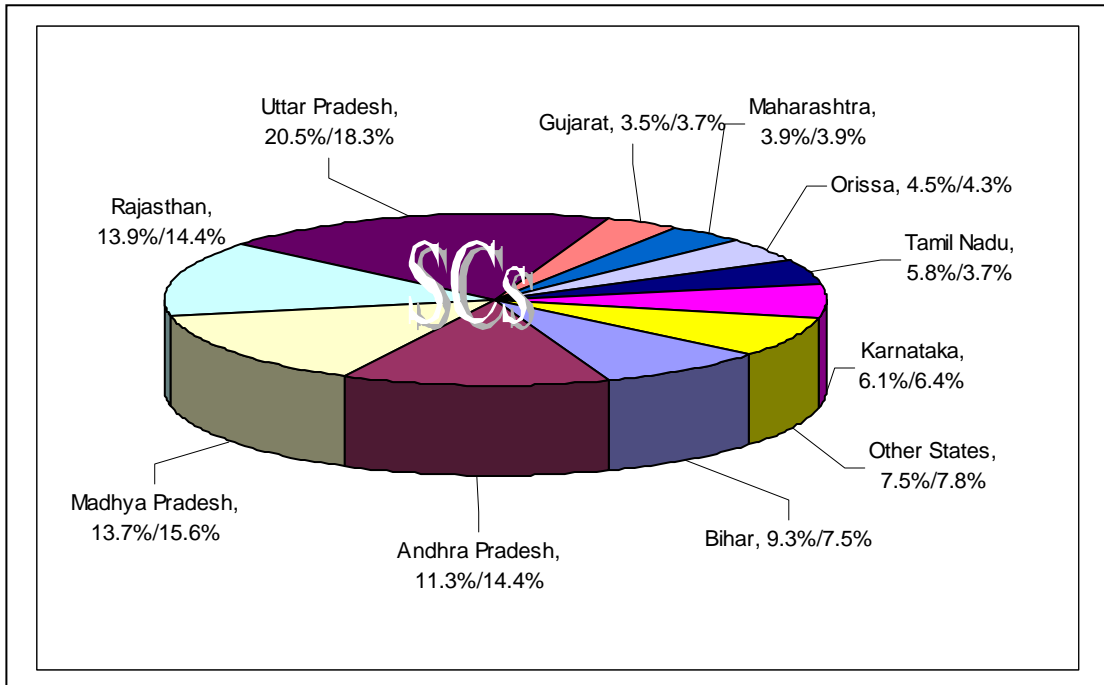
The state government is quite serious with regard to atrocities against women. In this regard, all Superintendents of Police have been suitably sensitised to focus their efforts against such crime. Specifically, Creation of Women Atrocities Cell is being planned in each district in the office of Superintendent of Police. The CID is working in consultation with United Nations Organisation on Drugs and Crime (UNODC) to curb the women trafficking under the programme Anti Human Trafficking (AHT).

Crime against Scheduled Castes / Tribes: Both the scheduled castes and scheduled tribes are quite vulnerable. Therefore, to meet the demands of social justice, it becomes imperative to check crimes committed against them. The state government is committed towards this end, and due to some initiatives, the crime against scheduled castes has declined from 9.3 percent in 2006 to 7.5 percent in 2007. Similarly, a drop in crime from 1.2 percent to 1.0 percent has also been recorded in the case of tribal population.

**Table 1.20 : Crime against Scheduled Castes & Tribes**

State	Crime in percentage			
	SCs		STs	
	2006	2007	2006	2007
Bihar	9.3	7.5	1.2	1.0
Andhra Pradesh	11.3	14.4	13.6	13.7
Madhya Pradesh	13.7	15.6	27.1	25.9
Rajasthan	13.9	14.4	20.1	16.7
Uttar Pradesh	20.5	18.3	-	-
Gujarat	3.5	3.7	2.8	2.8
Maharashtra	3.9	3.9	4.3	4.6
Orissa	4.5	4.3	7.1	6.0
Tamil Nadu	5.8	3.7	-	-
Karnataka	6.1	6.4	3.7	3.7
Jharkhand	-	-	4.8	5.7
Chhattisgarh	-	-	11.1	10.1
Kerala	-	-	1.6	1.3
Other States	7.5	7.8	2.6	8.5

As may be observed from Table 1.20, more cases of crime against scheduled castes / tribes were reported both in 2006 and 2007 from the states of Uttar Pradesh, Madhya Pradesh, Rajasthan and Andhra Pradesh. It may also be seen that the states of Andhra Pradesh, Madhya Pradesh, Rajasthan and Gujarat have all recorded an increase in crime rate against the scheduled castes.



In order to ensure that all the crimes committed against scheduled castes / tribes are reported fearlessly to the police, a helpline has been established at the SC/ST police station at Patna with its

jurisdiction throughout the state. Officials have been deputed at this police station for 24 hours duty and they have been directed to take immediate action on any information about crime against SC/ST. This is being monitored by a Superintendent of Police at the Police Headquarters.

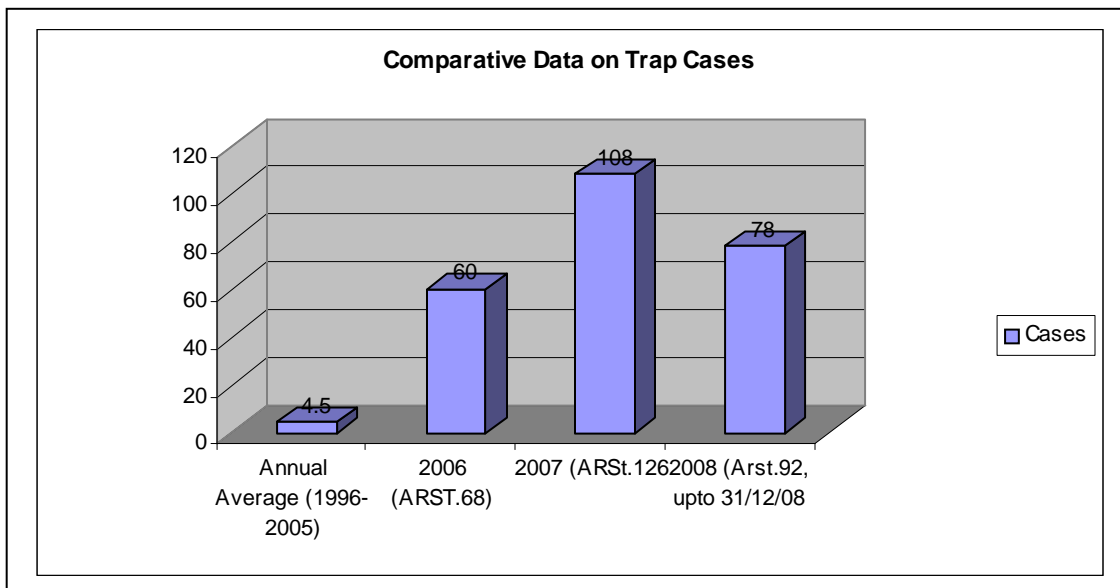
### **Police Administration**

The Bihar Police Act, 2007 is an important initiative taken by the state government, which takes into account the promotion of Human Rights and redefines the role of the police. The state government has taken adequate steps to modernize the police force. In 2006-07, the expenditure on police administration recorded a substantial growth of 27.4 percent over 2005-06. The state government has recruited over 7000 ex-servicemen to help the police administration. The Bihar Police Building Construction Corporation, so far non-functional, has been revived. Besides, Rs. 2650 uniform allowance has been sanctioned for police personnel. The daily allowances of home guards have also been enhanced and 20,000 new volunteers have been enrolled. A Bihar Police Academy is being established on 133.28 acres of land being acquired at Rajgir (Nalanda) for the purpose. To Meet the terrorist attacks, the state government has created an ATS (Anti Terrorist Squad) which is being equipped with modern gadgets to fight in the difficult situations. Many new police stations, office of SDPOs and two posts of city SP in Patna have been created to stream line the police administration in the capital.

With the active cooperation of the police, a total of 1, 84,987 poor and orphaned children have been admitted to schools. This endeavor by the police has made them popular among the people and they are now called 'Police uncle' by the children. The police are also actively cooperating with the state government in undertaking various development programmes in the state.

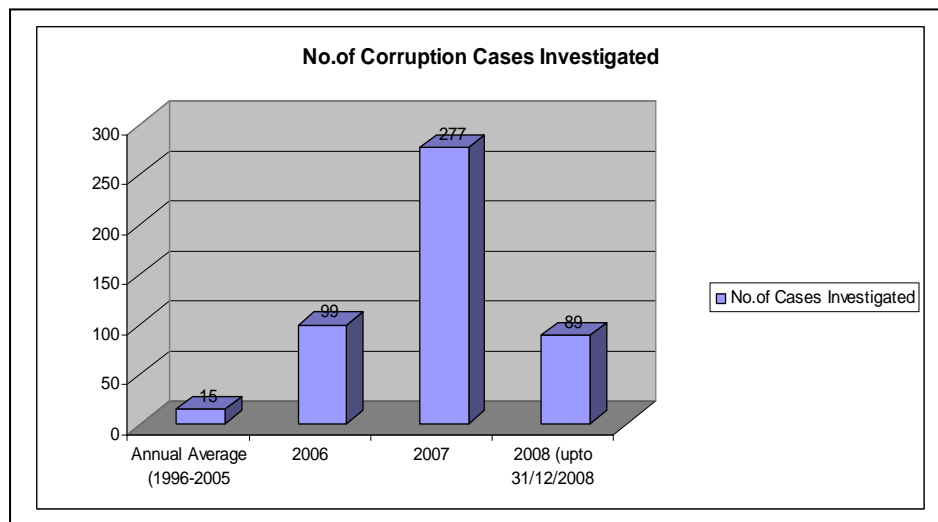
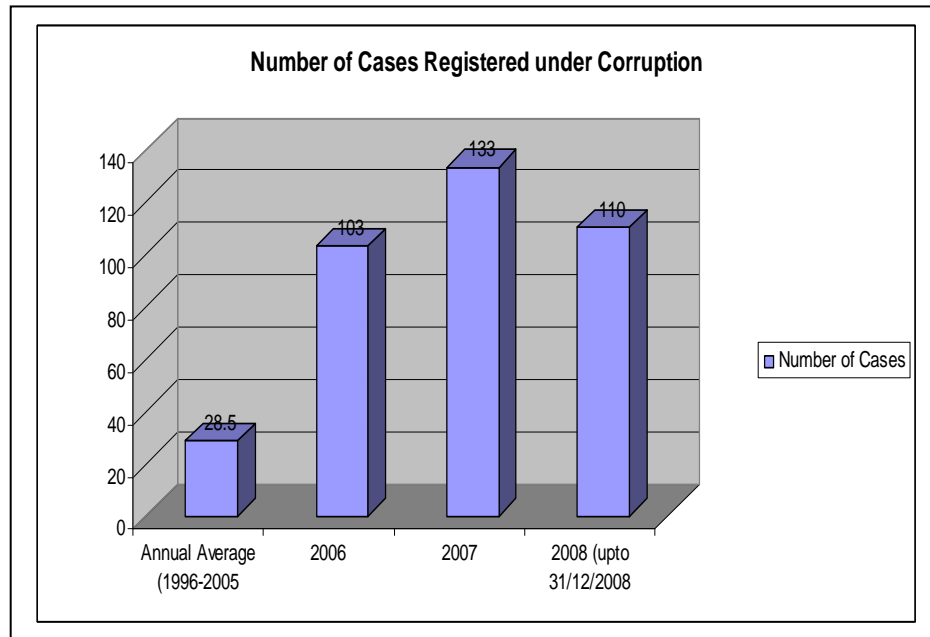
The state government is committed to zero tolerance as far as corruption cases are concerned. In order to have an effective control over corruption in the state, the Bihar Vigilance Investigation Bureau is functioning in heightened manner. Through vigorous publicity of mobile phone

numbers, the Bureau could catch hold of a number of corrupt public servants based on the information obtained on these mobile phones. During 1995-2005, a total of only 47 trap cases were reported. But, during 2006 alone, there were 60 trap cases and 68 public servants were arrested. In 2007, there were 108 trap cases and 126 arrests, and in 2008 (upto November), the numbers were 78 and 92 respectively.



Based on the trap cases of corruption, 103 cases were registered in 2006, 133 in 2007 and 110 in 2008 (upto December). In 2007, a campaign was launched to investigate cases pending since 1985. The number of corruption cases investigated were 99 in 2006, 277 in 2007 and 89 in 2008 (upto December). As a result, in the cases relating to disproportionate assets, more than Rs. 10 core worth of wealth were identified and cases filed. Similarly, various irregularities have been unearthed by the Bureau which related to State Food Corporation and its transporters.

For speedy trial of trap cases, a special court has been newly constituted. The state government has decided to appoint officials in the Bureau through proper screening, grant them 15 percent of special pay during the deputation period, and also grant one rank promotion to them. For strengthening of the Bihar Vigilance Investigation Bureau, creation of additional posts is under consideration. The complainants will be compensated for the amount given as bribes immediately, and a fund of Rs. 20.00 lakh has been made available to the Bureau for the purpose.



### **Jail Administration**

There are 6 central jails, 33 district jails and 17 sub-jails in Bihar (Table 1.21). The sub-jail at Uda-Kishanganj is not functional. The jails, by and large, were housing much higher number of prisoners than their capacity. However, in case of the central jails, figures reveal that the number of prisoners lodged (11,312) is less than capacity (12,349). An examination of figures of the individual central jails brings out that the model central jail at Patna and the central jail at Gaya are having



prisoners more than their capacities. Muzaffarpur and Buxar central jails were having the number of prisoners almost in accordance with the capacity. The special central jail and the central jail at Bhagalpur were having inmates much less than their capacity. But the 33 district jails taken together were having 23,105 prisoners, as against the capacity of 15,860. Another noteworthy feature relates to the female prisoners whose number was more (885) against the capacity of only 587. (Appendix VIII).

**Table 1.21 : Manpower in Jail Administration**

Sl. No.	Designation	Already Sanctioned Post	New Sanctioned Post	Total Sanctioned Post	Functioning Force	Vacant	Vacancy in Percent
<b>Security Related Designation</b>							
1	Jail Superintendent	57 (Including 2 Head Offices)	-	57	33	24	42.11
2	Jailor	31	12	43	31	11	25.58
3	Assistant Jailor	108	93	201	64	137	68.16
4	Chief Head Warder	7	32	39	4	35	89.74
5	Head Warder	266	284	550	210	340	61.82
6	Warder	2247	2844	5091	1233	3858	—
	Ex. Servicemen working against Warder				74		
7	Lady warder	157	0	157	105	52	33.12
8	Special Auxiliary Police	0	770	770	0	770	100.00
<b>Total</b>		<b>2873</b>	<b>4035</b>	<b>6908</b>	<b>1754</b>	<b>5227</b>	<b>75.67</b>
<b>Medical Related Designation</b>							
9	(A) Jail Doctor	64	-	64	47	17	26.56
	(B) Jail Doctor (Out Source)	-	43	43	0	43	100.00
10	Compounder ( <i>Misrak</i> )	58	43	101	10	91	90.10
11	Dresser ( <i>Paridhapak</i> )	51	50	101	13	88	87.13
<b>Total</b>		<b>173</b>	<b>136</b>	<b>309</b>	<b>75</b>	<b>239</b>	<b>77.35</b>
<b>Other Designation</b>							
12	Account Officer	0	6	6	0	6	100.00
13	Accountant	0	32	32	0	32	100.00
14	Account Clerk	0	23	23	0	23	100.00
15	Lower Division Clerk	15	21	36	14	22	61.11
16	Jail Clerk	117	0	117	87	30	25.64
17	Barber	0	105	105	0	105	100.00
18	Safai Mazdoor	22	503	525	22	503	95.81
<b>Total</b>		<b>154</b>	<b>690</b>	<b>844</b>	<b>123</b>	<b>721</b>	<b>85.43</b>
<b>Grand Total</b>		<b>3200</b>	<b>4861</b>	<b>8061</b>	<b>1947</b>	<b>6187</b>	<b>76.75</b>

Source: Department of Home, Government of Bihar

For proper security and care of the jail inmates, the personnel for security and medical care are posted at the jails. In view of more convictions, number of prisoners in jail is expected to rise. In this backdrop, some new posts of security personnel were also created, thereby increasing the total number of sanctioned posts from 2873 to 6908. Even though the number of sanctioned posts has increased, 5227 posts (75.67 percent) of security personnel remained vacant. Similarly, under medical posts, 75 posts were filled up (24.27 percent) against the total sanctioned posts of 309. In the accounts and other sections, there were 85.43 percent vacant posts against the total sanctioned post of 844. Thus, out of the total sanctioned posts of 8061 in all the categories, a total of 6187 posts were vacant (77 percent).

A number of initiatives is planned by the state government towards reforming the jail administration. Some of these initiatives are :

- (i) In order to make the jail administration more effective, measures are being taken to appoint/ depute officers and staff against the existing vacancies. One Jail Reforms Institute has been established at the Model Central Jail, Beur, Patna.
- (ii) Under non-plan scheme, a total of Rs. 179.43 crore has been allotted against centrally sponsored scheme of jail reforms for 5 years beginning from 2002-03. For the scheme, the central and state contributions are in the ratio of 75 and 25. For 2005-06 and 2006-07, a sum of Rs. 63.86 crore and Rs. 103.13 crore have been approved respectively. The amounts were meant for construction of district jails/ sub-jails, prisoners cells, watch towers, warden and guard barracks, toilets, modern kitchens in 50 jails, installation of hand pumps, etc.
- (iii) For maintaining sanitation inside the jails, 503 posts of sanitation personnel have been created.
- (iv) For regular monitoring and checking of the jail accounts, 6 posts of accounts officers, 32 posts of accountants and 23 posts of accounts clerks have been created.
- (v) A Prisoners Welfare Fund is planned to be established for providing financial help to prisoners for health care and proper treatment in the case of serious diseases like cancer and kidney failures. Besides the state government's contribution to the Fund, some contribution from inmates' own earnings inside jail is also planned.

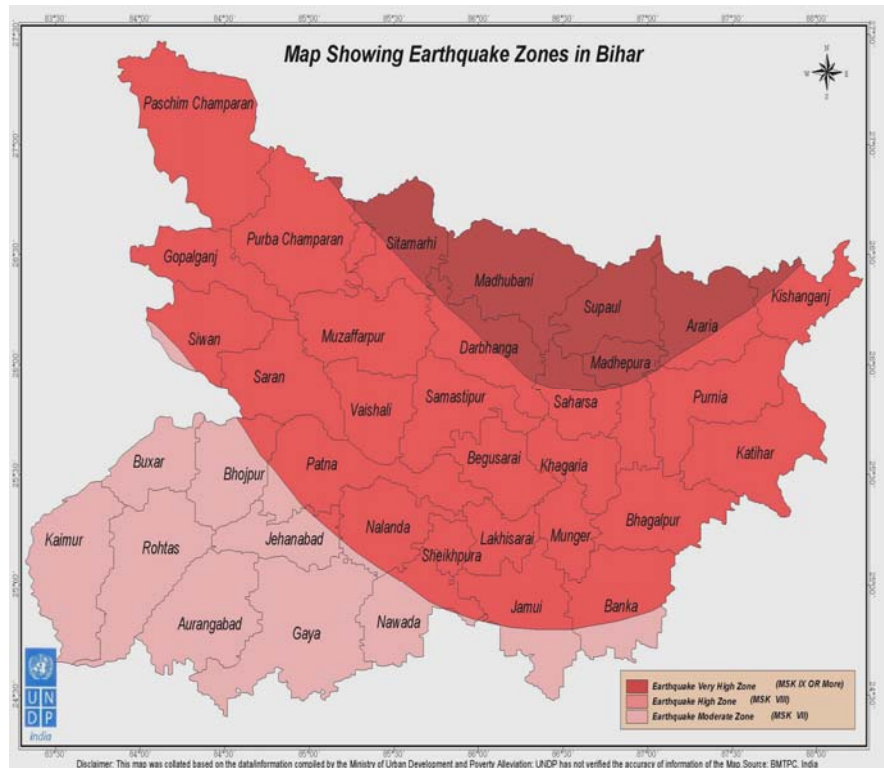
- (vi) The recommendations of Women and Children Development Committee of the Bihar Legislative Assembly are being implemented for prevention of exploitation and torture of female and child prisoners.
- (vii) In order to ensure the security of jails, provisions have been made for video conferencing, close circuit TVs, and security equipments like metal detector, walki-talkies, scanner, etc.
- (viii) Electric fans, black and white TVs have been installed in the jails and, in 12 jails, LPG cooking system has been introduced. In the remaining jails, this is being taken up in 2008-09. The establishment of a Bakery Plant in Beur jail, Patna is also underway. The printing machines, handloom for blanket weaving, masala grinding machines, etc. are being introduced in some of the jails and necessary training for skill development is imparted to the prisoners.
- (ix) An open jail is planned to be constructed at Buxar and for this a sum of Rs. 4.10 crore has been approved.
- (x) In all the central and in a few of the district jails, there are workshops for manufacturing of prisoners' clothes, tents, tripline, carpets, soaps, blankets, etc. The prisoners are imparted training in the trades and they are paid @ Rs. 8, Rs. 10 and Rs. 12 per day depending upon the light, medium and hard work rendered by them. In 2007-08, the Jails Department had a revenue of Rs. 9.35 crore from the sale of the items prepared by jail inmates.
- (xi) The prisoners are also imparted training in the art of living, yoga, etc., in collaboration with Yoga School at Munger for their physical and moral development.
- (xii) For the children living with women prisoners, there is a provision for separate utensils and bottles for milk feeding. The children are also given vaccines.
- (xiii) There is also a Public Grievances Cell for the jails and one officer has been nominated for the purpose.

### **1.5 Disaster Management**

Bihar has been historically prone to many disasters. The state is particularly vulnerable to two kinds of disasters – floods and earthquakes.

## Earthquake

Bihar is bounded on the north by the Himalayan Frontal Thrust. Some of the major earthquakes of India have occurred in Bihar which lies in a high seismic zone. Eight districts lies in Zone V (Sitamarhi, Sheohar, Madhubani, Supaul, Saharsa, Araria, Madhepura and Darbhanga), 20 in Zone IV (East Champaran, West Champaran, Gopalganj, Siwan, Saran, Muzaffarpur, Vaishali, Samastipur, Begusarai, Purnea, Katihar, Munger, Bhagalpur, Lakhisarai, Sheikhpura, Jamui, Banka, Khagaria, Patna and Nalanda) and the rest in Zone III. Patna lies in Zone IV and has a population more than 17 lakhs. Any earthquake striking this city can turn into a major disaster. The earthquake on January 15, 1934 which affected both India and Nepal had an intensity of 8.0 on Richter scale. Close to 10,700 people were killed in north Bihar and caused heavy damage in the towns of Muzaffarpur, Motihari, Dharbhanga and Munger. Tremors were felt all over the Indian subcontinent, as far as Mumbai and even Kerala. Other earthquakes which occurred in the state are listed in Table 1.22.



**Table 1.22 : Earthquakes in Bihar**

Date	Affected Area	Intensity in Richter Scale
04 June 1764	Bihar WB Border	6.0
23 Aug 1833	Nepal Border	7.7
23 May 1866	Nepal Border	7.0
23 May 1866	Jharkhand Bihar Border	5.5
30 Sept 1868	Hazaribagh	5.7
07 Oct 1920	Bihar –UP Border	5.5
15 Jan 1934	Indo – Nepal Border	8.0
11 Jan 1962	Indo – Nepal Border	6.0
21 Aug 1988	Bihar Nepal Border	6.8

### Floods

Floods are a regular annual calamitous event in Bihar, though of varying intensity. Bihar is India's most flood-prone state, with about 73.06 percent of its area (68,800 sq. kms.) being flood prone. The plains of north Bihar are particularly vulnerable to floods and 76 percent of its population is flood prone. This area has recorded the highest number of floods during the last 30 years. In the years 1978, 1987, 1998, 2002, 2004, 2007 and 2008, Bihar witnessed high magnitudes of floods. The total area affected by floods has also increased over the years.

In 2002, the floods in Bihar had affected 25 districts. A total of 489 persons died in the floods while 160.11 lakh persons were affected by it. The highest number of deaths were in Darbhanga (74). In this flood, 1450 animals died, out of which 671 died in Samastipur alone. A total of 9.26 lakh hectares of cropped area was affected. In addition, 4,19,014 houses were damaged, out of which 2,10,382 were in Madhubani (Table 1.23).

The flood of 2004 demonstrated the increasing intensity of the problem in the state, when a vast area of 23,490 sq. kms. in 20 districts of north Bihar were affected by flooding of Bagmati,

Kamala and Adhwara group of rivers. A total of 885 persons died in the floods while 213.19 lakh persons were affected by it. The highest number of deaths were again in Darbhanga (251). Further, 3292 animals died in the floods out of which 718 died in Sitamarhi alone. A total of 13.99 lakh hectares of cropped area was affected. Out of a total of 9,29,773 houses that were damaged, 2,19,500 were in Araria (Table 1.24).

**Table 1.23 : Overview of 2002 Floods in Bihar**

District	Persons (In lakh)	Cropped Area (In lakh hec.)	Houses damaged	Lives lost	
				Human	Animal
Muzaffarpur	10.53	0.48	4108	41	85
W. Champaran	0.85	0.18	4200	0	152
E. Champaran	2.7	0.41	2861	1	0
Sitamarhi	22.47	0.8	30812	47	15
Sheohar	3.53	0.3	30456	20	55
Saran	4.93	0.25	36	15	22
Siwan	2.13	0.15	4109	4	2
Gopalganj	6.96	1.02	8161	42	56
Darbhanga	26.26	1.32	36235	74	23
Samastipur	12.31	0.63	38676	86	671
Madhubani	24.7	1.71	210382	35	102
Saharsa	5.99	0.23	8072	20	2
Supaul	3.02	0.44	4406	5	2
Madhepura	0.79	0.06	37	2	0
Purnea	6.98	0.23	3139	6	0
Araria	5.83	0.26	7332	22	1
Kishanganj	2.39	0.05	3135	0	0
Katihar	6.98	0.4	9746	5	252
Begusarai	2.15	0.09	1006	10	6
Khagaria	7.37	0.3	7207	47	4
Lakhisarai	0.02	0.01	479	0	0
Bhagalpur	0.04	0.004	322	0	0
Patna	0.52	0.07	0	0	0
Nalanda	0	0	685	7	0
Sheikhpura	0.66	0.005	3412	0	0
Total	160.11	9.259417	419014	489	1450

**Table 1.24 : Overview of 2004 Floods in Bihar**

District	Persons (In lakh)	Cropped Area (In lakh hec.)	Number of Houses damaged	Lives lost	
				Human	Animal
Muzaffarpur	16.44	0.73	40103	91	168
Sitamarhi	28.59	0.45	118903	102	718
Sheohar	5.17	0.35	41300	25	33
E. Champaran	20.01	1.89	52365	15	534
W. Champaran	0.81	0.28	652	0	0
Vaishali	0.89	0.04	1093	0	0
Darbhanga	32.12	0.94	117202	251	664
Madhubani	29.29	2.18	122205	93	579
Samastipur	18.06	0.61	70999	161	350
Shaharsa	6.74	0.67	5996	8	0
Supaul	4.21	0.47	15131	7	3
Madhepura	5.14	0.49	4790	18	42
Purnea	6.06	1.31	2245	6	8
Araria	16.5	1.56	219500	14	32
Kishanganj	2.48	0.02	9690	4	0
Katihar	6.09	0.6	2830	19	0
Khagaria	9.22	0.9	68500	39	125
Begusarai	3.34	0.25	27257	10	8
Bhagalpur	1.45	0.2	9012	20	28
Gopalganj	0.58	0.05	0	2	0
<b>Total</b>	<b>213.19</b>	<b>13.99</b>	<b>929773</b>	<b>885</b>	<b>3292</b>

In 2007, the entire north Bihar was hit by severe floods due to heavy rainfall in catchments of nearly all the rivers. There were 28 breaches at different locations of the embankments during 2007 flood season, and 22 districts were affected. The scale of human deaths has also been increasing with every flood in Bihar. In 2007 floods, 1287 persons had died with the highest death toll in Samastipur (201). The loss to cropped area was 10.60 lakh hectares. The number of houses damaged was 742330 with 1,45,517 house damages in Madhubani (Table 1.25).

**Table 1.25 : Overview of 2007 Floods in Bihar**

District	Persons (In lakh)	Cropped (In lakh hec.)	Houses damaged	Lives lost	
				Human	Animal
Muzaffarpur	32.63	0.88	37450	154	882
Sitamarhi	28.39	0.8	90318	59	201
Shaohar	3.54	0.12	50728	10	4
E. Champaran	37.08	0.41	71564	122	151
W. Champaran	7.07	0.73	21201	22	4
Vaishali	14.37	0.78	41998	47	78
Darbhanga	33.61	0.81	83489	158	378
Madhubani	18.01	0.79	145517	89	59
Samastipur	19.47	1.25	56397	201	64
Shaharsa	3.65	0.27	14024	42	0
Supaul	2.37	0.12	11671	1	0
Madhepura	0.7	0.05	2100	19	0
Purnea	0.14	0.003	716	0	0
Araria	0.01	0.00	99	0	0
Katihar	5.4	0.19	2312	37	2
Gopalganj	1.64	0.13	3701	13	0
Siwan		0.00	0	0	0
Patna	7.48	0.27	55457	5	0
Nalanda	6.04	0.69	16760	20	21
Khagaria	10.14	0.5	36720	155	290
Begusarai	6.58	1.31	18385	92	289
Bhagalpur	6.1	0.50	23721	41	0
Total	246.42	10.60	742330	1287	2423

In 2008, there were 19 districts affected by floods. In all, 117 out of 533 blocks were inundated. This covered 928 Panchayats and 2,534 villages. In this flood, 608 persons died with the highest death toll in Madhepura (270). The loss to cropped area was 2.70 lakh hectares. The number of houses damaged was 2,95,041 with 1,30,207 houses damaged in Supaul (Table 1.26).



**Table 1.26 : Overview of 2008 Floods in Bihar**

District	Persons (In lakh)	Cropped Area (In lakh hec.)	Houses damaged	Lives lost	
				Human	Animal
Muzaffarpur	1.41	0.00	4	12	0
Patna	1.83	0.12	1243	3	0
Katihar	6.75	0.30	206	23	0
Nalanda	1.37	0.02	1571	2	0
W. Champaran	0.2	0.0002	74	0	0
Khagaria	1.99	0.06	1626	5	24
Seikhpura	0.10	0.00	3	14	0
Saran	0.49	0.14	441	0	0
Begusarai	0.00	0.00	0	0	0
Bhagalpur	1.58	0.20	1536	16	0
Vaishali	0.39	0.00	1279	3	0
Kishanganj	0.06	0.00	428	3	0
Bhojpur	0.78	0.005	0	3	0
Saharsa	4.49	0.29	26124	40	0
Supaul	6.71	0.43	130207	211	0
Madhepura	14.2	0.58	114545	270	0
Purnea	1.64	0.15	7682	1	0
Araria	6.28	0.40	8439	2	0
Sitamarhi	0.00	0.00	0	0	4
Total	50.274	2.69655	295401	608	28

**Kosi Flood 2008**

While the state was yet to recover from the 2007 floods, on August 18, 2008, the Kosi unleashed its destructive powers as the river breached its left embankment at Kusaha, twelve kilometers upstream the barrage. Five districts in the state bore the brunt of the floods with severe damages that led to the declaration of the flood as a National Calamity.

**Table 1.27 : Overview of Kosi Floods 2008**

Detail	Supaul	Madhepura	Araria	Saharsa	Purnea	Total
No of Blocks Affected	5	11	4	6	9	35
No. of Panchayats Affected	65	140	71	59	77	412
No. of Villages Affected	178	370	141	169	140	998
Population Affected	670709	1419856	626062	448796	164000	3329423
No. of Families Affected	186661	374798	140895	130000	41645	873999
Livestock Affected	132500	303640	80000	161000	35000	712140
Area Affected (Lakh Ha)	1	2	0	0	0	3
No. of House Damage (Pucca, Kuchha =& Jhopadi)	130207	114545	8439	26124	7562	286877
No of Persons Evacuated	370000	335110	107937	115945	65000	993992
No of Human Death	211	272	2	44	1	530
No. of Livestock Death	97	3322	0	22	0	3441

The resulting floods have affected 35 blocks of five districts of the state (Saharsa, Supaul, Madhepura, Araria and Purnea), drowning 412 panchayats and 998 villages. A total of about 33.29 million people have been affected, of which about 9,93,992 had to be evacuated. The deluge has so far taken 530 human lives, with the numbers likely to go up, as people return to their villages. An area of 3 lakh hectares has been affected while about 2,86,877 houses have been damaged. An area of about 2.84 lakh hectares has suffered siltation, of which 2.69 lakh hectares is agricultural land (Table 1.27).

About 92 percent of the existing rural road network of the five affected districts (721.2 kms. out of 782.5 kms.) has been damaged. About 251 kms. of state highways and major district roads and 61 kms of national highways in these districts have also been damaged. Likewise, 351 bridges/culverts have been completely damaged in the affected districts. Similarly, massive damage has been done to power infrastructure in those five districts, as well as adjoining districts of Katihar, Kishanganj and Bhagalpur. Likewise, educational and health infrastructure in the affected areas too has been severely damaged.

The financial damage done by the Kosi floods is not limited to loss of infrastructure and cost of relief and rehabilitation alone. In fact, even more significant aspect of damage is the indirect damage done to the economy of the affected region. Due to severely damaged infrastructural capacity, and a badly dented agricultural production capacity (due to sandy-silt deposition on the fields), the state is set to face a major output loss. This loss of output, while important for the state's overall economy, is of immediate importance to the lives of millions affected, as their basic existence was threatened because of these losses. Table 1.28 provides an overview of foodgrain, cash and kits distributed in the aftermath of the Kosi disaster for immediate relief.

#### **Kosi Floods : Relief Measures**

- 855 volunteers with boats from the local administration and the National Disaster Response Force was deployed along with 35 columns of military and 11 Air Force Helicopters
- 1000 boats were deployed for rescue and relief work
- 350 mega camps were established lodging 4.5 lakh flood victims
- Holistic convergence of services for a full and normal life in camps ensured through schools, Anganwadi centres, Health Services, Vocational Training & Sports and Cultural activities.

**Table 1.28 : Highlight of Relief Work for Kosi Floods**

Detail	Supaul	Madhepura	Araria	Saharsa	Purnea	Total
Foodgrain Distributed (In Qntl)	145157	353877	168282	111020	87955	866292
Cash Distributed (In Lakh)	3283	8351	3357	2493	1609	19095
No. of Kits Distributed from C.M.R.F.	53844	66435	42541	20804	14412	198036

### **Kosi Calamity : Rehabilitation and Reconstruction Policy**

Kosi Rehabilitation and Reconstruction Project is a comprehensive multi-sectoral project for the people affected by the calamity to

- reconstruct the houses
- provide community facilities
- restore and develop infrastructure
- provide livelihood support based on sustainable economy and environment
- ensure social development and empowerment

The main components of the project are housing, removal of debris, temporary shelter construction, repair and reconstruction of public buildings, livelihood programmes, social and physical infrastructure, social and community development.

**Table 1.29 : Overview of Flood Relief Work in Bihar**

Detail	1998	2002	2004	2007	2008 upto (22-12-08)
Foodgrains distributed (quintals)	794475	634992	843145	4685707.15	1098344.25
<b>Total Allocation for Flood Relief (Rs Lakh) of which</b>	<b>17817</b>	<b>6757.35</b>	<b>23132.75</b>	<b>93364.86</b>	<b>57353.03</b>
Foodgrains	9647.74	596	7500.00	35079.22	15582.79
Cash Grants	4505.68	276.00	5777.50	11355.81	3604.50
Agricultural Input Subsidy	0	225	3550	14000.00	4982.00
Ex-gratia payment for human deaths	169.05	263	305.16	926.50	786.00
Compensation for house damage	0.00	-	87	22442.50	11123.605

Table 1.29 provides an overview of flood relief allocation in the state since 1998. The allocation in 2008 is in proportion to the scale of floods which was much more intense, but spread over fewer districts than in 2007. The emphasis on agricultural input subsidy and compensation of house damage in 2007 and 2008 shows that, going beyond immediate relief, the concern of rehabilitation of lives and livelihood underlines the allocations.

### Preparing for the Future

As regards floods, several measures have been planned to mitigate the situation. Over the years embankments have been constructed alongside the above river systems, but the continuous load of silt being carried down has reduced the sustainability of these embankments. Sustainability is planned to be improved by (a) treatment of the catchments area in Nepal, (b) dams across the rivers in the higher reaches, (c) dredging of rivers; and (d) inter-basin transfers. Since only little control is there over the first two options, the immediate measures within the control of the state government are dredging of rivers and inter-basin transfers. It is estimated that desilting/ dredging would cost Rs. 5098 crores over five years, and the cost of interlinking rivers will be Rs.3580 crore over five years.

For earthquake, the proposed measures are training of engineers, masons, architects, builders, officials of urban local bodies in earthquake resistant construction. In addition, there will also be IEC (information, education and communication) materials like pamphlets, documentary, hoardings, short films, etc for self-constructed houses.

The state government also proposes to raise a specialist response team for different kinds of disasters. One battalion of NDRF should be stationed at Patna, for which 74.47 acres of land at a cost of Rs. 27 crore has been acquired. In addition, four battalions of State Disaster Response Force (SDRF) would be constituted at Begusarai, Muzaffarpur, Saharsa and Darbhanga, at a cost of Rs. 511 crore (as per NDRF norms). One battalion of Bihar Home guards is also to be trained for disaster management. Further, 2000 ex-service men (SAP) are to be recruited and trained. There will also be fire-fighting support in each block (439) at a cost of Rs. 560.60 crore. Finally, since the Fire Stations will be the nodal agency for rescue during earthquake and fire, these will be provided with proper search and rescue equipments at a cost of Rs. 75 crore. Other measures for effective disaster management include :

- (i) 10 motor boats for each district will be provided to 28 flood prone districts, at a tentative cost Rs. 9.80 crore.
- (ii) One helicopter for immediate deployment of NDRF/SDRF as well as for air dropping of relief material and deployment of personnel will be acquired at a tentative cost of Rs. 35 crore. The state government will also construct 50 helipads in selected places for rescue and relief work, at a cost of Rs. 1.50 crore (Rs. 5.00 lakh per helipad).
- (iii) Emergency Operation Centre (EOC) will be established in all the 38 districts. The total cost of building (Rs. 6.00 lakh per district) and equipment (Rs. 45.00 lakh per district) would be Rs. 19.38 crore.
- (iv) Warehouses will be constructed at Patna, Muzaffarpur, Purnea and Darbhanga for storage of relief materials like tent, prefabricated shelter, etc. The total cost of 1 warehouse, with 10,000 ton capacity on an area of 6000 sq.fts, would be Rs. 6.30 crore (excluding land cost).
- (v) The Civil Defense organization will be strengthened. The coverage will be extended to all vulnerable districts. At the district level, it is estimated to cost Rs. 6.90 crore per district. At the state level, the estimated cost is Rs. 9.80 crore, distributed among transport (Rs. 2.00 crore), equipment (Rs. 5.00 crore) and training (Rs. 2.80 crore).
- (vi) The PRIs would be provided funds for disaster preparedness like vulnerability mapping, training, mock drill, equipment etc. Arrangements will be made for integration of the working of PRIs and Civil Defence organisations.
- (vii) Multi-purpose community hall-cum-shelter will be built in each major habitation. The double-storied building will have a floor area of 4000 sq.fts. and it will be earthquake resistant. In normal time, it will be used for school / community purposes. It is proposed to construct 500 such shelters per year. The estimated cost of one shelter is Rs. 35.00 lakh. The land area of these community centres will also be raised to serve as helipad for emergencies.

**Appendix I : Murders in Bihar**

District	No. of Murders				Drop (-)/ Increase(+) between 2005 and 2008
	2005	2006	2007	2008	
Patna	436	387	320	341	-21.79
Nalanda	158	137	121	120	-24.05
Bhojpur	158	127	107	108	-31.65
Buxar	68	53	35	49	-27.94
Rohtas	107	102	89	112	4.67
Bhabhua	57	59	55	43	-24.56
Gaya	158	158	157	141	-10.76
Nawada	78	77	75	79	1.28
Aurangabad	58	82	67	70	20.69
Jehanabad	52	39	38	35	-32.69
Arwal	28	22	17	28	0.00
Saran	118	106	85	75	-36.44
Siwan	89	93	74	99	11.24
Gopalganj	74	72	48	74	0.00
East Champaran	107	119	111	120	12.15
Bagha	40	48	34	27	-32.50
West Champaran	68	72	61	67	-1.47
Muzaffarpur	130	134	149	138	6.15
Vaisali	60	99	120	106	76.67
Samastipur	62	45	51	72	16.13
Sheohar	10	16	23	9	-10.00
Darbhanga	41	62	76	72	75.61
Sitamarhi	121	102	74	81	-33.06
Madhubani	69	62	76	56	-18.84
Saharsa	17	44	50	30	76.47
Madhepura	52	60	68	34	-34.62
Supaul	34	31	36	39	14.71
Purnea	113	57	90	71	-37.17
Katihar	78	59	63	63	-19.23
Araria	62	63	48	50	-19.35
Kishanganj	25	18	23	32	28.00
Bhagalpur	101	119	92	90	-10.89
Banka	49	65	46	70	42.86
Naugachhia	52	35	30	31	-40.38
Munger	103	74	74	88	-14.56
Sheikhpura	33	25	19	19	-42.42
Lakhisarai	52	47	35	40	-23.08
Jamui	81	66	44	35	-56.79
Khagaria	47	53	48	55	17.02
Begusarai	121	87	96	101	-16.53
Railway (Patna)	15	16	15	25	66.67
Railway (Jamalpur)	7	5	7	9	28.57
Railway (Muzaffarpur)	23	18	10	17	-26.09
Railway (Katihar)	11	10	6	8	-27.27
Total	3423	3225	2963	3029	-11.51

Source: Department of Home, Government of Bihar

**Appendix II : Dacoity in Bihar**

District	No. of dacoities				Drop(-) / Increase (+) between 2005 and 2008
	2005	2006	2007	2008	
Patna	127	87	58	63	-50.39
Nalanda	41	27	16	10	-75.61
Bhojpur	32	32	10	14	-56.25
Buxar	30	28	12	8	-73.33
Rohtas	23	20	7	22	-4.35
Bhabhua	18	30	7	3	-83.33
Gaya	112	72	48	34	-69.64
Nawada	19	7	8	8	-57.89
Aurangabad	21	23	30	23	9.52
Jehanabad	35	16	11	15	-57.14
Arwal	10	2	4	1	-90.00
Saran	50	41	33	29	-42.00
Siwan	51	37	22	15	-70.59
Gopalganj	10	25	11	16	60.00
East Champaran	52	42	25	32	-38.46
Bagha	1	9	4	6	500.00
West Champaran	26	14	12	8	-69.23
Muzaffarpur	47	50	31	34	-27.66
Vaishali	14	19	9	13	-7.14
Samastipur	20	34	24	26	30.00
Sheohar	11	2	1	5	-54.55
Darbhanga	25	25	9	16	-36.00
Sitamarhi	19	12	13	8	-57.89
Madhubani	45	50	17	22	-51.11
Saharsa	6	1	7	13	116.67
Madhepura	17	16	10	7	-58.82
Supaul	39	7	9	3	-92.31
Purnea	38	21	28	25	-34.21
Katihar	19	8	9	16	-15.79
Araria	37	43	40	49	32.43
Kishanganj	15	7	11	7	-53.33
Bhagalpur	14	14	15	10	-28.57
Banka	33	17	20	14	-57.58
Naugachhia	6	4	2	1	-83.33
Munger	19	19	5	6	-68.42
Sheikhpura	4	5	3	2	-50.00
Lakhisarai	8	6	5	7	-12.50
Jamui	38	25	14	13	-65.79
Khagaria	12	14	8	7	-41.67
Begusarai	9	7	6	10	11.11
Railway (Patna)	15	18	11	9	-40.00
Railway (Jamalpur)	10	7	10	8	-20.00
Railway (Muzaffarpur)	11	15	3	2	-81.82
Railway (Katihar)	2	9	8	5	150.00
Total	1191	967	646	645	-45.84

**Appendix III : Robbery in Bihar**

District	No. of robberies				Drop(-)/ Increase(+) between 2005 and 2008
	2005	2006	2007	2008	
Patna	635	535	381	311	-51.02
Nalanda	91	56	48	23	-74.73
Bhojpur	46	57	42	44	-4.35
Buxar	35	35	29	25	-28.57
Rohtas	26	37	20	49	88.46
Bhabhua	18	16	19	15	-16.67
Gaya	129	100	90	70	-45.74
Nawada	31	24	17	25	-19.35
Aurangabad	27	34	26	20	-25.93
Jehanabad	35	16	16	18	-48.57
Arwal	14	7	4	4	-71.43
Saran	60	80	82	57	-5.00
Siwan	122	100	71	55	-54.92
Gopalganj	53	40	32	41	-22.64
East Champaran	66	55	41	50	-24.24
Bagha	4	7	10	15	275.00
West Champaran	30	38	15	21	-30.00
Muzaffarpur	91	102	70	50	-45.05
Vaishali	52	59	51	35	-32.69
Samastipur	15	33	28	36	140.00
Sheohar	4	3	0	9	125.00
Darbhanga	18	25	20	10	-44.44
Sitamarhi	61	50	42	28	-54.10
Madhubani	33	21	16	23	-30.30
Saharsa	28	34	55	70	150.00
Madhepura	38	40	34	33	-13.16
Supaul	35	24	36	30	-14.29
Purnea	96	70	47	27	-71.88
Katihar	34	14	26	23	-32.35
Araria	44	48	50	51	15.91
Kishanganj	10	11	11	17	70.00
Bhagalpur	58	50	31	34	-41.38
Banka	14	18	27	24	71.43
Naugachhia	16	15	12	5	-68.75
Munger	64	47	38	43	-32.81
Sheikhpura	14	16	11	5	-64.29
Lakhisarai	33	13	19	21	-36.36
Jamui	42	60	21	18	-57.14
Khagaria	39	31	26	17	-56.41
Begusarai	53	52	65	46	-13.21
Railway (Patna)	28	30	10	12	-57.14
Railway (Jamalpur)	9	5	10	3	-66.67
Railway (Muzaffarpur)	15	22	16	14	-6.67
Railway (Katihar)	13	8	14	9	-30.77
Total	2379	2138	1729	1536	-35.44

Source : Department of Home, Government of Bihar



**Appendix IV : Kidnapping for Ransom in Bihar**

District	No. of kidnappings for ransom				Drop(-)/ ncrease(+) between 2005 and 2008
	2005	2006	2007	2008	
Patna	25	28	14	13	-48.00
Nalanda	16	5	0	0	-100.00
Bhojpur	3	5	0	0	-100.00
Buxar	8	10	1	4	-50.00
Rohtas	6	1	0	3	-50.00
Bhabhua	4	3	1	2	-50.00
Gaya	7	9	1	2	-71.43
Nawada	12	6	6	1	-91.67
Aurangabad	1	1	2	0	-100.00
Jehanabad	3	2	0	0	-100.00
Arwal	2	0	0	1	-50.00
Saran	6	7	0	0	-100.00
Siwan	5	8	7	5	0.00
Gopalganj	3	4	2	4	33.33
East Champaran	31	10	7	7	-77.42
Bagha	18	27	5	3	-83.33
West Champaran	30	16	1	3	-90.00
Muzaffarpur	12	4	5	2	-83.33
Vaishali	3	2	6	0	-100.00
Samastipur	4	2	2	0	-100.00
Sheohar	3	0	0	0	-100.00
Darbhanga	3	4	1	1	-66.67
Sitamarhi	4	2	2	0	-100.00
Madhubani	4	0	0	1	-75.00
Saharsa	1	1	2	2	100.00
Madhepura	0	0	5	0	-
Supaul	1	0	0	1	0.00
Purnea	6	1	0	0	-100.00
Katihar	1	3	2	0	-100.00
Araria	1	0	0	0	-100.00
Kishanganj	1	0	0	0	-100.00
Bhagalpur	3	3	2	4	33.33
Banka	1	1	2	0	-100.00
Naugachhia	1	1	1	0	-100.00
Munger	0	3	3	0	-
Sheikhpura	1	1	1	1	0.00
Lakhisarai	3	4	1	1	-66.67
Jamui	12	5	3	3	-75.00
Khagaria	2	4	0	0	-100.00
Begusarai	3	7	2	2	-33.33
Railway (Patna)	0	2	1	0	-
Railway (Jamalpur)	0	0	0	0	-
Railway (Muzaffarpur)	1	2	0	0	-100.00
Railway (Katihar)	0	0	1	0	-
Total	251	194	89	66	-73.71

Source : Department of Home, Government of Bihar

**Appendix V : Road Dacoities in Bihar**

District	No. of dacoities				Drop(-)/ Increase(+) between 2005 and 2008
	2005	2006	2007	2008	
Patna	25	21	22	11	-56.00
Nalanda	5	11	6	4	-20.00
Bhojpur	12	11	2	5	-58.33
Buxar	13	8	4	5	-61.54
Rohtas	10	7	3	11	10.00
Bhabhua	7	9	3	0	-100.00
Gaya	13	16	10	5	-61.54
Nawada	9	3	5	4	-55.56
Aurangabad	2	10	13	10	400.00
Jehanabad	6	3	4	1	-83.33
Arwal	2	0	0	1	-50.00
Saran	7	3	5	3	-57.14
Siwan	5	4	2	4	-20.00
Gopalganj	1	2	4	5	400.00
East Champaran	7	6	1	10	42.86
Bagha	0	2	2	4	-
West Champaran	1	3	1	1	0.00
Muzaffarpur	7	7	8	2	-71.43
Vaishali	7	6	5	2	-71.43
Samastipur	0	2	1	1	-
Sheohar	1	0	0	1	0.00
Darbhangha	1	2	1	2	100.00
Sitamarhi	2	1	3	0	-100.00
Madhubani	0	5	1	0	-
Saharsa	0	0	4	5	-
Madhepura	0	3	1	3	-
Supaul	5	3	2	0	-100.00
Purnea	9	4	0	4	-55.56
Katihar	5	0	2	3	-40.00
Araria	2	2	7	7	250.00
Kishanganj	2	0	0	1	-50.00
Bhagalpur	6	9	5	6	0.00
Banka	9	7	6	1	-88.89
Naugachhia	3	3	1	0	-100.00
Munger	15	12	4	3	-80.00
Sheikhpura	1	0	0	1	0.00
Lakhisarai	3	0	2	3	0.00
Jamui	9	8	5	5	-44.44
Khagaria	9	12	3	5	-44.44
Begusarai	3	6	3	7	133.33
Railway (Patna)	0	0	0	0	-
Railway (Jamalpur)	0	0	0	0	-
Railway (Muzaffarpur)	0	0	0	0	-
Railway (Katihar)	0	0	0	0	-
Total	224	211	151	146	-34.82

Source : Department of Home, Government of Bihar

**Appendix VI : Road Robbery in Bihar**

District	No. of robberies				Drop(-)/ Increase(+) between 2005 and 2008
	2005	2006	2007	2008	
Patna	296	229	216	143	-51.69
Nalanda	28	25	21	8	-71.43
Bhojpur	29	35	32	35	20.69
Buxar	16	20	18	19	18.75
Rohtas	13	29	15	32	146.15
Bhabhua	10	11	7	10	0.00
Gaya	69	69	61	39	-43.48
Nawada	17	16	8	16	-5.88
Aurangabad	13	26	20	16	23.08
Jehanabad	22	9	5	11	-50.00
Arwal	9	6	1	4	-55.56
Saran	40	60	60	38	-5.00
Siwan	96	87	56	49	-48.96
Gopalganj	34	32	26	28	-17.65
East Champaran	46	40	29	25	-45.65
Bagha	2	2	5	5	150.00
West Champaran	15	12	8	10	-33.33
Muzaffarpur	54	57	47	36	-33.33
Vaishali	34	47	38	22	-35.29
Samastipur	9	8	14	2	-77.78
Sheohar	2	1	0	3	50.00
Darbhanga	15	15	15	2	-86.67
Sitamarhi	36	41	33	15	-58.33
Madhubani	21	14	8	16	-23.81
Saharsa	21	23	42	48	128.57
Madhepura	26	38	28	25	-3.85
Supaul	24	23	26	22	-8.33
Purnea	56	59	30	18	-67.86
Katihar	20	7	13	15	-25.00
Araria	33	38	41	34	3.03
Kishanganj	6	6	9	13	116.67
Bhagalpur	34	17	20	17	-50.00
Banka	9	7	21	17	88.89
Naugachhia	11	10	6	3	-72.73
Munger	33	20	25	32	-3.03
Sheikhpura	9	9	7	2	-77.78
Lakhisarai	11	8	14	12	9.09
Jamui	26	38	15	15	-42.31
Khagaria	23	21	17	10	-56.52
Begusarai	38	36	48	29	-23.68
Railway (Patna)	1	0	0	0	-100.00
Railway (Jamalpur)	0	0	1	0	-
Railway (Muzaffarpur)	2	0	2	0	-100.00
Railway (Katihar)	1	0	1	1	0.00
Total	1310	1251	1109	897	-31.53

Source : Department of Home, Government of Bihar

**Appendix VII : Incidence & Rate of Crime Committed Against Women In States, UTs (2007)**

Sl. No.	State / UT	Incidence	Percentage Contribution To All-India Total	Estimated Mid-Year Population (In Lakhs) #	Rate Of Total Cognizable Crimes	Rank as per Rate of total cognizable crimes	Rank as per percentage share
<b>States</b>							
1	Andhra Pradesh	24738	13.3	816	30.3	2	1
2	Arunachal Pradesh	185	0.1	11.9	15.5	16	25
3	Assam	6844	3.7	296.2	23.1	4	12
4	Bihar	7548	4.1	928.3	8.1	28	10
5	Chhattisgarh	3775	2.0	233.9	16.1	14	16
6	Goa	80	0.0	16	5	34	29
7	Gujarat	8260	4.5	558.8	14.8	18	7
8	Haryana	4645	2.5	235.3	19.7	10	15
9	Himachal Pradesh	1018	0.5	65.1	15.6	15	22
10	Jammu & Kashmir	2521	1.4	121	20.8	9	19
11	Jharkhand	3317	1.8	297.3	11.2	24	17
12	Karnataka	6569	3.5	569.8	11.5	23	13
13	Kerala	7837	4.2	340.1	23	5	8
14	Madhya Pradesh	15370	8.3	684.6	22.5	6	4
15	Maharashtra	14924	8.1	1059.7	14.1	19	5
16	Manipur	188	0.1	26.1	7.2	30	24
17	Meghalaya	172	0.1	25.2	6.8	32	27
18	Mizoram	151	0.1	9.7	15.5	17	28
19	Nagaland	32	0.0	21.7	1.5	35	32
20	Orissa	7304	3.9	396.2	18.4	12	11
21	Punjab	2694	1.5	263.9	10.2	26	18
22	Rajasthan	14270	7.7	639.1	22.3	7	6
23	Sikkim	55	0.0	5.9	9.3	27	31
24	Tamilnadu	7811	4.2	660.2	11.8	21	9
25	Tripura	1067	0.6	34.8	30.7	1	21
26	Uttar Pradesh	20993	11.3	1885.4	11.1	25	2
27	Uttarakhand	1097	0.6	94	11.7	22	20
28	West Bengal	16544	8.9	871.8	19	11	3
	<b>Total states</b>	<b>180009.0</b>	<b>97.1</b>	<b>11168.0</b>	<b>16.1</b>		
	<b>Union territories:</b>		0.0				
29	A & N Islands	56	0.0	4.1	13.8	20	30
30	Chandigarh	230	0.1	10.5	22	8	23
31	D & N Haveli	18	0.0	2.6	7	31	33
32	Daman & Diu	11	0.0	1.8	6	33	34
33	Delhi	4804	2.6	167.3	28.7	3	14
34	Lakshadweep	5	0.0	0.7	7.4	29	35
35	Pondicherry	179	0.1	10.6	16.8	13	26
	<b>Total (UTS)</b>	<b>5303</b>	<b>2.9</b>	<b>197.6</b>	<b>26.8</b>		
	<b>Total (all -India)</b>	<b>185312</b>	<b>100.0</b>	<b>11365.6</b>	<b>16.3</b>		

# Total Population including women

**Appendix VIII : Prisoners Statistics of the State of Bihar (August 2008)**

Sl. No.	Name of Jail	Capacity			No. of Prisoners			% of Nos. to Capacity		
		M	F	Total	M	F	Total	M	F	Total
1	C. J. Beur, Patna	2260	100	2360	2588	89	2677	114.5	89.0	113.4
2	C. J. Muzaffarpur	1992	143	2135	2066	100	2166	103.7	69.9	101.5
3	C. J. Buxar	1126	0	1126	1124	0	1124	99.8	-	99.8
4	C. J. Bhagalpur	3288	0	3288	2010	0	2010	61.1	-	61.1
5	C. J. Bhagalpur	1962	0	1962	1344	0	1344	68.5	-	68.5
6	C. J. Gaya	1464	14	1478	1928	63	1991	131.7	450.0	134.7
<b>Total</b>		<b>12092</b>	<b>257</b>	<b>12349</b>	<b>11060</b>	<b>252</b>	<b>11312</b>	<b>91.5</b>	<b>98.1</b>	<b>91.6</b>
1	D.J. Motihari	1388	35	1423	1290	38	1328	92.9	108.6	93.3
2	D.J. Betia	489	20	509	766	30	796	156.6	150.0	156.4
3	D.J. Sitamarhi	262	24	286	620	25	645	236.6	104.2	225.5
4	D.J. Hajipur	728	25	753	949	36	985	130.4	144.0	130.8
5	D.J. Madhubani	621	25	646	519	15	534	83.6	60.0	82.7
6	D.J. Darbhanga	391	10	401	574	29	603	146.8	290.0	150.4
7	D.J. Samastipur	860	20	880	863	68	931	100.3	340.0	105.8
8	D.J. Katihar	719	40	759	686	39	725	95.4	97.5	95.5
9	D.J. Nawada	200	18	218	852	30	882	426.0	16.7	404.6
10	D.J. Ara	639	25	664	1364	43	1407	213.5	172.0	211.9
11	D.J. Bhabhua	83	2	85	515	17	532	620.5	850.0	625.9
12	D.J. Purnea	400	12	412	1190	53	1243	297.5	441.7	301.7
13	D.J. Sheikhpura	150	6	156	208	6	214	138.7	100.0	137.2
14	D.J. Biharsharif	474	25	499	851	27	878	179.5	108.0	176.0
15	W.D.J. Bhagalpur	0	83	83	0	92	92	-	110.8	110.8
16	D.J. Phulwarisharif	700	0	700	509	0	509	72.7	-	72.7
17	D.J. Madhepura	0	0	0	0	0	0	-	-	-
18	D.J. Saharsa	547	10	557	1006	35	1041	183.9	350.0	186.9
19	D.J. Chhapra	662	12	674	957	33	990	144.6	275.0	146.9
20	D.J. Begusarai	947	10	957	1241	40	1281	131.0	400.0	13.9
21	D.J. Sasaram	960	10	970	765	39	804	79.7	390.0	82.9
22	D.J. Kishanganj	211	10	221	272	19	291	128.9	190.0	131.7
23	D.J. Aurangabad	286	23	309	572	19	591	200.0	82.6	191.3
24	D.J. Gopalganj	500	50	550	592	17	609	118.4	34.0	110.7
25	D.J. Supaul	126	12	138	392	16	408	311.1	13.3	295.7
26	D.J. Munger	450	32	482	568	14	582	126.2	43.8	120.7
27	D.J. Lakhisarai	432	7	439	488	6	494	113.0	85.7	112.5
28	D.J. Araria	160	2	162	514	12	526	321.3	600.0	324.7
29	D.J. Siwan	664	20	684	497	18	515	74.8	90.0	75.3
30	D.J. Khagaria	180	3	183	725	8	733	402.8	266.7	400.5
31	D.J. Jamui	184	4	188	625	13	638	339.7	325.0	339.4
32	D.J. Banka	726	6	732	596	23	619	82.1	383.3	84.6
33	D.J. Jehanabad	134	6	140	654	25	679	488.1	416.7	485.0
<b>Total</b>		<b>15273</b>	<b>587</b>	<b>15860</b>	<b>22220</b>	<b>885</b>	<b>23105</b>	<b>145.5</b>	<b>150.8</b>	<b>145.7</b>

(Contd.)

**Appendix VIII : (Contd.)**

Sl. No.	Name of Jail	Capacity			No. of Inmates			% of Nos. to Capacity		
		M	F	Total	M	F	Total	M	F	Total
1	Sub Jail Bagha	456	25	481	329	19	348	72.1	76.0	72.3
2	Sub Jail Benipur	200	15	215	190	7	197	95.0	46.7	91.6
3	Sub Jail Rosera	100	0	100	244	0	244	244.0	-	244.0
4	Sub Jail Jhanjharpur	100	20	120	203	7	210	203.0	35.0	175.0
5	Sub Jail Dalsinghsarai	149	15	164	107	4	111	71.8	26.7	67.7
6	Sub Jail Navgachhiya	200	20	220	308	4	312	154.0	20.0	141.8
7	Sub Jail Hilsa	200	10	210	423	19	442	211.5	190.0	210.5
8	Sub Jail Birpur	Prisoners shifted to district Jail Supaul								
9	Sub Jail Masaurhi	180	13	193	187	4	191	103.9	30.8	99.0
10	Sub Jail Patna City	37	0	37	144	0	144	389.2	-	389.2
11	Sub Jail Barh	165	2	167	595	13	608	360.6	650.0	364.1
12	Sub Jail Danapur	87	0	87	261	0	261	300.0	-	300.0
13	Sub Jail Buxar	51	3	54	102	30	132	200.0	1000.0	244.4
14	Sub Jail Sherghati	240	10	250	232	12	244	96.7	120.0	97.6
15	Sub Jail Bikramganj	282	25	307	188	4	192	66.7	16.0	62.5
16	Sub Jail Daudnagar	500	60	560	130	2	132	26.0	3.3	23.6
17	Sub Jail Udakishanganj	Not in Function								
<b>Total</b>		<b>2947</b>	<b>218</b>	<b>3165</b>	<b>3643</b>	<b>125</b>	<b>3768</b>	<b>123.6</b>	<b>57.3</b>	<b>119.1</b>
<b>Grand Total</b>		<b>30312</b>	<b>1062</b>	<b>31374</b>	<b>36923</b>	<b>1262</b>	<b>38185</b>	<b>121.8</b>	<b>118.8</b>	<b>121.7</b>

(Concluded)

## CHAPTER II

### AGRICULTURE AND ALLIED SECTORS

The agricultural sector of Bihar's economy is extremely important not merely because 90 percent of its population earn their livelihood from this sector, but it is this sector wherein lies the great potential of its economy. Being situated in the Gangetic plains, Bihar is endowed with both extremely fertile soil and abundant water resources. Because of its geographical location, the state is also endowed with high bio-diversity and, consequently, the farmers here are capable of growing a large number of crops like foodgrains, oilseeds, fibres, fruits and vegetables. In addition, the agricultural sector also lends a base for the animal husbandry sector of the state's economy which again is an important source of income for its rural population. It is against this background that the development of agricultural sector demands the highest attention of the state government, although its share in the Gross State Domestic Product (GSDP) has decreased over the years and presently stands at about one-fourth only.

Bihar has a geographical area of 93.6 lakh hectares, which can be categorized in the following three agro-climatic zones :

- (i) North-West Zone : This zone comprises 13 districts — West Champaran, East Champaran, Saran, Siwan, Gopalganj, Muzaffarpur, Sitamarhi, Sheohar, Vaishali, Darbhanga, Madhubani, Samastipur and Begusarai. The zone receives an annual rainfall of about 1040-1450 mms. and its soil is mostly sandy loam and loam.
- (ii) North-East Zone : This zone comprises 8 districts — Supaul, Saharsa, Madhepura, Purnea, Katihar, Kishanganj, Araria and Khagaria. The annual rainfall in the district ranges between 1200-1700 mms. and its soil is mostly sandy loam and clay loam.
- (iii) South Zone : This is the largest zone, comprising 17 districts. It is generally divided into 2 sub-zones in the eastern and western parts. In the eastern sub-zone, these are 6 districts —

Sheikhpura, Lakhisarai, Jamui, Munger, Bhagalpur and Banka. The remaining 11 districts in the western sub-zone are — Patna, Nalanda, Gaya, Aurangabad, Nawadah, Jehanabad, Arwal, Bhojpur, Buxar, Rohtas and Bhabhua. This zone receives about 990-1240 mms. of annual rainfall and has a variety of soils — sandy loam, clay loam, loam and clay.

The details of the agricultural and allied sectors of the state's economy is presented in this Chapter under the major heads of — Rainfall, Land Utilisation, Production and Productivity, Irrigation, Agricultural Inputs (Seed, Fertiliser and Extensions Services) and Agricultural Credit. Finally, the chapter also presents a summary of the Road Map that the state government has recently prepared for the development of the agriculture and its allied sectors.

## **2.1 Rainfall**

The average annual rainfall in Bihar is about 1098 mms., but it shows considerable year-to-year variation. During 2001 to 2006, it has varied between 866 mms in 2005 (about 20 percent less than average) to 1365 mms. in 2001 (about 22 percent more than average) (Table 2.1). There is also considerable variation among the districts with respect to annual rainfall. The average annual rainfall per district is 1098 mms., but there are at least 3 districts (Buxar, Arwal and Sheikhpura) where the average annual rainfall is less than 800 mms and, on the other hand, there are 8 districts (East Champaran, West Champaran, Begusarai, Supaul, Purnea, Araria, Kishanganj and Katihar) where the annual rainfall exceeds 1300 mms.

During 2008 (upto September), the total rainfall in Bihar was 1016 mms. which is very close to the average of 1098 mms. (Table 2.2). However, there were several districts which had received less than 800 mms. of rainfall in 2008 — Sheohar, East Champaran, Darbhanga, Begusarai, Supaul, Madhepura and Purnea. The districts with excess rainfall (more than 1300 mms) were — Buxar, Arwal, Saran, Sitamarhi, West Champaran, Araria and Kishanganj. It may be noted here that the devastating floods in Bihar in 2008 was not caused by excess rainfalls, but because of a breach in a barrage in Kosi river, located in Nepal.



**Table 2.1 : Annual Districtwise Rainfall in Bihar**

Districts	Annual Rainfall (mm)						
	2001	2002	2003	2004	2005	2006	Average
Patna	923.8	918.6	744.8	608.2	710.2	1065.2	828.5
Nalanda	835.5	940.7	1121.4	499.8	493.7	944.0	805.9
Bhojpur	1155.2	901.5	1045.6	683.7	851.8	1040.4	946.4
Buxar	884.3	816.8	921.8	454.2	734.6	777.3	764.8
Rohtas	930.6	862.4	930.3	661.3	731.2	901.6	836.2
Kaimur	1108.5	1022.4	1334.4	763.4	848.2	1079.6	1026.1
Gaya	968.0	957.4	1010.8	694.4	499.8	1073.7	867.4
Jehanabad	746.9	1121.9	968.9	639.2	776.4	1002.2	875.9
Arwal	-	686.9	737.5	593.8	844.4	974.9	767.5
Nawada	840.4	1065.0	1061.1	654.1	661.1	1211.2	915.5
Auragabad	991.8	1023.7	1344.5	608.2	601.3	966.7	922.7
Saran	1147.8	953.8	1082.0	837.0	930.8	941.2	982.1
Siwan	1198.0	1031.8	1419.8	1014.8	802.5	811.1	1046.3
Gopalganj	1458.1	813.8	859.8	1219.8	857.8	1104.6	1052.3
Muzaffarpur	1284.0	1118.0	1051.1	957.5	845.7	1058.5	1052.5
Vaishali	1211.2	-	-	-	713.7	875.2	933.4
Sitamarhi	1503.1	1053.4	1627.6	1342.7	978.5	956.5	1243.6
Sheohar	1340.4	1161.0	-	1747.5	1269.2	858.6	1275.3
E. Champaran	1645.2	1271.9	1235.9	1633.8	1071.1	1090.8	1324.8
W. Champaran	1743.4	1452.9	1774.9	1270.4	1099.5	1707.0	1508.0
Darbhanga	922.9	703.0	822.4	896.2	907.8	825.6	846.3
Samastipur	1197.4	1066.9	1268.9	827.6	577.1	1031.0	994.8
Begusarai	8136.6	1205.0	1224.6	804.2	732.3	685.7	2131.4
Munger	998.3	835.8	-	1005.3	1002.6	969.5	962.3
Lakhisarai	465.2	1076.3	1236.2	724.1	1028.0	832.9	893.8
Madhubani	1139.3	776.1	653.9	878.2	781.2	1529.3	959.7
Sheikhpura	521.0	-	885.4	489.1	571.2	1143.4	722.0
Jamui	1026.6	1051.8	1242.4	828.9	510.3	1270.1	988.4
Khagaria	1497.4	937.0	1512.1	905.6	1006.5	1027.6	1147.7
Bhagalpur	1022.8	-	-	-	1134.0	1177.9	1111.6
Banka	828.5	1046.3	967.3	1448.8	1027.3	1297.9	1102.7
Saharsa	1168.4	787.8	982.8	971.6	612.1	794.6	886.2
Supaul	1448.5	1117.3	1647.9	1791.4	1089.0	889.0	1330.5
Madhepura	1530.3	1167.3	1363.1	1386.3	1023.8	1189.8	1276.8
Purnea	1576.2	940.0	1654.0	2298.6	1149.1	1201.3	1469.9
Araria	1611.3	1488.8	1787.5	1581.9	1137.7	1136.0	1457.2
Kishanganj	2049.3	1539.7	1416.6	2938.4	1288.8	1034.0	1711.1
Katihar	1453.7	1441.1	1801.6	2194.0	992.9	1146.3	1504.9
<b>Bihar</b>	<b>1365.1</b>	<b>1038.7</b>	<b>1198.2</b>	<b>1079.3</b>	<b>865.6</b>	<b>1042.7</b>	<b>1098.3</b>

Note : The missing data has been estimated on the base of state average.

**Table 2.2 : Districtwise Rainfall in Bihar for Different Seasons (2007 and 2008)**

Districts	Annual Rainfall (mm)								
	2007					2008 (Upto September)			
	Winter Rain	Hot-Wether Rain	South-West Monsoon	North-West Monsoon	Total	Winter Rain	Hot-Wether Rain	South-West Monsoon	Total
Patna	3.6	88.0	1345.9	24.0	1461.5	60.8	47.7	1168.2	1276.7
Nalanda	24.6	60.4	1136.4	36.2	1257.6	60.5	4.6	941.2	1006.3
Bhojpur	32.1	91.4	1605.4	293.7	2022.6	59.9	66.4	757.0	883.3
Buxar	7.0	7.1	919.4	10.5	944.0	27.5	48.9	1270.0	1346.4
Rohtas	56.1	11.9	868.9	40.2	977.1	55.9	47.0	742.4	845.3
Kaimur	139.2	0.3	896.4	9.7	1045.6	11.2	1.2	791.3	803.7
Gaya	36.0	56.3	971.9	69.2	1133.4	96.9	27.0	925.9	1049.8
Jehanabad	23.6	58.8	1163.0	35.1	1280.5	66.6	25.2	1171.2	1263.0
Arwal	40.9	56.5	1201.5	47.0	1345.9	50.0	61.7	1196.5	1308.2
Nawada	38.3	37.8	990.0	67.0	1133.1	61.5	35.7	1054.2	1151.4
Aurangabad	51.4	49.8	931.6	59.9	1092.7	86.3	56.9	964.8	1108.0
Saran	19.7	80.2	1435.9	67.0	1602.8	20.3	50.3	1375.4	1446.0
Siwan	21.7	101.4	1253.8	9.2	1386.1	0.0	0.0	1197.8	1197.8
Gopalganj	20.6	95.6	1667.3	38.8	1822.3	0.0	50.4	1202.6	1253.0
Muzaffarpur	31.6	132.9	2009.0	121.7	2295.2	13.3	18.9	1237.8	1270.0
Vaishali	31.0	72.7	1927.8	10.8	2042.3	6.8	97.1	1195.5	1299.4
Sitamarhi	44.3	80.2	1911.5	49.5	2085.5	0.0	110.9	1234.1	1345.0
Sheohar	1.8	0.0	1723.1	0.0	1724.9	1.5	53.1	680.5	735.1
E. Champaran	1.6	12.7	1562.2	0.0	1576.5	0.0	113.0	605.9	718.9
W. Champaran	32.2	96.0	1560.3	49.2	1737.7	11.4	23.2	949.9	34.6
Darbhanga	20.3	69.5	1484.8	36.1	1610.7	1.3	44.8	726.0	772.1
Samastipur	10.9	38.7	1718.7	36.9	1805.2	0.0	0.0	682.8	682.8
Begusarai	19.5	86.8	1618.6	70.5	1795.4	19.9	15.0	713.9	748.8
Munger	30.1	142.7	1379.8	64.8	1617.4	2.4	0.0	831.6	834.0
Lakhisarai	25.0	97.0	1464.5	35.3	1621.8	33.4	50.6	798.6	882.6
Madhubani	13.1	41.8	1192.6	8.4	1255.9	68.4	18.2	916.3	1002.9
Sheikhpura	8.5	73.0	1334.5	36.7	1452.7	27.9	62.8	894.8	985.5
Jamui	72.3	36.6	1083.2	36.7	1228.8	0.0	0.0	628.3	628.3
Khagaria	26.6	125.3	1370.8	19.5	1542.2	26.8	50.9	801.1	878.8
Bhagalpur	5.6	104.6	1118.0	20.2	1248.4	29.8	46.1	809.0	884.9
Banka	69.8	153.5	1364.8	28.7	1616.8	67.7	36.6	751.9	856.2
Saharsa	12.7	64.9	1161.1	32.0	1270.7	32.5	186.6	866.8	1085.9
Supaul	26.1	178.3	1239.2	6.5	1450.1	18.0	238.8	443.5	700.3
Madhepura	52.2	101.4	1193.5	11.9	1359.0	16.9	47.3	561.8	626.0
Purnea	16.2	38.9	1336.2	16.4	1407.7	23.4	122.2	618.7	764.3
Araria	0.0	259.0	1906.9	9.6	2175.5	26.7	188.4	1959.6	2174.7
Kishanganj	0.0	0.0	1571.9	0.0	1571.9	6.0	180.6	1434.4	1621.0
Katihar	10.6	101.2	1092.0	29.9	1233.7	19.3	106.5	993.3	1119.1
<b>Bihar</b>	<b>28.3</b>	<b>76.4</b>	<b>1360.9</b>	<b>40.5</b>	<b>1506.1</b>	<b>29.2</b>	<b>61.4</b>	<b>949.9</b>	<b>1015.5</b>

## 2.2 Land Utilisation

The distribution of the 93.6 lakh hectare geographical area of the state among different uses is presented in Table 2.3. From the table, it is first observed that the forests are very limited in the state, accounting for barely 6.64 percent of the total geographical area. Among other non-agricultural use of land, those under tree crops are important, as they yield some additional income for the rural people to supplement their income from crop production. During the period 2000-01 to 2005-06, it is interesting to note that the share of land under tree crops has increased from 2.47 to 2.57 percent, which implies that about an additional 10 thousand hectares of land has been brought under the trees. It is most likely that the fallow land is being gradually converted into tree-bearing land, because of which the share of fallow land in total geographical area has recorded a small decline. That the soil of Bihar is very fertile is revealed by the high share of net sown area in the total geographical area, nearly 60 percent. There has not been any change in the share of net sown area in the recent years, but the gross sown area has increased much during the period and the cropping intensity for the agricultural economy now stands at 2.06. This implies that, on an average, every piece of agricultural land is double-cropped in Bihar.

**Table 2.3 : Land Utilisation Pattern in Bihar**

Land use	Percentage of Geographical Area Under					
	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06
(1) Forests	6.59	6.64	6.64	6.64	6.64	6.64
(2) Barren and Unculturable Land	4.66	4.66	4.66	4.66	4.66	4.66
(3) Land put to Non-agricultural use	17.51	17.55	17.55	17.57	17.59	17.58
Land Area	13.63	13.67	13.69	13.71	13.73	13.74
Water Area	3.88	3.88	3.86	3.86	3.86	3.84
(4) Culturable Waste	0.49	0.49	0.49	0.49	0.49	0.49
(5) Permanent Pastures	0.19	0.19	0.19	0.19	0.19	0.19
(6) Land Under Tree Crops	2.47	2.51	2.53	2.55	2.56	2.57
(7) Fallow Land (excl. current fallow)	1.44	1.44	1.42	1.39	1.42	1.38
(8) Current Fallow	6.15	6.01	5.33	5.48	6.92	7.12
Total Unculturable Land (1 to 8)	39.50	39.49	38.81	38.97	40.47	40.63
Net Sown Area	60.50	60.51	61.19	61.03	59.53	59.37
Gross Sown Area	85.39	84.37	85.02	84.22	79.06	122.02
Cropping Intensity	1.41	1.39	1.39	1.38	1.33	2.06

### 2.3 Production and Productivity

Because of its rich bio-diversity, the farmers in Bihar are able to produce a large number of crops — cereals, pulses, oilseeds, fibre crops, fruits and vegetables. Table 2.4 presents the area and production of major crops in Bihar in last eight years — 2000-01 to 2007-08. Since the production level varies considerably from year to year, Table 2.5 presents the average figures taking the five-year period of 2003-04 to 2007-08. From this table, one can see that the average levels of production of major crops in Bihar are — 43.7 lakh tonnes (rice), 36.0 lakh tonnes (wheat), and 14.9 lakh tonnes (maize). Adding to this, the production of other cereals (which are all considered as coarse cereals), the total production of cereals is 95.4 lakh tonnes. Further, taking into consideration the total production of pulses at 4.9 lakh tonnes, the total production of foodgrains is 100.3 lakh tonnes, for a population of about 99.0 million. In addition to foodgrains, the major crops also include oilseeds and fibres and the average levels of their production are 1.3 lakh tonnes (oilseeds) and 13.1 lakh bales of (fibre crops).

Crops	Percentage of area							
	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08 (2nd Adv Esti)
Foodgrains	95.98	96.01	96.09	96.12	53.34	62.96	49.99	46.84
Cereals	87.21	87.79	87.81	89.79	34.13	39.64	31.60	28.64
Pulses	8.77	8.22	8.28	6.33	19.21	23.32	18.38	18.20
Oilseeds	1.85	1.91	1.95	1.80	12.69	14.67	12.14	12.37
Fibres	2.17	2.07	1.97	2.09	33.97	22.38	37.87	40.78
Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Since the agricultural economy of Bihar is still basically oriented toward subsistence, the foodgrains account for a very large part of the area under major crops. From the table below, it is observed that nearly 95 percent of the area under major crops is devoted to foodgrains. Within that category, the share of cereals production has been increasing — it was 87.21 percent in 2000-01, but has reached 94.20 percent in 2007-08. Consequently, the share of area under pulses has decreased from 8.77 percent in 2000-01 to only 1.42 percent in 2006-07. There is also a small increase in the share of area under oilseeds; from 1.85 percent in 2000-01 it has increased to 2.03 percent in 2007-08. For fibres, the share of area has remained nearly unaltered around 2.23 percent.

**Table 2.4 : Area and Production of Major Crops in Bihar (2000-01 to 2003-04)**

(Area in `000 ha/Production in `000 tonne)

Crops	2000-01		2001-02		2002-03		2003-04	
	Area	Prodn	Area	Prodn	Area	Prodn	Area	Prodn
Total Cereals	6455.6	11495.1	6379.6	11187.9	6447.6	10578.2	6364.7	10696.0
Total Rice	3656.8	5444.4	3552.2	5202.9	3584.7	5085.6	3578.0	5447.8
Aghani Rice	2939.8	4444.4	2843.6	4244.6	2881.1	4205.0	2907.2	4589.7
Autumn Rice	591.7	786.9	593.8	736.3	583.3	682.9	553.9	688.2
Summer Rice	125.3	213.2	114.9	222.0	120.4	197.6	116.9	169.9
Wheat	2067.3	4438.0	2126.3	4391.1	2130.9	4040.6	2076.8	3688.9
Total Maize	620.5	1497.3	594.3	1488.3	603.6	1349.8	616.4	1473.6
Autumn Maize	273.0	477.1	244.6	460.3	255.0	428.2	259.0	438.0
Rabi Maize	191.5	559.1	185.8	593.6	187.7	489.9	196.3	594.7
Summer Maize	156.0	461.1	163.9	434.4	160.9	431.6	161.1	440.8
Total Coarse Cereals	110.9	115.5	106.8	105.7	128.4	102.2	93.4	85.7
Jowar	1.1	1.0	4.4	3.7	4.4	4.4	1.5	1.5
Bajra	1.5	1.3	0.8	0.6	1.0	1.0	1.6	1.6
Ragi	22.5	24.7	19.6	16.7	28.7	14.2	15.2	10.4
Barley	22.6	26.5	21.6	26.7	20.3	23.4	21.4	24.0
Small Millets	7.8	4.3	7.0	5.1	9.8	7.9	7.0	5.3
Other Coarse Cereals	55.5	57.7	53.4	52.8	64.2	51.1	46.7	42.9
Total Pulses	717.2	621.5	694.2	547.1	697.8	560.9	680.9	434.2
Total Rabi Pulses	613.1	522.8	597.5	461.8	604.5	479.5	592.8	351.9
Gram	76.2	78.7	68.2	65.3	71.4	72.1	80.3	78.6
Lentil	172.2	169.8	172.6	137.8	179.6	156.6	171.0	159.8
Khesari	157.1	143.7	157.0	129.7	141.6	114.7	133.1	
Pea	25.7	24.8	23.8	23.4	23.3	20.8	23.7	22.2
Summer Moong	177.8	103.4	172.7	103.3	185.1	112.8	181.4	88.9
Other Rabi Pulses	4.1	2.3	3.1	2.2	3.5	2.5	3.3	2.5
Total Kharif Pulses	104.1	98.8	96.8	85.2	93.3	81.4	88.0	82.4
Tur	43.6	58.9	41.3	47.7	37.7	43.0	38.9	48.1
Moong	9.2	5.2	7.9	3.9	10.7	5.7	8.4	4.2
Urad	32.1	20.3	32.0	21.5	25.1	18.6	24.2	18.0
Ghaghra	0.6	0.4	0.8	0.4	0.8	0.4	0.4	0.2
Kulthi	17.5	13.5	14.3	11.5	13.1	10.4	15.4	11.4
Other Kharif Pulses	1.1	0.6	0.5	0.3	5.9	3.3	0.7	0.4
Total Oilseeds	153.7	131.0	1427.8	1260.1	137.2	104.9	140.5	123.7
Groundnut	0.1	0.1	2.5	1.4	0.4	0.2	0.5	0.2
Castor Seeds	0.3	0.2	0.6	0.7	0.3	0.3	0.2	0.2
Seasamum	3.4	1.8	31.0	79.9	3.8	2.7	3.8	2.8
Rape & Mustard	97.0	84.4	931.2	780.8	90.1	62.0	83.7	69.0
Linseed	41.8	28.5	357.5	256.1	29.2	22.2	34.7	27.2
Safflower	0.3	0.2	2.6	2.1	0.2	0.1	0.2	0.2
Sunflower	10.8	15.8	102.3	139.2	13.4	17.4	17.5	24.2
Total Fiber Crops	169.7	1381.6	1605.6	11037.4	232.1	1096.6	178.0	1288.7
Jute	135.3	1133.7	1426.3	9964.4	147.8	973.5	154.6	1147.4
Mesta	31.9	246.3	153.7	1052.9	80.0	120.0	20.0	138.9
Sanhemp	2.4	1.7	25.6	20.1	4.2	3.0	3.4	2.5

.... (Contd.)

**Table 2.4 : (Contd.)**

Crops	2004-05		2005-06		2006-07		2007-08(2nd Adv Esti)	
	Area	Prodn	Area	Prodn	Area	Prodn	Area	Prodn
Total Cereals	5922.4	7473.7	5995.6	7926.8	6142.0	11005.4	5913.5	8411.3
Total Rice	3188.2	2625.1	3249.5	3677.4	3357.1	4989.2	3302.0	3775.4
Aghani Rice	2519.7	1957.7	2604.8	3023.0	2736.6	4333.7	3302.0	3775.4
Autumn Rice	554.2	505.7	533.8	502.0	511.1	491.5	-	-
Summer Rice	114.3	161.7	111.0	152.4	109.4	164.0	-	-
Wheat	2022.3	3279.9	2003.7	2763.3	2049.7	4211.4	2049.7	3474.2
Total Maize	626.9	1491.2	649.1	1397.2	641.9	1714.8	472.9	1076.3
Autumn Maize	271.0	443.8	277.0	456.1	259.5	397.6	269.2	432.4
Rabi Maize	195.1	592.9	208.9	551.8	382.4	1317.2	203.7	644.0
Summer Maize	160.8	454.5	163.2	389.3	-	-	-	-
Total Coarse Cereals	84.9	77.4	93.3	88.8	93.3	90.0	89.0	85.4
Jowar	2.0	2.0	4.1	4.2	3.4	3.5	3.7	3.8
Bajra	1.2	1.3	4.3	4.6	4.1	4.4	4.8	5.1
Ragi	15.4	10.9	14.5	11.3	14.3	12.5	14.7	12.1
Barley	18.4	20.3	16.3	18.8	18.7	19.9	17.7	18.9
Small Millets	5.5	4.2	7.4	5.5	6.2	4.6	3.7	2.7
Other Coarse Cereals	42.5	38.7	46.6	44.4	46.6	45.0	44.5	42.7
Total Pulses	649.2	471.4	597.4	447.1	607.8	431.2	448.7	365.4
Total Rabi Pulses	567.2	387.3	517.5	368.9	519.6	356.6	365.2	285.7
Gram	73.3	61.0	62.2	56.1	56.7	46.4	64.2	55.5
Lentil	179.4	131.2	162.5	114.5	166.5	117.3	-	-
Khesari	118.0	84.9	92.1	78.6	101.7	80.3	-	-
Pea	23.1	20.9	24.1	21.5	23.7	22.0	-	-
Summer Moong	171.2	87.5	174.1	96.2	168.7	88.7	-	-
Other Rabi Pulses	2.3	1.8	2.4	1.9	2.4	1.9	301.0	230.2
Total Kharif Pulses	82.0	84.1	79.9	78.2	88.1	74.7	83.5	79.7
Tur	35.3	49.2	33.3	43.0	35.9	35.5	35.1	43.5
Moong	6.8	3.9	8.2	4.9	10.1	5.5	8.4	4.8
Urad	24.4	18.1	25.2	19.4	25.5	19.8	25.0	19.1
Ghaghra	0.5	0.2	0.5	0.2	0.9	0.6	-	-
Kulthi	14.3	12.4	11.7	10.1	14.0	12.1	-	-
Other Kharif Pulses	0.7	0.4	0.9	0.5	1.8	1.2	14.9	12.4
Total Oilseeds	136.9	116.3	139.0	137.6	142.9	147.4	127.5	116.8
Groundnut	0.8	0.4	0.9	0.5	0.9	0.5	0.9	0.4
Castor Seeds	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Seasamum	3.5	2.7	3.6	2.9	3.3	2.5	3.3	2.6
Rape & Mustard	83.3	59.8	82.1	77.1	86.9	89.4	84.6	75.3
Linseed	27.8	24.0	29.5	26.4	28.6	24.3	27.8	23.8
Safflower	0.2	0.2	0.2	0.2	0.2	0.1	0.8	0.6
Sunflower	21.2	29.1	22.6	30.4	22.8	30.5	9.9	13.8
Total Fiber Crops	160.8	1373.9	150.7	1389.1	144.5	1392.5	147.9	1415.4
Jute	140.9	1223.7	133.0	1298.6	127.1	1253.3	133.0	1272.9
Mesta	16.1	147.3	14.5	88.0	14.1	136.5	14.9	142.5
Sanhemp	3.9	3.0	3.2	2.4	3.2	2.6	0.0	0.0

**(Concluded)**

**Table 2.5 : Average Area Production and Yield of Major Crops (for the Period 2002-03 to 2006-07)**

(Area : '000 hectares, Production : '000 tonne : Yield: kg/hect)

Crops	Area	Prodn	Yield	Crops	Area	Prodn	Yield
Total Cereals	6174	9536	1544	Pea	24	21	911
Total Rice	3392	4365	1287	Summer Moong	176	95	539
Aghani Rice	2730	3622	1327	Other Rabi Pulses	3	2	757
Autumn Rice	547	574	1049	Total Kharif Pulses	86	80	929
Summer Rice	114	169	1478	Tur	36	44	1209
Wheat	2057	3597	1749	Moong	9	5	548
Total Maize	628	1485	2367	Urad	25	19	755
Autumn Maize	264	433	1637	Ghaghra	1	0	561
Rabi Maize	234	709	3030	Kulthi	14	11	822
Summer Maize	161	429	2657	Other Kharif Pulses	2	1	567
Total Coarse Cereals	99	89	900	Total Oilseeds	139	126	904
Jowar	3	3	1021	Groundnut	1	0	493
Bajra	2	3	1064	Castor Seeds	0	0	965
Ragi	18	12	673	Seasamum	4	3	765
Barley	19	21	1120	Rape & Mustard	85	71	839
Small Millets	7	6	770	Linseed	30	25	828
Other Coarse Cereals	49	44	900	Safflower	0	0	801
Total Pulses	647	493	763	Sunflower	20	26	1349
Total Rabi Pulses	560	413	738	Total Fiber Crops	173	1308	7553
Gram	69	63	913	Jute	141	1179	8383
Lentil	172	136	791	Mesta	29	126	4358
Khesari	117	96	820	Sanhemp	4	3	755

As regards productivity of different crops, they are presented in Table 2.6. Since these productivity figures again vary substantially over the years, it is desirable to consider the average figures which are presented in Table 2.5. For rice, the average productivity is 1287 kgs/hectare, although for aghani rice (the most important among three rice varieties), the productivity is a little higher at 1327 kgs/ hectare. The productivity of wheat is higher and stands at 1749 kgs/ hectare. The most satisfactory levels of productivity is attained by maize (2367 kgs/ hectare) and here again rabi maize (the most important among the three varieties of maize) has an even higher productivity at 3030 kgs/hectare. For the pulses, the rabi season is more important as it accounts for more than 80 percent pulse production; but the productivity of kharif pulses (929 kgs/hectare) is found be higher than the productivity of rabi pulses (738 kgs/hectare).

As mentioned before, bio-diversity is very wide in Bihar and, therefore, the farmers in Bihar produce a large number of fruits and vegetables, besides the major crops listed in Table 2.4.

**Table 2.6 : Productivity of Major Crops in Bihar (2000-01 to 2007-08)**

Crops	(Productivity in kg./ha)							
	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08 (2nd Adv Esti)
Total Cereals	16862.6	16639.6	15585.1	16289.5	15544.6	14904.5	14281.2	13305.8
Total Rice	1488.8	1464.7	1418.7	1522.6	823.4	1131.7	1486.1	1143.4
Aghani Rice	1511.8	1492.7	1459.5	1578.7	776.9	1160.6	1583.6	1143.4
Autumn Rice	1329.8	1240.0	1170.9	1242.4	912.5	940.5	961.6	-
Summer Rice	1700.5	1932.7	1642.0	1453.6	1415.1	1372.9	1498.4	-
Wheat	2146.7	2065.1	1896.2	1776.2	1621.9	1379.1	2054.7	1695.0
Total Maize	7622.3	7726.7	6972.3	7457.1	7503.5	6673.9	4976.6	4767.9
Autumn Maize	1748.0	1881.6	1678.9	1691.0	1637.9	1646.7	1532.2	1606.0
Rabi Maize	2919.6	3194.3	2610.2	3029.1	3038.6	2641.0	3444.4	3161.9
Summer Maize	2954.7	2650.8	2683.2	2737.0	2827.0	2386.2	-	-
Total Coarse Cereals	5604.8	5383.2	5297.9	5533.6	5595.9	5719.8	5763.8	5699.5
Jowar	914.4	851.0	1010.0	1009.3	1014.0	1030.2	1032.4	1024.1
Bajra	825.3	722.2	1029.5	1044.6	1097.2	1058.3	1075.4	1077.7
Ragi	1098.7	850.3	496.1	683.2	706.7	777.4	873.4	827.3
Barley	1173.9	1238.7	1152.8	1119.4	1104.8	1154.0	1067.8	1069.0
Small Millets	551.5	731.3	813.6	759.6	761.6	747.2	750.4	741.8
Other Coarse Cereals	1040.9	989.6	796.0	917.6	911.6	952.7	964.3	959.6
Total Pulses	9490.3	9126.8	9166.8	9313.1	9042.3	9292.3	9078.2	5027.2
Total Rabi Pulses	5044.9	4870.7	4907.1	5000.6	4465.0	4704.0	4559.1	1628.8
Gram	1033.7	958.5	1009.8	978.4	831.9	900.8	819.0	864.0
Lentil	986.2	798.5	872.1	934.0	731.4	704.6	704.4	-
Khesari	914.6	826.3	809.7	921.2	720.0	854.0	789.2	-
Pea	965.1	984.1	893.1	934.0	905.0	891.0	929.8	-
Summer Moong	581.3	598.0	609.5	490.2	511.4	552.6	525.8	-
Other Rabi Pulses	563.9	705.2	712.9	742.9	765.3	801.1	790.8	764.8
Total Kharif Pulses	4445.4	4256.1	4259.7	4312.5	4577.3	4588.3	4519.1	3398.3
Tur	1349.8	1155.1	1140.3	1237.9	1394.4	1292.1	989.2	1237.8
Moong	559.6	486.6	539.1	503.8	563.9	593.9	544.6	568.5
Urad	633.0	672.3	740.6	744.2	740.1	771.6	777.5	763.1
Ghaghra	608.9	581.9	491.4	551.1	494.0	494.8	704.0	-
Kulthi	772.7	802.8	795.5	739.0	865.1	860.1	863.1	-
Other Kharif Pulses	521.2	557.4	552.8	536.5	519.8	575.9	640.9	829.0
Total Oilseeds	6268.5	7878.5	5766.4	6027.0	5973.5	6228.6	6171.2	6223.0
Groundnut	1104.2	561.0	493.3	493.6	495.4	494.0	489.1	494.3
Castor Seeds	827.1	1047.6	987.3	993.5	940.0	947.4	916.7	1000.0
Seasamum	523.7	2575.1	720.5	748.4	783.8	800.1	774.4	786.1
Rape & Mustard	869.5	838.5	688.4	824.4	717.6	939.8	1028.4	890.0
Linseed	682.3	716.2	760.1	784.0	862.8	895.1	848.9	855.9
Safflower	802.9	779.5	814.8	805.0	799.1	807.7	777.8	797.5
Sunflower	1458.8	1360.7	1302.0	1378.1	1374.8	1344.6	1336.0	1399.2
Total Fiber Crops	16781.7	14620.7	8798.2	15080.6	18625.3	16596.5	20338.2	19125.4
Jute	8379.4	6986.2	6587.1	7422.0	8686.3	9764.2	9860.2	9570.0
Mesta	7717.4	6848.8	1499.9	6941.6	9173.1	6060.6	9655.6	9555.3
Sanhemp	684.8	785.8	711.2	716.9	766.0	771.7	822.4	-



**Table 2.7 : Area, Production and Yield of Miscellaneous Crops in Bihar (2004-05 to 2007-08)**

(Area : '000 hectares, Production : '000 tonne : Yield : kg/hect)

Crops	2004-2005			2005-2006			2006-2007		
	Area	Prodn	Yield	Area	Prodn	Yield	Area	Prodn	Yield
Potato	145.0	1110.7	7658.0	142.3	1232.7	8663.0	151.4	1178.1	7781.1
Onion	14.2	104.7	7378.9	15.9	128.1	8078.1	15.1	120.5	7988.7
Sweet Potato	5.0	69.0	13877.7	-	-	-	5.5	73.5	13386.2
Sugarcane	104.5	3769.2	36083.8	101.3	4337.9	42826.8	117.2	5338.8	45561.0
Tobacco	16.0	18.6	1161.0	14.9	17.3	1160.9	1.4	16.1	11446.8
Chillies(dry)	3.0	2.2	728.8	3.1	3.1	998.7	2.9	3.0	1048.6
Ginger(dry)	-	0.6	1512.7	0.8	1.2	1495.0	-	0.8	1551.0
Turmaric	2.8	2.7	964.6	3.5	3.4	957.5	3.0	3.0	980.3
Coriander	2.2	1.6	737.7	2.3	1.7	724.2	2.3	1.7	740.1
Garlic	2.6	3.9	1506.3	2.8	4.1	1461.5	-	3.8	15916.7
Cauliflower	59.7	955.2	16000.0	19.9	1.4	71.3	60.1	1009.0	16778.5
Cabbage	36.5	598.8	16400.0	9.6	-	-	37.0	623.5	16849.0
Tomato	46.0	735.8	16000.0	2.3	-	174.1	46.5	916.8	19732.0
Bhindi	56.2	730.2	13000.0	12.3	-	-	-	-	-
Bringer	53.7	1073.0	20000.0	-	1.2	2415.7	54.1	1120.6	20723.8
Pumpkin	29.1	582.9	20000.0	9.9	6.1	617.9	-	-	-
Cucumber	-	-	-	1.3	13.9	11078.2	1.5	15.7	10671.2
Bittergourd	8.4	50.5	6000.0	8.5	49.3	5800.0	8.7	59.4	6803.7
Par wale	4.6	45.9	10000.0	4.6	47.8	10300.1	-	-	-
Bode	11.6	69.5	6000.0	11.6	86.1	7399.3	-	-	-
Pea	-	-	-	8.1	50.5	6243.8	8.7	53.1	6072.8
Radish	-	-	-	14.4	217.3	15136.6	14.9	226.6	15178.7
Carrot	-	-	-	4.0	46.1	11642.0	-	-	-
Mango	140.1	865.6	6178.3	140.2	1222.7	8720.0	140.8	1306.9	9283.2
Guava	27.7	256.1	9257.3	27.7	199.0	7180.0	28.0	248.0	8857.6
lichy	28.4	204.9	7219.0	28.4	200.1	7044.5	28.8	211.9	7368.6
Lemon	16.8	122.9	7310.5	16.8	112.3	6670.0	17.1	121.6	7102.0
Banana	28.0	920.0	32872.8	28.0	959.3	34210.0	29.0	1125.1	38779.1
Pineapple	4.2	122.5	29077.8	4.2	108.0	25540.1	4.5	121.1	27179.4
Cocunet	15.2	150.8	9952.3	15.2	123.8	8160.0	-	-	-
Others Fruits	30.9	277.5	8970.3	31.0	267.0	8615.0	31.3	291.9	9331.3

Table 2.7 presents the list of these fruits and vegetables, along with their levels of area, production and productivity in 2004-05, 2005-06 and 2006-07. As can be seen from the table, sugarcane is an extremely important crop in Bihar which had a production level of 53.4 lakh tonnes in 2006-07. Among the remaining miscellaneous crops, those which are important in Bihar under the category of vegetables include potato, cauliflower, tomato and brinjal. The production level of these

**Table 2.8 : Districtwise Area, Production and Yield of Major Crops in 2006-07**

(Area : hectares, Production : tonne : Yield: kg/hect)

Districts	Rice			Wheat			Maize		
	Area	Prodn	Yield	Area	Prodn	Yield	Area	Prodn	Yield
Patna	88480	145350	1643	57643	123775	2147	11965	28545	2386
Nalanda	95385	227246	2382	82238	157209	1912	4973	7847	1578
Bhojpur	85454	226802	2654	75252	190165	2527	3651	7002	1918
Buxar	82536	187071	2267	60699	123162	2029	4286	4855	1133
Rohtas	166681	468067	2808	135644	330444	2436	591	1010	1709
Bhabhua	133136	310928	2335	61071	131927	2160	356	470	1320
Gaya	54595	80617	1477	73663	156981	2131	6256	11225	1794
Jahanabad	84720	156043	1842	32803	72142	2199	1280	3067	2396
Nawada	73308	147689	2015	45191	97142	2150	2678	5985	2235
Aurangabad	171133	444650	2598	61320	124774	2035	591	999	1690
Saran	86752	97669	1126	88112	206367	2342	27777	53835	1938
Siwan	106790	148459	1390	91888	191136	2080	19410	44212	2278
Gopalgunj	75801	89959	1187	83202	208168	2502	14925	28159	1887
Muzaffarpur	139377	95559	686	85448	163884	1918	22543	48798	2165
E.Champaran	212875	166100	780	98681	199138	2018	17184	19858	1156
W.Champaran	168920	167909	994	83627	159715	1910	16620	24811	1493
Sitamarhi	92512	64415	696	68215	118146	1732	6149	12560	2043
Sheohar	23671	12351	522	14075	19128	1359	972	3597	3701
Vaishali	59596	46071	773	47880	120298	2512	34162	69797	2043
Darbhanga	74855	65429	874	67181	126518	1883	13418	36367	2710
Madhubani	158929	141393	890	82150	131494	1601	1217	3278	2694
Samastipur	70238	41689	594	51367	143248	2789	44568	161829	3631
Begusarai	24451	33919	1387	52751	114505	2171	63287	131759	2082
Munger	30027	59693	1988	18205	33736	1853	7788	15461	1985
Sheikhpura	39302	94300	2399	30061	74091	2465	8152	12203	1497
Lakhisarai	24520	56289	2296	20530	41845	2038	1431	1906	1332
Jamui	50289	88727	1764	11777	17647	1498	5033	5611	1115
Khagaria	22217	19132	861	32229	47665	1479	54737	224875	4108
Bhagalpur	48200	114228	2370	44159	73965	1675	44438	104899	2361
Banka	99429	258065	2595	28781	53142	1846	12214	29779	2438
Saharsa	87740	86432	985	42621	82012	1924	30479	110101	3612
Supaul	102061	120735	1183	50795	94125	1853	11902	54673	4594
Madhepura	78281	89689	1146	36629	53177	1452	39810	114837	2885
Purnea	123851	118237	955	46296	62224	1344	42968	150671	3507
Kishanganj	138639	142541	1028	21676	27904	1287	1549	4659	3008
Araria	82768	75595	913	57551	40153	698	20765	74704	3598
Katihar	106491	138899	1304	35316	44389	1257	41090	141705	3449
Total	3364010	5027947	1495	2076727	4155541	2001	641215	1755949	2738

vegetables in 2006-07 were — 11.8 lakh tonnes (potato), 10.1 lakh tonnes (cauliflower), 9.2 lakh tonnes (tomato) and 11.2 lakh tonnes (brinjal). The category of fruits also include a number of species, but the four most important ones are — mango, litchi, guava and banana. The production levels of these fruits in 2006-07 were — 13.1 lakh tonnes (mango), 2.1 lakh tonnes (litchi), 2.5 lakh tonnes (guava) and 11.3 lakh tonnes (banana).

**Table 2.9 : Advance Estimates of Area, Production and Yield of Major Crops in Bihar for 2008-09**

(Area : `000 hectares, Production : `000 tonne : Yield : kg/hect)

Crops	Area	Production	Yield
Rice Bhadai	546.33	435.43	797
Rice Agahani	2997.09	3914.19	1306
Jowar	5.17	4.83	933
Bajara	2.68	2.53	944
Maize	223.33	264.87	1186
Ragi	10.11	5.98	592
Small Millets	2.98	1.98	666
Tur	-	-	-
Urad	18.38	13.22	719
Mung	7.26	4.13	569
Other Kharif Pulses	12.30	9.71	790
Groundnut	0.98	0.49	494
Seasum	2.05	1.42	691
Castorseed	-	-	-
Nigerseed	-	-	-
Soyabean	-	-	-
Sunflower	3.44	3.75	1091
Cotton	-	-	-
Jute	133.04	1260.21	9472
Mesta	22.07	203.79	9233
Sugercane	107.59	4351.59	40446

Note : Production of Cotton in '000 bales of 170 kgs.  
Production of Jute and Mesta in '000 bales of 180 kgs.

As regards the status of agricultural economy among the districts, Table 2.8 presents the area, production and productivity of three most important crops in Bihar (rice, wheat and maize) in 2006-07 for all the 38 districts. Taking into consideration rice, the top five districts in terms of production are Nalanda (2.3 lakh tonnes), Bhojpur (2.3 lakh tonnes), Rohtas (4.7 lakh tonnes), Bhabhua (3.1 lakh tonnes) and Aurangabad (4.4 lakh tonnes). The top five districts in terms of productivity are — Bhojpur (2654 kgs/hectare), Nalanda (2382 kgs/ hectare), Aurangabad (2598 kgs/ hectare), Sheikhpura (2399 kgs/hectare) and Banka (2595 kgs/hectare). It can also be

observed from the table that the gap between the highest and the lowest levels of productivity in the districts is very large for all the crops — rice, wheat and maize. For rice, the two extreme levels of productivity are 2808 kgs/hectare (Bhabhua) and 522 kgs/hectare (Sheohar). Similarly, for wheat, the two extreme levels of productivity are 2789 kgs/hectare (Samastipur) and 698 kgs/hectare (Araria). Finally, for maize, the two extreme levels of productivity are 4108 kgs/hectare (Khagaria) and 115 kgs/hectare (Jamui).

To help the state government in planning its agricultural strategy, the Directorate of Statistics and Evaluation prepares advance estimates of area and production of major crops in Bihar. Table 2.9 presents these advanced estimates for the year 2008-09. If one compares these advanced estimates of production with the average levels of production (Table 2.5), it is noted that, because of the devastating floods in the Kosi region of Bihar, the state is expected to face a considerable loss of crop production in 2008-09. These losses are expected for all the crops for which advanced estimates are available, except aghani rice and jowar.

## **2.4 Irrigation**

To free agriculture from the uncertainties of monsoon, it is extremely important to provide assured irrigation facilities to the sector. Not only does it provide stability of agricultural production, assured irrigation is also a necessary pre-requisite for adoption of high yielding variety (HYV) seeds. In view of the abundant water resources in the state, the provision of adequate irrigation facilities should not be a major challenge in Bihar, but unfortunately, only about 60 percent of the cultivated area is endowed with some irrigation facility in the state.

During the period 2000-01 to 2007-08, the total irrigation area in Bihar has increased from 28.20 lakh hectares to 32.24 lakh hectares (Table 2.10). This implies a growth of 14.3 percent, over a period of 7 years. One of the major constraints in the spread of irrigation is that tubewells are now the major source of irrigation and, in the absence of adequate supply of electricity, the tubewells are often run on diesel, an expensive input for the farmers. With some expected improvement in the power sector, because of recent initiatives of the state government, the situation is likely to improve.

**Table 2.10 : Sourcewise Irrigated Area in Bihar**

(lakh hectares)

Year	Canal Surface M.I	Tank (including Aher & Pyne system)	Tubewell (Private & State)	Other Well (irrigation well)	Other Sources (L.I & Barge L.I)	Total irrigated Area
2000-01	29.22 (1.0)	332.56 (11.8)	2310.06 (81.9)	145.84 (5.2)	3.26 (0.1)	2820.93 (100.0)
2001-02	23.25 (0.8)	332.56 (11.8)	2308.71 (82.0)	145.79 (5.2)	3.56 (0.1)	2813.87 (100.0)
2002-03	28.69 (1.0)	332.56 (11.1)	2474.77 (82.9)	145.79 (4.9)	3.19 (0.1)	2985.00 (100.0)
2003-04	34.88 (1.1)	332.56 (10.5)	2650.38 (83.7)	145.79 (4.6)	1.95 (0.1)	3165.56 (100.0)
2004-05	17.56 (0.5)	431.21 (13.3)	2664.00 (82.2)	121.01 (3.7)	6.23 (0.2)	3240.01 (100.0)
2005-06	19.86 (0.6)	332.56 (10.5)	2643.21 (83.4)	145.79 (4.6)	28.23 (0.9)	3169.65 (100.0)
2006-07	29.34 (0.9)	332.56 (10.3)	2710.50 (83.6)	145.79 (4.5)	23.33 (0.7)	3241.52 (100.0)
2007-08	29.80 (0.9)	332.56 (10.3)	2701.19 (83.8)	145.79 (4.5)	15.12 (0.5)	3224.45 (100.0)

As regards the contribution of different sources towards irrigation facilities, it is observed that tubewell irrigation is the most important source, accounting for 83.8 percent of the irrigated area in 2007-08. Over the years, this share has increased from 81.9 percent in 2000-01 to its present level of 83.8 percent. The share of other sources of irrigations (canal, tanks, other wells and other sources) has either remained unaltered or decreased marginally.

As mentioned later, the Raod Map for Agriculture for Bihar, prepared by the state government visualises creation of additional irrigation capacity through a number of projects. Among these projects are included Western Kosi Canal, Durgawati Waterbody, Sone Canal Modernisation, Barnar Waterbody, Bateswarnath Ganga Pump Canal (Phase I), Jamania Pump Canal, North Koel Waterbody, Punpun Barrage, Batane Waterbody, Uderasthan Barrage and Bagmati Multipurpose Plans. The state government is also planning the interlinking of rivers in the state as a step towards integrated water management of the state. Apart from generating additional irrigation capacity, the project will also alleviate the problems of flood and drought. For this, a river basin will be taken up as a unit and an integrated plan will be made for irrigation, flood control and water drainage.

## 2.5 Agricultural Inputs

Besides irrigation facilities, agricultural development also requires supply of adequate and quality inputs, particularly seed, fertilisers and extension services.

### Seed

For realising the full potential of land and irrigation inputs, availability of quality seeds is extremely important for raising the productivity of cultivation. For various reasons, the Seed

Replacement Rate (SRR) is one of the lowest in Bihar among the major states in India and the state government has made substantial efforts in recent years to improve the situation. This improvement is visible for both Kharif and Rabi crops (Table 2.11).

Among the kharif crops, the SRR for paddy in 2008-09 was 19.0 percent, compared to only 12.0 percent in 2006-07. In case of kharif maize, there has been a modest increase in SRR from 50.0 percent in 2006-07 to 57.0 percent in 2008-09. However, in case of arhar, urad and moong, the increase in SRR is only marginal. Among the rabi crops, the SRR is available only for 2006-07 and 2007-08. Between these two years, the SRR for two crops has gone up substantially — maize (from 60.0 to 74.0 percent) and rape/mustard (from 40.0 to 73.0 percent). For other crops (wheat, gram and masoor), the increase in SRR is moderate, while the same for peas has recorded a small decrease.

**Table 2.11 : Distribution of Certified Seeds and Seed Replacement Rate (SRR) for Important Crops in Bihar (2006-07 to 2008-09)**

(Requirement and supply in qntl. / SRR in percentage)

Year/Crops	2006-07			2007-08			2008-09		
	Requirement	Supply	SRR	Requirement	Supply	SRR	Requirement	Supply	SRR
<b>Kharif Crops</b>									
Paddy	207200	203977	12.0	222000	204824	14.0	282080	267620	19.0
Maize	41500	20880	50.0	40000	42390	56.0	41580	42850	57.0
Arhar	3500	360	5.0	1280	410	4.0	1440	940	6.0
Urad	1400	167	8.0	600	550	9.0	720	610	10.0
Moong	420	325	9.0	300	918	30.0	360	315	10.0
<b>Rabi Crops</b>									
Wheat	320000	265400	11.0	34500	342340	15.0	470000	-	-
Maize	55000	54200	60.0	75000	74340	74.0	80000	-	-
Gram	13000	5230	6.0	8325	6950	8.0	9990	-	-
Pea	2700	1700	7.0	3000	1520	5.0	3600	-	-
Masoor	6000	4100	7.0	6600	3208	5.0	7920	-	-
Rape/ Mustard	1500	3200	40.0	2310	4840	73.0	2640	-	-

Realising the importance of supply of quality seeds, the state government has taken several steps to improve seed management. While the Bihar State Seed Corporation was revived from a state of liquidation in 2006-07, all the seed multiplication farms were operationalised in 2007-08.

## Fertiliser

The consumption of chemical fertiliser in Bihar has been rising steadily in recent years (Table 2.12). The consumption levels were — 2250.19 thousand tonnes (2004-05), 2772.79 thousand tonnes (2005-06), 3225.31 thousand tonnes (2006-07) and, finally, 3649.32 thousand tonnes (2007-08). Thus, over a four-year period, consumption has increased by 62.2 percent which shows the eagerness of the farmers in Bihar to utilize this valuable input. The per hectare consumption of fertiliser stands at 155.60 kgs. in 2007-08. Between the two important crop seasons, the use of fertiliser is higher in rabi season (195.80 kgs/ha) which is more than one and a half times the consumption in kharif season (120.10 kgs/ha). Among the different types of fertilisers, the use of urea is the widest, as it alone accounts for about half the fertiliser consumption.

**Table 2.12 : Consumption of Fertilizer in Bihar (2004-05 to 2007-08)**

(000' tonne)

Fertiliser	2004-05			2005-06		
	Kharif	Rabi	Total	Kharif	Rabi	Total
Urea	616.76	663.61	1280.37	647.32	733.94	1381.26
DAP	23.60	75.15	98.75	62.16	116.36	178.52
SSP	2.40	2.37	4.77	5.71	24.88	30.59
MOP	1.34	49.92	51.26	43.10	80.38	123.48
Complex	15.23	68.13	83.36	42.69	102.83	145.52
Total (NPK)	309.48	422.20	731.68	389.58	523.84	913.42
N	290.13	328.67	618.80	314.91	373.15	688.06
P	16.11	54.79	70.90	42.66	88.36	131.02
K	3.24	38.74	41.98	32.01	62.33	94.34
Total	968.81	1281.38	2250.19	1190.56	1582.23	2772.79
Consumption of Fertiliser (kg/ha.)	-	-	92.15	101.65	138.11	119.78
Fertiliser	2006-07			2007-08		
	Kharif	Rabi	Total	Kharif	Rabi	Total
Urea	666.51	931.59	1598.10	783.80	1067.92	1851.72
DAP	95.90	167.32	263.22	103.81	209.14	312.95
SSP	16.96	9.83	26.79	15.52	4.58	20.10
MOP	26.86	63.52	90.38	33.19	71.86	105.06
Complex	75.28	106.74	182.02	81.38	72.65	154.03
Total (NPK)	430.21	634.59	1064.80	495.24	710.24	1205.47
N	333.59	475.12	808.71	391.32	538.16	929.48
P	69.86	108.86	178.72	73.96	117.60	191.57
K	26.76	50.61	77.38	29.96	54.47	84.43
Total	1311.72	1913.59	3225.31	1512.93	2136.39	3649.32
Consumption of Fertiliser (kg/ha.)	113.10	171.00	141.70	120.10	195.80	155.60

### Extension Services

Mainly because of limited staff strength of the concerned department, the extension services for agricultural development has been rather limited in Bihar. For several agricultural operations like seed management, optimum mix of different chemical fertilisers, introduction of new varieties of crops and adoption of new cropping patterns that are likely to raise the income of farmers, it is very necessary to strengthen the extension services in Bihar. Responding to this need, the state government has already prepared a document for wider extension services which is expected to reach upto the Panchayat level.

**Table 2.13 : Minikit Demonstration in Bihar (2006-07 to 2008-09)**

Season / Crops	Number of demonstration		
	2006-07	2007-08	2008-09
<b>Kharif Season</b>			
Paddy (20 kg)	-	9118	-
Paddy (HYV) (10 kg)	15040	-	-
Paddy (5 kg)	-	-	35880
Paddy (HYV) (2 kg)	2550	-	-
Maize (2 kg)	1000	7000	10000
Arhar (4 kg)	5000	2750	5000
Urad (4 kg)	900	7500	30000
Moong (4 kg)	-	5450	2225
Castor (2 kg)	800	-	2500
Sesamum (1 kg)	2000	500	-
<b>Rabi Season</b>			
Wheat (40 kg)	26513	-	-
Wheat (10 kg)		-	-
Wheat (5 kg)	-	151500	-
Maize (2 kg)	10000	-	-
Gram (8 kg)	11200	81900	-
Masoor (4 kg)	2850	18100	-
Pea (8 kg)	3600	3767	-
Rai/ Tori (2 kg)	122550	182289	-
Rajmah (8 kg)	50	-	-
Rajmah (3 kg)	-	500	-
<b>Garma Season</b>			
Maize (2 kg)		500	20000
Urad (4 kg)	1000	7000	23000
Moong (4 kg)	-	13275	37525
Sesamum (1 kg)	500	1000	1500
Safflower (2kg)	500	1000	-



Among the extension services that the state government is presently providing at a large scale is the Minikit Demonstrations for important crops (Table 2.13). For kharif season, these crops include — paddy, maize, arhar, urad, moong, castor and sesamum; for rabi season, the selected crops are — wheat, maize, gram, masoor, peas, rai/ tori and rajmah; and finally, for garma season, the selected crops are — maize, urad, moong, sesamum and safflower. There has been a steady increase in the number of Minikit Demonstrations over the years. For example, in kharif season, such demonstrations were only 27.3 thousand in 2006-07, but it has increased to 85.6 thousand in 2008-09. Similarly, for rabi season, such demonstrations were 17.7 thousand in 2006-07, which has increased to 43.8 thousand next year (the data for rabi season of 2008-09 is yet to be compiled). One can also discern a similar trend for garma crops.

## **2.6 Agricultural Credit**

As modern and scientific methods of production take root in agriculture, cultivation comes to be directly connected with market, both for its input and output. While production for market is not yet the predominant characteristic of agriculture in Bihar, its dependence on the market for inputs is quite large. This dependence on the market for inputs in an agriculture, where marginal and small holdings together account for 96.50 percent of total number of holdings, and 67.36 percent of total owned area, makes agricultural credit a critical input in agricultural production.

The relevant information on credit flow to the agricultural sector in Bihar is presented in Table 2.14. Since the figures for 2008-09 related to the first six months of the year, the low achievement rates for 2008-09 is not surprising. For previous years, one may first note that the achievement rate for disbursement of credit from all banks has shown a declining trend since 2003-04, except for a single year in 2004-05. This is an extremely serious phenomenon, specially when one bears in mind that the targets themselves are much lower than the actual requirement of the farmers. Starting from an achievement rate of 82.01 percent in 2003-04, it stands 76.96 percent in 2007-08.

Among the three principal sources of credit, the commercial banks are most important, which account for about 65 percent of the total credit disbursement; the shares of regional rural banks and central cooperative banks are about 25 and 10 percent respectively. Since the commercial banks are the most important source of credit, it is a matter of concern that the achievement rates for these banks have also shown a declining trend. In 2007-08, the achievement rate for the three

types of banks were — 81.47 percent (commercial banks), 75.80 percent (regional rural banks) and 57.42 percent (central commercial banks).

**Table 2.14 : Credit Flow to Agricultural Sector in Bihar (2003-04 to 2008-09)**

Bank Groups		2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Commercial Bank	Target	1220.15	1386.39	1645.57	2274.36	3003.58	4355.35
	Achievement	792.44	1325.06	1489.33	1915.93	2447.04	1388.80
	Percentage	64.95	95.58	90.51	84.24	81.47	31.89
RRBs	Target	376.98	550.86	644.26	938.67	1256.34	1821.69
	Achievement	204.87	431.30	450.09	797.07	952.36	552.13
	Percentage	54.35	78.30	69.86	84.91	75.80	30.31
CCB	Target	303.21	402.71	407.65	509.34	619.75	898.69
	Achievement	561.11	273.75	234.61	272.04	355.85	97.02
	Percentage	185.06	67.98	57.55	53.41	57.42	10.80
All Bank	Target	1900.34	2339.96	2697.48	3722.37	4879.67	7075.73
	Achievement	1558.42	2030.11	2174.03	2985.04	3755.25	2037.95
	Percentage	82.01	86.76	80.59	80.19	76.96	28.80

Note : Value of 2008-09 upto release September

Since the commercial banks and even regional rural banks are often reluctant to expand agricultural credit, the cooperative banks are often regarded as an ideal source of credit for the farmers. Unfortunately, as mentioned before, cooperative banks presently account for only 10 percent of the agricultural credit in Bihar. One of the main reason for such limited reach of cooperative banks is that such banks are absent in no less than 16 districts of Bihar (Table 2.15). Among the 22 districts where they exist, the achievement rate is often less than 40 percent. For six districts, the achievement rates are less than 10 percent.

The scheme for Kisan Credit Card (KCC) is one of the most important efforts of the banking sector for promoting agricultural credit. The scheme had started in 1999 and it allows for a maximum credit of Rs. 50 thousand to farmers. As on September, 2008, there were 20.88 lakh farmers in Bihar who were issued KCCs (Table 2.16). Compared to a target of 44.60 lakh farmers, the achievement rate for KCC is only 46.81 percent. There is not much difference among the achievement rates for three sources of credit — commercial banks (48.24 percent), regional

**Table 2.15 : Distribution of Cooperative Credit in Bihar**

District	Target (in Rs. Lakh)			Distribution (in Rs. Lakh)			Achievement (Percentage)		
	2006-07	2007-08	2008-09	2006-07	2007-08	2008-09	2006-07	2007-08	2008-09
Patna	26.0	21.5	25.0	18.2	22.3	6.9	69.9	103.7	27.5
Nalanda	35.0	14.0	23.0	8.7	17.2	3.6	25.0	123.1	15.8
Bhojpur	36.0	21.5	32.5	7.7	13.8	3.4	21.5	64.3	10.6
Buxar	-	-	-	-	-	-	-	-	-
Rohtas	36.0	11.0	26.0	6.0	9.3	2.7	16.5	85.0	10.2
Bhabhua	27.0	15.0	21.0	13.1	9.2	2.9	48.7	61.4	13.9
Gaya	25.0	11.0	17.0	3.3	4.2	0.7	13.2	37.8	4.1
Jahanabad	-	-	-	-	-	-	-	-	-
Arwal	-	-	-	-	-	-	-	-	-
Nawada	27.0	14.0	24.0	10.3	12.5	5.6	38.3	89.1	23.2
Aurangabad	26.0	19.0	25.5	17.5	11.3	8.6	67.4	59.5	33.6
Saran	-	-	-	-	-	-	-	-	-
Siwan	18.0	13.0	19.0	12.4	11.5	3.0	68.6	88.2	15.9
Gopalganj	27.0	14.5	26.0	7.6	15.3	4.6	28.1	105.7	17.6
Muzaffarpur	26.0	11.0	30.0	6.7	13.2	2.8	25.8	120.0	9.3
E.Champaran	35.0	17.0	38.0	23.5	25.1	15.9	67.0	147.5	41.7
W.Champaran	31.0	15.0	31.0	7.4	11.6	7.5	24.0	77.6	24.2
Sitamarhi	32.0	13.0	28.0	5.4	12.1	0.3	17.0	92.9	1.1
Sheohar	-	-	-	-	-	-	-	-	-
Vaishali	23.0	10.0	22.0	11.4	4.1	1.1	49.7	41.1	5.1
Darbhanga	-	-	-	-	-	-	-	-	-
Madhubani	28.0	20.0	27.0	19.9	19.5	4.5	71.1	97.7	16.6
Samastipur	36.0	23.0	40.0	27.5	30.4	7.4	76.5	132.1	18.6
Begusarai	66.0	30.0	60.0	28.1	30.2	11.5	42.5	100.6	19.1
Munger	22.0	12.0	17.0	5.3	10.4	1.6	24.1	86.5	9.6
Sheikhpura	-	-	-	-	-	-	-	-	-
Lakhisarai	-	-	-	-	-	-	-	-	-
Jamui	-	-	-	-	-	-	-	-	-
Khagaria	34.0	17.5	33.0	6.4	9.4	3.1	18.8	53.9	9.4
Bhagalpur	-	-	-	-	-	-	-	-	-
Banka	-	-	-	-	-	-	-	-	-
Saharsa	-	-	-	-	-	-	-	-	-
Supaul	-	-	-	-	-	-	-	-	-
Madhepura	-	-	-	-	-	-	-	-	-
Purnea	57.0	35.0	55.0	46.7	44.8	10.3	82.0	127.9	18.7
Kishanganj	26.0	14.0	30.0	9.7	18.4	11.0	37.4	131.5	36.6
Araria	-	-	-	-	-	-	-	-	-
Katihar	-	-	-	-	-	-	-	-	-

**Table 2.16 : Distribution of Kisan Credit Cards (KCC) in Bihar**

Bank Groups		(No. of cards)						
		2000-01	2004-05	2005-06	2006-07	2007-08	2008-09 (Sept.08)	Total
Commercial Banks	Target	101501	174850	143866	250000	300000	861429	1831646
	Achievement	65750	140793	131618	203935	222478	119050	883624
	Percentage	64.78	80.52	91.49	81.57	74.16	13.82	48.24
RRBs	Target	28617	150500	129719	190000	228000	478571	1205407
	Achievement	13576	76891	66332	140071	168529	107045	572444
	Percentage	47.44	51.09	51.14	73.72	73.92	22.37	47.49
CCB	Target	180000	470350	293166	160000	160000	160000	1423516
	Achievement	107094	245907	120653	55374	75533	27422	631983
	Percentage	59.50	52.28	41.16	34.61	47.21	17.14	44.40
Total	Target	310118	795700	566751	600000	688000	1500000	4460569
	Achievement	186420	465744	318603	399380	466540	253517	2088051
	Percentage	60.11	58.53	56.22	66.56	67.81	16.90	46.81

Source : Dept. of institutional Finance, GoB.

rural banks (47.49 percent) and central cooperative banks (44.40 percent). If one compares the achievement rates over the years, it is noticed that it was 60.11 percent in 2000-01 and then had gradually decreased to 56.22 in 2005-06. However, in the next two years (2006-07 and 2007-08), the banks have performed better to raise the achievement rate to 66.56 and 67.81 percent respectively. In 2008-09, even when six months were over in September, the achievement rate is only 16.90 percent. If the distribution of KCC in the next six months is not accelerated, one might again see a low performance for the entire year of 2008-09.

Among the 38 districts, the achievement of the KCC scheme has been quite varied (Table 2.17). Comparing the share of population and the share of KCCs for the different districts, it is observed that there are 14 districts where the distribution of KCCs is relatively wider. These districts are — Nalanda, Bhojpur, Rohtas, Bhabhua, Nawadah, Aurangabad, West Champaran, Darbhanga, Begusarai, Munger, Khagaria, Bhagalpur, Purnea and Kishanganj. It is interesting to note that there are a few districts (like Patna and Buxar) where the agricultural economy is relatively better and yet the speed of KCC implementation is rather limited.

**Table 2.17 : Districtwise Achievement of Kisan Credit Card (KCC)**

District	Upto 2003	2004	2005	2006	2007	2008	Total	Percentage of cards	Percentage of population (2001)
Patna	52977	23113	20036	10801	26204	18048	151179	4.77	5.69
Nalanda	37361	20562	18229	13266	16297	16175	121890	3.85	2.86
Bhojpur	44944	32437	21830	4833	17683	15918	137645	4.34	2.70
Buxar	9042	2862	4279	4051	8824	6775	35833	1.13	1.69
Rohtas	37508	22363	7777	6674	15272	19590	109184	3.44	2.95
Bhabua	17184	5685	15015	5205	9624	12094	64807	2.04	1.55
Gaya	29817	22998	18865	8601	19716	16371	116368	3.67	4.18
Jehanabad	7086	1807	3818	2381	5681	5348	26121	0.82	1.82
Arwal	923	1275	2058	1052	2698	2932	10938	0.35	1.82
Nawada	36160	27525	11264	7668	11281	11217	105115	3.32	2.18
Aurangabad	23875	31358	17569	12707	9272	8638	103419	3.26	2.43
Saran	21812	4677	8845	9190	8881	14127	67532	2.13	3.91
Siwan	33983	18995	10809	7074	10551	14545	95957	3.03	3.27
Gopalganj	16867	19734	12938	5413	11205	13396	79553	2.51	2.59
Muzaffarpur	19520	14331	22390	7517	15170	20050	98978	3.12	4.51
Vaishali	23416	18707	15312	12409	15141	17144	102129	3.22	3.28
Sitamarhi	37243	29720	9027	6814	10883	24403	118090	3.73	3.23
Sheohar	508	173	425	1309	1538	2617	6570	0.21	0.62
E. Champaran	19812	19515	19279	14701	21053	26210	120570	3.80	4.75
W. Champaran	47373	26005	27614	31407	35212	32431	200042	6.31	3.67
Darbhanga	23831	1459	6751	3816	7783	8011	51651	1.63	3.97
Samastipur	50512	38406	20970	21759	14954	22783	169384	5.34	4.09
Begusarai	32333	24782	35001	21426	9352	14712	137606	4.34	2.83
Munger	17492	19611	10244	2869	3967	5608	59791	1.89	1.37
Lakhisarai	2439	1225	2447	2353	3422	4587	16473	0.52	0.97
Madhubani	33458	29187	25258	12656	9559	15598	125716	3.97	4.31
Sheikhpura	2047	880	1503	2216	2317	3532	12495	0.39	0.63
Jamui	3823	1828	3352	4113	3777	7382	24275	0.77	1.69
Khagaria	25820	18483	19707	9028	5528	9296	87862	2.77	1.54
Bhagalpur	70632	40851	9366	4726	9223	11477	146275	4.61	2.92
Banka	3433	896	3395	3138	4141	4282	19285	0.61	1.94
Saharsa	3696	1118	2906	2135	5513	7250	22618	0.71	1.82
Supaul	5350	1216	3424	2838	5593	6296	24717	0.78	2.09
Madhepura	17651	854	2844	2962	4679	6056	35046	1.11	1.84
Purnea	75725	39782	25036	11791	12350	13477	178161	5.62	3.07
Araria	4175	1988	6264	13238	9170	8558	43393	1.37	2.60
Kishanganj	3115	1287	4977	8952	5484	7393	31208	0.98	1.56
Katihar	27923	26457	23531	12329	9565	12213	112018	3.53	2.88
<b>Total</b>	<b>920866</b>	<b>594152</b>	<b>474355</b>	<b>315418</b>	<b>398563</b>	<b>466540</b>	<b>3169894</b>	<b>100.00</b>	<b>100.00</b>

Source : Dept. of institutional Finance, GoB.

**Table 2.18 : Extent of Crop Insurance in Bihar**

District	2005-06		2006-07		2007-08	
	No of Farmers		No of Farmers		No of Farmers	
	Covered	Benefited	Covered	Benefited	Covered	Benefited
Patna	27548	10395	43881	7754	53496	19461
Nalanda	31574	14908	48378	274	68109	11977
Bhojpur	6524	32	22820	34	20856	0
Buxar	4142	873	14787	2125	14123	0
Rohtas	6898	2348	18673	466	16798	2508
Bhabhua	9232	3204	19873	1125	22158	2741
Gaya	19890	16286	32867	0	38008	0
Jahanabad	3637	2570	7035	0	8025	0
Arwal	1590	658	3150	453	3025	0
Nawada	8624	5325	19178	0	15980	0
Aurangabad	23074	19631	22148	1636	18752	1178
Saran	40	0	683	0	4197	621
Siwan	5351	2626	12391	2370	14732	1686
Gopalgunj	2583	1785	18029	4216	24483	10198
Muzaffarpur	16258	9542	27101	1712	59955	50537
E.Champaran	33933	21281	56836	31713	119045	78666
W.Champaran	16570	5860	14697	6059	38814	35181
Sitamarhi	14743	9741	22022	1043	55741	8218
Sheohar	1878	637	5314	28	8068	0
Vaishali	12475	9292	21117	13595	21088	8844
Darbhanga	4215	886	6185	243	11632	4210
Madhubani	20118	11389	27610	12	40524	3448
Samastipur	34162	15491	47568	13207	69401	45247
Begusarai	26747	17980	52863	18842	52327	40061
Munger	1721	2	2757	289	2097	0
Sheikhpura	1484	670	2352	0	2580	0
Lakhisarai	1849	1115	2508	0	2427	80
Jamui	5691	4422	8044	1470	8985	2667
Khagaria	12476	0	13213	6322	26511	22000
Bhagalpur	5590	3878	8781	2958	8830	1977
Banka	3597	2547	12773	3598	4629	0
Saharsa	5512	3912	1024	0	2585	91
Supaul	73	36	1308	0	1310	0
Madhepura	468	0	1179	12	1526	1
Purnea	4550	3277	21900	8532	13756	4604
Kishanganj	4770	1865	6064	1049	7348	1291
Araria	16101	15752	23799	13326	20576	11511
Katihar	14258	8671	13527	1505	10511	5975
Total	409946	228887	684435	145968	913008	374979

Because of uncertain rains and menace of floods, the farmers in Bihar often face unexpected loss of crops, decreasing not only their income, but sometimes pushing them towards high levels of debt. In this background, the expansion of crop insurance is a very necessary step towards helping agricultural growth in Bihar. But, unfortunately, by the end of 2007-08, there were only 9.13 lakh farmers who were able to insure their crops (Table 2.18). By a broad calculation, this implies a coverage of less than 10 percent of the farmers under crop insurance. However, it is heartening to note that, over the years, the practice of crop insurance is increasing in the state. In 2005-06, there were only 4.10 lakh farmers opting for crop insurance and, in two years, their number has increased to 9.13 lakh farmers in 2007-08, implying a growth of 122.7 percent. Among the districts where more than 50 thousand farmers avail crop insurance are included — Patna, Nalanda, Muzaffarpur, East Champaran, Sitamarhi, Samastipur and Begusarai. The functioning of the KCC scheme is particularly poor in Arwal, Saran, Munger, Sheikhpura, Lakhisarai, Banka, Saharsa, Supaul and Madhepura.

## **2.7 Animal Husbandry**

Total livestock population in the state, according to Census 2003, is 407.83 lakh. Of this, 39.8 percent are milch animals with population of cows being 104.7 lakhs, and that of buffaloes being 57.66 lakhs (Table 2.19). The state also has a substantive number of goats (96.06 lakhs), which are known as the poor man's cow. The strength of poultry in the state is quite large at 139.68 lakhs. With such a huge livestock wealth, there is abundant growth potential of livestock products in the state. Though livestock income forms an important component of rural income in Bihar, its character is that of subsistence rather than of prosperity. The development of livestock wealth and higher production from this sector can provide a very sound base of economic prosperity in the villages of Bihar

As regards the districtwise endowment of livestock wealth (Table 2.19), it can be observed that there is considerable variation among the districts with respect to their respective share in total livestock wealth of the state. For bovine population (cows and buffaloes), the districts with relatively larger livestock wealth are — Patna, Bhojpur, Rohtas, Gaya, Muzaffarpur, West Champaran, Madhubani and Purnea. For goats and poultry animals, the north-eastern region of the state is seen to be particularly suitable and their concentration in the districts of Purnea, Araria, Kishanganj and Katihar very high.

**Table 2.19 : Districtwise Livestock Wealth in Bihar (2003)**

(Figures in 000')

District	Cow	Buffalo	Pigs	Lambs	Goat	Poultry
Patna	315.1(3.0)	265.8(4.6)	51.0(8.1)	17.5(5.0)	196.6(2.0)	383.7(2.7)
Nalanda	199.5(1.9)	219.3(3.8)	23.1(3.7)	6.2(1.8)	171.1(1.8)	395.6(2.8)
Bhojpur	213.8(2.0)	228.6(4.0)	17.2(2.8)	43.6(12.6)	133.4(1.4)	238.3(1.7)
Buxar	138.2(1.3)	161.8(2.8)	8.5(1.3)	20.0(5.8)	70.8(0.7)	126.6(0.9)
Rohtas	254.7(2.4)	321.9(5.6)	12.5(2.0)	28.8(8.3)	195.1(2.0)	315.2(2.3)
Kaimur	212.8(2.0)	191.1(3.3)	4.7(0.7)	29.6(8.5)	104.5(1.1)	216.3(1.5)
Gaya	640.2(6.1)	278.1(4.8)	119.1(19.0)	18.0(5.2)	442.6(4.6)	886.1(6.3)
Jehanabad	80.0(0.8)	105.7(1.8)	19.0(3.0)	4.5(1.3)	63.5(0.7)	124.1(0.9)
Arwal	52.0(0.5)	38.5(0.7)	2.5(0.4)	4.6(1.3)	39.6(0.4)	58.4(0.4)
Nawada	321.3(3.1)	121.6(2.1)	47.3(7.5)	6.0(1.7)	226.7(2.4)	315.2(2.3)
Aurangabad	405.5(3.9)	175.2(3.0)	20.7(3.3)	47.6(13.7)	227.5(2.4)	365.0(2.6)
Saran	243.8(2.3)	154.7(2.7)	10.7(1.7)	7.9(2.3)	196.5(2.0)	237.6(1.7)
Siwan	249.9(2.4)	140.7(2.4)	12.3(2.0)	2.4(0.7)	210.7(2.2)	248.3(1.8)
Gopalganj	188.6(1.8)	118.3(2.1)	7.6(1.2)	1.2(0.3)	216.3(2.3)	215.4(1.5)
Muzaffarpur	411.4(3.9)	299.9(5.2)	12.3(2.0)	1.7(0.5)	451.0(4.7)	434.0(3.1)
Vaishali	181.1(1.7)	145.0(2.5)	2.1(0.3)	4.5(1.3)	235.9(2.5)	411.4(2.9)
Sitamarhi	216.9(2.1)	169.5(2.9)	12.6(2.0)	1.3(0.4)	307.3(3.2)	316.8(2.3)
Sheohar	31.3(0.3)	25.9(0.4)	1.4(0.2)	-	72.5(0.8)	75.4(0.5)
E. Champaran	294.6(2.8)	223.7(3.9)	12.8(2.0)	2.8(0.8)	529.9(5.5)	518.8(3.7)
W. Champaran	427.5(4.1)	222.3(3.9)	21.6(3.4)	4.5(1.3)	510.6(5.3)	762.4(5.5)
Darbhanga	216.0(2.1)	170.3(3.0)	6.6(1.1)	0.7(0.2)	197.4(2.1)	417.8(3.0)
Samastipur	362.0(3.5)	213.2(3.7)	2.9(0.5)	5.8(1.7)	284.2(3.0)	230.0(1.6)
Begusarai	278.9(2.7)	101.6(1.8)	3.8(0.6)	1.3(0.4)	141.4(1.5)	187.2(1.3)
Munger	143.3(1.4)	53.7(0.9)	6.4(1.0)	0.7(0.2)	140.1(1.5)	102.8(0.7)
Lakhisarai	114.5(1.1)	53.2(0.9)	7.5(1.2)	0.1(0.0)	92.9(1.0)	57.7(0.4)
Madhubani	451.8(4.3)	255.1(4.4)	12.0(1.9)	41.6(12.0)	321.2(3.3)	322.1(2.3)
Sheikhpura	58.8(0.6)	46.4(0.8)	8.2(1.3)	0.7(0.2)	59.3(0.6)	86.2(0.6)
Jamui	388.3(3.7)	67.2(1.2)	50.4(8.0)	16.5(4.8)	299.0(3.1)	266.4(1.9)
Khagaria	174.5(1.7)	82.7(1.4)	4.4(0.7)	0.0(0.0)	191.9(2.0)	130.9(0.9)
Bhagalpur	345.5(3.3)	132.3(2.3)	5.0(0.8)	0.7(0.2)	349.5(3.6)	425.6(3.0)
Banka	472.9(4.5)	120.5(2.1)	18.6(3.0)	10.7(3.1)	368.3(3.8)	360.2(2.6)
Saharsa	259.4(2.5)	126.5(2.2)	6.3(1.0)	0.3(0.1)	275.0(2.9)	180.5(1.3)
Supaul	399.8(3.8)	149.8(2.6)	7.5(1.2)	5.5(1.6)	394.6(4.1)	275.7(2.0)
Madhepura	248.3(2.4)	122.1(2.1)	9.2(1.5)	1.2(0.3)	285.7(3.0)	143.9(1.0)
Purnea	413.4(3.9)	192.6(3.3)	26.7(4.3)	0.2(0.1)	433.9(4.5)	895.9(6.4)
Araria	395.6(3.8)	155.8(2.7)	13.0(2.1)	0.6(0.20)	441.1(4.6)	827.6(5.9)
Kishanganj	267.5(2.6)	45.2(0.8)	4.3(0.7)	0.2(0.1)	282.9(2.9)	1051.5(7.5)
Katihar	401.3(3.8)	69.9(1.2)	15.3(2.4)	6.7(1.9)	445.3(4.6)	1360.9(9.7)
Grand Total	10470.2 (100.0)	5765.7 (100.0)	627.0 (100.0)	346.3 (100.0)	9605.7 (100.0)	13967.8 (100.0)

Note : Figures in bracket show district share.



**Table 2.20 : Districtwise Breakup of Achievement of Livestock Breeding and Health in Bihar (2003)**

(Free distribution of fodder seed in Quintal & other figures in lakh)

District	2006-07				2007-08			
	Animals treated	Sterilisation	Immunisation	Free Distribution of fodder seed	Animals treated	Sterilisation	Immunisation	Free Distribution of fodder seed
Patna	1.5	0.09	1.35	9.9	1.69	0.08	2.26	12.02
Nalanda	0.7	0.08	0.04	4.8	0.68	0.06	1.67	6.58
Bhojpur	1.22	0.15	0.04	9.9	1.16	0.11	1.8	10.52
Buxar	-	-	-	-	-	-	-	-
Rohtas	1.32	0.16		9.9	1.59	0.18	2.56	9.72
Kaimur	-	-	-	-	-	-	-	-
Gaya	1.24	0.1	0.09	2.55	1.13	0.1	3.74	5.91
Jehanabad	0.36	0.04	0.06	2.85	0.34	0.03	0.09	2.16
Arwal	-	-	-	-	-	-	-	-
Nawada	0.71	0.08	0.22	4.5	0.75	0.08	1.52	5.91
Aurangabad	0.74	0.09	-	3.45	0.72	0.07	1.59	10.34
Saran	1.2	0.1	0	9.2	1.06	0.09	1.98	3.19
Siwan	0.95	0.07	-	5.45	0.88	0.05	0.84	3.19
Gopalganj	0.55	0.07		3.8	0.78	0.06	1.53	3.19
Muzaffarpur	1.12	0.06	0.18	9.72	2.16	0.03	2.96	3.82
Vaishali	0.7	0.05	0.42	2.67	1.12	0.04	2.31	3.8
Sitamarhi	0.57	0.02	-	2.67	1.06	0.02	1.87	3.8
Sheohar	-	-	-	-	-	-	-	-
E. Champaran	0.6	0.07	-	2.67	0.87	0.05	2.55	3.8
W. Champaran	0.54	0.03	-	2.67	0.83	0.02	2.93	3.8
Darbhanga	0.75	0.02	0.2	8.94	1.18	0.02	2.76	3.18
Samastipur	0.83	0.04	0.1	8.19	1.38	0.02	2.87	6.48
Begusarai	0.89	0	0.11	9.69	0.78	0.04	0.93	3.16
Munger	1.83	0.2	0.02	10.85	1.61	0.1	3.33	7.41
Lakhisarai								
Madhubani	0.95	0.07	0.1	9.78	1.34	0.05	3.66	3.16
Sheikhpura	-	-	-	-	-	-	-	-
Jamui	-	-	-	-	-	-	-	-
Khagaria	0.49	0.04	0.3	3.8	0.62	0.03	2.1	7.41
Bhagalpur	1.22	0.11		10.85	1.07	0.09	2.48	7.41
Banka	-	-	-	-	-	-	-	-
Saharsa	1.38	0.14		6.63	1.44	0.12	3.7	6.3
Supaul	-	-	-	-	-	-	-	-
Madhepura	0.39	0.03	0.35	8.67	0.62	0.03	1.6	3.15
Purnea	0.76	0.1	0.1	3.6	0.67	0.07	1.68	2
Araria	0.43	0.03	0.31	3	0.48	0.03	1.91	1.34
Kishanganj	0.3	0.03	0.2	3.45	0.39	0.02	1.25	1.34
Katihar	0.66	0.06	0	3.3	0.69	0.05	1.48	2
Total	24.90	2.13	4.19	177.45	29.09	1.74	61.95	146.09

To strengthen the animal husbandry sector in Bihar, the concerned department of the state government provides a number of useful services like breeding, sterilisation, immunization and free distribution of fodder seeds (Table 2.20). If one compares the extent of these services in 2006-07 and 2007-08, it is observed that breeding and immunisation services have increased, but the services has been lower for other two components of sterilisation and free distribution of fodder seeds. While a total of 24.96 lakh animals were treated in 2006-07, their number has gone up to 29.09 lakh in 2007-08. For sterilisation, the figures are — 2.21 lakh (2006-07) and 1.74 lakh (2007-08). The improvement in immunisation services was extremely high — compared to 4.41 lakh animals in 2006-07, it was 61.95 lakh animals in 2007-08. Finally, there was a drop of about 18 percent in the free distribution of fodder seeds, from 177.45 quintals in 2006-07, it fell to 146.09 quintals in 2007-08.

## **2.8 Road Map for Agriculture**

Given the substantial yield gaps in agriculture on one hand and low farmers' income and widespread rural poverty on the other, and also taking into account the richness of natural resources and high level of people's aspirations, a gradual approach for liberating the people of Bihar from the trap of poverty will neither be economically sound, nor socially expedient. The entire challenge calls for a concerted time-bound development effort that could substantially change the technical base of Bihar's agricultural sector. In this background, the state government has prepared a Road Map of Agriculture and Allied Sectors in Bihar which identifies a number of development intervention during the period of 2008-12. The five major goals of the road map are :

- (i) To ensure increase in income of farmers to viable levels, especially considering the small size of holdings.
- (ii) To ensure food security through increase in productivity, combined with profitability.
- (iii) To foster nutritional security through raising levels of productivity as well as raising living standards of rural people.
- (iv) To revitalise farming in order to create gainful employment and check migration.
- (v) To ensure agricultural growth with justice, with programmes focusing on gender and human aspects.

In order to achieve the above objectives, the Road Map has identified a number of programmes that together cover all aspect of agriculture and its allied sectors. In all, there are seven dimensions along which the Road Map presents its agenda and a brief description of them is presented below.

### Agriculture

The programmes for agricultural sector fall into four major groups — (a) input, access, supply and quality, (b) transfer of technology and extension, (c) income generation schemes and (d) marketing. The specific programmes for agricultural development have been divided into the following 12 heads :

- (i) Seed Plan : Achievement of ideal Seed Replacement Rate (SRR) for major crops through strengthening of seed infrastructure in the state — Bihar Rajya Beej Nigam (BRBN), Bihar State Seed Certification Agency (BSSCA), Seed Multiplication Farms (SMF) and, finally, fully Mechanised Agricultural Farm (MAF).
- (ii) Horticulture : Provision of quality planting materials and establishment of a Tissue Culture Laboratory.
- (iii) Soil Health Management : Improvement of soil health through use of balanced nutrients (N P and K), promotion of bio-fertilisers, and use of gypsum/ pyrites in 24 districts where the soil has alkaline reaction.
- (iv) Crop Protection : Prevention of crop losses by promoting Integrated Pest Management, operationalisation of Plant Protection Centres and Bio-Control Laboratory.
- (v) Farm Mechanisation : Promotion of mechanised farming through provision of financial subsidy for modern agricultural implements.
- (vi) Transfer of Technology : Undertaking measures like Farmer's Field School, Field Demonstration, Farmers' Training and Exposure Visits, Awards to Progressive Farmers and Training of Officers at the Rajendra Agricultural University.

- (vii) Agricultural Extension : Rejuvenation of the Department of Agriculture through appointment of officials at district, block and panchayat level for extension work.
- (viii) Integrated Farming Model : Promotion of integrated farming based on the model of the Indian Council of Agricultural Research (ICAR) through financial support to farmers.
- (ix) Soil and Water Conservation : Promotion of soil and water conservation through construction of Water Harvesting Structures, Silt Detention Dams, Earthen Check Dam and also promotion of dryland horticulture and agro-forestry.
- (x) Mini Weather Stations : Establishment of Mini Weather Stations which could supply useful weather-related information to the farmers.
- (xi) Micro-Irrigation Project : Promotion of micro-irrigation through drip and sprinklering methods to about 2 lakh hectares of agricultural land, spread over all the 38 districts.
- (xii) Agricultural Marketing : Establishment of a wide agricultural marketing infrastructure having three levels. At the top will be Model Terminal Markets (MTM), followed by Agri-Business Centres (ABC) and Rural Hats (RH). There will be 5 MTMs (at Patna, Muzaffarpur, Purnea, Bhagalpur and Gaya), 40 ABCs and 1500 RHs.

### Animal Husbandry

The schemewise programmes for the development of animal husbandry sector includes — (i) Doorstep Veterinary Service, (ii) Door-to-Door Vaccination and Drenching (iii) Strengthening of Animal Husbandry offices, (iv) Extension services for animal husbandry, (v) Goat Breeding and Rearing Farm, (vi) Disposal of Carcass, (vii) Buffalo development, and (viii) Development of Rural Poultry.

### Dairy Development

With a share of about 5.6 percent of the total livestock population of the country, the dairy sector is very important in the state's economy. However, its potential is not fully utilised for several constraints. The Road Map visualises the removal of these constraints through several measures like

animal input programmes (breeding facility, animal health care and animal nutrition), building of specialised infrastructure (dairy plants, chilling centres and bulk coolers) and arrangements for efficient marketing.

### Fisheries Development

Aquaculture and culture-based fisheries are valuable options for enhancing rural income. Overall, the proposed road map envisages development of fisheries sector through (a) construction of water bodies like ponds and tanks, (b) intensive and semi-intensive fish culture in ponds, and (c) construction of inlet and outlet for easier passage in mauns (oxbow lakes) for culture-based fisheries. The specific programmes for the sector includes arrangement of fingerlings as seed, development of fisheries in water-logged areas, feed production, marketing infrastructure, training and extension services, and establishment of Fisheries Research Centre.

### Cooperative Sector

The cooperative sector will continue to play a major role in the development of agriculture and allied sector in the state. In the recent years, the cooperative sector has been weakened due to their poor financial conditions. The Road Map plans to reverse this trend so that it could help the agricultural development. In particular, the Road Map visualises a critical role for the cooperative sector in five distinct areas — short term agricultural credit, supply of agricultural inputs, crop insurance, storage and marketing and, finally, agricultural extension services.

### Institutional Finances

Institutional finance is expected to play a major role in promoting agricultural development. However, an analysis of Annual Credit Plans in Bihar reveals that the credit disbursement is only about 80 percent of the target, even when the absorption capacity is much higher than the target. The Road Map has estimated the total credit requirement for different components like short term credit for production and marketing, credit for investment, credit for non-farm activities, micro-credit and other priority and non-priority sector credit.

### Financing the Road Map

The total financial requirement for all the programmes under the Road Map is Rs. 6135.37 crore, spread over five years. The details of this amount for different sectors and years are presented in Table 2.21.

**Table 2.21 : Financial Requirement for Road Map of Agriculture and Allied Sector in Bihar**

(Rs. crore)

Year	Sector					Total
	Agriculture	Animal Husbandry	Dairy	Fisheries	Cooperative	
2008-09	922.13	180.99	115.97	122.34	60.75	1402.18
2009-10	916.70	196.02	116.07	157.31	118.10	1504.2
2010-11	977.02	213.45	114.38	199.41	92.92	1597.18
2011-12	941.27	228.65	125.34	197.63	139.48	1632.37
Total	3757.12	819.13	471.78	676.69	411.25	6135.97

## CHAPTER III

### INDUSTRY AND ALLIED SECTORS

Industrial growth in Bihar has been stunted greatly by severe infrastructural constraints. This is coupled with non-delivery of services expected of both national and state governments as well as para-statal agencies. While the overall industrial sector in the country saw a surge in output and productivity during the economic reform period since 1991-92, Bihar was not benefited precisely on account of its weak infrastructure and dysfunctional support institutions. Even before bifurcation, the state lagged much behind other states in respect of industrialisation. After division, however, the situation became worse, since most of the large and medium industries and their ancillaries fell in the newly created Jharkhand state. The Net State Domestic Product (NSDP) at current prices for the present Bihar in 2007-08 was Rs. 94,489 crore, of which manufacturing sector accounted for only Rs. 4,664 crore (5.16 percent).

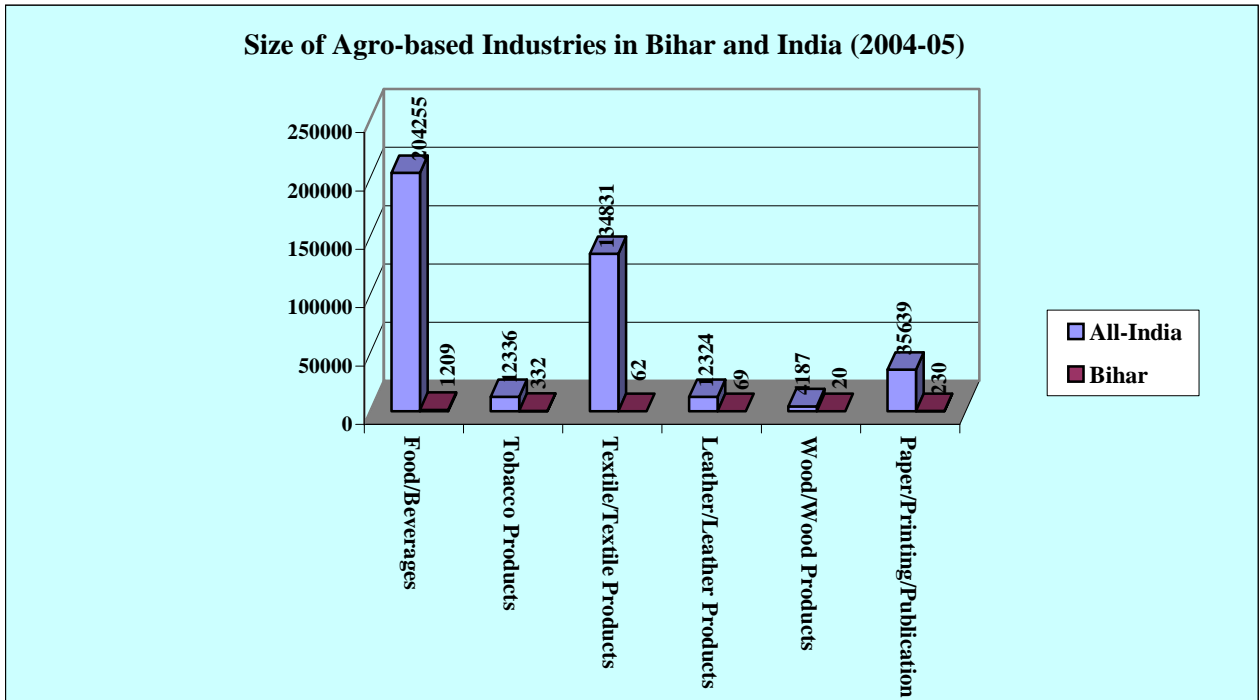
#### 3.1 Structure of Industries

The vivisection of the state brought about major changes in the overall structure of industries in the present Bihar. There are practically no mineral based industries left in Bihar and the agro-based industries including textiles, leather, wood and paper accounted for nearly 43 percent of the gross value added. The share of gross value added of petroleum and atomic fuel, was around 48 percent (Appendix I). That the performance level of agro-based industries in the state is not satisfactory is clear from the fact that such industries in Bihar constituted a very nominal share of only 0.48 percent in the total production of agro-based industries at the all-India level. In absolute terms, Bihar's production value in 2004-05 was only Rs. 1,922 crore, as against India's Rs. 4,03,572 crore (Table 3.1)

**Table 3.1 : Size of Selected Agro-Based Industries in Bihar and India (2004-05)**

NIC Code	Industrial Group	Production Value (Rs. 000 Crore)		
		All India	Bihar	Bihar's share (%)
15	Food/ Beverages	204255	1209	0.59
16	Tobacco Products	12336	332	2.69
17-18	Textile/ Textile Products	134831	62	0.05
19	Leather/ Leather Products	12324	69	0.56
20	Wood/ Wood Products	4187	20	0.48
21-22	Paper/ Printing/ Publication	35639	230	0.65
	Total	403572	1922	0.48

Source : Annual Survey of Industries, 2004-05



### 3.2 Large and Medium Industries

As discussed above, as a result of bifurcation of the state, most of the large and medium industries fell into the area of Jharkhand. Bihar is now left with a few large industries along with some medium units. These units are also concentrated only in a few divisions of the state and in a few industrial groups only. As may be seen from Table 3.2, of the total of 263 large and medium industrial units, the highest concentration (38 percent) is in Patna division with Tirhut division ranking a distant second (22.5 percent). Magadh and Darbhanga divisions have only 9.5 percent and 7.3 percent respectively as their share. The Kosi division, however, does not report any large or medium industries. An examination of districtwise spread of large and medium industrial units reveals that out of 38 districts in the state, as many as 10 districts do not have any large/ medium industrial unit and in another 11 districts, there are only less than 5 units in each. Again, the agro-based industries including food, beverages and tobacco as also cotton, jute, leather, etc. accounted for around 60 percent of the large and medium industries. This leaves a large scope for development of agro-based industries in the state. With the development of proper and adequate infrastructure, all the regions including Kosi can have fairly good number of agro-based industries. After declaration of the new liberalised Industrial Policy of 2006 by the state government, a number of proposals for setting up large and medium industries have been received and they are likely to materialise in near future.



**Table 3.2 : Large and Medium Industry Units in Bihar (2008-09)**

Division	Food, Beverage, Tobacco	Cotton, wool, Jute, paper, Leather	Rubber, Plastic, chemicals	Material, metal, machine, Transport, equipments	Total	% share
Patna	22	18	7	53	100	38.0
Magadh	6	1	9	9	25	9.5
Bhagalpur	2	3	2	3	10	3.8
Munger	2	3	12	1	18	6.8
Saran	12	1	0	1	14	5.3
Tirhut	24	6	13	16	59	22.5
Darbhanga	9	9	1	-	19	7.3
Kosi	-	-	-	-	-	0.0
Purnea	8	6	1	3	18	6.8
Bihar	85 (32.3)	47 (17.9)	45 (17.1)	86 (32.7)	263 (100.0)	100

Source : Department of Industry, GOB

### 3.3 Small Scale Industries

The industrial sector of present Bihar is characterised not only by the small size units, but also by the predominance of unregistered units which account for one-third of the total units. The small industries sector is dominated by tiny and artisan-based units. Although not highly productive, the small scale, tiny and artisan-based industries play a crucial role in providing employment opportunities outside agriculture. As on December, 2008, there were 1,74,278 permanent registered units in Bihar, which consisted of 1502 small scale units, 1,02,676 tiny units and 70,100 artisan-based units. The total investment in these units was to the tune of Rs. 1,017.62 crore and it provided employment to 5.68 lakh workers (Table 3.3).

**Table 3.3 : Permanent Registered SSI Units in Bihar**

Year	SSI	Tiny/micro	Artisan	Total	Investment (Rs. lakh)	Employment (in No.)
Upto 31-03-2000	1261	72767	44413	118441	44701.38	433808
2000-01	35	3249	2530	5814	3805.15	14015
2001-02	31	3206	3314	6551	4192.04	15283
2002-03	24	3290	2983	6297	4638.07	13622
2003-04	21	3462	2616	6099	5430.39	14346
2004-05	17	3335	2897	6249	5371.79	13346
2005-06	24	3584	3333	6941	4697.31	15732
2006-07	20	3472	3612	7104	7279.79	16738
2007-08	46	2754	4402	7202	13482.98	19963
2008-09 (Upto to Dec. 08)	23	3557	-	3580	8163.14	10739
Total	1502	102676	70100	174278	101762.04	567592

Source : Department of Industry, Government of Bihar

An analysis of the divisionwise dispersal of small, tiny and artisan-based industries reveals that their pattern of concentration remained similar to large/ medium units. The highest concentration of small, tiny and artisan based units was in Tirhut division (20 percent), followed by Patna (17.4 percent). Magadh and Purnea reported around 10 percent share each with Bhagalpur (4.9 percent) and Kosi (5.8 percent) reporting the least share.

**Table 3.4 : Percentage of Small, Tiny and Artisan-based Industries in Bihar**

(As on October, 2008)

Divisions	Percentages				Percentage share of Population
	Small	Tiny	Artisan-based	Total	
Patna	43.4	26.4	22.8	25.1	17.4
Magadh	5.8	14.1	13.9	14.0	10.6
Bhagalpur	4.5	4.3	3.5	3.9	4.9
Munger	10.3	7.9	8.3	8.1	9.0
Saran	7.8	9.9	4.8	7.8	9.8
Tirhut	10.2	17.4	18.3	17.7	20.0
Darbhangha	3.1	9.4	15.1	11.8	12.4
Koshi	1.9	3.7	5.6	4.5	5.8
Purnea	13.2	7.0	7.8	7.4	10.1
Bihar	100.0	100.0	100.0	100.0	100.0

Source : Department of Industry, GOB

### 3.4 Agro-based Industries

Based on the industrial units covered by Annual Survey of Industries (ASI), the agro-based industries in Bihar accounted for nearly half of the gross value added. If the remaining smaller units are also taken into account, the share of agro-based industries will be still higher. However, the potential of agro-based industries is not fully utilised. The development of agro-based industries is largely dependent on the importance assigned to fruits and vegetables vis-à-vis other crops. In 2006-07, the area under fruits and vegetables was 2.79 lakh hectares and 8.24 lakh hectares respectively, with their total production being 34.26 lakh tonne and 136.08 lakh tonne respectively.

**Table 3.5 : Area and Production of Vegetables and Fruits in Bihar (2006-07)**

Vegetables	Area (hect.)	Production (tonne)	Fruits	Area (hect.)	Production (tonne)
Cauliflower	60135	1008975	Mango	140786	1306944
Cabbage	37003	623463	Guava	27994	247960
Onion	50472	962705	Lichi	28758	211905
Tomato	46461	916769	Lemon	17122	121601
Potato	322840	5741290	Banana	29013	1125099
Brinjal	54072	1120579	Pineapple	4454	121057
Other	253174	3234683	Others	31284	291919
Total	824157	13608464	Total	279411	3426485

Source : Department of Agriculture, GOB

The increase in the area and production of vegetables and fruits has not been satisfactory in recent years. In order to increase the volume of agro-based industries, it would be worthwhile to push both area and production much ahead of the present level so as to add to both income and employment to a large number of farmers. In honey, the state's average yield is 60 kgs per box, which is three times more than the national average of 20 kgs. Over one lakh families are directly engaged in the honey sector.

Along with the fruits and vegetables, milk and eggs are very important for employment generation. The efforts are also continuing to expand horticulture in Bihar through the National Horticulture Mission, launched by the central government in half of its districts. The Chief Minister's Horticulture Mission has been launched in the remaining 19 districts which were not covered under the National Horticulture Mission.

Food Processing : The food processing industry has a great potential in the state. If developed properly, it may generate additional employment to atleast 5 lakh persons. Besides processing of cereals, great potential remains to be tapped in fruits and vegetables. The processing of mango, litchi, banana, etc. will also take care of seasonal gluts, storage and retention of their nutritive value, apart from providing income and employment. Makhana is another leading crop that may help to enhance the income and employment of rural people. Makhana cultivation is spread over an area of 16.90 thousand hectares in about 10 districts in the north and north-eastern part of the state. Already a Makhana Processing Plant is successfully functioning at Patna. In view of huge

potential for development of food processing industry in Bihar, the Industries Department has planned a Rs. 1760 crore project for development of food processing infrastructure and other facilities in the state. Under the project, Rs. 500 crore would be spent on 100 rural commercial and primary processing centres. Another Rs. 250 crore is earmarked for creation of two integrated food zones. For fish industry, there is a provision of Rs. 200 crore. In order to help the food processing units, a food park is being established at Hajipur by the central government with state's contribution in the form of land. For the entire Eleventh Plan period, the plan outlay for the purpose is Rs. 4.00 crore.

As a step towards promoting agro-industries, Kishanganj area has been identified as an ideal zone for tea plantation. The state government welcomes private investment for comprehensive development of tea industry. Capital subsidy is available for setting up tea processing units in the area. Further, the potential for development of farming and processing of medicinal, herbal and aromatic plants in the state is abundant because of its natural environment. The active participation of private sector and non-governmental organisations is encouraged and incentives are provided under the new industrial policy.

Dairy : The dairy industry in the cooperative sector under the brand name 'Sudha' is very successful in Bihar. The COMFED markets milk and milk products and provides opportunities for significant rural employment and income, particularly for women. There is a growing consensus that the dairy sector has enough potential because of its symbiotic relationship with agriculture. Though Bihar is a milk deficit state producing 54.50 lakh tonnes of milk in 2006-07, efforts in right direction can yield better results here, remembering the successful performance of COMFED. The rearing of high milk yielding variety of cows and buffaloes will go a long way in enhancing the employment and income in the farm sector.

Leather and Leather Products : According to Annual Survey of Industries (ASI), 2004-05, leather and leather products in Bihar has a small share (0.56 percent) in its total production of Rs. 1922 thousand crore from the agro-based industries. However, considering the magnitude and quality of livestock wealth, there appears to be a good potential for industries relating to leather and leather products in the state.

**Table 3.6 : Livestock Population in Bihar (2003)**

Item	No.
Cows	10470230
Buffaloes	5765670
Goat	9605722
Sheep	346325
Pigs	626999
Horses & Ponies	115049
Other livestock	26874
Annual Availability of Hides Skins (in thousand no.) (2005-06)	17292
Annual availability of bones (in MT) (2005-06)	22025

Source : Department of Animal Husbandry, GOB

Sugar : Sugar has a significant position in the agro-based industry of the state. It generates employment in the farm sector, directly as well as through ancillaries and related activities. An estimated 5 lakh farmers are engaged in the cultivation of sugarcane and another half a lakh skilled and unskilled persons in sugar industries. In 2006-07, the area under sugarcane in the state was 117.18 thousand hectares and the production was 5338.84 thousand tonnes (Appendix II).

Based on this, the productivity per hectare works out to around 46 tonne per hectare which is much below the national average of 70 tonne. Again, Bihar has the lowest sugar recovery rate at 9 percent in the country, compared to the national average of 10.36 percent. Several sugar mills under the state-run Bihar Sugar Corporation had to be closed, as they did not modernise their plants and equipments, nor did they reorient their personnel through training in modern techniques. Those mills which are functional, have far lower capacity rendering them non-viable. Another problem is non-availability of high quality sugarcane for crushing. As a result, the crushing duration of the mills is only 122 days in a year.

In view of favourable agro-climatic conditions for growing sugarcane in the state, there exists vast potential to increase the farm as well as the non-farm incomes. The objectives during the Eleventh Plan are to enhance the sugarcane production by augmenting the area under cultivation as also its productivity. The long term goal is to gradually increase its area to 4.6 lakh hectares. The Sugarcane Research Institute, Pusa and the Rajendra Agriculture University are engaged in research in developing appropriate varieties for different agro-climatic conditions in the state and also to improve the quality of its yield. The state government has also announced incentives like

rebates for co-generation of power and manufacture of ethanol from molasses and waivers on administrative charges on molasses consumption by distilleries. The state government has already come out with a Sugarcane Policy to help the sugar mills. Some reputed companies have been given the responsibility of operation of 11 closed sugar mills in the state. The new Policy for Sugar Industry also grants the following incentive :

- (i) To reimburse central excise duty on sugar for 5 years.
- (ii) To exempt purchase tax on sugarcane for five crushing years.
- (iii) To exempt stamp and registration fees for land transfer.
- (iv) To grant 10 percent subsidy on capital investment or a maximum of Rs. 10 crore, whichever is less, on machinery, after completion of first year of commercial production.

Jute : Jute is produced chiefly in the districts of Kishanganj, Purnea, Katihar and Araria. Nearly all jute mills in Bihar are closed and the jute producers in the state face acute problems in marketing their products. The factors for development of area under jute are establishment of jute park, modernization of looms, modern jute service centre, processing and dying centre, nodal centre for product and design development, and jute raw material bank. In order to provide infrastructure and technical assistance to jute producers, there is a proposal to establish a Jute Park, for which a diagnostic survey and pre-feasibility study report has been prepared by IL&FS, New Delhi. Theoretically, the cabinet has agreed to the business plan prepared by the agency. An outlay of Rs. 100 lakh has been planned for the development of jute production during the Eleventh Plan period.

### **3.5 Non-Agro-Based Industries**

Handloom : The handloom industry assumes great significance in the context of Bihar, because of a large number of weavers in the state. They are primarily concentrated in the districts of Patna, Gaya, Bhagalpur, Banka, Darbhanga, Arwal, Jehanabad, Aurangabad, Nawada, Nalanda, Bhabua, Khagaria, Madhubani and Siwan. There are around 1071 weavers' cooperative societies in the state, with 10,817 handlooms. Besides, 23,503 handlooms are outside the cooperative sector. Around 1.33 lakh weavers are engaged in this sector, of which nearly a lakh are outside the cooperative sector. The state government has introduced welfare schemes for weavers in the form of marketing assistance, modernisation of training centres and repair of shed-cum-housing. Under

the debt waiver scheme, the state government has approved waiving of loans worth Rs. 12.24 crore.

**Table 3.7 : Status of Debt Waiver Scheme for Weavers**

Name of Bank	Approved		Sent to District Magistrate for	
	Amount (Rs. lakh)	No. of Accounts	Payment to bank Amount in Rs. lakh	No. of Account
State Bank of India	108.11	4086	139.48	3331
Central Bank of India	93.84	4330	143.03	3279
United Bank of India	2.38	128	18.00	261
Koshi Regional Rural Bank	1.30	31	32.27	779
Central Bihar Regional Rural Bank	351.88	3093	224.80	3087
Central Cooperative Bank	264.41	528	206.96	7054
Punjab National Bank	181.89	595	17.86	248
UCO Bank	198.15	2056	175.04	1748
Union Bank of India	22.28	457	24.89	461
Indian Bank	—	—	0.65	07
<b>Total</b>	<b>1224.24</b>	<b>15304</b>	<b>982.98</b>	<b>20255</b>

If proper training, designing and marketing facilities are extended, this sector, including the powerloom sector, has great potential of providing employment and enhanced income to an appreciable number of families.

During the Eleventh Five Year Plan, the Central Design Centre at Rajendra Nagar, Patna has been revived to provide the theoretical and practical training to the weavers for preparation of sophisticated and designed clothes. Two training sessions of 6 months each are conducted at the Centre, and 18 trainees are imparted training in each session. The trainees are paid a stipend of Rs. 300 per month. Besides, for door to door marketing of the handloom products in rural and urban areas, there is a scheme of providing bicycles to the weavers. Under the 20 Points Programme, the weavers in both cooperative and non-cooperative sector are provided Rs. 1500 each as 100 percent subsidy for purchasing equipments and furnishing the looms. Under modernisation scheme, during 2007-08, there has been a provision of Rs. 47 lakh for 470 weavers of 94 societies in 10 districts of Patna, Gaya, Nalanda, Aurangabad, Rohtas, Siwan, Gopalganj, East Champaran, Madhubani and Banka.

Textile : For development of textile and handloom sectors, the state government has planned to establish a Textile Park with public-private partnership. Of the total cost of this plan, 40 percent or a maximum of Rs. 40 crore will be invested by the central government as share money and 9 percent by the state government as subsidy and share money. Again, a Handloom Park at Bhagalpur is also being planned wherein all the necessary basic infrastructure and other facilities like raw material bank, pre- and post-processing facilities, artisan village, R& D Centre, testing laboratory, information and training centre, etc. will be made available for the weavers. A detailed project report, prepared by IL&FS, for Rs. 34.03 crore has been submitted and the state government has already transferred 25 acres of land as part of its contribution.

Handloom Cluster Scheme : For the integrated development of weavers in seven districts of Bhagalpur, Patna, Gaya, Darbhanga, Madhubani, Siwan and Nalanda, a diagnostic study and business plan has been prepared by IL&FS, New Delhi. It recommended the project cost of Rs. 68.65 crore, of which a sum of Rs. 24.00 crore is to be borne by the state government and the remaining by the beneficiaries. Under this scheme, the looms of the weavers within the cluster will be modernized and a handloom park with all its amenities and facilities will be established.

Powerloom : There are around 11.36 thousand powerlooms in the state. One powerloom service centre has been established in the state by the Union Ministry of Textiles. Under the scheme, 120 trainees are imparted training for two months each in one year with a stipend of Rs. 300 each. There is also a scheme under the Industrial Policy, 2006 to provide generators at 50 percent subsidy to weavers in the powerloom sector.

Sericulture : The tussar and silk units are located mainly in and around Bhagalpur. The silk weaving and printing works are carried out here. There is a plan for physical infrastructure development during the Eleventh Plan, under which 5 pilot project centres and one marketing centre for tussar will be developed. In order to increase production, this will provide tussar silk cocoons to the persons engaged in this industry and also help in its marketing. With training facilities for the technical personnel through the Central Silk Board, there is also a provision of rewarding the best three cocoon rearers and silk producers, besides consolation prizes. There is also a scheme for providing cycles to the cocoon rearers and silk producers. The physical target for production of raw silk during the Eleventh Plan has been fixed at 162.5 tonne (Table 3.8).



**Table 3.8 : Proposed Physical Target during the Eleventh Five Year Plan**

Type of Silk	Production (MT)
Mulberry	62.50
Tussar	80.00
Castor	20.00
Total	162.50

Earlier, a four-year graduation course was being conducted at Bihar Silk and Textile Institute, Nathnager in Bhagalpur district. However, this was suspended in the absence of basic infrastructure like building, equipments, laboratory and library, as per the standard of All India Council of Technical Education. (AICTE). From 2005-06, a vocational course in silk technology has again started. There is a proposal to develop infrastructure of the Institute as per the standard prescribed by AICTE. There is also a proposal to develop research cum training along with courses on fashion designing at the Institute.

**Mineral Based Industries** : Consequent upon bifurcation, Bihar is left with only limited number of mineral based industries. Now the state is left with only one percent of the total minerals deposits in the country which include limestone, pyrite, magnesite, mica, china clay and saltpeter. Bihar is the sole producer of pyrite in India. The limestone deposits are located in Rohtas. The pyrite deposit is located at Amjhor in Rohtas district. In Bihar, soapstone is produced at Shankarpur in Jamui District. The quartz deposits are located in Jamui and Gaya districts. Among the minor minerals, sand, brick, stone quartzite, slate, moram, and granite, are found in Bihar. The reserves of important minerals in the state during the year 2005-06 are presented in Table 3.9:

**Table 3.9 : Reserve of Important Minerals in Bihar (2005-06)**

Name of Minerals	Reserve in million tonne
Limestone	210.85
Pyrite	53.41
Quartz/ Silica sand	9.738
Felspar	4.84
Quartzite	203.30
Bauxite	2.11
Magnetite	2.66
Chinaclay	1.2
Ornamental Granite	35.9 (m.cu.m.)
Slate Phylite	4.07 (m.cu.m.)
Steatite/ Talc/ Soapstone	0.08
Haemalite	0.033
Fire clay	0.03
Gold ore	128.88 (Gold content 0.167 gm. per tonne)

### **3.6 Industrial Sickness**

The industrial sector in Bihar is handicapped not only by its small size, it also suffers from the more severe problem of a large number of its industrial units falling sick compared to other states. Such sick industries include large, medium as well as small units. The rehabilitation of sick/closed units is not satisfactory. The shortage of working capital, non-availability or inadequacy of raw material, inadequate connectivity, irregular power supply, inadequate research and development (R & D) facilities, delayed and inadequate bank loans are some of the important factors rendering the units sick.

### **3.7 Support Institutions**

The state government, on the pattern of the central government, has taken up the responsibility of promotion of industries through establishing various support institutions. Bihar has had as many as 12 such institutions. Out of these, 2 were meant for providing the financial support to industries, viz., Bihar State Financial Corporation (BSFC) and Bihar State Credit and Investment Corporation (BISCICO). These two financial institutions had practically stopped lending operations, primarily on account of extremely poor recovery of loans. The state government has now taken up the revival of these two institutions and the process is on to clear most of its liabilities. IDBI and SIDBI have already waived the interest upto the 2003-04 which amounted to Rs. 271.74 crore. The BSFC has repaid the loans obtained from SIDBI, and steps have been taken to repay the loan to IDBI as well. BISCICO had financed 273 units, out of which 114 have settled the loan. It has also introduced an one-time-settlement (OTS) scheme and, during 2002-06, as many as 74 units have opted for this scheme. It has already paid most of the loans to IDBI and SIDBI and the process is on to repay the remaining loan amount. After settling all the liabilities, the seed money will be provided to new units to initiate their operations. Again, for revival of Bihar State Industrial Development Corporation (BSIDC), a study has already been completed in March, 2007 and the process of its revival has been initiated. In accordance with the recommendation of the study, BSIDC took a decision to lease out the three viable public sector units on 'as is where is basis' by inviting tenders. These units are — High Tension Insulator Factory, Namkum (Ranchi), Electrical Equipment Factory, Tatisilwai (Ranchi) and Bihar Paper Mills (Saharsa).

### 3.8 Udyog Mitra

Udyog Mitra is an institution established in the state which helps the entrepreneurs to establish industrial units, guides in preparation of project profiles, provides assistance in sorting out the problems faced and makes available the desired data. It organises seminars and discussions for the entrepreneurs and also publishes books and bulletins relevant for them. It provides computer training to the employees of the industries department from time to time. Besides, it takes part in India International Trade Fair at Delhi as also in the state level industrial fairs. The physical and financial achievements of Udyog Mitra during the period 2004-08 are given in Table 3.10.

**Table 3.10 : Physical and Financial Achievement of Udyog Mitra (2004-05 to 2007-08)**

Year	Amount Allotted (Rs. in lakh)	Amount spent (Rs. in lakh)	No. of Entrepreneurs benefited
2004-05	11.00	11.00	443
2005-06	25.00	25.00	957
2006-07	50.00	50.00	717
2007-08 (Dec. 07)	30.00	27.66	512

The reorganisation of Udyog Mitra is on the anvil through obtaining the services of professional experts on contract basis. A committee has been formed to remove the obstacles that the new units face after the approval of the State Investment Promotion Board (SIPB). The committee will, from time to time, assess various stages of works and pursue with different departments to remove the problems. The total outlay for the entire Eleventh Plan period for Udyog Mitra is Rs. 2.50 crore.

### 3.9 Bihar Industrial Area Development Authority (BIADA)

The Bihar Industrial Area Development Authority (BIADA) is a statutory body constituted under the Bihar Industrial Area Development Authority Act, 1974 with the main objective of promoting and assisting the rapid development of industries in the industrial areas and estates under its jurisdiction. BIADA is responsible for providing developed infrastructure in industrial estates like water, roads, drainage, electricity, etc. It also provides information and assistance to prospective entrepreneurs to set up industry. The activity details are :

No. of Industrial Areas	46
Acquired land	4370.85 Acres
Export Promotion Industrial Park	94.43 Acres land at Hajipur with developed infrastructure
Software Technology Park	Biscomaun Bhawan, Patna
Agri-Export Zone	Patna
Growth Centres	With Modern Facilities / Infrastructure at Kahalagaon, Begusarai, Aurangabad, Gidha, Maranga (Purnia), Khagaria

At present, BIADA has plans for extending its activities and the projects include :

- (i) Strengthening and upgradation of Fatuha Industrial Area under Integrated Infrastructure Upgradation Scheme (IIUS)
- (ii) Establishment of Food Park in 100 acres at Begusarai and 100 acres at Hazipur.
- (iii) Establishment of Mega Industrial Park in 1000 acres at Bihta and 1000 acres at Hazipur.
- (iv) To implement District Rural Industries Project through NABARD in Gaya, Muzaffarpur, Vaishali, Bhojpur, Nalanda and Purnea.
- (v) To develop Air Cargo Complex at Patna Airport
- (vi) To construct an Integrated Textile Park
- (vii) To construct Inland Container Depot at Shitalpur

### **3.10 District Industries Centres (DICs)**

The DICs came into being as a result of recommendations of the central government's Industrial Policy of 1977. It was thought necessary to provide an integrated administrative framework at district level to support micro, small and artisan-based industries which are widely dispersed in rural areas and small towns. All the services and support required by small entrepreneurs, ranging from pre- to post-investment stages of each project, are envisaged to be provided under the single roof of DIC. These include identification of local resources, supply of machinery and equipment, provision of raw materials, arrangements for credit facilities, marketing, quality input, consultancy and extension services.

At present, DICs are functioning in all the 38 districts in the state. Upto 2005-06, there were 27 DICs and, in 2006-07, 11 more were opened in the newly created districts. These centres are performing regulatory as well as developmental roles on behalf of the state government. These

centres provide all initial information, guidance and facilities to willing entrepreneurs in setting up the small scale industrial units, besides granting provisional/ permanent registration, raw material assistance and sponsoring of loan applications to banks and other financial institutions. The DICs are functioning as nodal agency for the implementation of Prime Minister Rojgar Yojna in the concerned districts.

During 2007-08, against the target of providing permanent registration to 7000 tiny industries, only 4176 units with an investment of Rs. 8636 lakh and employment potential of 12793 persons were permanently registered through DICs. All the DICs are being computerised and necessary approval has already been accorded for purchase of equipments.

### **3.11 Prime Minister Rojgar Yojana (PMRY)**

The PMRY is a scheme of self-employment launched in 1993. The purpose is to provide sustainable self-employment opportunities to educated unemployed youths between 18-35 years of age with a relaxation of 10 years for SC/ST, ex-serviceman, physically handicapped and women. Under this scheme, the youths, both male and female, are being given loans from banks for investments in service sector in order to make them self-employed. During 2007-08, against the target of making 15,000 youths self-employed, only 8,187 unemployed were granted loans amounting to Rs. 9522 crore. The districtwise progress report for the last 5 years is given in Appendix III.

### **3.12 Information Technology**

There is an independent Department of Information Technology (IT) to execute e-governance related activities and for expansion of Information Technology in the state. Many basic infrastructures and projects related to IT are being developed by the Department. During 2009-10, the provisions for extension of the current projects and the new ones have been made as under :

- (i) SWAN : This is a centrally sponsored project. Under this project, arrangements are being made for vertical network connectivity from state headquarters to all the block headquarters. The basic infrastructure for this network is being set up by a consultancy firm and 2 mbps band width is being provided by BSNL. The implementation of this project was started in 2007-08. For 2009-10, an outlay of Rs. 3710 crore has been made for SWAN.

The funds approved for SWAN project are meant to be used for vertical connectivity; whereas there is a need for horizontal connectivity of all the PoPs (Point of Presence) to the local offices also. This will ensure connectivity of all the state government offices. It is proposed to implement horizontal connectivity scheme in 2009-10. This will result in BSWAN (Bihar SWAN) ensuring implementation of centrally sponsored SWAN Project. The outlays for complete BSWAN project for 2009-10 has been earmarked (Table 3.11).

**Table 3.11 : Outlay for BSWAN Project for 2009-10**

(Rs. in lakh)	
Vertical Bandwidth	1250.00
Operator QGR Payment State Share	100.00
Horizontal Bandwidth	60.00
Horizontal Operator QGR Payment	800.00
PCs for Horizontal Offices	1500.00
Total	3710.00

After connectivity of regional offices under BSWAN is completed, it is estimated that 7,500 personal computers shall be installed in the regional offices in 2009-10. A sum of Rs. 15 crore has been earmarked for this.

- (ii) State Data Centre : The centrally sponsored State Data Centre (SDC) Project is to be implemented by the state government. A provision of Rs. 30 crore has been made for 2009-10 under this project.
- (iii) Sec-LAN : In the current financial year of 2008-09, all the offices in the secretariat buildings, including CMs residence and residential offices are being connected through a fibre optic Local Area Network (LAN). An outlay of Rs. 9.55 crore has been made for all the components of the Sec-LAN Project for the financial year 2009-10.

Under the Sec-LAN Project, computerization of all the government departments has also been planned. In the last financial year of 2007-08, an approval was granted for installation of 1100 computers, 250 printers and EPABX/VoIP in all the government departments up to

the section level. For the current year (2008-09), it has been decided to provide personal computers upto the assessment level for which an outlay of Rs. 4.00 crore has been provided.

- (iv) Other projects : For other relevant projects of IT department, including knowledge city, IT Bhavan, IT Park, IT academy, IT Fairs and Conferences and other capacity building measures, an outlay of Rs. 48.70 crore has been made for the financial year 2009-10.

**Table 3.12 : Plan Outlay for Information Technology Department (2009-10)**

Projects	Amount (Rs. in lakh)
BSWAN	3710
SDC	3000
Sec-LAN	955
Knowledge City	4000
IT Bhawan	300
Capacity Building	520
DPR Preparation	50
Total	12535

A beginning has been made in the state to exploit the great potential in the field of Information and Communication Technology (ICT) with a view to expand knowledge base and employment in various sectors of the economy. It will also disseminate very fast the latest technical know-how to the different sectors, particularly agriculture, industries and marketing. Video-conferencing in all the 38 districts has already been in operation. Computerisation of treasury, finance, provident fund, tax collection, electricity bills, registration of properties, e-governance, etc. is planned on a public-private partnership basis with Beltron as an important player.

### **Bihar's 'Jankari' Simplest and Best**

Bihar has made its presence felt in e-governance through 'Jankari', which has been given the 'Gold award'. The people can seek information under the Right to Information (RTI) Act. from this centre. 'Jankari' is the first effort of its kind in the country where technology has been used to bring RTI to the masses. There was no additional cost and no fresh appointments were made for the project.

'Jankari' is developed as an additional mode for seeking information under RTI apart from the conventional way of giving applications to the office concerned. It enables people living in the remotest area of the state to submit applications for information under RTI by using private or public telephone by dialing 155311. The operator, receiving the call, drafts the application under RTI Act and sends the same to the authorities concerned for providing the requisite information to the applicant. The applicant is provided with a reference number of the application by the call centre. In case the information is not provided by the authorities, the applicant is entitled to file the first appeal and later the second appeal to the appellate authority and the State Information Commission respectively.

'Jankari' model is simple and universally accessible. The handicaps like illiteracy, geographical remoteness and financial hardships do not come in the way.

Under the Prime Minister Rojgar Yojana, there is a provision for giving 20 percent subsidy for an investment, subject to a maximum of Rs. 20 thousand for encouraging the purchase of machines and equipments to computer trained unemployed women and youth for establishing information technology centre. Besides computer and printer, the centres shall have fax machine, photocopier machine, telephone and internet facility. The beneficiaries will be provided with computer sets and other accessories through Beltron. For the financial year 2007-08, there has been an provision of Rs. 1.00 crore.

IT industry has been added in Schedule 1 of Bihar Shops and Establishment Act, 1953 and concessions under Sections 7, 8 and 12(A) are now extended to it. The industry would be given exemption in provisions relating to hours of opening and closing of establishment, hours of business and weekly closures. The hours of work for women employees has been relaxed under Section 66 of the Factory Act, 1948. Women would be able to work between 5 a.m. to 10 p.m., instead of 6 a.m. to 7 p.m. IT Industry is also eligible for exemption under Section 87 of Employees State Insurance Act, 1948.



### 3.13 Investment Proposals

With a series of initiatives taken by the state government and improvement in the law and order situation and infrastructural facilities in the state, a number of proposals to start new ventures are being received by the state government. The State Investment Promotion Board (SIPB) examines the proposals submitted to it and approves for further implementation. During 2006-07 (upto January 2007), a total of 72 proposals were approved by the SIPB which increased to 115 in 2007-08 (upto December, 2007). Again in 2008-09 (upto December, 2008), the cumulative total of proposals approved by SIPB has gone upto 164 with an aggregate investment of Rs. 91.75 thousand crore and employment potential of 1.23 lakh persons. The sectorwise break-up of approved proposals is given in Table 3.13.

**Table 3.13 : Details of SIPB Approved Proposals (upto December, 2008)**

Sector	No. of Proposals (Approved)
Sugar Mills	23
(a) New	14
(b) Expansion of working Mills	07
(c) Ethanol Plant by working Mills	02
Ethanol Plant	14
Power Plant	20
Food Processing	24
Steel Processing and Cement Plant	16
Technical Institutions (Engineering & Management)	15
Medical Institutions (Medical College & Hospital)	17
Others	35
Total	164

Out of 164 approved proposals, 15 proposals have already been implemented and are working, one is ready for production, and as many as 49 with a total investment of Rs. 22.91 thousand crore are in the advanced stage of implementation. The remaining 99 proposals are, however, under different stages of implementation. The status of approved proposals is presented in Table 3.14.

**Table 3.14 : Status of Proposals Approved by SIPB (upto December, 2008)**

Sector	No.
Implemented and Working	15
Ready for Production	1
Advanced Stage of Implementation	49
Different Stages of Implementation	99
Total	164

### **3.14 Tourism**

Despite great potential to emerge as the leading industry in Bihar, the tourism sector remained neglected in the past. Apart from a few places intensely involved with tourism, the sector has not made much impact in Bihar. Due to the lack of better connectivity and coordination among the related departments, tourism has remained neglected all through. No state is as much privileged as Bihar in terms of possessing a variety of treasure of history, civilisation, religion and culture to attract tourists, both domestic and international. The State Tourism Development Corporation (STDC) has taken a number of measures to develop tourism. With improvement in law and order as well as infrastructural facilities at various tourist destinations, the number of both foreign and domestic tourists has recorded an increase from 69.44 lakh in 2005 to 107.65 lakh in 2006 and to 105.30 lakh in 2007. However, there remains much potential to be exploited. As may be seen from Appendix IV, besides the capital town of Patna, places like Gaya, Bodh Gaya, Rajgir, Sonapur fair and Shravani Mela at Sultanganj are favourite destinations of tourists.

There are various religious destinations in the state which are being developed to attract tourists like Gaya, Bodh Gaya, Rajgir, Vaishali, Pawapuri, as also Patna Sahib Gurudwara. With the UNESCO World Heritage status granted to the Mahabodhi temple complex at Bodh Gaya, 'the distance travelled by Bihar tourism has been wonderful'. The tourism department acts not only as a promoter, facilitator and infrastructure provider, but is seriously involved in improving the standards of tourism products and services in Bihar. The tourism department's recent tour packages of Pindadaan and Yoga has been very popular with NRIs during the three-day Pravasi Bharatiya Diwas celebration at Chennai in January, 2009. Yoga has become very popular among the NRIs. For the tourists willing to take Yoga course, the department has prepared two and three weeks' packages and tied up with Munger Yogashram. Last year, the department introduced a special package 'Pindadaan' during 'Pitripaksh Mela at Gaya'. The third notable package developed

is "Trace Your Roots" to attract tourists from West Indies, Mauritius, Fiji, Indonesia, Surinam, etc. This has also become a very popular package among the NRIs. Similarly, special packages related to Buddhist and Jain circuits have also been prepared.

### **3.15 Problems and Prospects of Industrialisation in Bihar**

Bihar is the victim of apathetic national policies which created constraints, both structural and institutional, for industrialisation of the state. The Policy of Freight Equalisation introduced immediately after independence stayed for long period and played havoc in de-industrialisation of the state. Again, whatever industries worth the name were in the erstwhile Bihar, went to Jharkhand as a result of bifurcation. The de-industrialisation of the state on a large scale led to weak infrastructural development with specific implications for the industrial sector. This had an obvious negative impact on the overall economic growth of the state.

The problems of backward areas in the country and districts within the states have received attention from policy makers and planners which led to specially designed packages for their accelerated development. In 1977, the Planning Commission appointed a committee for identification of hundred most backward districts in the country. On the basis of indicators of (a) deprivation, (b) social infrastructure, and (c) economic infrastructure, the Committee identified 100 districts spread over several states, many of them falling in Bihar. However, these endeavours did not make any significant impact and inter-state and intra-state disparities persisted.

The high growth performance of the national economy during the economic reform period also bypassed Bihar and, in complete contrast with southern and western states, growth had decelerated in the state. As a result, Bihar remained at the bottom in terms of both human development and economic infrastructure. Industrialisation of any region, *prima facie*, depends on natural endowment, infrastructural support, local availability of skilled manpower, size of market including export markets, and industrial policies of the central and state governments. In undivided Bihar, all these factors, except natural endowment, were not favourable for industrial development.

Infrastructure, both trunk and arterial, are very critical for industrial development. The power plants and transmission network, major highways, waterways, railways, airports and

telecommunications are broadly trunk infrastructure. For industrial development in any region, this trunk infrastructure needs to be supplemented by adequate and well developed arterial infrastructure. In the absence of their proper network in Bihar, the states' economy remained unchanged, rather it became worse. Again, the industry specific special infrastructure like cold storages, dry ports, etc. is quite inadequate posing problems in industrialisation in the state. The poor roads and transport condition served as a major deterrent for private investments. The inadequate and irregular power supply forced many of the industrial units to flee out of the state. On the other hand, the units which ventured to stay back, many of them are either sick or closed due to paucity of fund and proper marketing facilities. Over and above, the banks' apathetic attitude and their poor spread played truant and, as a result, the credit-deposit (CD) ratio in 2007-08 remained far below (32 percent) the national average of 73 percent in 2006.

With the adoption of Industrial Incentive Policy, 2006 and grant of pre- and post-production subsidies, new investment proposals have started flowing in Bihar and 164 proposals have already been approved and more are in the pipeline. Bihar's economy is primarily an agricultural one and, therefore, agro-based industries have a place of prominence in the overall industrial scenario. Based on the Annual Survey of Industries too, the agro-based industries have a major role in Bihar's industrialisation. In order to expand horticulture in Bihar, 19 districts are covered under the Chief Minister's Horticulture Mission. The remaining 19 are covered under the National Horticulture Mission. There are great potentials in food processing, sugarcane, dairy, leather and leather products in the state. The size of non-agro-based industries in the state is very small, most of them catering to local demands. However, there remains a great potential in non-agro-based industries too. Again, the artisan based industries including handloom have started showing better prospects in the state due to the initiatives of the state government. This sector requires support of finance, marketing, training, designing, etc. for better income and employment generation. Most of these requirements are being taken care of during the Eleventh Plan period.

**Appendix – I**

**Structure of Industries in Bihar (Annual Survey of Industries 2004-05)**

NIC Code	Industrial Cluster	No. of Factories	Factories in operation	Total Output (Rs. In Crore)	Grosse value Added (Rs. In Crore)	Percentage share		
						Factories in operation	Total Output	Gross value Added
15-16	Food / Beverages/ Tobacco	280	251	1541	346	17.45	12.61	30.87
17	Textile/Textile Products	21	17	62	20	1.18	0.51	1.78
19	Leather/Leather Products	8	8	69	16	0.56	0.56	1.43
20	Wood/Wood Products	119	105	20	3	7.30	0.16	0.27
21-22	Paper/Printing/Publication	55	45	230	95	3.13	1.88	8.47
23	Coal/Petroleum/Atomic fuel	46	40	9495	543	2.78	77.68	48.44
24	Chemical	51	46	78	5	3.20	0.64	0.45
25	Rubber/Plastic Products	20	20	53	10	1.39	0.43	0.89
26	Glass and Glass products	779	642	275	45	44.65	2.25	4.01
27-28	Basic Metals/ Metal Products	88	72	300	20	5.01	2.45	1.78
29	General Purpose Machinery	49	49	30	7	3.41	0.25	0.62
31	Electric Motors/Generators/ Transformers	11	11	17	1	0.76	0.14	0.09
35	Building & Repair of Ship, boats, Transport Equipment etc.	4	3	12	1	0.21	0.10	0.09
36	Furniture, Musical instruments/ Export Goods, etc.	5	4	4	0	0.28	0.03	0.00
	Other	137	125	37	9	8.69	0.30	0.80
	<b>Total</b>	<b>1673</b>	<b>1438</b>	<b>12223</b>	<b>1121</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

**Appendix II**

**Area, Production & Productivity of Sugarcane (Kg / Hec.)**

Name of Districts	2004-2005		2005-2006		2006-2007		Average		
	Area (ha.)	Production (M.T.)	Area (ha.)	Production (M.T.)	Area (ha.)	Production (M.T.)	Area (ha.)	Production (M.T.)	Productivity
Saran	283	10434	283	11965	0	0	189	7466	39574
Siwan	4989	178224	3775	135391	4190	163135	4318	158917	36803
Gopalganj	19279	765619	17759	856202	30634	1515989	22557	1045937	46368
Muzaffarpur	730	28014	354	14017	614	27068	566	23033	40694
E.Champaran	6152	246419	6238	206380	6596	206209	6329	219669	34710
W.Champaran	55330	2349844	55993	2377461	57227	2678711	56183	2468672	43940
Sitamarhi	2222	77119	2232	120358	2451	108086	2302	101854	44252
Sheohar	1174	40092	1923	76145	2019	76621	1705	64286	37697
Vaishali	122	4609	114	4514	113	4981	116	4701	40413
Darbhanga	152	2024	105	3068	670	23328	309	9473	30658
Madhubani	713	9399	586	18392	205	6510	501	11434	22807
Samastipur	2707	36187	2719	78762	2508	88181	2645	67710	25602
Begusarai	2937	79407	2035	77770	1998	79459	2323	78879	33951
<b>Total</b>	<b>96790</b>	<b>3827391</b>	<b>94116</b>	<b>3980425</b>	<b>109225</b>	<b>4978278</b>	<b>100044</b>	<b>4262031</b>	<b>42602</b>
Saharsa	22	1056	29	1291	58	2638	36	1662	45734
Supaul	0	0	0	0	0	0	0	0	0
Madhepura	179	6531	273	11353	273	12458	242	10114	41851
Purnea	0	0	2	82	0	0	1	27	41000
Araria	144	5254	0	0	0	0	48	1751	36486
Kisanganj	0	0	0	0	83	3788	28	1263	45639
Katihar	39	1423	8	327	168	7621	72	3124	43586
Khagaria	142	3780	142	5550	0	0	95	3110	32852
<b>Total</b>	<b>526</b>	<b>18044</b>	<b>454</b>	<b>18603</b>	<b>582</b>	<b>26505</b>	521	21051	40430
Patna	452	17156	422	17445	341	15321	405	16641	41088
Nalanda	169	7021	182	7651	193	8370	181	7681	42357
Bhojpur	233	9563	126	5278	184	7860	181	7567	41807
Buxer	379	15885	370	15580	454	23883	401	18449	46008
Rohtash	118	4948	178	7485	0	0	99	4144	42003
Bhabhua	359	15046	285	12001	246	6073	297	11040	37213
Gaya	922	33154	825	22228	1451	51789	1066	35724	33512
Jahanabad	206	7407	327	8602	275	9769	269	8593	31903
Nawada	84	3020	118	3192	142	5045	115	3752	32724
Aurangabad	231	8306	223	5866	216	7673	223	7282	32604
Munger	0	0	0	0	0	0	0	0	0
Lakhisarai	0	0	0	0	0	0	0	0	0
Sheikhpura	38	1824	18	234	31	1258	29	1105	38115
Jamui	491	23159	287	4747	207	2511	328	10139	30880
Bhagalpur	2341	84534	2052	82616	2245	122824	2213	96658	43684
Banka	850	35264	1260	48510	1387	71681	1166	51818	44454
<b>Total</b>	<b>6873</b>	<b>266287</b>	<b>6673</b>	<b>241435</b>	<b>7372</b>	<b>334057</b>	<b>6973</b>	<b>280593</b>	<b>40242</b>
<b>Grand Total</b>	<b>104189</b>	<b>4111722</b>	<b>101243</b>	<b>4240463</b>	<b>117179</b>	<b>5338840</b>	<b>107537</b>	<b>4563675</b>	<b>42438</b>

Source : Directorate of Statistics & Evaluation, Bihar

### Appendix III

#### Progress of Prime Minister Rojgar Yojana (PMRY) (2003-04 to 2007-08)

DIC	2003-04				2004-05				2005-06			
	Target	Disbursement		Disbursement against Target (%)	Target	Disbursement		Disbursement against Target (%)	Target	Disbursement		Disbursement against Target (%)
		No.	Amount			No.	Amount			No.	Amount	
1	2	3	4	5	6	7	8	9	10	11	12	13
Araria	278	184	184.57	66.19	310	236	203.92	76.13	449	140	102.63	31.18
Arwal					122	53	45.12	43.44	212	57	48.00	26.89
Aurangabad	280	129	108.96	46.07	312	170	135.88	54.49	519	232	192.73	44.70
Banka	293	180	140.28	61.43	326	177	166.40	54.29	542	262	215.49	48.34
Begusarai	566	337	261.95	59.54	360	480	393.62	133.33	903	610	532.59	67.55
Bhagalpur	523	316	258.88	60.42	580	340	279.17	58.62	942	507	365.85	53.82
Bhojpur	413	250	184.84	60.53	458	278	210.94	60.70	734	354	255.70	48.23
Buxar	281	181	133.06	64.41	312	190	162.78	60.90	498	233	179.45	46.79
Darbhanga	558	413	361.46	74.01	620	380	303.58	61.29	990	465	392.87	46.97
E. Champaran	502	370	296.64	73.71	555	430	373.04	77.48	796	446	373.50	56.03
Gaya	606	419	348.09	69.14	704	443	465.80	62.93	1048	607	527.80	57.92
Gopalganj	266	199	173.41	74.81	295	194	142.15	65.76	457	165	124.71	36.11
Jamui	221	141	115.21	63.80	246	169	204.40	68.70	375	197	160.46	52.53
Jahanabad	305	195	140.00	63.93	218	156	134.28	71.56	330	189	166.32	57.27
Kaimur	272	186	191.06	68.38	300	195	166.34	65.00	468	206	180.84	44.02
Katihar	401	308	263.24	76.81	445	303	267.34	68.09	680	267	233.86	39.26
Khagaria	206	158	125.26	76.70	230	176	146.97	76.52	332	210	187.40	63.25
Kishanganj	167	107	81.01	64.07	184	105	93.83	57.07	306	124	93.28	40.52
Lakhisarai	170	124	106.70	72.94	190	116	115.35	61.05	304	197	168.20	64.80
Madhepura	266	217	190.00	81.58	296	238	223.69	80.41	416	293	260.57	70.43
Madhubani	486	365	310.00	75.10	541	438	428.60	80.96	758	440	489.00	58.05
Munger	243	160	121.04	65.84	270	213	203.10	78.89	384	254	221.64	66.15
Muzaffarpur	764	371	301.81	45.56	858	404	343.78	47.09	1457	476	383.34	32.67
Nalanda	512	229	183.84	44.73	572	327	327.00	57.17	929	440	442.00	47.36
Nawada	324	136	111.71	41.98	298	156	125.62	52.35	642	217	169.34	33.80
Patna	1257	843	756.23	67.06	1475	813	683.23	55.12	2198	1141	1132.90	51.91
Purnea	318	280	243.30	88.05	351	318	284.41	90.60	467	342	285.76	73.23
Rohtas	372	243	232.63	65.32	422	304	318.43	72.04	615	229	211.38	37.24
Saharsa	301	204	169.41	67.77	336	168	83.83	50.00	575	263	245.99	45.74
Samastipur	518	334	303.15	64.48	583	280	226.26	48.03	991	403	244.87	40.67
Saran	581	405	303.54	69.71	647	433	311.28	66.92	997	485	394.80	48.65
Sheikhpura	147	131	88.46	89.12	165	121	69.72	73.33	244	138	116.61	56.56
Sheohar	105	25	16.90	23.81	120	19	19.00	15.83	246	69	66.90	28.05
Sitamarhi	450	306	286.25	68.00	500	371	358.00	74.20	734	393	392.00	53.54
Siwan	439	328	302.59	74.12	492	317	277.91	64.43	770	322	264.40	41.82
Supaul	188	108	90.51	57.45	223	157	140.69	70.40	336	168	143.86	50.00
Vaishali	443	318	269.39	71.78	493	339	277.65	68.76	750	344	262.06	45.87
W. Champaran	378	320	259.29	84.66	420	322	241.23	76.67	606	491	424.82	81.02
<b>Total</b>	<b>14400</b>	<b>9520</b>	<b>8014.67</b>	<b>66.11</b>	<b>15829</b>	<b>10329</b>	<b>8954.34</b>	<b>65.25</b>	<b>25000</b>	<b>12376</b>	<b>10653.92</b>	<b>49.50</b>

(Contd.)

**Appendix III : (Contd.)**

DIC	2006-07				2007-08			
	Target	Disbursement		Disbursement against Target (%)	Target	Disbursement		Disbursement against Target (%)
		No.	Amount			No.	Amount	
14	15	16	17	18	19	20	21	22
Araria	206	101	82.54	49.03	270	119	135.90	44.07
Arwal	135	72	83.00	53.33	180	76	135.00	42.22
Aurangabad	230	141	109.77	61.30	299	130	93.45	43.48
Banka	231	166	180.42	71.86	300	195	276.00	65.00
Begusarai	440	342	312.79	77.73	580	295	367.63	50.88
Bhagalpur	405	254	253.30	62.72	530	263	275.84	49.62
Bhojpur	330	185	123.60	56.06	440	200	139.87	45.45
Buxar	220	142	123.69	64.55	290	161	186.25	55.52
Darbhangha	430	335	269.72	77.91	565	389	445.41	68.85
E. Champaran	400	266	188.62	66.50	527	251	256.00	47.63
Gaya	480	398	352.69	82.92	631	367	452.60	58.16
Gopalganj	210	178	129.77	84.76	278	162	199.50	58.27
Jamui	180	149	148.40	82.78	239	122	130.68	51.05
Jahanabad	200	125	105.72	62.50	265	173	192.48	65.28
Kaimur	230	146	120.62	63.48	301	166	278.00	55.15
Katihar	314	217	190.53	69.11	415	226	272.46	54.46
Khagaria	164	123	106.00	75.00	215	153	178.14	71.16
Kishanganj	134	96	96.00	71.64	180	111	107.90	61.67
Lakhisarai	140	89	79.17	63.57	185	103	87.77	55.68
Madhepura	206	171	148.45	83.01	300	195	242.64	65.00
Madhubani	385	247	176.10	64.16	507	238	312.50	46.94
Munger	194	185	154.30	95.36	257	256	309.40	99.61
Muzaffarpur	584	382	320.59	65.41	724	340	428	46.96
Nalanda	394	250	250.00	63.45	514	162	222.00	31.52
Nawada	254	139	121.01	54.72	329	154	189.64	46.81
Patna	920	638	505.71	69.35	1204	569	469.91	47.26
Purnea	255	214	172.28	83.92	335	253	273.63	75.52
Rohtas	294	226	204.28	76.87	388	265	248.31	68.30
Saharsa	242	230	230.00	95.04	350	180	199.32	51.43
Samastipur	397	271	207.02	68.26	520	237	183.99	45.58
Saran	446	374	325.29	83.86	587	406	616.95	69.17
Sheikhpura	124	130	114.82	104.84	164	117	115.05	71.34
Sheohar	100	76	69.85	76.00	130	79	95.54	60.77
Sitamarhi	350	216	200.10	61.71	459	231	307.77	50.33
Siwan	350	253	250.30	72.29	459	226	445.95	49.24
Supaul	176	113	109.00	64.20	229	150	223.10	65.50
Vaishali	350	238	176.46	68.00	460	231	231.97	50.22
W. Champaran	300	218	210.86	72.67	394	236	195.07	59.90
<b>Total</b>	<b>11400</b>	<b>8096</b>	<b>7002.77</b>	<b>71.02</b>	<b>15000</b>	<b>8187</b>	<b>9521.62</b>	<b>54.58</b>

(Concluded)



### Appendix IV

#### Statistics of Domestic and Foreign Tourist Visit to the State of Bihar 2005-08 (upto September, 2008)

(Figure in 000)

Place	Tourist	2005					2006				
		Jan to March	April to June	July to Sept	Oct to Dec	Total	Jan to March	April to June	July to Sept	Oct to Dec	Total
Patna	Domestic	427.2	314.7	376.1	370.0	1487.9	634.3	385.7	481.9	506.7	2008.6
	Foreign	0.8	0.1	0.2	0.8	1.9	1.1	0.5	0.6	1.7	4.0
Gaya	Domestic	219.4	188.1	701.7	16.8	1126.0	215.5	196.6	705.0	19.6	1136.7
	Foreign	2.4	0.3	0.7	0.6	4.0	1.9	0.4	0.5	0.6	3.3
Bodh Gaya	Domestic	77.6	49.2	39.4	130.9	297.2	180.1	64.0	81.1	139.6	464.8
	Foreign	11.5	1.1	6.0	18.5	37.0	40.1	6.2	0.6	6.0	52.9
Rajgir	Domestic	71.2	16.9	69.0	165.5	322.6	77.5	28.5	72.2	170.1	348.3
	Foreign	0.8	0.6	0.6	3.5	5.5	1.7	0.3	1.6	7.3	10.9
Raxual	Domestic	35.3	28.5	30.0	41.0	134.8	37.8	28.3	30.0	45.5	141.5
	Foreign	0.5	0.2	0.4	0.7	1.8	0.6	0.4	0.6	0.9	2.5
Munger	Domestic	12.4	10.8	12.1	10.8	46.1	14.3	12.0	14.0	11.4	51.6
	Foreign	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Vaishali	Domestic	18.8	100.7	93.5	20.9	234.0	26.3	121.2	89.6	24.2	261.2
	Foreign	0.5	1.6	2.1	4.7	8.9	2.7	4.1	4.5	0.1	11.5
Muzaffarpur	Domestic	18.1	21.5	18.8	9.9	68.2	20.7	19.3	12.6	13.0	65.6
	Foreign	1.5	1.1	0.9	0.3	3.7	0.2	8.3	0.2	0.0	8.7
Sonepur Fair	Domestic	0.0	0.0	0.0	2008.3	2008.3	0.0	0.0	0.0	4001.0	4001.0
	Foreign	0.0	0.0	0.0	0.7	0.7	0.0	0.0	0.0	0.7	0.7
Shrawani Mela Sultanganj (Bhagalpur)	Domestic	0.0	0.0	1155.6	0.0	1155.6	0.0	0.0	2125.9	0.0	2125.9
	Foreign	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bhagalpur	Domestic	0.0	0.0	0.0	0.0	0.0	0.0	14.9	30.5	19.6	64.9
	Foreign	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	Domestic	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	Foreign	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	Domestic	879.9	730.4	2496.3	2774.1	6880.7	1206.5	870.3	3642.9	4950.6	10670.3
	Foreign	18.0	5.0	10.8	29.6	63.3	48.3	20.3	8.6	17.3	94.4
<b>Grand Total</b>		897.9	735.4	2507.0	2803.7	6944.0	1254.8	890.5	3651.5	4967.9	10764.7

(Contd.)

**Appendix IV : (Contd.)**

(Figure in 000)

Place	Tourist	2007					2008 Upto September			
		Jan to March	April to June	July to Sept	Oct to Dec	Total	Jan to March	April to June	July to Sept	Total
Patna	Domestic	167.3	176.9	280.3	94.2	718.7	597.5	530.3	1541.4	2669.2
	Foreign	1.4	0.3	0.8	1.3	3.8	1.8	0.4	0.4	2.6
Gaya	Domestic	241.4	221.5	791.3	105.1	1359.3	284.2	194.8	1959.5	2438.4
	Foreign	0.6	0.3	0.7	0.6	2.2	3.8	1.4	52.8	58.1
Bodh Gaya	Domestic	170.1	46.5	64.4	198.8	479.9	298.6	33.8	218.9	551.4
	Foreign	64.4	1.2	3.1	51.8	120.4	66.9	3.0	7.3	77.2
Rajgir	Domestic	83.0	482.0	155.2	170.4	890.6	284.4	106.0	169.0	559.4
	Foreign	5.1	1.5	4.4	21.5	32.6	43.8	8.7	83.0	135.5
Raxual	Domestic	16.7	24.4	16.3	14.4	71.7	21.3	15.6	13.5	50.3
	Foreign	4.6	0.9	0.7	0.7	6.9	1.2	0.8	0.8	2.8
Munger	Domestic	8.6	11.6	13.6	6.6	40.5	3.6	3.4	0.0	7.1
	Foreign	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Vaishali	Domestic	85.2	90.9	43.3	6.7	226.1	10.7	94.8	9.1	114.6
	Foreign	3.5	0.7	2.9	2.3	9.5	6.4	6.3	1.6	14.2
Muzaffarpur	Domestic	12.1	7.5	217.7	3.3	240.7	4.5	4.2	284.2	292.9
	Foreign	0.0	0.0	0.5	0.2	0.7	0.0	0.0	0.0	0.0
Sonepur Fair	Domestic	0.0	0.0	0.0	4019.5	4019.5	0.0	0.0	0.0	0.0
	Foreign	0.0	0.0	0.0	1.2	1.2	0.0	0.0	0.0	0.0
Shrawani Mela Sultanganj (Bhagalpur)	Domestic	0.0	0.0	2198.4	0.0	2198.4	0.0	0.0	0.0	0.0
	Foreign	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bhagalpur	Domestic	21.9	22.2	21.6	22.6	88.3	23.9	51.7	720.5	796.2
	Foreign	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	Domestic	3.1	6.7	5.7	3.9	19.3	7.9	17.8	10.5	36.1
	Foreign	0.0	0.0	0.0	0.0	0.0	0.0	0.8	0.0	0.9
Total	Domestic	809.3	1090.2	3807.9	4645.4	10352.9	1536.6	1052.4	4926.6	7515.5
	Foreign	79.6	5.0	13.2	79.6	177.4	123.9	21.4	146.0	291.3
<b>Grand Total</b>		888.9	1095.2	3821.1	4725.0	10530.2	1660.5	1073.8	5072.6	7806.8

(Concluded)

## CHAPTER IV

### PHYSICAL INFRASTRUCTURE

Developed infrastructure is the sine qua non for the growth of an economy. During the colonial period, the development of infrastructure in a landlocked state like Bihar was entirely oriented towards ensuring better colonial control and exploitation of raw material from rural areas for feeding the British industries. In the post independence era too, nothing concrete has been done to improve and expand the infrastructure in Bihar. The existing low level of infrastructure facilities are the major bottleneck in accelerating the process of development in the state. Bihar has the weakest infrastructural base among the major states of India. According to an infrastructure index used by the Twelfth Finance Commission for devolution of funds to states, Bihar alongwith the north eastern states and Jammu and Kashmir stands at the bottom level (Table 4.1). The infrastructural poverty of Bihar pervades all sectors. Whatever trunk infrastructures exists in the state, are not exploited fully on account of the absence of the adequately developed arteries.

**Table 4.1 : Ranking of States According to Infrastructure Index**

Category	States
Low	North Eastern States, Assam, Bihar, Jammu & Kashmir, Rajasthan
Low-medium	Himachal Pradesh, Madhya Pradesh, Orissa, Uttar Pradesh, West Bengal
Medium-medium	Andhra Pradesh , Karnataka
High-medium	Gujarat, Haryana, Kerela, Tamil Nadu
High	Goa, Maharashtra, Punjab

Source : Report of Twelfth Finance Commission, GOI

Thus, there is a consensus that the issue of infrastructure development has to be taken up on a priority basis in Bihar. However, in view of the volume of investment and technical efficiency, there is a growing realization that the dependence on the government alone may not be a good proposition. The private sector, on the other hand, may fear to tread the underdeveloped remote areas. Therefore, an appropriate policy framework may have to be evolved so as to attract the private players in this endeavour through Public-Private Partnership (PPP). Indeed, in pursuance

of the Bihar Infrastructure Development Enabling Act, the state government has already begun to explore and introduce the option of PPP in some sectors and is planning to expand these initiatives. It will also actively encourage direct private investments in large infrastructure projects in power, road, etc. Major institutional reforms have been undertaken and more have been proposed to increase transparency and reduce the time taken to clear investment proposals.

#### 4.1 Roads and Bridges

Density of Roads : The density of roads in the state determines the extent of links established throughout the area. Presently, there are 0.98 kms. of roads per sq. km. of area against the national average of 1.25 kms. (Table 4.2). But the difference between Bihar and India in terms of road density is larger when one takes into account the population. Being a densely populated state, the road density per lakh population in Bihar stands at only 111 kms.; while for the country as a whole this density is more than three times higher (360 kms.). Similarly, the proportion of the villages connected through roads is only 57 percent as against 62 percent for all-India and 99 percent for Gujarat. The road density of Bihar vis-à-vis other states in 2001 is given in Appendix I.

**Table 4.2 : Road Density in Selected States and India**

Density of Roads	India	Uttar Pradesh	Andhra Pradesh	Karnatka	Gujarat	Bihar
Road length / sq. km.	1.25	1.02	1.02	0.82	0.75	0.98
Road length / lakh population	360	185	297	289	275	111
Village Connectivity (%)	62	60	67	59	99	57

Length : Connectivity is a cardinal determinant of economic growth and roads capacitate the people of all corners to share the fruits of growth. Considering from this angle, the road infrastructure in Bihar appears very weak in all its dimensions including its riding quality. Over and above, the construction and maintenance of roadways in the flood hit north Bihar poses a great problem. The length of roads in Bihar has not been at par or even closer to the national average (Appendix I). In terms of roads, the state always remained far behind the fast growing states like Gujarat, Punjab and Haryana. Since 1990, the road network at national level has registered an increase of 99.6 percent, whereas in Bihar this increase was only 27.7 percent.

In Bihar, the total road length in 2008 was 82,959 kms. which constituted National Highways (4.50 percent), State Highways (4.81 percent), Major District Roads (9.83 percent), Other District Roads (4.60 percent) and Village Roads (76.26 percent) (Table 4.3). However, part of the roads under the last two categories are unpaved.

**Table 4.3 : Length of Roads in Bihar (2008)**

Category	Road Length (kms.)			Percentage share
	Pucca (Paved)	Kutchra (Unpaved)	Total	
National Highway (NH)	3734.00	0.00	3734.00	4.57
State Highway (SH)	3989.00	0.00	3989.00	4.81
Major District Roads (MDR)	8156.00	0.00	8156.00	9.83
Other District Roads (ODR)	2828.00	990.00	3818.00	4.60
Village Roads (VR)	27400.00	35861.63	63261.63	76.26
Total	46107.00	36851.63	82958.63	100.00

Source : Department of Road Construction, GOB

There is vast inter-district variation in terms of the road length in the state. As may be seen from Appendix II, Munger (119 kms.), Lakhisarai (136 kms.) and Sheikhpura (152 kms.) districts are at the lowest position; whereas the districts like Patna (915 kms), Supaul (789 kms), Rohtas (450 kms) and Muzaffarpur (704 kms) are higher on road length. It is also discerned that the districts of Banka, Jamui and Kishanganj are devoid of national highways. On the other hand, Patna (395 kms), Muzaffarpur (229 kms) and Madhubani (208 kms) are on the higher side of the scale in this regard.

Type and Quality : Invariably, the quality of roads is judged on the basis of their being surfaced or unsurfaced. The road infrastructure in Bihar is not only besieged with lower density, but also with its low quality. Less than half of state's roads are surfaced, whereas, at the all-India level, around 60 percent of the roads come under this category. In the richer states, the proportion is even higher. In terms of the quality of national highways too, Bihar stands at the lowest position. The share of 4-lane and 2-lane national highways is much lower in Bihar (5 percent and 38 percent respectively), as compared to all-India (9 percent and 56 percent respectively). The single lane national highways are around 57 percent in the state as against 35 percent for the country.

The accessibility of villages in Bihar is poor compared to the national average. This is despite the fact that density of population being much higher in Bihar, connecting urban areas with rural

population is relatively less costly here. In spite of that, only 57 percent of habitations are connected, the smaller habitations suffering most in this regard.

Upgrading Road Network : The poor road network in the state has been a great constraint in the state's development. However, this constraint is now being gradually removed throughout the state. Normally, the national and state highways are of better quality compared to district and other roads. In all, 27 National Highways pass through 35 districts of the state and connect international borders of Nepal and adjacent states of Uttar Pradesh, Jharkhand and West Bengal. The state government is pushing for completion of the Golden Quadrilateral Project within the state. Upgrading the road network in the state will involve four laning of NH2 which is part of Golden Quadrilateral (205.7 kms.) and it is nearing completion. In addition, work on the East-West Corridor is in progress (513.3 kms.) and roads under NHDP-III will be taken up soon (890 kms.). Four laning of some of the important national highways are also being taken up. During the Eleventh Five year Plan, besides the national highways, the state highways and major district roads are also to be upgraded. The strategies to achieve the targets during the Eleventh Plan have also been evolved which inter alia includes constitution of a flexible autonomous body for project development, project management, maintenance policy, online monitoring, quality control laboratories and special project cell. The action points for the Eleventh Plan have been identified as follows :

- (i) Developing a road network equal to the best in the country
- (ii) Upgrading, 1,600 km of National Highways in Bihar to four lanes, two-laning all State Highways and upgrading all Major District Roads in intermediate lane.
- (iii) Providing all-weather connectivity to all unconnected villages with a population of over 500 within five years.
- (iv) Implementing the new road maintenance policy like introducing tolls on some stretches and use the revenue for maintenance of the road
- (v) Setting up a non-lapsable road fund
- (vi) Setting up a central tribunal for dispute resolution
- (vii) Setting up a specialised cell to expedite the process of appraisal and approval of detailed project reports (DPR) for roads
- (viii) Upgrading quality control laboratories at the headquarters and in the division
- (ix) Monitoring all projects in real time.
- (x) Exploring options for levying a road cess

The state government has also estimated the expenditure for all these plans — 4-laning of national highways (Rs. 11400 crore), State Highways (Rs. 4000 crore) and Major District Roads (Rs. 2500 crore), all totaling to Rs. 17,900 crore.

## 4.2 Motor Vehicles

Adequacy of road infrastructure is also related to the availability of motor vehicles in the state. As compared to 1990, the number of motor vehicles at the all India level has increased by 197 percent in 2007; for Bihar, this increase was 239 percent. This is indicative of the fact that the increase in road network was not commensurate with the increase in transport in the state. As can be noted from Table 4.4, the number of motor vehicles has increased manifold in the last three years. The total number of motor vehicles registered increased considerably in 2008-09, compared to the previous years. The number increased from 80,363 in 2005-06 to 1,42,991 in 2008-09 (till December 2008). This upward trend is mainly due to the lowering of the registration charges and other effective measures introduced since 2005-06.

**Table 4.4 : Number of Vehicles Registered**

Year	Truck	Bus	Car	Taxi	Jeep	Auto	Two Wheeler	Tractor	Trailer	Other	Total
2005-06	579	113	5062	427	2321	3273	61333	3509	2440	1306	80363
2006-07	1989	921	7409	1326	4430	5027	112985	6160	5281	1781	147309
2007-08	2161	1276	7425	2744	3904	5523	110213	7609	5084	2563	148502
2008-09	2053	675	6961	2131	3511	4791	106618	6681	8561	1009	142991

Note : For 2008-09, the figures relate upto December, 2008

Source : Department of Transport, GOB

The highest revenue collected by the Department of Transport was Rs. 308.72 crore in 2005-06 and it subsequently declined to Rs. 202.14 crore in 2006-07. The decline in the revenue was mainly due to reduction in registration charges in 2006. The Department has collected Rs. 245.83 crore in 2007-08 and Rs. 217.08 crore in 2008-09, till December, 2008 (Table 4.5).

**Table 4.5 : Revenue Collected by Transport Department**

Year	Target (Rs. crore)	Actual (Rs. crore)	Percentage of Collection
2001-02	160.00	133.10	83.19
2002-03	205.00	177.54	86.60
2003-04	275.00	217.91	79.24
2004-05	308.00	257.08	83.47
2005-06	310.00	308.72	99.60
2006-07	350.00	202.14	57.75
2007-08	375.00	245.83	65.55
2008-09 (upto Dec. 2009)	314.19	217.08	69.09

Source : Department of transport, GOB

A list of new initiatives taken by the Department to improve transport facilities in the state is presented in Appendix III. In addition, the following steps have been taken by the Department to rationalise certification of vehicles and revenue collection :

- Pollution and fitness test have been made mandatory for certifying vehicles for registration. In order to meet this requirement, 106 licenses have been granted to private enterprises to establish Fitness Testing Stations and Pollution Testing Stations. This is an addition to the available arrangements of fitness test by the Motor Vehicles Inspectors.
- The process of granting and renewal of permit, particularly on inter-state routes, has been speeded up by signing an inter-state transport agreement with Jharkhand and West Bengal. Similar negotiations are in progress for entering into inter-state transport agreements with other neighbouring states.
- Farmers using tractor/trailer for agricultural purpose have been provided with the scheme of one-time tax payment.

Keeping in view the phenomenal increase in the motor vehicles, all the important corridors in the state are to be upgraded as four lanes under NHDP, keeping in view the administrative, economic and tourists needs. The list of such roads is presented in Table 4.6.



**Table 4.6 : Important Corridors to be Upgraded**

Corridors	Length (kms)
Mohania-Sasaram-Aurangabad-Dobhi, Barhi under Golden Quadrilateral Part of Delhi-Calcutta Raod	205.7 (NH-2-GT Road)
Gopalganj-Muzaffarpur-Darbhangha-Araria-Kishanganj part of East West Corridor	513.3 (NH-28, 57)
Hajipur-Muzaffarpur-Sitamarhi-Sonbarsa	138.20 (NH-77)
Pipra Kothi-Motihari-Raxaul	67.00 (NH-28A)
Patna-Hajipur-Chhapra	80.00 (NH-19)
Ara-Buxar	74.00 (NH-84)
Patna-Gaya-Dobhi	125.00 (NH-83)
Bakhtiarpur-Mokama	255.00 (NH-31)
Mokamah-Munger	70.00 (NH-80)
Bakhtiarpur-Fatuha-Patna-Ara	100.80 (NH-30)
Chhapra-Gopalganj	92.00 (NH-85)
Forbesganj-Jogbani	13.00 (NH-57A)
Total	1734

Besides, the following important roads have been identified for four-laning :

- Bakhtiarpur-Biharsarif-Nawada-Rajauli
- Gaya-Bodhgaya-Rajgir-Nalanda-Biharsarif (under Buddhist Circuit Development Programme).
- Munger-Bhagalpur
- Bihta-Mahabalipur-Aurangabad

Bridges : During the rainy season most of the road networks in Bihar are submerged under water and get destroyed obstructing the regular flow of transport. This is one of the main reasons for the sluggish growth of the state. The Bihar State Bridge Construction Corporation is responsible for construction of bridges in the state. The Bihar Rajya Pul Nirman Nigam (BRPNN) was formed in 1975 as a state government company. Its main objectives are : (i) Construction of Bridges and Roads, (ii) Maintenance of Bridges; and (iii) Toll Collection.

The Corporation was working well initially, but in late nineties it almost became non-functional. In 2002-03, its net worth was reduced to Rs. (-) 13.17 crore and remained negative till 2005-06. However, from 2006-07, it showed an upward trend with net worth becoming Rs. 3.25 crore. The

profit after tax, which was almost negative upto 2004-05, became Rs. 5.34 crore in 2005-06 and doubled to Rs. 11.19 crore in 2006-07. In 2007-08 it set off all its accumulated loss and its profit is expected to increase to Rs. 23.00 crore with a total turnover of Rs. 410.00 crore. The details are given in Table 4.7.

**Table 4.7 : Fixed Assets, Turnover and Profit for BRPNN**

(Rs. crore)

Year	Fixed Assets	Net worth	Turnover (work execution)	Profit After Tax
2002-03	2.83	-13.17	17.99	-2.62
2003-04	2.62	-12.73	42.75	0.53
2004-05	2.43	-12.82	42.62	0.02
2005-06	2.44	-7.67	57.38	5.34
2006-07	3.80	3.25	95.88	11.19
2007-08 (Estimated)	7.20	23.25	410.00	23.00

Presently, there are 1055 bridges, small and big, on the state highways and 3049 on the major district roads. The Ganges flows through the state for about 400 kms, but it has only 4 bridges. For maintaining the connectivity, there is a need of a bridge at a distance of every 50 kms. on of the important rivers in the state. There is a proposal to construct 18 bridges on the important rivers of the state during the Eleventh Plan period at a total cost of Rs. 2810 crore. Besides, bridges are proposed to be constructed on smaller rivers too.

Since November, 2007, as many as 78 big bridges have been constructed by the Nigam under plan, non-plan and Rashtriya Sam Vikas Yojana. Presently, the Nigam is executing 517 schemes at a total cost of Rs. 1132 crore under the Chief Minister Bridge Construction programmes in the state. Out of these, the works on 169 bridges at a cost of Rs. 113.17 crore have been completed. At a total cost of Rs. 307 crore, 8 railway over-bridges are also under construction. Besides, 39 major road bridges for an amount of Rs. 352 crore have also been taken up. Thus, presently, the Nigam is executing schemes worth Rs. 2700 crore.

There is a target to complete 1844 schemes during the year 2008-09, under the *Mukhya Mantri Setu Nirman Yojana*. Out of these, 1319 bridges with a cost of upto Rs. 25 lakh are to be taken up by the district administration and the remaining 525 bridges by the Bihar State Bridge Construction Corporation. Based on the achievements in the last two years, the *Bihar Rajya Pul*

*Nirman Nigam* may be termed as a success story. The *Nigam*, with an increase in its professional efficiency, is expected to play a major role in development of infrastructure.

### **4.3 Bihar Police Building Construction Corporation**

The Bihar Police Building Construction Corporation was established in 1974 by the state government to cater to various needs of the Police department. The Corporation was able to construct a number of police buildings, including a few most prestigious ones. After remaining dormant for several years, the Corporation was revived on April 04, 2007. To inject further vitality into the organization, the state government has sanctioned adequate schemes and provided required funds for their execution. In addition, the responsibility of maintenance of the police buildings was also vested with the Bihar Police Building Construction Corporation.

The state government has provided Rs. 89.67 crore for the construction of new police stations and other buildings, including residential accommodation, and also for the repair and maintenance of old buildings. In addition, the Corporation has been entrusted with the task of constructing one Model Police Station in each district, each with an estimated cost of Rs. 1.28 crore.

In order to carry out the responsibility efficiently, the Corporation management has made a series of efforts to enhance its technical capacity on one hand and to streamline the general administration as well as financial administration on the other. Till date, 40 additional Junior Engineers have been appointed on contractual basis and have been posted in each district of the state to look after the construction work. Also, in order to ensure better coordination with the district police administration and to achieve impeccable quality of police buildings, the offices of Junior Engineers and Assistant Engineers have been located in the respective District Police Offices, thereby bringing the grassroot technical wing of the Corporation directly under the command and control of the district police administration. As a result of efficient financial management, a number of old pending financial demands of the employees of the Corporation have been met.

During 2008-09, the construction of new buildings for 36 Rural Police Stations (Grade-III), 9 Urban Police Stations (Grade-IV), 34 Model Police Stations, augmenting the infrastructure facilities in training centres, 600 residential units for various staff, construction of office of Senior

Superintendent of Police, Patna and that of the new Police Training College at Rajgir in near future will go a long way in creating substantial housing infrastructure for the state Police (details of schemes given in Appendix IV). The income and expenditure of the Corporation for 2007-08 and 2008-09 are presented in Table 4.8.

**Table 4.8 : Expenditure and Income of the Bihar Police Building construction Corporation**

Particulars	(Rs. in lakh)		
	2007-08 (Actual)	2008-09 (Estimated)	2009-10 (Expected)
Total Expenditure of the Corporation	3,98.86	7,58.00	15,25.00
Total Income of the Corporation	3,90.85	8,55.92	19,75.00
Operational Income	55.65	3,05.92	11,25.00
Non-Operational Income	3,35.20	5,50.00	8,50.00

#### 4.4 Energy Sector

The energy sector in India has exhibited impressive expansion and development since 1951. However, in Bihar, this sector remained far behind the national average in respect of all the indicators including per capita consumption of power.

Installed Capacity : India as a whole has an installed capacity of 1.46 lakh MW, of which thermal power constitutes around 64 percent and hydroelectric power about 25 percent. Besides, wind/renewable energy and nuclear power plants are also there, though with a very low installed capacity. As compared to the all India scenario, Bihar presents a very dismal picture (Table 4.9). With a total installed capacity of only 592 MW in the state, the thermal power plants have the major share (91 percent) in capacity. The hydro and renewable energy constituted a negligible proportion each (8 percent and 1 percent respectively).

**Table 4.9 : Installed Capacity of Power in India and Bihar (2008)**

	Installed capacity (MW)				
	Hydro	Thermal	Nuclear	Renewable Energy	Total
India	36347.7	92892.6	4120	12194.5	145555
Bihar	47.1	540	–	5.0	592.1

The details of the installed capacity of hydro and thermal power is presented in Table 4.10.

**Table 4.10 : Installed Capacity of Power Station in Bihar**

Name of Power Station	Installed Capacity (MW)	Agency
<b>Hydro</b>		BSHPC*
Kosi (4 x 4.8)	19.2	BSHPC
Sone E & W Canal (2 x 1.65 + 4 x 1.65)	9.9	BSHPC
East Gandak Canal (3 x 5)	15	BSHPC
Agnoor	1.0	BSHPC
Dhelabagh	1.0	BSHPC
Nasariganj	1.0	BSHPC
<b>Hydro Total</b>	<b>47.1</b>	
<b>Thermal</b>		
Barauni (2 x 50 + 2 x 110)	320	BSEB
Muzaffarpur (2 x 110)	220	BSEB**
<b>Thermal Total</b>	<b>540</b>	

\* BSEB transferred the project to BSHPC on 16<sup>th</sup> November 2003.

\*\* Now transferred to new JV Kanti Bijlee Utpadan Nigam Ltd. (KBUNL)

Source : Report of special task force on Bihar Power Sector, Government of India, 2007

Bihar's Share in Central Sector Power Stations : Consequent upon the bifurcation of the erstwhile state of Bihar, 70 percent of the generating capacity was transferred to Jharkhand, leaving 70 percent load with present Bihar. The state is now left with only 2 thermal power stations at Barauni and Muzaffarpur, which are in a dilapidated condition and generates almost no power. Therefore, Bihar is entirely dependent on the centre for its power requirement. As shown in Table 4.11, around 25 percent of the capacity of 8 central power stations is made available Bihar.

**Table 4.11 : Power from Central Power Stations for Bihar**

Name of Stations	Capacity (MW)	Bihar's share	
		MW	Percentage
Farakka STPS	1600	393.92	24.62
Talcher STPS	1000	370.00	37.00
Kahalgaon STPS-I	840	190.76	22.71
Kahalgaon STPS-II	500	33.35	6.67
Tala HPS	1020	260.10	25.50
Chukha HPS	270	80.00	29.63
Rangit HPS	60	21.00	35.00
Teesta HPS	510	108.38	21.25
<b>Total</b>	<b>5800</b>	<b>1457.51</b>	<b>25.13</b>

Source : Bihar State Electricity Board (BSEB)

There is severe power shortage in the state and only 41 percent of its villages and 10 percent of the households are electrified. The peak availability is about 950 MW, causing a peak shortfall of 550 MW, which results in widespread shortage in supply to all categories of consumers. As mentioned above, Bihar has only 592 MW of installed capacity, of which 540 MW is thermal and the remaining 47 MW is hydel and 5 MW is renewable energy. However, generation from its own thermal power stations is negligible, and most of the power requirement is met by purchases from the central generating plants.

The annual per capita consumption of electricity in Bihar is only 76 units, as against a national average of 612 units in 2005 (Table 4.12). The National Electricity Policy aims to increase the average annual per capita consumption to 1,000 units by 2012. This is sought to be achieved by increasing generation to remove peak electricity shortfalls, as well as implementation of the Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY). Under RGGVY, the aim is to electrify all villages by 2009 with the help of central government grants.

**Table 4.12 : Consumption of Power in Bihar and India (2005)**

	India	Bihar
Villages electrified (%)	84	41
Household electrification (%)	55.8	10.3
Per Capita consumption (units)	612	76

Supply of Energy : Though the supply position from various sources has improved over the years, there still remains a substantial energy shortage in the state. In 2006-07, the shortage was 1049 MU (11.49 percent) and it stepped upto 1471 MU (15.31 percent) in the next year. The situation in 2008-09 is expected to remain unaltered (Table 4.13).

**Table 4.13 : Supply-Consumption Pattern of Energy in Bihar**

Energy in (MU)

Drawal / Consumption	2006-07	2007-08	2008-09 (up to Oct' 08)
Drawal from Central Sector	8051.511	8004.186	4812.94
BSEB Generation after Aux. Consumption	26.593	114.353	28.563
KBUNL Generation to BSEB	00.00	20.711	66.851
Sugar Mill to BSEB	00.00	2.315	2.895
Demand Met	8078.104	8141.565	4911.248
Energy Requirement	9126.900	9613.000	NA
Energy Shortage	1048.796	1471.435	NA
Energy shortage (Percentage)	11.49	15.31	—

Source : Bihar State Electricity Board (BSEB)

During 2004-05, there were over 22.5 lakh consumers of different categories. Out of these, the major category was domestic consumers (17.3 lakh) and commercial consumers (2.7 lakh). The details of remaining categories of consumers are presented in Table 4.14.

**Table 4.14 : Statement Showing Categorywise Number of Consumers**

Category of consumers	Number of consumers as on 31st March					
	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05
Domestic or residential	1600631	1735982	1319096	1465290	1519806	1733195
Commercial	326423	336942	245241	243430	255705	266672
Industrial						
(a) Low and Medium Voltage	88434	91216	70207	62879	62440	68098
(b) High Voltage	1710	1778	810	855	870	861
Traction	16	16	7	12	12	12
Irrigation	274671	276953	251180	172086	172141	17498
Public Water Works and Sewage pumping	1391	1449	1187	1199	1208	1203
Public Lighting	6108	6108	4069	1478	1480	1500
Supplies in bulk to distributing licensees	1	1	1	1	1	1
<b>Total</b>	<b>2299385</b>	<b>2450445</b>	<b>1891798</b>	<b>1947230</b>	<b>2013663</b>	<b>2246522</b>

**Rural Electrification** : There are 39,015 villages in the state, out of which 20,503 villages were electrified upto 2006. This reveals that a little more than 50 percent villages were electrified in

2006 as against only 41 percent in 2005. Again, out of 38 districts in the state, 9 districts do not have a single electrified village. The Bihar Renewable Energy Development Authority (BREDA), apart from being responsible for renewable energy based power in Bihar, has been made the nodal agency for the rural electrification in the state. It will take up rural electrification work in those villages which are not easily inaccessible. The preparatory survey work of such villages has started. The selected villages and households will be provided access to electricity under the Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) of the central government.

Energy Requirement Forecasts : The Special Task Force on Bihar's Power Sector of the central government in its report in 2007 has made energy requirement forecasts upto the year 2021-22 (Table 4.15). It clearly indicates the widening gap between the peak load and energy requirement. These forecasts warrant an emphasis on increasing the peak load to more than six times by the year 2021-22 so as to equal the energy requirement.

**Table 4.15 : Energy Requirement : Forecasts**

Year	Peak Load (MW)	Energy Requirement (MU)
2006-07	1570	9629
2007-08	1842	11194
2008-09	2177	12874
2009-10	2575	14886
2010-11	3046	17213
2011-12	3607	19905
2016-17	5598	32857
2021-22	9567	58248

Source : Report of the Special Task Force on Bihar's Power Sector; GOI, 2007

Transmission System : The supply of electricity in Bihar by the BSEB is organised through its seven area boards. With a view to strengthen the sub-transmission and distribution system, a comprehensive scheme has been formulated to be implemented in phases as presented in Tables 4.16 and 4.17.



**Table 4.16 : Implementation of Bihar Sub-Transmission Scheme in Phases**

Phase	Approved Estimated Cost (Rs. Crore)	Works status	Implementation by agency	Remarks
Phase-I	552.00	Construction of 18 Nos. of Sub station with associated transmission lines.	PGCIL	Completed
Phase-II				
Part-I	629.22 (Original) 1005.72 (Revised)	<b>PGCIL portion</b> Construction of 9 no GSS with associated transmission lines, re-conductoring of old lines, augmentation of 22 nos GSS and stringing of second circuit etc – to be done by PGCIL.	PGCIL	Work under execution.
		<b>BSEB portion</b> Spillover work of Begusarai GSS. Begusarai – Purnea line and Renovation and Modernization of 8 no. GSS <b>by BSEB</b> – Work under execution at Begusarai GSS and R&M of 04 No. GSS. – Tender under finalisation of Begusarai Purnea line and GSS. – Tender re-invited for R&M of 04. no. GSS.	BSEB	Work under execution
Part-II	1240.86	<b>Sanctioned under Part-II of Phase-II</b>		Under implementation
		<b>PGCIL Portion.</b> Completion of 16 no. GSS with associated transmission lines, augmentation of 12 no. GSS etc.	PGCIL	Work awarded initial activity started
		<b>BSEB Portion.</b> Spillover work of Hajipur GSS, Restoration of Over Head Ganga Crossing etc.	BSEB	Tender invited. Tender under process.

**Table 4.17 : Financial Status of Sub-Transmission Scheme as on December 31, 2007**

Description	Amounts (Rs. crore)		
	Phase-I	Phase-II Part-I	Phase-II Part-II
Total Sanctioned Project Cost	552.40	1005.72	1240.86
Fund Received	552.40	409.66	
Payment Released to Agency	442.00	393.00	
Available fund	110.40	16.66	

Future Power Generation : The state government is concerned about the existing poor power position in the state and is making new efforts to ameliorate the situation. The BSEB and BSHPC has proposed to set up 2 thermal power plants and 6 hydro plants with a total installed capacity of 4146 MW. The details of proposed power projects in the state are presented in Table 4.18.

**Table 4.18 : New Proposed Power Plants**

Name of Project	Installed Capacity (MW)	Agency
<b>Hydro</b>		
Indrapuri Reservoir	450	BSHPC
Telhar Kund PSS	400	BSHPC
Sinafdar PSS	345	BSHPC
Panchghotia PSS	225	BSHPC
Hathiadah-Durgawati PSS	1600	BSHPC
Dagmara Barrage	126	BSHPC
<b>Sub Total</b>	<b>3146</b>	
<b>Thermal</b>		
Barauni Extention	500	BSEB
Muzaffarpur Extention	500	BSEB
<b>Sub Total</b>	<b>1000</b>	
<b>Total</b>	<b>4146</b>	

Under the joint venture of BSEB and NTPC, a new power plant is being installed at Nabinagar in the district of Aurangabad. Again, three thermal power stations are proposed to be set up under public and private sector at Chausa in Buxar, Kajra in Lakhisarai and Pirpainti in Bhagalpur. A nuclear power plant with a capacity of 2800 MW is also planned at Rajauli, for which the central government has already been requested (Appendix V).

During the Eleventh Plan, the peak demand for electricity is expected to surge as Bihar is a major beneficiary of the RGGVY scheme which will give new villages and households access to electricity. The industrial demand for power is also expected to increase substantially in the wake of the state government's new Industrial Policy, 2006. The Electricity Act, 2003 and the National Electricity Policy provide an enabling framework for the power sector at the national level. In order to realise the objectives of the Eleventh Plan, the state government has also adopted a state-

level power policy, keeping in mind its specific requirements. The state has also begun the process of unbundling state electricity services for improving the functioning of the BSEBs.

Renewable Energy Sources : The generation of renewable energy has a significant role in Bihar, especially in the biomass and small hydro section. Given the predominantly agrarian nature of the economy, such energy is both sustainable and economically viable in Bihar. Further, since both the plateau and riverine belts in Bihar have sufficient wind speeds, the state is also suitable for wind power generation. The potential for wind energy in Bihar is shortly to be taken up for assessment under the sanction of the Ministry of Non-Conventional Energy Sources. To encourage local private participation in renewable power generation projects, the incentives are being worked out. These projects may also include solid waste management projects and decentralized distribution generation (DDG).

#### Power Reforms

In the power sector, the state government is planning a number of reforms. In particular, this includes :

- (i) To augment generation and distribution by encouraging private investment.
- (ii) To bring down Average Transmission and Commercial losses (AT&C) by 5 percent p.a. in the next five years.
- (iii) To stop cross-subsidy and recover costs
- (iv) To reorganise SEB into 8 companies. The Power Finance Corporation has appointed consultants for the proposed reorganization.
- (v) State Regulatory Commission is in place and application has been filed for tariff revision.
- (vi) To appointment franchisee in all 11 KV distribution lines is to be completed for improving customer services and boosting revenue collection. Already 31 such lines have been handed over to private parties for maintenance, minor repairs, fuse calls, billing and revenue collection and revenue has increased substantially in most of them and in some nearly by 100 percent.

## 4.5 Irrigation

Bihar's economy is primarily agricultural and, therefore, irrigation assumes great significance for its overall growth. Though the state lies in a humid zone with annual rainfall of around 1200 mm which is sufficient for kharif crops, its occurrence and spread are highly erratic and seasonal in character. Therefore, in order to save agriculture from the uncertainties of monsoon and facilitate multi-cropping, assured irrigation becomes a sine qua non for agricultural development. Against this backdrop, it becomes imperative to assess the ultimate irrigation potential existing in the state. Taking both the surface and groundwater sources, the ultimate irrigation potential of the state is estimated at 103 lakh hectares, which works out to 7.34 percent of India's 140 million hectares. Thus, the state has enough of irrigation potential to take care of a situation where the cropping intensity increases to 200 percent from the present 143 percent.

Bihar has a total irrigation capacity of 98.38 lakh hectares, of which 53.53 lakh hectares are under major and medium irrigation and 49.56 lakh hectares are under minor irrigation. The sourcewise irrigated area under different sources is presented in Table 4.19. From the table, it may be discerned

**Table 4.19 : Sourcewise Irrigated Area**

( '000 hectares)

Year	Major / Medium	Minor Irrigation					Total
		Canal surface M.I	Tank (including Ahar & Pyne system)	Tube well (Private & State)	Other Well (irrigation Well)	Other Sources (L.I. & Barge L.I)	
2000-01	1211.55	29.22	332.56	2310.06	145.84	3.26	2820.93
2001-02	1082.03	23.25	332.56	2308.71	145.79	3.56	2813.87
2002-03	1150.12	28.69	332.56	2474.77	145.79	3.20	2985.00
2003-04	1170.36	34.88	332.56	2650.38	145.79	1.95	3165.56
2004-05	1043.47	17.56	431.21	2664.00	121.01	6.23	3240.01
2005-06	998.30	19.86	332.56	2643.21	145.79	28.23	3169.65
2006-07	1086.79	29.34	332.56	2710.60	145.79	23.33	3241.52
2007-08	1155.79	29.80	332.56	2701.19	145.79	15.12	3224.45
2008-09	1263.43	Not updated, Final figure will be possible in April, 2009					

Explanation :

Canal Surface M.I. : Schemes of Weirs, Sluiceways, Dams of M.I. Sector

Tank including Ahars & Pynes : Irrigation Tanks, Ahar & Pyne (Traditional Irrigation system under M.I. sector.

Tubewell : It includes both State Tubewells beyond 70 m. depth having (150 mm. x 200 mm.) diameter and private tubewells having upto 70 m. depth and 100 mm. diameter.

Other sources : It includes mostly surface Lift Irrigation Schemes with lifting arrangement on floating barges, stationary pump houses or stationary river pump sets.

that, while more than half the area gets irrigation through minor sources, around 98 percent of minor irrigation is through tubewells. Since state tubewells are less in number, it is the private tubewells which are very important as an irrigation source in Bihar. In 2006-07, 5130 state tubewells were operation, out of a total of 5556 state tubewells. Again, out of a total of 10.97 lakh private tubewells, 9.55 lakh were operational. It is also observed from the above table that the the area under major/medium sources of irrigation has fluctuated much over the years. Among the different components of minor irrigation, it is the area irrigated thorough tubewells that has registered a steady increase over the years.

Interlinking of Rivers : The state suffers from the endemic problem of both floods and drought at the same time. While the entire north Bihar is prone to recurrent floods, southern portion is prone to acute droughts. Keeping these menaces in view, interlinking of rivers has been identified as a viable initiative for proper water management in the state. An Expert Committee constituted by the state government has recommended that the state should opt for intra-state linking of rivers, rather than the inter-state part of the scheme.

In the light of the recommendations of the Expert Committee, 4 schemes have been identified in the flood sector and 9 in the irrigation sector by the state government and more are in the process of identification. The state government is planning to conduct the feasibility studies of the identified schemes of intra-state linking of rivers during the first half of Eleventh Plan period. After prioritising the schemes, their implementation will commence as an important component of the Eleventh Plan. The support of the central government will be sought for implementation of the scheme.

Accelerated Irrigation Benefit Programme (AIBP) : The central government has brought significant changes in its Accelerated Irrigation Benefit Programme (AIBP) initiated in 1996-97. Under this programme, the loans given to the state governments is being treated as grant with effect from 2007-08. The list of schemes taken up under the programme so far alongwith their status presented in Table 4.20.

**Table 4.20 : Status of AIBP Schemes in Bihar**

Name of Projects	Year of Inclusion	Status
Western Kosi Canal Project	1996-97	Under Progress
Upper Kiul Reservoir Project	1996-97	Completed
Durgawati Reservoir Project	1996-97	Pending due to Forest Clearance
Orni Reservoir Project	1997-98	Completed
Bilasi Reservoir Project	1997-98	Completed
Bansagar Reservoir Project	1997-98	Execution Under M.P. Government
Sone Canal Modernization Project	1998-99	Under Progress
Batane Reservoir Project	2000-01	Under Progress
Punpun Barrage Project	2007-08	Under Progress

As may be observed, out of the above nine projects, three projects, namely, Bilasi Reservoir Project, Upper Kiul Reservoir Project and Orni Reservoir Project have been completed and the remaining six projects are under different stages of execution. The details of expenditure for on-going projects under execution in Bihar under AIBP are presented in Table 4.21. It is discerned from the table above that, under these six projects, around 1973 thousand hectares of irrigation potential has been created by the end of 2007-08.

**Table 4.21 : Details of Expenditure of On-going Projects under AIBP**

(Rs. crore)

Name of the Project	Total Estimated Cost / year	CLA received upto 3/2008	Exp. on works upto 3/2008	Target date of completion	Ultimate Irrigation Potential	Potential Created upto 3/2008 in thousand hect.
W Kosi Canal Project	1383.02/06	212.968	627.78	June, 09	234.80	150.000
Durgawati Res Project	529.38/02	65.09	268.115	March, 09	36.317	16.020
Sone Canal Mod. Project	745.54/05	163.749	498.209	Dec., 08	906.412	890.000
Batane Res. Project	63.00/04	3.335	66.501	March, 09	9.870	7.380
Punpun Barrage Project	199.41/05	11.25	38.97	March, 09	13.680	Nil
Bansagar Res. Project (State Share)	263.74/98	83.500	219.562	—	Stabilization of 909.41 thousand hect. of Sone Canal	

Minor Irrigation : To meet the irrigation needs, about 1.65 thousand hectare of additional potential will be created and 4 lakh hectares of lost potential will be restored through minor irrigation schemes. Such schemes will also include renovation and restoration of Ahars and Pynes, which are traditional methods of irrigation. Under the Bharat Nirman Programme, the irrigation potential of 80 thousand hectares will be added by completing surface schemes under RIDF (Phase XII) through repair, renovation and restoration during the first two years of the Eleventh Plan period. An additional 85,000 hectares of potential will be created under minor irrigation scheme during the next three years of the Plan. Under RSVY, about 8000 Ahars and Pynes will be repaired and renovated, thereby restoring about 4 lakh hectare of lost potential.

The ultimate potential of groundwater resources for irrigation is 48.57 lakh hectares, of which 29 lakh hectares of potential has been created by 2006-07. Similarly, out of the irrigation potential of 15.44 lakh hectare under surface scheme including Ahars and Pynes, 7.27 lakh hectares potential has already been created. As may be seen from Table 4.22, out of a total minor irrigation potential of 64.01 lakh hectares, a potential of 36.26 lakh hectares has been realized and 31.70 lakh hectares have been utilised.

**Table 4.22 : Potential and Utilisation of Minor Irrigation in Bihar (Area lakh hectare)**

<b>Minor Irrigation Potential in Bihar</b>	
Surface schemes including traditional ahar and pynes	15.44
Groundwater utilisation schemes of open wells, shallow tube wells, deep tube wells	48.57
<b>Total</b>	<b>64.01</b>
<b>Minor Irrigation Potential Realised</b>	
Groundwater schemes	28.99
Surface water schemes	7.27
<b>Total</b>	<b>36.26</b>
<b>Irrigation Potential Utilised</b>	
Surface water including lift and barge schemes	0.49
Surface water ahar, pynes and traditional system	3.32
State Tubewells	0.25
Private tubewells and irrigation wells	27.64
<b>Total</b>	<b>31.70</b>

Participatory Irrigation Management (PIM) : There is a growing acceptance of the fact that the maintenance and management of the irrigation system should be transferred to the beneficiaries themselves. The National Water Policy also subscribes to this view. The state government has made significant progress in this direction by transferring the operation, maintenance and upkeep of 32 distributaries aggregating a total command area of 1,10,549 hectares, to Water Users

Associations (WUAs) (Table 4.23). The overall strategy is to decentralise the delivery system of all the irrigation system to the WUAs by the end of the Eleventh Plan period.

**Table 4.23 : Progress on Transfer of Maintenance to WUAs**

Number of systems transferred to WUA	32
Number of farmers societies registered	07
Number of societies who have applied for registration	38
Number of societies whose applications are being formalised	15
Number of societies in the process of being formed	518

#### 4.6 Airways

Practically, airways in Bihar are yet to develop. Patna, being the capital of the state, is on the air route from Delhi to Kolkata. It is also connected with Mumbai by air. Regular air services from Patna are also available for Ranchi and Lucknow. Among the districts, Gaya has also an international airport connecting Bangkok for facilitating the visit of foreign tourists to Bodh Gaya. Other district headquarters, except the newly created ones, have airstrips with landing facilities for small aircrafts.

Besides Indian Airlines, Jetlite, Kingfisher and Jet Airways also operate from Patna airport. During 2008, Indian Airlines ferried 1.23 lakh passengers to and from Patna, generating a revenue of Rs. 21.85 crore. The Kingfisher, which operates only on Patna-Delhi and Patna-Kolkata sectors, had a passenger traffic of 40 thousand, whereas Jetlite operating on four sectors, had a little over 27 thousand passengers during the period. Jet Airways operated only on Patna – Delhi sector and reported only 17.4 thousand passengers. The details are presented in Table 4.24. In order to attract tourists and investors to Bihar, it is necessary to develop the airports so that different airways may introduce their flights in various sectors with better connectivity.

**Table 4.24 : Air Passenger Traffic from Patna (January – December, 2008)**

Traffic	Indian Airlines	Jetlite	Kingfisher	Jet
<b>Passenger Traffic (No.)</b>				
Patna-Delhi Sector	51967	14222	28273	17352
Delhi-Patna Sector	65098	-	-	-
Patna-Bombay Sector	2637	9682	-	-
Patna-Kolkata Sector	-	-	11757	-
Patna-Lucknow Sector	-	599	-	-
Patna-Ranchi Sector	3390	2519	-	-
<b>Revenue Generation (Rs. Crore)</b>				
Patna-Delhi Sector	21.85	-	-	-



#### 4.7 Telecommunication

In the field of telecommunication, there are various players — BSNL, Reliance, Bharti Airtel, ABTL (IDEA), Vodaphone Essar and Dishnet wireless. The total number of GSM subscribers in November 2008 registered a phenomenal increase to 1.24 crore, compared to only 9.70 lakh subscribers in 2004-05. Among different operators, Bharati Airtel reported the highest number of subscribers (64.19 lakh). Among the major operators, each with more than 2 lakh subscribers, the growth in number of subscribers was the highest for Bharti Airtel and the lowest for BSNL (Table 4.25).

**Table 4.25 : GSM Subscribers in Bihar**

Operators	2004-05	2005-06	2006-07	2007-08	2008-09	CAGR (%) of (Base year) to 2007-08
Reliance Telecom	360755	510396	1120530	1719183	2471519	73
BSNL	405447	927557	1267858	1629977	2136482	57
Bharti Airtel	203782	907913	2302105	4335371	6419357	175
Dishnet Wireless	-	-	27080	664991	1162312	2356
ABTL (IDEA)	-	-	-	-	149037	-
Vodafone Essar	-	-	-	-	76349	-
<b>Total</b>	<b>969984</b>	<b>2345866</b>	<b>4717573</b>	<b>8349522</b>	<b>12415056</b>	<b>105</b>

As regards revenue collection, among the reporting operators, Bharti Airtel showed the highest collection in 2007-08 which was an account of more number of subscribers. Bharti Airtel also reported a little more than 100 percent growth between 2006-07 and 2007-08 (Table 4.26).

**Table 4.26 : Companywise Revenue Collection in Bihar**

Operators	2006-07	2007-08	2008-09 (Upto September)	CAGR (%) of 2004-05 to 2007-08
Reliance Telecom	201.81	306.53	186.73	51.89
Bharti Airtel	509.33	1022.27	706.66	100.71
Dishnet Wireless	-	41.40	40.32	-
<b>Total</b>	<b>711.14</b>	<b>1370.20</b>	<b>933.71</b>	<b>92.68</b>

#### 4.8 Postal Facilities

Post offices have been playing the role of providing connectivity to the remotest places in rural areas. Upto March, 2008, there were as many as 9,057 post offices in the state, of which around 95 percent were in rural areas (Table 4.27). But the rural areas were mostly serviced by extra-departmental post offices (92 percent). Nearly all the post offices, either departmental or extra

departmental, were granted permanent status. There were only 6 night post offices and these were located in urban areas only. In all, around 25 thousand letter boxes were there in the state in 2008. Post boxes, numbering 911, were operating only from urban areas.

**Table 4.27 : Postal Facilities in Bihar**

Postal Facilities (Nos.) (As on 31.03.2008)	Urban	Rural	Total
Post Office	432	8625	9057
Departmental Post Office	397	646	1043
Extra Departmental Post Office	35	7979	8014
Permenant Post Office	411	8528	8939
Temporary/Experimental Post Office	23	92	115
Night Post Offices	6	0	6
Letter Boxes	2831	22129	24960
Post Boxes	911	0	911

Source : Chief Postmaster General, Bihar Circle

The total unregistered postal traffic in the state in the year 2007-08 was of the order of 9.54 crore; whereas the number of the registered articles were 23 lakh only (Table 4.28).

**Table 4.28 : Postal Traffic in Bihar**

	2006-07	2007-08
Total Unregistered Articles of Letter Mail	96725915	95877483
Total Registered Articles of Letter Mail	1939606	2308012

Source : Chief Postmaster General, Bihar Circle

Again, during the year 2007-08, there were 13.26 lakh accounts of different categories in the post offices of the state with the total deposited amount of Rs. 2,600 crore. The term and recurring deposits attracted the highest amount of Rs. 733 crore each, followed by Monthly Income Scheme having deposit of Rs. 522 crore (Table 4.29)

**Table 4.29 : Post Office Accounts in Bihar**

Category of Accounts	2007-08
Savings	165.31
Recurring Deposits	722.86
Term Deposits	733.76
Monthly Income Scheme	522.73
Public Provident Fund	32.84
Senior Citizen's Account	423.35
Total	2600.84

Source : Chief Postmaster General, Bihar Circle

## Appendix-I

### Statewise Road Density

Sl. No.	States / UTs	Total Road length (in Kms)	Population	Road density (Km. Per Lakh Population)
1	Andhra Pradesh	192057	75727541	253.6
2	Arunachal Pradesh	18362	1091117	1682.9
3	Assam	87173	26638407	327.2
4	Bihar	77478	82878796	93.5
5	Chhattisgarh	33858	20795956	162.8
6	Goa	9563	1343998	711.5
7	Gujarat	137384	50596992	271.5
8	Haryana	28158	21082989	133.6
9	Himachal Pradesh	29510	6077248	485.6
10	Jammu & Kashmir	23301	10069917	231.4
11	Jharkhand	10069	26909428	37.4
12	Karnataka	152453	52733958	289.1
13	Kerala	150495	31838619	472.7
14	Madhya Pradesh	162370	60385118	268.9
15	Maharashtra	261783	96752247	270.6
16	Manipur	11434	2388634	478.7
17	Meghalaya	9497	2306069	411.8
18	Mizoram	4970	891058	557.8
19	Nagaland	21021	1988636	1057.1
20	Orissa	236993	36706920	645.6
21	Punjab	61525	24289296	253.3
22	Rajasthan	142010	56473122	251.5
23	Sikkim	1992	540493	368.6
24	Tamilnadu	163111	62110839	262.6
25	Tripura	14031	3191168	439.7
26	Uttar Pradesh	247248	166052859	148.9
27	Uttaranchal	31881	8479562	376.0
28	West Bengal	90245	80221171	112.5
29	A & N Islands	1183	356265	332.1
30	Chandigarh	2025	900914	224.8
31	D & N Haveli	564	220451	255.8
32	Daman & Diu	414	150859	261.9
33	Delhi	25785	13782976	187.1
34	Lakshadweep	141	60595	232.7
35	Pondicherry	2587	973829	265.7
	India	2442671	1027015247	237.8

**Appendix-II**  
**Districtwise Road Length**

Sl. No.	District	Length (Km)			
		NH	SH	MDR	Total
1	Banka	0.00	175.35	128.10	303.45
2	Bhagalpur	146.00	82.00	123.75	351.75
3	Jamui	0.00	220.00	142.55	362.55
4	Lakhisarai	45.21	58.84	31.79	135.83
5	Munger	38.57	35.00	45.20	118.77
6	Sheikhpura	12.00	52.90	87.25	152.15
7	Bhojpur	85.00	93.57	282.83	461.40
8	Kaimur	52.24	99.40	208.30	359.94
9	Buxar	55.00	80.15	99.67	234.82
10	Rohtas	145.24	234.80	369.70	749.74
11	Nalanda	177.07	157.00	167.95	502.02
12	Patna	394.90	151.36	368.56	914.82
13	Aurangabad	137.23	90.10	150.05	377.38
14	Gaya	119.50	226.80	256.72	603.02
15	Jehanabad & Arwal	134.23	42.40	177.70	354.33
16	Nawada	84.30	137.63	106.40	328.33
17	Begusarai	95.89	42.00	199.47	337.36
18	Madhubani	207.75	107.00	221.90	536.65
19	Darbhangha	49.00	202.06	276.10	527.16
20	Samastipur	65.51	132.00	316.80	514.31
21	Saran	180.50	117.70	203.94	502.14
22	Gopalganj	96.43	52.15	310.89	459.47
23	Vaishali	127.61	84.00	168.74	380.35
24	Siwan	54.00	125.40	208.51	387.91
25	West Champaran	112.00	47.20	305.95	465.15
26	East Champaran	94.00	95.60	285.68	475.28
27	Muzaffarpur	229.20	70.33	404.07	703.60
28	Sheohar	22.00	13.64	33.00	68.64
29	Sitamarhi	102.00	50.42	199.20	351.62
30	Araria	85.00	112.00	267.16	464.16
31	Katihar	90.00	54.00	379.46	523.46
32	Kishanganj	0.00	78.60	412.30	490.90
33	Purnea	103.00	120.80	249.15	472.95
34	Khagaria	92.30	0.00	184.55	276.85
35	Madhepura	109.00	100.48	94.60	304.08
36	Supaul	133.00	181.54	474.87	789.41
37	Saharsa	59.70	43.00	213.69	316.39

Source : Road Construction Department, Bihar

## Appendix - III

### New Initiatives Taken by Department of Transport

1. All 38 districts Transport Offices and 9 RTA Offices are being computerized. Under the computerization plan driving license and vehicle registration are to be issued in Smart-card. This is being done on the software 'Vahan and Sarathi' developed by NIC. Presently the driving license based on Smart-card is being issued by the District Transport Office, Patna since May 2008 on pilot basis. Now this will be implemented in other district also. The Central Ministry of Road Transport & Highways has agreed to supply computer hardware amounting to nearly Rs. 6.00 crore for computerisation of District Transport Offices. Government of Bihar has provided Rs. 3.70 crore for computerisation.
2. To promote Inland Water Transport, RITES has been appointed as consultant to survey Kosi, Gandak, and Sone rivers in order to make them navigable.
3. Transport Department has plans to build building for the District Transport Offices in all the districts. The Transport Department intends to develop District Transport Office as a transport public service complex under the PPP model. Infrastructure Development Authority has been requested to prepare the plan and implement the scheme for the new DTO buildings and service complexes.
4. Integrated check-post are being built at six entry points in the State. Each check-post will have 4 to 6 weigh-bridges. This will facilitate transport department to enforce motor vehicle rules and check overloading. In addition, the Transport Department is also installing 3 to 4 weight-bridges at different points at major cross roads.
5. Transport Department has taken initiative to strengthen the RTAs/STAs to rationalise of tax structure and to strengthen the enforcement mechanism. For this purpose, the department is collaborating with Administrative Reforms Mission on following works–
  - (i) Tax reforms/ rationalisation in transport sector in Bihar-Policy Document.
  - (ii) Suggesting appropriate regulatory framework for strengthening/ restructuring RTAs/ STAs and devising a framework for route allocation and technology interventions- First Phase Report : Patna & Gaya RTAs.
  - (iii) Restructuring/ strengthening of enforcement framework of Transport Department.

**Appendix IV**

**Details of Schemes – Under Execution by the Corporation**

Schemes against fund received				No. of Schemes to be taken up against the fund to be received	Remarks
Sl. No.	Name of Schemes	Target	Taken up		
1	2	3	4	5	6
1.	Model P.S.	34	34		
2.	Grade IV P.S.	09	08		
3.	Grade III P.S.	36	35		
4.	District Communication Centre	31	30		
5.	District Control Room	40	39		
6.	State Plan 07-08	69	65		
7.	Training works	27	27		
8.	L.S.Qr (Lower Subordinate Quarter)	1452	1190	98	
9.	U..S.Qr (Upper Subordinate Quarter)	622	450	28	
10.	Mahila Police Barrack	24	23	-	
11.	Community Toilets	-	-	21	
12.					
13.	New Buildings			4	
14.	Repairs			7	
15.	RCC roof with Column			16	
16.	Barrack with toilet			37	
17.	Water supply system			24	
18.	Solar light			24	
19.	Compound wall			2	
20.	Safety by Solar Light System			1	

**Appendix-V**

**Upcoming Power Projects of Bihar**

Place	Capacity	Agency
<b>(A) Under Public Sector</b>		
BSEB (i) Extension of BTPS, District – Begusarai	2 x 250 MW	BSEB
(ii) Extension of MTPS, Kanti, District-Muzaffarpur	2 x 250 MW	BSEB
<b>(B) Under Joint Venture</b>		
(i) Installation of new Power Plant under JV of GOB / BSEB & NTPC at Nabinagar, District – Aurangabad	3 x 660 MW	BSEB
<b>(C) Under Private / Public Sector through tariff based bidding</b>		
(i) Buxar Thermal Power Station at Chausa, District-Buxar	2 x 660 MW	BSEB
(ii) Lakhisarai Thermal Power Station at Kajra, District-Lakhisarai	3 x 660 MW	BSEB
(iii) Pirpainti Thermal Power Station at Pirpainti, District-Bhagalpur	2 x 660 MW	BSEB
<b>(D) Under PP through MOU signed</b>		
(i) M/s Jas Infrastructure Capital Pvt. Ltd., Patna at Banka, Bhagalpur	3 x 660 MW	BSEB
(ii) M/s Vikas Metal and Power Ltd., Kolkata, at Begusarai	500 MW	BSEB
(iii) M/s Nalanda Power Company Ltd., Kolkata, at Pirpainti, Bhagalpur	2000 MW	BSEB
(iv) M/s Adhunik Power and Natural Resources Ltd., Kolkata, at Pirpainti	1000 MW	BSEB
<b>(E) Approved by SIPB</b>		
(i) M/s Subhas Project & Marketing Ltd., Kolkata at Lakhisarai	1200 MW	BSEB
(ii) M/s IL & FS, New Delhi, at Motipur Block, Muzaffarpur	500 MW	BSEB
(iii) M/s India Power Corporation Ltd., Kolkata, place not identified	1650 MW	BSEB
(iv) M/s Triton Energy Ltd., Gurgaon, Haryana, at Nabinagar, Aurangabad	1320 MW	BSEB
(v) M/s Krishak Bharti Co-operative Ltd., New-Delhi (place not identified)	1320 MW	BSEB
(vi) M/s Cement Manufacturing Company, Ltd., Kolkata (place not identified)	500 MW	BSEB
<b>(F) Nuclear Power Project</b>		
(i) NPCIL has been requested for installation of Nuclear Power Plant at Rajauli	4 x 700 MW	BSEB

\* BSEB has also initiated to procure 1200 MW power through competitive based bidding process under case-I as per guidelines of MOP, GOI vide resolution dated 19-01-2005



## **CHAPTER V**

### **SOCIAL SECTORS**

In terms of human development, as measured by the Planning Commission in its National Human Development Report, 2001, Bihar was at the lowest position among the major states in India in 1981, 1991 and 2001. The same pattern is repeated in its ranking with respect to Per Capita Income. It must be noted that in the period since 1999, while India's per capita GDP has increased very fast, its international ranking in HDI has slipped from 115 in 1999 (Human Development Report 2001) to 128 in 2005 (Human Development Report 2007/2008). Thus, the quality of human life in the country as a whole compared to the rest of the world has not improved in the period of accelerated economic growth. The annual growth rate of Bihar's per capita income has been 3.77 percent in the last ten years. In Bihar, the twin challenges of economic growth and human development are further accentuated by its high poverty ratios and low per capita income. However, the rate of decline of poverty has been higher in Bihar compared to the national average. In the following sections, a detailed overview of developments in social sector in Bihar has been presented, emphasizing its various aspects like literacy and education, demography and health, labour, employment and poverty, rural development and interventions for oppressed and marginalised groups.

#### **5.1 Literacy and Education**

##### Literacy

The overall literacy rate in India in 2001 was 65.4 percent while in Bihar it was 47.0 percent. The female literacy rate in Bihar in 2001 was much lower at 33.6 percent, as against a national average of 54.2 percent. The female literacy rate is the single most crucial indicator of social development of a region. For example, compared to the national average, Bhojpur and Rohtas are relatively high on the literacy indicator with literacy rates at 59.0 and 61.3 percent respectively (Table 5.1). However, the female literacy rates in the two districts are 41.8 percent and 45.7 percent respectively, as compared to the national average of 54.2 percent. Thus, the gender gap in literacy in these two districts are the highest at 32.5 percent and 29.6 percent respectively. The distance from the national average in female literacy was 23 percentage points in Bihar. Patna is the only district in Bihar where 50 percent of the female population is literate. In Kishanganj, less than 20

percent of the women are literate. The male literacy rate is also the lowest in Kishanganj. There is a 24 percentage point difference in literacy between males and females in Kishanganj. Sheohar and Madhepura have the lowest literacy rate among SCs at 16.9 and 17.1 percent respectively, while the highest literacy rate for SC is in Munger (42.6 percent).

**Table 5.1 : Districtwise Literacy Rates in Bihar (2001)**

District	Overall			Scheduled Castes			Schedu- led Tribe	General	Gender Gap SC
	Total	Male	Female	Total	Male	Female			
Araria	35.00	46.40	22.40	18.90	21.20	7.10	21.90	24.00	18.20
Aurangabad	57.00	71.10	41.90	35.70	39.10	15.80	49.70	29.20	23.30
Banka	42.70	55.30	28.70	27.60	31.20	10.90	22.20	26.60	20.30
Begusarai	48.00	59.10	35.60	31.40	33.40	14.50	78.60	23.50	18.90
Bhagalpur	49.50	59.20	38.10	33.70	35.30	15.90	37.20	21.10	19.40
Bhojpur	59.00	74.30	41.80	39.10	43.80	16.20	46.70	32.50	27.60
Buxar	56.80	71.90	39.90	37.90	43.70	13.60	44.60	32.00	30.10
Darbhanga	44.30	56.70	30.80	24.70	27.60	9.90	49.50	25.90	17.70
Gaya	50.40	63.30	36.70	26.30	28.80	11.60	49.10	26.60	17.20
Gopalganj	47.50	63.00	32.20	32.10	36.60	13.60	37.80	30.80	23.00
Jamui	42.40	57.10	26.30	24.50	28.30	10.00	26.70	30.80	18.30
Jehanabad	55.30	70.10	39.40	32.60	36.50	13.60	32.40	30.70	22.90
Kaimur	55.10	69.70	38.80	40.50	43.90	16.90	38.60	30.90	27.00
Katihar	35.10	45.30	23.80	26.30	28.30	11.70	24.20	21.50	16.60
Khagaria	41.30	51.80	29.40	24.20	25.70	10.20	46.70	22.40	15.50
Kishanganj	31.10	42.70	18.60	28.20	31.00	11.90	15.30	24.10	19.10
Lakhisarai	48.00	60.70	34.00	26.30	29.50	11.40	12.90	26.70	18.10
Madhepura	36.10	48.80	22.10	17.10	19.40	5.80	33.60	26.70	13.60
Madhubani	42.00	56.80	26.30	22.20	26.10	7.50	35.80	30.50	18.60
Munger	59.50	69.90	47.40	42.60	43.60	23.30	37.30	22.50	20.30
Muzaffarpur	48.00	59.10	35.80	28.90	30.50	14.00	50.40	23.30	16.50
Nalanda	53.20	66.40	38.60	29.40	32.80	11.80	29.80	27.80	21.00
Nawada	46.80	60.60	32.20	22.40	25.90	8.60	20.50	28.40	17.30
W. Champaran	38.90	51.10	25.20	22.30	25.80	7.90	24.10	25.90	17.90
Patna	62.90	73.30	50.80	38.60	40.30	19.40	68.70	22.50	20.90
E. Champaran	37.50	49.30	24.30	20.60	23.60	7.40	34.30	25.00	16.20
Purnea	35.10	45.60	23.40	18.50	20.40	7.40	24.50	22.20	13.00
Rohtas	61.30	75.30	45.70	41.30	44.50	18.10	30.00	29.60	26.40
Saharsa	39.10	51.70	25.30	18.50	20.90	6.70	24.50	26.40	14.20
Samastipur	45.10	57.60	31.70	25.10	27.60	10.40	22.00	25.90	17.20
Saran	51.80	67.30	35.80	33.60	38.00	13.50	48.50	31.50	24.50
Sheikhpura	48.60	61.90	33.90	25.20	28.20	9.60	45.60	28.00	18.60
Sheohar	35.30	45.30	23.90	16.90	19.00	6.40	38.80	21.40	12.60
Sitamarhi	38.50	49.40	26.10	22.20	24.60	8.50	31.40	23.30	16.10
Siwan	51.60	67.30	36.90	35.60	39.30	15.90	44.00	30.40	23.40
Supaul	37.30	52.50	20.80	19.60	23.60	5.70	26.90	31.70	17.90
Vaishali	50.50	63.30	36.60	29.40	31.90	13.00	29.90	26.70	18.90

Table 5.1 also shows that, in all the districts of Bihar, the gender gap in literacy among SCs is lower than it is for the overall population. Historically, the SC population has been more concentrated in south Bihar. In the four districts of south Bihar where SC population is more than 20 percent of the total, the gender gap in literacy is much lower than the average for the district. The gender gap among the SC population is 11 percent in Nawada, 9 percent in Gaya and 6 percent in Aurangabad. In Darbhanga in north Bihar, the gender gap is also significantly lower at 8 percent. The overall gender gap is the highest in Bhojpur (the district with the highest proportion of literate males) at 32.5 percent and the lowest in Bhagalpur at 21.2 percent. Thus, an overall emphasis on female literacy at the district level to close the gender gap is warranted.

### Primary and Secondary Education

Table 5.2 shows the number of children enrolled in primary and upper primary schools in Bihar between 2003-04 and 2006-07. The overall enrolment at the primary and upper primary level has increased by 34.5 percent in this period. There has been a 41.5 percent increase in enrolment of children from SC communities and 80.7 percent increase for ST communities. The enrolment has significantly improved in upper primary level with an overall increase of 72.8 percent. For SCs, the enrolment in upper primary has increased by 97.4 percent while, for STs, it has increased by 126.0 percent. The districtwise patterns of enrolment are stated in Appendix I. Araria, Samastipur, Purnea, Bhojpur and Begusari have seen more than 50 percent overall increase in enrolment. All the districts, except Begusarai, have also seen more than 100 percent increase in SC enrolment in the corresponding period.

**Table 5.2 : Total Enrolment By Education Levels in Bihar**

		2003-04	2004-05	2005-06	2006-07	Percentage Increase in Four Years
All	Primary (I-V)	9732357	10917135	11233590	12527117	28.72
	Upper Primary (VI-VIII)	1482460	1936213	2163453	2562318	72.84
	Total (I-VIII)	11214817	12853348	13397043	15089435	34.55
SC	Primary (I- V)	1630643	1803005	1819098	2212091	35.66
	Upper Primary (VI-VIII)	170731	236506	250377	336970	97.37
	Total (I-VIII)	1801374	2039511	2069475	2549061	41.51
ST	Primary ( I-V)	129334	122421	149785	228181	76.43
	Upper Primary (VI-VIII)	12240	17037	22101	27666	126.03
	Total (I-VIII)	141574	139458	171886	255847	80.72

Table 5.3 shows the dropout rates at various levels of school education in Bihar in 2004-05 and 2005-06. The dropout rates in Bihar in primary education level have declined by 5 percentage points between 2004-05 and 2005-06. The decline has been higher in the case of boys, as compared to girls. However, at upper primary level, there was a very modest decline by just 1 percentage point. At the secondary level, the position has deteriorated with a marginal increase of dropout rate by 0.01 percent. Indeed, the enrolment figures from Table 5.2 for 2006-07 suggest a possibility of a larger decline in dropout rates in 2006-07.

**Table 5.3 : Dropout Rates at Primary, Upper Primary and Secondary Levels**

Year	Primary			Upper Primary	Secondary
	Total	Girls	Boys		
2004-05	51.59	48.62	53.37	74.69	83.06
2005-06	46.55	45.25	47.37	73.37	83.07

The state government has stepped up both its plan and non-plan expenditure in education as can be seen in Table 5.4. The expenditure on education has been in keeping with the Twelfth Finance Commission recommendations since 2005-06. The expenditure is close to 100 percent or more of both budget and targets.

**Table 5.4 : Expenditure on Education**

(Rs crore)

Year	Non-Plan			Plan		
	12th FC Target	Expenditure	Percent	Budget	Expenditure	Percent
2005-06	3822.65	3776.57	99	438.77	435.48	99
2006-07	4183.58	4189.71	100	594.00	587.74	99
2007-08	4581.02	-	100	300.44	300.44	100

### **Interventions in Primary and Secondary Education**

- For enrolment of 6-14 year olds among Mahadalit children and to ensure their regular attendance, *UTHAN KENDRA* scheme has been implemented in their hamlets.
- *Talimi Markaj* scheme has been started to ensure primary education for disadvantaged sections in the minority community with targeted teaching facilities in their hamlets/villages.
- *Unnayan* scheme has been commenced to start residential centres for primary education of 50 children rescued from child labour in each block
- Free textbooks have been distributed among children of Class I to VIII from most backward castes and minority communities.
- Free vocational training for girls between 10-16 years from minority background under *Hunar* to attract them to education.
- *Mukhya Mantri Balika Cycle Yojana* has been extended to aided schools including minority schools. 1.63 lakh girls came under the scheme in 2007-08.

### **Mid-Day Meal Scheme (MDMS)**

The Mid Day Meal Scheme, based on the child's right to enhancement of nutrition, educational advancement, social equity and hygiene and sanitation, has been an important intervention in both increasing enrolment and retaining students at the primary level. The MDMS was universalized in 2005 in Bihar covering all primary schools, including learning centres.

Table 5.5 shows the total coverage of children under MDMS at the primary level (Class I-V). The total number of children covered under MDMS at the primary level is 99.83 lakh. The total coverage is 72 percent, up from 60 percent in 2006-07, but there is high variation among the districts. Some of the low coverage districts are Sitamarhi and Supaul (25 percent each), Kaimur (26 percent), Purnea (29 percent) and Darbhanga (35 percent). The districts with 100 percent coverage are Gopalganj, Jamui, Munger, Nawada, Saharsa and Sheikhpura.

**Table 5.5 : Districtwise Coverage of MDMS (Class I-V ) (2008-09)**

District	Total Enrolment	No of Children Covered under MDMS	Coverage (Percentage)
Araria	386949	309559	80
Aurangabad	357841	258349	72
Banka	221394	218959	99
Begusarai	472643	254729	54
Bhagalpur	434422	416937	96
Bhojpur	389878	262363	67
Buxar	225681	187202	83
Darbhanga	750788	261397	35
E. Champaran	789410	681442	86
Gaya	550745	381951	69
Gopalganj	93034	93569	101
Jamui	282770	282770	100
Jehanabad	170063	133054	78
Jehanabad (Arwal)	104381	76593	73
Kaimur	223257	57900	26
Katihar	465566	283103	61
Khagaria	252450	289073	115
Kishanganj	236495	183596	78
Lakhisarai	118077	118077	100
Madhepura	281277	192132	68
Madhubani	588133	430470	73
Munger	146616	146616	100
Muzaffarpur	635214	600086	94
Nalanda	303178	242526	80
Nawada	270183	280916	104
Patna	559075	436563	78
Purnea	502555	147525	29
Rohtas	329926	290637	88
Saharsa	215914	215914	100
Samastipur	641639	483305	75
Saran	435439	347771	80
Sheikhpura	87925	87925	100
Sheohar	102547	43762	43
Sitamarhi	378276	92775	25
Siwan	463359	385842	83
Supaul	371860	94583	25
Vaishali	529560	351482	66
W. Champaran	501570	361625	72
<b>Total</b>	<b>13870190</b>	<b>9983078</b>	<b>72</b>

The scheme has been now extended to the upper primary level in all the districts of Bihar. The implementation has been far more uniform at this level in the various districts (Table 5.6). The overall percentage of students covered under MDMS is 81 percent. The districts of Jamui,

Jehanabad and Muzaffarpur have 100 percent coverage. All other districts have a coverage of 80 percent, the only exception being Gaya which is at 76 percent.

**Table 5.6 : Districtwise Coverage of MDMS (Class VI-VIII) (2008-09)**

District	Total Enrolment	No of Children Covered under MDMS	Coverage (Percentage)
Araria	72161	57729	80
Aurangabad	115965	92772	80
Banka	60107	48086	80
Begusarai	108568	86854	80
Bhagalpur	93269	74615	80
Bhojpur	82873	66298	80
Buxar	69498	55598	80
Darbhanga	126252	101010	80
E. Champaran	214927	171942	80
Gaya	189827	143390	76
Gopalganj	136648	109318	80
Jamui	54255	54255	100
Jehanabad	41200	41200	100
Jehanabad (Arwal)	42968	42968	100
Kaimur	79951	63961	80
Katihar	96403	77122	80
Khagaria	63364	50691	80
Kishanganj	55989	44791	80
Lakhisarai	39459	31567	80
Madhepura	66709	53367	80
Madhubani	168580	134864	80
Munger	43561	34849	80
Muzaffarpur	130276	132764	102
Nalanda	124368	99494	80
Nawada	125158	100126	80
Patna	126942	101554	80
Purnea	100540	80432	80
Rohtas	104400	83520	80
Saharsa	113796	91037	80
Samastipur	169997	135998	80
Saran	231547	185238	80
Sekhpura	26049	20839	80
Sheohar	22413	17930	80
Sitamarhi	154867	123894	80
Siwan	181425	145140	80
Supaul	57826	46261	80
Vaishali	102233	81786	80
W. Champaran	85808	68646	80
<b>Total</b>	<b>3880189</b>	<b>3151907</b>	<b>81</b>

The funds sanctioned under MDMS increased from Rs 7.20 crore in 2006-07 to Rs 8.30 crore in 2007-08 under three major components – school level expenses, management and supervision, internal monitoring and evaluation, and external monitoring and evaluation. All funds sanctioned for MDMS in 2006-07 were utilized. In 2007-08, the funds under the various components of school level expenses, management and supervision, training, and internal monitoring and evaluation were utilised fully. However, an allocation of Rs 1.24 crores for external monitoring and evaluation could not be utilised leading to an overall utilization of 85 percent (Table 5.7).

**Table 5.7 : Fund Utilisation in MDMS**

School Level Expenses	2006-07			2007-08		
	Sanctioned (Rs. lakh)	Utilised (Rs. lakh)	Percentage of Utilisation	Sanctioned (Rs. lakh)	Utilised (Rs. lakh)	Percentage of Utilisation
Weighing Machines & Height Recorder	—	—	—	412.86	412.86	100
Replacement/Repair/Maintenance of cooking devices, utensils, weighing machines etc.	383.11	383.11	100	0	0	-
Management, Supervision, Training and Internal Monitoring & Evaluation						-
Staff salary including salaries for MIS coordinators and data entry operators	220.54	220.54	100	241.88	241.88	100
Transport & Contingencies	10.00	10.00	100	23.46	23.46	100
Other incidental expenses (inc.work related to State, Dsistrict & Block level SMCs)	3.25	3.25	100	0.00	0.00	-
Furniture, Computer Hardware and consumables and other incidental expenses	2.50	2.50	100	2.00	2.00	100
Capacity building and training of staff involved in MDM	12.16	12.16	100	21.66	21.66	100
Preparation of relevant manuals for training and capacity building	3.53	3.53	100	0.00	0.00	-
External Monitoring & Evaluation	82.91	82.91	100	123.86	0.00	0
<b>Total</b>	<b>717.99</b>	<b>717.99</b>	<b>100</b>	<b>825.72</b>	<b>701.86</b>	<b>85</b>



### Higher Education

With a Gross Enrolment Ratio (GER) in higher education at 6.71 percent in Bihar, it is well below the national average of 9.21 percent. While male GER is close to the national average, there is a huge gap once again in female GER between Bihar (3.50 percent) and the national average (7.65 percent). The low achievement for girl students accounts for Bihar's gap with respect to the national average.

**Total 5.8 : Gross Enrolment Ratio in Higher Education (18-24 Years)**

	Boys	Girls	Total
Bihar	9.50	3.50	6.70
India	10.60	7.70	9.20

Note : Figures includes enrolment in Polytechnics

In keeping with the state government's policy of affirmative action for marginalised and oppressed sections of society, reservation for various social groups are guaranteed in universities and colleges (Table 5.9). In addition to caste, community and gender based reservation, 3 percent of the seats are also reserved for the physically challenged within each category.

**Table 5.9 : Percentage of Reserved Seats for Various Social Groups in Universities and Colleges in Bihar**

Category	Percentage of Reserved Seats
Schedule Caste	10
Schedule Tribe	1
Economical Backward Class	16
Backward Class	12
Minorities(If any)	0
Women of Backward Classes	3

While there are 12 universities, one open university and 504 colleges and 11 research institutes in Bihar for higher education, it still lags behind in the number of medical colleges (23) and engineering and technical colleges (7) (Table 5.10). This is also reflected in the low proportion of enrolment in medical and engineering/technology courses (Table 5.11-5.13).

**Table 5.10 : Institutions of Higher Education in Bihar**

Type of Institution	Government
Universities	12
Open Universities	1
Research Institutes	11
Total Number of Colleges/Institute	504
Government	255
Private (Aided)	4
Private (Unaided)	245
Education/Teacher Training	15
Medical Colleges	23
Engineering/technical College	7
Others	63

**Table 5.11 : Coursewise Enrolment in Higher Education in Bihar**

Courses	Enrolment (in '000)			
	Ph.D / M.Phil	Post Graduate Degree Programmes	Bachelor Degree Programmes	Total
Arts				
Boys	896	14186	179151	194233
Girls	610	1272	31614	33496
Total	1506	15458	210765	227729
Commerce				
Boys		5748	81575	87323
Girls		778	19686	20464
Total		6526	101261	107787
Science/Computer Science/ Application				
Boys		10923	77076	87999
Girls		948	25510	26458
Total		11871	102586	114457
Engineering/ Technology				
Boys			5495	5495
Girls			881	881
Total			6376	6376
Medical				
Boys			5895	5895
Girls			3858	3858
Total			9753	9753
Education/Teacher Training				
Boys			7805	7805
Girls			1088	1088
Total			8893	8893
Others				
Boys			28891	28891
Girls			7151	7151
Total			36042	36042

**Table 5.12 : Coursewise Enrolment of SC Students in Higher Education in Bihar**

Courses	Enrolment (in '000)			
	Ph.D / M.Phil	Post Graduate Degree Programmes	Bachelor Degree Programmes	Total
Arts				
Boys	100	1998	18551	20649
Girls	5	114	1527	1646
Total	105	2112	20076	22293
Commerce				
Boys		465	13180	13645
Girls		75	995	1070
Total		540	14175	14715
Science/Computer Science/ Application				
Boys		1023	12073	13096
Girls		196	1458	1654
Total		1219	13531	14750
Engineering/ Technology				
Boys			697	697
Girls			112	112
Total			809	809
Medical				
Boys			748	748
Girls			491	491
Total			1239	1239
Education/ Teacher Training				
Boys			1303	1303
Girls			22	22
Total			1325	1325
Others				
Boys			3572	3572
Girls			935	935
Total			4507	4507

**Table 5.13 : Coursewise Enrolment of ST Students in Higher Education in Bihar**

Courses	Enrolment (in '000)			
	Ph.D / M.Phil	Post Graduate Degree Programmes	Bachelor Degree Programmes	Total
Arts				
Boys	14	10	1319	1343
Girls	5	1	692	698
Total	19	11	2011	2041
Commerce				
Boys		53	12	65
Girls		17	3	20
Total		70	15	85
Science/ Computer Science/ Application				
Boys		23	866	889
Girls		6	104	110
Total		29	970	999
Engineering/ Technology				
Boys			50	50
Girls			8	8
Total			58	58
Medicine				
Boys			54	54
Girls			35	35
Total			89	89
Education/ Teacher Training				
Boys			53	53
Girls			31	31
Total			84	84
Others				
Boys			279	279
Girls			89	89
Total			368	368

Table 5.11 to 5.13 show the coursewise enrolment status in higher education in Bihar. The enrolment of female SC students among all female students in general streams like arts, science and commerce is low at 5-6 percent; for males, it is much higher at 11-15 percent. Thus, the gender gap is very stark. In medical and engineering, however, the enrolments are the same for male and female SC students.

Among ST students, male and female enrolment in percentage terms are almost equal in all courses measured within the same population cohorts. In arts and commerce, the percentage of ST

males among all males is lower than the percentage of ST females among all females. Overall, the share of women in higher education is the highest in medicine (39.6 percent), but very low both in engineering (13.8 percent) and in general courses (between 15 and 20 percent). Education and teacher training is often assumed to be a 'feminine occupation'; however, female enrolment is the lowest in this stream at 12 percent.

### **Interventions in Higher Education**

- Classes have started for the first batch of 60 students for Chandragupta Management Institute.
- A bill to establish *Aryabhata Gyan Vishwavidyalaya* has been prepared of accreditation/affiliation and development of all technical and management institutes in the state.
- Upgradation of all medical colleges and teaching hospitals have been undertaken.

## **5.2 Demography and Health**

Bihar had a population of 83.0 million in 2001 implying a high population density of 880 persons per sq. km. Patna, Darbhanga and Vaishali are the most densely populated districts with density above 1300 while Kaimur and Jamui have a population density of less than 500. Of Bihar's total population, 89.5 per cent live in rural area, making the state the least urbanized among all the major states in India. Patna is the most urbanized district with a rural population of 58.4 percent. Munger comes next at 72.1 percent. All other districts have a rural population of over 80 percent, with 7 districts having a rural population of over 95 percent. The sex ratio in Bihar at 919 females per thousand males is slightly lower than the national ratio at 933, but the child sex ratio in Bihar is higher than the national average at 942. The sex ratio is the lowest in Munger (872), Patna (873) and Bhagalpur (876). It is the highest in Gopalganj (1001) and Siwan (1031), predominantly due to high proportion of male migration. The child sex ratio is lower than 920 in five districts – Saharsa, Munger, Darbhanga, Sheohar and Jehanabad, but it is more than 960 in 9 districts – Araria, Jamui, Gopalganj, Banka, Bhagalpur, Katihar, Purnea, Gaya and Nawada. Some of these districts are districts with high shares of religious minority and scheduled caste population. The total share of SC in the population is 15.7 percent. Nalanda, Vaishali, Kaimur, Aurangabad, Nawada and Gaya have more than 20 percent SC population, while the proportion is less than 10 percent in Kishanganj and Katihar. The share of religious minorities is more than 35 percent in Purnea, Araria, Katihar and Kishanganj while it is the lowest in Lakhisarai at 4.4

percent (Table 5.14). The detailed break up of districtwise population by religion is available in Table 5.34.

**Table 5.14 : Districtwise Demographic Profile of Bihar**

	Population	Density	Rural Population (%)	Sex Ratio	Child Sex Ratio	Schedule Caste of Population (%)	Schedule Tribe of Population (%)	Minority (%) of Population
<b>Bihar</b>	<b>82998509</b>	<b>880</b>	<b>89.5</b>	<b>919</b>	<b>942</b>	<b>15.7</b>	<b>0.9</b>	<b>16.6</b>
Araria	2158608	751	93.9	913	963	13.6	1.4	41.1
Aurangabad	2013055	607	91.6	934	943	23.5	0.1	9.7
Banka	1608773	533	96.5	908	965	12.4	4.7	11.8
Begusarai	2349366	1222	95.4	912	946	14.5	0.1	13.4
Bhagalpur	2423172	946	81.3	876	966	10.5	2.3	17.5
Bhojpur	2243144	903	86.1	902	940	15.3	0.4	7.3
Buxar	1402396	864	90.8	899	925	14.1	0.6	6.2
Darbhanga	3295789	1442	91.9	914	915	15.5	0.0	22.7
E. Champaran	3939773	991	93.6	897	937	13.0	0.1	19.2
Gaya	3473428	699	86.3	938	968	29.6	0.1	11.6
Gopalganj	2152638	1057	93.9	1001	964	12.4	0.3	17.1
Jamui	1398796	451	92.6	918	963	17.4	4.8	12.2
Jehanabad	1514315	963	92.6	929	917	18.9	0.1	8.2
Kaimur (Bhabhua)	1289074	382	96.8	902	940	22.2	2.8	9.5
Katihar	2392638	782	90.9	919	966	8.7	5.9	42.5
Khagaria	1280354	859	94.0	885	932	14.5	0.0	10.3
Kishanganj	1296348	687	90.0	936	947	6.6	3.6	67.6
Lakhisarai	802225	652	85.3	921	951	15.8	0.7	4.4
Madhepura	1526646	853	95.5	915	927	17.1	0.6	11.4
Madhubani	3575281	1020	96.5	942	939	13.5	0.0	17.9
Munger	1137797	800	72.1	872	914	13.3	1.6	7.9
Muzaffarpur	3746714	1180	90.7	920	928	15.9	0.1	15.3
Nalanda	2370528	1006	85.1	914	942	20.0	0.0	7.5
Nawada	1809696	726	92.6	946	978	24.1	0.1	11.3
Patna	4718592	1471	58.4	873	923	15.5	0.2	10.1
Purnea	2543942	787	91.3	915	967	12.3	4.4	36.8
Rohtas	2450748	636	86.7	909	951	18.1	1.0	10.1
Saharsha	1508182	885	91.7	910	912	16.1	0.3	14.4
Samastipur	3394793	1175	96.4	928	938	18.5	0.1	10.5
Saran	3248701	1231	90.8	966	949	12.0	0.2	10.4
Sheikhpura	525502	762	84.5	918	955	19.7	0.0	7.2
Sheohar	515961	1161	95.9	885	916	14.4	0.0	15.5
Sitamarhi	2682720	1214	94.3	892	924	11.8	0.1	21.2
Siwan	2714349	1221	94.5	1031	934	11.4	0.5	18.2
Supaul	1732578	724	94.9	920	925	14.8	0.3	17.4
Vaishali	2718421	1332	93.1	920	937	20.7	0.1	9.5
W. Champaran	3043466	582	89.8	901	953	14.3	1.5	21.2

**Table 5.15 : Work Participation Rates in Bihar**

District	All			SCs			STs		
	Person	Male	Female	Person	Male	Female	Person	Male	Female
<b>Bihar</b>	<b>32.9</b>	<b>46.3</b>	<b>18.4</b>	<b>38.2</b>	<b>47.5</b>	<b>28.2</b>	<b>45.2</b>	<b>52.9</b>	<b>36.9</b>
Araria	39.5	52.1	25.8	48.2	53.9	42.0	51.1	55.7	46.2
Aurangabad	0.0	0.0	0.0	39.1	48.0	29.6	41.0	51.8	29.0
Banka	39.6	49.9	28.2	42.5	50.7	33.7	48.6	54.7	42.1
Begusarai	31.8	46.2	15.9	35.5	47.0	23.0	27.6	41.9	10.4
Bhagalpur	35.3	47.4	21.4	38.4	47.5	28.0	40.8	48.5	32.1
Bhojpur	29.1	44.1	12.6	35.8	47.1	23.1	30.2	44.8	13.4
Buxar	29.1	44.6	11.9	35.1	46.6	22.3	31.3	46.6	13.2
Darbhanga	31.2	46.1	14.9	36.1	47.9	23.2	44.2	56.7	28.6
E. Champaran	32.7	48.8	14.7	38.3	50.9	24.3	37.5	52.1	21.5
Gaya	36.8	47.4	25.5	43.7	50.1	36.9	41.2	51.2	30.4
Gopalganj	29.8	44.6	15.1	36.5	46.6	26.1	36.0	47.5	25.2
Jamui	42.7	49.9	34.8	47.7	52.7	42.5	47.4	52.1	42.4
Jehanabad	38.4	48.1	27.9	44.8	50.3	38.9	61.0	67.6	53.3
Kaimur	34.4	46.6	20.7	39.3	47.0	30.8	42.6	51.8	32.6
Katihar	37.5	50.9	23.1	42.3	50.9	33.1	45.8	53.7	37.4
Khagaria	36.5	48.5	22.9	42.2	50.1	33.5	53.0	64.3	39.3
Kishanganj	32.2	52.7	10.2	36.6	53.0	19.1	50.0	60.0	39.6
Lakhisarai	36.5	48.6	23.3	44.9	51.5	37.8	49.6	53.9	44.9
Madhepura	44.8	51.7	37.3	49.6	52.6	46.5	51.6	53.4	49.7
Madhubani	34.3	47.8	20.1	39.6	49.8	28.7	30.6	47.4	12.7
Munger	29.1	42.9	13.4	34.0	44.7	21.9	39.1	48.7	29.0
Muzaffarpur	30.4	46.7	12.7	35.2	48.5	20.9	31.9	45.1	17.8
Nalanda	38.1	48.3	27.0	44.7	50.3	38.5	54.3	63.9	43.0
Nawada	37.3	48.1	25.8	0.0	0.0	0.0	48.0	54.4	41.0
Patna	30.2	44.9	13.3	37.6	47.4	26.5	46.1	58.1	29.5
Purnea	37.8	51.0	23.3	46.9	52.8	40.5	47.1	53.1	40.7
Rohtas	30.4	45.7	13.5	36.1	47.5	23.4	39.4	50.9	26.8
Saharsa	39.1	48.9	28.4	46.3	51.3	40.9	47.2	51.8	42.2
Samastipur	31.6	46.8	15.1	35.7	48.1	22.3	62.9	71.0	28.2
Saran	26.5	42.1	10.4	32.3	43.5	20.6	30.2	42.6	17.4
Sheikhpura	37.0	48.1	25.0	46.1	50.7	41.0	48.3	60.9	33.3
Sheohar	31.2	50.3	9.8	35.0	51.7	16.2	23.4	40.0	3.4
Sitamarhi	31.9	50.3	11.2	35.9	52.1	17.8	31.6	50.1	10.6
Siwan	26.9	41.5	12.8	32.8	42.6	23.0	30.2	42.2	18.3
Supaul	42.0	50.4	33.0	46.6	51.7	41.1	45.8	49.9	41.5
Vaishali	28.8	45.3	10.9	33.4	47.3	18.4	45.9	55.7	35.3
W. Champaran	37.9	50.8	23.6	44.8	53.5	35.3	46.3	53.7	38.5

The average rate of work participation is 32.9 percent for Bihar. Saran, Siwan, Vaishali, Buxar, Munger, Bhojpur and Gopalganj have Work Participation Ratio (WPR) below 30 percent. The WPR is higher than 40 percent in Supaul, Jamui and Madhepura and higher than 35 percent in another 14 districts. The SC population has much higher WPR of 38.2 percent with 17 districts

having higher than 45 percent WPR and only 3 below 35 percent. Among the ST population, WPR is much higher at 45.2 percent, with two districts above 60 percent and only two districts below 30 percent. There are 17 districts where WPR for ST is above 40 percent and another 5 where it is above 50 percent.

The gender gap is stark with the female WPR for the state at 18.4 percent while the male WPR is 46.3 percent. The gender gap is less among SCs with female WPR at 28.2 percent while the male WPR is at 47.5 percent. For STs, the gap is even less at 36.9 and 52.9 percent respectively. Thus, while the difference in WPR among men is much less, gap in women's WPR is much higher between the SC and ST communities and the rest of the population. In 20 districts, the female WPR is higher than 20 percent for the overall population. For SC women, WPR is less than 20 percent in only 4 districts. It is higher than 30 percent in 16 districts. The WPR for ST women is higher than 30 percent in 20 districts.

Thus Work Participation Ratio, like literacy, shows a profound gender bias in the general population as compared to SC and ST. While poverty is relevant as an explanation, it must be noted that since there is not such a wide variation for male WPR among different sections of the population, gender bias is a more important social issue in accounting for the differences in WPR.

### Health

Vaccination coverage increased in Bihar between 1998-99 and 2004-05, from 12 percent to 33 percent while there was only a 2 percent increase in the national average in the same period. Infant mortality in Bihar decreased from 72 to 68 per 1000 live births in the same period. This was mainly attributable to rise in institutional deliveries from 15 to 22 percent in the same period (Appendix VI and IX).

### Health Infrastructure

The status of health infrastructure in the state is summarised in Table 5.16. There are 11,107 health centres of all types in Bihar. Of these, 415 are rural Primary Health Centres (PHCs), 69 urban PHCs, 9588 sub-centres and 1035 Additional PHCs. For every lakh of population, there are 13 health centres. There are wide variations in coverage at the district level. While Khagaria has 153 health centres and Gopalganj has 89 centres for every lakh of population, Nawada has only 8. Apart from Gopalganj and Khagaria, no district has more than 19 centres for every lakh of population. While 28 districts have atleast one rural referral hospital, the remaining 10 have none. The total number of referral hospitals in the state is 70.



**Table 5.16 : Status of Health Infrastructure (as on December 2008)**

District	Population	No. of CHC		No. of Referral Hospital		No. of Sub. Div. Hosp.	No. of PHC		No. of Sub - Centre	Addition Primary Health Centre (APHC)	Total of PHC, APHCs and Sub-Centres	Health Centre Coverage Per lakh of population
		Rural	Urban	Rural	Urban		Rural	Urban				
Araria	2400000	0	0	1	2	1	7	2	425	23	457	19
Arwal	666942	0	0	0	0	0	5	0	64	21	90	13
Augangabad	2351819	0	0	3	0	0	10	1	212	57	280	12
Banka	2000000	0	0	2	1	1	1	9	265	15	290	15
Begusarai	2254573	0	0	2	0	0	18	0	288	27	333	15
Bhagalpur	2700000	0	0	0	2	1	11	2	280	41	334	12
Bhojpur	2233415	0	0	3	0	0	13	0	284	10	307	14
Buxar	1400000	0	0	0	1	1	7	1	162	15	185	13
Darbhanga	3600000	0	0	2	0	0	18	0	261	36	315	9
E. Champaran	4300000	0	0	3	0	0	19	1	315	46	381	9
Gaya	3800000	0	0	1	1	0	18	4	643	37	702	18
Gopalganj	250000	0	0	3	0	1	11	3	186	22	222	89
Jamui	1600000	0	0	2	1	1	5	1	166	22	194	12
Jehanabad	924000	0	0	1	1	0	5	2	81	27	115	12
Kaimur	1453379	0	0	3	0	1	9	1	197	19	226	16
Katihar	2690738	0	0	3	0	0	12	1	257	25	295	11
Khagaria	140000	0	0	1	0	0	6	1	193	14	214	153
Kishanganj	1584006	0	0	1	0	1	7	0	136	8	151	10
Lakhisarai	939776	0	0	1	0	1	3	1	102	12	118	13
Madhepura	1749637	0	0	0	0	0	6	1	196	17	220	13
Madhubani	4178606	0	0	2	0	1	18	0	429	57	504	12
Munger	1281149	0	0	1	0	0	7	2	123	8	140	11
Muzaffarpur	4148855	0	0	1	0	0	14	0	473	43	530	13
Nalanda	2368327	0	0	3	0	1	16	4	301	17	338	14
Nawada	2000000	0	0	2	0	0	13	1	125	21	160	8
Patna	5600000	0	0	4	0	3	19	4	418	60	501	9
Purnea	3000000	0	0	3	0	0	10	1	278	34	323	11
Rohtas	2700000	0	0	2	0	1	17	2	186	32	237	9
Saharsa	1427403	0	0	0	0	0	10	2	163	15	190	13
Samastipur	3700000	0	0	1	0	3	20	3	354	31	408	11
Saran	3700000	0	0	0	4	0	1	14	503	43	561	15
Sheikhpura	594144	0	0	0	1	1	6	0	73	16	95	16
Sheohar	600000	0	0	0	0	1	3	0	34	17	54	9
Sitamarhi	2669887	0	0	1	0	0	13	1	213	38	265	10
Siwan	2552994	2	0	0	0	0	14	1	316	24	355	14
Supaul	1900000	0	0	1	1	1	11	0	178	19	208	11
Vaishali	2531766	0	0	0	0	1	16	1	339	36	392	15
W. Champaran	3300000	0	0	2	0	1	16	2	369	30	417	13
<b>Total</b>	<b>87291416</b>	<b>2</b>	<b>0</b>	<b>55</b>	<b>15</b>	<b>23</b>	<b>415</b>	<b>69</b>	<b>9588</b>	<b>1035</b>	<b>11107</b>	<b>13</b>

### Human Resource

There are 4643 regular and 2369 contractual posts sanctioned for doctors in the state. At present, 58.4 percent of the regular 58.8 percent of the contractual posts have been filled up. The power to transfer doctors has been delegated to the District Magistrate. 5 doctors are in position and working for every lakh of population in the state. There are districtwise differences in availability of doctors. While 49 doctors are available per lakh of population in Khagaria and 38 in Gopalganj, there is only 1 doctor available per lakh population in Arwal. Except for Khagaria and Gopalganj, no district has more than 18 doctors per lakh of population (Appendix II).

The situation is even more acute for staff nurses. There are only 2 Grade A staff nurses in position and working for every lakh of population. For such nurses, 57.1 percent of the regular 26.4 percent of the contractual posts have been filled up. While 41 Grade A nurses is working for every lakh of population in Khagaria, the corresponding figure is less than one for Buxar, West Champaran and Sheohar. Except for Khagaria, no district has more than 8 Grade A nurses per lakh of population (Appendix III).

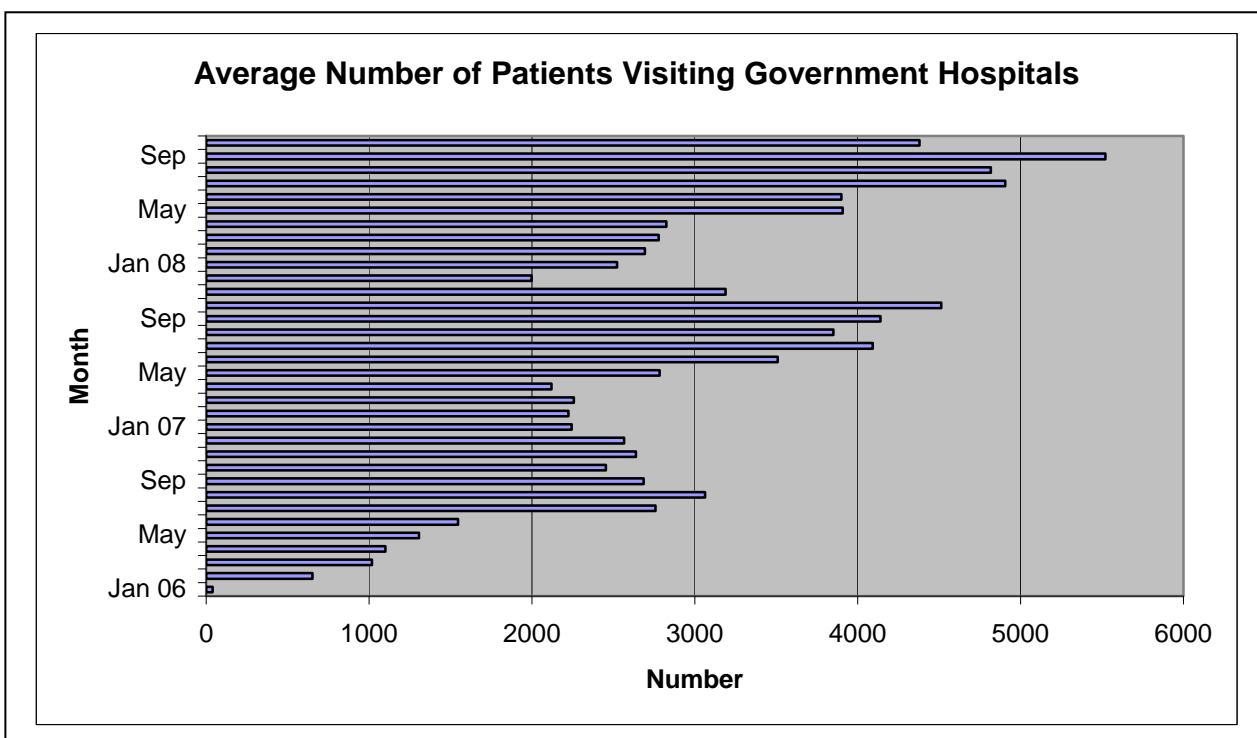
The same pattern is replete in the availability of ANMs. There are 11251 regular and 10946 contractual posts sanctioned for ANMs in the state and 86.4 percent of the regular 41.7 percent of the contractual posts have been filled up. There are 16 ANMs working for every lakh of population in the state. Except for Khagaria and Gopalganj, no district has more than 29 ANMs per lakh of population (Appendix IV).

The appointment of ASHA workers have been much closer to target. About 92 percent of the 74350 positions have been filled and 87 percent of the workers have been trained. While 806 ASHAs, out of whom 747 are trained, are available per lakh of population in Gopalganj, the corresponding figures are 715 and 691 respectively for Khagaria. Less than 137 ASHAs are posted in other districts for every lakh of population (Appendix V).

#### **Interventions in Health Service Delivery**

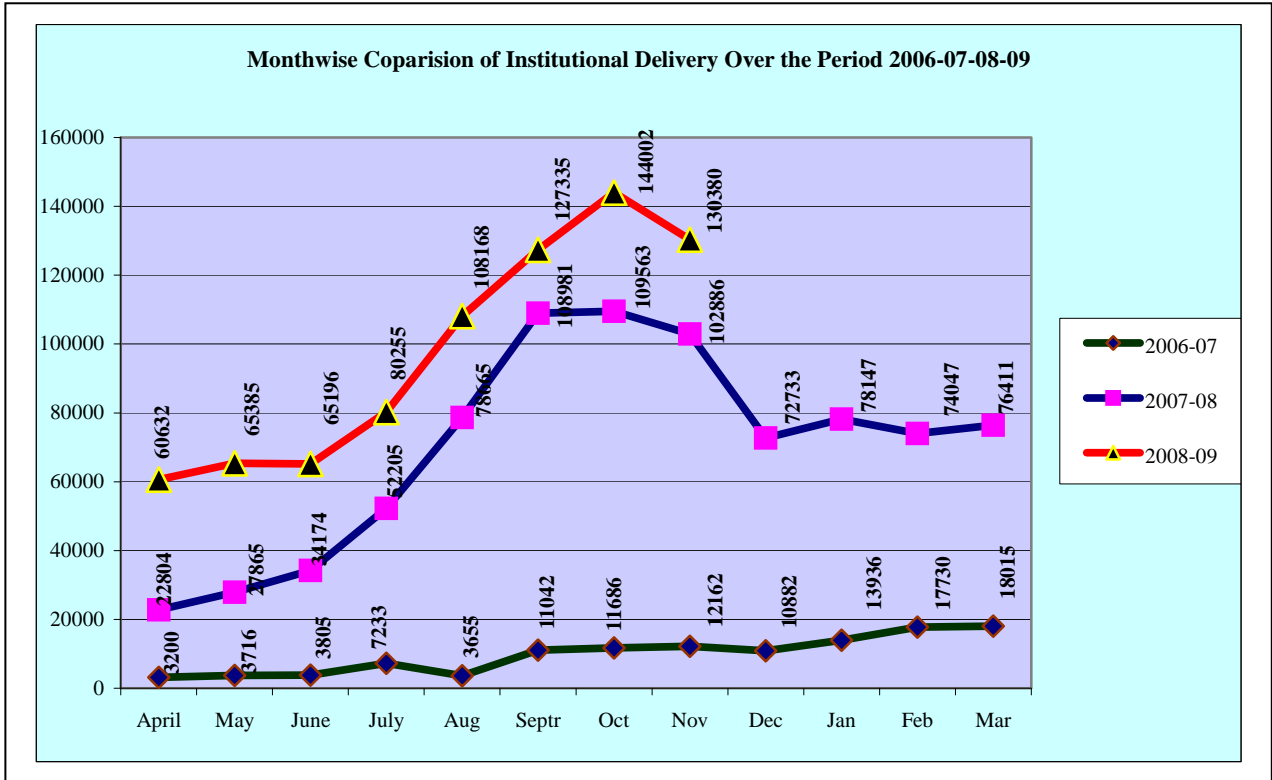
- Involving Private Sector in Support Services for cleaning, pathological and radiological services.
- Free Drug Distribution and Indoor Treatment
- Speeding up appointments of medical and other staff in the health service
- Recruitment and training of ASHAs

The reforms in the health sector in Bihar since November 2005 have begun to be reflected in the outcome figures. Earlier, there were low turnouts at Out Patient Departments (OPD) in rural Bihar, 95 percent of patients going to private doctors for treatment. In January 2006, only 39 patients visited government hospitals per day. In January 2007, the figure went upto 2243 and further increased to 2522 in January 2008. In October, 2008, the corresponding figure was as high as 4380.



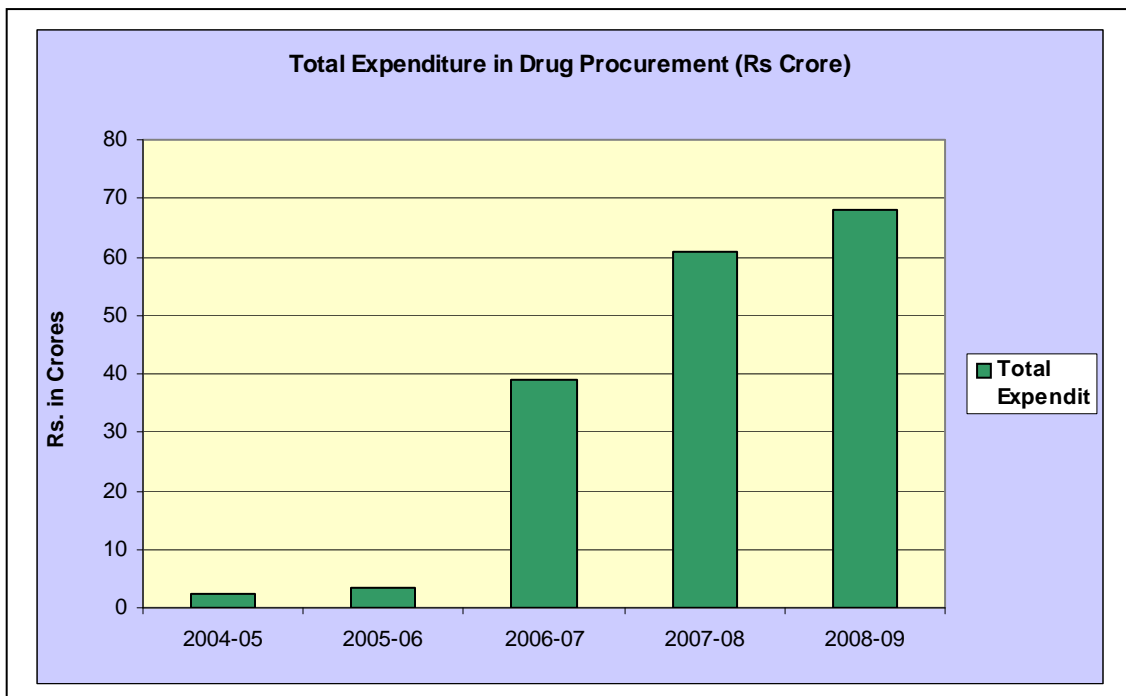
#### Janani Evam Bal Suraksha Yojana (JBSY)

Janani Evam Bal Suraksha Yojana was launched on July 1, 2006. The number of institutional deliveries went up very rapidly and is estimated to be approximately 8,38,481 in 2007-08. The monthwise progress since 2006 in number of institutional deliveries is phenomenal (Chart 4.2). The districtwise monthly figures of institutional deliveries are provided in Appendix VI. The payments of Rs 1400 in rural areas and Rs 1000 in urban areas to mothers of neonatals availing institutional delivery have acted as a strong incentive.



Free Drug Distribution

Free drug distribution has been stepped up since 2005-06. The expenditure on procurement of drugs for free distribution went up from Rs 3.5 crore in 2005-06 to Rs 68 crore in 2008-09.



### Fund Utilization

The total funds allocated for health to the State Health Society increased from Rs 398.22 crore in 2005-06 to Rs 889.21 crore in 2008-09. Out of this, the actual release went up from Rs 124.33 crore in 2005-06 to Rs 351.17 crore. The utilisation against receipts has gone up from 31 percent in 2005-06 to 57 percent in 2007-08. It must be noted that for the first three quarters of 2008-09, utilization has already reached 62.9 percent. Although the utilization against approved budget is low, it has improved from 9.7 percent in 2005-06 to 34.9 percent in 2007-08.

**Table 5.17 : Financial Overview of Health Expenditure**

(Rs crore)

Year	Approved Budget	Fund Received		Total Received	Total Expenditure	Percentage Utilization against Receipts	Percentage Utilization against Approved Budget
		GOI (NRHM)	GOB				
2005-06	398.22	124.33	-	124.33	38.62	31.1	9.7
2006-07	571.42	328.75	51.84	380.59	92.14	24.2	16.1
2007-08	680.70	240.20	175.37	415.57	237.80	57.2	34.9
2008-09	889.21	350.48	0.69	351.17	220.92	62.9	24.8
Total	2539.55	1043.76	227.9	1271.66	589.48	46.4	23.2

### Integrated Child Development Scheme (ICDS)

The ICDS programme is unique because of its integrated approach to early childhood development. It provides improved childcare, early stimulation and learning, health and nutrition, water and environmental sanitation. It is a targeted programme for young children, and expectant and nursing mothers, which is implemented through trained community-based Anganwadi workers and helpers, and supportive community structures. The ICDS encompasses interventions in Health (Immunisation, Health Check-ups, Referral Services and Treatment of minor illness), Nutrition (Supplementary feeding, Growth monitoring and promotion, Nutrition and Health Education) and Education (Early Childhood Care and Pre-School Education) for children in the age-group 3-6 years. This is done through a five point programme:

- Improve the nutritional and health status of children below the age of six years.
- Lay the foundation for the proper psychological, physical and social development of the child.
- Reduce the incidence of mortality, morbidity, malnutrition and school dropouts.
- Achieve effective coordination of policy and implementation among various departments to promote child development.
- Enhance the capability of the mother to look after the normal health and nutritional needs of the child, through proper health and nutrition education.

**Table 5.18 : ICDS – Districtwise Projects**

District	No. of ICDS Project		District	No. of ICDS Project	
	Sanctioned	Operational		Sanctioned	Operational
Patna	23	23	Darbanga	19	19
Nalanda	20	20	Madhubani	21	21
Rohatas	20	20	Samastipur	21	21
Kaimur	11	11	Saharsa	10	10
Buxar	10	10	Supaul	11	11
Bhojpur	15	15	Madhepura	13	13
Gaya	25	25	Purnea	15	15
Jahanabad	7	7	Araria	9	9
Arwal	5	5	Kishanganj	7	7
Nawada	14	14	Katihar	15	15
Aurandabad	11	11	Bhagalpur	17	17
Saran	21	21	Banka	11	11
Siwan	19	19	Munger	10	10
Gopalganj	14	14	Sheikhpura	6	6
Muzaffarpur	17	17	Lakhisarai	6	6
Sitamarhi	18	18	Jamui	10	10
Sheohar	5	5	Bagusarai	18	18
W. Champaran	17	17	Khagaria	7	7
E. Champaran	29	29	Total	544	544
Vaishali	17	17			

By 2007-08, 544 ICDS projects were operational in Bihar covering all development blocks in all 38 districts (Table 5.18). In 2008-09, 5440 Anganwadi Centres (AWCs) and an equal number of mini-AWCs were added. A total of 86237 AWCs are now operational in Bihar (Table 5.19).

**Table 5.19 : ICDS – Number of Projects**

Year	No. of Projects	No. of AWCs	No. of Mini AWCs
2005-06	532	60153	—
2006-07	5	19516	—
2007-08	7	1128	—
2008-09	0	5440	5440
Total	544	86237	5440

**Table 5.20 : ICDS – Staffing Position**

Posts	Sanction Strength	Actual Strength	Vacant
CDPO	544	485	59
Lady Supervisor	3288	274	3014
Anganwadi Worker	80797	80211	586
Anganwadi Helper	80797	80211	586

The actual number of Anganwadi workers and helpers is 99.3 percent of the sanctioned posts (Table 5.19). Thus, at the level of the AWCs, the staffing is adequate. The shortage of supervisory personnel reported in last year's survey has been addressed through appointment of Child Development Project Officers or CDPOs (the executive officers at the project level in the block). The actual strength as a percentage for sanctioned strength has increased from 33.8 percent in 2006-07 to 89.2 percent. However, with just 8.3 percent of the 3288 sanctioned posts for Lady Supervisors filled, there is still shortage of supervisory staff.

**Table 5.21 ICDS — Resource Utilisation**

Items	2004-05	2005-06	2006-07	2007-08
Total Budget for ICDS Bihar (Rs Lakhs)	23874.2	43268.3	60130.1	78785.6
Total Amount of Funds Released to Bihar (Rs Lakhs)	15524.4	18393.3	36931	72619.4
Total Expenditure Reported by Bihar (Rs Lakhs)	14234.4	36238.6	40729.5	60688.9
Fund Released as Percentage of Budget	65	42.5	61.4	92.17
Expenditure as Percentage of Fund Released	91.7	197	110.3	82.57
Expenditure as Percentage of Budget	59.6	83.8	67.7	77.03

Both resource allocation and utilization has increased in ICDS Bihar (Table 5.21). The total budget has increased from Rs 238.74 crore in 2004-05 to Rs 787.85 crore in 2007-08. Breaking from the earlier pattern of low share of actual fund release, 92 percent of the budgeted funds were released in 2007-08 compared to a little over half in previous years. The expenditure as percentage of budget has increased to 77 percent in 2007-08 from 68 percent in 2006-07. Thus, both overall allocation and utilization has increased in 2007-08 as compared to previous years. In keeping with importance accorded to ICDS, the state government has constituted a separate Directorate for ICDS.

### Public Health

Water supply and sanitation are an integral part of public health. According to a survey done by the state government in 2003-04, out of the total habitations of 1,05,303 in the state, 32,911 had been fully covered for potable water supply and sanitation, 44,930 had been partially covered (PC)

and 27,462 were not covered (NC) at all. The districtwise annual progress in coverage from 2006-07 to November 2008, is provided in Table 5.22.

**Table 5.22 : Districtwise Coverage Achieved for NC and PC Habitations**

Name of District	2006-07			2007-08			2008-09 (Upto November 2008)			Total Covered		
	NC	PC	Total	NC	PC	Total	NC	PC	Total	NC	PC	Total
Patna	160	134	294	0	0	0	102	300	402	262	434	696
Nalanda	184	184	368	3	29	32	170	240	410	357	453	810
Gaya	790	419	1209	19	0	19	420	205	625	1229	624	1853
Jehanaba/ Arwal	48	194	242	0	13	13	33	167	200	81	374	455
Nawada	52	134	186	5	24	29	63	153	216	120	311	431
Aurangabad	173	157	330	25	25	50	130	126	256	328	308	636
Rohtas	150	132	282	0	0	0	108	202	310	258	334	592
Kaimur	181	60	241	23	54	77	20	150	170	224	264	488
Bhojpur	70	53	123	0	0	0	22	268	290	92	321	413
Buxar	198	30	228	121	30	151	250	54	304	569	114	683
Muzaffarpur	362	198	560	34	317	351	124	131	255	520	646	1166
Vaishali	60	103	163	10	7	17	305	348	653	375	458	833
Sitamarhi	109	305	414	14	47	61	71	304	375	194	656	850
Sheohar	0	73	73	0	0	0	0	50	50	0	123	123
Saran	276	261	537	5	21	26	78	560	638	359	842	1201
Siwan	216	94	310	395	176	571	377	82	459	988	352	1340
Gopalganj	674	654	1328	342	610	952	6	465	471	1022	1729	2751
E. Champaran	333	384	717	130	123	253	190	544	734	653	1051	1704
W. Champaran	0	43	43	0	0	0	0	248	248	0	291	291
Darbhanga	167	342	509	0	215	215	95	584	679	262	1141	1403
Samastipur	0	405	405	0	370	370	0	558	558	0	1333	1333
Begusarai	945	0	945	200	276	476	127	97	224	1272	373	1645
Madhubani	107	218	325	15	41	56	167	487	654	289	746	1035
Bhagalpur	372	161	533	139	84	223	212	164	376	723	409	1132
Banka	236	172	408	0	0	0	125	138	263	361	310	671
Mungher	0	22	22	0	0	0	0	73	73	0	95	95
Sheikhpura	0	35	35	0	0	0	0	46	46	0	81	81
Lakhisarai	125	65	190	29	22	51	160	34	194	314	121	435
Jamui	570	125	695	75	10	85	162	108	270	807	243	1050
Saharsa	0	599	599	0	147	147	0	310	310	0	1056	1056
Supaul	0	954	954	0	34	34	0	406	406	0	1394	1394
Khagaria	0	0	0	0	0	0	0	0	0	0	0	0
Madhepura	0	301	301	0	37	37	0	392	392	0	730	730
Purnea	853	208	1061	134	66	200	259	197	456	1246	471	1717
Kishanganj	200	90	290	804	459	1263	124	55	179	1128	604	1732
Araria	95	186	281	77	83	160	40	298	338	212	567	779
Katihar	55	174	229	4	25	29	28	203	231	87	402	489
Total	7761	7669	15430	2603	3345	5948	3968	8747	12715	14332	19761	34093



With 34,093 habitations covered till November 2008, the percentage of habitations under coverage have increased from 31.3 percent to 63.3 percent in the last three years.

### **Interventions in Public Health**

- *Lohia Swachchhata Yojana* has been launched for achieving 100 percent coverage.
- 50 burning ghats are being upgraded under Muktidham scheme.
- Increase in achievement of Birth and Death Registration targets (Appendix VIII)

### **5.3 Labour, Employment and Poverty**

Incidence of poverty has been very high in Bihar compared to the national average for decades. Estimates of poverty by the NSSO surveys, also establishes this point. The incidence of rural poverty in Bihar has come down from a level of 64.4 percent in 1983-84 to 45.7 percent in 2004-05 (Table 5.23). Urban poverty has declined from 47.3 percent to 34.6 percent during the same period. Nevertheless, the poverty ratio for 2004-05 is still quite high compared to the corresponding ratios at the national level — rural (28.3 percent) and urban (25.7 percent).

**Table 5.23 : Poverty Ratios in Bihar and India**

Sector	Year	Bihar	India
Rural	1983-84	64.4	45.7
	1987-88	52.6	39.1
	1993-94	58.2	37.3
	1999-00	44.3	27.1
	2004-05	42.1	28.3
Urban	1983-84	47.3	40.8
	1987-88	48.7	38.2
	1993-94	34.5	32.4
	1999-00	32.9	23.6
	2004-05	34.6	25.7
Combined	1983-84	62.2	44.5
	1987-88	52.1	38.9
	1993-94	55.0	36.0
	1999-00	42.6	26.1
	2004-05	41.4	27.5

Poverty as a basic deprivation of basic human needs is related to lives and livelihoods issues in many ways. The employment pattern of different social groups is an indicator of the link between livelihood issues and poverty. The Work Participation Ratio (WPR) is the highest among ST (45.2 percent), followed by SC (39.7 percent) while the overall WPR for the state is 33.7 percent (Appendix X).

The sectoral distribution of main workers further establishes that the share of agricultural labourers, whose lives are fraught with insecure and seasonal employment and landlessness, is very high among SC (77.6 percent) and ST (62.5 percent) compared to the state average (48 percent). While there is great inter-district variation in proportion of agricultural labourers for the entire population with a range between 32.5 percent in Jamui and 63.3 percent in Purnea, the proportion of SC agricultural labourers is uniformly high in all the districts (from 61 percent in Munger to 90.4 percent in Sheohar) with only 3 districts below 70 percent. The proportion of ST agricultural labourers show much wider variations due to the thin spread of the population in most districts. But it is over 70 percent in Saharsa, West Champaran, Araria, Purnea, Sitmarhi, Katihar and Kishanganj (Appendix XI).

The proportion of cultivators among various social groups is also further indicative of economic status. It is well known that less than 5 percent of the state's cultivators own more than 10 acres of land each. Most cultivators are small or marginal farmers. But even within this, the proportion of cultivators is very low for SC (7.9 percent) compared to the state average of 29.3 percent. For ST, the corresponding figure is 21.3 percent. Thus, landlessness is directly associated with SC status (Appendix XI). The same pattern can be seen in the broad classification of 'other workers'. The only exception is the household industry sector where the patterns are much less divergent, but this accounts for only 4 percent of main workers in the state (Appendix XI). Income generation and employment, food security and housing are integral to immediate basic needs.

Various programmes have been designed and implemented over the years to address these deprivations. Performance of some of the major programmes is discussed below.

#### Self- Help Groups (SHGs) and Swarnajayanti Grameen Swarozgar Yojana (SGSY)

SGSY is a scheme to promote self-employment among the communities through SHGs as well as individual self-employment programmes. A total of 14,036 SHGs were formed in 2007-08 under SGSY compared to 8,324 in the previous year. Of these new SHGs, 8,120 were women SHGs (57.9 percent). Upto the month of December, 2008, 47 percent of the funds available for SGSY has been utilised at the state level, compared to 52 percent in the same period in the previous year.

**Table 5.24 : SGSY – Physical and Financial Overview (2007-08)**

District	No. of Members of SHGs assisted for Economic activities			No. of Individual Swarojgaris assisted for Economic Activities			No. of members of SHGs Trained			No. of Individual swarojgaris Trained		
	Total	SC	Women	Total	SC	Women	Total	SC	Women	Total	SC	Women
Araria	2185	253	2161	392	50	51	3627	297	3320	438	21	114
Arwal	250	108	93	74	50	6	17	8	9	2	1	1
Aurangabad	1665	1015	1601	189	122	13	2261	1079	2174	0	0	0
Banka	920	215	872	218	43	19	2612	506	1357	0	0	0
Begusarai	2242	334	1608	519	221	184	2775	896	2389	17	5	10
Bhagalpur	2558	639	2065	395	117	0	2558	639	2065	0	0	0
Bhojpur	1852	584	800	166	72	23	550	332	370	87	34	6
Buxar	976	493	441	139	71	57	944	485	286	531	263	165
Darbhanga	479	196	479	17	5	3	290	110	290	0	0	0
East Champaran	6453	1796	4551	1650	777	293	4788	1402	3064	80	26	29
Gaya	1656	838	601	3629	1725	1228	1656	838	601	3629	1725	1228
Gopalganj	1428	529	898	574	276	147	3059	800	1821	355	197	147
Jamui	236	85	236	442	162	17	236	85	236	442	162	17
Jehanabad	1284	650	448	205	123	47	1248	650	448	205	123	47
Kaimur	390	170	100	111	45	10	300	150	50	0	0	0
Katihar	1980	170	198	244	51	61	602	59	61	0	0	0
Khagaria	2292	1146	917	145	72	58	2292	1146	917	0	0	0
Kishanganj	424	44	310	0	0	0	424	44	310	0	0	0
Lakhisarai	789	244	162	161	51	28	789	244	162	0	0	0
Madhepura	1938	715	702	167	62	35	1938	715	702	167	62	35
Madhubani	5250	700	4140	856	330	125	5250	700	4140	856	330	125
Munger	1519	392	1086	252	133	155	6895	2886	5421	0	0	0
Muzaffarpur	4303	2124	3678	335	77	76	6131	1763	5439	20	0	0
Nalanda	2302	604	1182	122	89	42	2485	790	809	651	0	0
Nawada	1994	917	1946	497	228	43	2649	1081	2428	226	68	7
Patna	4889	1911	2983	8	1	0	7697	3453	3809	3	3	3
Purnea	1993	698	640	671	130	141	2000	700	650	670	150	220
Rohtas	1130	360	410	334	110	82	150	48	65	49	22	16
Saharsa	2748	974	1369	553	298	74	7847	2221	4146	276	101	53
Samastipur	11510	6837	347	334	185	11	4060	2250	122	0	0	0
Saran	1260	810	806	598	386	127	3537	2261	2546	0	0	0
Sheikhpura	498	170	297	5	5	4	2336	896	1389	0	0	0
Sheohar	1140	326	512	15	4	3	540	135	205	5	2	3
Sitamarhi	2690	231	855	1148	26	20	5675	478	2715	0	0	0
Siwan	1937	974	1126	1544	930	475	886	435	464	369	161	172
Supaul	1760	880	704	715	358	42	2000	1005	830	784	668	315
Vaishali	1804	913	944	0	0	0	5727	3031	3471	0	0	0
West Champaran	4631	2038	1604	781	302	307	1172	510	380	174	68	62
Total	85355	32083	43872	18205	7687	4007	100003	35128	59661	10036	4192	2775
Percentage Shares		37.6	51.4		42.2	22.0		35.1	59.7		41.8	27.7

**Table 5.25 : SGSY – Training and Economic Assistance (2007-08)**

District	Details of Funds Available/Utilised			Physical Achievements		
	Fund (Rs Lakh)			No. of SHGs formed during current year upto dec.2008	No. of women SHGs formed during current year upto dec.2008	Women SHGs (%)
	Available	Utilised	Rate of Utilisation			
Muzaffarpur	1841.89	885.55	48.1	2149	841	39.1
Araria	1518.99	321.65	21.2	830	1218	146.7
East Champaran	1102.23	466.43	42.3	784	313	39.9
Saharsa	772.90	500.51	64.8	782	361	46.2
Gopalganj	381.19	260.44	68.3	710	475	66.9
Vaishali	879.45	333.85	38.0	595	335	56.3
Darbhanga	1578.96	1013.75	64.2	580	515	88.8
Madhubani	1677.02	844.27	50.3	564	451	80.0
Patna	804.90	767.80	95.4	456	186	40.8
Banka	358.01	187.94	52.5	448	0	0.0
Samastipur	2699.09	739.89	27.4	406	17	4.2
Supaul	664.09	432.83	65.2	378	190	50.3
Begusarai	1210.33	597.39	49.4	369	198	53.7
Munger	408.61	302.89	74.1	356	251	70.5
Rohtas	657.26	242.20	36.9	323	96	29.7
Bhojpur	692.28	366.02	52.9	310	109	35.2
Sheohar	189.52	166.84	88.0	305	195	63.9
Jamui	834.98	461.83	55.3	305	305	100.0
Katihar	1012.61	473.10	46.7	301	70	23.3
Kaimur	374.91	98.79	26.4	300	175	58.3
West Champaran	1158.53	638.04	55.1	280	325	116.1
Nawada	812.39	377.24	46.4	266	310	116.5
Jehanabad	457.80	364.70	79.7	260	27	10.4
Khagaria	1155.67	523.87	45.3	250	230	92.0
Nalanda	521.99	273.30	52.4	236	86	36.4
Madhepura	447.50	247.73	55.4	229	187	81.7
Aurangabad	609.12	289.41	47.5	222	159	71.6
Buxar	316.99	164.06	51.8	200	96	48.0
Purnea	1168.44	386.67	33.1	194	68	35.1
Siwan	470.44	284.25	60.4	141	112	79.4
Saran	806.14	306.64	38.0	130	30	23.1
Sheikhpura	221.42	91.56	41.3	117	54	46.2
Gaya	1401.53	535.79	38.2	111	71	64.0
Kishanganj	485.48	260.10	53.6	75	10	13.3
Sitamarhi	1092.89	362.49	33.2	49	37	75.5
Arwal	160.57	20.73	12.9	25	11	44.0
Bhagalpur	920.17	442.38	48.1	0	0	-
Lakhisarai	462.85	140.66	30.4	0	6	-
Total	32329.14	15173.58	46.9	14036	8120	57.9

A wide inter-district variation is seen in performance of SGSY, both in terms of financial utilisation and physical achievements. While the recently created Arwal district has utilised 12.9 percent of the funds available to it in 2007-08 compared to 7.5 percent last year, Patna saw a high utilisation of 95.4 percent of funds. The highest number of SHGs were formed in Muzaffarpur (2149), followed by Araria (830), East Champaran (784) and Saharsa (782). At the other end, there are two districts where no SHG has been formed — Bhagalpur and Lakhisarai, repeating the pattern from last year with a fund utilisation of 48 and 30 percent respectively.

In 2007-08, a total of 85,355 swarojgari members of SHGs and 18,205 individual swarojgaris were given assistance for economic activities under SGSY. Similarly, 1,00,003 swarojgari members of SHGs and 10,036 individual swarojgaris were trained under the programme. The women swarojgari members of SHGs accounted for 51 percent of total swarojgari members of SHGs who got economic assistance and 60 percent of those who got training. The corresponding figures for individual women swarojgaris were 22 and 27 percent. Thus, SHGs are seen to offer a better instrument for women's access to self-employment, as opposed to individual self-employment efforts. The SC swarojgari members of SHGs accounted for 38 percent of total swarojgari members of SHGs who got economic assistance and 35 percent of those who got training. The corresponding figures for individual SC swarojgaris were 42 and 41 percent. Thus, for SCs again, the access through SHGs has not been a better option for women's self-employment.

#### National Rural Employment Guarantee Scheme (NREGS)

The NREGS is a demand based guaranteed employment programme. Any applicant is entitled as a right to 100 days of employment under the programme. The job cards were issued to 81,24,997 households in 2007-08 for this programme. Out of these, 45.1 percent were SC households. Among the card-holding households, 48.3 percent had demanded employment in 2007-08, and 39,25,748 of them (48.3 percent) were provided employment. Only 1.3 percent (49,945 households) of total number of households were provided with 100 days of employment in 2007-08, as stipulated in the NREG Act.

**Table 5.26 : Employment Generation under NREGS – 2007-08**

District	No. of Hhds issued job cards upto Dec. (SC)	No. of Hhds issued job cards upto Dec. (Total)	No. of Hhds. demanding wage employment	No. of Hhds. provided empl.	Cumulative no. of Hhds. which have completed 100 days empl.	% of SC Hhds issued job card	% of Hhds. demanding empl. among Hhds. issued jobcards	% of Hhds completing 100 days of employment among Hhds provided employment
Khagaria	34849	87093	74596	74596		40.0	85.7	
Banka	33650	124375	106350	105376	32	27.1	85.5	0.0
Jehanabad	54714	91188	76480	76480	1289	60.0	83.9	1.7
Begusarai	110300	249500	201000	201000		44.2	80.6	0.0
Saran	141160	271231	215134	215134		52.0	79.3	
Jamui	65940	146446	102777	102777	9980	45.0	70.2	9.7
Munger	33297	136614	92451	92451	4345	24.4	67.7	4.7
Bhojpur	74327	169454	109577	109577	2	43.9	64.7	0.0
E. Champaran	164762	417656	263878	263878	361	39.4	63.2	0.1
W. Champaran	131117	331612	207379	207379		39.5	62.5	
Aurangabad	100599	160735	109887	100230	4572	62.6	62.4	4.6
Arwal	23428	40423	25024	25024	108	58.0	61.9	0.4
Lakhisarai	36205	118664	66176	66176	1835	30.5	<b>55.8</b>	2.8
Katihar	39453	232076	127459	127459	0	17.0	54.9	0.0
Gaya	186118	261104	142046	142046	0	71.3	54.4	0.0
Nawada	100512	153882	81917	81917	7675	65.3	53.2	9.4
Sheohar	28294	74640	39206	39165	445	37.9	52.5	1.1
Darbhanga	195210	325177	170120	170120		60.0	52.3	0.0
Patna	126439	292660	152948	152948	2351	43.2	52.3	1.5
Madhepura	110983	187685	93341	93341		59.1	49.7	
Rohtas	96594	198124	97356	97356	6	48.8	49.1	0.0
Nalanda	141581	291969	133040	133040	12546	48.5	45.6	9.4
Araria	59692	242540	109902	109887	1262	24.6	45.3	1.1
Muzaffarpur	205298	342162	136864	136864		60.0	40.0	
Sitamarhi	112639	270535	104600	104600		41.6	38.7	
Saharsa	137297	246789	94379	94379		55.6	38.2	
Samastipur	209311	318208	101501	101501	320	65.8	31.9	0.3
Supaul	33396	220159	69729	69729		15.2	31.7	
Siwan	49927	172989	53764	53764		28.9	31.1	
Kishanganj	29795	199106	59880	59880		15.0	30.1	
Gopalganj	64815	176725	53018	53018	1007	36.7	30.0	1.9
Vaishali	215943	408723	122317	122317		52.8	29.9	
Bhagalpur	47178	195889	56874	56874	270	24.1	29.0	0.5
Purnea	137891	352917	82091	82091	412	39.1	23.3	0.5
Buxar	66872	119232	23120	23120	1127	56.1	<b>19.4</b>	4.9
Sheikhpura	27773	61561	11171	11171		45.1	<b>18.1</b>	
Kaimur	57636	120755	18452	18452		47.7	<b>15.3</b>	
Madhubani	179215	314399	150631	150631		57.0	4.8	
Bihar	3664210	8124997	3926912	3925748	49945	45.1	48.3	1.3

**Table 5.27 : NREGS – Physical and Financial Overview - 2007-08**

District	Total Beneficiary Hhds	Persondays (in Lakh)	No.of days work by women	No.of Land reform/ IAY	Total Fund Available (Rs Lakh)	Total Fund Utilised (Rs Lakh)	Fund Utilisation (%)	% of Workdays by women
Supaul	69729	53.30	29.50	2150	5100.71	4641.7	91.0	55.3
Gaya	142046	47.62	16.66	82000	8074.83	6298.5	78.0	35.0
Muzaffarpur	136864	45.67	17.35	359	6440.43	5884.4	91.4	38.0
East Champaran	263878	35.619	4.63	7120	4774.31	3595.5	75.3	13.0
Munger	92451	35.26	11.66	30245	5391.86	5036.6	93.4	33.1
Jamui	102777	35.162	12.64	108000	4956.04	4461.5	90.0	35.9
Katihar	127459	31.98	10.55	19690	4879.18	4465.4	91.5	33.0
Darbhangha	170120	31.486	9.44	12	5610.6	4374.6	78.0	30.0
Saharsa	94379	31.37	10.48	832	4709.57	4287.5	91.0	33.4
West Champaran	207379	26.55	6.35	3817	4278.99	3530.2	82.5	23.9
Madhepura	93341	26.45	8.72	332	4223.25	3615.1	85.6	33.0
Nawada	81917	25.76	8.499	15	4739.48	2932.5	61.9	33.0
Lakhisarai	66176	25.71	6.01	30820	3944.35	3005.9	76.2	23.4
Siwan	53764	25.66	0.44	4927	3941.46	2938.5	74.6	1.7
Patna	152948	24.59	7.09	90	5064.82	3413.5	67.4	28.8
Araria	109887	24.50	7.39	13041	5313.13	3274.4	61.6	30.1
Nalanda	133040	24.01	7.81	1318	3210.27	2345.1	73.1	32.5
Vaishali	122317	23.49	1.03	21185	4483.92	2935	65.5	4.4
Jehanabad	76480	21.71	5.47	20303	3918.47	2932.1	74.8	25.2
Aurangabad	100230	20.37	4.27	14967	3539.98	2410.4	68.1	21.0
Sitamarhi	104600	20.28	4.09	1750	4312.68	2201.5	51.0	20.2
Buxar	23120	17.94	5.56	613	1725.57	1517.7	88.0	31.0
Madhubani	150631	17.68	3.56		5945.95	3044	51.2	20.1
Saran	215134	17.20	0.86	24729	3680.47	1841.9	50.0	5.0
Begusarai	201000	14.61	2.60	7240	6166.55	1930.1	31.3	17.8
Samastipur	101501	13.95	3.07	530	5365	3820.4	71.2	22.0
Rohtas	97356	13.86	4.50	138589	2627.31	1973.8	75.1	32.5
Sheohar	39206	13.82	4.83	4538	2781.85	1939.9	69.7	34.9
Bhojpur	109577	12.83	0.41	2018	1923.04	1362.4	70.8	3.2
Bhagalpur	56874	12.58	1.39	2992	2151.63	1303.8	60.6	11.1
Gopalganj	53018	12.25	1.35	4286	2225.45	1605.3	72.1	11.1
Banka	105376	11.36	1.72	864	1773	1315	74.2	15.2
Arwal	25024	10.51	1.61	253	2043.59	1010.3	49.4	15.3
Kaimur	18452	10.08	2.21	1292	1391.10	1159.2	83.3	21.9
Kishanganj	59880	9.04	1.77	185300	1672.54	1190.2	71.2	19.6
Purnea	82091	8.31	2.80	14720	1210.14	820.24	67.8	33.7
Sheikhpura	11171	4.17	0.60	5068	1474.66	455.87	30.9	14.3
Khagaria	74596	3.86	0.86	-	2221.94	464.6	20.9	22.2
Total	3863370	840.58	229.80	756005	147288	105335	71.5	27.3

The district level variations remain high with respect to proportion of households demanding employment. In Madhubani, only 4.8 percent of the card-holding households were reported to be demanding employment. In Banka, Begusarai, Khagaria and Jehanabad, more than 80 percent of card-holding households had demanded for employment. Along with Madhubani, other districts where less than 20 percent of card-holding households had demanded employment were Buxar, Kaimur and Sheikhpura (Table 5.26).

The programme has generated about 841 lakh persondays of employment for 38,63,370 households in 2007-08. Of this, 27.3 percent of workdays were for women. About 20 percent of households were also beneficiaries under IAY or Land Reforms. The inter-district variations are high in this programme and there is no correspondence between levels of fund utilization and employment generation in many districts. Supaul, Gaya and Muzaffarpur generated more than 40 lakh persondays of work with high fund utilization rates (close to 80 percent or above). In Supaul, 55.3 percent of workdays were for women. At the other end, Kishanganj, Khagaria, Purnea and Sheikhpura generated less than 10 lakh persondays of employment. However, the fund utilization was close to 70 percent or more in Kishanganj and Purnea, while it was 21 percent in Khagaria and 31 percent in Sheikhpura. The highest level of fund utilisation was 93.4 percent in Munger. In Siwan, the workdays for women were less than 2 percent of the total. Bhojpur and Vaishali also follow closely regarding the share of women in employment at 3.2 and 4.4 percent respectively. The fund utilisation for the state as a whole in 2007-08 was 71.5 percent (Table 5.27).

#### Indira Awas Yojana (IAY)

The Indira Awas Yojana is an important intervention for affordable housing for people below the poverty line. It is mandatory under the scheme to provide housing to a minimum of 60 percent of SC and ST, 15 percent to minorities and 3 percent to the handicapped.

In 2007-08, the state government completed 73 percent of the physical target with a fund utilization of 72 percent. The share of SCs and STs in the total houses completed was 55 percent which was below the stipulated of at least 60 percent. Similarly, the share of minorities was 8.5 percent, against the stipulation of 15 percent (Table 5.28).



**Table 5.28 : Overview of IAY Upto 2007-08**

IAY Components	IAY New	IAY Upgraded	IAY Credit Cum Subsidy	Total	Percentage Share of different population categories in the scheme
Total target	-	-	-	567171	-
Houses Completed	377453	24740	2414	404607	-
Houses Completed (SC)	198417	12642	1129	212188	51.5
Houses Completed (ST)	12640	917	186	13743	3.3
Houses Completed (Minorities)	34251	928	19	35198	8.5
Houses Completed (Others)	132145	10253	1080	143478	34.8
Total funds Available (Rs Lakhs)	196448.107	7303.708	771.594	204523.409	
Total Funds Utilized (Rs Lakhs)	141790.12	3598.70	326.28	145715.09	
Percentage of Utilization	72.2	49.3	42.3	71.2	

**Table 5.29 : IAY – Physical and Financial Overview - 2007-08 (New + Upgraded + Credit & Subsidy)**

Districts	Annual target	House completed	Physical achievement as percent of annual target	Percentage utilisation of available fund
Araria	33812	20235	59.8	74.1
Arwal	1701	2344	137.8	68.6
Aurangabad	6422	3865	60.2	78.1
Banka	4715	2505	53.1	51.7
Begusarai	11766	9990	84.9	68.1
Bhagalpur	9637	7146	74.2	72.4
Bhojpur	7174	2640	36.8	56.5
Buxar	4368	3089	70.7	59.0
Darbhanga	22106	10095	45.7	86.3
E. Champaran	34142	19281	56.5	57.0
Gaya	13384	11986	89.6	84.3
Gopalganj	15872	11460	72.2	56.2
Jamui	4646	4813	103.6	87.0
Jehanabad	2419	2202	91.0	90.2
Kaimur	4188	2169	51.8	92.2
Katihar	23813	24271	101.9	65.4
Khagaria	9992	515	5.2	70.0
Kishanganj	13783	7818	56.7	52.8
Lakhisarai	2331	2402	103.0	92.6
Madhepura	21645	21249	98.2	86.6
Madhubani	37122	16651	44.9	43.0
Munger	3725	3751	100.7	92.4
Muzaffarpur	34884	45507	130.5	92.2
Nalanda	6180	3065	49.6	77.2
Nawada	5533	4538	82.0	58.3
Patna	9414	8184	86.9	87.5
Purnea	38196	17497	45.8	83.5
Rohtas	6567	2677	40.8	64.3
Saharsa	18126	23462	129.4	84.9
Samastipur	23081	12095	52.4	67.4
Saran	14077	8424	59.8	64.5
Sheikhpura	1256	1076	85.7	94.2
Sheohar	7773	4512	58.0	69.8
Sitamarhi	23617	16983	71.9	59.5
Siwan	12701	15381	121.1	99.4
Supaul	26349	22531	85.5	70.9
Vaishali	18980	9108	48.0	67.7
W. Champaran	31674	19090	60.3	68.1
Total	567171	404607	71.3	71.3

The districtwise implementation of IAY shows wide variations. In Muzaffarpur, Saharsa, Lakhisari and Jamui, the programme had not only achieved the physical targets, but exceeded them with fund utilization between 85 and 93 percent. In Madhepura, Munger, Katihar, Arwal and Jehanabad also more than 90 percent of the physical targets have been achieved with fund utilization varying from 65 to 91 percent. At the other end lies Khagaria, where 70 percent of the funds had been utilized, but only 5.2 percent of the houses had been completed.

#### Food Security and Public Distribution System

The Public Distribution System (PDS) for essential commodities has been an important part of the measures to promote food security in the state. Four essential commodities (wheat, rice, sugar and kerosene oil) are distributed through PDS outlets. The consumers are divided into Above Poverty Line (APL) and Below Poverty Line (BPL) categories based on the correction to the state government's original survey carried out in 2006. Under the PDS, 39,93,973 BPL households were being provided with 35 kgs of foodgrains per month (25 kgs of rice and 10 kgs of wheat). Under Antyodaya, 24,28,523 BPL families are being provided with 35 kgs of foodgrains per month — 21 kgs of rice at the rate of Rs 2 per kg and 14 kgs of wheat at the rate of Rs 3 per kg. Annapurna provides 1,66,600 homeless senior citizens with 6 kgs of wheat and 4kgs of rice free of cost.

**Table 5.30 : Overview of Public Distribution System**

District	PDS Shops		No of beneficiaries ('000) (as on October 2008)				% of Total	Population Share
	Number (as on Dec 2008)	Per lakh of population (Midyear 2008 estimates)	BPL	Antyoday	Annapurna	Total		
Patna	2646	49.6	301.0	160.8	13.8	475.6	4.0	5.7
Nalanda	1081	40.3	245.3	108.0	5.2	358.5	3.0	2.9
Bhojpur	1335	52.6	177.9	84.0	3.7	265.6	2.2	2.7
Buxar	756	47.7	133.2	43.8	3.6	180.6	1.5	1.7
Rohtas	1013	36.6	222.1	76.2	4.1	302.4	2.5	3.0
Kaimur	636	43.6	129.8	58.6	2.5	190.9	1.6	1.6
Gaya	1973	50.2	255.5	120.0	5.5	381.1	3.2	4.2
Jehanabad	517	46.0	69.5	31.6	2.8	103.8	0.9	1.2
Arwal	294	50.1	55.4	24.8	2.0	82.2	0.7	0.6
Aurangabad	1202	52.8	161.9	72.6	2.6	237.1	2.0	2.4
Nawada	857	41.9	137.2	61.4	3.7	202.3	1.7	2.2
Saran	2460	67.0	283.8	128.6	5.7	418.1	3.5	3.9
Siwan	1824	59.4	241.6	79.7	4.8	326.0	2.7	3.3
Gopalganj	1104	45.4	185.6	83.8	4.4	273.8	2.3	2.6
Muzaffarpur	2155	50.9	424.1	190.7	6.7	621.4	5.2	4.5
Vaishali	1371	44.6	358.9	118.7	4.1	481.7	4.0	3.3
Sitamarhi	1072	35.3	344.1	111.9	4.7	460.7	3.9	3.2
Sheohar	234	40.1	61.5	20.3	0.8	82.5	0.7	0.6
E.Champaran	2194	63.8	345.7	153.0	5.1	503.8	4.2	3.7
W.Champaran	1694	38.0	414.4	186.8	8.7	609.9	5.1	4.7
Darbhanga	1344	36.1	268.2	117.6	6.6	392.5	3.3	4.0
Madhubani	1579	39.1	465.1	207.3	8.3	680.7	5.7	4.3
Samastipur	1438	37.5	321.7	143.5	5.9	471.1	4.0	4.1
Saharsa	682	40.0	167.2	54.0	3.9	225.1	1.9	1.8
Supaul	717	36.6	235.7	76.6	3.9	316.2	2.7	2.1
Madhepura	619	35.9	180.8	58.9	2.9	242.7	2.0	1.8
Purnea	1250	43.5	371.4	122.1	4.5	497.9	4.2	3.1
Araria	998	40.9	220.8	96.8	4.2	321.8	2.7	2.6
Kishanganj	669	45.7	184.7	83.8	2.2	270.8	2.3	1.6
Katihar	1056	39.0	232.8	76.0	3.1	311.9	2.6	2.9
Munger	664	51.6	109.5	48.4	3.3	161.3	1.4	1.4
Jamui	724	45.8	146.1	62.1	2.2	210.4	1.8	1.7
Lakhisarai	293	32.3	63.7	20.6	2.6	86.9	0.7	1.0
Sheikhpura	266	44.8	48.5	15.6	0.9	65.1	0.5	0.6
Begusarai	1005	37.8	223.1	99.8	6.0	328.9	2.8	2.8
Khagaria	714	49.3	165.1	73.7	3.2	241.9	2.0	1.5
Bhagalpur	1407	51.4	226.1	76.5	4.3	306.9	2.6	2.9
Banka	937	51.5	158.8	51.3	4.1	214.2	1.8	1.9
Total	42780	1714.8	8337.9	3400.0	166.6	11904.5	100.0	100.0

The districtwise share of beneficiaries is more or less in proportion to population shares of districts. The number of PDS outlets per lakh of population varies from district to district. Saran (67 PDS shops per lakh of population) followed by East Champaran (64) and Aurangabad (53) are some of high coverage districts. Other districts having more than 50 PDS shops per lakh of population are Bhojpur, Munger, Banka, Bhagalpur, Muzaffarpur, Gaya and Arwal. On the other extreme, Lakhisarai has only 32 shops per lakh of population. There are ten other districts with less than 40 shops per lakh of population (Table 5.30).

The number of beneficiaries per thousand of population is highest in Madhubani (681), followed by Muzaffarpur (621), West Champaran (610), and East Champaran (504). Less than 100 beneficiaries per thousand of population is observed in Lakhisarai (87), Sheohar (83), Arwal (82) and Sheikhpura (65) (Table 5.30).

**Table 5.31 : Allotment and Lifting of Rice and Wheat under PDS (2007-08)**

('000 quintal)

District	Wheat			Rice		
	Allotment	Lifting	Lifting Percentage	Allotment	Lifting	Lifting Percentage
Patna	369.34	374.76	101.47	685.56	674.81	98.43
Nalanda	267.55	135.80	50.76	525.61	203.35	38.69
Bhojpur	164.05	150.74	91.89	287.57	264.95	92.13
Buxar	99.17	87.07	87.80	189.86	151.09	79.58
Rohtas	170.60	107.21	62.85	332.85	205.06	61.61
Kaimur	107.51	86.06	80.05	200.16	179.31	89.58
Gaya	311.52	246.86	79.25	586.42	396.60	67.63
Jehanabad	89.23	80.83	90.58	175.74	157.53	89.64
Arwal	56.39	52.64	93.35	108.42	99.92	92.15
Aurangabad	166.05	139.81	84.20	314.65	228.50	72.62
Nawada	167.35	130.89	78.22	323.10	218.03	67.48
Saran	262.42	151.14	57.60	493.30	222.66	45.14
Siwan	167.33	159.43	95.28	315.36	279.79	88.72
Gopalganj	161.89	150.52	92.98	302.23	267.47	88.50
Muzaffarpur	657.72	536.40	81.55	1433.86	635.10	44.29
Vaishali	343.35	238.11	69.35	755.35	282.34	37.38
Sitamarhi	302.41	191.98	63.48	631.88	280.40	44.38
Sheohar	86.85	63.18	72.75	196.59	80.43	40.91
E.Champaran	349.42	320.77	91.80	675.16	522.67	77.42
W.Champaran	342.61	250.86	73.22	654.03	388.02	59.33
Darbhanga	349.10	273.03	78.21	695.20	458.80	65.99
Madhubani	449.39	212.15	47.21	914.27	139.04	15.21
Samastipur	409.84	332.58	81.15	817.58	597.34	73.06
Saharsa	175.37	169.46	96.63	375.16	287.62	76.67
Supaul	273.42	112.57	41.17	607.09	135.74	22.36
Madhepura	189.62	101.64	53.60	412.88	151.85	36.78
Purnea	328.12	151.93	46.30	718.46	224.18	31.20
Araria	280.17	138.27	49.35	560.11	164.69	29.40
Kishanganj	271.58	162.04	59.67	618.46	320.76	51.86
Katihar	307.96	277.93	90.25	675.99	413.36	61.15
Munger	116.60	91.36	78.35	232.37	162.82	70.07
Jamui	148.40	136.61	92.05	266.15	154.10	57.90
Lakhisarai	67.02	38.64	57.65	129.70	53.18	41.00
Sheikhpura	49.19	35.42	72.01	101.68	71.00	69.82
Begusarai	343.93	248.91	72.37	718.29	391.96	54.57
Khagaria	173.06	139.62	80.68	358.07	282.17	78.80
Bhagalpur	233.98	142.49	60.90	485.87	180.62	37.17
Banka	137.86	63.49	46.05	272.46	63.82	23.42
<b>Total</b>	<b>8947.37</b>	<b>6483.19</b>	<b>72.46</b>	<b>18147.49</b>	<b>9991.09</b>	<b>55.05</b>

Note: Patna shows 101.47 percent lifting in wheat which is possibly an accounting error.

Amount of foodgrain lifted as a percentage of allotment is an important indicator of functioning of PDS. Lifting of rice is the highest in Patna at 98.43 percent. It is above 75 percent in Saharsa, East Champaran, Khagaria, Buxar, Gopalganj, Siwan, Kaimur, Jehanabad, Bhojpur and Arwal with lifting being more than 90 percent in the last two. But Madhubani, Supaul, Banka and Araria show very low lifting at less than 30 percent. Similarly, for wheat, while lifting is higher than 90 percent in Katihar, Jehanabad, East Champaran, Bhojpur, Jamui, Gopalganj, Arwal, Siwan, Saharsa and Patna, it is less than 50 percent in 5 districts (Table 5.31).

It must be noted that Madhubani has the highest share of beneficiaries per thousand of population, but the lowest share of lifting in rice and very low levels of lifting in wheat. Lakhisarai has the lowest share of beneficiaries per thousand of population and also low lifting levels. For the better working of the PDS which is the main source of food security for the poor, measures are needed for more effective and uniform patterns of lifting, distribution and coverage.

#### **5.4 Interventions for Marginalised Sections**

##### **Mahadalit**

The state government formed the State *Mahadalit* Commission for the development of the most deprived amongst the Scheduled castes. The Commission observed that out of the 22 scheduled castes in Bihar, 20 are acutely deprived in terms of educational, economic, socio-cultural and political status. The Commission identified these 20 castes primarily on the basis of their literacy rate. While the total literacy rate of Bihar is 47 percent, and that for all scheduled castes is 28.5 percent, it is only 16.7 percent in case of *Mahadalits*. It noted that populations belonging to these castes had not benefited from affirmative action meant exclusively for Scheduled Castes.

**Table 5.32 : Demographic Profile of Dalits**

Dalit Castes	Person	Male	Female	% of All Dalits
Bantar	101223	52403	48820	0.78
Bauri	2097	1074	1023	0.02
Bhogta	12659	6713	5946	0.10
Bhuiya	568403	293027	275376	4.37
Bhumij	2333	1197	1136	0.02
Chamar	4090070	2122732	1967338	31.41
Chaupal	100111	52021	48090	0.77
Dabgar	3590	1813	1777	0.03
Dhobi	647491	336880	310611	4.97
Dom	155383	80855	74528	1.19
Dushadh	4029411	2107535	1921876	30.94
Ghasi	674	365	309	0.01
Halalkhor	3960	2069	1891	0.03
Hari	181748	94035	87713	1.40
Kanjar	1620	860	760	0.01
Kurariar	6566	3366	3200	0.05
Lalbegi	809	445	364	0.01
Mushahar	2112136	1093077	1019059	16.22
Nat	38615	19976	18639	0.30
Pan	3653	1959	1694	0.03
Pasi	711389	370599	340790	5.46
Rajwar	213795	109831	103964	1.64
Turi	33638	17344	16294	0.26
<b>Generic Caste</b>	<b>27234</b>	<b>14500</b>	<b>12734</b>	<b>0.21</b>
<b>Total</b>	<b>13021374</b>	<b>6770176</b>	<b>6251198</b>	<b>100.00</b>

Note : Mahadalit includes all scheduled castes, except Chamar and Dusadh



**Table 5.33 : Districtwise Demographic Overview of Dalit Population**

<b>District</b>	<b>Total Population</b>	<b>Total SCs Population</b>	<b>Dalit Population</b>
Araria	2158608	293488	293279
Aurangabad	2013055	472766	472227
Banka	1608773	200059	198589
Begusarai	2349366	341173	340872
Bhagalpur	2423172	254686	252386
Bhojpur	2243144	343598	343428
Buxar	1402396	198014	196854
Darbhanga	3295789	511125	510392
East Champaran	3939773	514119	513437
Gaya	3473428	1029675	1028978
Gopalganj	2152638	267250	266241
Jamui	1398796	242710	241902
Jehanabad	1514315	286217	286126
Kaimur	1289074	286291	285345
Katihar	2392638	208384	207541
Khagaria	1280354	185122	184959
Kishanganj	1296348	85833	84477
Lakhisarai	802225	126575	126299
Madhepura	1526646	260461	260211
Madhubani	3575281	481922	481603
Munger	1137797	150947	150620
Muzaffarpur	3746714	594577	593865
Nalanda	2370528	473786	473758
Nawada	1809696	435975	435138
Patna	4718592	729988	728896
Purnea	2543942	312088	310459
Rohtas	2450748	444333	442965
Saharsa	1508182	242612	242309
Samastipur	3394793	628838	628397
Saran	3248701	389933	388926
Sheikhpura	525502	103732	103712
Sheohar	515961	74391	74352
Sitamarhi	2682720	315646	315087
Siwan	2714349	309013	306701
Supaul	1732578	256444	256165
Vaishali	2718421	562123	561947
West Champaran	3043466	434714	432931
<b>Total</b>	<b>82998509</b>	<b>13048608</b>	<b>13021374</b>

On the recommendation of the Commission, the state government has taken initiatives for the development of the 20 *Mahadalit* Scheduled castes.

### **Mahadalit Welfare**

- **Bihar *Mahadalit* Development Mission** – For the implementation of the special schemes and to have focused approach, the Mission has been established.
- *Mahadalit* Residential Land Scheme, *Mahadalit Awas Yojna*, *Mahadalit* Potable Water Scheme, *Mahadalit* Toilet Construction Scheme, *Mahadalit* Basti Sampark Path Yojna, *Mahadalit Anganwadi*, *Mahadalit* Crèche, Special School or Hostel for *Mahadalits*, *Mukhyamantri Mahadalit Poshak Yojna*, *Dashrath Manjhi Shramik* Training Institute, *Mukhyamantri Nari Jyoti* Scheme, *Dhanvantari Mobile Ayurvedic Chikitsa*, Mobile Public Distribution System, Eradication of Scavenging System, Construction of Community Hall-cum-Workshade, *Mukhyamantri Jeevan Drishti* Programme are the major schemes launched by the state government for welfare of *Mahadalits*.
- **Survey, Research Study, Advertisement, Innovative scheme** – To understand the existing condition and problem of *Mahadalit* communities, a detailed survey of *Mahadalit* families is required. Their problems should be carefully analyzed and by using Information, Education and Communication (IEC), a favorable environment can be generated.
- **District & Block Resource Centre for Training and Research-** The Mission will establish a District and Block Resource Centre to provide scheme-related information to the *Mahadalit* Communities. These centres can be used as training centres for those officials who are involved in the *Mahadalit* Development Mission. These centres will also function as data centres for the movement and channelizing of information.
- **Vikas Mitra** - *Vikas Mitra* is a very important concept of the Mission. The *Vikas Mitra* will be the link between Block Resource Centre and the *Mahadalit* Tolas.
- **Community Radio** - Under the awareness programme, *Mahadalit* hamlets will have Community Radios.

### Women's Empowerment

With a sex ratio of 919, women in Bihar are disadvantaged socially with respect to literacy, education and work participation as has been observed in the previous sections.

The Women's Development Corporation is implementing the *Mukhya Mantri Nari Shakti Yojana* in the state. This programme aims to sensitize, empower and assist women to lead a life based on

self-respect and confidence by strengthening their economic status through a collective endeavour. The programme comprises schemes for social, economic and cultural empowerment of women. Besides, it would provide support for Information and Documentation Centres as well as innovations. A brief description of the schemes is given below:

### **Social Empowerment of Women**

- 1. Helpline :** This is a crisis intervention centre for women in distress and will be set up in all the 38 districts of Bihar.
- 2. Short stay home :** Under the provisions of Immoral Traffic Prevention Act-1986 and Protection of Women against Domestic Violence Act-2005, short stay homes will be established for social and economic rehabilitation of women who are victims of trafficking or domestic violence.
- 3. Protection home :** This would be a centre for providing shelter and rehabilitation support to the victims of trafficking.
- 4. Working women hostel :** It is proposed to extend boarding and lodging facilities to working women staying away from their homes as a support measure to encourage women in the service sector.
- 5. Crèche :** The crèche would provide care and support to children upto the age of 5 years of working mothers and provide nutritional food, game facilities, etc for the overall development of young children.
- 6. Social Awareness :** This programme proposes to create awareness amongst masses on various women related issues by promoting family schools and use of various traditional media as Nukkad-natak, puppet shows etc.
- 7. Social Rehabilitation Fund :** This is a fund which will provide medical, educational and other economic support to women in distress.

### **Economic Empowerment of Women**

- 1. Organising, nurturing & capacity Building of Women SHGs :** This programme will be implemented in all the districts to enable women to access services and schemes available, raise their awareness levels and help women to undertake various income generating activities. The objective is to help develop collective strength and leadership qualities among women so that they can manage and own their institutions i.e. SHGs & Federations.
- 2. Training in the Service Sector :** Through this programme, women and adolescent girls will be trained so they can earn a livelihood in the service sector such as housekeeping, computer operation, etc.
- 3. Initial capitalization fund :** Grant support would be extended to women federations amounting to Rs.20, 000 per SHG which will help them in on-lending to groups until bank loan is accessed.
- 4. Infrastructure development and Livelihood promotion :** Turn key projects will be supported for the economic empowerment of women through training and setting up production centers.
- 5. Preparation of project proposals, workshop and seminars/monitoring :** various action researches will be undertaken for the purpose of economic empowerment of women and presented in workshop and seminars for replication and scaling up. Monitoring activities will be also be undertaken under this sub-component.

### **Cultural Empowerment and Innovation**

**Organizing cultural Melas :** To promote traditional folk art & theatre as well as promote sales of handicrafts, melas would be organized from time to time. Awards would also be given to promote these art forms among women.

**Information and Documentation Centres :** The centres will collate all data related to women in the state and serve as a Data centre to track progress of the various programmes.

### **Innovative Schemes**

Support fund would be given to promote new and innovative programmes related to processes, strategies and concepts aimed at social and economic empowerment of women.

### Welfare of Backward and Extremely Backward Classes

The backward classes constitute upto 60 percent of Bihar's population. Thus, the overall development of the backward and extremely backward sections are corner-stones for Bihar's human development. A separate department for BC and EBC Welfare was set up by the state government in April 2007 to focus on scheme-based interventions for their educational and economic development .

#### **Welfare Measures for BC and EBC**

- The Bihar State Backward Classes Finance and Development Corporation has facilitated loans for Swarojgaris from the National Backward Classes Finance and Development Corporation by providing the Margin Money and Bank Guarantee.
- More than 59 trades have been brought under various general schemes assisted by the Corporation.
- *Swarnima Yojana* is dedicated to the economic development of women from backward classes through provision of low interest (4 percent per annum) loans .
- Educational Loans, *Swayam Saksham* loans upto Rs 5 lakh for professionals and Micro Finance schemes are other important measures.
- 81311 students were given stipends for higher secondary education in 2007-08 while 627921 students from primary to secondary levels availed of stipends.
- In 2008-09, a stipend of Rs 10,000/- has been started for EBC students who score a first division in secondary examinations.
- Buildings for 6 out of 12 Residential schools for BCs and EBCs are being constructed.and a society has been formed to develop these schools on the *Navodaya* pattern.

### Minorities

The religious minorities constitute 16.71 percent of the population of Bihar with 16.53 percent Muslims, 0.03 percent Christians and 0.21 percent consisting of other religious minorities.

**Table 5.34 : Districtwise Composition of Population based on Religion**

District	Percentage share of			
	Hindu	Muslims	Christians	Others
Araria	58.55	41.14	0.00	0.32
Aurangabad	90.14	9.74	0.00	0.12
Banka	87.60	11.81	0.00	0.58
Begusarai	86.54	13.35	0.00	0.11
Bhagalpur	82.16	17.47	0.08	0.29
Bhojpur	92.57	7.28	0.00	0.15
Buxar	93.35	6.16	0.00	0.49
Darbhanga	77.17	22.73	0.00	0.11
E.Champaran	77.98	21.25	0.00	0.77
Gaya	88.21	11.62	0.00	0.18
Gopalganj	82.89	17.06	0.00	0.05
Jamui	86.71	12.18	0.00	1.11
Jehanabad	91.73	8.20	0.00	0.07
Kaimur	90.13	9.55	0.00	0.33
Katihar	56.99	42.53	0.21	0.28
Khagaria	89.61	10.27	0.00	0.12
Kishanganj	31.86	67.58	0.22	0.34
Lakhisarai	95.51	4.41	0.00	0.08
Madhepura	88.56	11.37	0.00	0.07
Madhubani	81.97	17.94	0.00	0.09
Munger	91.86	7.89	0.10	0.14
Muzaffarpur	84.56	15.32	0.00	0.12
Nalanda	92.45	7.46	0.00	0.09
Nawada	88.65	11.30	0.00	0.06
Patna	91.84	7.76	0.19	0.21
Purnea	62.30	36.76	0.00	0.94
Rohtas	89.73	10.07	0.00	0.20
Saharsa	85.49	14.45	0.03	0.03
Samastipur	89.42	10.48	0.00	0.09
Saran	89.55	10.40	0.00	0.05
Sheikhpura	92.68	7.18	0.07	0.07
Sheohar	84.33	15.52	0.00	0.15
Sitamarhi	78.71	21.21	0.00	0.08
Siwan	81.74	18.21	0.00	0.06
Supaul	82.31	17.44	0.11	0.14
Vaishali	90.41	9.53	0.00	0.06
W.Champaran	80.75	19.16	0.00	0.09
<b>Bihar</b>	<b>83.23</b>	<b>16.53</b>	<b>0.03</b>	<b>0.21</b>

The largest population share of Muslims are in Araria (41.14 percent), Purnea (36.76 percent), Katihar (42.53 percent) and Kishanganj (67.58 percent) while the lowest is in Lakhisarai (4.4 percent). Kishanganj and Katihar also have the largest share of Christians in the population.

The state government is committed to the welfare of the minorities in Bihar. In view of the special socio-economic problems faced by the minorities, the state government has launched several welfare schemes for their upliftment as targeted programmes.

#### **Welfare Measures for Minorities**

- Construction of hostels for minority students, separately for boys and girls.
- Minority community building cum Haj house
- Construction of monuments in memory of great personalities from the minority community
- Share capital provision of the state for the National Minority Development and Finance Corporation and the Bihar State Minority Financial Corporation.
- Computerization of *Wakf* property
- Grants for development and protection of *Wakf* property
- Merit cum means Scholarships for students in colleges.
- *Mukhyamantri Alpsankhyak Vidyarthi Protsahan Yojana* for encouraging minority students.
- *Mukhyamantri Shram Shakti Yojana* for training of minority artisan and unemployed youth.
- *Financial assistance to abandoned Muslim women.*
- Coaching of minority students preparing for various competitive examinations.

**Appendix I**

**Districtwise Enrolment 2003-04**

Sl. No.	District Name	2003-04								
		ALL			SC			ST		
		Primary (I-V)	Upper Primary (VI-VIII)	Total (I-VIII)	Primary (I-V)	Upper Primary (VI-VIII)	Total (I-VIII)	Primary (I-V)	Upper Primary (VI-VIII)	Total (I-VIII)
1	Araria	184908	19635	204543	21424	1577	23001	3068	275	3343
2	Aurangabad	274660	46038	320698	61394	7813	69207	513	271	784
3	Banka	175924	16630	192554	20172	1445	21617	6613	446	7059
4	Begusarai	263717	31940	295657	43913	3583	47496	2487	313	2800
5	Bhagalpur	262798	31734	294532	31065	2810	33875	7732	960	8692
6	Bhojpur	295868	43287	339155	43567	5288	48855	919	164	1083
7	Buxar	179991	33324	213315	23251	3796	27047	647	209	856
8	Darbhangha	358063	51469	409532	56133	5603	61736	720	36	756
9	Gaya	467060	67152	534212	141368	11584	152952	203	101	304
10	Gopalganj	269874	34833	304707	39138	3687	42825	12	0	12
11	Jamui	159867	19207	179074	24592	1861	26453	7415	381	7796
12	Jehanabad	179983	34025	214008	38690	5166	43856	319	23	342
13	Kaimur	186814	33098	219912	45947	6783	52730	6455	164	6619
14	Katihar	242474	38494	280968	24063	3123	27186	12809	1997	14806
15	Khagaria	160460	17077	177537	19302	1344	20646	13	0	13
16	Kishanganj	132612	11654	144266	12288	1031	13319	4688	278	4966
17	Lakhisarai	84013	18212	102225	10953	1998	12951	1093	245	1338
18	Madhepura	228403	22828	251231	34971	2202	37173	1889	248	2137
19	Madhubani	476601	74376	550977	68928	5782	74710	471	62	533
20	Munger	134595	30212	164807	18514	2962	21476	2175	145	2320
21	Muzaffarpur	516310	63695	580005	95070	7958	103028	0	0	0
22	Nalanda	286527	51792	338319	60966	7152	68118	607	31	638
23	Nawada	167675	21476	189151	41190	3129	44319	756	215	971
24	W. Champaran	349140	39622	388762	54902	3897	58799	15165	1384	16549
25	Patna	471349	74082	545431	106928	10424	117352	2448	243	2691
26	E. Champaran	473206	52149	525355	66865	4572	71437	1573	283	1856
27	Purnea	261473	29865	291338	28476	2223	30699	10337	1070	11407
28	Rohtas	281861	89738	371599	56717	11862	68579	3560	834	4394
29	Saharsa	180366	22895	203261	26678	2157	28835	763	77	840
30	Samastipur	352598	57973	410571	64581	7087	71668	2076	480	2556
31	Saran	396081	78429	474510	48017	7991	56008	450	51	501
32	Sheikhpura	59891	9626	69517	10531	1141	11672	241	6	247
33	Sheohar	62471	6329	68800	9262	516	9778	36	0	36
34	Sitamarhi	286694	41348	328042	37258	2797	40055	489	106	595
35	Siwan	342838	71530	414368	48102	7347	55449	1292	590	1882
36	Supaul	194493	29493	223986	29009	2810	31819	1773	202	1975
37	Vaishali	330699	67193	397892	66418	8230	74648	27527	350	27877
	<b>Total</b>	<b>9732357</b>	<b>1482460</b>	<b>11214817</b>	<b>1630643</b>	<b>170731</b>	<b>1801374</b>	<b>129334</b>	<b>12240</b>	<b>141574</b>

(Contd.)



**Appendix I (Contd.)**

**Districtwise Enrolement 2004-05**

SI. No.	District Name	2004-05								
		ALL			SC			ST		
		Primary (I-V)	Upper Primary (VI-VIII)	Total (I-VIII)	Primary (I-V)	Upper Primary (VI-VIII)	Total (I-VIII)	Primary (I-V)	Upper Primary (VI-VIII)	Total (I-VIII)
1	Araria	252204	35591	287795	25578	2363	27941	3161	338	3499
2	Aurangabad	290795	62972	353767	63289	9681	72970	461	159	620
3	Banka	213535	19285	232820	22452	1751	24203	9266	781	4119
4	Begusarai	321703	39040	360743	46258	4274	50532	1714	265	1979
5	Bhagalpur	307649	38522	346171	39983	3832	43815	13008	2706	15714
6	Bhojpur	314264	56326	370590	48507	7416	55923	820	170	17693
7	Buxar	192408	40373	232781	25441	4385	29826	675	483	1158
8	Darbhanga	382041	67188	449229	61715	6806	68521	569	114	683
9	Gaya	503491	90602	594093	156797	17953	174750	2207	189	1841
10	Gopalganj	294681	54471	349152	42664	5732	48396	1	0	1
11	Jamui	160627	23375	184002	25486	2529	28015	7807	313	8120
12	Jehanabad	201741	44788	246529	41891	6290	48181	0	0	8121
13	Kaimur	222779	49147	271926	54540	10611	65151	8791	631	9422
14	Katihar	258432	44691	303123	24516	4309	28825	14305	2366	16671
15	Khagaria	167800	23539	191339	23427	2312	25739	214	0	26093
16	Kishanganj	144344	13052	157396	12793	1303	14096	5696	372	6068
17	Lakhisarai	105939	29873	135812	15233	2793	18026	958	236	1194
18	Madhepura	219268	24821	244089	34534	2323	36857	1932	175	7262
19	Madhubani	512501	91351	603852	73664	7446	81110	1011	255	1266
20	Munger	135079	40057	175136	17761	4207	21968	2720	456	3176
21	Muzaffarpur	580411	92465	672876	109220	11556	120776	0	0	4442
22	Nalanda	321857	75007	396864	67567	9519	77086	181	22	203
23	Nawada	216783	64823	281606	50586	18591	69177	837	15	852
24	W. Champaran	385218	48673	433891	57590	5290	62880	19870	1881	1055
25	Patna	498777	92624	591401	96609	8976	105585	2159	139	2298
26	E. Champaran	542057	74944	617001	74000	6751	80751	381	5	386
27	Purnea	341291	35435	376726	40433	2621	43054	6498	1179	2684
28	Rohtas	314091	102031	416122	63871	15599	79470	3485	976	4461
29	Saharsa	182364	25567	207931	26679	2178	28857	579	78	657
30	Samastipur	434508	72556	507064	75945	8490	84435	2231	403	5118
31	Saran	472381	97065	569446	60505	10646	71151	4232	833	5065
32	Sheikhpura	65195	9511	74706	10710	1115	11825	734	188	922
33	Sheohar	68013	7764	75777	9807	576	10383	0	0	5987
34	Sitamarhi	295015	49139	344154	38858	3799	42657	291	37	328
35	Siwan	386699	86842	473541	52121	8578	60699	1003	512	1515
36	Supaul	243498	36932	280430	35648	3218	38866	3274	516	1843
37	Vaishali	367696	75771	443467	76327	10687	87014	1350	244	1594
	<b>Total</b>	<b>10917135</b>	<b>1936213</b>	<b>12853348</b>	<b>1803005</b>	<b>236506</b>	<b>2039511</b>	<b>122421</b>	<b>17037</b>	<b>139458</b>

(Contd.)

**Appendix I (Contd.)**

**Districtwise Enrolement 2005-06**

Sl. No.	District Name	2005-06								
		ALL			SC			ST		
		Primary (I-V)	Upper Primary (VI-VIII)	Total (I-VIII)	Primary (I-V)	Upper Primary (VI-VIII)	Total (I-VIII)	Primary (I-V)	Upper Primary (VI-VIII)	Total (I-VIII)
1	Araria	262710	47001	309711	30905	3805	34710	4278	1400	5678
2	Aurangabad	285849	66636	352485	73311	11871	85182	1062	145	1207
3	Banka	196532	26069	222601	25669	2537	28206	9685	856	6885
4	Begusarai	380444	49939	430383	4345	44	4389	101	0	101
5	Bhagalpur	315697	49551	365248	37414	4888	42302	10545	1542	12087
6	Bhojpur	325939	72562	398501	47250	8534	55784	433	80	12188
7	Buxar	189899	56167	246066	28957	6409	35366	605	262	867
8	Darbhanga	399964	77446	477410	59940	6239	66179	3158	402	3560
9	Gaya	518692	105990	624682	164187	20662	184849	259	38	4427
10	Gopalganj	311862	67392	379254	44309	6578	50887	2591	304	2895
11	Jamui	178747	28804	207551	29451	3412	32863	12154	1174	13328
12	Jehanabad	218612	52309	270921	45040	7259	52299	0	0	16223
13	Kaimur	224116	61412	285528	54300	12977	67277	7293	1015	8308
14	Katihar	294107	51896	346003	26044	4571	30615	16984	2402	19386
15	Khagaria	150119	25120	175239	21274	2599	23873	79	24	27694
16	Kishanganj	152852	17542	170394	13001	1499	14500	6634	521	7155
17	Lakhisarai	110789	28806	139595	16184	2555	18739	744	34	778
18	Madhepura	226199	31565	257764	35946	3489	39435	2390	508	7933
19	Madhubani	567691	103530	671221	82373	8488	90861	824	122	946
20	Munger	137224	41733	178957	16967	3923	20890	3192	1034	4226
21	Muzaffarpur	598527	105100	703627	107864	12898	120762	750	151	5172
22	Nalanda	314811	72386	387197	66896	9537	76433	1015	185	1200
23	Nawada	194908	34539	229447	47803	5190	52993	2384	573	2957
24	W. Champaran	408947	57739	466686	61585	6847	68432	22266	2485	4157
25	Patna	510653	115646	626299	108379	14510	122889	3736	708	4444
26	E. Champaran	501873	77490	579363	67211	7307	74518	3380	469	3849
27	Purnea	359375	41214	400589	38204	3692	41896	12813	1876	8293
28	Rohtas	327699	107549	435248	66409	15891	82300	4851	746	5597
29	Saharsa	186929	28886	215815	26419	2194	28613	1342	221	1563
30	Samastipur	463475	82771	546246	81267	9481	90748	4693	557	7160
31	Saran	459201	107733	566934	57791	9556	67347	3095	911	4006
32	Sheikhpura	68273	11960	80233	12242	1458	13700	1168	290	1458
33	Sheohar	68613	9254	77867	10083	848	10931	51	2	5464
34	Sitamarhi	316415	55356	371771	42212	4495	46707	884	147	1031
35	Siwan	367271	71019	438290	48882	7624	56506	1902	579	2481
36	Supaul	233466	34896	268362	35528	3055	38583	1733	267	3512
37	Vaishali	405110	88445	493555	83456	13455	96911	711	71	782
	<b>Total</b>	<b>11233590</b>	<b>2163453</b>	<b>13397043</b>	<b>1819098</b>	<b>250377</b>	<b>2069475</b>	<b>149785</b>	<b>22101</b>	<b>171886</b>

(Contd.)

**Appendix I (Contd.)**

**Districtwise Enrolment 2006-07**

Sl. No.	District Name	2006-07								
		ALL			SC			ST		
		Primary (I-V)	Upper Primary (VI-VIII)	Total (I-VIII)	Primary (I-V)	Upper Primary (VI-VIII)	Total (I-VIII)	Primary (I-V)	Upper Primary (VI-VIII)	Total (I-VIII)
1	Araria	408060	36586	444646	65796	5892	71688	59130	5805	64935
2	Aurangabad	308789	81808	390597	78338	13959	92297	2200	709	2909
3	Banka	223117	37597	260714	21739	3180	24919	9155	874	10029
4	Begusarai	405328	65635	470963	52251	5703	57954	1278	198	1476
5	Bhagalpur	352016	45115	397131	31073	3801	34874	9280	1181	10461
6	Bhojpur	462756	110813	573569	112967	23272	136239	501	16	517
7	Buxar	219882	66050	285932	41426	10814	52240	0	0	0
8	Darbhanga	424538	87489	512027	66113	8367	74480	3016	575	3591
9	Gaya	533684	100177	633861	182897	22362	205259	1824	144	1968
10	Gopalganj	320466	72303	392769	46850	8996	55846	772	827	1599
11	Jamui	194143	33773	227916	29723	4120	33843	8677	433	9110
12	Jehanabad	215808	55172	270980	44024	7651	51675	357	0	357
13	Kaimur	235704	67504	303208	53644	13266	66910	6635	806	7441
14	Katihar	352796	57535	410331	56297	9312	65609	28880	3464	32344
15	Khagaria	176828	33318	210146	24425	3075	27500	1953	546	2499
16	Kishanganj	157648	24231	181879	14172	1884	16056	6608	583	7191
17	Lakhisarai	109686	27283	136969	16340	2452	18792	710	15	725
18	Madhepura	253369	45129	298498	64771	8524	73295	1441	260	1701
19	Madhubani	554057	123964	678021	77555	10889	88444	1526	81	1607
20	Munger	164189	39723	203912	21580	4609	26189	3608	508	4116
21	Muzaffarpur	640827	130348	771175	97825	14962	112787	429	57	486
22	Nalanda	368569	98536	467105	78855	16330	95185	1612	436	2048
23	Nawada	241003	39419	280422	60983	5783	66766	1041	133	1174
24	W. Champaran	426473	75961	502434	59641	7802	67443	26411	3628	30039
25	Patna	555109	137617	692726	115050	17374	132424	1209	309	1518
26	E. Champaran	563602	104218	667820	73541	9719	83260	1198	135	1333
27	Purnea	456595	57038	513633	59778	6029	65807	31851	3442	35293
28	Rohtas	318133	103915	422048	70881	16020	86901	4162	707	4869
29	Saharsa	220160	42487	262647	27130	3215	30345	641	108	749
30	Samastipur	648690	115609	764299	148023	20512	168535	7591	480	8071
31	Saran	457116	115964	573080	62372	11949	74321	1202	466	1668
32	Sheikhpura	66173	12533	78706	13040	1539	14579	448	30	478
33	Sheohar	72744	10001	82745	11875	884	12759	293	3	296
34	Sitamarhi	360064	61963	422027	48205	5164	53369	328	155	483
35	Siwan	381068	109171	490239	48669	10742	59411	348	192	540
36	Supaul	249616	43982	293598	39396	4165	43561	1377	302	1679
37	Vaishali	428311	92351	520662	94846	12653	107499	489	58	547
	<b>Total</b>	<b>12527117</b>	<b>2562318</b>	<b>15089435</b>	<b>2212091</b>	<b>336970</b>	<b>2549061</b>	<b>228181</b>	<b>27666</b>	<b>255847</b>

(Concluded)

## Appendix II

### Districtwise Status of Regular & Contractual Doctors

Name of the District	Doctors						No of Doctors per Lakh of Population
	Regular (Govt.)			Contractual			
	Sanction	Working	Vacant	Sanction	Working	Vacant	
Khagaria	56	39	17	34	29	5	49
Gopalganj	101	52	49	69	42	27	38
Aurangabad	176	83	93	49	34	15	18
Jehanabad	98	65	33	40	34	6	11
Sheikhpura	64	34	30	33	14	19	8
Lakhisarai	46	42	4	30	30	0	8
Munger	63	61	2	44	26	18	7
Nalanda	153	98	55	95	58	37	7
Bhojpur	119	97	22	60	41	19	6
Bahalpur	149	93	56	75	68	7	6
Samastipur	192	141	51	95	70	25	6
Sheohar	59	22	37	19	12	7	6
Begusarai	107	74	33	94	53	41	6
Vaishali	139	80	59	71	49	22	5
Buxar	74	47	27	54	23	31	5
Patna	294	211	83	92	69	23	5
Saharsa	92	47	45	45	23	22	5
Siwan	134	76	58	89	47	42	5
Nawada	111	71	40	45	24	21	5
Rohtas	158	82	76	89	44	45	5
Banka	95	55	40	47	35	12	5
Sitamarhi	121	84	37	52	35	17	4
Supaul	90	54	36	49	28	21	4
Darbhanga	132	88	44	72	65	7	4
Jamui	91	41	50	38	27	11	4
E. Champaran	179	104	75	128	74	54	4
Gaya	191	92	99	106	62	44	4
W. Champaran	208	81	127	83	46	37	4
Saran	145	105	40	94	36	58	4
Katihar	113	67	46	78	34	44	4
Muzaffarpur	165	86	79	70	59	11	3
Purnea	116	65	51	64	35	29	3
Madhepura	96	50	46	67	8	59	3
Kaimur	89	29	60	48	19	29	3
Araria	111	52	59	36	14	22	3
Madhubani	213	97	116	67	8	59	3
Kishangani	52	30	22	28	4	24	2
Arwal	51	17	34	20	13	7	1
<b>Total</b>	<b>4643</b>	<b>2712</b>	<b>1931</b>	<b>2369</b>	<b>1392</b>	<b>977</b>	<b>5</b>
Percentage of total sanctioned		58.4	41.6		58.8	41.2	

**Appendix III**

**Districtwise Details of Grade- 'A' Nurse**

Name of Districts	Staff Nurse						A Grade Staff Nurse working per lakh of population
	Regular			Contractual			
	Sanctioned	In Position	Vacant	Sanctioned	In Position	Vacant	
Khagaria		11		56	47	9	41
Gopalganj	18	7	11	84	13	71	8
Jamui	13	10	3	60	45	15	6
Sheikhpura	10	4	6	36	27	9	5
Bhagalpur	18	18	0	122	82	40	4
Nalanda	36	33	3	110	52	58	4
Banka	18	11	7	72	56	16	3
Begusarai	23	23	0	102	50	52	3
Munger	20	20	0	48	21	27	3
Saharsa	30	21	9	82	24	58	3
Jahanabad	13	5	8	64	34	30	2
Gaya	26	17	9	152	71	81	2
Purnea	36	20	16	110	46	64	2
Darbhanga	8	4	4	154	64	90	2
Katihar	24	17	7	104	31	73	2
Muzaffarpur	21	17	4	160	55	105	2
Aurangabad	21	10	11	62	30	32	2
Madhepura	38	18	20	70	10	60	2
Kishanganj	6	6	0	44	19	25	2
Sitamarhi	17	13	4	120	28	92	2
Arwal	0	0	0	128	10	118	1
Nawada				82	24	58	1
Madhubani	42	16	26	190	32	158	1
Saran	33	28	5	142	14	128	1
Supaul	11	1	10	82	18	64	1
E. Champaran	24	17	7	164	25	139	1
Kaimur	28	10	18	82	4	78	1
Lakhisarai	10	9	1	38	0	38	1
Samastipur	22	20	2	164	10	154	1
Rohtas	20	10	10	88	11	77	1
Bhojpur	20	11	9	88	6	82	1
Araria	17	8	9	96	10	86	1
Siwan	8	6	2	114	12	102	1
Vaishali	118	9	109	118	8	110	1
Patna	43	28	15	212	0	212	1
Buxar	2	2	0	68	4	64	0
W. Champaran	12	3	9	120	11	109	0
Sheohar	6	1	5	22	1	21	0
<b>Total</b>	<b>812</b>	<b>464</b>	<b>359</b>	<b>3810</b>	<b>1005</b>	<b>2805</b>	<b>2</b>
Percentage of total sanctioned		57.1	44.2		26.4	73.6	

**Appendix IV**

**District Wise Details of ANM**

Name of Districts	A.N.M						ANMs working per lakh of population
	Regular			Contractual			
	Sanctioned	In Position	Vacant	Sanctioned	In Position	Vacant	
Khagaria	209	180	29	193	143	50	231
Gopalganj	266	250	16	186	40	146	116
Sheikhpura	122	110	12	85	64	21	29
Nalanda	405	405	0	370	272	98	29
Begusarai	370	370	0	360	195	165	25
Munger	167	167	0	165	144	21	24
Bhagalpur	394	384	10	362	269	93	24
Jahanabad	156	149	7	151	65	86	23
Vaishali	419	381	38	418	195	223	23
Lakhisarai	131	131	0	102	74	28	22
Buxar	212	212	0	162	92	70	22
Gaya	583	531	52	541	260	281	21
Muzaffarpur	583	583	0	583	278	305	21
Bhojpur	366	345	21	284	111	173	20
Banka	242	236	6	265	156	109	20
Samastipur	456	436	20	486	274	212	19
Kaimur	147	141	6	167	136	31	19
Jamui	230	213	17	212	82	130	18
Rohtas	286	280	6	308	195	113	18
Aurangabad	338	306	32	285	80	205	16
Saran	512	487	25	507	111	396	16
Arwal	87	69	18	78	38	40	16
Patna	545	545	0	418	329	89	16
Sitamarhi	300	289	11	213	95	118	14
Katihar	362	295	67	345	67	278	13
Purnea	356	310	46	370	85	285	13
Siwan	370	193	177	140	140	0	13
Saharsa	180	155	25	152	28	124	13
Darbhanga	351	265	86	419	180	239	12
W. Champaran	457	344	113	571	46	399	12
Madhubani	561	365	196	429	49	380	10
E. Champaran	419	291	128	503	104	399	9
Araria	274	170	104	290	34	256	9
Supaul	347	108	239	247	19	228	7
Nawada				223	102	121	5
Sheohar	48	23	25	34	5	29	5
Kishanganj	0	0	0	186	10	176	1
Madhepara			0	136	0	136	0
<b>Total</b>	<b>11251</b>	<b>9719</b>	<b>1532</b>	<b>10946</b>	<b>4567</b>	<b>6253</b>	16
Percentage of total sanctioned		86.4	13.6		41.7	57.1	

**Appendix V**

**Districtwise Details of ASHA Workers**

Name of the District	No. of ASHA Selection Target	ASHA Selection till now.	No. of ASH A Trained	No. of District Level Trainer Trained	No. of Block level Trainer Trained	Percentage of selection	Percentage of trained Candidate	No of Asha per Lakh of Population	No of Trained Ashas per lakh of population
Gopalganj	2022	2015	1868	4	33	100	92	806	747
Khagaria	1204	1001	967	4	24	83	80	715	691
Jamui	1296	1270	1270	5	53	98	98	137	137
Vaishali	2532	2532	2532	5	64	100	100	100	100
Siwan	2565	2538	2538	5	75	99	99	99	99
Arwal	669	644	644	3	5	96	96	97	97
Begusarai	2242	2107	2018	4	61	94	90	93	90
Samastipur	3271	3214	3214	5	92	98	98	87	87
Kaimur	1247	1247	1247	4	18	100	100	86	86
Nalanda	2017	2017	2017	4	57	100	100	85	85
Araria	2026	2026	2026	3	36	100	100	84	84
Sitamarhi	2529	2223	1665	4	65	88	66	83	62
Darbhanga	3028	2890	2890	4	56	95	95	80	80
Madhepura	1460	1403	1403	5	65	96	96	80	80
W. Champaran	2734	2594	2550	5	53	95	93	79	77
Supaul	1644	1492	1477	8	19	91	90	79	78
Sheohar	495	464	464	5	35	94	94	77	77
Banka	1552	1535	1455	4	40	99	94	77	73
Buxar	1273	1074	1074	4	50	84	84	77	77
Nawada	1671	1531	1284	4	42	92	77	77	64
Purnea	2322	2263	2002	4	34	97	86	75	67
Muzaffarpur	3398	3078	2544	4	70	91	75	74	61
Sheikhpura	444	439	426	4	30	99	96	74	72
Rohtas	2124	1972	1972	3	52	93	93	73	73
Bhojpur	1931	1621	1621	5	31	84	84	73	73
Madhubani	3451	3024	2751	5	70	88	80	72	66
Saran	2950	2658	2289	5	59	90	78	72	62
Bhagalpur	1971	1936	1877	4	46	98	95	72	70
Katihar	2174	1866	1486	4	48	86	68	69	55
Gaya	2997	2613	2440	5	90	87	81	69	64
E. Champaran	3689	2910	2686	5	135	79	73	68	62
Kishanganj	1167	1064	648	4	17	91	56	67	41
Aurangabad	1842	1552	1552	3	33	84	84	66	66
Munger	820	820	820	2	26	100	100	64	64
Lakhisarai	684	568	568	4	6	83	83	60	60
Saharsa	1383	777	777	4	46	56	56	54	54
Jehanabad	769	769	769	3	6	100	100	48	48
Patna	2757	2549	2549	4	70	92	92	46	46
<b>Total</b>	<b>74350</b>	<b>68296</b>	<b>64380</b>	<b>161</b>	<b>1812</b>	<b>92</b>	<b>87</b>	<b>78</b>	<b>74</b>

**Appendix VI**

**Districtwise Institutional Deliveries April-07 to March-08**

Sl. No.	Districts	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08
1	Araria	680	650	762	1283	2196	2849	3274	3039	2198	1874	1803	1891
2	Arwal	155	221	298	438	760	933	1030	1462	1483	846	718	626
3	Aurangabad	926	1159	1265	1588	2244	3054	3662	3895	2384	1694	2315	2538
4	Banka	1023	1253	1375	1440	1952	2830	3807	2934	1379	1828	1763	1907
5	Begusarai	1069	1272	1762	2642	3535	3707	4004	3730	2732	3218	2786	3412
6	Bhagalpur	1161	1150	1483	2258	3489	4461	5625	4457	3225	3632	3084	3375
7	Bhojpur	350	473	993	1404	2608	2811	2967	2967	2535	2287	1992	2391
8	Buxar	188	254	478	889	1569	1721	1840	1567	109	899	1006	1051
9	E. Champaran	563	742	958	1325	1801	2927	3351	2476	1891	2213	2205	2308
10	W. Champaran	1012	905	1093	1746	916	4546	4474	4431	3891	3231	3062	3505
11	Darbhanga	258	372	558	1143	1657	2330	2928	3291	2759	3148	2442	2601
12	Gaya	253	546	711	1078	1546	2306	2510	2326	1519	1537	1224	1267
13	Gopalganj	932	782	892	1195	2062	2610	2749	2642	2065	2677	2520	2588
14	Jahanabad	89	179	385	715	1171	1551	1967	1932	1711	1399	1202	1065
15	Jamui	239	236	629	663	1286	2072	2177	2016	1705	1564	1482	1149
16	Kaimur	552	592	506	1000	1919	2317	2324	2157	1545	1365	1239	1280
17	Katihar	300	378	502	1764	2064	1626	1276	1579	118	516	631	742
18	Khagaria	541	815	1086	1502	1734	2269	2361	1353	1268	1786	1573	1747
19	Kishanganj	347	179	410	291	3817	690	987	1025	1045	1245	1102	1019
20	Lakhisarai	282	505	534	859	1131	1373	1479	1379	821	926	772	811
21	Madhepura	242	434	590	1005	1565	2922	2345	2235	1816	1313	1251	1221
22	Madhubani	494	742	750	490	1181	2092	1993	2023	511	1236	1884	2030
23	Munger	337	432	533	1273	1874	2284	2835	1852	1458	1448	1523	1480
24	Muzaffarpur	370	348	701	970	701	2699	2095	2284	1558	1309	952	1155
25	Nalanda	800	1119	994	1679	2972	3616	3494	2938	2472	2252	1994	2439
26	Nawada	436	783	789	975	1389	1628	1612	1775	1423	1474	1258	1257
27	Patna	880	1233	1673	2299	3843	8457	4212	5899	5284	4646	3941	2916
28	Purnea	1118	1409	1400	1854	3181	6968	4592	3762	2652	2693	2892	2980
29	Rohtas	255	371	582	1075	1756	2589	3758	3413	2807	2609	2745	2362
30	Saharsa	425	650	749	1302	1757	2105	2261	1966	760	1046	1368	890
31	Samastipur	3193	3714	3987	6007	6468	8019	8067	7491	5002	7030	6293	6091
32	Saran	428	753	772	1110	2117	2810	2739	3147	2343	2768	3160	4085
33	Sheikhpura	412	562	637	995	1399	1844	1890	1537	313	838	718	722
34	Sheohar	43	58	67	144	212	268	306	261	171	161	161	193
35	Sitamarhi	279	304	566	1068	1735	2687	3113	2511	935	1294	1222	1452
36	Siwan	799	757	816	1571	2459	2815	2851	2319	1745	2243	2216	2048
37	Supaul	821	832	1013	1185	1740	2684	3026	2539	1703	1574	1455	1475
38	Vaishali	552	701	875	1980	2859	3511	3582	4276	3397	4328	4093	4342
	<b>Total</b>	<b>22804</b>	<b>27865</b>	<b>34174</b>	<b>52205</b>	<b>78665</b>	<b>108981</b>	<b>109563</b>	<b>102886</b>	<b>72733</b>	<b>78147</b>	<b>74047</b>	<b>76411</b>
	<b>Grand Total</b>	<b>838481</b>											



**Appendix VII**

**Fund Disbursement to Distric Health Society upto 24.12.2008**

Sl. No.	District	NRHM-A	NRHM-B	NRHM-C	Others	Total (upto 24.12.08)
1	Araria	10939250	7167020	2408430	272354	20787054
2	Arwal	28749880	15283300	9941264	7175124	61149568
3	Aurangabad	15464000	14283560	8409410	903027	39059997
4	Banka	25999350	20221880	7604491	718109	54543830
5	Begusarai	29504600	24102855	14523345	928632	69059432
6	Bhagalpur	846000	27633345	13990224	1157174	43626743
7	Bhojpur	39079200	17502730	11065609	910337	68557876
8	Buxar	12879300	13485940	5101133	619814	32086187
9	E.Champaran	56990000	15852132	17871021	1338634	92051787
10	W.Champaran	44475300	11311032	14369145	1324507	71479984
11	Darbhanga	22812700	22885245	20445598	773321	66916864
12	Gaya	28115900	25338323	20193640	1177714	74825577
13	Gopalganj	41755300	10732480	9300694	1225376	63013850
14	Jamui	13046000	13067080	5735312	692729	32541121
15	Jehanabad	8520800	14782420	5463659	12069932	40836811
16	Kaimur	17813100	16873828	6420447	499140	41606515
17	Katihar	31739750	12094320	13597756	839322	58271148
18	Khagaria	26444400	16275840	7942381	624351	51286972
19	Kishanganj	15040900	7739660	6362247	560490	29703297
20	Lakhisarai	10709600	10217720	3741618	522958	25191896
21	Madhepura	23669600	14306120	9542770	3959544	51478034
22	Madhubani	25366000	21717780	23082044	1186664	71352488
23	Munger	13149550	19191720	7266677	659501	40267448
24	Muzaffarpur	21368000	29960172	21326159	974684	73629015
25	Nalanda	38876700	33865100	10140343	20306923	103189066
26	Nawada	16119600	20119492	8731432	810149	45780673
27	Patna	29638400	36832443	30458879	1937987	98867709
28	Purnea	64334600	18802644	12231190	4400243	99768677
29	Rohtas	38152700	21265160	10316881	1082698	70817439
30	Saharsa	25846100	20165840	10275367	2988282	59275589
31	Samastipur	79335000	27005980	20789442	2318386	129448808
32	Saran	10346100	17113045	12008992	908771	40376908
33	Sheikhpura	12952100	9338232	3225762	6201986	31718080
34	Sheohar	3824000	6589100	2579660	357872	13350632
35	Sitamarhi	13374000	17746140	12457976	762958	44341074
36	Siwan	38551900	17064812	14807799	770228	71194739
37	Supaul	30714400	18720140	10927711	6820804	67183055
38	Vaishali	59340900	20088822	12202215	948565	92580502
39	PMCH, Patna	6200000	7610085	0	0	13810085
40	NMCH, Patna	1620000	3117775	0	0	4737775
41	JLNMCH,BGP	576000	4297000	0	0	4873000
42	ANMCH,Gaya	6056000	2639000	0	0	8695000
43	SKMCH,MUZ.	5500000	2639000	0	0	8139000
44	DMCH,Darbhanga	5900000	2639000	0	0	8539000
45	Rajvansi Nagar	0	2000000	0	0	2000000
	CDPO Vehicle	0	5120000	0	0	5120000
	<b>Total</b>	<b>1051736980</b>	<b>716805312</b>	<b>436858723</b>	<b>91729290</b>	<b>2297130305</b>

## Appendix VIII

### Percentage of Targets Achieved in Birth and Death Registration

Name of District	Birth			Death		
	2004	2005	2006	2004	2005	2006
Patna	20.79	23.39	35.23	45.05	54.46	63.37
Nalanda	16.67	16.55	12.49	24.44	24.09	17.80
Bhojpur	19.90	24.74	24.43	25.21	29.34	28.25
Buxar	8.35	7.80	11.91	15.32	15.25	16.21
Rohtas	8.94	18.70	17.46	16.46	29.39	24.90
Kaimur	14.24	12.84	13.52	21.24	27.46	26.10
Gaya	8.56	14.24	17.02	14.51	17.19	23.64
Jehanabad	21.35	28.93	23.99	23.58	31.66	26.34
Arwal	6.36	4.73	10.03	8.08	9.52	15.30
Nawada	15.23	10.87	19.46	17.89	12.09	19.72
Aurangabad	18.31	15.19	11.55	15.11	15.98	10.66
Saran	7.09	17.98	12.02	20.17	13.71	13.30
Siwan	14.06	15.98	14.94	24.21	24.15	24.54
Gopalganj	5.66	14.38	13.82	13.06	22.24	27.37
Muzaffarpur	17.54	25.12	33.03	19.19	20.88	24.92
E. Champaran	2.05	4.34	6.90	5.87	10.51	14.97
W. Champaran	14.10	16.96	20.63	20.21	19.70	20.19
Sitamarhi	2.38	3.83	7.58	5.17	6.53	9.98
Sheohar	1.69	3.69	9.04	3.50	9.30	9.72
Vaishali	9.04	16.76	30.35	19.97	22.73	27.39
Darbhanga	7.47	10.41	14.52	15.39	18.03	19.62
Madhubani	5.25	9.94	14.55	13.46	16.38	18.10
Samastipur	8.69	15.61	20.78	18.02	19.50	24.07
Munger	20.48	41.26	45.75	26.54	40.30	45.65
Lakhisarai	3.11	2.40	9.91	6.77	10.77	15.77
Sheikhpura	2.83	5.12	19.26	9.00	9.20	25.68
Jamui	26.63	28.37	18.46	29.15	51.93	26.63
Begusarai	8.86	15.06	15.94	14.98	21.71	19.33
Khagaria	15.35	30.82	33.56	18.39	29.94	29.74
Bhagalpur	8.68	19.38	22.38	18.85	25.93	32.96
Banka	10.97	20.04	14.91	17.59	21.16	17.35
Saharsha	7.51	8.51	14.96	8.18	8.54	16.56
Supaul	3.97	3.97	5.72	5.84	4.67	7.04
Madhepura	8.89	12.69	16.79	12.64	16.38	20.18
Purnea	13.43	25.87	24.55	14.75	25.67	22.54
Kishanganj	12.15	18.75	18.77	14.93	25.73	25.38
Araria	4.79	8.25	9.97	1.92	9.64	7.43
Katihar	11.73	29.39	33.23	19.67	23.80	19.16
<b>Total</b>	<b>10.97</b>	<b>16.23</b>	<b>18.97</b>	<b>17.62</b>	<b>21.73</b>	<b>23.17</b>

## Appendix IX

### Selected Health Indicators for Bihar

Indicator	Urban				Rural				Total			
	Bihar		India		Bihar		India		Bihar		India	
	NFHS-II	NFHS-III	NFHS-II	NFHS-III	NFHS-II	NFHS-III	NFHS-II	NFHS-III	NFHS-II	NFHS-III	NFHS-II	NFHS-III
Trends in Vaccination Coverage (%)	22	46	61	58	11	31	37	39	12	33	42	44
Trends in Infant Mortality (per 1000 live births)	53	54	47	42	80	63	73	62	78	62	68	57
Trends in Any Antenatal Care (%)	67	53	86	91	32	32	60	72	34	34	66	77
Trends in Institutional Deliveries (%)	39	48	65	69	13	19	25	31	15	22	34	41

## Appendix X

### Districtwise Work Participation Ratio

	Work Participation Ratio			Share of Population	
	SC	ST	All	SC	ST
<b>All Bihar</b>	39.7	45.2	33.7	15.7	0.9
Gaya	43.7	41.2	36.8	29.6	0.1
Nawada	45.3	48	37.3	24.1	0.1
Aurangabad	39.1	41	33.3	23.5	0.1
Kaimur	39.3	42.6	34.4	22.2	2.8
Vaishali	35.7	45.9	28.8	20.7	0.1
Nalanda	44.7	54.3	38.1	20	0
Sheikhpura	46.1	48.3	37	19.7	0
Jehanabad	44.8	61	38.4	18.9	0.1
Samastipur	35.7	62.9	31.6	18.5	0.1
Rohtas	36.1	39.4	30.4	18.1	1
Jamui	47.7	47.4	42.7	17.4	4.8
Madhepura	46.3	51.6	44.8	17.1	0.6
Saharsha	46.3	47.2	39.1	16.1	0.3
Muzaffarpur	35.2	31.9	30.4	15.9	0.1
Lakhisarai	44.9	49.6	36.5	15.8	0.7
Darbhanga	36.1	44.2	31.2	15.5	0
Patna	37.6	46.1	30.2	15.5	0.2
Bhojpur	35.8	30.2	29.1	15.3	0.4
Supaul	46.6	45.8	42	14.8	0.3
Begusarai	35.5	27.6	31.8	14.5	0.1
Khagaria	42.2	53	36.5	14.5	0
Sheohar	35	23.4	31.2	14.4	0
W. Champaran	44.8	46.3	37.9	14.3	1.5
Buxar	35.1	31.3	29.1	14.1	0.6
Araria	48.2	51.1	39.5	13.6	1.4
Madhubani	39.6	30.6	34.3	13.5	0
Mungher	34	39.1	29.1	13.3	1.6
E. Champaran	38.3	37.5	32.7	13	0.1
Banka	42.5	48.6	39.6	12.4	4.7
Gopalganj	36.5	36	29.8	12.4	0.3
Purnea	46.9	47.1	37.8	12.3	4.4
Saran	32.3	30.2	26.5	12	0.2
Sitamarhi	35.9	31.6	31.9	11.8	0.1
Siwan	26.1	30.2	26.9	11.4	0.5
Bhagalpur	38.4	40.8	35.3	10.5	2.3
Katihar	42.3	45.8	37.5	8.7	5.9
Kishanganj	36.6	50	32.2	6.6	3.6
Arwal					

## Appendix XI

### Districtwise Sectoral Distribution of Workers

	SC - Sectoral Distribution of main Workers				ST - Sectoral Distribution of main Workers				Overall - Sectoral Distribution of main Workers			
	Cultivators (%)	Agricultural Labourers (%)	Household Industry Workers (%)	Other Workers (%)	Cultivators (%)	Agricultural Labourers (%)	Household Industry Workers (%)	Other Workers (%)	Cultivators (%)	Agricultural Labourers (%)	Household Industry Workers (%)	Other Workers (%)
<b>All Bihar</b>	7.9	77.6	3.3	11.2	21.3	62.5	4	12	29	48	3.9	19
Gaya	11.8	78.1	2.2	8	18.2	36.2	7.8	38	34	43.8	4.1	18
Nawada	11.5	77.6	2.9	8	16.7	50.8	7.4	25	40	40.3	3.7	16
Aurangabad	13.5	73.9	2.6	10	3.7	23.6	7	66	37	42.2	4.2	17
Kaimur	11	78.3	2.2	8.5	33.5	40.3	3	23	34	48.6	3.5	14
Vaishali	5.7	75.9	3.9	14.5	7.3	16.3	7.2	69	31	41.6	4.2	23
Nalanda	8.7	78.2	3.3	9.7	4.7	25.6	8.2	62	36	42.1	4.6	18
Sheikhpura	9.4	76.6	2.5	11.5	0	2	16.7	81	38	42.2	3.2	17
Jehanabad	7.7	81.2	2.9	8.2	4	20	3.9	72	36	44.7	3.7	16
Samastipur	4.6	78.9	3.2	13.3	4.2	44.7	0.7	50	27	47.4	4.4	21
Rohtas	11.1	71.8	2.9	14.2	15.4	56.7	5.4	23	35	38.9	3.9	23
Jamui	11.4	58.8	17.1	12.7	31.8	34.6	18.4	15	30	32.5	20.8	16
Madhepura	6.4	88.1	1.4	4.1	35.2	53.4	5.7	5.6	33	56.3	1.8	8.7
Saharsha	7.8	83.1	2.1	6.9	18.9	72.2	0.6	8.4	32	52.5	2.1	14
Muzaffarpur	6.3	74.8	3.2	15.7	11.5	35	3.3	50	26	45.5	3.5	25
Lakhisarai	8.2	76.6	3	12.2	14.2	62.8	2.6	20	32	43.6	2.9	21
Darbhanga	5.2	77.9	3.6	13.2	6.2	38.2	0.3	55	23	51.1	4	22
Patna	5.2	70.4	2.7	21.7	0.7	4	3.6	92	22	32.9	3.9	41
Bhojpur	7.1	77.5	2.7	12.7	9.6	54	6.2	30	35	39.5	3.9	22
Supaul	9.9	83.7	2.3	4.2	27.8	68.4	0.9	3	34	54.8	1.9	9
Begusarai	4	72.1	5.8	18.2	1.9	12	0.5	86	19	47.9	6.9	26
Khagaria	6.4	81.4	2.3	9.9	13.1	17	0.6	69	26	54.4	2.5	17
Sheohar	2.9	90.4	2.5	4.3	6.7	33.3	0	60	26	61.3	2.3	11
W. Champaran	4.7	85.7	2.5	7.1	13.2	79.4	1.2	6.2	21	62.3	2.6	14
Buxar	10	74.9	2.5	12.6	5.3	51.3	5.6	38	36	40.1	3.9	20
Araria	6.3	87.2	2.2	4.4	24	71.5	1.7	2.9	25	62.3	2	10
Madhubani	5.5	84.7	2.9	6.9	34.3	38.2	5.7	22	31	52.8	3.4	13
Mungher	5.3	61	4.5	29.2	10.5	54.8	4.7	30	16	41.6	4.5	38
E. Champaran	6.1	83	2.4	8.4	17.2	60.4	2.6	20	27	54.8	2.8	15
Banka	13.8	74.3	4.7	7.2	31.3	58.8	5.7	4.3	34	51.7	4.6	9.9
Gopalganj	13	74	2.7	10.3	20.5	34.7	1.8	43	41	40.1	2.6	16
Purnea	4.7	87.3	2.1	6	21.2	72.1	1.5	5.2	23	63.3	1.7	12
Saran	8.8	72.2	3.3	15.6	19.2	37	2.4	41	36	37.5	4	23
Sitamarhi	4.2	82.1	3.5	10.1	5	70.1	3.5	21	24	55.3	3.4	17
Siwan	14.2	67.5	3.8	14.4	22.9	43.5	4.8	29	41	33.7	3.6	22
Bhagalpur	6.6	68.2	5.3	20	19.6	68.9	1	11	20	48.2	7.4	25
Katihar	5	79.9	3.4	11.8	19.4	72.7	1.7	6.1	22	61	2.5	14
Kishanganj	5.8	70	5.6	18.7	12.5	83.6	0.5	3.4	26	57.6	2	14
Arwal												

## CHAPTER VI

### BANKING AND ALLIED SECTORS

The Reserve bank of India (RBI), in its Report on the Trends and Progress of Banking, 2007-08, had noted that the global economy, after a sustained period of expansion, had entered into a phase of downturn on account of the global financial crisis. The impact of this has been felt across the entire landscape of the financial sector in India and across the states by varying degrees. The RBI has noted that “Corporate earnings and credit quality eroded as input cost increased and demand subsided in an environment of higher inflation and lower growth.” The most severely affected sectors have been real estate, banking and automobiles in India. The national scenario, as analysed by the RBI, shows a decline in the net interest income of Scheduled Commercial Banks (SCB) in relation to their total assets due to a hardening of interest and deposit rates during 2007-08; however, due to a simultaneous decline in the operating expenses of banks, they were able to maintain their existing operating profits in relation to their total assets. Return on assets (RoA) of SCBs improved moderately, while the return on equity (RoE) declined and ‘the capital to risk-weighted asset ratio of SCBs, a measure of the capacity of the banking system to absorb losses’, improved. While the operations of the urban cooperative banks (UCBs) witnessed impressive growth during 2007-08, the rural cooperative banking sector, except State Cooperative Agricultural and Rural Development Banks (SCARDBs), also performed well. But the Primary Agricultural Credit Societies (PACS) and Primary Cooperative Agricultural and Rural Development Banks (PCARDB) showed sub-optimal performance and incurred overall losses in the country as a whole. The assistance sanctioned by Financial Institutions (FI) increased substantially during 2007-08, as against a decline during the previous year, though the disbursements had slowed down during the year. The capital adequacy ratio of FIs was higher than the prescribed norm of 9 percent.

As economic development and bank operations are closely intertwined, each serving as an input to the growth of the other, Bihar could not completely insulate itself against the overall impact of the global meltdown and national trends as described above. As discussed later, they acted as serious impediments to further expansion in the credit flow by the banks in Bihar. The following analysis of the financial sector in Bihar takes into account three kinds of institutions functioning in the

state: (i) Scheduled Commercial Banks (SCB), (ii) Regional Rural Banks (RRB) and (iii) Cooperative Banks. While the Scheduled Commercial Banks provide finance to both industry and agriculture, the Regional Rural Banks and Cooperative Banks largely look after the requirements of agriculture sector. Although the SCBs include both nationalised and private commercial banks, plus the foreign banks, the present analysis is based on nationalised banks alone, the database on which is satisfactory and, in any case, the presence of other commercial banks is very marginal in Bihar. In addition, the analysis also includes the working of National Bank for Agriculture and Rural Development (NABARD) which plays a substantive role in providing credit for agriculture and rural development.

## **6.1 Banking Infrastructure**

Scheduled Commercial Banks (SCB) : Table 6.1 shows the distribution of SCB branch offices in Bihar during 2003-04 to 2007-08 and their growth. At the end of 2007-08, 61.9 percent of a total of 3769 branches of commercial banks were located in rural areas, 20.8 percent in semi-urban and the remaining 17.3 percent in urban and metropolitan areas. As regards growth in total number of branches, after attaining the peak growth rate of nearly 1 percent in 2006-07, there was a sharp decline in 2007-08 and, whatever little expansion was there, took place in urban areas only. The urban branches have of course consistently increasing their share in the total number of branches, from 12.4 percent in 2003-04 to 17.3 percent in 2007-08. From Table 6.2, it can be noted that Bihar accounts for only 4.58 percent of all the SCB branches in the country, far less than its population share of about 8 percent. Thus, average size of population served by a branch is more than 31 thousand in Bihar, compared to the national average of about 15 thousand. From Table 6.3, it can further be seen that, with 30,698 bank employees as on March, 2007, more than one-third of whom belong to the category of officers, Bihar accounts for only 3.41 percent of all the SCB employees in India. Thus, apart from relatively less coverage, the branches of SCBs in Bihar are also comparatively under-staffed.

Regional Rural Banks (RRB) : The total number of branches of RRBs in Bihar in 2006-07 was only 1465. Over the years, there has been a small decrease in the number of branches of RRBs in both Bihar and India (Table 6.4).

Cooperative Banks : The data for the number of branches of Cooperative Banks is shown in Table 6.5. It may noted from the table that there has been no growth in this sector during 2006-07.

**Table 6.1 : Distribution of Branches of SCBs in Bihar**

Years (end Marh)	Total	Growth Rate (Percent)	Percentage Share in total		
			Rural	Semi- urban	Urban
2004	3618	0.25	68.7	18.9	12.4
2005	3646	0.77	68.0	18.9	13.1
2006	3678	0.80	63.6	20.6	15.8
2007	3712	0.92	63.0	20.7	16.3
2008	3769	0.32	61.9	20.8	17.3

Source : Statistical Tables Relating to Banks in India, 2007-08, RBI

**Table 6.2 : Distribution of Branches of SCBs among States (2007-08)**

States	Rural	Semi- Urban	Urban	Total	Percentage Share	Population per branch
Andhra Pradesh	37.00	23.27	39.73	6210	7.98	13752
<b>Bihar</b>	<b>61.90</b>	<b>20.83</b>	<b>17.27</b>	<b>3769</b>	<b>4.85</b>	<b>31301</b>
Gujarat	34.01	21.76	44.23	4269	5.49	13353
Haryana	32.71	20.12	47.17	2048	2.63	11387
Karnataka	37.38	19.84	42.78	5690	7.32	10691
Kerala	8.21	65.29	26.50	4030	5.18	9077
Madhya Pradesh	44.88	23.16	31.96	3855	4.96	24924
Maharashtra	28.43	17.58	53.99	7355	9.46	14403
Orissa	62.05	17.35	20.59	2593	3.33	15413
Punjab	34.09	28.01	37.90	3174	4.08	8505
Rajasthan	45.13	24.00	30.86	3833	4.93	16768
Tamil Nadu	28.88	29.04	42.08	5727	7.36	12146
Uttar Pradesh	50.40	17.33	32.27	9353	12.03	22565
West Bengal	45.57	11.52	42.91	5017	6.45	18087
<b>All India</b>	<b>39.83</b>	<b>22.70</b>	<b>37.47</b>	<b>77773</b>	<b>100.00</b>	<b>15184</b>

Source : Statistical Tables Relating to Banks in India, 2007-08, RBI



**Table 6.3 : Distribution of Employees of SCBs as on March 31, 2007**

Region/State/ Union Territory	Officers		Clerks		Sub-ordinates		Total	
	Number	Share (per cent)	Number	Share (per cent)	Number	Share (per cent)	Number	Share (per cent)
Delhi	22485	6.47	17830	4.86	7887	4.26	48202	5.36
Haryana	8693	2.50	8396	2.29	4668	2.52	21757	2.42
Punjab	14678	4.22	14131	3.85	7468	4.04	36277	4.03
Rajasthan	13619	3.92	11904	3.25	7790	4.21	33313	3.70
<b>Bihar</b>	<b>11412</b>	<b>3.28</b>	<b>11775</b>	<b>3.21</b>	<b>7511</b>	<b>4.06</b>	<b>30698</b>	<b>3.41</b>
Orissa	8462	2.43	8576	2.34	5145	2.78	22183	2.47
West Bengal	22283	6.41	32852	8.96	16200	8.75	71335	7.93
Jharkhand	5720	1.65	6099	1.66	3484	1.88	15303	1.70
Chhattisgarh	4015	1.15	3417	0.93	2066	1.12	9498	1.06
Madhya Pradesh	14264	4.10	14028	3.83	8156	4.41	36448	4.05
Uttar Pradesh	32708	9.41	33602	9.16	19834	10.72	86144	9.58
Uttaranchal	3436	0.99	3406	0.93	2357	1.27	9199	1.02
Gujarat	18259	5.25	22012	6.00	11565	6.25	51836	5.76
Maharashtra	55376	15.93	58498	15.95	23171	12.52	137045	15.24
Andhra Pradesh	25812	7.42	22894	6.24	12368	6.68	61074	6.79
Karnataka	23297	6.70	26108	7.12	11794	6.37	61199	6.80
Kerala	15211	4.38	19671	5.36	8572	4.63	43454	4.83
Tamil Nadu	28212	8.11	31504	8.59	13335	7.21	73051	8.12
<b>All India</b>	<b>347662</b>	<b>100.00</b>	<b>366700</b>	<b>100.00</b>	<b>185045</b>	<b>100.00</b>	<b>899407</b>	<b>100.00</b>

Source : Statistical Tables Relating to Banks in India, 2007-08, RBI

**Table 6.4 : Number of Branches of RRBs**

	2003-04	2004-05	2005-06	2006-07
All India	14663	14645	14607	14652
<b>Bihar</b>	<b>1489</b>	<b>1487</b>	<b>1476</b>	<b>1465</b>
Madhya Pradesh	1069	1064	1050	1050
Maharashtra	593	588	580	580
Rajasthan	1032	1027	1026	1033
Uttar Pradesh	2878	2869	2871	2884
West Bengal	894	897	898	899

Source : Money and Banking, Sept 2008, CMIE

**Table 6.5 : Number of Branches of State and District Central Cooperative Banks (As on March 31)**

Region / State	State Cooperative Banks		District Central Cooperative Banks		Total	
	2006	2007	2006	2007	2006	2007
Haryana	13	13	359	359	372	372
Punjab	19	19	745	742	764	761
Rajasthan	13	13	390	392	403	405
<b>Bihar</b>	<b>14</b>	<b>14</b>	<b>279</b>	<b>279</b>	<b>293</b>	<b>293</b>
Orissa	14	14	311	311	325	325
West Bengal	45	46	261	260	306	306
Chattisgarh	1	5	198	198	199	203
Madhya Pradesh	22	22	834	834	856	856
Uttar Pradesh	29	30	1277	1300	1306	1330
Uttarakhand	2	2	198	200	200	202
Gujarat	1	1	1150	1144	1151	1145
Maharashtra	53	53	2704	3675	2757	3728
Andhra Pradesh	26	26	570	569	596	595
Karnataka	31	31	583	589	614	620
Kerala	20	20	612	628	632	648
Tamil Nadu	44	45	724	725	768	770
<b>All-India</b>	<b>910</b>	<b>923</b>	<b>11613</b>	<b>12802</b>	<b>12523</b>	<b>13725</b>

Source : Statistical Tables Relating to Banks in India, 2007-08, RBI

## 6.2 Deposits, Credits and Credit-Deposit Ratio

Table 6.6 shows the deposits and credits of scheduled commercial banks in Bihar vis-à-vis other states and their shares in the total deposits and credits in the country. From this table, it is seen that while there has been significant growth in total deposits in Bihar in 2007-08 over the previous year by Rs 11,681 crore, the credit expanded by only Rs 3,712 crore. But Bihar's share in the total credit of scheduled commercial banks has remained practically the same at 0.9 percent over the years. The per capita deposits and credits of scheduled commercial banks in these states are shown in Table 6.7. We note that in terms of both per capita deposit and credit, Bihar ranks the lowest

among the major Indian states. While the per capita deposit of Bihar has increased significantly in 2007-08, the increase in per capita credit has not been appreciable. The banks need to take more pro-active measures in increasing the credit flow by opening more branches in the unbanked areas. It has been noted earlier that the expansion of bank branches in Bihar in 2007-08 has been marginal.

**Table 6.6 : Statewise Deposits and Credit of SCBs**

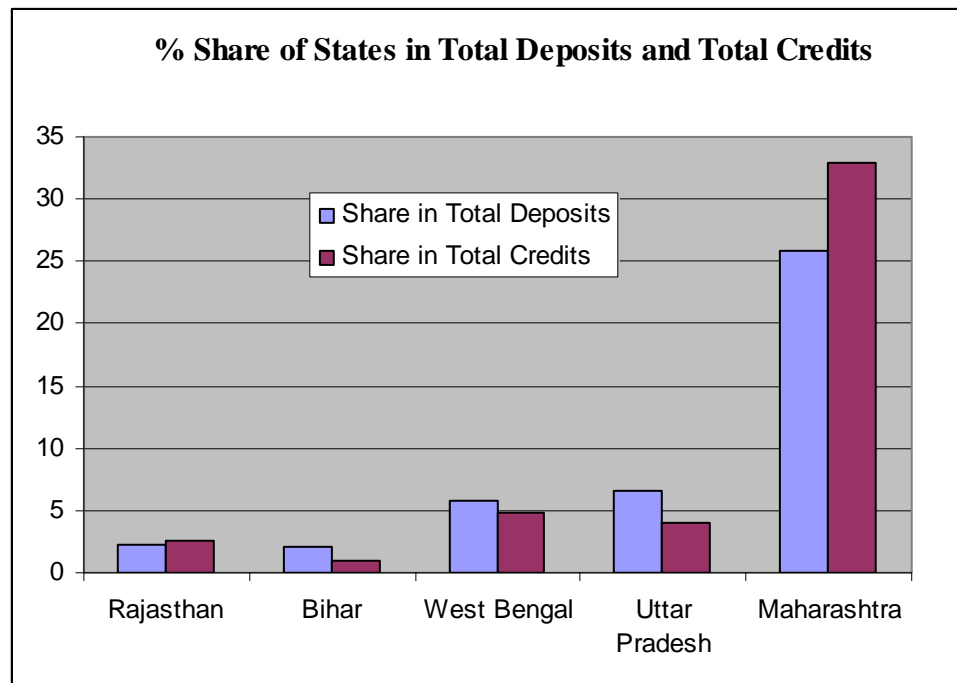
State	Deposits				Credits			
	Amount (Rs. crore)	Percentage share	Amount (Rs. crore)	Percentage share	Amount (Rs. crore)	Percentage share	Amount (Rs. crore)	Percentage share
	2007		2008		2007		2008	
Haryana	60669	2.3	74367	2.3	34951	1.8	45048	1.9
Punjab	84621	3.3	101046	3.1	52812	2.7	66998	2.8
Rajasthan	58973	2.3	73020	2.3	48656	2.5	59904	2.5
<b>Bihar</b>	<b>56916</b>	<b>2.2</b>	<b>68597</b>	<b>2.1</b>	<b>17156</b>	<b>0.9</b>	<b>20373</b>	<b>0.9</b>
Jharkhand	37196	1.4	43565	1.3	12629	0.6	15313	0.6
Orissa	41638	1.6	53732	1.7	26649	1.4	30396	1.3
West Bengal	150412	5.8	187610	5.8	94142	4.8	115255	4.8
Chhattisgarh	24427	0.9	30967	1.0	12948	0.7	16190	0.7
Madhya Pradesh	65498	2.5	81502	2.5	40737	2.1	49177	2.1
Uttar Pradesh	181006	7.0	213594	6.6	81699	4.2	95942	4.0
Uttarakhand	29318	1.1	36337	1.1	7911	0.4	9680	0.4
Gujarat	119224	4.6	152691	4.7	76916	3.9	99515	4.2
Maharashtra	655402	25.2	832063	25.8	642170	32.9	787840	32.9
Andhra Pradesh	141966	5.5	177567	5.5	124314	6.4	162595	6.8
Karnataka	171898	6.6	210349	6.5	133177	6.8	164110	6.9
Kerala	95282	3.7	109103	3.4	60615	3.1	71226	3.0
Tamil Nadu	163166	6.3	199949	6.2	183161	9.4	226830	9.5
<b>All India</b>	<b>2598822</b>	<b>100.0</b>	<b>3228819</b>	<b>100.0</b>	<b>1949568</b>	<b>100.0</b>	<b>2394566</b>	<b>100.0</b>

Source : Statistical Tables Relating to Banks in India, 2007-08, RBI

**Table 6.7 : Statewise Per Capita Deposits and Credit of Scheduled Commercial Banks**

	Per capita deposits (Rs.)		Deposits per office (Rs. lakh)		Per capita credit (Rs.)		Credit per office (Rs. lakh)	
	2007	2008	2007	2008	2007	2008	2007	2008
Haryana	27432	33101	3339	3769	15803	20051	1924	2283
Punjab	33082	39044	2971	3321	20647	25888	1854	2202
Rajasthan	9699	11789	1667	1977	8002	9671	1376	1622
<b>Bihar</b>	<b>5035</b>	<b>5962</b>	<b>1578</b>	<b>1866</b>	<b>1518</b>	<b>1771</b>	<b>476</b>	<b>554</b>
Orissa	10901	13939	1752	2148	6977	7885	1122	1215
West Bengal	17381	21400	3235	3871	10879	13147	2025	2378
Madhya Pradesh	7265	8884	1853	2214	4519	5360	1152	1336
Uttar Pradesh	9128	10537	2113	2378	4120	4733	954	1068
Gujarat	22399	28312	3116	3780	14451	18452	2010	2464
Maharashtra	66563	83577	9845	12038	65219	79135	9647	11398
Andhra Pradesh	17416	21556	2528	2964	15251	19739	2214	2714
Karnataka	30203	36505	3328	3903	23400	28480	2578	3045
Kerala	27616	31333	2594	2844	17568	20455	1650	1857
Tamil Nadu	24893	30255	3218	3675	27943	34322	3613	4169
<b>All India</b>	<b>23382</b>	<b>28610</b>	<b>3675</b>	<b>4344</b>	<b>17541</b>	<b>21218</b>	<b>2757</b>	<b>3222</b>

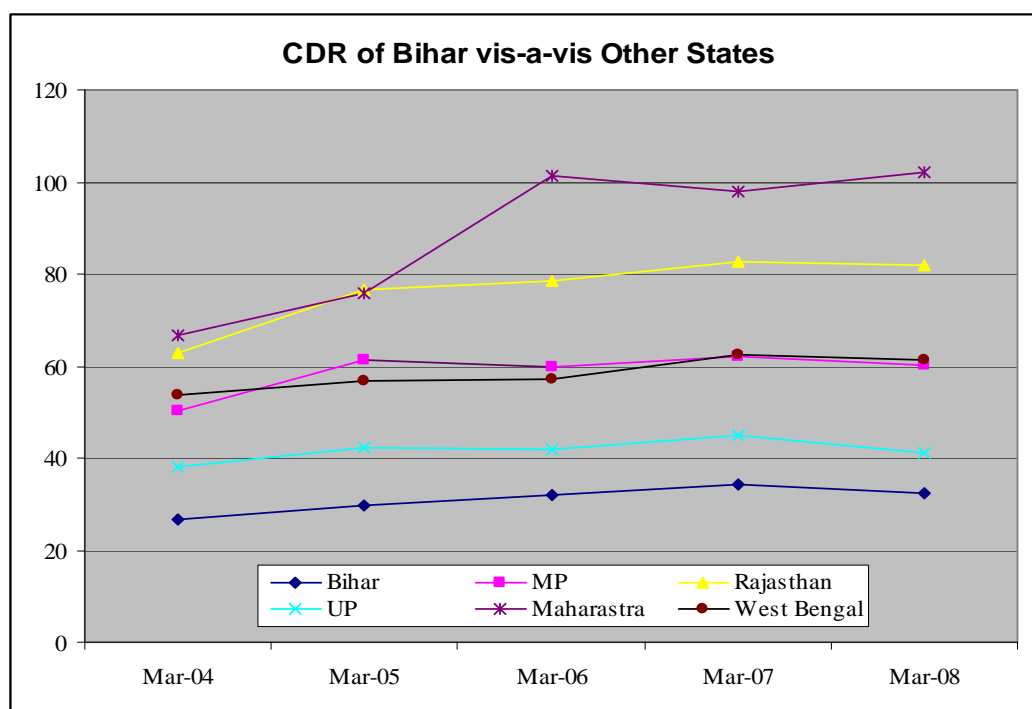
Source : Statistical Tables Relating to Banks in India, 2007-08, RBI



The Credit-Deposit Ratios (CDR) of all banks in Bihar during the last 5 years, according to data released by the State Level Banker’s Committee (SLBC) were as under :

Mar 2004	Mar 2005	Mar 2006	Mar 2007	Mar 2008
26.81	29.86	32.10	34.38	32.35

The CD ratio of the banks depends mostly on the level of economic activity and the credit absorption capacity of a particular state and is an indicator of the involvement of the banks in the economic development of the state. Till the 1990s, CD ratio in Bihar was one of the lowest in the country and there was no increase in the CD ratio in the state. After 2000-01, however, there has been some improvement in the CD ratio, but even in 2007-08, it is still one of the lowest in the country. The CD ratio of Bihar currently stands at 32.35 percent, far below the national average of 72.4 percent, and way behind the CD ratios of states like Maharastra (102.2 percent), Rajasthan (82 percent), West Bengal (62.6 percent) and Madhya Pradesh (61.4 percent).



In absolute terms, it means that if the current CD ratio of about 32 percent in the state were to increase to the national level of around 72 percent, investments in the state would go up by Rs. 27,000 crore, which is more than the current annual plan outlay of the state and would provide

the much-needed impetus to economic activities. Even a modest 50 percent CD ratio would boost investments by Rs. 12,000 crore. The low disbursement of credit also indicates that the credit requirements of the state are being met at higher rates of interest from private lending agencies, eating into the profitability of enterprises in the state. This naturally is a serious hindrance to industrial growth in the state. Further, this also indicates flight of capital away from the state.

The poor CD ratio of the state can be attributed to a number of factors such as poor credit absorption capacity, poor basic infrastructure, apart from higher incidence of NPA (Non Performing Assets) accounts. If the CD ratio is to be increased to a reasonable 40 percent in near future, it would need huge investments which is possible only through Public-Private partnership, as the state government would not be able to mobilize the required resources on its own. Efforts to bring in large investments for infrastructure development such as urban development, transport, civil aviation and industries need to be accelerated. The banks, on their part, should also commit themselves to the task.

The CD ratios in Bihar, separately for SCBs, RRBs and Cooperative Banks, are shown in Tables 6.8 and 6.9. The CD ratio in Bihar is the highest (82 percent) for the Cooperative banks, followed by Regional Rural Banks (42 percent), with the SCBs (29 percent) trailing far behind. It seems that an encouraging investment climate in the state still remains a far cry.

**Table 6.8 : Deposits and Credits of Different Bank Groups by Branch Locations in Bihar (2007-08)**

(Rs. crore)

Bank Groups	Branch Locations						Total	
	Rural		Semi-Urban		Urban/Metro		Deposit	Credit
	Deposit	Credit	Deposit	Credit	Deposit	Credit	Deposit	Credit
SCB	13103	4755	15798	4511	29673	7936	58574	17202
RRB	6329	2845	1730	574	761	258	8819	3678
Cooperative Bank	—	—	—	—	851	698	851	698
Total	19432	7600	17528	5085	31284	8892	68244	21577

**Table 6.9 : Credit Deposit Ratio in Bihar for All Banks (2007-08)**

Bank	Deposit (Rs. crore)	Credit (Rs. crore)	CD Ratio
SCB	58574	17202	29.37
RRBs	8,819	3,678	41.70
Cooperative Banks	851	698	82.02
Total	68,244	21,577	31.62
RIDF	—	500.00	—
Grand Total	68,244	22,077	32.35

As on March 2008, the aggregate deposits of all banks in Bihar were Rs. 68,244 crore, against a credit of Rs 22,077 crore, giving a CD ratio of 32.35 percent, up from a pitiable 26.8 percent in 2003-04. Even before the process of liberalisation began in the early 1990s, the CD ratio of Bihar used to be around 40 percent.

The CD ratio is conventionally calculated on the basis of credit sanctions. This connotes the extent to which the banks employ the deposits mobilized in a state to meet the credit demands of the state. However, while a low CD ratio based on credit sanctions would indicate the migration of deposits from one state to another, a comparatively lower CD ratio based on credit utilization would indicate the migration of credit. A comparison between these two types of ratios, therefore assumes importance, particularly in the context of inter-state comparison of CD ratios where the CD ratio based on utilisation would be the more appropriate. For the country as a whole, these two ratios would evidently be identical, but within the states, there would be variation. The inequality with respect to these two types of ratios has narrowed down substantially in the recent years, because of the massive expansion of branches, especially in rural areas and also due to the change in borrowers' attitude to seek credit from the banks located at the places of actual utilization. For the SCBs, we note that Bihar's utilisation ratio has substantially improved over the past two years, indicating lesser migration of credit from the state compared to the earlier years (Table 6.10).

**Table 6.10 : Credit Deposit Ratio of SCBs**

	2004-05		2005-06		2006-07		2007-08
	As per Sanction	As per Utilisation	As per Sanction	As per Utilisation	As per Sanction	As per Utilisation	As per Sanction
Haryana	51.4	63.2	57.4	69.6	56.9	68.4	60.6
Punjab	50.1	49.7	56.8	56.3	65.6	65.3	66.3
Rajasthan	68.7	76.5	77.3	86.0	82.9	90.9	82.0
<b>Bihar</b>	<b>27.7</b>	<b>31.4</b>	<b>30.3</b>	<b>40.0</b>	<b>32.4</b>	<b>49.0</b>	<b>29.7</b>
Jharkhand	29.6	30.6	31.2	31.6	32.8	33.3	35.1
Orissa	61.8	74.7	66.0	78.7	64.6	72.6	56.6
West Bengal	52.3	56.8	56.3	61.4	64.7	68.4	61.4
Chhattisgarh	43.6	49.9	45.5	52.5	50.0	58.3	52.3
Madhya Pradesh	54.7	61.2	60.5	67.2	61.8	64.6	60.3
Uttar Pradesh	37.9	42.2	41.0	46.3	45.1	50.4	44.9
Uttarakhand	24.3	29.1	25.8	30.9	26.7	32.1	26.6
Gujarat	46.5	60.9	55.6	75.3	63.7	88.4	65.2
Maharashtra	94.9	75.9	102.2	81.3	96.8	76.5	94.7
Andhra Pradesh	74.8	83.3	81.3	86.2	87.3	91.2	91.6
Karnataka	73.8	80.5	75.9	93.4	76.3	99.8	78.0
Kerala	54.6	57.5	61.4	64.3	60.9	63.8	65.3
Tamil Nadu	101.2	105.4	110.5	109.3	114.5	118.6	113.4
<b>All India</b>	<b>66.0</b>	<b>66.0</b>	<b>72.4</b>	<b>72.4</b>	<b>75.0</b>	<b>75.0</b>	<b>74.2</b>

Source : Statistical Tables Relating to Banks in India, 2007-08, RBI

### 6.3 CD Ratio of Different SCBs

Table 6.11 shows the CD ratios of different scheduled commercial banks in Bihar. Among the Lead Banks, UCO Bank has the highest CD ratio of nearly 38.78 percent, down from 41.21 percent in the previous year. Among others, Syndicate Bank has the highest CD ratio of nearly 53.80 percent. For some banks, the CD ratios were very low, like the Corporation Bank (6.95 percent) or the Indian Overseas Bank (12.05 percent).



**Table 6.11 : CD Ratio of Different Commercial Banks in Bihar**

<b>Banks</b>	2004-05	2005-06	2006-07	2007-08
<b>Lead Banks</b>				
State Bank of India	27.58	29.19	27.1	30.07
Central Bank of India	27.66	30.87	32.58	31.62
Punjab National Bank	28.36	28.74	26.63	25.02
Canara bank	31.21	32.86	34.88	29.93
UCO Bank	31.37	40.42	41.21	38.78
Bank of Baroda	21.93	52.94	52.04	30.37
Union Bank of India	45.39	47.78	42.17	37.41
<b>Other Banks</b>				
Bank of India	22.27	30.88	33.19	33.53
Allahabad Bank	38.66	40.61	38.76	32.52
Andhra Bank	10.50	11.28	20.47	18.07
Bank of Maharashtra	72.12	49.92	40.29	20.45
Corporation Bank	10.27	16.21	08.99	06.95
Dena Bank	21.36	25.17	24.73	19.61
Indian Bank	17.93	22.25	23.74	23.52
Indian Overseas bank	23.76	16.50	13.11	12.05
Oriental Bank of Commerce	55.53	33.20	50.07	33.18
Punjab and Sind Bank	0	39.24	46.82	33.24
Syndicate Bank	39.47	49.06	57.37	53.80
United Bank of India	26.56	32.97	32.39	28.89
Vijaya Bank	19.41	20.89	23.19	24.61
State Bank of B&J	30.67	43.09	52.41	28.31
State Bank of Patiala	25.67	33.87	46.29	33.33
<b>State Average</b>	<b>29.86</b>	<b>33.50</b>	<b>33.75</b>	<b>32.02</b>

Note : For 2007-08, the figures are as on December 31, 2007

Source : State Level Bankers' Committee

#### 6.4 CD Ratio of Different Districts

Tables 6.12 depicts the CD ratios of all scheduled commercial banks as well as the Regional Rural Banks in different districts of Bihar during 2005-06 to 2007-08. From the Table, it can be seen that, in 2007-08, the CD ratios across the districts show wide variations, from 20.66 percent in Siwan to 48.99 percent in neighbouring West Champaran to 55.59 percent in Katihar; it is less than 25 percent in Bhojpur, Lakhisarai, Munger, Saran and Siwan. It is above 50 percent in Araria, Katihar, Kishanganj, Purnea and West Champaran. However, the high CD ratios in many districts are related to high accumulated interests on previous loans; they do not necessarily reflect the banks' willingness to increase the ground level credit flow.

**Table 6.12 : Districtwise CD Ratios in Bihar**

District	2005-06	2006-07	2007-08	District	2005-06	2006-07	2007-08
Patna	29.64	32.18	27.64	East Champaran	40.63	43.68	42.34
Nalanda	26.99	27.44	25.77	Darbhanga	28.82	29.31	26.45
Bhojpur	23.61	24.95	24.51	Samastipur	37.65	38.50	36.05
Buxar	28.39	31.08	30.99	Madhubani	33.25	32.68	30.32
Rohtas	35.24	39.79	40.05	Saharsa	37.10	33.90	36.31
Kaimur	44.65	46.06	43.04	Supaul	34.84	32.38	35.66
Gaya	25.89	28.37	28.46	Madhepura	44.59	42.63	42.29
Jehanabad	21.71	23.62	25.28	Purnea	41.62	51.33	51.53
Nawada	24.38	27.16	26.06	Araria	54.26	51.69	50.72
Aurangabad	28.31	26.65	27.77	Kishanganj	51.66	53.17	55.77
Arwal	23.51	26.66	25.65	Katihar	59.85	58.19	55.59
Saran	23.73	26.18	23.12	Bhagalpur	32.98	37.77	35.79
Siwan	20.10	22.07	20.66	Banka	39.97	44.62	40.55
Gopalganj	27.45	29.12	30.19	Munger	21.34	23.35	23.17
Muzaffarpur	33.84	36.21	34.29	Lakhisarai	25.88	24.40	24.23
Vaishali	29.70	31.90	32.17	Sheikhpura	27.04	27.61	26.72
Sitamarhi	40.39	40.24	35.16	Jamui	28.63	29.18	28.30
Sheohar	28.05	30.06	29.44	Khagaria	38.57	38.34	32.70
West Champaran	56.85	51.69	48.99	Begusarai	43.72	44.95	40.32

Note : For 2007-08, the figures are as on June 31, 2007

Source : State Level Bankers' Committee, GOB

## 6.5 Investment Plus Credit to Deposit (ICD) Ratio

The banks assist the economy not simply by giving credit, but also by investing a large part of their investible funds in State Government securities, in shares, bonds etc. of corporations and undertakings of the state government, quasi-government bodies and joint-stock companies. Therefore, the total involvement of the banks in the economic activities of a state is truly reflected not by the Credit-Deposit ratios alone, but by the Investment plus Credit to Deposit (ICD) ratios. Table 6.13 depicts the investments of SCBs in securities and shares/ debentures/ bonds of associated bodies of the state government as on March 31, 2006 and 2007. With a share of about 4 percent in the total investments, Bihar is seen to be a disadvantaged state, since it accounts for about 8 percent of the population.

From Table 6.14, we see that, if the ICD ratio is taken into account, there is a narrowing down of the inter-state disparities in credit availability. The ICD ratios in respect of the relatively less developed states were substantially higher than their respective CD ratios, whereas for the developed states, the differences were much smaller.

**Table 6.13 : Statewise Distribution of Investments of SCBs**

State	Total Investments (Rs. crore)		Percentage Share	
	2006	2007	2006	2007
Andhra Pradesh	10726	11465	8.65	9.24
<b>Bihar</b>	<b>5513</b>	<b>4996</b>	4.49	4.02
Gujarat	7724	7150	6.23	5.76
Haryana	3147	2922	2.54	2.35
Karnataka	6573	6143	5.30	4.95
Kerala	6230	6553	5.03	5.28
Madhya Pradesh	6304	6383	5.09	5.14
Maharashtra	10323	10892	8.33	8.77
Orissa	4653	4074	3.75	3.28
Punjab	4857	5221	3.92	4.21
Rajasthan	8242	8020	6.65	6.46
Tamil Nadu	8059	8318	6.50	6.70
Uttar Pradesh	15755	16479	12.71	13.27
West Bengal	11823	11468	9.54	9.24
<b>Total</b>	<b>123930</b>	<b>124141</b>	100.00	100.00

Source : Reserve Bank of India Bulletin, October 2008.

**Table 6.14 : ICD Ratios of Scheduled Commercial Banks**

	2005-06		2006-07	
	As per Sanction	As per Utilisation	As per Sanction	As per Utilisation
Haryana	63.8	75.9	61.7	73.2
Punjab	63.4	63.0	71.8	71.5
Rajasthan	94.1	102.9	96.4	104.5
<b>Bihar</b>	<b>42.4</b>	<b>52.1</b>	<b>41.3</b>	<b>57.9</b>
Jharkhand	35.7	36.1	36.8	37.3
Orissa	80.3	92.9	74.4	82.4
West Bengal	65.7	70.8	72.3	76.0
Chhattisgarh	50.7	57.7	54.2	62.6
Madhya Pradesh	71.9	78.6	71.5	74.4
Uttar Pradesh	51.3	56.7	54.2	59.4
Uttarakhand	34.3	39.4	33.8	39.2
Gujarat	63.0	82.7	69.6	94.3
Maharashtra	104.4	83.5	98.5	78.2
Andhra Pradesh	90.5	95.3	95.5	99.3
Karnataka	80.8	98.3	79.9	103.4
Kerala	69.1	72.1	67.7	70.7
Tamil Nadu	116.6	115.4	119.6	123.7
<b>All India</b>	<b>78.3</b>	<b>78.3</b>	<b>79.8</b>	<b>79.8</b>

Source : Report on Trend and Progress of Banking in India 2007-08, RBI

As of March 2007, Bihar had an ICD ratio of 57.9 percent, compared to its CD ratio of 32.35 percent. Nevertheless, even the ICD ratio of Bihar is much lower as compared to that of states like Rajasthan (104.5 percent), Madhya Pradesh (74.4 percent) and Orissa (82.4 percent) as well as the national average of 79.8 percent.

## 6.6 Regional Rural Banks (RRB)

There are 5 Regional Rural Banks (RRB) in Bihar, each serving a particular zone: *Madhya Bihar Kshetriya Gramin Bank* (sponsored by the Punjab National Bank), *Samastipur Kshetriya Gramin Bank* (sponsored by the State bank of India), *Uttar Bihar Gramin Bank* and *Kosi Kshetriya Gramin Bank* (both sponsored by the Central Bank of India) and *Bihar Kshetriya Gramin Bank* (sponsored by the United Commercial Bank). In 2006-07, these banks employed a total of 6141 staff members in their 1487 branches, nearly 86 percent of which are located in rural areas. Their total accumulated losses ran into about Rs. 583 crore as on March, 2007. Table 6.15 shows the CD ratio and the ID (Investment: Deposit) ratios of these 5 banks and Table 6.16 depicts the amount of loan given during 2005-06 to 2007-08. Among them, the *Kosi KGB* has the highest CD ratio of 52 percent, while the ID ratio is the highest for the *Madhya Bihar KGB* which also has the highest share of loans among all the 5 RRBs, agricultural as well as non-agricultural.

**Table 6.15 : CD and ID Ratios of RRBs**

RRBs	CD Ratio			ID Ratio		
	2005-06	2006-07	30/09/07	2005-06	2006-07	30/09/07
Madhya Bihar KGB	32.51	39.42	39.83	62	63	62
Samastipur KGB	42.80	44.68	47.04	51	57	54
Kosi KGB	48.36	52.20	52.70	53	54	49
Uttar Bihar KGB	34.84	37.51	36.56	59	57	59
Bihar KGB	34.94	38.24	39.57	57	58	53
Total	35.99	40.26	40.26	56	58	55

Source : State Level Bankers' Committee, GOB

**Table 6.16 : Loans Disbursed by RRBs**

RRBs	Total loans (Rs. crore)				Agricultural loans (Rs. crore)			
	2005-06	2006-07	2007-08	Percentage share	2005-06	2006-07	2007-08	Percentage share
Madhya Bihar KGB	247	560	574	66.82	172	359	394	41.34
Samastipur KGB	49	62	62	9.20	25	38	54	5.67
Kosi KGB	102	173	173	10.24	67	99	141	14.80
Uttar Bihar KGB	264	484	484	9.43	155	256	327	34.31
Bihar KGB	77	91	91	4.31	31	38	37	3.88
Total	739	1370	1370	100.00	450	790	953	100.00

Source : State Level Bankers' Committee

## 6.7 Industry Share in Total Bank Credit

Table 6.17 shows the percentage share of different sectors of economy in the total credit of scheduled commercial banks in Bihar for the period between 2003-04 to 2006-07. As on March 2007, agriculture (22.7 percent), industry and manufacturing (22.2 percent). Personal loans (31.8 percent) and trade (14.8 percent) together account for 92.3 percent of the total credit, the rest being due to the loans to professionals and other services, finance and miscellaneous activities. The inter-se distribution of credit among the different sectors showed only minor variations over the years indicating no structural changes in the pattern of credit flow within the state. It is to be noted that the highest share of credit was on account of personal loans that does not have much direct bearing on the level of economic activity within the state.

**Table 6.17 : Sectoral Share in the Credit of Scheduled Commercial Banks in Bihar**

Sectors	Percentage share of credit				
	2002-03	2003-04	2004-05	2005-06	2006-07
Agriculture	20.9	19.9	23.1	22.7	24.2
Industry and Manufacturing	14.2	12.8	16.5	22.2	22.0
Transport Operators	2.4	1.7	1.5	1.1	0.93
Personal Loans	27.5	33.0	33.5	31.8	31.7
Professional & Other services	2.8	2.7	2.7	2.9	3.5
Trade	21.4	18.1	16.6	14.8	14.4
Finance	0.8	0.5	0.6	0.3	0.3
Miscellaneous	9.9	11.3	5.5	4.2	3.6
Total Bank Credit	100.0	100.0	100.0	100.0	100.0

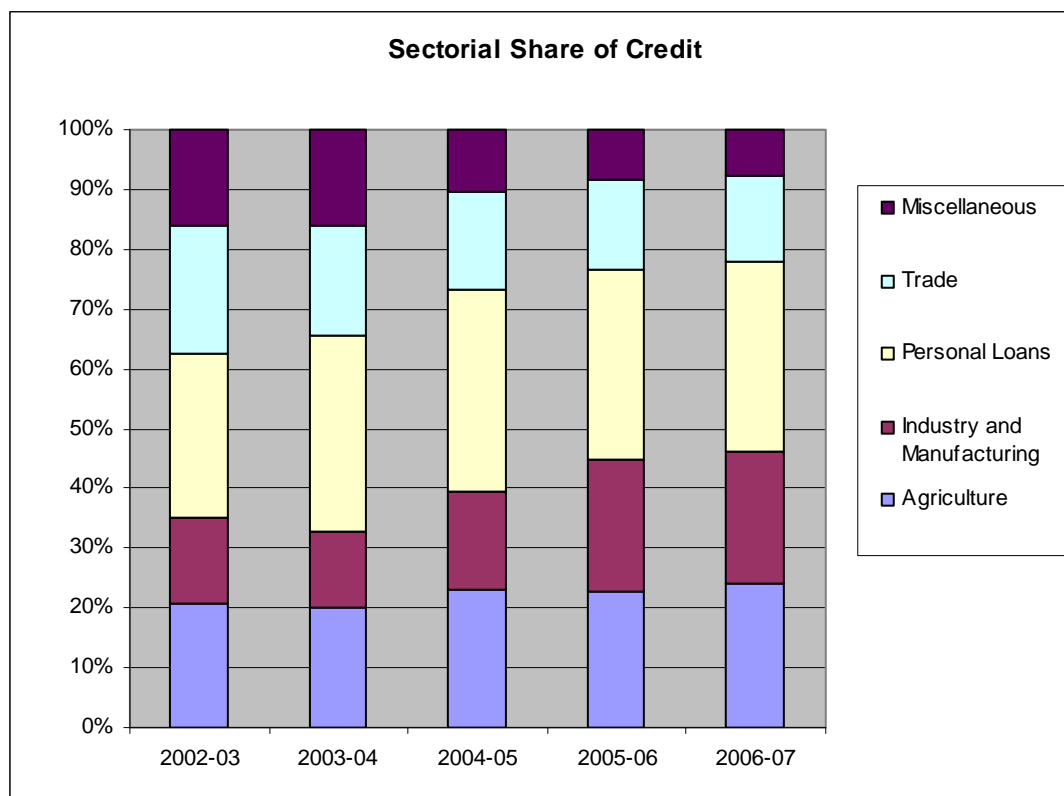
Source : Money and Banking, Sept 2008, CMIE

As per directions of the central government, the credit flow to agriculture is to double over the three year period from 2004-05 to 2007-08. The progress achieved by the banks in Bihar in this regard is shown in the Tables 6.18. This target has been achieved, as can be seen from the table.

**Table 6.18 : Outstanding Agricultural Advances**

Year	Advances (Rs. crore)				Growth (Percentage)
	Commercial banks	RRBs	Cooperative	Total	
2004-05	2580	854	422	3856	38.20
2005-06	3506	1195	379	5080	31.74
2006-07	4257	1694	272	6223	22.50
2007-08	5085	2249	384	7718	24.02
2008-09 (till Sept.)	5153	2495	349	7997	—

Source : State Level Bankers' Committee



## 6.8 Advances under Annual Credit Plan (ACP)

Under the ACP Plan of banks in Bihar, the total credit flow in Bihar has gone up from Rs. 8738 crore in 2006-07 to Rs 10763 crore in 2007-08, registering a growth of 23 percent growth. The total credit flow in Bihar during the past four years is shown in the Tables 6.19 and 6.20. While the achievement has declined marginally in 2007-08, it is seen that there is wide variation in achievement percentage among the various bank groups, ranging from 51.52 percent in the case of cooperative banks to 86.2 percent for commercial banks.

**Table 6.19 : ACP Achievement - All Banks**

Year	Target (Rs. crore)	Achievement (Rs. crore)	Achievement (percentage)
2003-04	4842	4287	88.53
2004-05	6022	5041	83.71
2005-06	7334	6055	82.57
2006-07	10001	8738	87.37
2007-08	13100	10763	82.16

Source : State Level Bankers' Committee

**Table 6.20 : Agencywise Analysis of ACP Achievement (March 2008)**

Agencies	Target (Rs. crore)	Achievement (Rs. crore)	Achievement (percentage)
Sch. Comm. Banks	10240	8827	86.20
RRBs	2173	1580	72.71
Cooperative Banks	687	356	51.82
Total	13100	10763	82.16

Source : State Level Bankers' Committee

Table 6.21 presents the sectoral profile of credit deployment in 2006-07. The priority sector advances constituted 62 percent of the total advances, of which agriculture accounted for nearly half the total priority sector advances and more than one third of the total advances within the state. It can be seen that the advances made to the small scale industries were very low. For augmenting credit flow to this sector, development of infrastructure in power and roadways would be necessary along with the revival of the Industrial Estates. Overall achievement under the ACP was more than 82 percent, but it showed wide variations.

**Table 6.21 : Sectoral Share of Advances (2006-07)**

Sector	Target (Rs. crore)	Achievement (Rs. crore)	Achievement (Percentage)	Share in Total Advances (Percentage)
Agriculture	4881	3755	76.93	34.89
Small Scale Industries	913	573	62.76	5.32
Other Priority Sector Advances	2688	2384	88.69	22.15
Total Priority Sector Advances	8481	6712	79.14	62.36
Non Priority Sector Advances	4619	4056	87.81	37.68
Total	13100	10763	82.16	100.00

Source : State Level Bankers' Committee

## 6.9 Primary Agricultural Credit Societies

Table 6.22 shows some selected indicators of functioning of Primary Agricultural Credit Societies (PACS) in different states. Though the ratio of villages to PACS in Bihar compares favourably with the national average, in terms of deposits and borrowings, Bihar is much behind the other states for obvious reasons.

**Table 6.22 : Selected Indicators on Primary Agricultural Credit Societies (March 31, 2007)**

State	No. of PACS	No. of villages covered	Ratio of villages to PACS	Total Staff	Deposits (Rs. lakh)	Credit (Rs. lakh)
Haryana	571	7,053	12	5,954	29,848	423,022
Punjab	3,981	12,329	3	10,418	76,310	317,601
Rajasthan	5,129	37,359	9	7,264	22,031	234,644
<b>Bihar</b>	<b>5,969</b>	<b>45,098</b>	<b>8</b>	<b>2,538</b>	<b>6,115</b>	<b>50,115</b>
Orissa	3,860	43,303	12	10,154	228,793	171,601
West Bengal	12,077	103,059	9	29,379	100,811	149,108
Chhattisgarh	1,257	19,899	15	4,382	20,854	45,220
Madhya Pradesh	4,633	53,951	12	16,404	43,328	225,037
Uttarakhand	446	5,900	13	938	2,925	6,187
Uttar Pradesh	8,929	112,804	13	8,045	6,820	97,076
Gujarat	7,956	16,289	3	16,662	18,816	351,908
Maharashtra	21,045	37,462	2	29,173	13,643	783,436
Andhra Pradesh	4,064	29,207	7	13,919	32,011	638,450
Karnataka	4,205	27,242	7	12,073	112,170	200,404
Kerala	1,624	1,464	1	15,739	124,652	197,180
Tamil Nadu	4,508	18,529	4	32,051	249,629	398,127
<b>India</b>	<b>97,224</b>	<b>637,102</b>	<b>7</b>	<b>464,168</b>	<b>2,624,340</b>	<b>9,558,750</b>



## 6.10 State Cooperative Banks

Table 6.23 shows the working results of State Cooperative Banks in the major Indian states. The recovery percentage in Bihar is very low and, there has been a phenomenal increase in the volume of Non-Performing Assets (NPAs) in Bihar during the last financial year. The NPAs have increased from Rs 164 crore to Rs 267 crore between 2006 and 2007 and the recovery percentage has declined from 51.35 to 36.05 percent during the same period. All these have caused substantial drop in the performance of the cooperative banks in Bihar.

**Table 6.23 : Working Results of State Cooperative Banks**

State	Profit/Loss (Rs. crore)		Total NPAs (Rs. crore)		NPAs as percentage to Loans Outstanding		Recovery as at end- June (Percent)	
	2006	2007	2006	2007	2006	2007	2006	2007
Haryana	37.00	25.63	5.22	5.26	0.22	0.18	99.84	99.86
Punjab	26.24	23.79	58.47	55.28	2.18	1.62	99.05	98.33
Rajasthan	21.15	21.36	21.85	56.82	1.31	2.77	98.03	98.12
<b>Bihar</b>	<b>50.78</b>	<b>6.37</b>	<b>164.02</b>	<b>267.11</b>	<b>30.33</b>	<b>42.51</b>	<b>51.31</b>	<b>36.05</b>
Orissa	19.69	9.16	116.71	129.27	6.94	6.67	87.71	77.86
West Bengal	14.05	14.23	98.08	99.13	4.99	5.01	85.47	78.29
Madhya Pradesh	57.56	31.41	177.21	185.38	10.55	8.85	92.31	93.49
Uttar Pradesh	2.88	2.68	12.13	30.45	14.07	16.39	94.86	94.69
Gujarat	5.29	5.51	123.43	133.18	6.08	6.09	83.11	97.33
Maharashtra	1.50	48.36	2847.93	2367.20	37.30	23.65	66.79	73.15
Andhra Pradesh	5.70	1.58	868.01	1134.74	15.39	18.71	78.06	71.76
Karnataka	27.28	13.35	315.60	242.09	17.67	10.82	92.05	92.05
Kerala	-2.59	-28.96	430.77	504.48	26.08	22.94	96.23	87.23
Tamil Nadu	28.02	21.78	287.71	262.80	9.46	8.10	95.15	97.66
India	371.02	275.25	6734.93	6704.00	16.84	14.16	86.57	85.65

## 6.11 State Cooperative Agricultural and Rural Development Banks (SCARDB)

Table 6.24 shows the working results of State Cooperative Agriculture and Rural Development Banks (SCARDB) in the major states in India. Here also, the recovery percentage in Bihar is a very low at 16.0 percent, compared with the all India average of 43.9 percent; but even this marked a significant improvement over 2006-07, when the recovery percentage was only 1.87 percent. There was also a similar increase in the volume of Non-Performing Assets (NPAs).

**Table 6.24 : Working Results of SCARDBs (end March)**

State	Number of branches	Profit/Loss (Rs. crore)		Total NPAs (Rs. crore)		NPAs as percentage to Loans Outstanding		Recovery as at end-June (Percent)	
		2006	2007	2006	2007	2006	2007	2006	2007
Haryana	0	-48.15	-33.35	504	866.24	24.54	45.06	69.69	96.76
Punjab	0	33.01	25.32	0	0.72	0	0.03	94.12	90.97
Rajasthan	7	10.39	13.14	378.62	430.95	25.41	27.95	56.35	56.21
<b>Bihar</b>	<b>151</b>	<b>0.00</b>	<b>0.00</b>	<b>69.71</b>	<b>83.45</b>	<b>68.6</b>	<b>89.69</b>	<b>1.87</b>	<b>16.00</b>
Orissa	5	-0.58	-3.25	27.29	178.16	15.24	99.77	16.33	3.5
West Bengal	2	0.52	1.64	169.29	112.95	27.23	17.41	52.44	65.95
Madhya Pradesh	7	0.12	0.19	211.49	213.46	13.67	13.87	38.25	40.46
Uttar Pradesh	342	1.64	-119.73	1366.13	2067.57	40.03	50.49	41.6	31.79
Gujarat	181	18.67	22.96	327.29	328.29	53.99	53.08	36.26	42.88
Maharashtra	-	15.14	195.45	1144.38	485.64	99.93	37.28	15.9	30.12
Karnataka	23	206.61	1.15	330.69	304.25	27.45	23.65	49.14	36.89
Tamil Nadu	18	15.53	-28.13	892.75	252.21	88.53	26.43	52.01	12.93
India	868	249.5	89.68	5778.8	5643.1	32.7	30.3	46.4	43.9

### 6.12 Kisan Credit Cards (KCC)

The KCC scheme, introduced in 1998-99, aims at providing crop loans to farmers in a flexible and cost-effective manner. The scheme is being implemented in all the states by all commercial banks, RRBs, state cooperative banks, central cooperative banks and primary agricultural cooperative societies. Beneficiaries covered under the KCC are issued with a credit card and a passbook or a credit card-cum-passbook, incorporating the name, address and particulars of land, borrowing limit and the validity period. The production credit limits are fixed taking into account the entire production credit needs for a full year, plus ancillary activities relating to crop production; sub-limits are also fixed at the discretion of lending banks. Crop loan and short-term credit are in the form of a revolving cash credit facility, involving any number of drawings and repayments within the limit fixed on the basis of operational landholding, cropping pattern and scale of finance. The KCC now covers short term loan for agriculture and allied activities as well as working capital requirements for cropping.

The number of KCCs issued by banks in Bihar during the period from 1999-00 through 2008-09 are shown in Table 6.25. While for the commercial banks, the achievement figures were consistently high during the entire period, the RRBs have been showing higher performance of late. The cooperative banks, however, are yet to gear up fully for the job. Overall, the achievement in the state has been only around 45.07 percent of the target for the entire period.

**Table 6.25 : Number of Kisan Credit Card Issued by Banks**

Year	Commercial Bank			RRBs		
	Target	Achievement	Percentage	Target	Achievement	Percentage
1999-00	99667	42756	42.90	46900	4591	9.79
2000-01	101501	65750	64.78	28617	13576	47.44
2001-02	110207	123465	112.03	52738	14256	27.03
2002-03	98180	77543	78.98	60918	24441	40.12
2003-04	105530	95587	90.58	64535	30864	47.83
2004-05	174850	140793	80.52	150500	76891	51.09
2005-06	143866	131618	91.49	129719	66332	51.14
2006-07	250000	203935	81.57	190000	140071	73.72
2007-08	300000	222478	74.16	228000	168529	73.92
2008-09 (Sept.08)	861429	119050	13.82	478571	107045	22.37
Total	2245230	1222975	54.47	1430498	646596	45.20

Year	Cooperative Banks			Total		
	Target	Achievement	Percentage	Target	Achievement	Percentage
1999-00	0	0	0.00	146567	47347	32.30
2000-01	180000	107094	59.50	310118	186420	60.11
2001-02	277204	42086	15.18	440149	186692	42.42
2002-03	600000	112580	18.76	759098	214564	28.27
2003-04	425839	229051	53.79	595904	355502	59.66
2004-05	470350	245907	52.28	795700	465744	58.53
2005-06	293166	120653	41.16	566751	318603	56.22
2006-07	160000	55374	34.61	600000	399380	66.56
2007-08	160000	75533	47.21	688000	466540	67.81
2008-09 (Sept.08)	160000	27422	17.14	1500000	253517	16.90
Total	2726559	1015700	37.25	6402287	2885271	45.07

Source: Directorate of Institutional Finance, GOB

### 6.13 National Bank for Agriculture and Rural Development (NABARD)

NABARD has a mandate for facilitating credit flow for development of agriculture, agro-industries, village and cottage industries, handicrafts and other rural crafts by providing refinance to lending institutions in rural areas. It also coordinates the operations of rural credit institutions by offering training and research facilities. In addition, it manages the Rural Infrastructure Development Fund (RIDF), created to compensate for the shortfall in commercial banks' lending to strengthen rural infrastructure and to provide loans to state governments for projects relating to irrigation, soil conservation, watershed management, drinking water supply, cold storage chains and other rural infrastructure projects.

The RIDF was set up by the government in 1995-96 for financing ongoing rural Infrastructure projects. The fund is maintained by NABARD. Domestic commercial banks contribute to the fund to the extent of their shortfall in stipulated priority sector lending to agriculture. The main objective of the fund is to provide loans to state governments and state-owned corporations to enable them to complete ongoing rural infrastructure projects. Till the end of 2007-08, thirteen branches of RIDF have been released covering total cumulative sanctions for Rs. 74,043 crore, out of which only Rs 45,595 crore (61.55 percent) have been disbursed, as shown in Table 6.26.

**Table 6.26 : Cumulative Disbursements under RIDF till March 2008**

	Sanction		Disbursement	
	Amount (Rs. crore)	Percentage	Amount (Rs. crore)	Percentage
Southern Region	21223.87	28.65	13463.89	29.53
Western Region	11007.88	14.86	7423.20	16.28
Northern Region	20271.66	27.37	12908.29	28.31
Central Region	6885.36	9.30	4349.39	9.54
Eastern Region	11480.71	15.50	5733.57	12.58
North Eastern Region	3203.63	4.32	1716.52	3.76
All India	74073.11	100.0	45594.86	100.0

Source : Report on Trends and Progress of Banking in India, 2007-08, RBI

Till December 2007, NABARD had sanctioned 9,372 projects in the state under the RIDF, of which as many as 7,951 are related to minor irrigation. The total credit disbursed by NABARD by

way of refinancing the banks amounted to Rs 184 crore during 2007-08, details of which are given in Table 6.27.

**Table 6.27 : Sectorwise Refinancing by NABARD in Bihar**

(Rs. crore)

Purpose	2004-05	2005-06	2006-07	2007-08
Minor Irrigation	96.84	55.55	11.52	11.23
Farm Mechanisation	1.19	0.06	30.48	23.99
Swarnjayanti Gramin Swarojgar Yojna	69.37	51.49	24.62	33.91
Dairy	0	0.08	2.21	10.48
SC/ST Action Plan	0	1.27	4.8	0
Self Help Groups	2.99	5.9	8.64	19.86
Pradhan Mantri Rojgar Yojana	0	0.9	3.22	3.62
Rural Non-Farm Sector	5.09	1.88	15.22	10.21
Others	0.97	0.08	55.76	70.75
Total	176.45	117.21	156.47	184.05

Source : Data from NABARD

The scope of RIDF has been widened to include activities in agriculture and allied sectors including irrigation projects, rural connectivity (roads and bridges), social sector investments (rural health, education and drinking water), soil and water conservation, rain water harvesting etc. Other activities include rural market yards, rural health centres and primary schools, mini hydel plants, shishu shiksha kendras, anganwadis and system improvement in the power sector, flood protection, watershed development/ reclamation of waterlogged areas, drainage, forest development, market yard/godown, apna mandi, rural haats and other marketing infrastructure, cold storage, seed/agriculture/ horticulture farms, plantation and horticulture, grading and certifying mechanisms such as testing and certifying laboratories, etc., community irrigation wells for irrigation purposes for the village as a whole, fishing harbour/jetties, riverine fisheries, animal husbandry and modern abattoir.

The total disbursements made by NABARD under the various tranches of the RIDF in Bihar is shown in Table 6.28. Only Rs. 747 crore out of total sanctioned amount of Rs 2309 crore, or 31.19 percent of the sanctioned amount have been disbursed till March 2008, leaving a huge shortfall between sanction and disbursement. Such shortfall in disbursements of RIDF funds as compared to sanctions continues to remain a matter of concern in the implementation of RIDF.

**Table 6.28 : Sanctions and Disbursements in Bihar under RIDF till March, 2008**

RIDF Tranche	Sanction	Disbursement
	Amount (Rs. crore)	Amount (Rs. crore)
RIDF I	22.17	12.63
RIDF III	57.93	26.93
RIDF VII	58.02	37.69
RIDF VIII	198.69	154.50
RIDF IX	97.24	51.28
RIDF X	290.91	41.54
RIDF XI	459.41	181.22
RIDF XII	589.90	123.06
RIDF XIII	621.68	118.46
<b>Total</b>	<b>2396.06</b>	<b>747.30</b>

Source : Report on Trends and Progress of Banking in India, 2007-08, RBI

#### 6.14 Micro Finance

Many third world countries are increasingly realizing that the conventional government run anti-poverty programmes cannot make a serious dent on poverty, especially the kind of poverty caused by weak rural infrastructure. This is particularly true in Bihar where these programmes help only a fraction of the poverty-stricken population. In this scenario, microfinance is a potent alternative for poverty alleviation. To succeed, microfinance should combine an innovative credit delivery mechanism that ensures viable financial services for the needy with a realistic assessment of the micro-enterprise opportunities in the state. However, creating adequate awareness among the potential beneficiaries for this is the first prerequisite for the success of any such programmes. The Self Help Groups (SHGs) and the SHG-Bank Linkage Programme, implemented by commercial banks, RRBs and cooperative banks, have emerged as the major microfinance programme in the country. Bihar is gradually catching up with other states in SHG-Bank Linkages. As on March 31, 2008, an impressive cumulative number of 141,377 SHGs were credit-linked to banks and the total credit flow to these SHGs was Rs. 296.12 crore. The yearwise progress made in credit linking of SHGs is shown in Table 6.29.

**Table 6.29 : Microfinancing in Bihar**

Year	No. of SHGs linked with bank	Amount of credit (Rs. crore)
Up to 2004	16246	51.82
2004-05	11769	37.42
2005-06	18206	31.20
2006-07	26417	82.54
2007-08	68739	93.14
Total	1,41,377	296.12

Source : State Level Bankers' Committee

Major handicaps in the spread of SHG-Bank Linkage Programme include the absence of reputed NGOs and low awareness about SHG lending among the stakeholders. It is expected that, for the sensitization programme, initiatives taken by NABARD and other implementing banks shall result in creating a favourable environment towards the SHGs movement in the state. Performance of RRBs in this area during 2007-08 shown in Table 6.30

**Table 6.30 : Microfinancing by RRBs (2007-08)**

RRBs	Number of SHGs with bank-linkage	Amount of credit (Rs. crore)
Madhya Bihar KGB	15725	950
Samastipur KGB	1502	49
Kosi KGB	8465	488
Uttar Bihar KGB	1610	0
Bihar KGB	4084	1677
Total	31,386	3,164

Source : State Level Bankers' Committee

### 6.15 Evaluation of Selected Government Schemes

Pradhan Mantri Rojgar Yojana (PMRY) : The scheme was first launched on October 2, 1993 to provide sustainable self-employment opportunities to 1 million educated unemployed youth in the country during the Eighth Plan Period. Under the scheme, loans upto Rs. 1.00 lakh for business sector and Rs. 2.00 lakh for other activities are to be provided by banks for all economically viable activities, including agriculture and allied activities, but excluding direct agricultural operations

like raising crops, purchase of manure etc. The achievements under the scheme in Bihar during the last 6 years are given in the Table 6.31, from which we can infer that the achievement of the state has at best been moderate.

**Table 6.31 : Target and Achievement under PMRY**

Year	Target (No.)	Achievement (No.)	Achievement (percentage)
2001-02	18,000	8,204	45.57
2002-03	18,100	9,366	51.74
2003-04	14,400	9,812	68.13
2004-05	16,000	10,119	63.24
2005-06	25,000	14,191	56.76
2006-07	11,400	8,671	76.06
2007-08	15,000	7,618	58.63
Total	117,900	67,981	57.66

Source : State Level Bankers' Committee

Swarnjayanti Grameen Swarozgar Yojna (SGSY) : For the effective alleviation of poverty through providing self-employment to the poor of the country, the government has decided to restructure the self-employment programmes being implemented in the country. Consequently, in 1999, a new programme named Swarnjayanti Gram Swarozgar Yojna (SGSY) was launched. This is a comprehensive programme that includes all aspects of self-employment such as organizing the poor to form Self-Help Groups (SHG), training, loans, technology, basic infrastructure and marketing etc. The prime objective of the scheme is to ensure uplifting of beneficiaries above the poverty line through persistent growth in their income for a long period of time. In Bihar, in coordination with the Department of Rural Development, banks have been participating in the scheme in a substantial way.

The Union Ministry of Finance has introduced a mechanism to evaluate the development outcome of all the major programmes by way of converting financial outlays into measurable and monitorable outcomes. In case of SGSY scheme, one item that is measurable and of immense significance is the total number of Swarozgaris assisted (both the SHGs and the individuals). Under SGSY, apart from the financial targets, physical targets for both individuals and SHGs are allocated to banks. The performance of banks under the SGSY is shown in Tables 6.32 and 6.33.



While physical targets were over-achieved in case of SHGs, there were huge shortfalls in respect of individuals.

**Table 6.32 : Performance of Banks Under SGSY: Individuals**

	2006-07		2007-08	
	Number	Amount (Rs. crore)	Number	Amount (Rs. crore)
Target	1,37,805	354.41	1,88,000	469.99
Proposals Received	1,19,927	—	85,460	—
Proposal Sanctioned	1,04,893	281.95	79,951	212.10
Proposal Disbursed	1,01,965	231.98	76,720	187.87
Achievement in Percentage (Sanction/Target)	79.55	79.55	42.53	45.13
Achievement in Percentage (Disbursement/Target)	74.00	65.46	40.81	39.97
Proposal Returned/ Rejected	13,897	—	5509	—
Proposal Pending for Disbursement	1,137	—	3231	—

Source : State Level Bankers' Committee

**Table 6.33 : Performance of Banks Under SGSY (SHGs)**

Performance	2006-07	2007-08
Target (nos.)	9,726	15,040
Achievement (nos.)	12230	18,499
Achievement (Percentage)	126.0	123.0

Source : State Level Bankers' Committee

In a recent meeting, the Government of India has reiterated the importance of banks' roles on account of their responsibilities for sanction, credit mobilization and disbursement under the SGSY, for achievement of the target of complete elimination of poverty by 2015. The banks are to initiate steps to increase their outreach by expansion of their branches, especially in unbanked blocks. The training and marketing support for rural products are two important elements, not adequately addressed in the states, without which the achievement of physical/ financial targets does not necessarily translate into real uplifting of the poor households. To address the training needs, Karnataka has successfully carried out an innovative experiment by establishing Rural Development and Self-Training Institutes (RUDSETIs) in each district for training the poor in income generating activities.

One of the problems plaguing the priority sector advances is the low rate of recovery of these advances. This also affects the financial viability of the banks. A recovery rate of around 47 percent in 2006-07 in priority sector advances by the banks in Bihar implies large non-performing assets that seriously affect the viability of banks. The recovery position in government sponsored schemes is even lower in comparison with priority sector advances, which is a major source of worry for the banks. For SGSY and PMRY schemes, the recovery rates are only around 31 percent and 25 percent respectively in 2006-07.

### **6.16 Summing Up**

During 2007-08, the banking infrastructure in Bihar registered only marginal expansion. With a share of less than 5 percent of the total number of bank branches in India, 3 percent of total employees of scheduled commercial banks, and with only 2 percent share of total deposits and less than 1 percent share of the total bank credits in the country, Bihar remains one of the disadvantaged states in the country in banking. The per capita deposits and credits also remain one of the lowest in the country. The priority sector advances made by the banks in the state constituted 62 percent of the total advances during 2007-08, with agriculture sector alone claiming a share of 35 percent; but the recovery of the priority sector advances was very low with more than half of the advances remaining unrecovered. The CD ratio also remains one of the lowest at 32 percent and is way behind the national average of 72 percent. Even other disadvantaged states like Uttar Pradesh, Rajasthan and Madhya Pradesh had achieved far higher CD ratios. The ICD ratios, though higher than the CD ratios, still fall far short of the national average of 80 percent. The CD ratios across districts showed wide variations from as low as 21 percent to as high as 56 percent : there are five districts with CD ratios less than 25 percent. The achievement of the Regional Rural Banks (RRBs) in this area was better than the scheduled commercial banks. The persistently low CD ratio is a cause for serious concern and needs urgent correction.

Achievement of the banks under the Annual Credit Plan was remarkable; however the achieved targets do not reflect the changed economic scenario in the state, whether in respect of improving the investment climate or lifting a substantial number of the poor above the poverty line. Possibly due to a slowdown of the economy as a whole, the non-performing assets of banks have increased substantially. Among the national level financial institutions, NABARD's disbursement of loans under the RIDF was not even one-third of the total sanctioned amount. Microfinancing in the state

has made good progress and there is immense scope for micro-finances to make significant inroads into the rural economy. Achievements made under anti-poverty schemes like PMRY and SGSY were annulled by the extremely low rate of recovery. In respect of the ACPs as well as the poverty alleviation schemes, there is urgent need for instituting a proper monitoring mechanism to ensure that the financial targets achieved actually translate into measurable and quantifiable improvement in the economic well-being of the beneficiaries. At present, no such mechanism exists. Overall, it appears that banking in Bihar is yet to start creating a real impact on improving the living standards of people and in ushering an investment climate in the state that alone can attract investments from the private sector and also from the other states. Banks can help immensely in creating the rural infrastructure for marketing and distribution and only then any meaningful public-private participation can emerge.

## Appendix

### Districtwise performance under annual credit plan (March, 2008)

District Name	Agriculture			Small Scale Industries			Other Priority Sector			T O T A L		
	Target	Achie	%ach	Target	Achie	% ach	Target	Achie	% ach	Target	Achie	% ach
2	3	4	5	6	7	8	9	10	11	12	13	14
Patna	21,820	25,780	118	13,388	16,628	124	71,246	49,335	69	106,454	91,743	86
Arwal	3,659	2,796	76	375	528	141	841	1,272	151	4,875	4,596	94
Aurangabad	10,196	8,632	85	533	792	149	5,431	4,584	84	16,160	14,008	87
Bhojpur	20,960	12,534	60	1,735	990	57	7,688	6,669	87	30,383	20,193	66
Buxar	27,055	10,821	40	2,282	1,498	66	4,502	4,674	104	33,839	16,993	50
Gaya	17,494	10,654	61	4,802	3,301	69	8,724	12,080	138	31,020	26,035	84
Jehenabad	6,893	7,253	105	740	768	104	1,990	3,098	156	9,623	11,119	116
Kaimur	17,747	14,688	83	1,242	1,749	141	2,784	2,946	106	21,773	19,383	89
Lakhisarai	4,738	4,042	85	346	791	229	1,975	2,401	122	7,059	7,234	102
Nalanda	16,570	14,505	88	2,206	1,580	72	4,184	5,037	120	22,960	21,122	92
Nawada	7,549	7,538	100	229	672	293	4,657	3,554	76	12,435	11,764	95
Rohtas	23,529	17,260	73	3,574	2,840	79	8,053	6,197	77	35,156	26,297	75
Araria	8,002	7,673	96	683	358	52	1,993	2,895	145	10,678	10,926	102
Jamui	7,971	4,028	51	537	325	61	2,213	2,350	106	10,721	6,703	63
Kishanganj	7,005	5,289	76	353	1,066	302	3,027	3,664	121	10,385	10,019	96
Madhepura	5,697	4,099	72	488	636	130	1,260	4,720	375	7,445	9,455	127
Purnea	18,089	11,878	66	2,909	1,212	42	6,952	7,472	107	27,950	20,562	74
Saharsa	6,941	4,147	60	751	620	83	4,260	2,422	57	11,952	7,189	60
Supaul	8,146	4,979	61	120	354	295	3,076	3,658	119	11,342	8,991	79
Darbhanga	8,038	7,493	93	1,146	1,003	88	8,466	8,705	103	17,650	17,201	97
E. Champaran	18,688	16,592	89	3,987	667	17	12,085	10,427	86	34,760	27,686	80
Gopalganj	20,432	11,236	55	1,161	2,194	189	6,192	4,332	70	27,785	17,762	64
Madhubani	14,738	10,635	72	1,794	1,120	62	6,250	4,455	71	22,782	16,210	71
Muzaffarpur	16,208	15,557	96	13,380	2,892	22	15,276	12,825	84	44,864	31,274	70
Saran	18,931	10,738	57	5,830	1,082	19	7,699	11,336	147	32,460	23,156	71
Siwan	18,348	13,643	74	1,919	831	43	6,608	6,425	97	26,875	20,899	78
Vaishali	13,573	12,718	94	2,116	1,144	54	5,527	5,760	104	21,216	19,622	92
W. Champaran	17,771	15,595	88	1,408	587	42	6,298	5,738	91	25,477	21,920	86
Katihar	12,412	11,977	97	1,431	1,205	84	4,157	6,667	160	18,000	19,849	110
Shiehpura	3,796	1,697	45	181	197	109	798	1,149	144	4,775	3,043	64
Banka	9,303	5,518	59	1,916	816	43	4,067	2,686	66	15,286	9,020	59
Begusarai	19,032	11,890	62	7,568	973	13	11,714	5,273	45	38,314	18,136	47
Bhagalpur	13,437	7,595	57	3,757	1,199	32	8,057	5,966	74	25,251	14,760	58
Munger	7,670	4,284	56	2,924	1,139	39	4,909	3,277	66	15,503	8,650	56
Sheohar	1,372	1,985	145	132	118	89	546	438	80	2,050	2,541	124
Sitamarhi	10,151	9,977	98	1,422	840	59	2,941	2,908	99	14,514	13,725	95
Khagaria	8,857	6,012	68	688	443	64	3,417	1,000	29	12,962	7,455	58
Samastipur	15,149	16,333	108	1,253	1,187	95	8,901	6,275	71	25,303	23,795	94
<b>Total for Bihar</b>	<b>487,967</b>	<b>370,071</b>	<b>2,966</b>	<b>91,306</b>	<b>56,345</b>	<b>3,649</b>	<b>268,764</b>	<b>234,670</b>	<b>4,009</b>	<b>848,037</b>	<b>661,036</b>	<b>3,112</b>

(Contd.)

**Appendix : (Contd.)**

District Name	Non Priority Sector			Target	Grand total	
	Target	Achie	% ach		Achie	% ach
2	15	16	17	18	19	20
Patna	188,236	96,029	51	294,690	187,277	64
Arwal	1,087	1,228	113	5,962	5,824	98
Aurangabad	8,386	8,560	102	24,546	22,568	92
Bhojpur	8,549	7,047	82	38,932	27,240	70
Buxar	4,148	6,345	153	37,987	23,338	61
Gaya	12,154	15,409	127	43,174	41,444	96
Jehenabad	3,190	3,995	125	12,813	15,114	118
Kaimur	2,916	4,410	151	24,689	23,793	96
Lakhisarai	3,775	2,045	54	10,834	9,279	86
Nalanda	10,752	7,926	74	33,712	29,048	86
Nawada	2,635	4,037	153	15,070	15,801	105
Rohtas	5,832	9,030	155	40,988	35,327	86
Araria	6,427	6,846	107	17,105	17,772	104
Jamui	3,786	4,145	109	14,507	10,848	75
Kishanganj	4,041	5,282	131	14,426	15,301	106
Madhepura	3,605	5,421	150	11,050	14,876	135
Purnea	10,558	10,167	96	38,508	30,732	80
Saharsa	4,730	5,512	117	16,682	12,701	76
Supaul	2,423	5,581	230	13,765	14,572	106
Darbhanga	11,676	11,887	102	29,326	29,088	99
E. Champaran	9,525	10,877	114	44,285	38,563	87
Gopalganj	6,222	7,589	122	34,007	25,351	75
Madhubani	10,879	11,022	101	33,661	27,232	81
Muzaffarpur	22,683	20,368	90	67,547	51,642	76
Saran	12,112	12,513	103	44,572	35,669	80
Siwan	8,515	9,647	113	35,390	30,546	86
Vaishali	11,101	10,648	96	32,317	30,271	94
W. Champaran	7,518	10,743	143	32,995	32,663	99
Katihar	17,315	15,586	90	35,315	35,435	100
Shiehpura	1,866	989	53	6,641	4,032	61
Banka	1,139	3,329	292	16,425	12,349	75
Begusarai	3,170	7,042	222	41,484	25,178	61
Bhagalpur	15,454	14,289	92	40,705	29,049	71
Munger	15,131	8,319	55	30,634	16,969	55
Sheohar	570	744	131	2,620	3,285	125
Sitamarhi	5,094	10,155	199	19,608	23,880	122
Khagaria	5,183	4,717	91	18,145	12,172	67
Samastipur	9,580	11,067	116	34,883	34,862	100
<b>Total for Bihar</b>	<b>461,963</b>	<b>390,546</b>	<b>4,607</b>	<b>1,310,000</b>	<b>1,051,091</b>	<b>3,354</b>

## CHAPTER VII

### PUBLIC FINANCE

#### 7.1 Introduction

Public finance is not only about prudent fiscal management, it is also a theoretically consistent measurement of relevant parameters that is essential for proper examination, analysis, diagnosis and policy intervention in areas pertaining to state finances. Finance is an all encompassing realm, it is one of the ways of generating future optimism that includes a host of areas from strengthening government capacity for policy development and restructuring of administration to delivering the promised socio-economic deliverables. At the same time, it also includes increasing accountability of the administrative machinery, improving public sector performance, and developing physical and social infrastructure through which the state governmental can beget public goods in an efficient manner. The identification of the essential activities as well as the unproductive ones, allocation of resources strictly according to economic and social priorities, reducing cost of services and monitoring the outcome of all public expenditure are all essential functions of any government. All these require careful and valid measurement of the relevant parameters and aggregates.

It should be noted at the outset that the need for fiscal adjustment and continued fiscal consolidation by lowering borrowing requirements to meet the FRBMA targets had not only been recognized by the state government, it had also led to a number of pro-active steps beginning with the enactment of the FRBMA and achievement of fiscal targets indicated in the Act. As a result, during 2007-08, the state government achieved significant fiscal correction due by the momentum given to the ongoing of reform process. Due to the economic slowdown, the process has slowed down a little towards the second half of the last fiscal, but it did not affect the state finances and government's policies in a significant manner. The fiscal deficit no longer remains the key concern of the state government; instead, the urgency is for an improvement of in the delivery of public services, especially in the social sectors of health and education, and to improve the infrastructure of roads and electricity supply.

Last year had witnessed the devastation caused by the worst floods in the living memory, a devastation from which the state is still recovering slowly. As the catastrophe proved, the poor

state of infrastructure needs to be improved urgently and no amount of increased budgetary allocation to the vital sectors like roads, electricity, irrigation and flood control, drinking water supply and sanitation etc. would suffice to build an effective insurance against any repetition of such calamity in future. The state government's resources alone are inadequate to create the infrastructure that should already have been in place in the state for accelerating the pace of growth. Only through a viable public-private partnerships in the field of infrastructure can the process of development and modernisation be carried forward expeditiously.

The constitution of the Thirteenth Finance Commission (TFC) and its deliberations have brought the focus on the vertical and horizontal imbalances afflicting the states, and Bihar is particularly affected by such imbalances due to historical factors of backwardness. The low buoyancy of the state's taxes makes it imperative to link the transfers to existing disparities, not only among the states but also within different regions of the state to achieve a significant degree of equalization. Development can only be ensured through proper implementation and efficient usage of the allocated funds, the bottom line being that economic growth must be translated into human wellbeing.

Being committed to fiscal responsibility and having substantially increased the capital outlays to create income generating capital assets in the economy, Bihar today is facing the challenge of translating its outlays into measurable and quantifiable outcomes. It has enforced significant fiscal discipline in expenditure and enhanced its revenues to meet the requirements of enhancing social sector expenditure. The resources available to the state government consists of tax and non-tax revenues, capital receipts, share of central taxes assigned to the state, loans and grants from the central government, borrowings from the open market, and collections from the Provident Fund and other deposits kept within the government account. These resources are utilized for either plan expenditure for development purposes or for non-plan expenditure on administration, payment of interests and servicing of its outstanding debt and also for providing grants and loans to local bodies, government companies and corporations.

As per the provisions of the Article 266 of the Constitution, all revenues received by the state government, all loans raised by it by issue of treasury bills, loans or ways-and-means advances and all money received by it as repayment of loans are credited to the Consolidated Fund of the state government. No money can be spent out of the Consolidated Fund except with the approval

of the Legislature. Other than this, there are two separate funds managed by the state government — first, a Contingency Fund of the nature of an imprest with a fixed corpus that can be created by the Legislature under Article 267 of the Constitution to meet unforeseen expenditure, pending their subsequent authorization by the Legislature. All other money received by or on behalf of the state government are credited to the Public Account of the state under Article 266(2) of the Constitution. No legislative authorization is required to withdraw any money from the Public Account, the balance of which is not held separately, but stands merged with the cash balance of the state government. The gross fiscal deficit of the state government after borrowings on the Consolidated Fund is met by drawing down the balances in the Public Account.

In this chapter, the financial and fiscal performance of the state government have been analysed first by summarizing the receipt and expenditure of the state government, as shown in Table 7.1. Thereafter, the analysis considers a set of ten major performance indicators relating to public finance and compares these indicators from Bihar with those of selected Indian states. This is shown in Table 7.2.

The state government finances will then be analysed with reference to (i) Sustainability, Flexibility and Vulnerability of State Finances; (ii) Deficit Management; (iii) Revenue Receipts and Expenditure; (iv) Resource Mobilisation; (v) Expenditure Management; (vi) Expenditure on Salary and Pension; (vii) Quality of Expenditure; (viii) Sectoral Expenditure; (ix) Per Capita Expenditure on Social and Economic Services and (x) Debt Management. At the end, efforts have been made for a micro level analysis of expenditure in respect of a few sectors.

## **7.2 Overall Financial Position**

Table 7.1 and the accompanying chart unravel the story of Bihar's gradual financial turnaround. Till 2003-04, the state government had a deficit in its revenue account, but in 2004-05, for the first time Bihar had a revenue surplus that was more than Rs 1000 crore. This surplus has been increasing continuously, from Rs 82 crore in 2005-06 to Rs 4647 crore in 2007-08. In the budget estimates of 2008-09 also, the state government projected to keep it at almost the same level. This has been made possible not by squeezing the expenditure necessary for maintaining the pace of development, but by increasing the revenue (especially since 2005-06), efficient debt management, and containing the interest payments. During the last 6 years, interest payment has always been well below Rs 4000 crore on an outstanding total liabilities of around Rs 47,649 crore as on March 2009. This has allowed the state government to increase its capital outlay threefold,



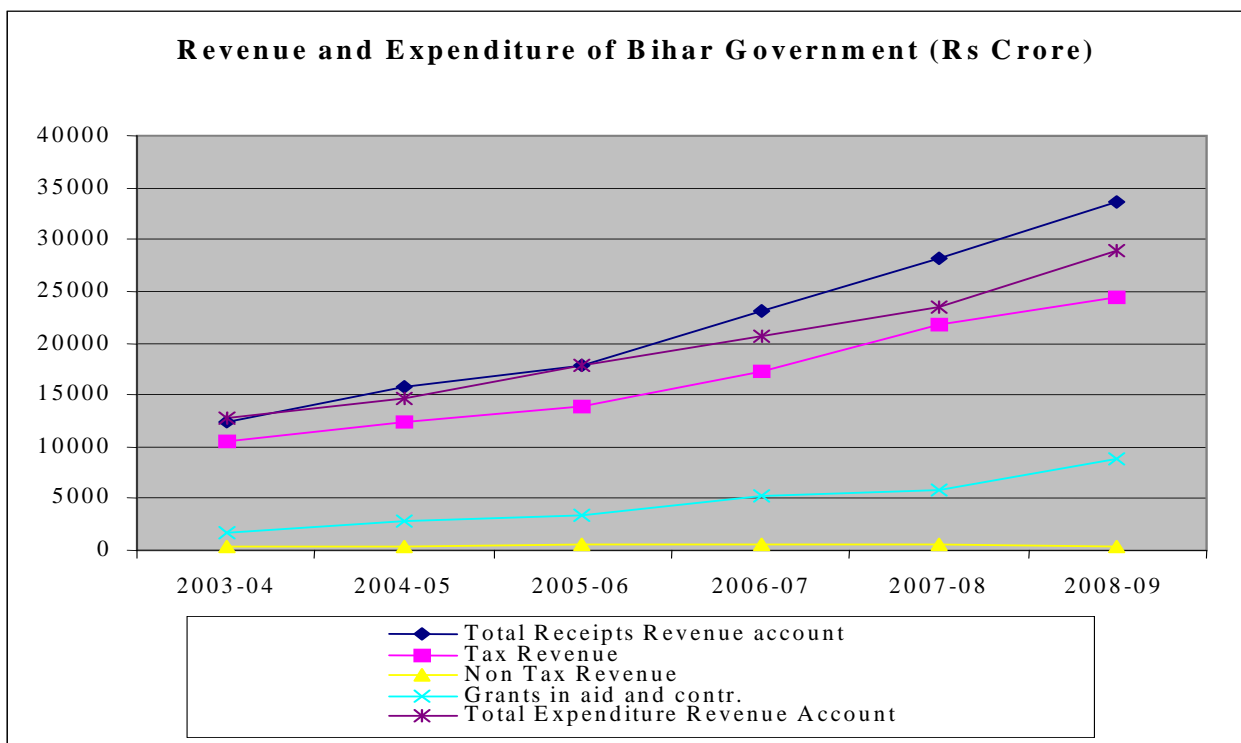
from Rs 2084 crore in 2005-06 to Rs 6104 in 2007-08; the outlay for 2008-09 is projected to reach Rs 7635 crore as per budget estimates. In fact, 2005-06 marks a watershed in the finances of the state government signifying an earnest beginning of reforms in public finances; it was in 2005-06 that the state government enhanced its spending very substantially on social and economic services as also more than doubled the capital outlay, while expenditure on general services was contained nearly at the existing level. There were only some increases on district administration, police and public works, besides on pension and interest payments.

The gap between plan and non-plan expenditure has also been closing since 2005-06; as of March 2008, the non-plan expenditure was less than twice the plan expenditure, compared to three times 4 years ago. The year 2005-06 also marks the beginning of a declining Gross Fiscal Deficit (GFD), from Rs 3700 crore in 2005-06 to Rs 1703 crore in 2007-08. As a percentage of Gross State Domestic Product (GSDP), it came down from 4.64 to 1.62 percent, well within the FRBMA target of 3 percent. The state has achieved the FRBMA target of eliminating the revenue deficit far ahead of the target date of 2008-09; even in the budget estimates of 2008-09, the GFD will be contained at 2.96 percent of the GSDP, again within the FRBMA target. The increase in GFD in 2008-09 is primarily due to the increase in capital outlay by more than Rs 1500 crore, which is in keeping with the state's reform agenda.

The state government has particularly focused on its debt management in recent years. While the total debt stock in the economy has not been allowed to increase, the interest payments have also been contained at nearly the same level by reducing borrowings, from Rs 5653 crore in 2003-04 to Rs 1612 crore in 2007-08. At the same time, discharge of high cost debt has caused the average interest rate on debt to come down from more than 9.59 percent in 2004-05 to 7.15 percent in 2007-08, as discussed later.

**Table 7.1 : Receipts and Expenditure of the Bihar Government**

Sl. No.	Rs. crore	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
	<b>1</b>	<b>Total Receipts Revenue Account</b>	<b>12456</b>	<b>15714</b>	<b>17838</b>	<b>23083</b>	<b>28210</b>
a	Tax Revenue	10518	12465	13983	17325	21852	24353
b	Non Tax Revenue	320	418	522	511	526	422
c	Grants in aid and contr.	1618	2832	3333	5247	5832	8776
<b>2</b>	<b>Total Expenditure Revenue Account</b>	<b>12711</b>	<b>14638</b>	<b>17756</b>	<b>20585</b>	<b>23563</b>	<b>28938</b>
a	General Services, of which	7175	7803	8523	8643	9252	10901
	Interest payments	3343	3474	3649	3416	3707	3796
b	Social Services	4033	4795	6862	7917	9868	12689
c	Economic Services	1498	2036	2367	4021	4438	5343
<b>3</b>	<b>Revenue Deficit</b>	<b>255</b>	<b>-1076</b>	<b>-82</b>	<b>-2498</b>	<b>-4647</b>	<b>-4613</b>
<b>4</b>	<b>Capital Receipts</b>	<b>7930</b>	<b>7641</b>	<b>3821</b>	<b>2365</b>	<b>1638</b>	<b>4522</b>
a	Public Debt etc.	7920	7626	3770	2358	1612	4500
b	Recovery of Loan and Advances	10	15	51	7	26	22
<b>5</b>	<b>Capital Expenditure, of which</b>	<b>9771</b>	<b>5420</b>	<b>4812</b>	<b>6551</b>	<b>8008</b>	<b>9636</b>
	Capital Outlay	1549	1205	2084	5211	6104	7635
<b>6</b>	<b>Total Expenditure</b>	<b>22482</b>	<b>20058</b>	<b>22568</b>	<b>27136</b>	<b>31571</b>	<b>38574</b>
a	Plan Expenditure	5202	3476	4899	9397	10908	15746
b	Non Plan Expenditure	17280	16581	17670	17740	20664	22828
<b>7</b>	<b>Gross Fiscal Deficit</b>	<b>4363</b>	<b>1242</b>	<b>3700</b>	<b>3021</b>	<b>1703</b>	<b>3325</b>
<b>8</b>	<b>Primary Deficit</b>	<b>1020</b>	<b>-2232</b>	<b>51</b>	<b>-395</b>	<b>-2004</b>	<b>-471</b>
<b>9</b>	<b>Total Borrowings</b>	<b>7920</b>	<b>7626</b>	<b>3770</b>	<b>2358</b>	<b>1612</b>	<b>4500</b>
a	Internal Debt Receipt	7100	5972	3769	2355	1144	4493
b	Loans from Central Government	820	1654	2	3	468	8
<b>10</b>	<b>Repayment of Public Debt</b>	<b>5653</b>	<b>3087</b>	<b>981</b>	<b>1025</b>	<b>1632</b>	<b>1676</b>
<b>11</b>	<b>Debt Outstanding</b>	<b>34401</b>	<b>39344</b>	<b>42498</b>	<b>44226</b>	<b>44475</b>	<b>47649</b>
<b>12</b>	<b>GSDP</b>	<b>66254</b>	<b>73221</b>	<b>80157</b>	<b>98957</b>	<b>105148</b>	<b>112424</b>
<b>13</b>	<b>GDSP Growth (%)</b>	<b>1.93</b>	<b>10.52</b>	<b>9.47</b>	<b>23.45</b>	<b>6.26</b>	<b>6.92</b>
<b>As percentage of GSDP</b>							
<b>1</b>	<b>Total Receipts Revenue account</b>	<b>18.80</b>	<b>21.46</b>	<b>22.25</b>	<b>23.33</b>	<b>26.83</b>	<b>29.84</b>
a	Tax Revenue	15.87	17.02	17.44	17.51	20.78	21.66
b	Non Tax Revenue	0.48	0.57	0.65	0.52	0.50	0.38
c	Grants in aid and contr.	2.44	3.87	4.16	5.30	5.55	7.81
<b>2</b>	<b>Total Expenditure Revenue Account</b>	<b>19.18</b>	<b>19.99</b>	<b>22.15</b>	<b>20.80</b>	<b>22.41</b>	<b>25.74</b>
a	General Services, of which	10.83	10.66	10.63	8.73	8.80	9.70
	Interest payments	5.05	4.74	4.55	3.45	3.53	3.38
b	Social Services	6.09	6.55	8.56	8.00	9.38	11.29
c	Economic Services	2.26	2.78	2.95	4.06	4.22	4.75
<b>3</b>	<b>Revenue Deficit</b>	<b>0.39</b>	<b>-1.47</b>	<b>-0.10</b>	<b>-2.52</b>	<b>-4.42</b>	<b>-4.10</b>
<b>4</b>	<b>Capital Receipts</b>	<b>11.97</b>	<b>10.44</b>	<b>4.77</b>	<b>2.39</b>	<b>1.56</b>	<b>4.02</b>
a	Public Debt etc.	11.95	10.42	4.70	2.38	1.53	4.00
b	Recovery of Loan and Advances	0.02	0.02	0.06	0.01	0.02	0.02
<b>5</b>	<b>Capital Expenditure, of which</b>	<b>14.75</b>	<b>7.40</b>	<b>6.00</b>	<b>6.62</b>	<b>7.62</b>	<b>8.57</b>
	Capital Outlay	2.34	1.65	2.60	5.27	5.80	6.79
<b>6</b>	<b>Total Expenditure</b>	<b>33.93</b>	<b>27.39</b>	<b>28.16</b>	<b>27.42</b>	<b>30.03</b>	<b>34.31</b>
a	Plan Expenditure	7.85	4.75	6.11	9.50	10.37	14.01
b	Non Plan Expenditure	26.08	22.65	22.04	17.93	19.65	20.31
<b>7</b>	<b>Gross Fiscal Deficit</b>	<b>6.59</b>	<b>1.70</b>	<b>4.62</b>	<b>3.05</b>	<b>1.62</b>	<b>2.96</b>
<b>8</b>	<b>Primary Deficit</b>	<b>1.54</b>	<b>-3.05</b>	<b>0.06</b>	<b>-0.40</b>	<b>-1.91</b>	<b>-0.42</b>
<b>9</b>	<b>Total Borrowing</b>	<b>11.95</b>	<b>10.42</b>	<b>4.70</b>	<b>2.38</b>	<b>1.53</b>	<b>4.00</b>
a	Internal Debt Receipt	10.72	8.16	4.70	2.38	1.09	4.00
b	Loans from Central Government	1.24	2.26	0.00	0.00	0.45	0.01
<b>10</b>	<b>Repayment of Public Debt</b>	<b>8.53</b>	<b>4.22</b>	<b>1.22</b>	<b>1.04</b>	<b>1.55</b>	<b>1.49</b>
<b>11</b>	<b>Debt Outstanding</b>	<b>51.92</b>	<b>53.73</b>	<b>53.02</b>	<b>44.69</b>	<b>42.30</b>	<b>42.38</b>



### 7.3 Fiscal Performance

Revenue deficit and capital deficit represent the excess of expenditure over receipts under the revenue and capital accounts respectively. The conventional budget deficit is the algebraic sum of the revenue and capital deficits, but this does not actually show the total resource gap in the economy, as it includes the borrowings under the capital receipts. The overall resource gap is reflected by the Gross Fiscal Deficit (GFD) which is to be bridged by borrowings of one sort or another. For analyzing the fiscal performance of the state government, the present analysis has used the following eight indicators :

- (i) Ratio of Revenue Deficit to GFD.
- (ii) Ratio of Capital Outlay to GFD.
- (iii) Ratio of Non-Development Expenditure to Aggregate Expenditure.
- (iv) Ratio of Interest Payment to Revenue Expenditure.
- (v) Ratio of State's Tax Revenue to Revenue Expenditure.
- (vi) Ratio of State's Non-Tax Revenue to Revenue Expenditure.
- (vii) Ratio of Gross Transfer from Central Government to Aggregate Expenditure.
- (viii) Ratio of Debt Servicing Expenditure to Gross Transfer from the Central Government.

A brief analysis of these ratios is presented in the succeeding paragraphs.

(i) Ratio of Revenue Deficit to GFD : This ratio indicates the extent to which the Revenue Deficit contributes to GFD. Ideally, the revenue account should leave a surplus for creation of capital assets. As noted already, there were surpluses in the revenue account since 2004-05 that enabled the capital expenditure to be increased continuously, especially on state highways, rural roads, water supply and sanitation, urban development as well as on irrigation and flood control. Very few states have managed a substantial surplus for all these years; Rajasthan has a small working surplus whereas West Bengal and Kerala had deficits in their revenue accounts in all these years. Maharashtra had a large revenue deficit in 2007-08.

(ii) Ratio of Capital Outlay to GFD : As an obvious consequence of the improvements in its revenue accounts, Bihar has increased Capital Outlay to GFD ratio to more than 100 percent during the last three years. Only a few other states like Rajasthan, Kerala, Tamil Nadu and Gujrat could repeat this feat. The situation in respect of Maharashtra is a cause of concern owing to its high negative ratio in 2007-08.

(iii) Ratio of Non-Development Expenditure to Aggregate Expenditure : The non-development expenditure is incurred mainly for administrative services, whereas development expenditure is incurred for social and economic services. The former should preferably be a small proportion of the total disbursements. In Bihar, non-developmental expenditure, mainly in the form of non-plan expenditure, constituted about 30 percent of the total expenditure during the period from 2006-07 to 2008-09. All the other states have also returned comparable figures.

(iv) Ratio of Interest Payment to Revenue Expenditure : Historically, interest payments constituted a perennial burden on the finances of the state government, because of its heavy indebtedness. For Bihar, however, interest payments have been an ever decreasing proportion of the revenue expenditure since 2003-04. The budget estimates of 2008-09 reports it to be only 13 percent. A perceptible decrease in the ratio has taken place after 2005-06. Other states also show similar ratios excepting West Bengal, for which the ratio is substantially higher at around 30 percent.

(v) and (vi) Ratio of State's Own Tax and Non-Tax Revenue to Revenue Expenditure : These ratios obviously indicate the self-sufficiency of the state government vis-à-vis its revenue expenditure needs. For the period from 2003-04 to 2008-09, state government's own tax and non-tax revenue receipts together barely covered one-fourth of its total revenue expenditure and in fact, this proportion has been on the decline. The position of almost every other state government is

better on this count; they raise more than 50 percent of their total revenue expenditure requirements from their own tax and non-tax receipts. The most notable case is Maharashtra, with close to 75 percent of its revenue expenditure being met from its own tax and non-tax sources.

(vii) Ratio of Gross Transfers from Central Government to Aggregate Expenditure : This ratio brings out the state government's dependence on external resources viz., the central government. For Bihar, this dependency on central government for meeting its expenditure needs is very high. From around 40 percent in 2003-04, this ratio has increased steadily to as much as of 72 percent in last two years, indicating an overwhelming dependence of the state on the central government. None of the other states considered has such a high ratio.

(viii) Ratio of Debt Servicing to Gross Transfers from Central Government : Till 2003-04, debt servicing used to consume a very substantial portion of the gross transfer from the central government. However, due to better debt management, this ratio has been brought down from more than 100 percent in 2003-04 to 22 percent in 2008-09. The performance of Bihar in this respect is significantly better compared to the other states. Gujarat, Kerala and West Bengal have ratios which are either close to or more than 100 percent, indicating that not only are fresh borrowings being used only for discharging the existing debt, but also that resources transferred from the central government as the states' shares of central taxes are also being utilized for the purpose of servicing of the existing debt. This obviously makes the states starve of much needed funds for financing development projects. Andhra Pradesh, Rajasthan and Tamil Nadu also have very high ratios in respect of this fiscal indicator.

**Table 7.2 : Major Fiscal Indicators**

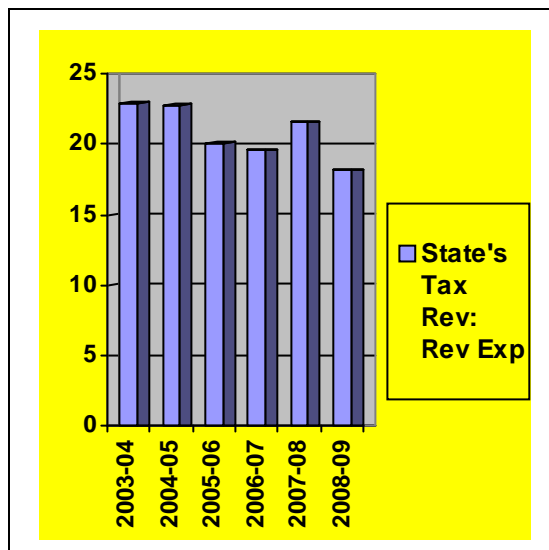
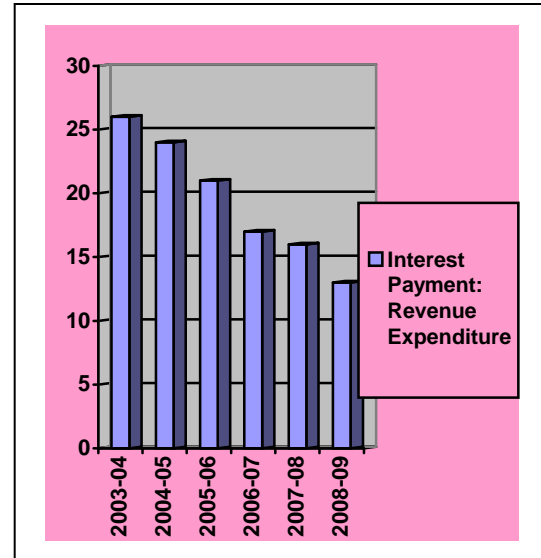
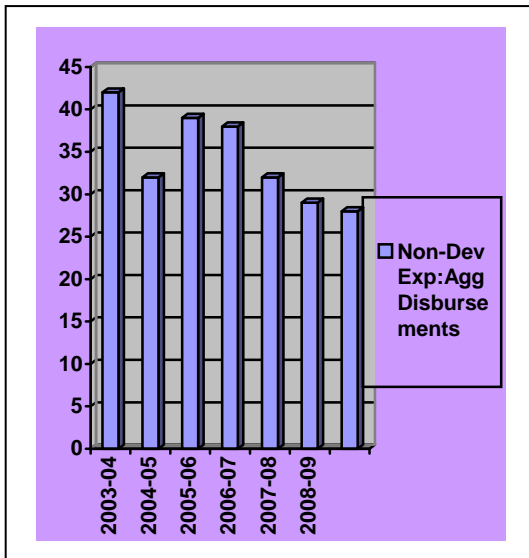
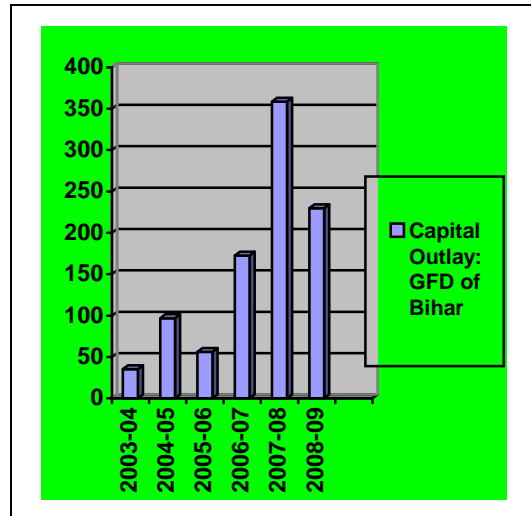
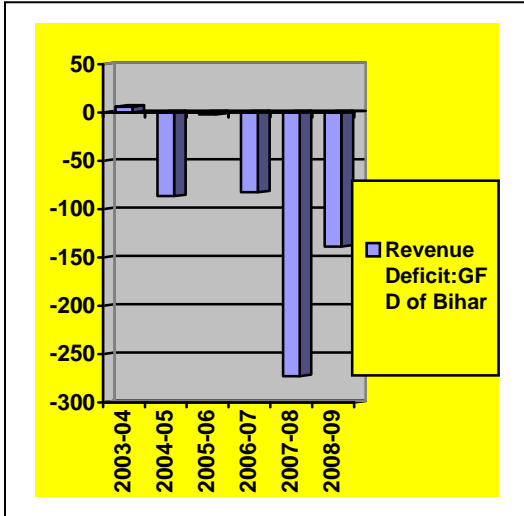
(All figures in percent)

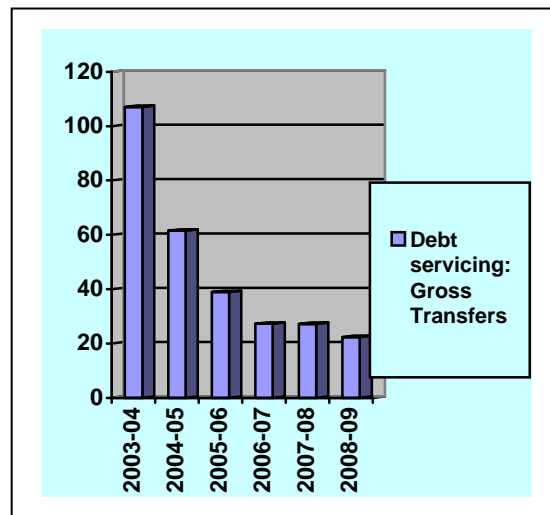
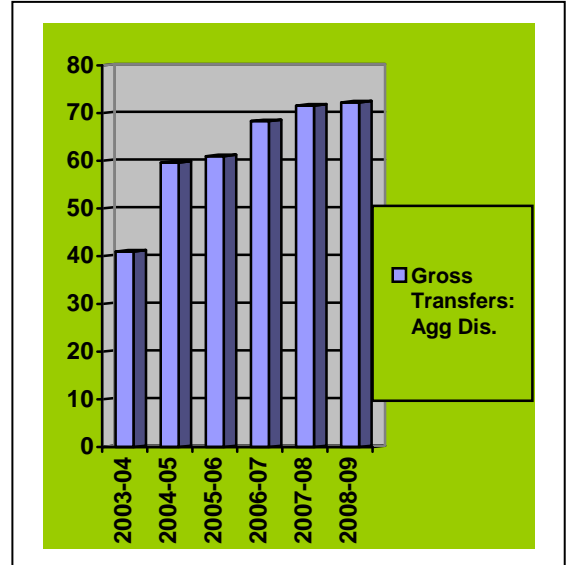
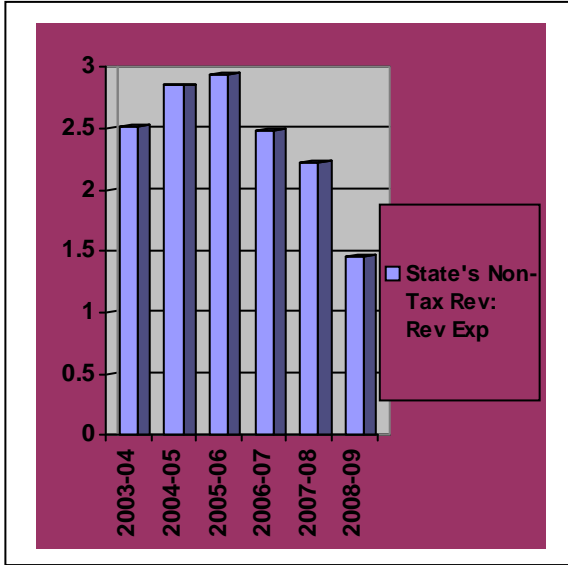
State	A. Revenue Deficit : GFD			B. Capital Outlay: GFD		
	2006-07	2007-08	2008-09	2006-07	2007-08	2008-09
<b>Bihar</b>	<b>-82.70</b>	<b>-272.78</b>	<b>-138.74</b>	<b>172.50</b>	<b>358.31</b>	<b>229.63</b>
West Bengal	72.89	74.22	61.96	17.67	17.84	30.51
Orissa	274.94	-150.99	-22.24	-176.64	246.05	119.05
MP	-405.35	-203.78	662.00	392.82	238.43	-216.78
Rajasthan	-33.97	-6.67	-41.45	155.48	147.30	141.03
Andhra Pradesh	-165.64	-7.53	76.38	250.77	96.96	-1.51
Kerala	68.97	67.29	59.85	23.63	21.74	27.75
Tamil Nadu	116.29	-63.13	-1.46	43.50	165.72	94.66
Maharashtra	-7.01	2478.36	-7.33	87.35	-2156.91	102.54
Gujarat	-31.29	-37.62	1.55	138.79	133.35	97.54

State	C. Non-Dev Exp: Aggregate Disbursements			D. Interest Payment: Revenue Expenditure		
	2006-07	2007-08	2008-09	2006-07	2007-08	2008-09
<b>Bihar</b>	<b>31.85</b>	<b>29.31</b>	<b>28.26</b>	<b>16.32</b>	<b>15.73</b>	<b>13.12</b>
West Bengal	39.48	39.10	39.32	31.84	28.98	28.52
Orissa	38.78	34.36	36.13	20.21	20.55	18.99
MP	31.24	28.80	30.07	18.01	15.85	14.23
Rajasthan	34.77	29.83	32.20	26.95	19.82	20.25
Andhra Pradesh	33.00	30.61	25.98	18.08	16.18	13.39
Kerala	38.98	37.34	36.44	20.12	18.20	18.17
Tamil Nadu	33.91	32.74	31.65	11.90	12.00	10.74
Maharashtra	16.46	14.00	22.76	19.84	19.00	16.45
Gujarat	30.90	31.36	31.71	23.71	22.72	21.34

State	E. State's Tax Rev : Rev Exp			F. State's Non-Tax Rev: Rev Exp		
	2006-07	2007-08	2008-09	2006-07	2007-08	2008-09
<b>Bihar</b>	<b>20.74</b>	<b>21.58</b>	<b>18.16</b>	<b>1.65</b>	<b>2.23</b>	<b>1.46</b>
West Bengal	36.62	34.14	36.58	3.66	3.98	4.08
Orissa	37.99	34.08	31.64	16.41	9.72	9.40
MP	46.10	44.18	44.32	11.89	9.66	9.56
Rajasthan	46.52	42.97	45.78	13.75	12.88	11.29
Andhra Pradesh	57.74	56.40	53.93	15.65	12.34	12.63
Kerala	57.34	53.54	55.75	4.50	4.14	4.57
Tamil Nadu	72.58	64.14	64.48	8.94	6.59	6.37
Maharashtra	65.32	70.38	65.73	12.25	25.00	8.50
Gujarat	62.73	65.36	61.49	16.93	12.86	11.21

State	G. Gross Transfers: Aggregate Disbursements			H. Debt servicing: Gross Transfers		
	2006-07	2007-08	2008-09	2006-07	2007-08	2008-09
<b>Bihar</b>	<b>66.38</b>	<b>71.58</b>	<b>72.26</b>	<b>33.42</b>	<b>27.23</b>	<b>22.41</b>
West Bengal	29.15	33.22	34.48	122.55	104.44	99.49
Orissa	48.86	51.00	50.13	53.31	48.79	44.29
MP	46.23	46.81	46.19	39.41	38.21	45.30
Rajasthan	35.46	36.27	38.96	64.88	54.82	57.83
Andhra Pradesh	29.80	28.62	31.07	84.93	78.41	69.87
Kerala	17.92	16.70	19.11	137.16	151.14	125.59
Tamil Nadu	21.98	26.71	24.80	95.13	63.24	51.17
Maharashtra	18.57	19.81	21.39	32.29	27.55	28.85
Gujarat	19.67	21.69	20.86	112.78	101.50	109.73







#### **7.4 Sustainability, Flexibility and Vulnerability of State Finances**

The analysis in the preceding section can be extended further to identify the factors that make a state government financially healthy and ensure its continued development. For development, it is necessary that a government should try to expand the level of its activity. It would then be necessary to know whether the means of financing these activities are sustainable, i.e., they meet the increased expenditure needs without substantially adding to the debt burden of the state. If the government wishes to expand the level of its activity, it would be pertinent to examine the flexibility of the means of financing (increasing the revenue or by borrowing) and whether the expanded levels of activity expose the government to more risks and make it vulnerable to be influenced by the sources of funding. The state governments increase their levels of activity primarily through the Five Year Plans which translate into annual development plans and are provided for in the state budgets. Thus, it can be broadly stated that non-plan expenditure represents the maintenance of the existing levels of activity, while plan expenditure entails expansion in the level of activity. Some of the factors which measure the sustainability, flexibility and vulnerability of the finances of the Bihar Government have been shown in Table 7.3 and are discussed in the succeeding paragraphs.

(i) Balance of Current Revenue (BCR) : This is calculated as state government's Own Revenue Receipts, plus share of Central Taxes, plus Non-Plan Grants, minus Non-Plan Revenue Expenditure. A positive BCR shows that the state government has surplus funds from its revenues for meeting plan expenditure. Bihar had a substantially positive BCR of Rs 5124 crore at the end of 2007-08, which is further projected to increase to Rs 5738 crore at the end of 2008-09.

(ii) Interest Ratio : This is calculated as (Interest payment-Interest receipt) / (Total Revenue-Interest receipt). A higher ratio indicates a lower ability of the state government to service any fresh debt and meet its revenue expenditure from its revenue receipts. For Bihar, the ratio has fallen by more than half from more than 30 percent in 2003-04 to about 15 percent in 2008-09.

(iii) Capital Outlay/Capital Receipts : This ratio indicates to what extent the capital receipts are applied for capital formation. A ratio of less than 100 percent would not be sustainable in the long run, as that would indicate that capital receipts are utilized for revenue expenditure. For the first time in 2006-07, the ratio has touched a healthy figure of 220 percent. The positive trend was sustained and further enhanced in 2007-08 when it rose to 373 percent. It is, however, projected to come down to 169 percent in 2008-09 due to a substantially higher level of borrowings to pay for

higher capital outlay. It must be mentioned that, prior to 2005-06, the ratio used to remain below 20 percent, mostly due to the high debt service payments that used to consume most of the capital receipts.

(iv) State Tax Receipts/GSDP : This is an important indicator of the gap between the state's tax efforts and its tax potential. A low ratio also indicates low tax compliance and reliance on borrowings rather than taxation to meet the deficit. Further, the gap between this ratio and the ratio of Total Receipts/ GSDP indicate the extent to which the state government is dependent on the share of central taxes. For Bihar, the ratio of Total Tax Receipts to GSDP increased from 19 percent in 2003-04 to 30 percent in 2008-09. However, the ratio of state government's Own Tax Receipt to GSDP remained the same at about 5 percent during the period from 2003-04 to 2008-09. The tax potential of Bihar clearly remains largely untapped, as this ratio is very low. It cannot also be ignored that about one third of its revenue are always in arrears, amounting to nearly Rs 1500 crore.

(v) Public Debt/GSDP : This ratio indicates whether the state government has fallen into a debt trap from which it may not be able to come out on its own. A high ratio leaves little room for the state government for financial maneuvering and indicates lack of flexibility in its finances. It can be noted here that the total debt which constituted about 40 percent of the GSDP in 2003-04 has now been successfully brought down to 34 percent in 2007-08. This level is projected to be maintained in 2008-09 also. A high debt-GSDP ratio takes away whatever little flexibility the state government has in respect of its finances and if it goes beyond a sustainable level, the state government falls into a debt trap. As already pointed out, Bihar is safe on this account.

(vi) Primary Deficit : This is the GFD minus interest payments. It measures the impact of the current financial policies of the state government vis-a-vis the liabilities created in the past, for which interest has to be paid now. From 2006-07 onwards, Bihar has a primary surplus, which is again a positive indicator.

(vii) Financial Asset/Liability Ratio : This indicates the solvency of the state government and indicates its risk exposure and vulnerability. There has been substantial improvement in the ratio from 72 percent in 2003-04 to 96 percent in 2007-08.

(viii) Buoyancy of State's Tax and Non-Tax Revenues : Tax receipts of the state government were highly buoyant in 2007-08 with respect to GSDP, but the non-tax receipts showed no relation to GSDP. In fact, given the sudden and abrupt increase in buoyancy of the state's own tax revenues in 2007-08, it is more likely to be caused by factors like tax effort, rather than increase in the income levels in the state. However, it must be noted here that the growth of its revenue receipts (including the share of central taxes and grants) has been substantially outstripping the growth in outstanding liabilities since 2003-04. It has given the finances of the state government an element of security against any future debt trap. But to improve financial security further, the state government needs longer term measures to augment its own revenues including both tax and non-tax revenues.

(ix) Capital Repayment / Capital Borrowings : This ratio indicates the extent to which the debt receipts meant for capital purposes could not be utilized for asset creation. A higher ratio would indicate that a higher percentage of capital receipts has been utilised for capital repayment and, to that extent, the state government has been deprived of the scope of capital asset creation. For Bihar, this ratio declined from more than 70 percent in 2003-04 to 37 percent in 2008-09. This indicates that more than 60 percent of the capital receipts are actually going towards creation of income generating capital assets in the state.

To summarise, the fiscal position of the state government had started showing significant improvements since 2005-06, as reflected by the parameters discussed above. These indicators continued to improve further in the succeeding years, turning around the fiscal position in 2007-08. The contributing factors were substantial increases in the central grants and share of taxes, higher resource mobilisation, better expenditure management and, finally prudent debt management. At the end of 2007-08, the finances of the state government were on a much stronger footing than ever before in the past. All key fiscal indicators pointed to a marked improvement in the fiscal position of the state government. The sustainability parameters had improved significantly, though the tax potential remains substantially untapped and the tax efforts leave scope for improvement. Tax revenues were buoyant, though non-tax revenues showed no responsiveness to the increasing state income. The state government's finances had shown increased flexibility over the years it was in a much better position to direct its resources towards

improving the standards of social and economic services and infrastructure. In terms of vulnerability, however, the state government still remains overwhelmingly dependent on the external resources, i.e., central funds, for meeting its own expenditure needs.

**Table 7.3 : Fiscal and Financial Performance Indicators**

<b>A. Sustainability</b>	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Balance from Current Revenue (Rs Crore)	-638	924	685	2999	5124	5738
Interest Ratio	30.70	26.54	24.02	18.35	15.92	15.13
Capital Outlay / Capital Receipts	19.53	15.76	54.51	220.32	372.62	168.84
State's Own Tax Receipts / GSDP	4.41	4.56	4.44	4.07	4.84	4.68
State's Own Non-Tax Receipts / GSDP	0.48	0.57	0.65	0.52	0.50	0.38
Buoyancy of State's Own Tax Receipts w.r.t. GSDP	2.77	1.38	0.69	0.56	4.17	0.49
Buoyancy of State's Own Non-Tax Receipts w.r.t. GSDP	13.08	2.89	2.64	-0.09	0.45	-2.85
Return on Investment (Rs Crore)	0.04	0.04	0.04	0.04	3.19	-----
Growth in outstanding liabilities	7.45	14.37	8.02	4.07	0.56	7.14
Growth in total revenue receipts	13.56	26.16	13.51	29.41	22.21	18.93

<b>B. Flexibility</b>	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Capital Repayment / Capital Borrowings	71.38	40.48	26.01	43.47	101.24	37.25
Total Tax Receipts / GSDP	15.87	17.02	17.44	17.51	20.78	21.66
Average Interest Rate on Government Borrowing	9.00	9.59	8.20	7.15	7.15	-----
<b>Debt Outstanding / GSDP</b>	51.92	53.73	53.02	44.69	42.30	42.38

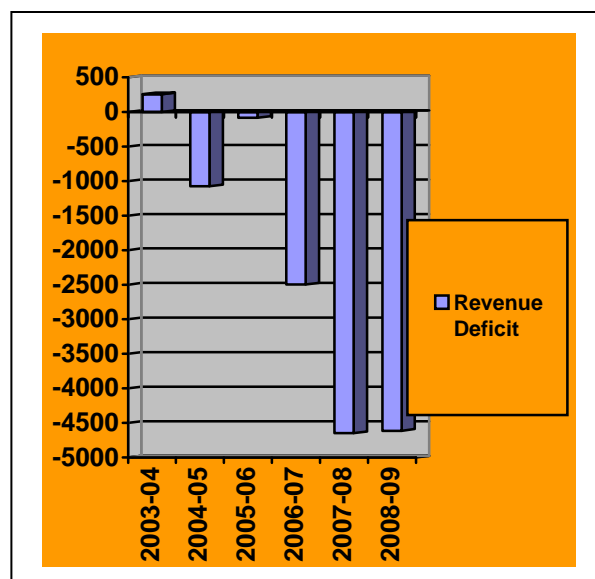
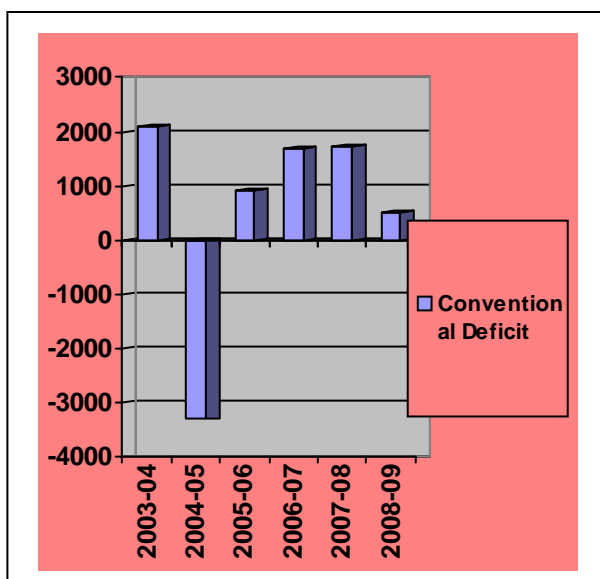
<b>C. Vulnerability</b>	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Revenue Deficit (Rs Crore)	255	-1076	-82	-2498	-4647	-4613
Fiscal Deficit (Rs Crore)	4363	1242	3700	3021	1703	3325
Primary Deficit (Rs Crore)	1020	-2232	51	-395	-2004	-471
Primary Deficit / Fiscal Deficit	23.38	-179.75	1.39	-13.08	-117.61	-14.17
Revenue Deficit / Fiscal Deficit	5.85	-86.63	-2.21	-82.70	-272.78	-138.74
Financial Assets / Liabilities	72.00	78.00	80.00	86.00	96.00	-----
Arrears of Revenue (Rs Crore)	1357	1101	1345	1477	-----	-----
Arrears of Revenue/ Total Own Revenue (%)	41.89	29.28	32.94	32.51	-----	-----

## 7.5 Deficit Management

Table 7.4 shows the position in the revenue account as well as the combined position of the revenue and capital accounts of some major states for the years 2006-07 to 2008-09. As noted earlier, the revenue deficit of Bihar was controlled effectively with the result that, from 2006-07 onwards, there was a growing surplus in the revenue account. In the combined revenue and capital accounts of Bihar, the budget deficit could also be reduced from Rs 1724 crore in 2007-08 to only Rs 501 crore in the 2008-09, due to this large surplus in the revenue account. Several other states like Rajasthan, Andhra Pradesh and Madhya Pradesh have also consistently managed a surplus in the revenue account as well a surplus in their budgets.

**Table 7.4 : Deficit/Surplus position of States**

State	Revenue Deficit(+)/Surplus(-)			Conventional Deficit(+)/Surplus(-)		
	2006-07	2007-08	2008-09	2006-07	2007-08	2008-09
<b>Bihar</b>	<b>-2498</b>	<b>-4647</b>	<b>-4613</b>	<b>1688</b>	<b>1724</b>	<b>501</b>
West Bengal	8333	8138	7370	4105	174.37	126
Orissa	-2260	-1682	-564	-1019	297	329
MP	-3332	-3346	-2840	-2803	-3435	-5550
Rajasthan	-638	-247	-1183	-565	-75	-1516
Andhra Pradesh	-2806	-451	-708	-9899	-17476	-22719
Kerala	2638	4644	3367	7387	10833	10296
Tamil Nadu	-2649	-976	-85	-4735	-3098	-2022
Maharashtra	-810	-13631	-964	12	-2986	-1638
Gujarat	-1769	-2034	123	472	-1413	646

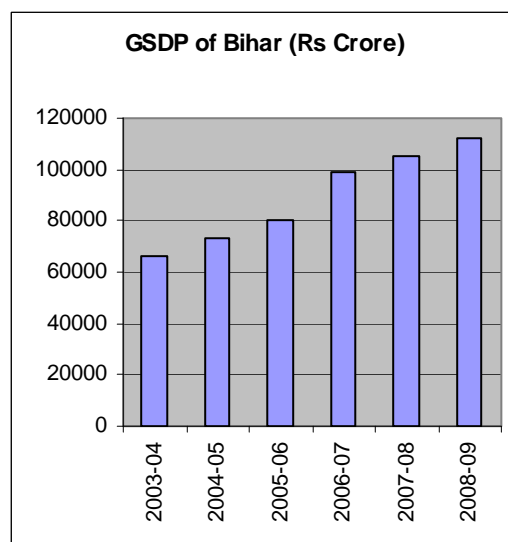
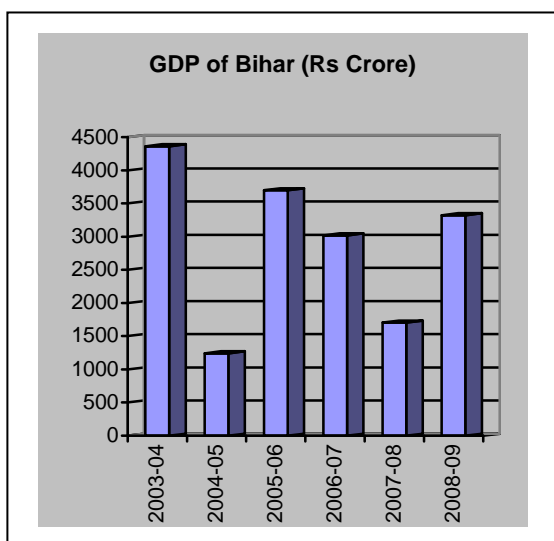


As observed earlier, GFD of a state government is a fairly sensitive indicator of its financial performance, as it reflects the total resource gap in its economy. Table 7.5 presents the GFD of a few major states. Bihar's GFD at around Rs 3000 crore in 2006-07 was sharply reduced to only Rs 1700 crore in the next year, but is again projected to go up to Rs 3300 crore in 2008-09. However, as a percentage of GSDP, it came down from a peak of 6.59 percent in 2003-04 to only 1.62 percent in 2007-08; even in 2008-09, it is projected to be within the FRBMA target of 3 percent.

**Table 7.5 : Gross Fiscal Deficit**

(Rs. crore)			
State	2006-07	2007-08	2008-09
<b>Bihar</b>	<b>3021</b>	<b>1703</b>	<b>3325</b>
West Bengal	11432	10965	11894
Orissa	-822	1114	2536
MP	822	1642	-429
Rajasthan	1878	3704	2854
Andhra Pradesh	1694	5987	-927
Kerala	3825	6901	5626
Tamil Nadu	-2278	1546	5838
Maharashtra	11553	-550	13159
Gujarat	5653	5407	7935

Table 7.6 shows the decomposition of the GFD of Bihar, from which one can find that capital outlay contributed most to GFD during the years 2003-04 through 2008-09, especially during the recent years.



**Table 7.6 : Decomposition of Gross Fiscal Deficit of Bihar**

(Rs crore)

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Revenue Deficit	255	-1076	-82	-2498	-4647	-4613
Capital Outlay	1549	1205	2083	5211	6104	7635
Net Lending	2558	1113	1697	308	247	303
<b>GFD</b>	<b>4363</b>	<b>1242</b>	<b>3698</b>	<b>3021</b>	<b>1703</b>	<b>3325</b>
GSDP	66254	73221	80157	98957	105148	112424
<b>GFD: GSDP ratio(%)</b>	<b>6.59</b>	<b>1.70</b>	<b>4.62</b>	<b>3.05</b>	<b>1.62</b>	<b>2.96</b>

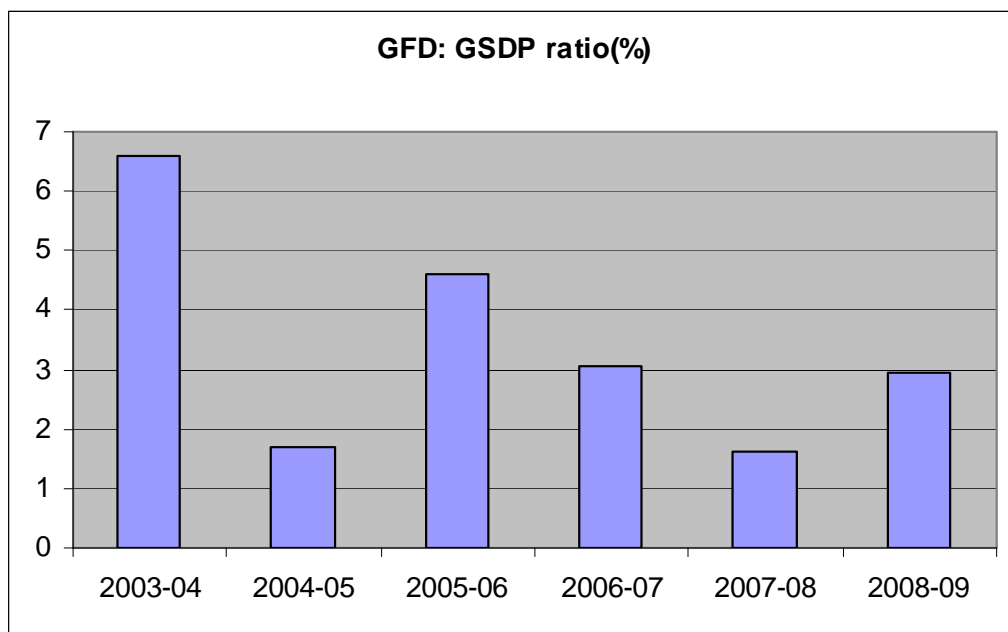
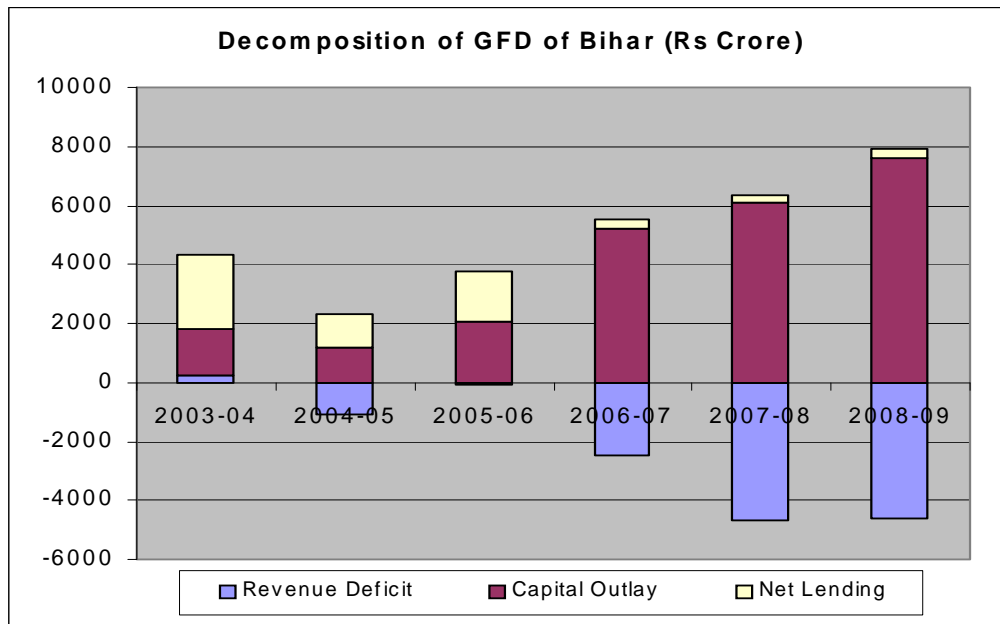
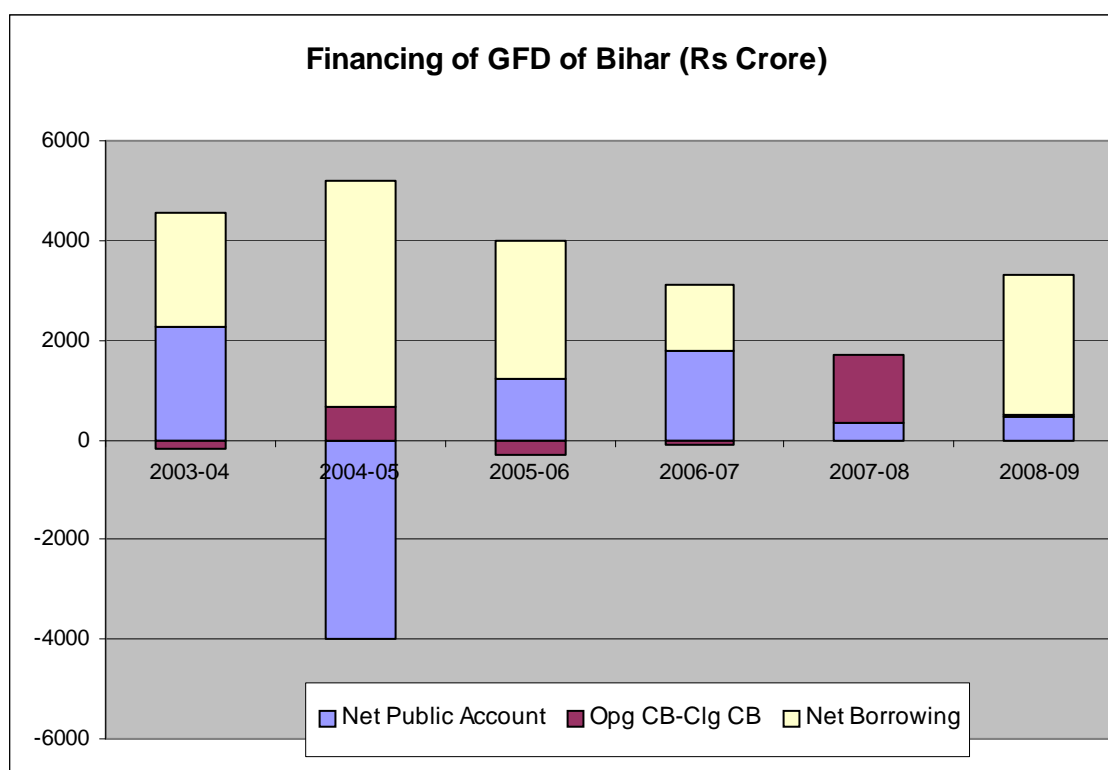


Table 7.7 shows how the GFD was financed during all these years. The net borrowing mainly consisted of internal market borrowings made by the state government as well as the central loans, less the recoveries of loans and advances made by the state government. The internal market borrowings of the state government mainly financed its GFD, apart from the Public Account receipts from small savings, provident funds etc. From 2005-06 onwards, loans from the central government had no role in the financing of the GFD. Recovery of the loans and advances made by the state government again has always remained negligible.

**Table 7.7 : Financing of Gross Fiscal Deficit of Bihar**

(Rs crore)

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Net Public Account Receipts	2278	-3974	1209	1785	352	445
Increase in Cash Balance	-182	676	-299	-97	1372	56
Net Borrowing	2267	4539	2790	1333	-20	2824
<b>GFD</b>	<b>4363</b>	<b>1242</b>	<b>3700</b>	<b>3021</b>	<b>1703</b>	<b>3325</b>





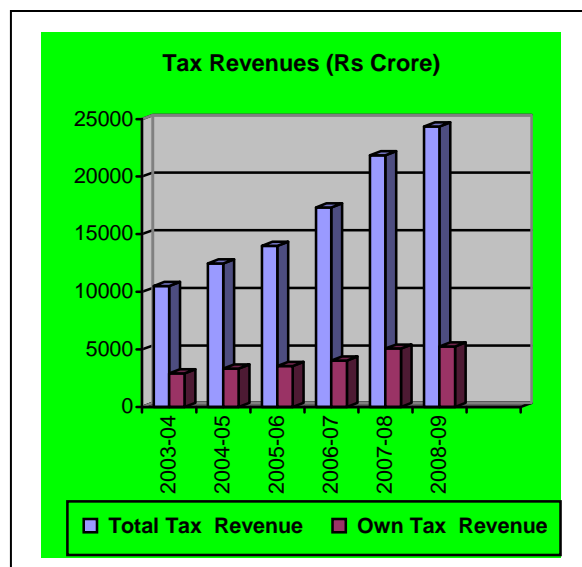
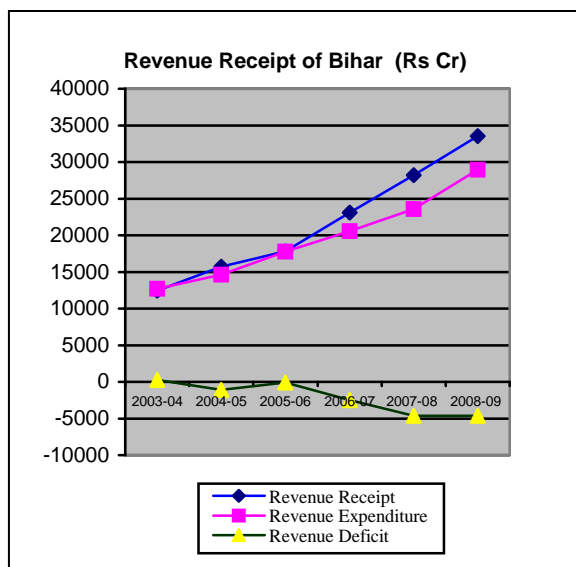
## 7.6 Receipt and Expenditure of Bihar Government: Revenue Account

The summary of revenue receipts and expenditure of Bihar is shown in Table 7.8. From 2003-04 to 2008-09, revenue receipts and expenditure grew at nearly the same rate. With receipt outgrowing the expenditure during the last 4 years, it has resulted in a revenue surplus. The state government's own revenue, tax and non-tax combined, barely meets 20 percent of its revenue expenditure needs, and the rest has to come from its share of taxes and grants from the central government. While the total revenue of the state government has grown nearly threefold during the period 2003-2009, from Rs 12456 crore to Rs 33551 crore, the state government's own total revenue, tax and non-tax combined, have grown at a much slower rate, from Rs. 3239 crore to Rs. 5678 crore during the same period, i.e., by 75 percent.

In Table 7.8, some more parameters of the state government finance are considered through a comparison of the state governments' own tax and non-tax revenues respectively with its total tax and non-tax revenues. The state government's total tax revenue consists of the its own revenues as well as its share from the divisible pool of central taxes, mainly Income Tax and Union Excise Duties. The share of state government's own revenue in total revenue declined from 26 percent to 17 percent during the period, while its own non-tax revenue remained nearly same during the period with some minor variations. Thus the state government remains overwhelmingly dependent on the central government and therefore vulnerable to the changes in its policy and attitudes.

**Table 7.8 : Revenue Account of Bihar**

	(Rs crore)					
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Revenue Receipt	12456	15714	17838	23083	<b>28210</b>	<b>33551</b>
Revenue Expenditure	12711	14638	17756	20585	23563	28938
Revenue Deficit	255	-1076	-82	-2498	-4647	-4613
State's own tax + non-tax revenue	3239	3760	4083	4543	5611	5678
<b>State's own revenue as % of total revenue</b>	<b>26</b>	<b>24</b>	<b>23</b>	<b>20</b>	<b>20</b>	<b>17</b>
<b>State's own revenue as % of revenue expenditure</b>	<b>25</b>	<b>26</b>	<b>23</b>	<b>22</b>	<b>24</b>	<b>20</b>

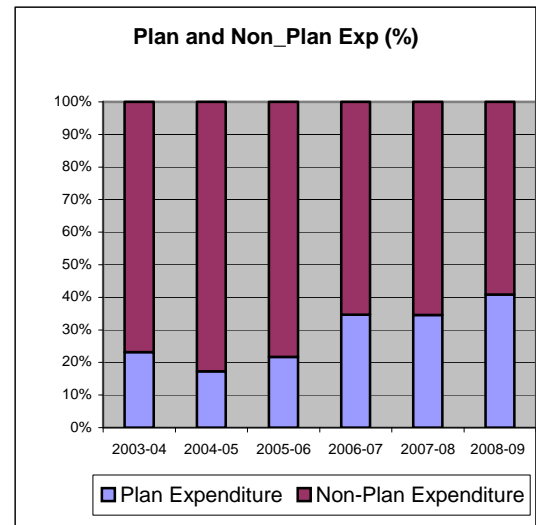
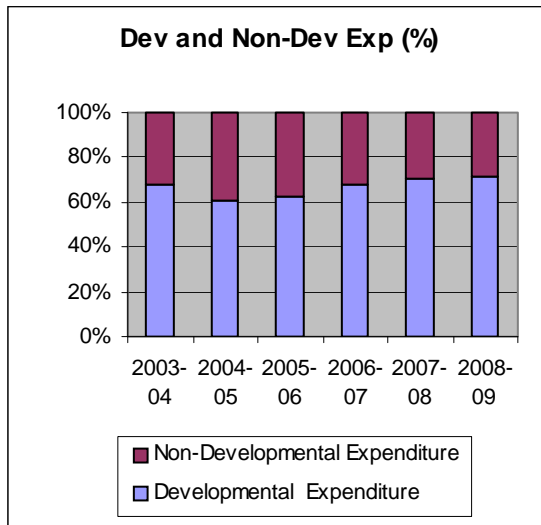
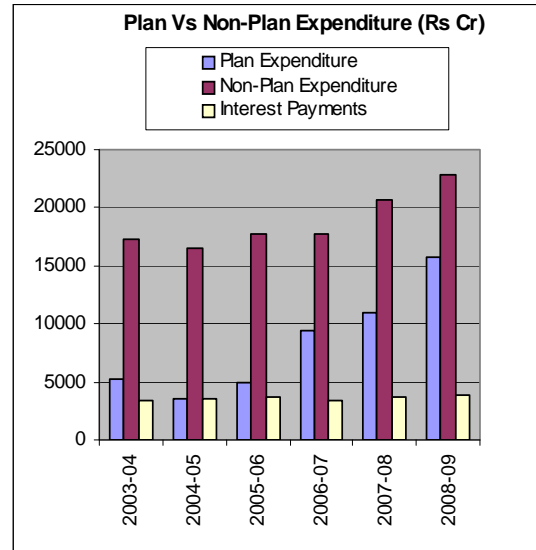
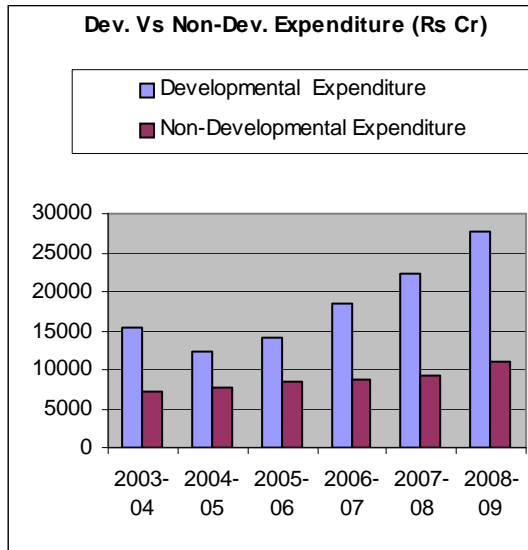


**Table 7.9 : Expenditure of Bihar Government**

(Rs crore)

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Developmental Expenditure	15303	12250	14041	18489	22314	27669
Non-Developmental Expenditure	7175	7803	8523	8643	9252	10901
Total Expenditure	22482	20058	22568	27136	31571	38574
<b>Dev Expenditure as % of Total Expenditure</b>	68	61	62	68	71	72
Plan Expenditure	5202	3476	4899	9397	10908	15746
Non-Plan Expenditure	17280	16581	17670	17740	20664	22828
Interest Payments	3343	3474	3649	3416	3707	3796

Table 7.9 shows the total expenditure of the state government for developmental and non-developmental as well as its plan and non-plan expenditure. Plan expenditure is mostly developmental, while non-plan expenditure is mostly non-developmental. In the absence of any clear guideline for classification of expenditure between plan and non-plan on a rational basis, the distinction continues to remain ambiguous and sometimes irrational too. All expenditures under non-developmental heads is non-plan expenditure, but non-plan expenditure may have a developmental component. This analysis of the expenditure, however, is restricted to the conventional definition of the terms.



Referring to Table 7.9 and the related charts, one may note that the developmental expenditure in Bihar has constituted about 60 -70 percent of the total expenditure during all the years under consideration. In absolute terms, it has nearly doubled over the years and, except for a marginal decline in 2004-05, the pace of growth has been very high. The non-developmental expenditure, on the other hand, has increased at a slower rate. As already noted, plan expenditure is made for taking up new development projects in the state. In Bihar, about 20 percent of the total expenditure of the state government has been plan expenditure till 2005-06, after which the share of plan expenditure has increased steadily to about 40 percent in 2008-09. Nearly half of the non-plan

expenditure is non-developmental in nature, and nearly a quarter is solely due to interest payment on outstanding loans and payments on account of pension and gratuity. As already noted, interest payments have now been contained at around Rs 3700 crore in 2008-09, compared to about Rs 3300 crore in 2003-04. The total plan expenditure increased by almost Rs 10,500 crore during the period, while the total non-plan expenditure increased by about Rs 5500 crore during the same period.

As regards the crucial component of interest payment, it is seen from Table 7.10 that the difference between the gross and net interest payments is only nominal due to the extremely poor recovery of interest on the loans and advances given by the state government to its public sector enterprises which are mostly loss-making and autonomous bodies. For many of these public enterprises, their accumulated losses have completely wiped out their equity bases including reserves several times over. The interest receipts, however, showed more than a nominal increase, mainly from the investments of its cash balances (Table 7.11). Nevertheless, this increase is too small to offset the ever-widening gap between interest payments and interest receipts. Thus, interest payments consume about 20 percent of the total revenue expenditure of the state government; but it must be noted that while the revenue expenditure increased nearly threefold during the period, interest payments increased by only 13.6 percent. From Table 7.12, we note that the capital outlay has substantially increased from very low (7 percent) in 2003-04 to nearly a quarter of the total expenditure in 2008-09, drawing from the substantial surplus in the revenue account.

**Table 7.10 : Interest Payment and Receipt**

(Rs crore)

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Gross Interest Payment	3343.04	3473.9	3648.89	3416.08	3706.99	3796.03
Net Interest Payment	3319.96	3398.85	3432.82	3240.09	3536.28	3738.59

**Table 7.11 : Cash Balance of Bihar**

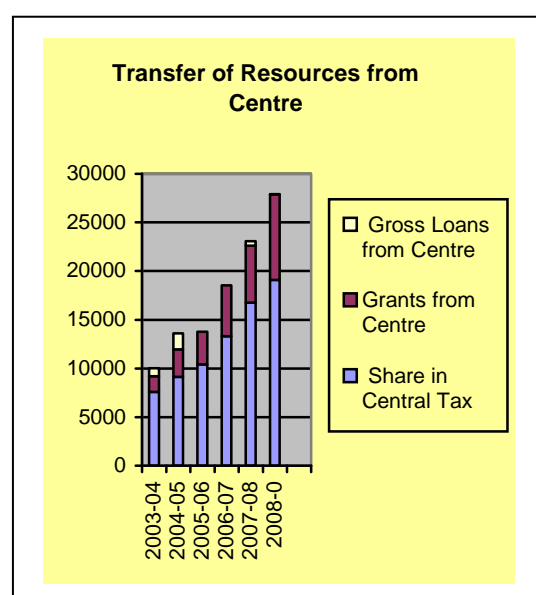
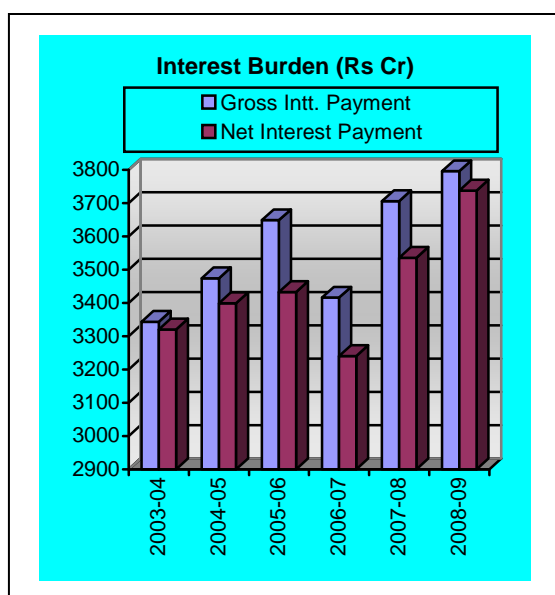
(Rs crore)

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Balance in Cash Investment Account	-930.28	-747.99	-1424.47	-1125.59	-1028.58	-2400.21
Increase in Closing Cash Balance	457.35	182.29	-676.48	298.88	97.01	-1371.63

**Table 7.12 : Other Parameters of Expenditure**

(Rs crore)

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Total Tax Revenue	10518	12465	13983	17325	21852	24353
Own Tax Revenue	2919	3342	3561	4032	5085	5256
Total non-tax Revenue	320	418	522	511	526	422
Actual Capital Outlay	1549	1205	2083	5211	6104	7635
Capital Outlay as % of Total Expenditure	6.89	6.01	9.23	19.2	19.33	24.68



The exact nature of the state government's dependence on central resources can be seen from Table 7.13 which shows the gross transfer of resources to Bihar during the period from 2003-04 to 2008-09. The gross transfer of resources includes the state's share in central taxes, grants-in-aid from the centre, as well as loans. The gross transfer of resources to the state government increased steadily from 41 to 72 percent of the aggregate disbursements over the period, excluding the central loans. The contribution of such loans in recent years, except in 2007-08, was almost nil. About 70 percent of the gross transfers to the state government came from its share of central taxes and the rest from grants and loans. There is no real difference between the gross and net figures of resource transfer, since the state government has not resorted to central loans for the last four years except in 2007-08.

**Table 7.13 : Transfer of Resources from Centre to Bihar**

	(Rs crore)					
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Share in Central Tax	<b>7599</b>	<b>9122</b>	<b>10421</b>	<b>13293</b>	16767	<b>19097</b>
Grants-in-Aid from Centre	1618	2832	3333	5247	5832	8776
Gross Loans from Centre	820	1654	2	3	468	8
Gross transfer of Resources	<b>9216</b>	<b>11954</b>	<b>13754</b>	<b>18543</b>	<b>23067</b>	<b>27880</b>
Net Loans from Centre	-1560	-1069	-486	-314	40	-421
Net Transfer of Resources	7656	10885	13268	18229	23107	27460

### 7.7 Debt Management

Table 7.14 shows the outstanding fiscal liabilities of the state government. The total outstanding liability of the state government, as a percentage of GSDP, had decreased from 51 percent to 42 percent during the period from 2003-04 to 2008-09 and it reflects the state government's ability to contain the debt burden. To understand the full import of the data presented in Table 7.14, one also needs to look at Tables 7.15 and 7.16, which respectively depict the net amount of debt raised and discharged by the state government. The total public debt, as can be seen from Table 7.14, was Rs. 35,045 at the end of 2007-08, which is 33 percent of the State's GSDP. This large figure is the accumulated effect of past borrowings, growing at an average annual rate of about 5.5 percent since 2003-04. The major part of this huge debt (about 60 percent) is due to the internal loans raised by the state government from the market, and about 16 percent is from the central government. One significant feature of the composition of outstanding debt is that the loans from centre has been continually discharged throughout the period without resorting to substantial fresh borrowing. This has resulted in gradual reduction of the debt to the central government from Rs 10,106 crore in 2003-04 to Rs 7856 crore in 2008-09.

**Table 7.14 : Outstanding Liabilities**

	(Rs crore)					
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Internal Debt	16298	21906	25182	26829	26769	30014
Central Loans	10106	9037	8551	8237	8277	7856
Total Public Debt	26404	30943	33733	35065	35045	37870
Public Account	7997	8401	8766	9161	9429	9779
Total Liability	<b>34401</b>	<b>39344</b>	<b>42498</b>	<b>44226</b>	<b>44475</b>	<b>47649</b>
Outstanding Liability as % of GSDP	<b>51.38</b>	<b>53.32</b>	<b>53.33</b>	<b>51.6</b>	<b>42.30</b>	<b>42.38</b>

**Table 7.15 : Net Debt Received**

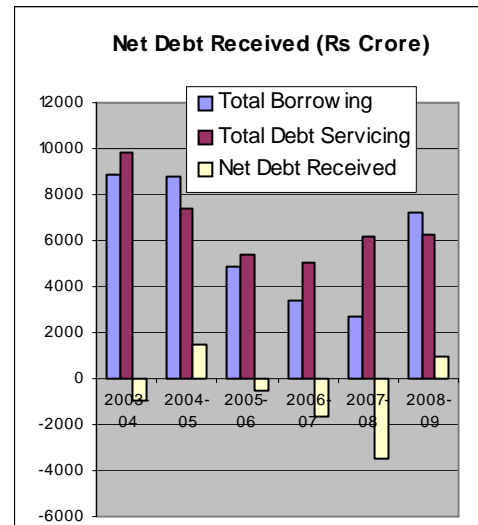
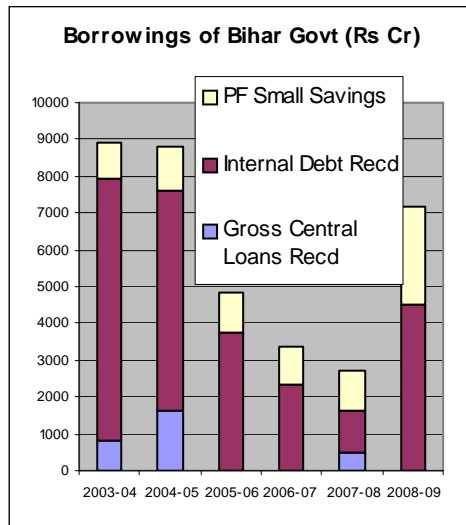
(Rs crore)

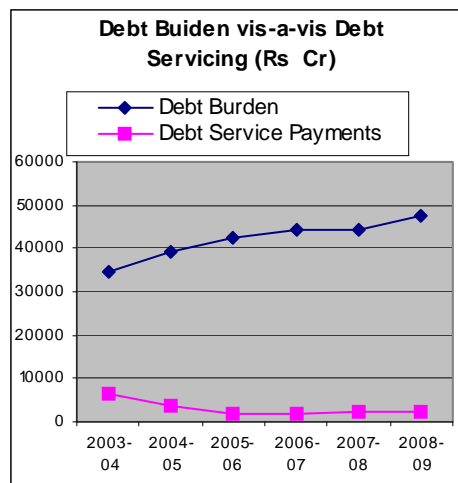
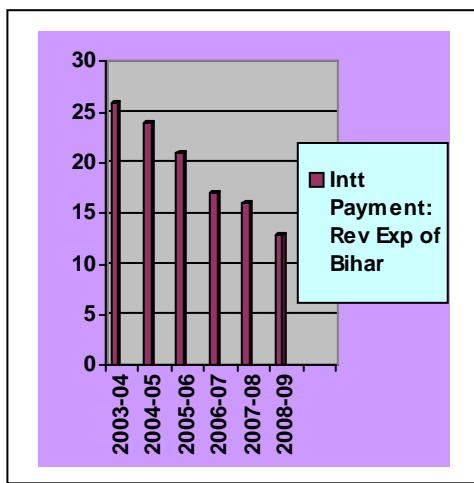
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Gross Central Loans Recd	820	1654	2	3	468	8
Internal Debt Recd	7100	5972	3769	2355	1144	4493
PF Small Savings	987	1198	1088	1012	1084	2696
<b>Total Debt Recd</b>	<b>8907</b>	<b>8824</b>	<b>4858</b>	<b>3370</b>	<b>2696</b>	<b>7197</b>
Recoveries of Loans and Advances	10	15	51	7	26	22
Interest payments	3343	3474	3649	3416	3707	3796
Interest Received	23	75	216	176	171	57
Repayment of Debt	6522	3882	1703	1642	2447	2450
Net Debt Recd	-925	1558	-227	-1505	-3262	1030
Net Debt Received as % of Total Borrowing	-10.38	17.66	-4.68	-44.65	-120.99	14.31

**Table 7.16 : Repayment Liabilities**

(Rs crore)

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Discharge of internal debt	3273	365	493	708	1203	1248
Repayment of loans to Centre	2380	2723	488	317	429	429
Discharge of other liabilities	869	795	723	617	815	774
Total Repayment	6522	3882	1703	1642	2447	2450
Total Interest Payment	3343	3474	3649	3416	3707	3796





## 7.8 : FRBM Act and Fiscal Correction Path

The state government had enacted the Fiscal Responsibility and Budget Management (FRBM) Act in 2006 making it responsible for prudent financial management and fiscal stability. The Act directs the state government to eliminate revenue deficit and contain fiscal deficit with efficient debt management and greater transparency in fiscal operations. The targets envisaged in the Act are :

- (i) To reduce Revenue Deficit / GFD ratio by 0.1 percent every year beginning with 2006-07;
- (ii) To eliminate Revenue Deficit by 2008-09;
- (iii) To reduce GFD:GSDP ratio by 0.3 per cent every year beginning with 2006-07 if it is more than 3 percent; otherwise, to contain the ratio within 3 percent by 2008-09.

As pointed out already, The state government has fully achieved these targets. The state government has also developed its own Fiscal Correction Path (FCP), indicating milestones of outcome indicators during the period 2004-10. Earlier, the Twelfth Finance Commission (TFC) had recommended norms and ceilings for some fiscal aggregates and also made normative projection for others. Table 7.17 gives a comparative statement of actual achievements against targets set under TFC and FCP. It can be seen from the table that the state government has achieved nearly all the FCP targets.



**Table 7.17 : Targets and Achievement under Fiscal Correction path, 2007-08**

(Rs crore)

Fiscal forecasts	Projection in TFC	Projection as per FCP	Actual
Own Tax Revenue	6430.39	5020	5086
Own Non-Tax Revenue	1162.47	353	526
Revenue Expenditure	-	23128	23563
Non Plan Revenue Expenditure	17005.61	18665	18759
Capital Expenditure	-	5158	6376
Revenue Surplus (+)	To be wiped out by 2008-09	(+)1310	4647
Fiscal Deficit (-)/ Surplus (+)	To reduce to not more than 3 per cent of GSDP by 2008-09		(-)1703
Consolidated Debt (including Guarantees)	31 per cent of GSDP by 2008-09	52122	51080 (51.13 Per cent of GSDP)

## 7.9 Resource Mobilisation

The revenue receipt of the state government come from both tax and non-tax revenues. The tax revenue of a state government consists of its own tax revenues and its share in the divisible pool of taxes and duties of the central government. Similarly, the non-tax revenues consist of the state government's own non-tax revenue as well as central grants for plan and non-plan purposes. The own tax revenues of the state government are classified into :

- (i) Taxes on income which include agricultural income tax, taxes on trades;
- (ii) Taxes on property and capital transactions which include land revenues, stamp and registration fees, taxes on urban immovable property; and
- (iii) Taxes on commodities and services which by far are the most important sources of the state government's own tax revenue and include a variety of taxes like sales tax, turnover tax, state excise duty, taxes on vehicles, goods and passengers, electricity duty, taxes on entertainment etc.

The share of central taxes consists mainly of the shares of Income tax, Union Excise duty and additional excise in lieu of sales tax on certain commodities.

The own non-tax revenues of the state government are classified into interest receipts from loans and advances to various government companies, public sector undertakings and other bodies, dividends and profit from them, receipts from various services (general, social and fiscal) and from economic services. Economic services contribute much more significantly to the state exchequer than other services. The grants from central government are for both plan and non-plan purposes. Within the plan grants, there are separate grants for the state's own plan schemes, central plan schemes and also for the centrally sponsored schemes. The non-plan grants include the statutory grants as well as relief on natural calamities and other public purpose grants.

Table 7.18 shows the revenue receipts of the state government during 2003-04 to 2008-09. From this table, one can see that, during all these years, about 80 percent of the total receipts of the state government came from the central government by way of grants-in-aid and state's share of divisible pool of taxes. While the own tax revenue of the state government has grown by 80 percent from Rs 2919 crore in 2003-04 to Rs 5256 crore in 2008-09, the non-tax revenue has grown by 32 percent, from Rs. 320 crore to Rs. 422 crore during the same period. The non-tax revenue had increased to Rs 526 crore in 2007-08 before declining in the next year. The state government's own total revenue (tax plus non-tax) has registered an increase of 75 percent during this period. The total revenue of the state government, including all transfers from the central government, increased from Rs. 12,456 crore in 2003-04 to Rs. 33,351 crore in 2008-09, an increase of 168 percent in 6 years, implying an annual growthrate of nearly 18 percent. However, the state government's own share in the total revenue receipts has been steadily decreasing. In 2008-09, it was only 17 percent, as compared to 26 percent in 2003-04.

**Table 7.18 : Revenue Receipts of the State**

(Rs crore)

Sources of Revenue	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
I. State's Own Revenue	3239	3760	4083	4543	5611	5678
a) Tax Revenue	2919	3342	3561	4032	5085	5256
b) Non-Tax Revenue	320	418	522	511	526	422
II. Receipts from Centre	9216	11954	13754	18540	22599	27873
a) Share of Divisible Taxes	7599	9122	10421	13293	16767	19097
b) Grants-in-aid	1618	2832	3333	5247	5832	8776
III. Total Revenue Receipts	12456	15714	17838	23083	28210	33551
State's Own Revenue as % of Total Receipts	26	24	23	20	20	17

Among the direct taxes of the state government are included Stamp and Registration Fees, Taxes on Vehicles, Taxes and Duties on Electricity, Land Revenue and Taxes on Agricultural Income, the last one being rather insignificant. Among the indirect taxes which are far more important than the direct taxes, there are taxes on sales / trade, state excise, taxes on goods and passengers and other taxes and duties on commodities and services. The details of receipts from these taxes from 2003-04 to 2008-09 BE are shown in Table 7.19.

**Table 7.19 : Tax Revenue of Bihar Government**

(Rs crore)

Sources of Revenue	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Taxes on Sales, Trade etc.	1637	1891	1734	2081	2535	2938
Stamp and Registration Fees	418	429	505	455	654	581
Taxes on Goods and Passengers	306	473	613	783	938	825
State Excise	240	272	319	382	525	538
Taxes on Vehicles	210	213	302	181	273	257
Land Revenue	34	33	55	75	82	75
Taxes & Duties on Electricity	18	10	18	63	64	30
Other Taxes and Duties on Commodities and Services	57	22	15	12	14	13
Taxes on Agricultural Income	0	0	0	0	0	0
Total	2919	3342	3561	4032	5085	5256

An analysis of the tax receipts of the state government reveals that its major sources of taxes are sales tax, stamp and registration fees, excise duty of the state, taxes and duties on electricity and taxes on vehicles. These five taxes together made up as much as 98 percent of the total tax receipts of the state government in 2008-09. Of these, sales tax alone comprises 56 percent of the total tax receipts, followed by Stamp and Registration Fees (16 percent). These taxes are highly buoyant and their yields increase automatically with the general increase in the income level as reflected by

the GSDP. The composition of the state government's tax revenue is shown in Table 7.20 and their growth rates in Table 7.21. In case of taxes on vehicles, there was a major drop between 2005-06 and 2006-07. However, it has again picked up in the next year and remains at that level even in 2008-09. 'Taxes & Duties on Electricity' experienced a substantial drop by more than 50 percent during 2008-09, after registering an impressive growth of about 250 percent during 2006-07. Barring 2005-06, Taxes on Sales have been growing consistently though the rate of growth has slowed down in 2008-09. From Table 7.22, one can see that direct taxes contribute about 18 percent of the own total tax revenue of the state government, indirect taxes contributing the rest 82 percent in 2008-09, making the distribution even more skewed than in the previous year. It also indicates that the process of fiscal reforms that the state government has initiated are yet to be reflected in the structure of taxation.

**Table 7.20 : Composition of Tax Revenue of Bihar Government**

(Figures in percentage)

Sources of Revenue	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Taxes on Sales, Trade etc.	56	57	49	52	50	56
Stamp and Registration Fees	14	13	14	11	18	16
State Excise	8	8	9	9	13	11
Taxes on Vehicles	7	6	8	5	10	10
Taxes & Duties on Electricity	1	0	1	2	5	5
Land Revenue	1	1	2	2	2	1
Taxes on Goods and Passengers	10	14	17	19	1	1
Other Taxes and Duties on Commodities and Services	2	1	0	0	0	0
Taxes on Agricultural Income	0	0	0	0	0	0
Total	100	100	100	100	100	100

**Table 7.21 : Growth of Tax Revenue of Bihar Government**

(Figures in percentage)

Sources of Revenue	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	Overall Growth 2003-09
Taxes on Sales, Trade etc.	-1	15	-8	20	22	16	79
Stamp and Registration Fees	-1	14	17	-10	44	-11	39
Taxes on Goods and Passengers	20	3	18	28	20	-12	170
State Excise	18	2	42	20	38	2	124
Taxes on Vehicles	23	-46	89	-40	51	-6	22
Land Revenue	-7	-1	65	36	10	-9	121
Taxes & Duties on Electricity	16	55	30	248	2	-53	72
Other Taxes and Duties on Commodities and Services	4	-62	-32	-19	17	-4	-77
Taxes on Agricultural Income	0	0	0	0	0	0	0
Total	5	15	7	13	26	3	80

**Table 7.22 : Structure of Taxation in Bihar**

(Figures in percentage)

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Share of Direct Taxes in State's Own Tax Revenue	23	20	25	19	21	18
Share of Indirect Taxes in State's Own Tax Revenue	77	80	75	81	79	82

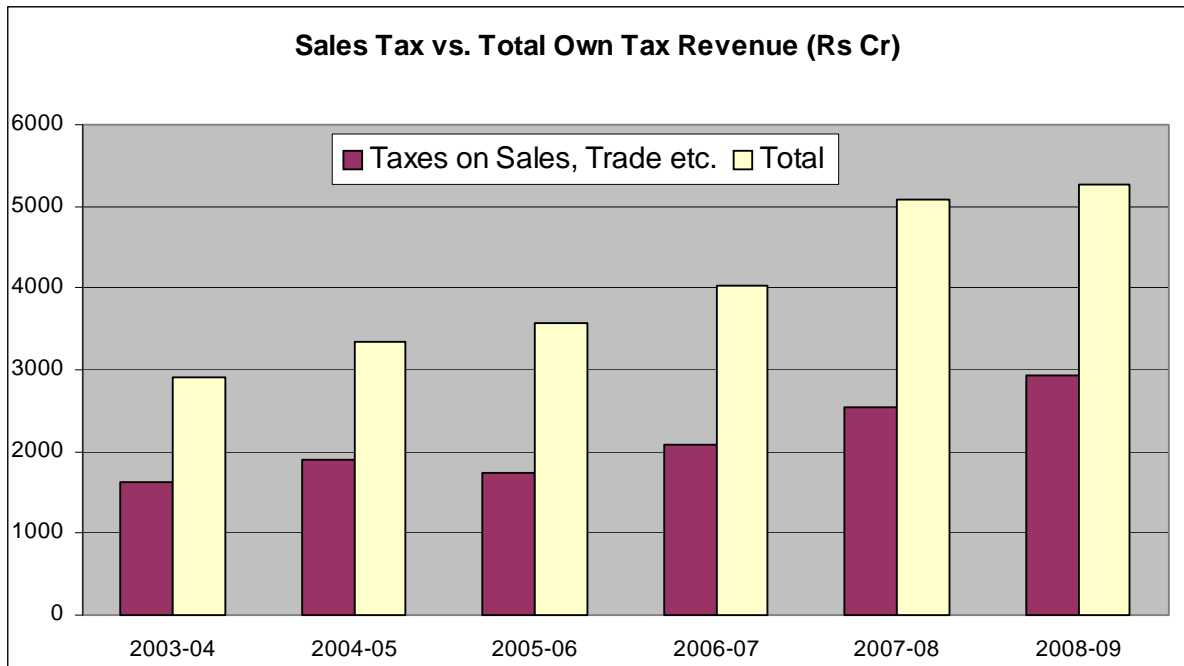
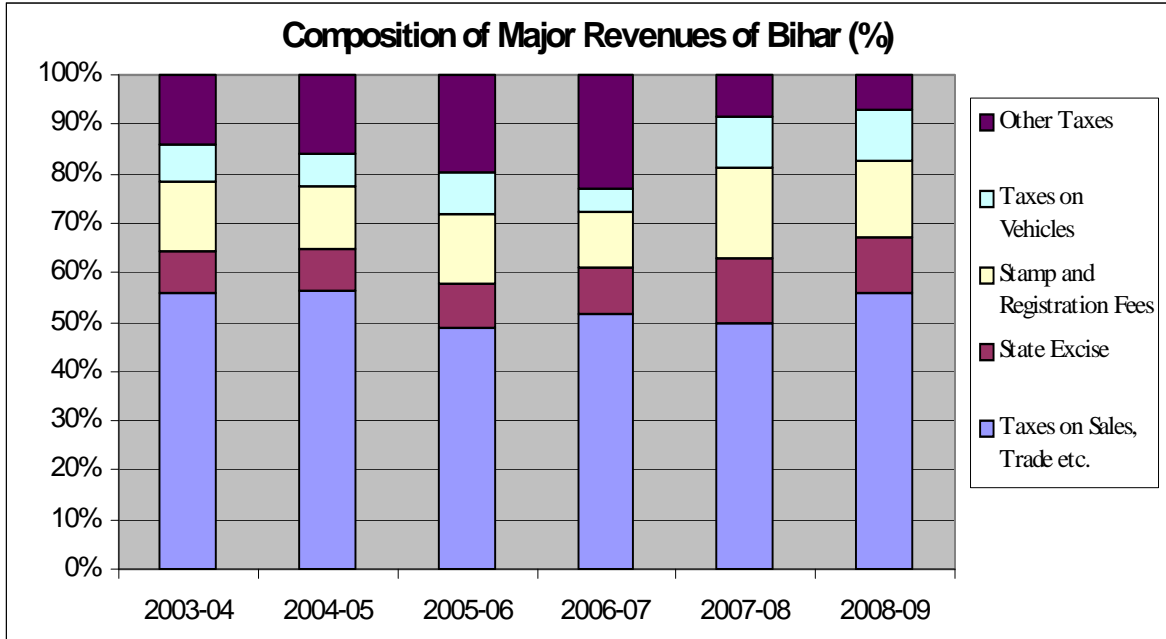


Table 7.23 shows the major non-tax revenues of the state government and Table 7.24 shows their composition and growth. The most important element of the state government's non-tax revenue is the royalty from mines and minerals, the other important source being the interest receipts. The receipt from these two together was about 46 percent of the total non-tax receipts in 2008-09, down from more than 66 percent the year before, due to a substantial drop in the interest receipts. The steep increase in the interest receipts in 2005-06 was due to the investment of huge balance of idle cash in the Cash Balance Investment Account. Thereafter, there has been a steady drop in collections under this head. The royalty from mines and minerals has grown steadily in the past, but the yield from this had declined marginally in 2008-09. Overall, the growth of non-tax revenues has been quite uncertain. The above analysis brings out the importance of sales tax in the tax revenue and royalty on mines and minerals in the non-tax revenue of the state government as shown in the accompanying charts.

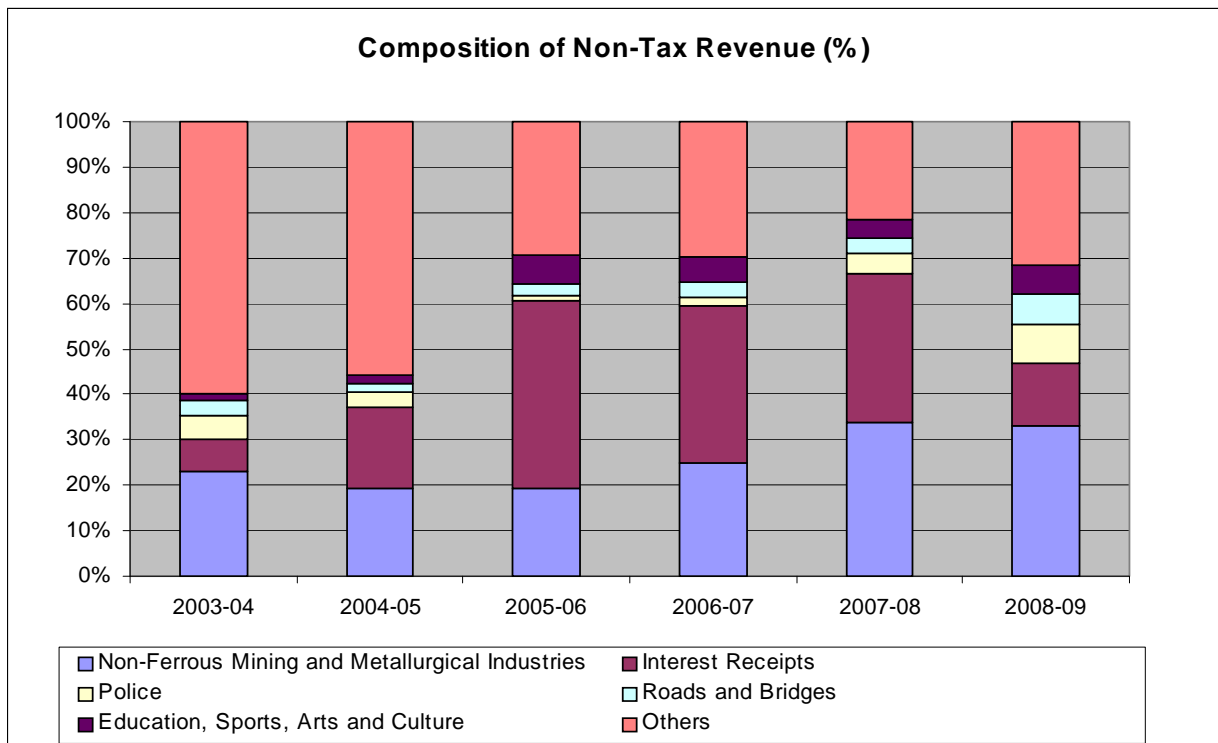
**Table 7.23 : Major Non-Tax Revenues of Bihar**

	(Rs crore)					
<b>Sources of Revenue</b>	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Non-Ferrous Mining and Metallurgical Industries	73.34	80.09	100.9	127.65	178.65	140.00
Interest Receipts	23.08	75.05	216.07	175.99	170.74	58.25
Other Rural Development Programmes	21.26	24.67	10.16	13.8	7.31	13.81
Major Irrigation	26.22	0	1.62	1.95	2.41	8.28
Other Administrative Services	80.72	107.98	34.21	20.28	12	16.85
Medical and Public Health	11.97	12.66	15.1	17.51	21.07	17.78
Police	16.85	13.72	6	10.53	23.47	35.91
Roads and Bridges	10.62	8.42	12.05	16.75	17.95	28.17
Social Security and Welfare	10.59	8.3	14.75	18.79	2.75	13.22
Education, Sports, Arts and Culture	4.11	7.34	32.99	27.57	20.88	26.47
Others	41.57	79.49	78.41	80.36	68.33	63.05
<b>Total</b>	<b>320.33</b>	<b>417.72</b>	<b>522.26</b>	<b>511.18</b>	<b>525.56</b>	<b>421.79</b>

**Table 7.24 : Composition of Non-Tax Revenues of Bihar**

(Figures in percentage)

Sources of Revenue	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Non-Ferrous Mining and Metallurgical Industries	22.9	19.17	19.32	24.97	33.99	33.19
Interest Receipts	7.21	17.97	41.37	34.43	32.49	13.81
Other Rural Development Programmes	6.64	5.91	1.95	2.7	1.39	3.27
Major Irrigation	8.19	0	0.31	0.38	0.46	1.96
Other Administrative Services	25.2	25.85	6.55	3.97	2.28	3.99
Medical and Public Health	3.74	3.03	2.89	3.43	4.01	4.22
Police	5.26	3.28	1.15	2.06	4.47	8.51
Roads and Bridges	3.32	2.02	2.31	3.28	3.42	6.68
Social Security and Welfare	3.31	1.99	2.82	3.68	0.52	3.13
Education, Sports, Arts and Culture	1.28	1.76	6.32	5.39	3.97	6.28
Others	12.98	19.03	15.01	15.72	13.00	14.95
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100.00</b>	<b>100.00</b>
<b>Growth Rates (%)</b>						
Growth rate of Total Non-Tax Revenues	22.84	30.4	25.03	-2.12	2.81	-19.74
Growth rate of Non-Ferrous Mining and Metallurgical Industries	-2.45	-16.26	0.77	26.51	39.95	-21.63
Growth rate of Interest Receipts	-64.56	149.36	130.27	-18.55	-2.98	-65.88
Growth rate of receipts from Major Irrigation	-	-	-	20.37	46.00	587.00



The state government has already shifted to a VAT regime from April 2005, replacing sales taxes. The VAT is more efficient than the sales tax, but there are many related issues that remains to be sorted relating to the building of an efficient database of the dealers/ distributors/ suppliers/ retailers etc. In 2005-06, the state government undertook a number of reform measures of the tax system. The VAT rates were substantially reduced in respect of many items, including all foodgrains due to which there was a drop in its yield in that year. But these rationalization measures ultimately paid off and the revenue has been increasing at faster rate in later years.

Next to sales tax, the other important taxes are the taxes on property and capital transactions — stamp and registration fees, taxes on goods and passengers, taxes on vehicles and state excise duty. The high registration rates in Bihar were brought down substantially from 15.4 percent to 8 percent in urban and from 8.4 percent to 6 percent in rural areas in 2006-07 to improve compliance.

Turning to the assessments of revenue, one notes some variations between the budget estimates and the actual realisation of revenues in respect of the individual taxes in 2007-08, though the overall realization from tax revenues were 9 percent more than the targets (Table 7.25). The deviation in respect of individual taxes ranged between a maximum of 225 percent to a minimum of (-) 27 percent. In case of Non-Tax Receipts, the collection exceeded the budget estimates by nearly 33 percent.

**Table 7.25 : Variation between the Estimated and Actual Realisation of Tax and Non-Tax Revenue (2007-08)**

(Rs crore)

Tax Revenue	Budget Estimates	Actual Receipts	% Variation Excess (+), shortfall (-)
Taxes on Sales, Trade etc.	2880	2535	-11.98
State Excise	500	525	5.08
Stamp and Registration Fees	720	654	-9.15
Taxes on Vehicles	375	273	-27.15
Taxes & Duties on Electricity	20	64	225.29
Land Revenue	75	82	9.99
Other Taxes and duties on Commodities and Services	18	14	-24.25
Taxes on Goods and Passengers	381	938	145.94
Total Tax	20001	21852	9.26
Non Tax Revenue			
Non-Ferrous Mining and Metallurgical Industries	103	179	73.56
Forestry and Wildforestry	5	7	42.80
Social Security and Welfare	10	3	-72.55
Total Non Tax	396	526	32.63



The cost of collection of different taxes is shown in Table 7.26. The cost of collection was insignificant compared to the total collection for all major taxes, except for Stamp and Registration Fees where it was more than 5 percent of total collection. It is also to be noted that, compared to the all-India averages, the cost in Bihar was much higher in respect of nearly all tax heads.

**Table 7.26 : Cost of Collection of Taxes**

Head of revenue receipts	Year	Collection (Rs Crore)	Expenditure on collection of revenue (Rs crore)	Cost as percentage of Collection	All India average cost of collection percentage for 2005-06
Taxes on Sales, Trade etc.	2004-05	1890.54	21.46	1.14	0.91
	2005-06	1733.60	25.47	1.47	
	2006-07	2081.49	27.30	1.31	
	2007-08	2534.79	42.73	1.69	
State Excise	2004-05	272.47	16.19	5.94	3.4
	2005-06	318.59	14.78	4.64	
	2006-07	381.93	18.31	4.79	
	2007-08	525.41	22.14	4.21	
Stamp Duty and Registration Fee	2004-05	429.14	22.02	5.13	2.87
	2005-06	505.29	22.48	4.45	
	2006-07	455.02	36.86	8.10	
	2007-08	654.14	34.02	5.20	
Taxes on Vehicles	2004-05	212.78	3.85	1.81	2.67
	2005-06	302.44	5.09	1.68	
	2006-07	181.38	6.03	3.32	
	2007-08	273.20	5.95	2.18	

Table 7.27 shows the state government's own tax and non-tax revenues as percentage of GSDP which is a measure of a state's capacity to raise further resources. The tax and non-tax revenue of Bihar together constitute only about 5 percent of its GSDP which is too low, even at the existing level of poverty, while the total revenue including Central transfers and grants constitute about 30% of its GSDP as of 2008-09 BE. Table 7.28 shows a comparison between the Tax: GSDP ratios of different states pertaining to the year 2007-08. It must be noted that while the own tax to GSDP ratio of Bihar was one of the lowest and much less than the average of the states considered, the ratio between its total revenues and GSDP was much higher than that of any other state.

**Table 7.27 : Tax and Non-tax Revenue as Percentage of GSDP**

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09 (BE)
Own Tax Revenue as % of GSDP	4.41	4.56	4.44	4.07	4.84	4.68
Own Non-Tax Revenue as % of GSDP	0.48	0.57	0.65	0.52	0.50	0.38
Total Revenue as % of GSDP	18.80	21.46	22.25	23.33	26.83	29.84
<b>Buoyancy of Total Revenue w.r.t. GSDP (Ratio)</b>	<b>2.49</b>	<b>1.43</b>	<b>1.25</b>	<b>3.55</b>	<b>2.74</b>	<b>2.49</b>
Buoyancy of State's Own Taxes w.r.t. GSDP(Ratio)	1.38	0.69	0.56	4.17	0.49	1.38
GSDP Growth (%)	1.75	10.52	9.47	23.45	6.26	6.92

**Table 7.28 : Tax : GSDP Ratio of States (2007-08)**

State	Revenue Receipts	State's Own Tax	GSDP	State's Own Tax: Revenue Receipts	State's Own Tax: GSDP	Total Revenue: GSDP
<b>Bihar</b>	<b>28210</b>	<b>5085</b>	<b>105148</b>	<b>0.18</b>	<b>4.84</b>	<b>26.83</b>
Maharashtra	79860	46611	578839	0.58	8.05	13.80
Kerala	21497	13997	148367	0.65	9.43	14.49
Orissa	21381	6713	103376	0.31	6.49	20.68
Rajasthan	30128	12840	166520	0.43	7.71	18.09
Madhya Pradesh	29840	11704	142481	0.39	8.21	20.94
Andhra Pradesh	56127	31402	312221	0.56	10.06	17.98
Gujarat	34673	21334	292640	0.62	7.29	11.85
West Bengal	31360	13485	309528	0.43	4.36	10.13
Tamil Nadu	46577	29248	297864	0.63	9.82	15.64
<b>Average</b>				<b>0.48</b>	<b>7.63</b>	<b>17.04</b>

Table 7.29 gives the buoyancy ratios in respect of the state government's major tax and non tax revenues as well as of revenue expenditure. From Table 7.29, it can be noted that, in 2007-08, sales tax, stamp and registration fees, taxes on goods and passengers, taxes on vehicles and state excise were far buoyant than the total tax revenues of the state government. Thus, the prospects of increasing yield from these taxes, given a growth rate of nearly 6 percent in the GSDP is high. The major sources of non-tax revenues did not exhibit such buoyancy.

**Table 7.29 : Buoyancy of Important Tax and Non-Tax Revenue Sources**

<b>Major Sources of Tax and Non-Tax Revenues</b>	2004-05	2005-06	2006-07	2007-08	2008-09
Taxes on Sales, Trade etc.	1.47	-0.88	0.86	3.48	2.30
Stamp and Registration Fees	0.26	1.87	-0.42	6.99	-1.62
Taxes on Goods and Passengers	5.19	3.14	1.18	3.16	-1.74
State Excise	1.29	1.79	0.85	6.00	0.34
Taxes on Vehicles	0.15	4.45	-1.71	8.09	-0.88
Taxes and Duties on Electricity	-4.36	9.43	10.57	0.31	-7.62
Non-Ferrous Mining and Metallurgical Industries	0.88	2.74	1.13	6.39	-3.13
Interest Receipts	21.41	19.84	-0.79	-0.48	-9.59
<b>Revenue Expenditure</b>	1.44	2.25	0.68	2.31	3.30
<b>Total Tax Revenue</b>	<b>1.43</b>	<b>1.25</b>	<b>3.55</b>	<b>2.74</b>	<b>2.49</b>

Table 7.30 shows grants and contributions from the central government. It is seen from the table that the total grants now stand at nearly Rs. 9000 crore in the budget estimates of 2008-09. Out of this, about 50 percent are grants for state plan schemes, followed by centrally sponsored schemes and non-plan grants. The total grants have increased five times between 2003-04 and 2008-09. Grants for the centrally sponsored schemes increased by more than Rs 800 crore during 2008-09, while the grants for state plan schemes increased by more than double during the same year.

**Table 7.30 : Grants and Contributions from the Central Government**

(Rs. crore)

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
<b>Total Grants</b>	1618	2832	3333	5247	5832	8776
Grants for State Plan Schemes	1169	1643	1556	2445	2914	4565
Grants for Central Plan Schemes	46	10	90	144	53	198
Grants for Centrally Sponsored Schemes	251	495	486	974	1360	2223
Non-plan Grants	152	684	1201	1683	1505	1790

**Table 7.30 A : Comparative Commoditywise Collection of Sales Tax**

Sl. No.	Commodity	No. of dealers			Collection (Rs. crore)			% growth	
		2005-06	2006-07	2007-08	2005-06	2006-07	2007-08	2006-07	2007-08
1	2 and 3 Wheelers (Automobiles)	397	354	344	102.59	166.55	199.9	62.35	20.02
2	All Kinds of Furniture	380	360	379	0.95	1.05	6.23	10.04	494.19
3	Auto Parts	1140	1050	992	12.2	17.58	19.77	44.11	12.43
4	Battery	224	221	228	22.96	24.42	29.91	6.35	22.47
5	Beverages	138	102	86	13.09	15.38	19.53	17.51	26.97
6	Biscuits	337	337	308	18.32	29.79	36.08	62.63	21.12
7	Bricks and Minerals	1474	1639	1718	3.76	6.4	6.13	70.36	-4.22
8	Cement	1455	1537	1541	122.48	174.25	209.64	42.27	20.31
9	Coal	65	81	80	1.66	2.06	4.99	23.75	142.71
10	Computer and Peripherals	311	295	288	5.02	7.24	11.24	44.41	55.2
11	Consumer Durables	381	377	408	57.17	87.13	160.38	52.41	84.07
12	Crockery Cutlery and Glassware	163	153	147	2.06	2.22	2.6	7.62	17.03
13	Crude Oil	13	14	11	109.84	131.56	154.31	19.77	17.29
14	Cycles	350	329	306	2.7	4.46	5.64	64.78	26.56
15	Diesel Engine	408	416	407	3.14	4.01	4.77	27.83	19.02
16	Electrical Goods	1320	1247	1270	77.03	164.69	175	113.81	6.26
17	Entertainment	120	122	102	3.87	4.07	4.13	5.15	1.49
18	Essentials	90	76	58	0.49	0.66	0.64	33.44	-2.69
19	FMCG	958	953	996	96.23	127.69	146.42	32.7	14.67
20	Fastfoods	317	265	227	13.67	14.85	19.75	8.58	33.03
21	Fertilizers	1670	1429	629	40.23	50.98	58.56	26.72	14.87
22	Firework	76	69	68	0.41	0.37	0.47	-8.92	27.24
23	Food grains	2045	2134	2462	55.99	30.46	36.07	-45.6	18.43
24	Footwear	597	549	535	4.72	4.47	5.72	-5.36	28.04
25	Foreign Liquor(IMFL)	531	314	194	87.19	126.75	147.77	45.38	16.58
26	Hardware	1291	1242	1227	3.92	3.54	4.36	-9.57	23
27	Hide and Skins	32	28	33	0.69	0.79	0.66	14.07	-16.12
28	Hotel	324	362	306	5.29	8.98	12.85	69.64	43.09
29	Insecticide and Seeds	309	256	175	18.7	9.51	10.92	-49.15	14.83
30	Iron and Steel	542	508	511	30.25	42.6	54.17	40.81	27.15
31	Jewelry	1181	1241	1240	0.89	1.29	1.58	45.22	22.14
32	Jute	139	78	45	3.12	2.14	2.27	-31.55	6.3
33	Kerosene Oil	259	270	269	2.74	3.15	3.37	14.77	7.02
34	Kirana and Agarbati	2027	2146	2225	6.06	7.14	9.22	17.8	29.07
35	LPG	298	281	282	7.3	3.22	2.87	-55.85	-10.98

36	Marble Mosaic and Stone	399	428	572	1.73	1.9	2.8	9.57	47.4
37	Medicine	10587	8311	5019	71.46	113.61	130.21	58.99	14.61
38	Miscellaneous	13946	12415	10920	191	174.9	259.09	-8.43	48.14
39	Moulded Luggage	80	70	64	2.22	2.72	3.29	22.63	20.83
40	Mustard Oil	218	216	228	4.51	6.55	8	45.25	22.05
41	PVC	157	169	171	1.74	2.03	2.72	16.46	33.85
42	Paints	231	213	201	13.18	13.77	16.95	4.48	23.06
43	Pan Masala	131	126	176	1.18	14.04	41.01	1089.81	192.01
44	Paper	425	406	430	5.62	5.72	9.19	1.83	60.59
45	Petro Products	928	610	516	986.37	1091.6	1247.14	10.67	14.25
46	Plastic Goods	282	266	280	3.47	4.45	3.75	28.21	-15.25
47	Plywood and Board	288	279	313	2.29	2.74	3.49	19.5	27.3
48	Readymade and Hosiery	2038	1948	1981	8.43	10.85	13.91	28.79	28.16
49	Sanitary goods and fittings	228	230	260	3.13	4.51	5.7	44.2	26.27
50	Tea and Coffee	183	177	170	2.24	1.84	2.23	-17.72	21.07
51	Timber	798	766	748	2.55	2.66	2.76	4.05	3.82
52	Tires and tubes	255	186	196	23.34	29.26	37.88	25.36	29.45
53	Tractor	308	312	328	7.37	17.46	19.81	136.74	13.48
54	Utensils	311	311	288	0.87	0.48	0.52	-44.15	7.26
55	Vanaspati	87	110	108	3.82	7.3	13.92	91.02	90.78
56	Works Contract		31	56	73.58	137.13	244.15	86.37	78.04
<b>Total</b>		<b>53242</b>	<b>48416</b>	<b>43127</b>	<b>2346.87</b>	<b>2927.01</b>	<b>3636.44</b>	<b>24.72</b>	<b>24.24</b>
<b>Collection from other resources</b>					<b>43.12</b>	<b>23.13</b>	<b>-3.17</b>	<b>-46.36</b>	<b>-113.71</b>
<b>Grand Total</b>					<b>2389.98</b>	<b>2950.14</b>	<b>3633.27</b>	<b>23.44</b>	<b>23.16</b>

## 7.10 Performance Analysis of State Tax Departments

### Commercial Taxes Department

The Commercial Taxes Department collects revenue under seven Acts, viz.

- (i) Bihar Value Added Tax Act, 2005 (VAT)
- (ii) Central Sales Tax Act, 1956 (CST)
- (iii) Entry Tax Act, 1993 (ENT)
- (iv) Bihar Electricity Duty Act, 1948 (ED)
- (v) Bihar Advertisement Tax Act, 1981 (ADV)
- (vi) Hotel Luxury Tax Act, 1988 (HLT) and
- (vii) Bihar Entertainment Tax Act, 1948 (ET)

Tables 7.31 and 7.32 show the taxes collected under these Act from 2003-04 to 2008-09 (till November 2008). As one can see from these tables, commercial taxes now account for more than 70 percent of the total tax revenues of the state government and their growth rates have been impressive. With the yield from taxes from each of the above acts increasing significantly, the cost of collection, already negligible, is further coming down.

**Table 7.31 : Actwise Comparative Collection (2003-04 to 2008-09)**

(Rs crore)

Year	BST/VAT	CST	ENT.	ED	ADV	HLT	ET	TOTAL	Non-plan Expenditure	Cost of collection (%)
2003-04	1560.29	74.41	14.19	15.88	0.00	1.59	310.79	1977.15	20.06	1.01
2004-05	1814.79	71.56	14.09	9.45	0.00	1.79	481.56	2393.24	20.20	0.84
2005-06	1649.95	84.11	10.97	17.84	0.00	1.91	625.20	2389.98	24.52	1.03
2006-07	2003.72	80.15	9.32	62.48	0.00	2.50	791.97	2950.14	27.27	0.92
2007-08	2522.94	54.03	9.88	63.80	0.01	3.36	979.28	3633.30	28.53	0.79
2008-09 (up to Nov.08)	1626.79	25.22	6.37	2.05	0.07	1.17	683.93	2346.20	NA	NA

**Table 7.32 : Yearwise Percentage Share of Commercial Taxes in Total Revenue**

(Rs crore)

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09 (Upto Nov.)
Total Revenue of State	2919.02	3342.48	3561.09	4032.24	5086.17	
Revenue from Commercial Taxes	1977.15	2393.24	2390.4	2950.14	3633.30	2346.20
Percentage Share of Comm. Taxes in total revenue	67.73	71.60	67.13	73.16	71.43	

At present scheme for reimbursement of a certain portion of the VAT payable by industrial units is being implemented through budgetary support as per Industrial Incentive Policy, 2006. The Commercial-Taxes Department has given reimbursement till date to the tune of Rs.2 crore to existing Industrial units and new Industrial units. During the current fiscal, the Department has also undertaken several initiatives to check tax evasion. One of these has been the introduction of compulsory registration provision for transporters. Filling of quarterly return by them has now

been made mandatory. For this, necessary amendment has been made in the Bihar VAT Act and Bihar VAT Rules.

In view of the unprecedented Kosi floods in some districts of Bihar, the Department made provisions for extension of Return Filing and Tax Payment date for the dealers of the flood affected districts. Exemption from Entry Tax, VAT and surcharge have been given to flood relief items such as rice and wheat given by the government of India.

Under Bihar Value Added Tax Act, 2005, provision of VAT Audit has been made whereby upto ten percent of the total registered dealers can be selected for detailed audit for a financial year on the basis of a selection model. For the financial year 2005-06, 2519 dealers have been selected and so far audit of 763 dealers has been done. For the financial year 2006-07, 2546 dealers have been selected for detailed audit.

Once functional, the application will have on-line connectivity with the Tax Information Exchange System (TINXSYS) to facilitate quick and faster information exchange between different states.

#### Excise and Prohibition Department

The Department of Excise and Prohibition is one of the oldest departments of the state government and is one of the main sources of its revenue generation. This department has the responsibility to control the sale and distribution of spirit, alcoholic beverage and molasses within the state, as well as to collect revenues from these sources. A new excise policy was introduced from July 1, 2007, under which the settlement of all types of retail excise shops through lottery was started for the first time in the state. After amendment in Section 42 and 68 of Bihar Excise Act, 1915, the amount of penalty was enhanced for violation of different provisions and conditions of the licenses.

Earlier, there were 10 districts in the state where there were no Excise Offices. In, 2007-08, the Excise Offices were established in these 10 districts and they are now fully functional. Further, construction is going on in Patna to establish a modern Multipurpose Excise Complex. Simultaneously, fresh recruitment of Excise Inspectors, promotion of officers and employees, purchase of new vehicles and other measures were taken to strengthen the Excise Intelligence Bureau. To enhance revenue resources, the Excise and Prohibition Department has taken several

new initiatives. Table 7.33 shows the revenue from different sources of excise for two years 2006-07 and 2007-08. Country liquor and IMFL (Indian Made Foreign Liquor) are the two most important sources of revenue under this head.

**Table 7.33 : Revenue from Excise**

(Rs crore)

Sources of Revenue	2006-07	2007-08
Country Liquor (Including Spice Country Liquor)	206.50	170.02
Indian Made Foreign Liquor (IMFL)	159.26	198.65
Commercial Denatured spirit	0.15	2.97
Medicinal and Toilet Preparation	0.56	0.05
Molasses	4.29	4.36
Compounding	1.93	6.47
Composite Shop		105.8
Bihar State Beverages Corporation	10.00	36.69
Others	1.18	10.55
<b>Total</b>	<b>383.87</b>	<b>535.56</b>

The Department of Commercial Taxes has also undertaken an ambitious programme of computerization and has already started online work in 36 of its 49 Circles. By end of this financial year, all the circles would have online working arrangements, making a significant improvement in the quality of following e-services for tax payers — (i) Online filling of Returns, (ii) Online Payment of Commercial-Taxes and (iii) On line application for registration.

#### Department of Registration

The Department of Registration is again one of the oldest departments of the state government. In terms of revenue collection, it is only second to the Commercial Taxes Department. After transfer of administration of stamps and registration duty to the Department from the Board of Revenue, there has been continuous efforts by the department for increasing its resources. Inclusion of the concept of Market Value in the Stamp Act by an amendment in 1990, followed by framing and implementing of Bihar Stamp (Prevention of Undervaluation of Instruments) Rules in 1995, has proved an effective method for enhancement of revenue from stamp duty. In 2006, these were further amended and provision of yearly revision for urban property was made in the rules. In the



same year, efforts were made to reduce the rate of stamp duty for instruments of conveyances from 8.4 percent to 6 percent. This has resulted in increased revenue collection.

After the Bihar Apartment Ownership Act, 2006 came into force, the Registration Department had taken several initiatives to motivate the people for registration of their flats. As a result, 11349 flats were registered in Patna which added Rs 95.04 crore to the state exchequer. A liberal rate of stamp duty of 0.5 percent on lease of houses/buildings payable during the whole lease period has been fixed recently to promote registration of rent agreement of houses/flats. Apart from various other measures to enhance the revenue resources, a record number of promotions were also given to the officers and employees of the Registration Department during last year to boost their morale. Table 7.34 shows the revenue from stamp and registration during the three years from 2006-07 to 2008-09 (till November, 2008).

**Table 7.34 : Revenue from Stamp Duty and Registration Fees**

Source of Revenue	(Rs crore)		
	2006-07	2007-08	2008-09 Till Nov,08
<b>Stamp Duty</b>			
(i) From Printed Non-judicial stamps	184.79	176.66	111.34
(ii) From Non-judicial stamp duty deposited through Bank challan	195.83	308.72	223.22
(iii) Non-judicial adhesive stamps	11.23	10.67	14.04
(iv) Non-judicial special adhesive stamp – through Franking machines	0.19	0.58	
(v) Revenue Stamps	0	2.05	
(vi) Judicial Stamps	18.79	22.24	13.00
<b>Sub-Total</b>	<b>410.83</b>	<b>520.92</b>	<b>334.56</b>
<b>Registration Fee and Other Fees</b>			
(i) Fees on registration of instruments	112.04	150.01	101.86
(ii) Landlord's Registration fee	9.5	12.94	8.77
(iii) Landlord's Process fee	5.38	7.23	4.95
(iv) Fee from searches of records & Non-Encumbrances	1.23	1.64	1.24
(v) Fee from certified copies	1.58	2.07	1.47
<b>Sub-Total</b>	<b>129.73</b>	<b>173.89</b>	<b>118.29</b>
<b>Total</b>	<b>540.56</b>	<b>694.81</b>	<b>479.89</b>

Table 7.35 shows the districtwise revenue from Stamp and Registration Fees in 2006-07. It is seen that Patna district alone contributes 15 percent of the total revenue from this source, more than three times that of any other district in Bihar.

**Table 7.35 : Districtwise Revenue from Stamp Duty and Registration Fees**

(Rs crore)

Name of District	Registration Fees	Stamp Duty	Total Received
Patna	17.85	62.02	79.86
Muzaffarpur	6.57	17.87	24.44
Vaishali	5.53	15.12	20.64
Samastipur	5.37	14.78	20.16
Begusarai	5.15	14.98	20.13
Siwan	5.18	13.66	18.84
East champaran	5.14	13.54	18.68
Darbhanga	4.67	13.56	18.23
Madhubani	4.57	12.24	16.81
Sitamarhi	4.14	12.29	16.43
Rohtas	4.12	12.06	16.17
Gopalganj	3.96	11.61	15.57
Bhagalpur	3.84	11.68	15.52
Gaya	3.83	11.2	15.03
Saran	4.18	10.85	15.03
Bhojpur	5.24	9.15	14.39
Purnea	3.80	10.29	14.09
West champaran	3.51	9.72	13.23
Katihar	3.35	9.83	13.18
Nalanda	3.17	9.18	12.35
Aurangabad	2.77	8.34	11.11
Buxar	3.14	7.42	10.56
Madhupura	2.13	6.02	8.15
Supaul	1.99	5.88	7.87
Saharsa	1.82	5.79	7.61
Araria	2.04	5.05	7.09
Khagaria	1.84	5.09	6.93
Banka	1.94	4.9	6.84
Kaimur	1.79	4.68	6.46
Kishanganj	1.72	4.59	6.31
Jamui	1.54	4.72	6.26
Nawada	1.52	4.03	5.55
Jahanabad	1.16	3.81	4.96
Lakhisarai	1.21	3.57	4.78
Munger	1.28	3.48	4.76
Sheikhpura	0.69	2.08	2.76
Sheohar	0.72	1.98	2.70
Arwal	0.63	1.58	2.22
<b>Total</b>	<b>133.11</b>	<b>378.59</b>	<b>511.70</b>

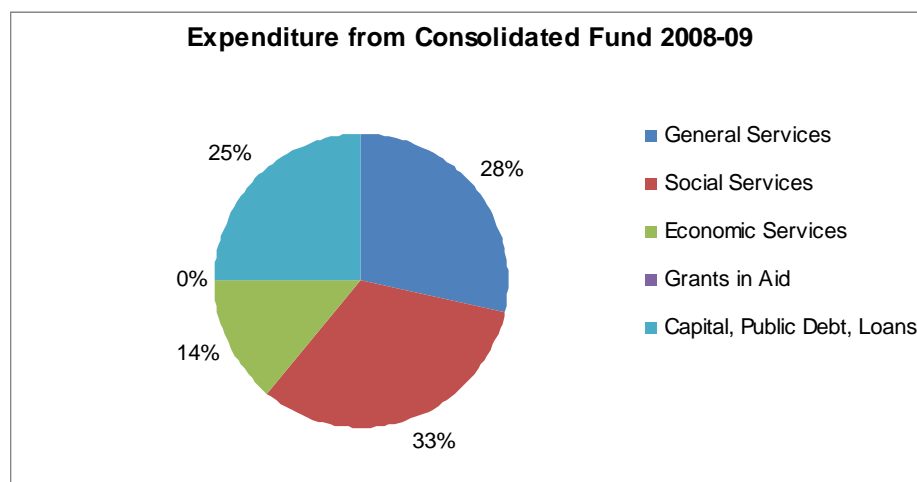
## 7.11 Expenditure Management

As mentioned earlier, the revenue and capital expenditures are the two components of the state government's total expenditure. The expenditures of the state governments are classified under three major categories — General Services, Social Services and Economic Services. Apart from these, other areas of spending are capital outlay and repayment of loans and advances on the capital account and grants to local bodies, autonomous institutions, commercial undertakings of the state government and government companies. It is to be noted that while the repayment of principal amounts of loans are made from the capital account, interest payment is made from the revenue expenditure, under the General Services. Table 7.36 presents the expenditure from Consolidated Fund of the state government and Table 7.37 shows the structure of expenditure in percentage terms. In addition, Table 7.38 depicts the growth of expenditure under different heads. These three tables together give us an insight into the state government's expenditure patterns.

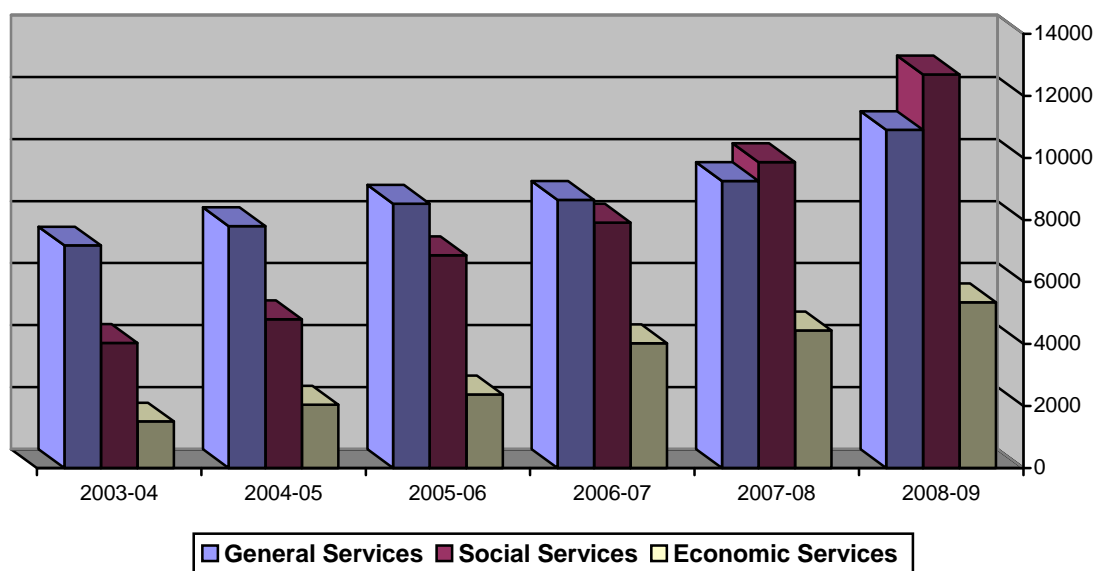
**Table 7.36 : Expenditure from Consolidated Fund**

(Rs crore)

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
General Services	7175	7803	8523	8643	9252	10901
Social Services	4033	4795	6862	7917	9868	12689
Economic Services	1498	2036	2367	4021	4438	5343
Grants in Aid	4	4	4	4	5	4
Capital, Public Debt, Loans	9771	5420	4812	6551	8008	9636
Capital Outlay	1549	1205	2083	5211	6104	7635
Total Consolidated Fund	22482	20058	22568	27136	31571	38574



### Expenditure from Consolidated Fund (Rs Cr)



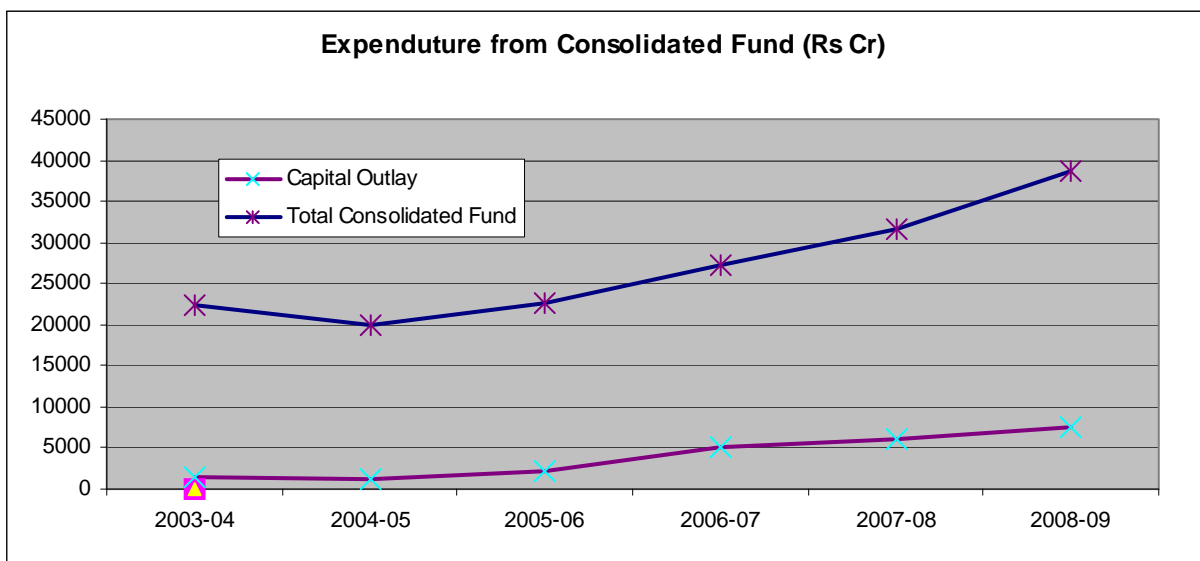
The structure of expenditure of the state government, as shown in Table 7.37 indicates that there has been a change in the structure of expenditure of the state government since 2007-08. Prior to 2007-08, the expenditure on General Services, mostly incurred on running the day-to-day administration of the state government, used to account for the bulk of expenditure from the Consolidated Fund, followed by Social Services and Economic Services. Since 2007-08, General Services no longer holds that predominant position. Now Social Services account for the bulk of the expenditure which reflects the state government's changed priority, in view of the importance accorded to education, health and social development. Capital expenditure that has the potential of generating income and employment has also been accorded high priority and accounts for a quarter of the total expenditure of the state government.

**Table 7.37 : Structure of Expenditure from the Consolidated Fund**

	Percentage of expenditure					
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
General Services	31.92	38.9	37.76	31.85	29.31	28.26
Social Services	17.94	23.91	30.4	29.18	31.26	32.90
Economic Services	6.66	10.15	10.49	14.82	14.06	13.85
Grants in Aid	0.02	0.02	0.02	0.01	0.02	0.01
Capital, Public Debt, Loans	43.46	27.02	21.32	24.14	25.37	24.98
Total Consolidated Fund	100.00	100.00	100.00	100.00	100.00	100.00

**Table 7.38 : Growth of Expenditure from Consolidated Fund**

	Growth rates of expenditure (Percentage)						
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	Overall 2003-09
General Services	9.15	8.75	9.22	1.41	7.05	17.83	51.94
Social Services	3.01	18.88	43.11	15.37	24.64	28.59	214.64
Economic Services	-15.04	35.88	16.28	69.88	10.37	20.40	256.68
Grants in Aid	106.59	13.56	-1.64	0.00	25.00	-20.00	0.00
Capital, Public Debt, Loans	200.61	-44.53	-11.2	36.14	22.25	20.33	-1.38
Total Consolidated Fund	44.99	-10.78	12.52	20.24	16.34	22.18	392.92



Among the General Services, there are certain items on which there is very little room for manoeuvre. These are mostly items of charged expenditure, like pension, interest payment etc, and the expenditure on those heads has been rising steadily. The expenditure on administrative services has also been growing steadily since 2003-04, mainly due to increased expenditure on police and district administration, judiciary, legislature, tax departments and public works. However, as can be seen from Table 7.38, the growth in expenditure on social and economic services during the last 6 years has been far more impressive than the growth in expenditure on general services and the nearly fourfold growth of total expenditure from the Consolidated Fund of the state government has been mainly on this account. Among the social services, the revenue expenditure on education, health and family welfare, water supply and sanitation, and social welfare and nutrition have shown steady increases over the years. Capital outlay which was

stagnating prior to 2005-06, has now been accorded the priority that it deserves; from the level of Rs 1500 crore in 2003-04, it has been raised to Rs 7600 crore in 2008-09. Further, the much needed infrastructure sector, so vital for any economic development of the state and so badly neglected in the past, is now being given its due importance. Within a few years, one would expect the positive outcomes of the capital expenditures.

Among the Economic Services, agriculture and allied sectors, rural development, power, roads and bridges, and industry have registered significant increases over the years. The revenue expenditure on power was increased substantially in 2006-07, from a pitiable amount of less than Rs 1 crore to more than Rs 1000 crore and now remains above Rs 700 crore. However, the expenditure on flood control has been stagnating at almost the same level, increasing marginally from Rs 48 crore in 2003-04 to only Rs 81 crore in the 2008-09. This needs to be accorded much higher priority, especially in view of the devastating floods of 2008. Another area where the state government was deficient is the repair and maintenance of building, roads and bridges, and irrigation facilities. To maintain these assets, suitable amounts are required for their repair and maintenance. But the expenditure in this area has been almost negligible, as shown in Table 7.39.

**Table 7.39 : Expenditure on Repair and Maintenance of Buildings, Roads and Bridges and Irrigation Facilities**

Year	(Rs. crore)		
	Building	Roads & Bridges	Irrigation
2003-04	50.35	0.00	0.00
2004-05	2.02	23.64	13.21
2005-06	10.12	0.00	0.00
2006-07	100.85	13.00	14.14
2007-08	7.64	0.00	8.23

## **7.12 Revenue Expenditure**

Table 7.40 depicts the details of revenue expenditure of the state government during the period from 2003-04 to 2008-09. It will be readily seen that, with a 75 percent share, revenue expenditure constitutes the bulk of total expenditure. Revenue expenditure is incurred to maintain the present level of activities and payments and cannot thus make any addition to the existing infrastructure or services. Among the components of revenue expenditure, non-plan component again consumes the bulk of expenditure (54 percent); however, the growth of plan revenue expenditure has been

higher than the growth of non-plan revenue expenditure. The total expenditure and the revenue expenditure respectively are at 34 percent and 19 percent of the GSDP of Bihar. From the buoyancy ratios, it is seen that revenue expenditure is increasing much faster than GSDP, but not faster than revenue receipts.

**Table 7.40 : Revenue Expenditure**

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Revenue Expenditure (RE) (Rs. cr.)	12711	14638	17756	20585	23563	28938
Capital Expenditure (CE) (Rs. cr.)	9771	5420	4812	6551	8008	9636
<b>Total Expenditure (TE) (Rs. cr.)</b>	<b>22482</b>	<b>20058</b>	<b>22568</b>	<b>27136</b>	<b>31571</b>	<b>38574</b>
<b>Non Plan Expenditure (Rs. cr.)</b>	<b>17280</b>	<b>16581</b>	<b>17670</b>	<b>17740</b>	<b>18872</b>	<b>20827</b>
Revenue A/c (NPRE) (Rs. cr.)	11627	12642	15020	16520	18759	20718
Capital A/c (Rs. cr.)	5653	3939	2650	1220	113	109
<b>Plan Expenditure (Rs. cr.)</b>	<b>5202</b>	<b>3476</b>	<b>4899</b>	<b>9397</b>	<b>10794</b>	<b>15745</b>
Revenue A/c (PRE) (Rs. cr.)	1084	1996	2736	4065	4804	8219
Capital A/c (Rs. cr.)	4118	1480	2163	5332	5990	7526
Rate of growth of NPRE (%)	6.66	8.73	18.81	9.99	6.38	10.36
Rate of growth of PRE (%)	-19.94	84.13	37.07	48.57	14.87	45.87
RE/TE(%)	56.54	72.98	78.68	75.86	74.63	75.02
NPRE/TE (%)	51.72	63.03	66.55	60.88	59.78	53.99
TE/GSDP(%)	33.57	27.18	28.32	31.66	30.03	34.31
NPRE/GSDP(%)	17.36	17.13	18.85	19.28	17.95	18.53
Revenue Receipt (RR) / TE (%)	55.4	78.34	79.04	85.06	89.35	108.44
NPRE/RR (%)	93.35	80.45	84.20	71.57	66.50	61.75
Buoyancy of RE w.r.t. GSDP (%)	0.33	1.44	2.25	0.68	2.31	3.30
Buoyancy of RE w.r.t. RR (%)	1.03	0.58	1.58	0.54	0.65	1.20

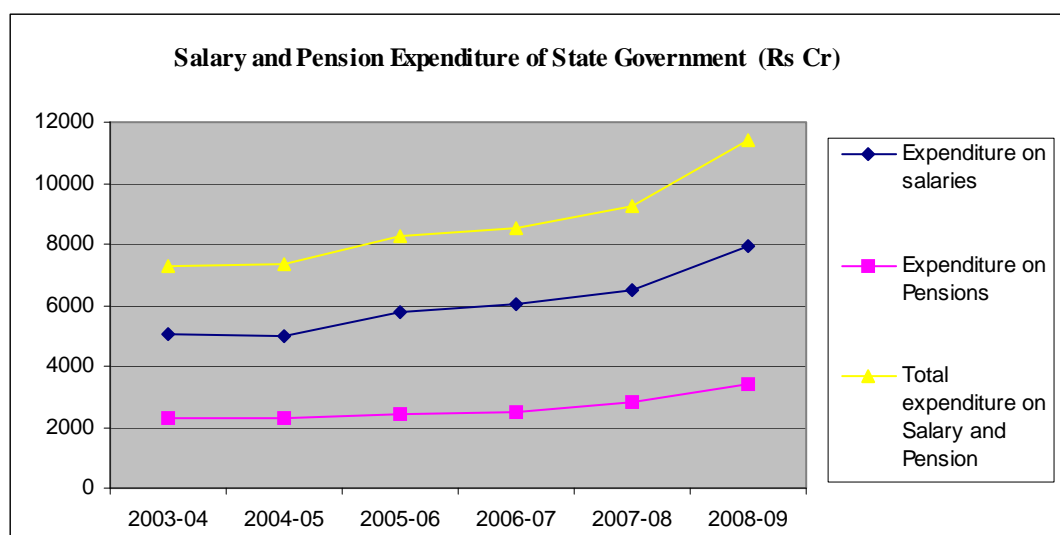
### 7.13 Expenditure on Salary and Pension

Salary and pension constitute the two most important items of expenditure for all governments. The trends in expenditure on salaries, both under plan and non-plan heads, as well as expenditure on pension are presented in Table 7.41. The salary of the state government employees alone accounted for more than one quarter of the state government's revenue expenditure at 28 percent; during the last 6 years, however, this proportion has come down from 39 percent of revenue expenditure that existed in 2003-04. This is not because of any decrease in salary account, but due to significant increases in revenue expenditure. The salary expenses, as per cent of GSDP was almost constant at 7 per cent during the entire 6 year period from 2003-04 to 2008-09. The salary

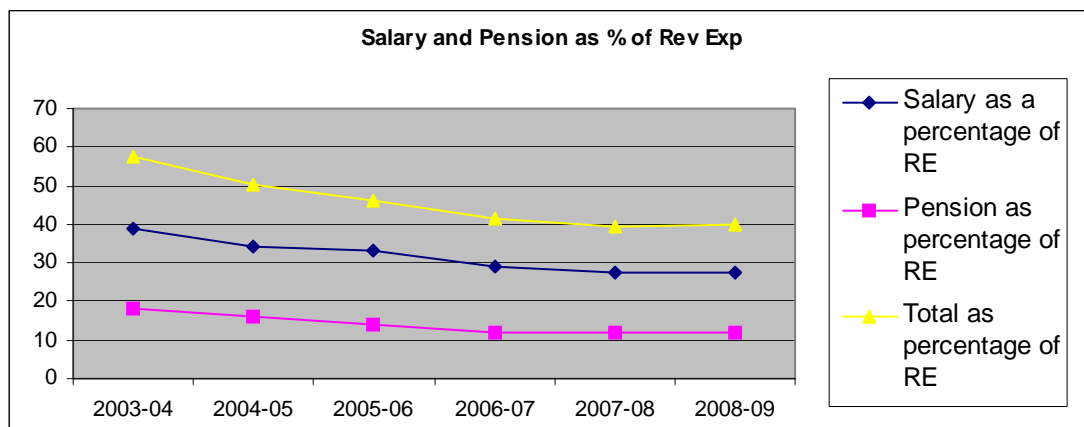
expenditure under non-plan head has increased from Rs. 4,468 crore to Rs. 7379 crore during the same period whereas, under the plan head, it has increased from Rs. 552 crore to Rs. 588 crore. The increase in salary expenditure during the period was mainly due to enhancements in allowances of the state government employees.

**Table 7.41 : Expenditure on Salaries and Pensions**

Heads	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
<b>Expenditure on salaries of which (Rs. cr.)</b>	<b>5020</b>	<b>5005</b>	<b>5783</b>	<b>6016</b>	<b>6469</b>	<b>7967</b>
Non-Plan Head (Rs. cr.)	4468	4564	5153	5539	5915	7379
Plan Head (Rs. cr.)	552	441	631	478	555	588
Salary as a percentage of GSDP	7	7	7	7	6	7
Salary as a percentage of RR	40	32	32	26	23	24
Salary as a percentage of RE	39	34	33	29	27	28
<b>Expenditure on Pensions (Rs. cr.)</b>	<b>2269</b>	<b>2325</b>	<b>2456</b>	<b>2497</b>	<b>2789</b>	<b>3438</b>
Rate of Growth (%)	11	2	6	2	12	23
Pension as per cent of GSDP	3	3	3	3	3	3
Pension as per cent of RR	18	15	14	11	10	10
Pension as per cent of RE	18	16	14	12	12	12
<b>Total expenditure on Salary &amp; Pension (Rs. cr.)</b>	<b>7289</b>	<b>7330</b>	<b>8239</b>	<b>8513</b>	<b>9258</b>	<b>11405</b>
Total as per cent of GSDP	10	10	10	10	9	10
Total as per cent of RR	59	47	46	37	33	34
Total as per cent of RE	57	50	46	41	39	40







As regards pension payments, it increased from Rs. 2,269 crore in 2003-04 to Rs. 3,438 crore in 2008-09. Both salary and pension expenditure grew at a higher rate after March 2007, as compared to the earlier period, due to the two years' moratorium on retirement coming to an end in March 2007. The state government has now implemented the new contributory pension scheme on the pattern of the central government scheme to reduce the long term liabilities on pension account which is applicable to the employees joining on or after September 1, 2005. The pension and salary payments together constitute 10 percent of GSDP of the state and 40 percent of the state government's revenue expenditure.

#### 7.14 Quality of Expenditure

The quality of expenditure can be judged by the proportion of expenditure devoted to creation of income generating capital assets, quantum of developmental expenditure on social and economic services as opposed to non-developmental expenditure on general services, and plan expenditure as opposed to non-plan expenditure. Thus, as parameters of quality in expenditure, the following ratios have been considered : (1) ratio of capital outlay to total expenditure; (2) the ratio of capital outlay to GSDP; (3) the proportion of revenue expenditure on social and economic services and (4) ratio of plan and non-plan expenditure. The higher the ratio of these components to total expenditure and GSDP, the better would be the quality of expenditure. Table 7.42 shows these ratios during the 5 year period 2003-08. Going by all the parameters, it is clear that the quality of expenditure in Bihar has undergone significant improvement over these 5 years. For example, capital outlay has increased from a meager 7 percent to nearly a fifth of total expenditure, while revenue expenditure has practically remained the same at 75 percent of total expenditure. The remaining components of expenditure is accounted for by discharge of public debt and loans and advances made by the state government. The salary component of developmental revenue expenditure has declined from 54 percent to only 23 percent during this period, whereas the non-

salary component has gone up from 46 percent to 77 percent of total developmental expenditure. The share of plan expenditure in total expenditure has also increased from 23 percent to 34 percent. In absolute terms, capital outlay has become nearly four fold during the period; from barely 2 percent of GSDP, it has now increased to more than 6 percent of GSDP. All these ratios reflect that the public finances in Bihar are moving in the right direction. Allowing for the fact that investments take time to translate into actual developmental output, the results will follow in a few years.

**Table 7.42 : Quality Parameters of Expenditure**

<i>Parametres</i>	2003-04	2004-05	2005-06	2006-07	2007-08
Capital Outlay (Rs cr)	1549	1205	4912	5211	6104
Revenue Expenditure (Rs cr)	12711	14638	17756	20585	23563
Of which Social and Economic Services with	7058	7968	11241	16994	20187
(i) Salary Component (Rs cr)	3824	3699	4304	4110	4577
Percentage of salary component	54	46	38	24	23
(ii) Non salary component (Rs cr)	3234	4269	6937	12884	15610
Percentage of non-salary component	46	54	62	76	77
Capital Outlay/ Total Expenditure (%)	7	6	9	19	19
Revenue Expenditure / Total Expenditure (%)	57	73	79	76	75
Revenue Expenditure /GSDP (%)	19	20	22	24	22
Capital Outlay /GSDP (%)	2	2	3	6	6
Plan Expenditure / Non-Plan Expenditure (%)	30	21	28	53	57
Plan Expenditure / Total Expenditure (%)	23	17	22	35	34

## 7.15 Sectoral Expenditure

### Expenditure on Social Services

Income poverty is conventionally measured in terms of the money that is spent on foodgrains, but human poverty goes beyond this. Poverty is measured in terms of the Physical Quality of Life Indices (PQLI), which takes into account the indicators of literacy rate and life expectancy. The Human Development Index is a more widely used means of measuring well being, which takes into account additional indicators like per capita income, along with life expectancy and literacy rate of a society. The expenditure on social services is, therefore, meant to improve the HDI (Human Development Indices). Thus, providing better access to basic education, health services, safe drinking water, sanitation, housing etc. have now become more important components to establish a strong linkages to the welfare of the people and to eradicate human poverty. Table 7.43 examines the efficacy of expenditure incurred by the state government in expanding and strengthening of social services during the 5 year period from 2003-04 to 2007-08.

**Table 7.43 : Expenditure on Social Services**

	2003-04	2004-05	2005-06	2006-07	2007-08
<b>Education, Sports, Arts &amp; Culture</b>					
Total Expenditure (Rs crore)	2876	3160	4423	5359	5553
Revenue Expenditure (Rs crore)	2822	3142	4394	5253	5496
(a) Salary component (%)	75	68	53	45	45
(b) Non-salary component (%)	25	32	47	55	55
Capital Expenditure (Rs crore)	54	18	29	106	57
Capital Expenditure (%)	2	1	1	2	1
<b>Health and Family Welfare</b>					
Total Expenditure (Rs crore)	539	629	1015	1153	1387
Revenue Expenditure (Rs Crore)	534	607	877	985	1141
(a) Salary component (%)	89	76	71	60	53
(b) Non-salary component (%)	11	24	29	40	47
Capital Expenditure	5	22	138	168	245
Capital Expenditure (%)	1	3	14	15	18
<b>Water Supply, Sanitation, Housing and Urban Development</b>					
Total Expenditure (Rs crore)	276	321	532	766	1052
Revenue Expenditure (Rs crore)	200	251	407	514	713
(a) Salary component (%)	36	29	20	18	16
(b) Non-salary component (%)	64	71	80	82	84
Capital Expenditure (Rs. cr)	76	70	124	253	339
Capital Expenditure (%)	28	22	23	33	32
<b>Other Social Services</b>					
Total Expenditure (Rs crore)	506	822	1221	1235	2674
Revenue Expenditure (Rs crore)	477	794	1184	1166	2517
(a) Salary component (%)	40	27	28	14	8
(b) Non-salary component (%)	60	73	72	86	92
Capital Expenditure (Rs. cr)	29	28	37	69	157
Capital Expenditure (%)	6	3	3	6	6
<b>Total Expenditure on Social Services</b>					
Total Expenditure (Rs crore)	4197	4932	7190	8513	10666
Revenue Expenditure (Rs crore)	4033	4795	6862	7917	9867
(a) Salary component (%)	71	60	49	40	35
(b) Non-salary component (%)	29	40	51	60	65
Capital Expenditure (Rs. cr)	163	137	328	596	799
Capital Expenditure (%)	4	3	5	7	7

The increase in the overall allocation to social sector from Rs. 4,197 crore in 2003-04 to Rs. 10,866 crore in 2007-08 reflects the state government's commitment to improve the standards of social services in the state. In 2007-08, the total expenditure on social services was more than one third of the total expenditure and 48 percent of the total development expenditure. Overall, the non-salary component of revenue expenditure worked out to 65 percent in the social services,

though in Health and Family Welfare, it stood at 47 percent and in respect of Education, Sports, Art and Culture, it was 55 percent. Though overall capital expenditure increased from 4 percent to 7 percent of total expenditure during the five year period 2003-08, it was only 1 percent in Education, Sports, Arts and Culture. In Water supply, Sanitation, Housing and Urban Development, capital expenditure amounted to as much as 32 percent of the total expenditure, and the non-salary component was also high at 84 percent of revenue expenditure. The task before the state government is now to increase capital expenditure in Education.

For improving the quality of education and health services, the Twelfth Finance Commission had recommended that the non-plan salary expenditure under education and health and family welfare should increase only by 5-6 per cent while the non-salary expenditure under non-plan heads should increase by at least 30 per cent per annum. The achievement against these targets is shown in Table 7.44 and it is seen that nearly all targets have been achieved by the state government.

**Table 7.44 : Achievements against TFC Projections in respect of Non-Plan Revenue Expenditure**

(Rs. crore)

		2005-06	2006-07	2007-08
Education	TFC	3820.62	4183.58	4581.02
	Actual	3777.07	4189.48	4741.76
Health	TFC	790.12	880.98	982.29
	Actual	758.34	849.87	1011.52
Building	TFC	120.97	216.91	223.26
	Actual	111.12	180.36	202.76
Road & Bridges	TFC	258.90	349.18	362.78
	Actual	281.86	410.85	403.14

#### Expenditure on Economic Services

Table 7.45 shows the analysis of expenditure on Economic Services. The expenditure on economic services is meant to create productive capacity in the economy. The expenditure on Economic Services in 2007-08 accounted for 14 per cent of the total expenditure and more than one third of the total developmental expenditure incurred by the state government. Agriculture and Allied Activities, Irrigation and Flood Control, Energy and Transport accounted for more than 60 per cent of the expenditure on Economic Services. More than half of the total expenditure on economic services was on capital account, especially in transport (85 percent) and Irrigation and Flood control (61 percent). Also as much as 78 percent of the total revenue expenditure was incurred on non-salary components.

**Table 7.45 : Expenditure on Economic Services**

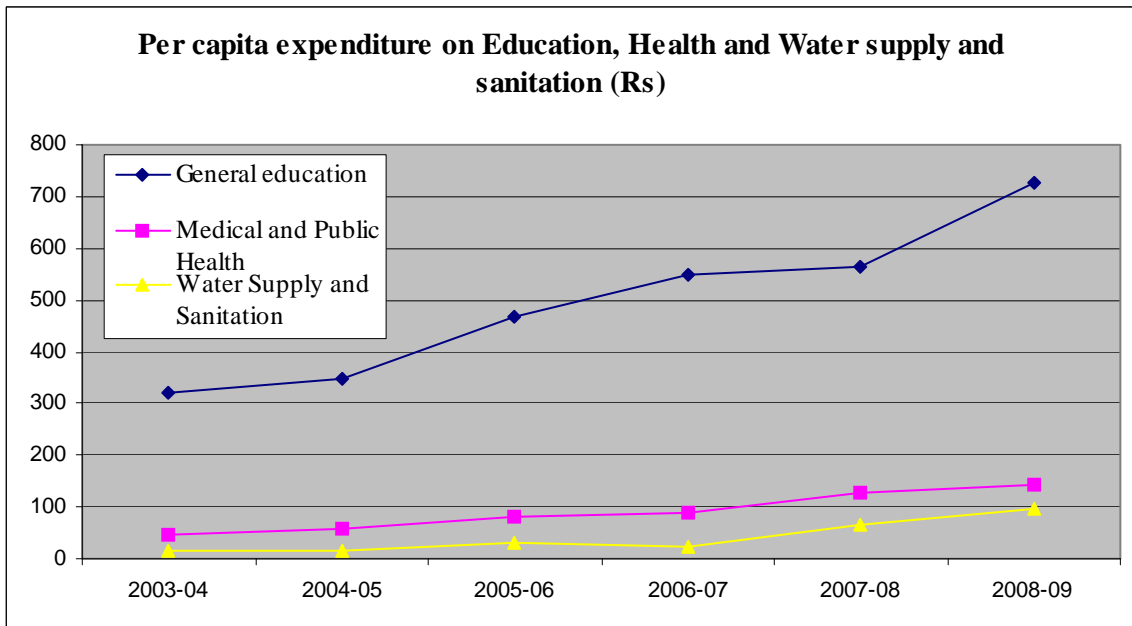
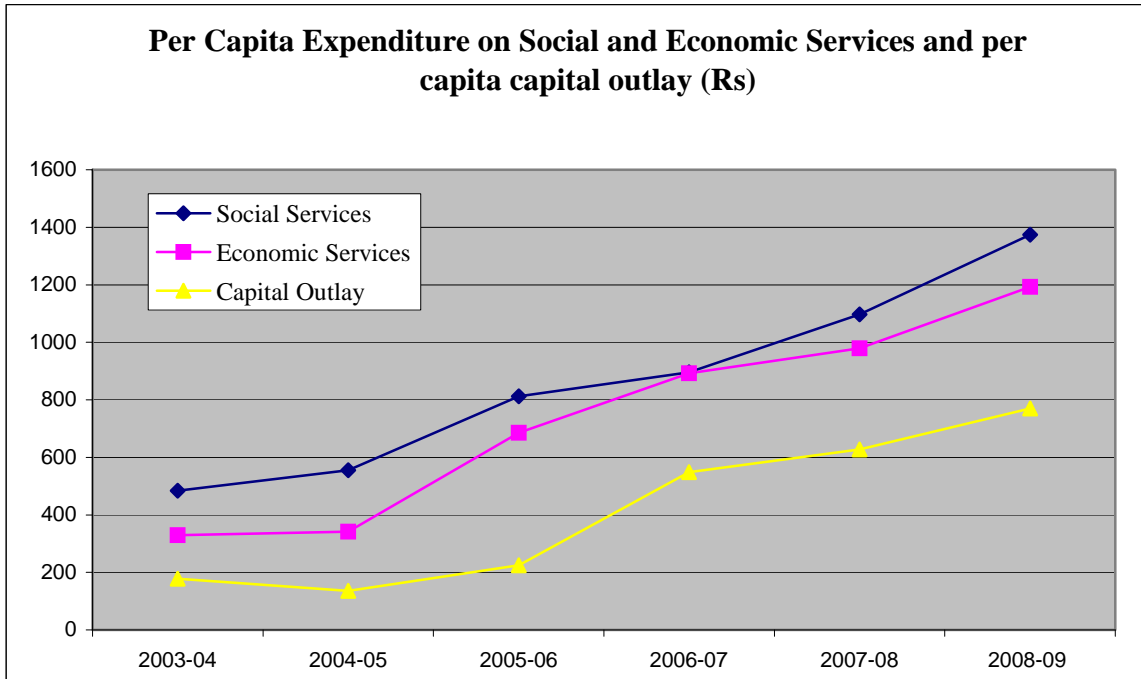
	2003-04	2004-05	2005-06	2006-07	2007-08
<b>Agriculture and Allied Activities</b>					
Total Expenditure (Rs crore)	254	407	504	596	759
Revenue Expenditure (Rs crore)	249	397	410	585	737
(a) Salary component (%)	70	44	47	39	31
(b) Non-salary component (%)	30	56	53	61	69
Capital Expenditure (%)	6	10	93	11	22
<b>Irrigation and Flood Control</b>					
Total Expenditure (Rs crore)	840	916	1074	1067	1450
Revenue Expenditure (Rs crore)	319	473	483	435	562
(a) Salary component (%)	78	51	55	68	63
(b) Non-salary component (%)	22	49	45	32	37
Capital Expenditure (Rs. cr)	521	443	591	632	888
Capital Expenditure (%)	62.02	48.36	55.03	59.23	61.24
<b>Energy and Power</b>					
Total Expenditure (Rs crore)	302	28	303	1514	841
Revenue Expenditure (Rs crore)	1	2	1	1081	726
(a) Salary component (%)	0	0	0	0	0
(b) Non-salary component (%)	100	100	100	100	100
Capital Expenditure (Rs. cr)	300	27	302	434	115
Capital Expenditure (%)	99.34	96.43	99.67	28.67	13.67
<b>Transport</b>					
Total Expenditure (Rs crore)	266	369	560	2076	2707
Revenue Expenditure (Rs crore)	205	225	285	414	407
(a) Salary component (%)	42	37	38	25	29
(b) Non-salary component (%)	58	63	62	75	71
Capital Expenditure (Rs. cr)	62	144	275	1662	2300
Capital Expenditure (%)	23.31	39.02	49.11	80.06	84.96
<b>Other Economic Services</b>					
Total Expenditure (Rs crore)	1199	1316	1609	3227	3763
Revenue Expenditure (Rs crore)	1199	1316	1609	3227	2005
(a) Salary component (%)	39	21	21	19	14
(b) Non-salary component (%)	61	79	79	81	86
Capital Expenditure (Rs. cr)	475	376	422	1722	1758
Capital Expenditure (%)					
<b>Total (Economic Services)</b>					
Total Expenditure (Rs crore)	2862	3035	4051	8481	9520
Revenue Expenditure (Rs crore)	1498	2036	2367	4021	4438
(a) Salary component (%)	53	34	34	23	22
(b) Non-salary component (%)	47	66	66	77	78
Capital Expenditure (Rs. cr)	48	33	42	53	5082
Capital Expenditure (%)	1.68	1.09	1.04	0.62	53.38

## 7.16 Per Capita Expenditure on Social and Economic Services

Table 7.46 shows the per capita expenditure on social and economic services, computed on the basis of estimated population of Bihar for the years 2003-04 to 2008-09. The per capita capital outlay has continuously been rising since 2005-06 and now stands at Rs 770 compared to the per capita expenditure on social services at Rs 1374 and that on economic services at Rs 1193. However, the low level of per capita expenditure on medical and public health as well as drinking water supply and sanitation are matters of concern. The per capita expenditure on general education (i.e., primary, secondary and higher education) increased from 2004-05 and stood at Rs 726 at the end of 2008-09, compared to only Rs 143 for medical and public health and only Rs 97 for water supply and sanitation. These areas are the state government's priorities now. One should, however, note that the figures for per capita expenditure on each of these sectors conceal the larger inter-district disparity in government expenditure on different services which will be analysed later.

**Table 7.46 : Per Capita Expenditure on Social and Economic Services**

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Population (crore)	8.68	8.88	9.29	9.5	9.72	9.92
<b>Total Expenditure (Rs crore)</b>						
General education	2778	3092	4337	5204	5493	7206
Medical and Public Health	388	504	760	848	1242	1415
Water Supply and Sanitation	125	142	292	230	622	966
Social Services	4197	4932	7541	8513	10667	13626
Economic Services	2862	3035	6369	8481	9520	11834
Capital Outlay	1549	1205	2084	5211	6104	7635
General Services	7198	7871	8753	8798	9474	11109
<b>Per Capita Expenditure (Rs)</b>						
General education	320	348	467	548	565	726
Medical and Public Health	45	57	82	89	128	143
Water Supply and Sanitation	14	16	31	24	64	97
Social Services	484	555	812	896	1097	1374
Economic Services	330	342	686	893	979	1193
Capital Outlay	178	136	224	549	628	770
General Services	829	886	942	926	975	1120



### **7.17 State Budget for 2008-09**

The budget for 2008-09 has attempted to add further momentum to the development and reform process that was embarked upon by the state government since 2005-06. In this section, budget for 2008-09 has been analysed.

From the summary of the budget for 2008-09, presented in Table 7.47, one can see that there is a deficit of only Rs. 501 crore in the Consolidated Fund, in place of an actual deficit of Rs. 1723 crore in the previous year. However, there was an actual surplus of Rs. 445 crore in the Public Account in 2007-08, the net effect being an increase in the cash balance of the state government by Rs 1372 crore. In the budget estimates of 2008-09, however, the deficit of Rs. 501 crore in the Consolidated Fund is partially offset by an a surplus of Rs 445 crore in the Public Account, resulting ultimately in decreasing the cash balance of the state government by Rs 56 crore. The revenue surplus in 2008-09 budget is projected to decrease marginally, from Rs. 4647 crore in 2007-08 to Rs. 4613 crore in 2008-09. In the capital account, the deficit is projected to decrease from Rs. 6370 crore in 2007-08 to Rs. 5114 crore in 2008-09 budget.

The structures of receipts and expenditure are presented in Table 7.48. From this table, it can be seen that the tax revenue as a percentage of receipts in the Consolidated Fund is projected to decrease by 9 percent during 2008-09. The shortfall on this account, however, is proposed to be met by a corresponding increase in the Public Debt receipts by 7 percent along with an increase in the grants and contributions from the central government by 3 percent. Except for these, there has not been any structural shift in the receipts.

As regards expenditure, the earlier trend of rising revenue expenditure continues. The revenue expenditure is projected to increase by Rs 5375 crore during 2008-09. The trend of higher expenditure in social services compared to that in economic services, a characteristic of the state finance in the earlier years, is maintained and the expenditure in social service this year is projected to increase by more than Rs 2800 crore compared to about Rs 900 crore for economic services. While the share of social services in expenditure has increased marginally at the cost of general services, that of economic service remains the same. This has been made possible by a marginal decrease in the discharge of public debt obligations by 1 percent. The trend of increasing capital outlay has also been continued this year and the share of capital outlay in the total



expenditure has increased from 19 percent to 20 percent. In absolute terms, capital outlay has increased by more than Rs. 1500 crore over the level of the previous year.

**Table 7.47 : Summary of Budget, 2008-09 (Surplus -, Deficit +)**

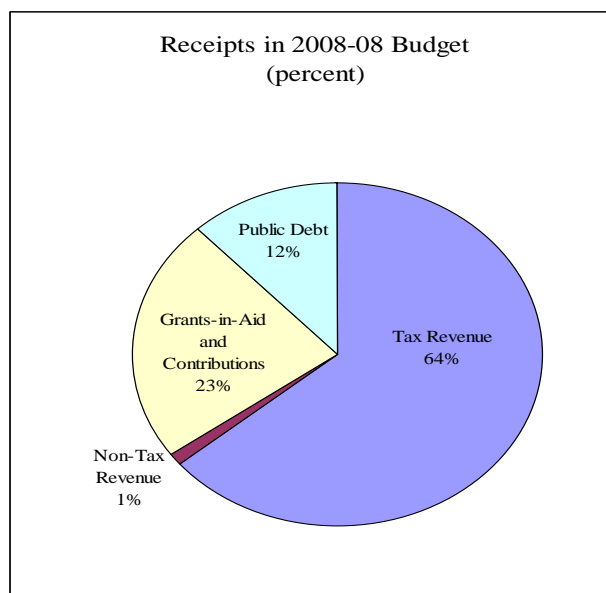
(Rs. crore)

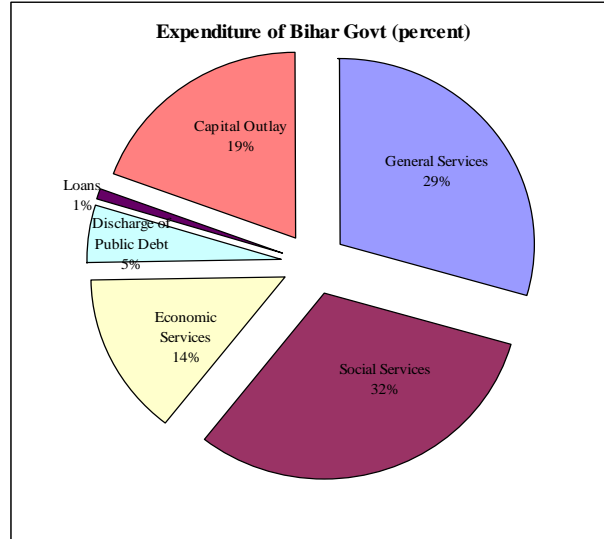
<b>Revenue Account</b>	<b>2007-08</b>	<b>2008-09</b>	<b>Capital Account</b>	<b>2007-08</b>	<b>2008-09</b>
<b>Receipts</b>			<b>Receipts</b>		
Tax revenues	21,852	24353	Public Debt	1612	4500
Non-Tax Revenues	525.57	422	Recovery of Loans and Advances	26	22
Grants and Contributions	5,832	8776			
<b>Total Revenue Receipts</b>	<b>28,210</b>	<b>33551</b>	<b>Total Capital Receipts</b>	<b>1,638</b>	<b>4522</b>
<b>Expenditure</b>			<b>Expenditure</b>		
General Services	9,252	10901	Capital Outlay	6104	7635
Social Services	9,868	12689	Public Debt	1632	1676
Economic Services	4,438	5343	Loans and advances	273	325
Grants and Contributions	5	4			
<b>Total Revenue Expenditure</b>	<b>23,563</b>	<b>28938</b>	<b>Total Capital Expenditure</b>	<b>8,008</b>	<b>9636</b>
<b>Deficit Revenue A/c</b>	<b>-4,647</b>	<b>-4,613</b>	<b>Deficit Capital Account</b>	<b>6,370</b>	<b>5,114</b>
<b>Consolidated Fund Receipts</b>	<b>29,848</b>	<b>38,073</b>	<b>Consolidated Fund Expenditure</b>	<b>31,571</b>	<b>38,574</b>
<b>Net Consolidated Fund</b>	<b>1,723</b>	<b>501</b>			
<b>Contingency Fund</b>					
Income	0	0	Expenditure	0	0
<b>Contingency Fund Total</b>	<b>0</b>	<b>0</b>	<b>Contingency Fund Total</b>	<b>0</b>	<b>0</b>
<b>Public Account</b>			<b>Public Account</b>		
<b>Receipts</b>			<b>Disbursements</b>		
Small Savings, PF etc.	1,084	1124	Small Savings, PF etc.	815	774
Reserve Funds	391.7	167	Reserve Funds	436	167
Deposits and Advances	4,485	2793	Deposits and Advances	2785	2698
Suspense and Misc.	73,256		Suspense and Misc.	75446	
Remittances	6,687		Remittances	6069	
<b>Total Receipts</b>	<b>85,903</b>	<b>4084</b>	<b>Total Disbursements</b>	<b>85552</b>	<b>3640</b>
<b>Net Results Public Account</b>	<b>-352</b>	<b>-445</b>			
<b>Net Result (All Accounts)</b>	<b>1,372</b>	<b>56</b>			

**Table 7.48 : Structure of Receipts and Expenditure of Consolidated Fund**

(Figures in percentages)

Receipts	2007-08	2008-09	Expenditure	2007-08	2008-09
Revenue Account					
Tax Revenue	73	64	General Services	29	28
Non-Tax Revenue	2	1	Social Services	31	33
Grants-in-Aid and Contributions	20	23	Economic Services	14	14
Capital Account			Discharge of Public Debt	5	4
Public Debt	5	12	Loans and Advances	1	1
Recovery of Loans and Advances	0	0	Capital Outlay	19	20
<b>Total</b>	<b>100</b>	<b>100</b>	<b>Total</b>	<b>100</b>	<b>100</b>





### 7.18 Central Funds Bypassing the State Budget

In recent years, the number of centrally sponsored schemes for social sector development has increased substantially and an increasing amount of funds from the central government is being transferred directly to the autonomous state societies and District Rural Development Authorities (DRDAs) which are executing agencies for these programmes. In Table 7.49, we have estimated the funds that have been transferred to autonomous bodies from the central government in 2007-08. The relevant data has been procured from the following three major societies to which central government funds are directly transferred :

- (a) Bihar Education Project (BEP) for Sarva Shikshya Abhiyan (SSA)
- (b) State Health Society for all components of National Rural Health Mission (NRHM)
- (c) District Rural Development Authority (DRDA) for National Rural Employment Guarantee Programme (NREGP), Swarnjayanti Grameen Swarozgar Yojana (SGSY), Sampoorna Grameen Rozgar Yojana (SGRY), Indira Awas Yojana (IAY), Drought Prone Area Programme (DPAP), Member of Parliament Local Area Development Scheme (MPLADS), Provision of Urban Amenities to Rural Areas (PURA), Integrated Wasteland Development Project (IWDP) and funds for DRDA Administration.

**Table 7.49 : Details of Central Funds Bypassing the State Budget (2006-07 and 2007-08)**  
(Rs. crore)

Name of Centrally Sponsored Programme	GOI Share bypassing state budget	
	2006-07 (Actual Releases)	2007-08 (Estimated Releases)
SSA	1026.29	1326.1
NPEGL	55.44	0
KGBV	16.84	51.38
<b>Total (SSA+NPEGL+KGBV)</b>	<b>1098.57</b>	<b>1377.48</b>
Total NRHM-A	207.55	105.17
Total NRHM-B	27.94	71.17
Total NRHM-C	56.27	43.69
NRHM-D	14.23	9.17
<b>Total (NRHM)</b>	<b>305.98</b>	<b>229.2</b>
NREGP	485.81	544.79
SGSY	124.46	105.21
SGRY	127.8	-----
IAY (New)	585.69	1054.12
IAY (Upgradation)	146.42	
IAY (Credit Cum Subsidy)	0	0
IAY (Flood Affected)	0	0
IAY (5%)	0.56	0
IAY (Kala Azar Affected)	12.04	1.63
Haryali (DPAP)	9.5141	0
IWDP	9.5141	1.18
MPLADS	36.6268	
PURA	3.03451	3.89
DRDA (Admin)	11.39974	10.41
<b>Total (DRDA)</b>	<b>1552.87</b>	<b>1721.23</b>
Total of GOI funds bypassing State Budget	2957.42	3327.91
Receipts of GOB	25448	29848
Expenditure of GOB	27136	31571
Total Plan Grants (State Plan+ Centrally Sponsored Plan +Central Plan)	3563.70	4326.67
Total Central Grants (Plan+Non-Plan)	5247.11	5831.67
Percentage of Central Funds bypassing the State Budget (Receipt)	11.62	11.15
Percentage of Central Funds bypassing the State Budget (Expenditure)	10.90	10.54
Central Funds bypassing GOB budget as a percentage of Total Central Plan Grants (State Plan+ Central Plan +Centrally Sponsored Plan)	82.99	76.92
Central Funds bypassing GOB budget as a percentage of Total Central Grants	56.36	57.07

From Table 7.49, it is to be noted that a total of Rs. 3327.91 crore was routed directly to autonomous societies in 2007-08. This accounts for 11.15 percent of the receipts of the state government and 10.54 percent of its expenditure. Moreover, the plan grants of the state government for State Plan Schemes, Central Plan and Centrally Sponsored Schemes (CSS) for

2007-08 was Rs. 4326.67 crore. This accounts for 57 percent of the total central government grants of Rs. 5831.67 crore and 77 percent of the total Central Plan funds that is not routed through the state budget. Thus, the transfers from the central government bypassing the state budget is by no means a negligible amount. This has an adverse effect on centre-state financial relations in particular and fiscal accountability in general due to the following reasons :

- (i) The state government has no direct control over the process of fund utilisation as the bulk of these funds do not pass through its accounts. Thus its status as a monitoring authority has no financial backing, in spite of an increasing share of state expenditure on these schemes.
- (ii) Apart from the fact that the funds are being transferred outside the state budget, the nature of the schemes dictate the tying of funds to specific components. This centralized framework limits the possibilities of adapting the expenditure to state-specific goals. Further, it fails to create a synergy between the components of the state plan and the targets laid down by the central government.

In an overall framework of decentralization, fiscal devolution should work from the central government to the state government and from the state government to district and panchayat levels. Bypassing the state government goes against the spirit of devolution and actually leads to centralization of financial management at the all India level leading to inefficient use of resources. Indeed, low utilisation of funds in CSS has been a major issue for Bihar though it had been argued that funds transferred to autonomous societies bypassing the state budget would lead to higher and more efficient utilisation.

### **7.19 Plan and Non-Plan Expenditure in Districts**

Table 7.50 shows the expenditure incurred under Non-Plan (NP), State Plan (SP), Central Plan Schemes (CPS) and Centrally Sponsored Scheme (CSS) in the districts during 2007-08. The figures are at variance with those reported in the Finance Accounts for the entire state as the process of reconciliation is yet to be completed. The plan and non-plan expenditure during 2007-08 as reported in the Finance Accounts are Rs 10,908 crore and Rs 20,664 crore respectively, adding to a total expenditure of Rs 31571 crore compared to Rs 29720 crore as shown in Table 7.50. As pointed out earlier, since a significant part of the plan expenditure bypasses the state budget, especially those relating to the Centrally Sponsored Schemes, these are not captured in the Finance Accounts as is the case with every other expenditure made from the Consolidated Fund. This is why the difference is arising in the first place. The expenditure shown under works/ forest

mostly are plan expenditure and are reflected in the Finance Accounts. Table 7.51 shows the per-capita plan and non-plan expenditure made in the various districts during 2007-08. It is seen that Patna district accounts for about 43 percent of the total expenditure. The per capita annual expenditure amounted to Rs 3055 in 2007-08 while the per capita non-plan expenditure was Rs 1959. The per capita Central Plan assistance was only Rs 1 compared to per capita Centrally Sponsored Plan funds of Rs 95.

**Table 7.50 : Districtwise Expenditure (2007-08)**

(Rs. crore)

	NP	CPS	CSS	SP	Sub-Total	Works/Forest	Total
Araria	164.75	0.00	10.21	72.48	<b>247.44</b>	53.92	301.36
Arwal	49.93	0.00	1.36	25.13	<b>76.43</b>	0.06	76.49
Aurangabad	259.02	0.04	12.22	62.67	<b>333.95</b>	93.64	427.59
Banka	137.43	0.02	7.61	67.04	<b>212.10</b>	47.02	259.12
Begusarai	514.90	1.24	14.26	70.20	<b>600.59</b>	52.50	653.09
Bhabhua	131.00	0.03	8.71	45.04	<b>184.77</b>	62.92	247.69
Bhagalpur	554.28	0.02	19.75	119.57	<b>693.63</b>	77.17	770.79
Bhojpur	382.90	0.01	14.37	39.26	<b>436.54</b>	93.42	529.96
Buxar	213.37	0.04	9.76	47.68	<b>270.85</b>	27.06	297.91
Darbhanga	575.57	0.03	19.14	227.99	<b>822.73</b>	142.88	965.61
East Champaran	485.18	0.04	21.48	111.82	<b>618.52</b>	72.63	691.15
Gaya	467.25	0.03	26.72	90.98	<b>584.98</b>	122.19	707.16
Gopalganj	245.50	0.02	12.98	85.06	<b>343.56</b>	47.93	391.50
Jamui	117.55	0.63	10.12	49.26	<b>177.56</b>	37.29	214.85
Jehanabad	162.40	0.03	6.12	38.69	<b>207.24</b>	73.79	281.03
Katihar	282.51	0.02	17.84	73.01	<b>373.38</b>	71.61	444.99
Khagaria	195.35	0.03	5.93	85.24	<b>286.55</b>	55.48	342.04
Kishanganj	104.65	0.01	9.13	48.30	<b>162.10</b>	39.41	201.52
Lakhisarai	73.36	0.02	4.06	30.45	<b>107.89</b>	9.53	117.42
Madhepura	164.18	0.04	9.15	62.18	<b>235.55</b>	58.81	294.37
Madhubani	408.55	0.02	20.60	107.07	<b>536.24</b>	251.48	787.72
Munger	286.25	0.03	7.26	57.83	<b>351.37</b>	23.26	374.63
Muzaffarpur	736.24	0.06	33.49	182.77	<b>952.55</b>	112.34	1064.89
Nalanda	432.20	0.27	16.30	71.50	<b>520.27</b>	105.52	625.79
Nawadah	211.49	0.03	10.81	44.41	<b>266.74</b>	23.78	290.51
Patna	8172.69	6.75	451.16	2759.29	11389.88	1453.03	12842.91
Purnea	284.76	0.09	10.82	96.39	<b>392.06</b>	85.65	477.71
Rohtas	432.70	0.03	14.62	49.87	<b>497.22</b>	72.84	570.07
Saharsa	222.01	0.01	11.22	67.34	<b>300.58</b>	27.15	327.73
Samastipur	467.75	0.03	18.67	198.54	<b>684.99</b>	67.71	752.70
Saran	389.05	0.03	18.05	95.75	<b>502.88</b>	69.74	572.62
Sheikhpura	60.42	0.01	2.99	32.00	<b>95.42</b>	23.63	119.05
Sheohar	70.22	0.02	3.26	53.25	<b>126.76</b>	9.34	136.10
Sitamarhi	367.49	0.05	13.51	159.11	<b>540.15</b>	119.20	659.35
Siwan	317.67	0.00	16.13	49.39	<b>383.19</b>	49.33	432.52
Supaul	186.99	0.04	6.88	81.32	<b>275.23</b>	87.56	362.79
Vaishali	364.02	0.02	13.19	71.20	<b>448.43</b>	43.34	491.77
West Champaran	366.56	0.04	15.30	144.56	<b>526.45</b>	89.56	616.01
<b>Total</b>	<b>19058.15</b>	<b>9.80</b>	<b>925.19</b>	<b>5773.65</b>	<b>25766.79</b>	<b>3953.69</b>	<b>29720.48</b>

**Table 7.51: Districtwise Per Capita Expenditure (2007-08)**

(Rupees)

	Population	NP	CPS	CSS	SP	Total	Works/ Forest	G. Total
Araria	0.25	651.25	0.00	40.36	286.49	978.10	213.14	1191.23
Arwal	0.07	713.35	0.00	19.46	359.02	1091.83	0.87	1092.71
Aurangabad	0.24	1097.88	0.16	51.80	265.64	1415.49	396.90	1812.38
Banka	0.19	728.92	0.09	40.37	355.56	1124.94	249.39	1374.33
Begusarai	0.28	1870.05	4.49	51.78	254.97	2181.29	190.66	2371.94
Kaimur	0.15	867.09	0.17	57.65	298.11	1223.03	416.45	1639.48
Bhagalpur	0.28	1951.77	0.07	69.56	421.05	2442.44	271.72	2714.17
Bhojpur	0.26	1456.51	0.05	54.64	149.35	1660.56	355.34	2015.90
Buxar	0.16	1298.19	0.25	59.40	290.10	1647.95	164.63	1812.58
Darbhanga	0.39	1490.13	0.06	49.56	590.26	2130.00	369.90	2499.90
East Champaran	0.36	1360.26	0.10	60.22	313.50	1734.08	203.61	1937.69
Gaya	0.41	1147.83	0.06	65.63	223.50	1437.02	300.15	1737.18
Gopalganj	0.25	973.12	0.07	51.46	337.17	1361.82	189.99	1551.81
Jamui	0.16	717.03	3.87	61.76	300.47	1083.14	227.45	1310.59
Jehanabad	0.11	1511.02	0.28	56.95	360.03	1928.28	686.56	2614.84
Katihar	0.28	1007.49	0.08	63.61	260.36	1331.55	255.37	1586.92
Khagaria	0.15	1301.86	0.22	39.55	568.06	1909.68	369.74	2279.42
Kishanganj	0.15	688.83	0.09	60.10	317.94	1066.97	259.43	1326.40
Lakhisarai	0.09	780.28	0.23	43.21	323.84	1147.56	101.32	1248.89
Madhepura	0.18	917.61	0.23	51.16	347.54	1316.54	328.71	1645.25
Madhubani	0.42	975.02	0.06	49.15	255.53	1279.76	600.17	1879.93
Munger	0.13	2146.69	0.20	54.46	433.66	2635.01	174.43	2809.43
Muzaffarpur	0.44	1676.68	0.13	76.26	416.23	2169.30	255.84	2425.13
Nalanda	0.28	1555.69	0.99	58.66	257.37	1872.70	379.81	2252.51
Nawadah	0.21	997.16	0.12	50.96	209.41	1257.65	112.10	1369.75
Patna	0.55	14778.65	12.20	815.83	4989.61	20596.30	2627.51	23223.80
Purnea	0.30	955.12	0.31	36.29	323.30	1315.02	287.27	1602.29
Rohtas	0.29	1506.52	0.10	50.91	173.63	1731.15	253.61	1984.77
Saharsa	0.18	1256.03	0.06	63.49	380.98	1700.56	153.59	1854.15
Samastipur	0.40	1175.67	0.06	46.93	499.02	1721.67	170.18	1891.86
Saran	0.38	1021.82	0.08	47.41	251.50	1320.79	183.17	1503.96
Sheikhpura	0.06	981.07	0.16	48.47	519.63	1549.33	383.72	1933.05
Sheohar	0.06	1161.29	0.41	53.95	880.63	2096.28	154.48	2250.76
Sitamarhi	0.31	1168.83	0.15	42.96	506.06	1718.00	379.13	2097.12
Siwan	0.32	998.59	0.00	50.71	155.26	1204.56	155.08	1359.64
Supaul	0.20	920.91	0.18	33.89	400.48	1355.46	431.24	1786.70
Vaishali	0.32	1142.61	0.05	41.39	223.48	1407.53	136.05	1543.57
West Champaran	0.46	793.88	0.08	33.13	313.08	1140.17	193.97	1334.14
<b>Total</b>	<b>9.73</b>	<b>1959.26</b>	<b>1.01</b>	<b>95.11</b>	<b>593.56</b>	<b>2648.94</b>	<b>406.46</b>	<b>3055.40</b>

## 7.20 Centrally Sponsored Schemes

### Sarva Shiksha Abhiyan (SSA)

Table 7.52 shows the financial performance under SSA scheme in Bihar from 2001-02 through 2007-08. Fund utilisation in Bihar was quite high during 2007-08 under SSA, as in the previous year. One reason for high fund utilisation under SSA is that the implementing authority (Bihar Education Project) has existed as a functioning institution for several years, providing a ready institutional infrastructure for the programme. A componentwise break up shows that utilisation was 88 percent for the general component of the SSA. However, for the gender specific components, the utilisation was 264 percent, i.e., more than twice the released funds for National Programme for Education of Girls at Elementary Level and 71 percent, for Kasturba Gandhi Balika Vidyalaya. However, the gender specific component is a small percent of the total planned allocation. It should be noted here that although a substantial part of the funds (88 percent) released were utilised, the position with respect to releasing of funds itself was not satisfactory. In 2007-08, only 58 percent of the approved funds were released.

**Table 7.52 : Financial Performance under SSA**

Year	Approved AWP & B	Fund Releases			Total Expenditure	Utilisation (Percentage with respect to)	
		GOI	GOB	TOTAL		Fund released	Fund Approved
<b>SSA</b>							
2001-2002	67.05	28.50	5.00	33.50	8.97	26.77	13.37
2002-2003	351.35	79.15	28.50	107.65	12.92	12.00	3.68
2003-2004	764.77	194.49	64.83	259.32	246.89	95.21	32.28
2004-2005	835.83	302.00	80.00	382.00	376.50	98.56	45.05
2005-2006	842.74	302.00	121.33	423.33	444.30	104.96	52.72
2006-2007*	2340.15	1026.29	538.50	1564.79	1549.59	99.03	66.22
2007-2008*	3161.49	1326.10	816.00	2142.10	1886.17	88.05	59.66
<b>NPEGEL</b>							
2004-2005	49.00	18.38	0.00	18.38	12.76	69.42	26.03
2005-2006	57.33	17.71	11.80	29.51	25.78	87.37	44.97
2006-2007*	73.93	55.44	9.23	64.68	33.93	52.47	45.90
2007-2008*	48.06	0.00	9.23	9.23	24.44	264.70	50.85
<b>KGBV</b>							
2005-2006	17.70	11.15	4.46	15.62	2.13	13.66	12.05
2006-2007*	138.38	16.84	5.61	22.45	15.49	69.02	11.20
2007-2008*	129.74	51.38	6.62	58.00	41.01	70.71	31.61

### District Rural Development Authority (DRDA)

The DRDAs in the state are responsible for implementation of most of the flagship programmes for poverty alleviation. From Table 7.53, one finds that 69.1 percent of funds released were



utilized by DRDAs in 2007-08. The Fund utilisation was high in some components of IAY and NREGP, but low in respect of SGSY and remaining components of IAY. Thus, the capacity of fund utilisation varied among the programmes, even though they were all administered by the same authority. The relevant reasons concerned both planning and implementation of the programmes. Further, most of these programmes are based on targeted identification of beneficiaries. This process has proved to be cumbersome and prone to disputes. This has further slowed down the efficacy of the programmes.

**Table 7.53: Financial Performance of : Schemes under DRDA (2007-08)**

(Rs. crore)

Schemes under DRDA	Financial Target	Spillover from 2007-08	Share of GOI (Released)	Share of GOB (Released)	Total (GOI and GOB)	Other Funds	Total Funds Available	Total Exp.	Utilisation (Percentage)
NREGP	-	795.35	544.79	74.18	618.97	58.57	1472.89	1053.35	71.52
SGSY	284.84	171.22	105.21	44.75	149.96	2.11	323.29	151.74	46.94
IAY (New)	1417.93	540.92	1054.12	369.43	1423.55	0	1964.47	1417.9	72.18
IAY (Upgradation)	-	73.04	0	0	0	0	73.04	35.98	49.26
IAY (Credit Cum Subsidy)	-	7.72	0	0	0	-	7.72	3.26	42.23
IAY (Flood Affected)	-	82.17	0	0	0	0	82.17	52.53	63.93
IAY (5%)	-	2.63	0	0	0	0	2.63	2.63	100.00
IAY (Kala Azar Affected)	-	16.05	1.63	0.54	2.17	0	18.22	18.22	100.00
Haryali (DPAP)	-	19.29	1.18	0.57	1.75	0.06	21.1	7.8	36.97
<b>Total</b>	<b>1702.77</b>	<b>1708.39</b>	<b>1706.93</b>	<b>489.47</b>	<b>2196.4</b>	<b>60.74</b>	<b>3965.53</b>	<b>2743.41</b>	<b>69.18</b>

## 7.21 State Public Sector Undertakings and Corporations

### Government Investments in Public Sector

The public sector in Bihar comprises 51 government companies and 4 statutory corporations as on March 2008. Of the 51 government companies, 17 are working and 34 are non-working companies. The total investment in public sector as on March 2006 was Rs 8631.32 crore, comprising equity of Rs 622.70 crore (7.21 percent) and long term loans for Rs 8008.62 crore (92.79 percent). The total investment including long term loans of the state government in the 17 working companies stood at Rs. 7638.65 crore till March 2006. The sector wise break-up of the public sector is presented in Table 7.54.

**Table 7.54 : Sectorwise State Government Companies and Corporations**

Sector	Number of Corporations	Number of Companies
Agriculture		8
Industry		14
Power	1	
Electronics		4
Transport	1	
Construction		3
Drugs and Chemicals		3
Mining		1
Forest		1
Financing	1	1
Sugar		1
Engineering		1
Textile		1
Public Distribution		1
Handloom and Handicraft		1
Others	1	11
<b>Total</b>	<b>4</b>	<b>51</b>

The summarised financial results for the years 2005-06 and 2006-07 are shown in Table 7.55. 2007-08 results are not available. It can be seen that the rate of return is negligible and that the accumulated losses of the all the companies have eroded their total equity base several times over. Their combined turnover has increased marginally between these two years. Neither did they pay any dividend to the state government, nor did they receive any grants or subsidy from the state government.

**Table 7.55 : Consolidated Financial Results of Public Sector in Bihar (2005-06 and 2006-07)**

	(Rs. crore)	
	<b>2005-06</b>	<b>2006-07</b>
Investment by Government in Share Capital	514.82	514.70
Turnover of all PSUs	1253.42	1388.23
Profit (Loss)	( 233.51)	( 145.14)
Capital employed	1848.84	2641.48
Return on capital employed	74.03	28.38
Return on capital employed (%)	4.00	1.07
PSUs Total Debt , of which	7721.86	8008.61
Government. Loan	6968.31	7228.51
Accumulated profit (Loss)	(1582.18)	(1682.99)
Dividend paid during year	N.A.	N.A.
Grant received during the year	N.A.	N.A.
Subsidy received during the year	Nil	Nil

### Non-Working Companies

The state government has invested a total amount of Rs 720 crore till March 2007, comprising paid up capital of Rs. 159 crore and outstanding loans of Rs. 561 crore, in the 34 non-working state government companies. The financial indicators of these companies cannot be analysed meaningfully as these are in various stages of liquidation, besides some of these companies have not prepared any accounts for as long as 20 years or even more. In fact, five of these have not prepared any accounts ever since their inception.

### Statutory Corporations

The four statutory corporations of the state government are: Bihar State Electricity Board (BSEB), Bihar State Road Transport Corporation (BSRTC), Bihar State Financial Corporation (BSFC) and Bihar State Warehousing Corporation (BSWC). All the four corporations are functional. The most important among them in terms of operations is the BSEB. Table 7.56 presents the financial results of BSEB during the three years from 2004-05 to 2006-07. It is seen that accumulated loss of BSEB has been increasing steeply and stands at more than Rs 1500 crore at the end of 2006-07. The return on investment has been negative and the state government has paid a subsidy of more than Rs 2300 crore during the three years from 2004-05 to 2006-07. The total of state government loan due from the corporation stood at more than Rs 6200 crore as on March 2007. The Board had suffered a loss of Rs. 54.30 crore in 2004-05 which increased to Rs. 854.61 crore in 2006-07.

**Table 7.56 : Financial Results of BSEB**

	(Rs. crore)		
	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>
Turnover	1000.48	1132.43	1275.93
Profit ( Loss)	(54.30)	( 429.42)	( 854.61)
Capital employed	1666.53	2225.53	3087.81
Return on capital employed	Negative	Negative	Negative
Total Debt, of which	5500.14	6433.06	6204.39
Government Loan	3943.49	4731.18	4976.79
Accumulated profit (Loss)	(240.67)	(670.10)	(1524.71)
Dividend paid during year (No. of Cos.)	Nil	Nil	Nil
Grant / subsidy received during the year	803.60	844.00	720.00

The problems which continue to seriously hamper power generation by the Board are :

- Lower plant availability due to frequent breakdowns/ interruptions in various equipment and auxiliaries;
- High T&D Losses of more than 40 percent;
- Abnormally long shut downs of generating units for capital maintenance;
- Low productivity of generating units due to design deficiency, poor quality of coal, etc.
- Overdue renovation/ modernisation of the systems and substations/lines;
- Poor maintenance of units.

For increasing efficiency, the state government is considering all options for restructuring of the Board.

#### Summarised Results of Public Sector

Table 7.57 gives the summarised results of the public sector corporations and state government companies for the year in which they have prepared their last accounts. It can be seen that none of them have prepared up-to date accounts and most of them have been defaulting for years together. In fact, the state public sector presents a picture of lack of accountability, mismanagement and mounting losses. Since the accounts are not up-to-date, return on the investment cannot be calculated. The Board meetings of most of the companies were not held regularly. None of these 51 companies could finalise their accounts for the current year. As mentioned before, 5 of these companies have not drawn up their accounts ever since their inception, 33 others have not finalised their accounts for more than last 15 years. As per provisions of the Companies Act, all companies are statutorily required to finalise their accounts within 6 months of the closure of the financial year. The audited accounts are required to be laid before the legislature within 9 months of the closure of the financial year. Failure to observe these statutory provisions relating to timely finalisation of accounts would normally attract penal provisions under the Companies Act.

The yearly accounts are the primary instrument of accountability and control of any organization. The accountability of the government companies is ensured by the submission of accounts to the legislature. In the absence of this, these Companies continue to accumulate losses year after year at the cost of the public exchequer.

Most of these companies do not hold their Board meetings regularly. In the absence of finalised accounts, the return on investment and various other performance parameters of these companies remain unknown.

In view of poor turnover and continuous losses, the state government may either improve the performance of these companies or consider their disinvestment. The state government has already decided to wind up 5 working and 12 non-working companies. The restoration of sugar mills under Public-Private cooperation is also under active consideration of the state government.

**Table 7.57 : Summarised Results of Public Sector in Bihar as per Their Latest Accounts**

<b>Public Sector Units</b>	<b>Investment (till March 2007)</b>	<b>Accumulated Profit (+) / Loss (-)</b>	<b>Year of Account</b>
<b>Statutory Corporations</b>			
Bihar State Electricity Board.	5969.48	(-) 1524.71	2004-05
Bihar State Road Transport Corporation.	182.30	(-)624.43	2001-02
Bihar State Financial Corporation.	377.03	(-)437.53	2005-06
Bihar State Ware-housing Corporation.	7.85	3.83	2003-04
<b>Government Companies</b>			
Bihar Rajya Beej Nigam Ltd.	30.94	(-)38.73	1995-96
Bihar Rajya Matsya Vikas Nigam Ltd.	4.40	(-)1.92	1992-93
Bihar State Electronics Development Corporation Ltd.	10.01	(-) 10.38	1998-99
Bihar State Forest Development Corporation Ltd.	2.29	0.32	2000-01
Bihar State Mineral Development Corporation Ltd.	9.97	7.04	2000-01
Bihar Police Building Construction Corporation Ltd.	0.53	(-)1.53	1989-90
Bihar Rajya Pul Nirman Nigam Ltd.	3.50	(-)10.18	1995-96
Bihar State Minorities Finance Corporation Ltd.	34.93	(-)1.90	2001-02
Bihar State Backward Classes Finance and Development Corporation.	32.15	0.53	1997-98
Bihar State Food and Civil Supplies Corporation Ltd.	125.85	(-)25.45	1987-88
Bihar State Tourism Development Corporation Ltd.	5.00	1.85	1995-96
Bihar State Hydro Electric Power Corporation Ltd.	287.41	(-)5.48	1995-96
Tenughat Vidyut Nigam Ltd.	750.34	--	1993-94
Bihar State Credit and Investment Corporation Ltd.	73.59	(-)126.49	2001-02
Bihar State Text Book Publishing Corporation Ltd.	6.33	1.62	1996-97
Bihar State Film Development and Finance Corporation Ltd.	1.15	(-)0.12	1991-92
Bihar State Beverages Corporation Ltd.	5	---	---
Bihar State Water Development Corporation Ltd.	59.68	(-)11.20	1978-79
Bihar State Dairy Corporation Ltd.	8.48	(-)9.00	1991-92

**Table 7.57 : (Contd.)**

Bihar Hill Area Lift Irrigation Corporation Ltd.	18.55	(-)0.86	1982-83
Bihar State Agro Industries Development Corpn. Ltd.	20.17	(-)14.16	1986-87
Bihar Fruit and Vegetables Development Corpn. Ltd.	3.22	(-)5.13	1991-92
Bihar Insecticides Ltd.	2.11	(-)1.03	1986-87
Bihar State Small Industries Corporation Ltd.	19.41	(-)16.56	1990-91
Bihar State Industiral Development Corporation Ltd.	83.24	(-)22.91	1986-87
Bihar Scooters Ltd.	7.72	...	...
Bihar Paper Mills Ltd.	18.49	(-)0.31	1985-86
Bihar State Finished Leather Corporation Ltd.	10.65	(-)2.13	1983-84
Bihar State Glazed Tiles and Ceramics Industries Ltd.	4.81	(-)0.51	1985-86
Vishwamitra Paper Industries Ltd.	1.96	(-)0.01	1984-85
Jhanjharpur Paper Industries Ltd.	1.54	(-)0.02	1985-86
Bihar State Tannin Extracts Ltd.	3.71	(-)0.67	1988-89
Bihar Solvent and Chemical Ltd.	1.97	(-)0.32	1986-87
Synthetic Resins (Eastern) Ltd.	1.36	(-) 0.73	1983-84
Magadh Minerals Ltd.	0.47	...	...
Bhawani Active Carbon Ltd.	0.09	(-)0.01	1985-86
Bihar State Leather Industries Development Corporation Ltd.	24.13	(-)2.92	1982-83
Bihar State Construction Corporation Ltd.	80.05	(-)2.79	1986-87
Kumardhubi Metal Casting and Engineering Ltd.	8.8	(-)8.16	1994-95
Beltron Video System Ltd.	9.56	(-)0.22	1987-88
Beltron Mining System Ltd.	2.48	(-)0.49	1989-90
Beltron Informatics Ltd.	0.28	....	.....
Bihar State Textile Corporation Ltd.	7.62	(-)0.32	1987-88
Bihar State Handloom and Handicrafts Corporation Ltd.	11.16	(-)0.44	1983-84
Bihar State Sugar Corporation Ltd.	342.95	(-)72.31	1984-85
Bihar State Cement Corporation Ltd.	0.03	....	
Bihar State Pharmaceuticals and Chemicals Development Corporation Ltd.	19.28	(-)0.74	1985-86
Bihar Maize Products Ltd.	0.02	(-)0.06	1983-84
Bihar Drugs and Chemicals Ltd.	5.28	(-)0.16	1985-86
Bihar Panchayati Raj Financial Corporation Ltd.	1.07	(-)0.03	1984-85
Bihar State Export Corporation Ltd.	3.22	(-) 0.95	1991-92
<b>Total</b>	<b>8703.61</b>	<b>-2968.81</b>	

## 7.22 Disparity in Government Expenditure on Social Sectors across the Districts

The last Economic Survey had pointed out the disparities that existed between the districts in the state in respect of the state government expenditure on health and educational sectors. This year the analysis has been extended into more sectors. The treasurywise data were analysed to ascertain accurately the expenditure incurred by the state government in the districts under social sector heads.

From Table 7.58, we can see that, in 2007-08, 67 percent of the total state government revenue expenditure on education were made on primary education, followed by 17 percent in secondary education and 14 percent on university and higher education. This signifies the priorities the state government places upon primary education. In medical and public health, 50 percent of the total expenditure were made on rural areas, as compared to 46 percent last year, followed by 30 percent on urban areas and 10 percent on medical training and research and the rest 6 percent on public health. This again reflects the state government's priorities in the sphere of healthcare in favour of rural areas where adequate facilities do not exist.

**Table 7.58 : Government Revenue Expenditure on Education and Health**

	2005-06	2006-07	2007-08
<b>General Education</b>	<b>100</b>	<b>100</b>	<b>100</b>
Primary	64	63	67
Secondary	16	20	17
Higher Education and Others	18	16	14
Others (Adult Education etc)	1	1	2
<b>Medical and Public Health</b>	<b>100</b>	<b>100</b>	<b>100</b>
Urban	37	38	40
Rural	49	46	50
Public Health	4	6	2
Medical Research and Training	10	10	8

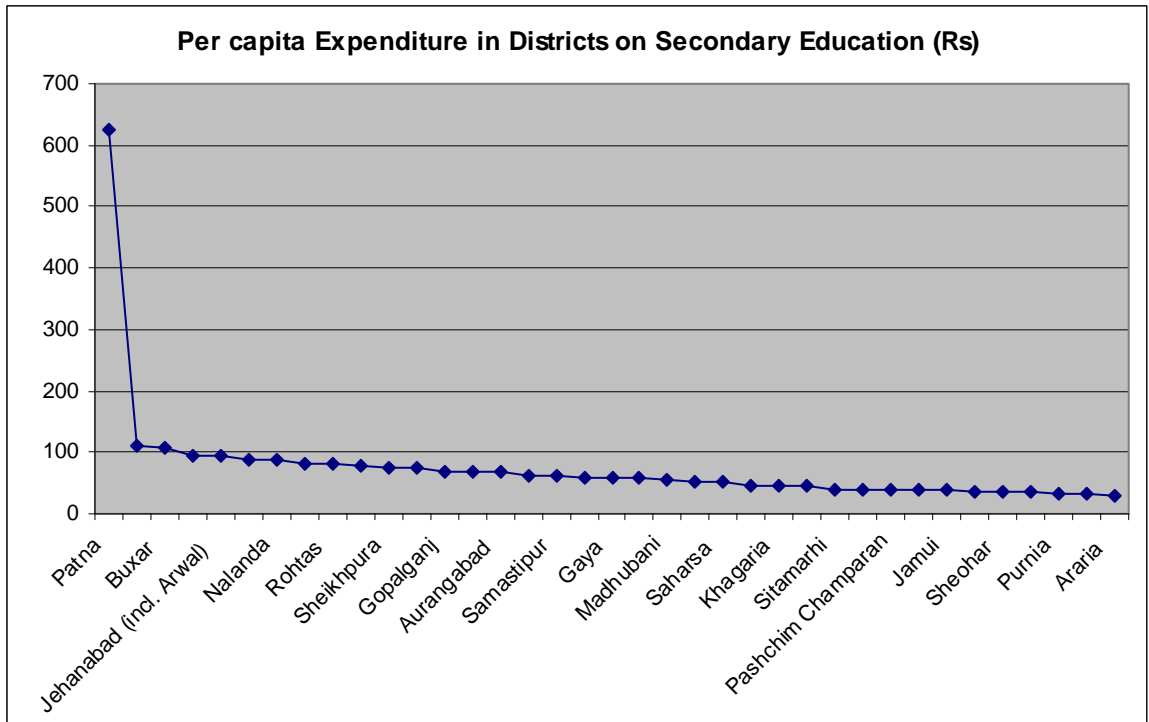
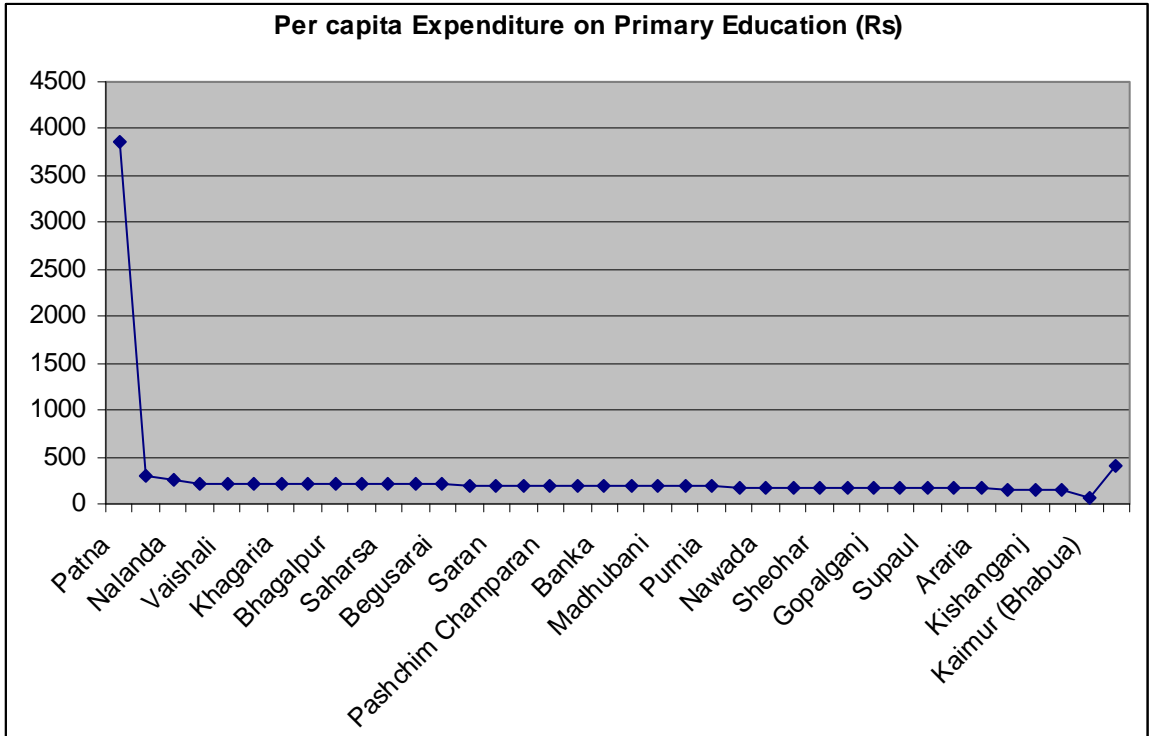
Table 7.59 and the accompanying charts show the districtwise per capita expenditure in 2007-08 on the sub-major heads of primary, secondary and higher education across all the districts of Bihar as well as for health and supply of drinking water. All these are key components of the expenditure on social sector. The extent of disparity between the per capita expenditure in Patna and in the other districts of Bihar is found to be very large in all these areas, and it has not been reduced compared to the last year. The data have been arranged in Table 7.59 in descending order and the maximum and minimum expenditure can be readily compared with the average expenditure that has been worked out for each sub-major head of accounts.

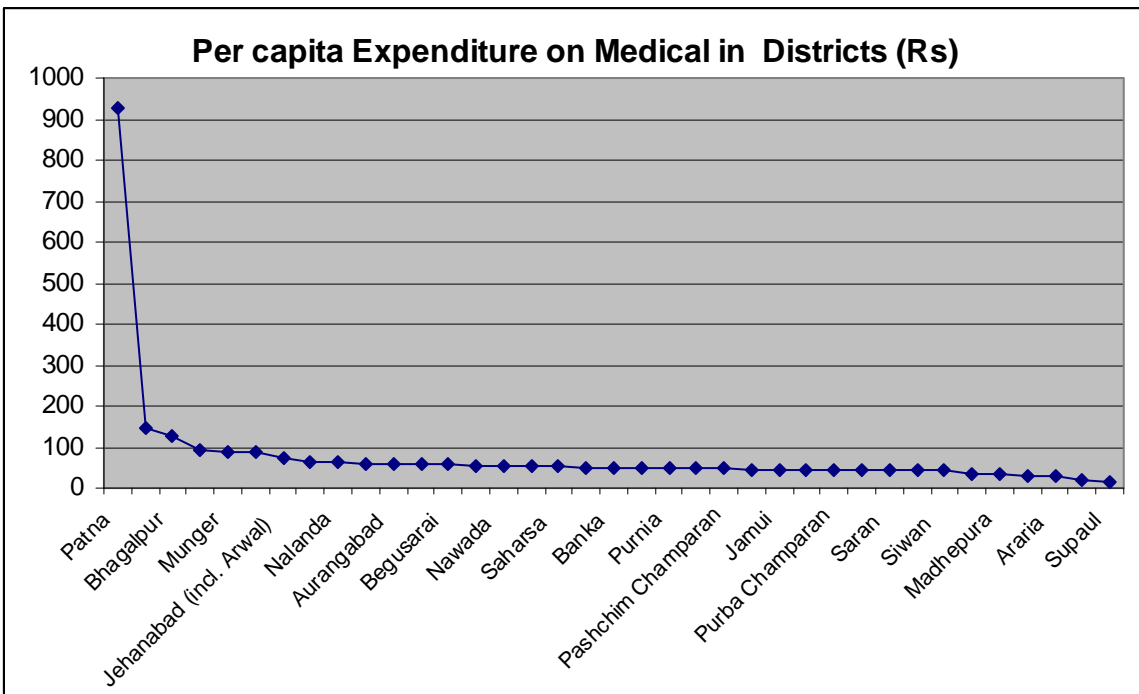
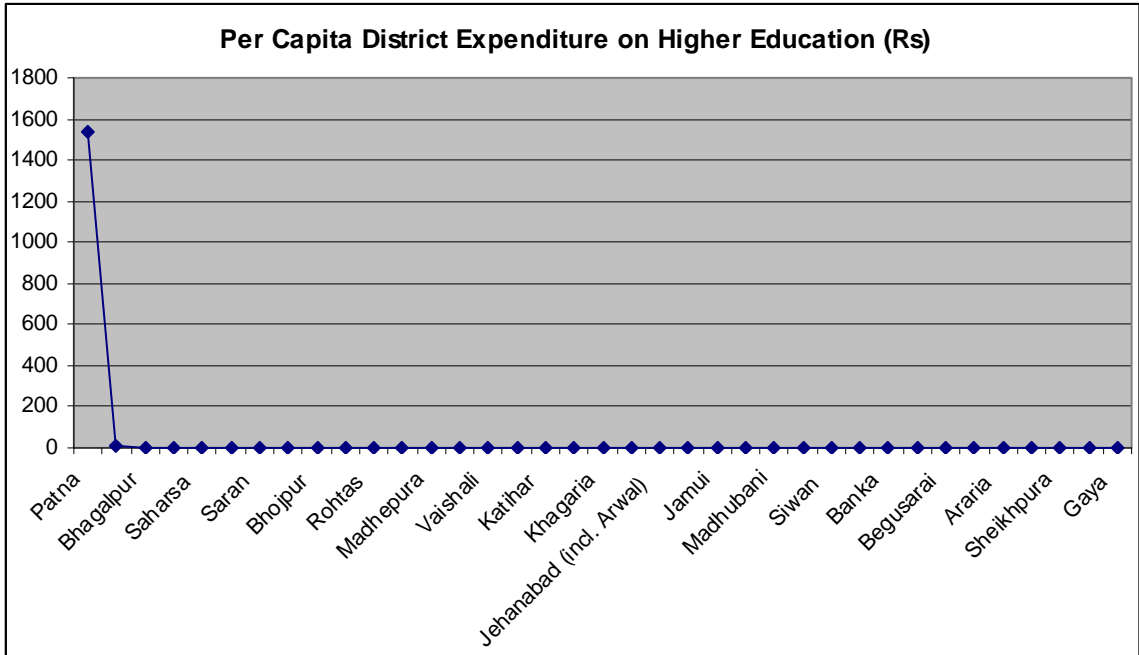
Table 7.60 shows the districtwise expenditure in respect of a few other heads and Table 7.61 shows the per capita amounts for the same, worked out on the estimated mid-year population for 2007-08. These tables and the accompanying chart also show that the extent of disparity remains equally conspicuous in respect of these heads.

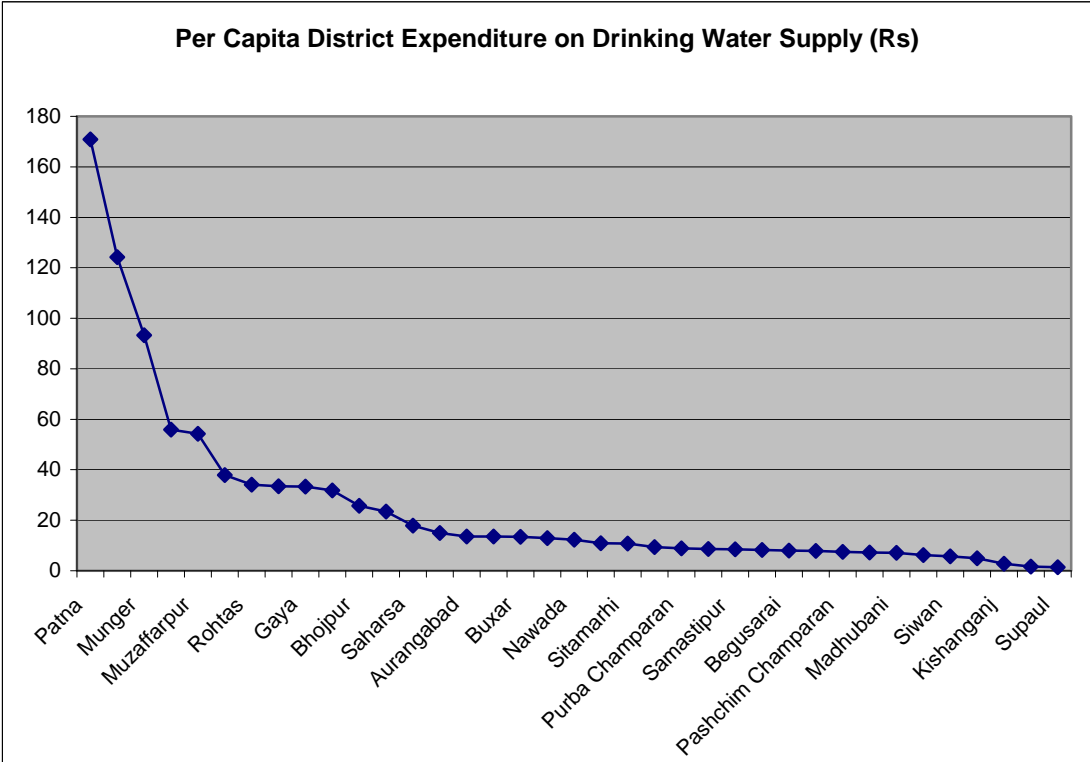
**Table 7.59 : Per capita Expenditure on Social Sectors (Rs), 2007-08**

Primary Education	Secondary Education	Higher Education	Medical	Drinking Water Supply	Primary Education	Secondary Education	Higher Education	Medical	Drinking Water Supply
District	Per capita Expenditure	District	Per capita Expenditure	District	Per capita Expenditure	District	Per capita Expenditure	District	Per capita Expenditure
Patna	3867.18	Patna	625.94	Patna	1532.61	Patna	927.23	Patna	170.86
Munger	288.88	Munger	111.34	Munger	6.31	Darbhanga	145.08	Bhagalpur	124.28
Nalanda	265.81	Buxar	106.47	Bhagalpur	3.54	Bhagalpur	127.15	Munger	93.28
Jehanabad	229.82	Jehanabad	98.69	Muzaffarpur	3.08	Jehanabad	99.44	Darbhanga	55.91
Madhepura	221.89	Bhojpur	95.94	Saharsa	2.91	Gaya	92.48	Muzaffarpur	54.28
Vaishali	221.10	Bhagalpur	87.93	Aurangabad	2.76	Munger	86.09	Sheikhpura	37.90
Aurangabad	217.63	Nalanda	87.73	Saran	2.41	Muzaffarpur	85.39	Rohtas	34.16
Khagaria	213.14	Arwal	85.01	Samastipur	2.13	Sheikhpura	62.80	Purnia	33.52
Bhojpur	212.17	Saran	80.16	Bhojpur	2.01	Nalanda	61.47	Gaya	33.30
Bhagalpur	211.88	Rohtas	79.79	Nalanda	1.85	Gopalganj	60.73	Saran	31.76
Rohtas	211.00	Lakhisarai	77.62	Rohtas	1.60	Aurangabad	59.78	Bhojpur	25.74
Saharsa	210.43	Sheikhpura	76.04	Jehanabad	1.53	Bhojpur	56.77	Jehanabad	25.64
Muzaffarpur	209.31	Siwan	73.70	Kishanganj	1.28	Begusarai	56.10	Nalanda	23.48
Begusarai	204.79	Gopalganj	69.10	Madhepura	1.20	Lakhisarai	55.46	Saharsa	17.87
Saran	200.63	Muzaffarpur	68.25	Purnia	1.19	Nawada	55.31	Aurangabad	13.51
Lakhisarai	199.79	Aurangabad	67.80	Vaishali	0.93	Samastipur	51.95	Banka	13.51
West Champaran	194.54	Begusarai	61.47	Supaul	0.93	Saharsa	51.39	Buxar	13.49
Buxar	194.52	Samastipur	60.58	Katihar	0.88	Khagaria	51.06	Kaimur (Bhabua)	12.92
Banka	194.22	Vaishali	58.55	Gopalganj	0.85	Banka	50.59	Nawada	12.31
Samastipur	191.34	Gaya	57.67	Khagaria	0.65	Rohtas	48.82	Jamui	10.89
Madhubani	188.37	Nawada	57.04	Nawada	0.65	Purnia	48.67	Sitamarhi	10.83
Darbhanga	182.57	Madhubani	56.39	Buxar	0.52	Vaishali	48.45	Vaishali	9.41
Purnea	181.37	Darbhanga	51.78	Jamui	0.52	Pashchim Champaran	47.78	Purba Champaran	8.86
Katihar	180.24	Saharsa	51.14	Pashchim Champaran	0.49	Madhubani	45.08	Khagaria	8.58
Nawada	179.36	Banka	46.93	Madhubani	0.47	Jamui	44.57	Samastipur	8.50
Siwan	178.72	Khagaria	46.45	Purba Champaran	0.45	Katihar	44.33	Gopalganj	8.23
Sheohar	173.09	Madhepura	46.36	Siwan	0.41	Purba Champaran	43.03	Begusarai	7.95
Sheikhpura	170.98	Sitamarhi	40.37	Sitamarhi	0.34	Sitamarhi	43.02	Katihar	7.85
Gopalganj	170.35	Katihar	40.04	Banka	0.26	Saran	42.93	Pashchim Champaran	7.45
East Champaran	169.33	Pashchim Champaran	39.24	Darbhanga	0.23	Buxar	42.61	Madhepura	7.27
Supaul	165.00	Supaul	38.44	Begusarai	0.18	Siwan	42.57	Madhubani	7.16
Sitamarhi	164.66	Jamui	38.15	Arwal	0.00	Arwal	42.32	Araria	6.18
Arwal	164.15	Kaimur (Bhabua)	36.77	Sheohar	0.00	Kishanganj	34.95	Siwan	5.76
Araria	160.65	Sheohar	36.75	Araria	0.00	Madhepura	34.20	Lakhisarai	4.98
Gaya	153.36	Purba Champaran	36.28	Lakhisarai	0.00	Sheohar	30.57	Kishanganj	2.82
Kishanganj	151.49	Purnia	33.59	Sheikhpura	0.00	Araria	29.26	Sheohar	1.66
Jamui	145.76	Kishanganj	31.84	Kaimur (Bhabua)	0.00	Kaimur (Bhabua)	20.18	Supaul	1.35
Kaimur	66.68	Araria	30.34	Gaya	0.00	Supaul	14.16	Arwal	0.00
<b>State Average</b>	<b>399.72</b>	<b>State Average</b>	<b>91.79</b>	<b>State Average</b>	<b>88.25</b>	<b>State Average</b>	<b>107.54</b>	<b>State Average</b>	<b>31.06</b>







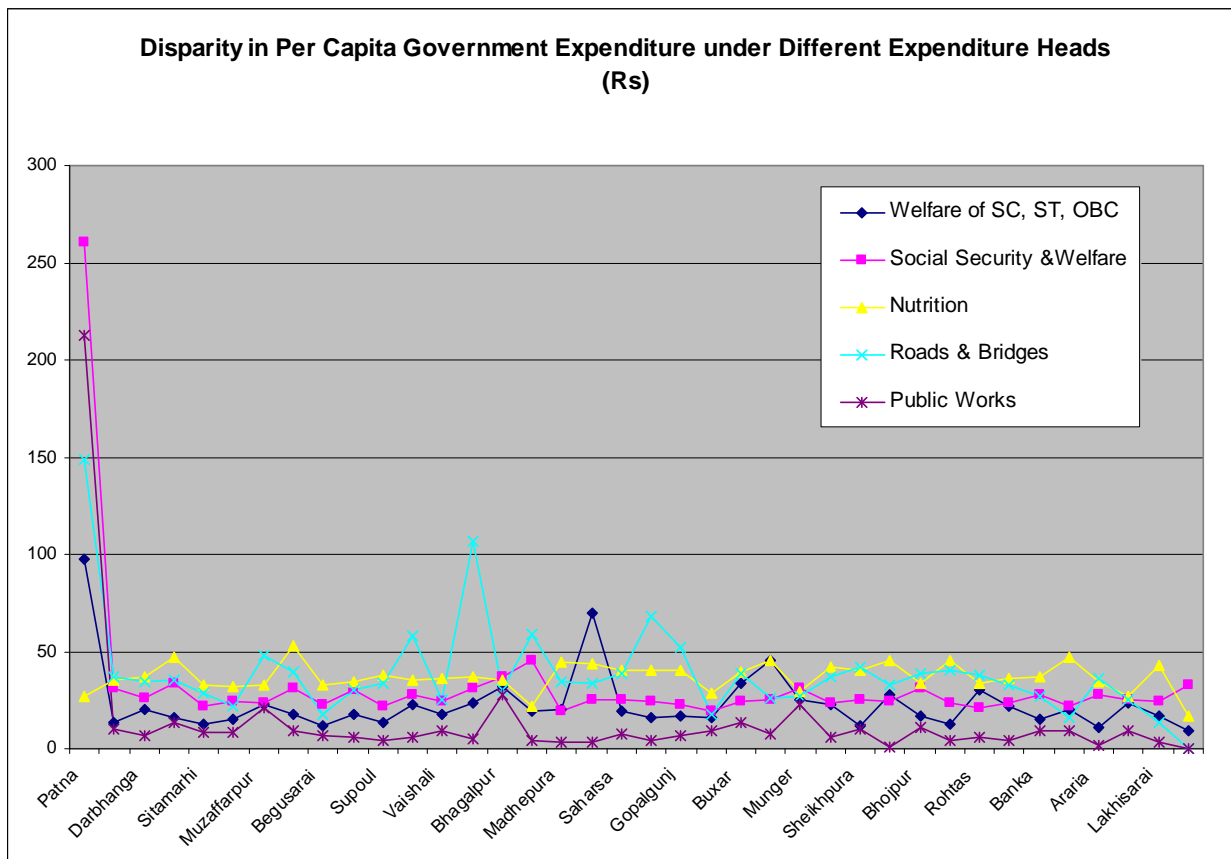


**Table 7.60 : District wise expenditure on Some Other Social Sectors during 2007-2008 (Rs.Crore)**

	Population (Crore)	Welfare of SC, ST, OBC	Social Security & Welfare	Nutrition	Roads & Bridges	Public Works
Patna	0.55	54.06	144.11	14.96	82.03	117.72
Darbhanga	0.39	7.78	10.22	14.16	13.22	2.52
Samastipur	0.40	5.90	9.68	12.78	8.71	3.36
Muzaffarpur	0.44	9.95	10.31	14.28	20.89	9.13
Sitamarhi	0.31	4.05	6.85	10.32	8.89	2.58
E. Champaran	0.36	6.21	10.97	18.78	14.08	3.15
Khagaria	0.15	2.41	4.99	7.12	5.28	2.00
Madhubani	0.42	7.22	12.85	14.29	12.69	2.34
W. Champaran	0.46	7.49	8.78	13.39	8.21	4.36
Begusarai	0.28	3.18	6.22	9.00	4.81	1.75
Vaishali	0.32	5.50	7.74	11.64	8.02	2.83
Nalanda	0.28	6.34	7.80	9.83	16.01	1.66
Gaya	0.41	18.49	10.20	18.30	10.61	3.16
Bhagalpur	0.28	9.15	10.53	10.10	8.55	7.97
Katihar	0.28	5.48	12.70	6.24	16.43	1.27
Siwan	0.32	4.97	7.83	12.90	21.63	1.43
Supoul	0.20	2.70	4.48	7.69	6.88	0.85
Sheohar	0.06	0.82	1.90	2.12	2.25	0.62
Saran	0.38	9.11	9.46	10.36	9.50	3.44
Gopalgunj	0.25	4.21	5.70	10.12	13.20	1.79
Purnea	0.30	6.67	7.09	12.47	10.93	1.64
Rohtas	0.29	8.66	5.97	9.73	10.86	1.64
Bhojpur	0.26	4.45	8.09	8.85	10.07	2.81
Madhepura	0.18	3.54	3.45	7.91	6.15	0.67
Saharsa	0.18	3.36	4.40	7.17	6.81	1.40
Araria	0.25	2.78	7.03	8.80	9.13	0.42
Aurangabad	0.24	4.69	5.24	11.14	3.86	2.27
Bhabua	0.15	10.59	3.87	6.55	5.09	0.49
Nawadah	0.21	4.57	5.07	7.69	6.91	0.97
Buxar	0.16	5.57	4.02	6.55	6.30	2.21
Banka	0.19	2.89	5.21	6.91	5.12	1.74
Jahanabad	0.11	2.48	3.38	4.01	11.47	0.55
Jamui	0.16	4.61	3.97	7.40	5.44	0.19
Kishanganj	0.15	1.89	3.58	6.93	6.11	0.60
Munger	0.13	3.31	4.11	3.90	3.64	3.05
Lakhisarai	0.09	1.54	2.32	4.01	1.30	0.32
Sheikhpura	0.06	0.74	1.58	2.46	2.58	0.60
Arwal	0.07	0.66	2.27	1.20	0.00	0.00
Total	9.73	248.02	383.98	352.07	403.66	195.51

**Table 7.61 : Districtwise Per Capita Expenditure during 2007-08 (Rupees)**

District Name	Welfare of SC, ST, OBC	Social Security & Welfare	Nutrition	Roads & Bridges	Public Works
Patna	97.75	260.59	27.04	148.34	212.88
Sheohar	13.53	31.44	34.98	37.20	10.27
Darbhanga	20.15	26.45	36.66	34.24	6.53
Khagaria	16.06	33.25	47.42	35.21	13.31
Sitamarhi	12.90	21.79	32.84	28.26	8.19
Samastipur	14.83	24.33	32.11	21.88	8.44
Muzaffarpur	22.66	23.47	32.52	47.58	20.80
E. Champaran	17.41	30.76	52.66	39.48	8.83
Begusarai	11.56	22.59	32.68	17.47	6.37
Madhubani	17.23	30.67	34.11	30.29	5.60
Supaul	13.30	22.09	37.86	33.89	4.17
Nalanda	22.82	28.08	35.39	57.63	5.99
Vaishali	17.27	24.29	36.55	25.16	8.89
Jahanabad	23.11	31.45	37.34	106.77	5.09
Bhagalpur	32.21	37.07	35.57	30.09	28.06
Katihar	19.54	45.30	22.26	58.61	4.52
Madhepura	19.80	19.31	44.20	34.39	3.72
Kaimur	70.10	25.59	43.37	33.70	3.27
Saharsa	18.98	24.90	40.59	38.55	7.94
Siwan	15.64	24.62	40.54	67.98	4.49
Gopalgunj	16.71	22.58	40.11	52.31	7.09
W. Champaran	16.21	19.02	28.99	17.79	9.44
Buxar	33.87	24.49	39.82	38.33	13.43
Gaya	45.42	25.07	44.96	26.07	7.76
Munger	24.81	30.81	29.22	27.27	22.91
Purnea	22.36	23.77	41.84	36.67	5.51
Sheikhpura	12.07	25.63	40.02	41.83	9.79
Jamui	28.13	24.22	45.16	33.19	1.18
Bhojpur	16.92	30.76	33.65	38.29	10.67
Kishanganj	12.44	23.55	45.64	40.20	3.93
Rohtas	30.14	20.80	33.88	37.81	5.72
Nawada	21.55	23.91	36.26	32.60	4.56
Banka	15.34	27.65	36.64	27.15	9.23
Aurangabad	19.87	22.20	47.24	16.35	9.63
Araria	10.99	27.80	34.80	36.08	1.65
Saran	23.92	24.85	27.22	24.94	9.03
Lakhisarai	16.39	24.69	42.66	13.83	3.44
Arwal	9.38	32.42	17.11	0.00	0.00
<b>State</b>	<b>25.50</b>	<b>39.47</b>	<b>36.19</b>	<b>41.50</b>	<b>20.10</b>



Patna district of course accounted for the maximum expenditure for each of these heads, but the difference between the maximum and minimum expenditure was large enough to be cause of serious concern, as shown below in table 7.62. In the above analysis, expenditure made on various Centrally Sponsored social sector programmes like NRHM, SSA, SGSY etc. have not been considered, but that would affect the pattern of disparity as shown in the above analysis only marginally, if at all. Also the expenditure made on the headquarters of various State Government Departments like Education, Health etc. located mostly at Patna have not been allocated among the districts which would perhaps reduce the disparity level to a small extent.

**Table 7.62 : Per Capita Minimum and Maximum District Expenditure during 2007-08**

Head of Account	Maximum Expenditure (Patna district) (Rs.)	Minimum Expenditure (Rs.)	District registering minimum per capita Expenditure	Average expenditure for the State (Rs.)
Primary Education	3867.18	66.68	Kaimur	399.72
Secondary Education	625.94	30.34	Araria	91.79
Higher Education	1532.61	0.00	Arwal, Sheohar, Araraia, Kaimur, Lakhiserai, Sheikhpura, Gaya	88.25
Medical	927.23	14.16	Supaul	107.54
Drinking Water Supply	170.86	0.00	Arwal	31.06
Welfare of SC, ST, OBC	97.75	9.38	Arwal	25.50
Social Security & Welfare	260.59	19.02	West Champaran	39.47
Nutrition	27.04	17.11	Arwal	36.19
Roads & Bridges	148.34	0.00	Arwal	41.50
Public Works	212.88	0.00	Arwal	20.10

**7.23 : Panchayati Raj Institutions**

The Bihar Panchayati Raj Act was enacted in 1993 and was substituted by the Bihar Panchayat Raj Act, 2006. A three-tier system of Panchayat Raj (Zila Parishad, Panchayat Samiti and Gram Panchayat) started functioning from 2001-02.

There are 38 Zila Parishads (ZPs), 531 Panchayat Samitis (PSs) and 8471 Gram Panchayats (GPs) in Bihar. The total population covered by these is about 7.43 crore. The Panchayat Raj Department (PRD) of the state government coordinates the functioning of the PRIs. As required under Article 243G of the Constitution, by 2005, the state government had devolved several functions of 20 departments to PRIs, though the process of transfer of functions, functionaries and funds to PRIs by these departments is yet to be completed. The list of such departments can be found at Appendix I.

PRIs are financed by grants from the central government, besides recurring and non-recurring grants released by the state government and its own sources of revenue. The Panchayat Samities and Gram Panchayats are yet to raise revenue from their own sources and the state government had not yet taken the necessary action by way of notifying the rates of taxes, tolls, fees etc. to be imposed by them, as per the recommendation of the second State Finance Commission (SFC). The financial assistance to PRIs and Urban Local Bodies (ULB) during the last 6 years is shown in Table 7.63.

**Table 7.63 : Financial Assistance to PRIs and ULBs**

	(Rs crore)					
	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
ULBs: Municipal Corporation and Municipalities	67.22	42.90	38.95	139.45	122.87	278.37
PRIs: Zila Parishads and Other PR Institution	69.28	34.49	153.72	379.22	522.25	834.28

The Zila Parishads are authorised to raise a small amount of revenues from its own resources like rent of shops, rent of Dak Bungalow/ Inspection Bungalow, settlement of ponds/ghats/ferries/road side land and trees, bullock cart registration fee and other miscellaneous fees. The Zila Parishads naturally were unable to meet their establishment and other recurring charges from their own sources and had to be financed by the state government by way of grants and loans amounting to Rs 834 crore in 2007-08. Compared to this, the total assistance given to the ULBs amounted to Rs 278 crore in 2007-08. The PRIs were yet to maintain any account of the funds received; they clearly lack the accounting expertise necessary for this purpose. In the absence of this, the financial reporting system with the PRIs remains generally weak. The funds released by the central and state governments are utilized by the ZPs, PSs and GPs for activities specified under Section 22, 47 and 73 of the Panchayat Raj Act, 2006 pertaining to civic amenities in rural areas.

#### Finances of the Panchayat Raj Institutions

Appendices II, III and IV give the position of receipts and expenditure of 12 Zila Parishads (1996-97 to 2005-06), 65 Panchayat Samities (2001-02 to 2005-06) and 195 Gram Panchayats (2001-02 to 2005-06) which were audited by the Examiner of Local Accounts, Bihar for the period from 1996-97 to 2005-06. The summary of receipts and expenditure of these institutions is given in Table 7.64. It can be seen that about 14 percent of the total funds received could not be utilised by the PRIs.

**Table 7.64 : Receipts and Expenditure of PRIs till 2005-06**

	(Rs crore)				
PRIs	Total Own Receipts	Total Receipts	Total Expenditure	Total Establishment Expenditure	Savings = Receipts - Expenditure
12 ZP (out of 38)	33.96	419.17	361.72	27.39	57.45
65 PS (out of 531)	Nil	110.14	90.01	NA	20.13
195 GPs (out of 8471)	Nil	46.76	42.60	NA	4.16



Table 7.65 shows the summary of the total works executed by these PRIs in Bihar till 2006-07. It can be seen that about 33 percent of the total number of works remain incomplete as on March 2007, involving a total advance of Rs 74.05 crore.

**Table 7.65 : Summary of Total Works executed by PRIs till 2005-06**

	Total no. of works undertaken	Total no. of works completed	No of Incomplete Schemes	Estimated Cost of Incomplete Schemes (Rs Cr)	Advance Involved in Incomplete Schemes (Rs Cr)
12 ZP (out of 38)	7047	3837	3210	28.86	39.38
65 PS (out of 531)	8703	5154	3549	44.32	26.71
195 GPs (out of 8471)	12113	9756	2357	11.93	7.96

As per Section 134 of the Bihar Panchayat Raj Act, 1993, the state government is to constitute a District Planning Committee in every district to consolidate the plans prepared by the PRIs and ULBs in the district and to prepare a draft development plan for the district as a whole. The rules regarding constitution of the committee, its powers, functions and jurisdictions were notified by the state government in January 2007. The District Planning Committees are being constituted in all districts.

#### Central and State Finance Commission Grants

The central grants to PRIs are given under recommendations of the successive Central Finance Commissions and the state government grants under recommendations of the successive State Finance Commissions (SFC). The grants received by the above PRIs under recommendations of the Tenth, Eleventh and Twelfth Central Finance Commissions are shown in Appendices II to IV. As regards the SFC transfers, the first State Finance Commission (SFC) constituted in 1994 did not make any recommendation. The second State Finance Commission, constituted in June 1999, submitted five interim reports mainly on the distribution of Tenth FC and Eleventh FC grants to Gram Panchayats, Panchayat Samitis and Zila Parishads in the ratio of 93:6:1 respectively. The 'Population ratio' was also recommended as criteria for distribution among Panchayat Samitis and Zila Parishads. The state government had accepted the above recommendations. The third SFC was constituted in June 2004 and it submitted its report the same year incorporating all interim recommendations of the previous Commissions.

Its major recommendations were as follows :

- (i) An amount not exceeding 3 percent of the State's total tax revenue from its own taxes net of the collection costs shall be set apart in the annual budget for providing matching share to each urban local body and Zila Parishads among the rural local bodies.
- (ii) The State Government will distribute this amount among the local bodies as a matching contribution to the total resources raised by the said urban local bodies and the Zila Parishads in the immediately preceding financial year from its own sources and will be based on actual collection. For the purpose of this clause the resources raised by a Zila Parishad shall include the resources raised by the Panchayat Samitis and Gram Panchayats within its local jurisdiction.
- (iii) The matching contribution mentioned above shall be limited to an amount equal to the resources raised by the urban local bodies and Zila Parishads as referred to above. In case the resources raised by the local bodies exceed the amount of 3 percent above referred then every local body shall get a proportionate share only weighted by the resources raised by itself within the 3 percent limit.
- (iv) The Zila Parishad concerned shall make a further devolution from the matching contribution so received to the rural local bodies within its jurisdiction in the same manner as the resources raised are calculated for that particular financial year.
- (v) The local bodies need to create some revenue generating assets in respect of their future needs. The commission suggests that the PRIs and the ULBs may seek financial help from the financial institutions without any Government guarantee to promote the revenue generating projects such as market complex, shops, high level bridges, slaughter house, tanneries, bus stops etc.
- (vi) The actual salary requirements of regular employees working against sanctioned posts should be borne by the state government. For this purpose the current annual salary liability of the local body in the financial year immediately preceding the year in which the report of the Commission is implemented should be taken as the base year and the base amount. Current liability shall not include arrears of salary, if any. There shall be 20 percent tapering each year.
- (vii) The Commission also recommended a one time grant to these bodies for developing their database.

### Grants for Centrally Sponsored Schemes

The PRI institutions receive grants not only through the central and state Finance Commissions recommendations, but also directly from the central government for various Centrally Sponsored Schemes which are not routed through the state government budget. Since there is no comprehensive database for the PRIs in Bihar developed so far, we have no source from where to gather information about the total amount of grants flowing to them for the Centrally Sponsored schemes. The Examiner of Local Accounts, Bihar is attempting to build a database gradually based on their audit results of few Panchayats every year and the information in respect of 12 Zila Parishads, 65 Panchayat Samities and 195 Gram Panchayats are available from this database. On the basis of information published by him in his latest report for 2006-07, the information about the grants received by the PRIs under the various Finance Commission grants and under the Centrally Sponsored Schemes are presented in Table 7.66, 7.67 and 7.68 for the period from 1996-97 to 2005-06.

**Table 7.66 : Grants for 12 Zila Parishads (1996-97 to 2005-06)**

(Rs crore)				
Sl. No.	Fund Particulars	Receipt including Outstanding Balance	Expenditure	Balance
1	10th FC	19.84	19.73	0.11
2	11th FC	115.35	113.52	1.83
3	12th FC	93.60	59.38	34.22
4	EAS/SGRY	107.68	100.39	7.29
5	NREGP/SREGP	5.65	3.60	2.05
6	MP/MLA/MLC	13.33	11.62	1.71
7	Other non-recurring grants	29.76	26.09	3.67
8	Govt. grant and loan and own receipt for establishment expenses.	33.96	27.39	6.57
	Total	419.17	361.72	57.45

The other non-recurring grants received were from the state government, besides additional central assistance for construction of Gram Panchayat buildings. The state government grants included those from the Panchayati Raj Department for repair/renovation of Inspection bungalows/Dak bungalows, repair and maintenance of roads, from the state Education Department for construction of Primary School buildings and providing water and toilet facilities in Primary/Middle Schools as also from the Agriculture Department for Macromode schemes and from the Revenue Department as road cess.

**Table 7.67 : Grants for 65 Panchayat Samities (2001-02 to 2005-06)**

(Rs crore)

Sl. No.	Nature of grant	Receipt including Outstanding Balance	Utilisation	Balance
1	10th FC	0.89	0.78	0.11
2	11th FC	5.74	4.20	1.54
3	12th FC	1.23	0.34	0.89
4	EAS/SGRY	101.59	84.53	17.06
5	NREGP	0.58	0.06	0.52
6	OTHERS	0.11	0.10	0.01
	Total	110.14	90.01	20.13

**Table 7.68 : Grants for 195 Gram Panchayats : 2001-02 to 2005-06**

(Rs crore)

Sl. No.	Particulars of grants	Receipt including OB	Expenditure	Balance
1	10th FC	2.26	2.05	0.21
2	11th FC	11.95	11.05	0.90
3	12th FC	3.27	2.53	0.74
4	EAS/SGRY	26.69	24.77	1.93
5	NREGP	0.05	Nil	0.05
6	PHED/Shiksha Mitra/ Lok Shiksha/MLA etc.	2.53	2.19	0.34
	Total	46.76	42.59	4.16

The major constraints faced in respect of PRIs is the absence of any reliable and comprehensive database regarding the physical and financial assets of these institutions. This is largely due to the lack of any training and accounting infrastructure and lack of awareness. Despite the best efforts of the state government, these inherent constraints are making the task of building such a database extremely difficult.

**Appendix I : Details of function devolved by 20 Departments to PRI**

Sl. No	Activity	Number of functions transferred to		
		GPs	PSs	ZPs
1	Agriculture	4	6	6
2	Revenue and Land Development	10	1	Nil
3	Water Resources (Minor Irrigation)	8	3	2
4	Animal Husbandry and Fishery	10	3	8
5	Forest and Environment	5	5	5
6	Industry	6	6	6
7	Public Health Engineering	3	3	4
8	Rural Development	3	2	1
9	Rural Engineering (Road, Bridge, Culvert etc.)	1	1	2
10	Energy	3	3	3
11	Primary Education	9	8	7
12	Adult Education	1	1	1
13	Literacy	1	1	1
14	Cultural Activities	3	2	3
15	Medical	1	1	Nil
16	Family Welfare	1	1	Nil
17	Social Welfare	5	5	5
18	Welfare of Handicapped	2	4	4
19	Public Distribution System	2	3	3
20	Relief and Rehabilitation	1	1	Nil
	<b>Total</b>	<b>79</b>	<b>60</b>	<b>61</b>

**Appendix II : Receipts and Expenditure of Zila Parishads**

(Rs crore)

Sl. No.	Name of ZP	Receipts								
		Xth FC	XIth FC	XIIth FC	EAS/ JRY/ SGRY	NREGP	MP/ MLA/ MLC	Other scheme	Own receipt	Total Receipts
1	Jahanabad	0.98	4.48	3.4	6.5	nil	0.47	1.35	1.69	18.87
2	Arwal	0.01	1.78	1.39	4.82	3.05	0.75	0.57	0.23	12.6
3	Nalanda	2.77	12.76	9.52	14.86	1	5.95	2.88	9.52	59.26
4	Saran	3.7	17.25	12.72	14.17	Nil	Nil	1.97	5.21	55.02
5	Supaul	2.02	11.48	6.95	14.27	Nil	0.32	3.21	1.54	39.79
6	Siwan	3.25	18.44	11.27	8.65	Nil	1.83	2.44	3.57	49.45
7	Darbhanga	3.69	16.85	12.66	0.05	Nil	Nil	3.64	3.5	40.39
8	Rohtas	2.75	12.85	9.45	9.05	1	1.4	6.15	3.09	45.74
9	Kaimur	0.02	1.31	5.78	9.57	Nil	0.67	2.95	3.59	23.89
10	Sheikhpura	0.6	4.26	2.06	9.09	0.6	0.26	0.59	0.18	17.64
11	Lakhisarai	0.01	2.33	3.07	9.09	Nil	1.68	1.81	0.25	18.24
12	Madhubani	0.04	11.56	15.33	7.56	Nil	Nil	2.2	1.59	38.28
	<b>Total</b>	<b>19.84</b>	<b>115.35</b>	<b>93.6</b>	<b>107.68</b>	<b>5.65</b>	<b>13.33</b>	<b>29.76</b>	<b>33.96</b>	<b>419.17</b>

**Appendix II : (Contd.)**

Sl. No.	Name of ZP	Expenditure							Establishment Expenditure	Total Expenditure	Savings = Receipt-Expenditure
		Xth FC	XIth FC	XIIth FC	SGRY	NREGP	MP/ MLA	Other scheme			
1	Jahanabad	0.98	4.48	3.33	5.52	Nil	0.39	1.09	1.47	17.26	1.61
2	Arwal	Nil	1.79	1.39	4.77	3	0.73	0.14	0.24	12.06	0.54
3	Nalanda	2.76	12.67	9.34	12.76	Nil	5.25	2.26	8.6	5.64	5.62
4	Saran	3.69	17.18	12.48	13.59	Nil	Nil	2.56	3.7	53.2	1.82
5	Supaul	2.02	11.44	3.39	13.33	Nil	0.32	2.67	0.69	33.86	5.93
6	Siwan	3.25	17.51	5.62	8.65	Nil	1.82	2.2	3.19	42.24	7.21
7	Darbhanga	3.65	16.77	6.2	0.05	Nil	Nil	4.56	1.74	32.97	7.42
8	Rohtas	2.72	12.75	4.62	6.76	Nil	0.82	4.3	2.95	34.92	10.82
9	Kaimur	0.02	1.29	2.83	9.38	Nil	0.66	3.09	2.8	20.07	3.82
10	Sheikhpura	0.6	4	1.01	8.93	0.6	0.26	0.3	NA	15.7	1.94
11	Lakhisarai	0	2.31	1.53	9.21	Nil	1.37	1.32	0.27	16.01	2.23
12	Madhubani	0.04	11.33	7.64	7.44	Nil	Nil	1.6	1.74	29.79	8.49
	<b>Total</b>	<b>19.73</b>	<b>113.52</b>	<b>59.38</b>	<b>100.39</b>	<b>3.6</b>	<b>11.62</b>	<b>26.09</b>	<b>27.39</b>	<b>361.72</b>	<b>57.45</b>

**Appendix III : Receipt and Expenditure of Panchayat Samities (2001-02 to 2005-06)**

(Rs lakh)

Sl. No.	Name of P.S.	District	Receipt							Savings = Receipt-Expenditure
			Xth FC	XIth FC	XIIth FC	SGRY	NREP	Other	Total	
1	Siwan	Siwan	1.24	7.02	2.45	115.71	5.66	Nil	132.08	18.71
2	Mairwa	Siwan	0.57	3.25	1.13	118.52	Nil	Nil	123.47	30.92
3	Maharajganj	Siwan	1.05	6.19	2.07	99.88	4.74	Nil	113.93	19.24
4	Hussainganj	Siwan	1.13	6.41	2.24	141.11	Nil	Nil	150.89	7.44
5	Siswan	Siwan	0.92	4.55	1.82	91.65	Nil	Nil	98.94	9.26
6	Pachrukkhi	Siwan	1.61	31.97	2.46	128.86	6.65	Nil	171.55	25.33
7	Daraunda	Siwan	1.08	6.12	2.14	119.48	5.94	Nil	134.76	35.70
8	Darauli	Siwan	1.09	25.80	2.16	105.99	Nil	Nil	135.04	20.41
9	Basantpur	Siwan	0.63	14.90	1.25	56.94	Nil	Nil	73.72	9.24
10	Lakri Nivaganj	Siwan	0.81	4.60	1.60	72.37	Nil	Nil	79.38	14.38
11	Barhariya	Siwan	1.96	11.24	3.86	187.68	Nil	Nil	204.74	36.43
12	Guthani	Siwan	0.82	4.76	1.62	59.05	Nil	Nil	66.25	15.73
13	Ander	Siwan	0.72	4.08	1.43	110.70	Nil	Nil	116.93	23.23
14	Goriyakothi	Siwan	0.80	7.50	2.75	133.04	Nil	Nil	144.09	18.21
15	Raghunath pur	Siwan	1.03	26.75	2.04	107.60	Nil	Nil	137.42	15.19
16	Bhagwanpur Hat	Siwan	1.33	8.50	2.61	129.10	Nil	Nil	141.54	25.32
17	Mohania	Kaimur	1.34	11.14	2.31	237.17	Nil	Nil	251.96	13.01
18	Chand	Kaimur	0.78	4.64	1.33	139.50	Nil	Nil	146.25	11.44
19	Durgawati	Kaimur	2.53	5.24	1.54	143.69	Nil	Nil	153.00	6.40
20	Nuawn	Kaimur	0.73	3.82	1.25	104.11	Nil	Nil	109.91	2.85
21	Chainpur	Kaimur	2.07	9.68	1.90	176.28	Nil	Nil	189.93	9.96
22	Bhabhua	Kaimur	3.22	15.54	2.58	234.45	Nil	Nil	255.79	26.68
23	Ramgarh	Kaimur	0.80	8.45	1.37	134.11	Nil	Nil	144.73	13.85
24	Adhaura	Kaimur	0.37	1.04	0.59	121.05	Nil	Nil	123.05	3.65
25	Rampur	Kaimur	0.94	6.42	NA	107.20	Nil	Nil	114.56	8.19
26	Kudara	Kaimur	0.98	11.86	1.69	156.61	Nil	Nil	171.14	12.45
27	Bhagwanpur	Kaimur	1.16	2.85	0.86	146.33	Nil	Nil	151.20	80.26
28	Jehanabad	Jehanabad	0.97	4.38	1.66	178.53	19.14	Nil	204.68	25.02
29	Hulasganj	Jehanabad	0.93	3.01	Nil	96.43	Nil	Nil	100.37	5.92
30	Ratni Faridpur	Jehanabad	0.94	5.66	1.63	113.16	16.35	Nil	137.74	34.40
31	Madanganj	Jehanabad	0.85	2.73	0.92	89.53	Nil	Nil	94.03	1.70

32	Ghoshi	Jehanabad	1.07	3.46	1.17	121.06	Nil	Nil	126.76	4.13
33	Makdumpur	Jehanabad	1.42	8.31	2.48	273.07	Nil	Nil	285.28	50.26
34	Kako	Jehanabad	1.73	5.25	1.88	132.96	Nil	Nil	141.82	7.91
35	Pratapganj	Supaul	0.62	4.34	1.05	120.79	Nil	Nil	126.80	48.19
36	Nirmali	Supaul	0.46	2.59	0.78	142.24	Nil	Nil	146.07	80.07
37	Raghopur	Supaul	2.51	10.48	2.11	250.93	Nil	Nil	266.03	62.56
38	Saraigarh	Supaul	2.10	4.44	1.35	230.71	Nil	Nil	238.60	116.22
39	Kishanpur	Supaul	1.04	14.43	Nil	233.94	Nil	Nil	249.41	54.74
40	Pipara	Supaul	3.85	5.99	2.07	286.28	Nil	Nil	298.19	36.25
41	Triveniganj	Supaul	1.90	10.74	3.26	431.53	Nil	Nil	447.43	68.37
42	Supaul	Supaul	4.05	18.31	3.12	454.36	Nil	Nil	479.84	8.45
43	Marauna	Supaul	0.87	4.91	1.48	270.53	Nil	Nil	277.79	188.50
44	Chhatapur	Supaul	2.14	12.73	2.83	547.50	Nil	Nil	565.20	84.91
45	Basantpur	Supaul	NA	9.26	1.73	144.62	Nil	Nil	155.61	124.69
46	Pandaul	Madhubani	2.05	15.07	2.87	173.41	Nil	Nil	193.40	39.69
47	Rahika	Madhubani	1.48	6.25	2.53	156.16	Nil	Nil	166.42	6.71
48	Khajauli	Madhubani	0.85	7.07	2.72	169.78	Nil	Nil	180.42	20.06
49	Jainagar	Madhubani	1.04	9.57	NA	119.38	Nil	Nil	129.99	2.05
50	Basopatti	Madhubani	1.04	3.80	1.77	86.33	Nil	Nil	92.94	43.32
51	Madhwapur	Madhubani	2.64	14.40	1.49	90.04	Nil	Nil	108.57	8.84
52	Harlakhi	Madhubani	NA	5.34	1.99	44.19	Nil	Nil	51.52	37.82
53	Bisfi	Madhubani	2.01	12.80	3.43	126.20	Nil	11.29	155.73	32.09
54	Phulparas	Madhubani	1.16	8.41	1.70	119.48	Nil	Nil	130.75	42.90
55	Laukhi	Madhubani	1.61	12.74	2.13	91.29	Nil	Nil	107.77	42.00
56	Jhanjharpur	Madhubani	1.06	6.24	1.82	72.53	Nil	Nil	81.65	3.11
57	Lakhnaur	Madhubani	1.03	4.74	1.76	114.93	Nil	Nil	122.46	21.86
58	Babubarhi	Madhubani	1.33	7.98	2.28	150.53	Nil	Nil	162.12	4.49
59	Rajnagar	Madhubani	1.53	9.21	2.61	184.19	Nil	Nil	197.54	18.50
60	Madhepur	Madhubani	1.67	19.13	2.85	155.53	Nil	Nil	179.18	35.85
61	Ladaniya	Madhubani	1.13	6.37	1.80	112.19	Nil	Nil	121.49	23.10
62	Andhrathari	Madhubani	2.63	10.01	4.92	193.87	Nil	Nil	211.43	28.77
63	Ghoghardiha	Madhubani	1.85	6.66	1.87	113.21	Nil	Nil	123.59	25.60
64	Khutauna	Madhubani	1.28	9.95	NA	88.16	Nil	Nil	99.39	34.39
65	Benipatti	Madhubani	2.19	12.98	3.75	201.15	Nil	Nil	220.07	27.18
<b>Total</b>			<b>88.74</b>	<b>574.06</b>	<b>122.86</b>	<b>10158.90</b>	<b>58.48</b>	<b>11.29</b>	<b>11014.33</b>	<b>2013.30</b>



**Appendix III : (Contd.)**

Sl. No.	Name of P.S.	Expenditure						
		Xth F.C	XIth F.C	XIIth F.C.	SGRY	NREP	Other	Total
1	Siwan	1.23	6.93	1.15	104.06	Nil	Nil	113.37
2	Mairwa	0.49	2.30	Nil	89.76	Nil	Nil	92.55
3	Maharajganj	1.04	5.50	Nil	86.52	1.63	Nil	94.69
4	Hussainganj	1.10	5.27	1.98	135.10	Nil	Nil	143.45
5	Siswan	0.92	3.04	1.15	84.57	Nil	Nil	89.68
6	Pachrukhi	1.43	28.07	1.28	115.44	Nil	Nil	146.22
7	Daraunda	0.93	4.79	0.33	91.86	1.15	Nil	99.06
8	Darauli	0.99	25.55	Nil	88.09	Nil	Nil	114.63
9	Basantpur	0.63	14.86	Nil	48.99	Nil	Nil	64.48
10	Lakri Naviganj	0.81	3.83	Nil	61.16	Nil	Nil	65.00
11	Barhariya	1.94	10.74	0.15	155.48	Nil	Nil	168.31
12	Guthani	0.82	4.26	Nil	45.44	Nil	Nil	50.52
13	Ander	0.72	3.00	Nil	89.98	Nil	Nil	93.70
14	Goriyakothi	0.80	6.06	Nil	119.02	Nil	Nil	125.88
15	Raghnath pur	1.00	26.46	1.14	93.63	Nil	Nil	122.23
16	Bhagwanpur Hat	1.33	7.02	2.61	105.26	Nil	Nil	116.22
17	Mohania	1.34	10.92	1.95	224.74	Nil	Nil	238.95
18	Chand	0.78	1.46	Nil	132.57	Nil	Nil	134.81
19	Durgawati	2.53	5.14	1.27	137.66	Nil	Nil	146.60
20	Nuawn	0.73	3.71	0.20	102.42	Nil	Nil	107.06
21	Chainpur	2.05	9.48	1.81	166.63	Nil	Nil	179.97
22	Bhabhua	3.19	14.49	0.52	210.91	Nil	Nil	229.11
23	Ramgarh	0.80	8.42	Nil	121.66	Nil	Nil	130.88
24	Adhaura	0.32	0.96	Nil	118.12	Nil	Nil	119.40
25	Rampur	0.87	5.60	NA	99.90	Nil	Nil	106.37
26	Kudara	0.96	10.71	Nil	147.02	Nil	Nil	158.69
27	Bhagwanpur	1.13	2.18	Nil	67.63	Nil	Nil	70.94
28	Jehanabad	0.97	2.09	Nil	176.60	Nil	Nil	179.66
29	Hulasganj	0.81	1.44	Nil	92.20	Nil	Nil	94.45
30	Ratni Faridpur	0.90	2.46	Nil	96.91	3.07	Nil	103.34
31	Modanganj	0.80	2.62	Nil	88.91	Nil	Nil	92.33
32	Ghoshi	1.02	2.67	Nil	118.94	Nil	Nil	122.63

33	Makdumpur	1.42	6.30	Nil	227.30	Nil	Nil	235.02
34	Kako	1.70	2.94	Nil	129.27	Nil	Nil	133.91
35	Pratapganj	Nil	1.01	Nil	77.60	Nil	Nil	78.61
36	Nirmali	0.46	0.61	Nil	64.93	Nil	Nil	66.00
37	Raghopur	1.26	1.41	Nil	200.80	Nil	Nil	203.47
38	Saraigarh	1.76	1.54	1.00	118.08	Nil	Nil	122.38
39	Kishanpur	1.03	6.30	Nil	187.34	Nil	Nil	194.67
40	Pipara	3.51	3.73	Nil	254.70	Nil	Nil	261.94
41	Triveniganj	Nil	3.77	Nil	375.29	Nil	Nil	379.06
42	Supaul	3.90	11.44	3.35	452.70	Nil	Nil	471.39
43	Marauna	0.85	0.97	Nil	87.47	Nil	Nil	89.29
44	Chaatapur	1.66	5.23	Nil	473.40	Nil	Nil	480.29
45	Basantpur	NA	1.43	Nil	29.49	Nil	Nil	30.92
46	Pandaul	1.99	14.32	Nil	137.40	Nil	Nil	153.71
47	Rahika	1.20	5.13	0.93	152.45	Nil	Nil	159.71
48	Khajauli	0.66	6.29	2.72	150.69	Nil	Nil	160.36
49	Jainagar	0.92	7.81	NA	119.21	Nil	Nil	127.94
50	Basopatti	0.81	NA	Nil	48.81	Nil	Nil	49.62
51	Madhwapur	2.55	13.79	Nil	83.39	Nil	Nil	99.73
52	Harlakhi	NA	0.85	Nil	12.85	Nil	Nil	13.70
53	Bisfi	0.75	5.27	Nil	107.31	Nil	10.31	123.64
54	Phulparas	0.57	2.28	Nil	85.00	Nil	Nil	87.85
55	Laukhi	0.61	6.73	Nil	58.43	Nil	Nil	65.77
56	Jhanjharpur	0.91	5.03	0.92	71.68	Nil	Nil	78.54
57	Lakhnaur	0.92	5.17	Nil	94.51	Nil	Nil	100.60
58	Babubarhi	1.29	5.77	0.85	149.72	Nil	Nil	157.63
59	Rajnagar	1.53	.91	1.18	168.42	Nil	Nil	179.04
60	Madhepur	1.25	12.24	Nil	129.84	Nil	Nil	143.33
61	Ladaniya	1.28	3.59	1.18	92.34	Nil	Nil	98.39
62	Andhrathari	2.39	6.97	3.80	169.50	Nil	Nil	182.66
63	Ghoghardiha	1.82	4.85	Nil	91.32	Nil	Nil	97.99
64	Khutauna	1.23	5.69	NA	58.08	Nil	Nil	65.00
65	Benipatti	1.93	11.46	2.55	176.95	Nil	Nil	192.89
		<b>77.54</b>	<b>419.86</b>	<b>34.02</b>	<b>8453.45</b>	<b>5.85</b>	<b>10.31</b>	<b>9001.03</b>

**Appendix IV : Position of Finances of Gram Panchayats for the period 2001-02 to 2005-06 (Rs lakh)**

Sl. No.	Name of G.Ps.	Name of P.Ss.	Receipt						
			Xth FC	XIth FC	XIIth FC	SGRY	NREGP	Others	Total
1	Madhopur	Maharaj ganj	1.04	6.20	-	10.20	0.72	-	18.16
2	Patedha	-do-	1.04	5.68	1.76	7.01	0.26	0.77	16.52
3	Jigrawan	-do-	1.04	5.68	1.76	8.10	0.46	0.88	17.92
4	Dipha	Mairwa	1.04	6.18	1.76	9.65	-	-	18.63
5	Muriyari	-do-	1.04	6.02	1.76	10.49	-	0.90	20.21
6	Chotka Manjha	-do-	1.04	5.99	1.76	10.23	-	0.94	19.96
7	Rampali	Siwan	1.04	5.96	1.76	8.40	0.38	0.87	18.41
8	Makariyar	-do-	1.04	5.99	1.76	10.02	0.56	0.87	20.24
9	Nathuchhap	-do-	1.04	6.04	1.76	9.88	0.53	1.02	20.27
10	Chainpur Mubarakpur	Siswan	1.04	5.91	1.76	11.30	-	0.98	20.99
11	Bhikpur	-do-	1.04	5.67	1.76	10.18	-	0.95	19.60
12	Naya Gaon	-do-	1.04	5.59	1.76	9.30	-	0.83	18.52
13	Chanp	Hussain ganj	1.04	5.96	1.76	9.41	-	-	18.17
14	Harihas (West)	-do-	1.04	5.91	1.76	8.96	-	0.62	18.29
15	Machkana	-do-	1.04	5.73	1.76	6.91	-	-	15.44
16	Makhanpur	Pachrukhi	1.04	5.33	1.76	10.19	0.46	-	18.78
17	Sambhopur	-do-	1.04	5.96	1.76	10.05	0.56	-	19.37
18	Phalपुरa	-do-	1.04	6.04	1.76	9.53	0.39	-	18.76
19	Rajanपुरa	Daraunda	1.04	5.86	1.76	9.34	-	-	18.00
20	Karsant	-do-	1.05	5.91	1.76	8.79	0.45	-	17.96
21	Madsara	-do-	1.04	5.87	1.76	6.36	-	-	15.03
22	Harnahar	Darauli	1.04	5.99	1.76	10.78	-	1.14	20.71
23	Sarna	-do-	1.04	5.81	1.76	8.16	-	-	16.77
24	Amarpur	-do-	1.06	6.04	1.76	9.47	-	0.81	19.14
25	Bahadurpur	Barharia	1.04	6.01	1.76	11.01	-	0.77	20.59
26	Hariharpur Lalgargh	-do-	1.05	5.77	1.76	8.17	-	0.71	17.46
27	Pakari	-do-	1.04	5.63	1.76	7.99	-	-	16.42
28	Sonhua	Guthni	1.04	5.97	1.76	10.80	-	0.98	20.55
29	East Guthni	-do-	1.04	5.91	1.76	8.86	-	0.83	18.40
30	Balua	-do-	1.04	5.86	1.76	9.30	-	1.00	18.96
31	Bhopatpur	Lakri Naviganj	1.04	5.89	1.76	12.53	-	0.99	22.21
32	Khawaspur	-do-	1.04	6.89	1.76	10.18	-	0.86	20.73
33	Dumra	-do-	1.04	6.07	1.76	9.77	--	0.95	19.59
34	Asawan	Ander	1.04	5.81	1.76	7.91	-	0.96	17.48
35	Narendrapur	-do-	1.04	5.86	1.76	9.35	-	2.23	20.24
36	Khendain	-do-	1.04	5.71	-	9.56	-	0.98	17.29
37	Majhwalia	Goriya Kothi	1.04	6.11	1.76	11.74	-	0.96	21.61
38	Barhoga Parsotim	-do-	1.04	5.83	1.76	9.14	-	1.05	18.82
39	Hariharpur	-do-	1.04	5.84	1.76	8.46	-	0.96	18.06
40	Brahmsthan	Bhagwanpur Hat	1.04	5.94	1.77	4.83	-	0.79	14.37
41	Gopalpur	-do-	-	6.15	1.77	10.58	-	0.69	19.19
42	Bhikampur	-do-	1.04	5.90	1.77	10.01	-	-	18.72
43	Wasaun	Basantpur	1.05	6.61	1.77	11.94	-	0.95	22.32
44	Rajapur	-do-	1.05	5.87	1.76	11.56	-	0.84	21.08
45	Wajuwar hotra	-do-	1.04	5.86	1.76	9.52	-	0.93	19.11
46	Chainपुरa	Adhora	5.23	5.95	1.76	16.63	-	1.23	30.80
47	Barban Kala	-do-	6.36	5.81	1.76	17.02	-	2.44	33.39
48	Sadaki	-do-	10.36	5.57	1.78	21.00	-	-	38.71

49	Jalalpur	Rampur	1.04	6.00	1.76	19.66	-	6.36	34.82
50	Pasai	-do-	1.04	5.93	1.76	19.71	-	4.01	32.45
51	Kudari	-do-	6.45	-	1.76	18.22	-	-	26.43
52	Sasna	Kudra	1.04	6.00	1.76	17.94	-	4.00	30.74
53	Salathua	-do-	1.04	6.34	1.77	14.10	-	3.98	27.23
54	Siswar	-do-	1.04	5.96	1.76	16.58	-	4.85	30.19
55	Todi	Bhagwanpur	1.07	7.69	1.76	19.99	-	4.50	35.01
56	Bhagwanpur	-do-	1.04	6.08	1.76	17.59	-	-	22.95
57	Saraiya	-do-	1.04	5.97	1.76	14.07	-	-	33.38
58	Bahmaur Khas	Mohania	1.05	5.97	1.76	21.02	-	3.58	36.71
59	Bharkhar	-do-	1.04	6.16	1.76	23.87	-	3.88	27.76
60	Dadawan	-do-	1.25	6.24	1.76	3.85	-	4.66	24.86
61	Dulhi	Chand	1.04	5.99	1.76	12.12	-	3.95	35.38
62	Shivrampur	-do-	1.04	6.22	1.76	22.30	-	4.06	33.42
63	Parhi	-do-	1.04	6.04	1.76	20.57	-	4.01	26.15
64	Karnpura	Durgawati	1.09	6.04	1.76	13.43	-	3.83	34.34
65	Khajura	-do-	1.05	6.02	1.77	17.64	-	7.86	35.53
66	Chanu	-do-	1.04	5.93	1.76	19.98	-	6.82	29.90
67	Akhini	Nuon	1.04	6.00	1.76	18.05	-	3.05	21.88
68	Dunduna	-do-	1.04	4.16	1.76	12.60	-	2.32	25.77
69	Nuon	-do-	1.04	6.28	1.76	12.57	-	4.12	21.98
70	Ramgarh	Chainpur	1.05	6.27	1.76	12.90	-	-	35.88
71	Barhauna	-do-	1.05	6.14	1.76	22.43	-	4.50	35.88
72	Merh	-do-	1.04	5.85	1.77	17.23	-	4.17	30.06
73	Dumdum	Bhabhua	1.05	6.06	1.76	9.24	-	4.52	22.63
74	Sikthi	-do-	1.05	5.98	1.76	17.31	-	4.24	30.34
75	Sonhan	Bhabhua	1.05	6.38	1.76	15.72	-	5.93	30.84
76	Sahadullahpur Darwan	Ramgarh	1.04	6.16	1.76	11.13	-	3.70	23.79
77	Aahiwas	-do-	1.04	6.07	1.76	18.30	-	3.23	30.40
78	Mahuwar	-do-	1.05	6.04	1.76	20.77	-	3.25	32.87
79	Sevnan	Jehanabad	1.04	5.97	1.77	13.87	-	1.94	24.59
80	Manday bigha	-do-	1.04	6.09	1.76	15.95	-	1.96	26.8
81	Amain	-do-	1.04	6.07	1.78	23.35	-	7.92	40.16
82	Kaur	Hulasganj	1.04	8.85	1.76	17.86	-	2.66	32.17
83	Bouri	-do-	1.04	5.91	1.76	17.65	-	1.75	28.11
84	Tira	-do-	1.04	5.60	1.76	21.47	-	1.41	31.28
85	Kansua	Ratni Faridpur	1.04	5.91	1.76	14.38	-	2.55	25.64
86	Pandaul	-do-	1.04	5.94	1.76	16.60	-	2.11	27.45
87	Uchita	-do-	1.04	5.92	1.76	16.05	-	2.42	27.19
88	Devra	Modanganj	1.04	5.91	1.76	16.77	-	2.30	27.78
89	Gandhar	-do-	1.04	5.96	1.76	17.80	-	2.27	28.83
90	Jayatipur Kurua	-do-	1.04	5.91	1.76	15.09	-	2.15	25
91	Shahpur	Ghoshi	1.04	5.91	1.76	19.68	-	-	28.39
92	Uber	-do-	1.04	4.92	1.76	19.40	-	-	27.12
93	Parwan	-do-	1.64	5.51	1.76	19.54	-	-	28.45
94	Kohra	Makhdum pur	1.04	5.91	1.76	15.09	-	-	23.80
95	Solhanda	-do-	1.04	5.90	1.76	25.50	-	-	34.20
96	Bela-bira	-do-	1.04	6.95	1.76	21.24	-	-	30.99
97	North Serthu	Kako	1.64	5.78	1.76	13.97	-	-	23.15
98	Bhawanipur South	Pratapganj	1.05	5.91	-	22.16	-	-	29.12
99	Majhari	Nirmali	1.04	8.83	1.76	18.61	-	-	30.24

100	Dighia	-do-	1.04	5.91	1.76	22.70	-	-	31.41
101	Bela Singermoti	Nirmali	1.04	5.91	1.76	18.89	-	-	27.60
102	Boraha	Raghopur	1.04	6.07	1.76	19.43	-	0.12	28.42
103	Karjain	-do-	1.04	5.97	1.76	-	-	-	8.77
104	Piprahi	-do-	1.04	4.71	1.76	28.59	-	-	36.10
105	Pipra Khurd	Saraigarh	Nil	8.83	1.77	24.53	-	-	35.13
106	Zilla Dumari	-do-	1.04	6.02	1.77	16.04	-	-	24.87
107	Hanuman nagar	-do-	1.05	5.95	1.76	11.77	-	-	20.53
108	Kathhara Kadampura	Kisanpur	1.04	8.20	1.76	13.17	-	-	24.17
109	Dubiyahi	-do-	1.04	5.95	1.76	17.17	-	-	25.92
110	Bouraha	-do-	1.04	5.94	1.76	25.91	-	-	34.65
111	Ramnagar	Pipra	1.07	8.54	1.76	14.79	-	-	26.16
112	Thumba	-do-	1.05	7.76	1.77	19.21	-	0.12	29.91
113	Maheshpur	-do-	1.05	5.95	1.77	26.01	-	0.10	34.88
114	Manganj West	Triveniganj	1.05	6.05	1.76	19.48	-	-	28.34
115	Hariharpatti	-do-	1.04	6.30	1.80	41.05	-	-	50.19
116	Pulwaha	-do-	1.04	5.88	1.76	41.52	-	-	50.20
117	Kariho	Supaul	1.04	8.02	1.76	25.80	-	-	36.62
118	Lokha	-do-	1.04	6.09	1.76	22.00	-	-	30.89
119	Bairiya	-do-	1.04	5.91	1.76	25.00	-	0.09	33.80
120	Kadmaha	Marauna	1.04	5.92	1.76	9.70	-	-	18.42
121	Sarojabela	-do-	1.04	5.69	1.76	14.98	-	0.14	23.61
122	Ghogharia	-do-	1.04	5.88	1.76	26.26	-	-	34.94
123	Bhagwanpur	Basantpur	1.04	8.85	1.76	25.87	-	0.13	37.65
124	Basantpur	-do-	1.04	5.98	1.76	27.71	-	0.14	36.63
125	Parmanand pur	-do-	1.04	6.00	1.76	31.90	-	0.12	40.82
126	Mohammad ganj	Chhatapur	1.05	5.91	Nil	38.72	-	0.10	45.78
127	Chhatapur	Chhatapur	1.05	6.00	1.76	20.67	-	-	29.48
128	Gwalpara	-do-	Nil	5.93	1.76	35.75	-	-	43.44
129	Sagarpur	Pandaul	1.04	5.91	1.76	11.02	-	1.78	21.51
130	Bolahi	-do-	1.04	7.74	1.76	10.86	-	0.88	22.28
131	Meghoul	-do-	1.04	9.47	1.76	10.83	-	1.22	24.32
132	Sanor	Rahika	1.07	8.61	1.76	13.61	-	0.82	25.87
133	Kakraul	-do-	1.04	5.94	1.76	8.62	-	0.97	18.33
134	Sapta	-do-	1.04	7.70	-	7.63	-	0.99	17.36
135	Khajauli	Khajauli	1.04	6.41	1.76	8.39	-	1.65	19.25
136	Datuwar	-do-	1.04	6.02	1.77	10.07	-	1.04	19.94
137	Bhakua	-do-	1.06	5.95	1.76	7.37	-	1.01	17.15
138	Selra	Jaynagar	1.04	5.93	1.79	12.09	-	0.43	21.28
139	Dodwar	-do-	1.04	5.91	1.76	8.37	-	0.60	17.68
140	Belhi (South)	-do-	1.04	5.90	1.76	7.88	-	0.69	17.27
141	Kataiya	Bassopatti	1.07	5.88	1.76	8.17	-	-	16.88
142	Rajfet	-do-	1.04	5.92	1.76	8.20	-	0.87	17.79
143	Bassopatti (West)	-do-	1.04	6.00	1.77	8.17	-	1.00	17.98
144	Salempur	Madhwapur	1.04	5.99	1.76	11.06	-	1.61	21.46
145	Uttra	-do-	1.04	6.05	1.76	12.15	-	0.71	21.71
146	Balia	-do-	1.04	5.90	1.76	6.35	-	1.13	16.18
147	Kauna Barhi	Harlakhi	1.05	7.19	1.76	5.52	-	0.48	16.00
148	Chahuta	Bisfi	1.05	5.91	-	7.05	-	0.84	14.85
149	Khairibanka	-do-	1.04	8.07	-	7.12	-	0.52	16.75
150	Balha	-do-	1.06	6.09	-	7.01	-	0.67	14.83
151	Mahthour Khurd	Phulparas	1.05	6.08	1.76	8.37	-	2.44	19.70
152	Bathnaha	-do-	-	6.55	-	7.99	-	-	14.54

153	Dairawan	-do-	1.04	6.04	1.76	11.94	-	4.32	25.10
154	Narhia North	Laukahi	1.06	6.04	1.76	8.64	-	-	17.50
155	Narhia South	-do-	1.07	4.78	1.77	2.86	-	1.23	11.71
156	Laukahi	-do-	1.06	6.07	1.76	10.70	-	0.61	20.20
157	Balni Mehanth	Jhanjharpur	1.04	5.95	1.76	14.86	-	0.16	23.77
158	Lohna (North)	-do-	1.04	5.97	1.76	4.93	-	1.11	14.81
159	Raiyam East	-do-	1.04	6.02	1.76	7.24	-	1.24	17.30
160	Dwip West	Lakhnaur	1.04	6.69	1.76	9.59	-	-	19.08
161	Tamuria	-do-	1.06	6.05	1.76	8.30	-	1.14	18.31
162	Kaithinia	-do-	1.04	6.24	1.76	11.15	-	0.65	20.84
163	Basha	Babubarhi	1.05	5.90	1.76	6.21	-	0.94	15.86
164	Chhorhi	-do-	1.07	7.95	-	5.97	-	1.18	16.17
165	Murhaddi	-do-	1.04	5.95	1.76	11.03	-	1.15	20.93
166	Pariharpur	Rajnagar	1.04	6.10	1.76	5.97	-	1.02	15.89
167	Chichari Kanoongo	-do-	1.05	5.88	1.76	12.88	-	0.81	22.38
168	Patwara South	-do-	1.05	6.28	1.76	11.12	-	0.71	20.92
169	Raj Madhepur East	Madhepur	1.07	7.94	1.79	9.94	-	0.96	21.7
170	Matras	-do-	1.05	5.98	1.76	10.37	-	0.91	20.07
171	Sunder Virajeet	-do-	1.74	5.99	1.77	6.49	-	0.12	16.11
172	Padma	Ladania	1.04	6.04	1.77	6.56	-	0.96	16.37
173	Dalokhar	-do-	1.08	6.48	1.27	8.34	-	1.44	19.11
174	Gidhwas	-do-	1.07	6.07	1.76	9.98	-	0.90	19.78
175	Andhrathri South	Andhra thari	1.06	6.02	1.78	5.09	-	0.87	14.82
176	Nanaur	-do-	1.05	5.97	3.52	19.80	-	1.16	31.50
177	Shiwa	-do-	1.04	5.95	3.54	9.80	-	1.10	21.43
178	Chhajana	-do-	2.82	5.93	1.76	5.78	-	1.38	17.67
179	Parsa North	-do-	1.06	6.11	1.76	5.41	-	0.81	15.15
180	Sangi	-do-	1.06	5.93	1.76	6.75	-	-	15.50
181	Lalmania	Khutauna	1.04	5.99	1.76	12.59	-	1.22	22.60
182	Siktiyahi	-do-	1.07	5.95	1.76	8.63	-	0.75	18.16
183	Karmagh	-do-	1.04	6.13	1.76	9.74	-	1.27	19.94
184	Tyonth	Benipatti	1.05	6.02	1.76	9.36	-	0.97	19.16
185	Parkauli	-do-	1.04	5.95	1.76	8.81	-	1.16	18.72
186	Arer	-do-	1.05	6.00	1.76	7.48	-	0.92	17.21
187	Dairwan	Kudra	1.04	6.04	1.76	11.94	-	4.32	25.10
188	Sakari	-do-	1.04	11.07	1.76	14.89	-	7.15	35.91
189	Maura	-do-	1.04	6.06	1.77	12.86	-	7.07	28.80
190	Barahara	Marauna	1.04	6.09	1.76	19.92	-	0.14	28.95
191	Marauna South	-do-	1.04	6.00	1.76	14.70	-	-	23.50
192	Marauna North	-do-	1.04	6.03	1.76	16.08	-	-	24.91
193	Madhopur	Khutauna	1.04	5.98	1.76	12.16	-	1.22	22.16
194	Majhaura	-do-	1.04	6.04	1.76	13.31	-	1.06	23.21
195	Persahi (East)	-do-	1.08	6.05	1.76	9.12	-	1.62	19.63
	<b>Total</b>		<b>226.60</b>	<b>1194.73</b>	<b>327.23</b>	<b>2669.36</b>	<b>4.77</b>	<b>253.34</b>	<b>4676.03</b>

**Appendix IV : (Contd.)**

Sl. No	Name of G.Ps.	Expenditure							Savings = Receipts - Expenditure
		Xth FC	XIth FC	XIIth FC	SGRY	NREGP	Others	Total	
1	Madhopur	1.04	2.11	-	8.62	-	-	11.77	6.39
2	Patedha	1.04	5.61	1.74	6.27	-	0.65	15.31	1.21
3	Jigrawan	1.02	5.61	Nil	6.89	-	0.80	14.32	3.60
4	Dipha	1.04	6.18	1.76	9.30	-	-	18.28	0.35
5	Muriyari	1.04	5.58	1.71	9.22	-	0.89	18.44	1.77
6	Chotka Manjha	1.04	5.65	1.52	9.35	-	0.90	18.46	1.50
7	Rampali	1.03	5.92	1.60	8.24	-	0.79	17.58	0.83
8	Makariyar	1.04	5.91	1.72	9.81	-	0.80	19.28	0.96
9	Nathuchhap	1.04	5.79	Nil	8.84	-	0.52	16.19	4.08
10	Chainpur Mubarakpur	0.97	5.63	1.75	10.80	-	0.80	19.95	1.04
11	Bhikpur	1.02	5.54	1.35	9.44	-	0.81	18.16	1.44
12	Naya Gaon	1.02	5.22	0.15	8.60	-	0.13	15.12	3.40
13	Chanp	1.04	5.90	1.64	9.04	-	-	17.62	0.55
14	Harihas (West)	1.04	5.83	1.70	8.76	-	0.59	17.92	0.37
15	Machkana	1.04	5.65	1.51	6.26	-	-	14.46	0.98
16	Makhanpur	1.04	4.65	1.05	9.40	-	-	16.14	2.64
17	Sambhopur	1.04	5.43	1.16	9.23	-	-	16.86	2.51
18	Phalpura	1.02	5.86	1.58	9.46	0.22	-	18.14	0.62
19	Rajanpura	1.04	5.84	1.73	9.34	-	-	17.95	0.05
20	Karsant	1.00	5.89	1.76	8.01	-	-	16.66	1.30
21	Madsara	1.00	5.86	1.72	6.36	-	-	14.94	0.09
22	Harnahar	0.88	4.69	1.65	9.43	-	0.98	17.63	3.08
23	Sarna	0.98	5.55	1.65	7.05	-	-	15.23	1.54
24	Amarpur	0.91	5.74	1.69	8.91	-	0.80	18.05	1.09
25	Bahadurpur	1.04	5.98	1.69	10.15	-	0.74	19.60	0.99
26	Hariharpur Lalgarh	1.02	5.77	1.75	7.04	-	0.56	16.14	1.32
27	Pakari	1.03	5.62	1.70	7.98	-	-	16.33	0.09
28	Sonhua	1.04	5.19	1.32	9.58	-	0.97	18.10	2.45
29	East Guthni	1.04	5.46	1.41	8.35	-	0.83	17.09	1.31
30	Balua	1.04	5.72	1.30	8.03	-	1.00	17.09	1.87
31	Bhopatpur	1.02	5.84	1.75	12.22	-	0.93	21.76	0.45
32	Khawaspur	1.01	6.27	1.75	10.17	-	0.85	20.05	0.68
33	Dumra	1.03	6.07	1.76	9.7	-	0.91	19.47	0.12
34	Asawan	1.03	5.42	Nil	6.87	-	0.46	13.78	3.70
35	Narendrapur	1.03	5.41	0.95	8.82	-	2.00	18.21	2.03
36	Khendain	1.04	5.65	-	8.81	-	0.77	16.27	1.02
37	Majhwalia	1.02	6.07	1.75	11.68	-	0.86	21.38	0.23
38	Barhoga Parsotim	1.04	5.71	1.65	8.52	-	0.78	17.70	1.12
39	Hariharpur	1.02	5.82	1.73	7.81	-	0.96	17.34	0.72
40	Brahmsthan	1.04	5.90	1.75	4.77	-	0.79	14.25	0.12
41	Gopalpur	-	6.08	1.44	10.57	-	0.69	18.78	0.41
42	Bhikampur	0.97	4.93	1.31	7.89	-	-	15.10	3.62
43	Wasaun	1.04	5.85	1.69	11.72	-	0.92	21.22	1.10

44	Rajapur	1.04	5.81	1.60	10.05	-	0.80	19.30	1.78
45	Wajuwar hotra	1.03	5.72	1.39	8.72	-	0.66	17.52	1.59
46	Chainpura	5.08	5.40	1.15	16.42	-	0.62	28.67	2.13
47	Barban Kala	6.34	5.24	1.52	16.94	-	2.40	32.44	0.95
48	Sadaki	8.89	4.95	1.25	20.71	-	-	35.80	2.91
49	Jalalpur	0.99	5.92	1.27	19.59	-	6.12	33.89	0.93
50	Pasai	1.04	5.32	1.50	19.69	-	3.31	30.86	1.59
51	Kudari	5.21	-	1.39	18.08	-	-	2.68	1.75
52	Sasna	1.03	5.86	1.64	17.92	-	3.47	29.92	0.82
53	Salathua	1.04	6.31	1.76	14.10	-	3.69	26.90	0.33
54	Siswar	1.03	5.96	1.76	16.57	-	4.40	29.72	0.47
55	Todi	1.04	7.67	1.76	19.98	-	4.19	34.64	0.37
56	Bhagwanpur	1.04	5.99	1.16	17.07	-	-	24.94	1.46
57	Saraiya	1.02	5.86	1.40	13.21	-	-	21.64	1.31
58	Bahmaur Khas	1.04	6.08	1.47	20.99	-	3.33	32.67	0.71
59	Bharkhar	1.21	6.13	1.15	23.23	-	3.13	34.63	2.08
60	Dadawan	1.02	5.88	0.82	13.40	-	3.96	25.52	2.24
61	Dulhi	1.04	6.17	1.56	11.83	-	3.84	24.13	0.73
62	Shivrampur	1.02	5.87	1.43	21.75	-	3.79	34.18	1.20
63	Parhi	0.97	4.14	1.56	18.20	-	3.87	30.52	2.90
64	Karnpura	1.04	5.58	Nil	13.11	-	3.13	21.35	4.80
65	Khajura	1.04	5.89	1.57	17.46	-	7.33	32.98	1.36
66	Chanu	1.04	5.98	1.60	19.90	-	6.58	35.01	0.52
67	Akhini	1.04	4.09	1.75	18.05	-	2.78	29.60	0.30
68	Dunduna	1.03	6.19	1.72	12.60	-	2.10	21.55	0.33
69	Nuon	1.02	6.03	1.65	12.17	-	3.89	24.93	0.84
70	Ramgarh	1.05	6.09	1.49	11.51	-	-	20.05	1.93
71	Barhauna	1.05	6.09	1.60	22.12	-	4.04	34.90	0.98
72	Merh	0.98	5.35	1.46	15.60	-	4.15	27.54	2.52
73	Dumdum	1.04	5.63	1.70	8.09	-	4.46	20.92	1.71
74	Sikthi	1.02	5.97	1.35	17.18	-	3.31	28.83	1.51
75	Sonhan	1.05	6.37	1.56	15.12	-	4.74	28.84	2.00
76	Sahadullahpur Darwan	1.03	5.95	0.60	10.10	-	3.56	21.24	2.55
77	Aahiwas	1.04	5.48	1.45	16.76	-	2.69	27.42	2.98
78	Mahuwar	1.05	6.03	1.70	20.74	-	2.93	32.45	0.42
79	Sevnan	1.04	5.96	1.69	13.79	-	1.82	24.26	0.33
80	Manday bigha	1.02	5.74	1.65	15.91	-	1.34	25.66	1.14
81	Amain	1.01	5.58	1.20	23.03	-	7.35	38.17	1.99
82	Kaur	1.01	5.03	1.60	17.76	-	2.59	28.49	3.68
83	Bouri	0.96	5.05	0.05	17.23	-	0.89	24.18	3.93
84	Tira	0.83	5.29	1.12	19.13	-	0.79	27.16	4.12
85	Kansua	1.04	5.90	1.76	14.25	-	2.55	25.50	0.14
86	Pandaul	1.04	5.93	1.64	16.34	-	1.96	26.91	0.54
87	Uchita	1.04	5.89	1.50	16.03	-	2.27	26.73	0.46
88	Devra	1.01	5.62	0.96	16.63	-	1.59	25.81	1.97
89	Gandhar	1.02	5.96	Nil	17.80	-	2.10	26.88	1.95
90	Jayatipur Kurua	1.02	5.88	1.21	14.29	-	1.40	23.80	2.15
91	Shahpur	0.95	5.91	1.75	19.65	-	-	28.26	0.13
92	Uber	0.64	3.57	1.30	18.98	-	-	24.49	2.63
93	Parwan	1.64	5.50	1.61	19.52	-	-	28.27	0.18
94	Kohra	0.76	5.86	1.16	14.88	-	-	22.66	1.14
95	Solhanda	1.01	5.90	1.71	25.49	-	-	34.11	0.09
96	Bela-bira	0.98	6.64	1.72	21.13	-	-	30.47	0.52



97	North Serthu	1.64	5.75	1.76	13.91	-	-	23.06	0.09
98	Bhawanipur South	1.01	5.90	-	22.14	-	-	29.05	0.07
99	Majhari	Nil	8.57	1.60	14.85	-	-	25.02	5.22
100	Dighia	Nil	3.16	Nil	14.30	-	-	17.46	13.95
101	Bela Singermoti	Nil	5.56	1.50	15.67	-	-	22.73	4.87
102	Boraha	0.92	4.36	1.76	18.22	-	0.12	25.38	3.04
103	Karjain	0.99	4.76	0.15	-	-	-	5.90	2.87
104	Piprahi	Nil	3.38	Nil	26.18	-	-	29.56	6.54
105	Pipra Khurd	Nil	6.89	1.69	24.31	-	-	32.89	2.24
106	Zilla Dumari	0.99	5.99	1.74	15.94	-	-	24.66	0.21
107	Hanuman nagar	0.99	5.83	1.73	11.72	-	-	20.27	0.26
108	Kathhara Kadampura	0.82	6.69	1.75	13.14	-	-	22.40	1.77
109	Dubiyahi	0.92	5.84	1.75	16.55	-	-	25.06	0.86
110	Bouraha	0.87	5.11	0.01	25.89	-	-	31.88	2.77
111	Ramnagar	1.04	8.37	1.36	6.74	-	-	17.51	8.65
112	Thumba	1.03	6.73	1.67	19.11	-	0.12	28.66	1.25
113	Maheshpur	1.04	5.85	1.53	18.73	-	0.10	27.25	7.63
114	Manganj West	1.04	5.91	1.76	4.60	-	-	13.31	15.03
115	Hariharpatti	Nil	5.42	0.63	39.24	-	-	45.29	4.9
116	Pulwaha	0.99	Nil	Nil	41.29	-	-	42.28	7.92
117	Kariho	0.74	7.62	1.69	24.60	-	-	34.65	1.97
118	Lokha	0.87	4.77	1.05	16.94	-	-	23.63	7.26
119	Bairiya	0.93	5.13	1.70	24.25	-	0.09	32.10	1.70
120	Kadmaha	0.15	5.27	Nil	7.73	-	-	13.15	5.27
121	Sarojabela	0.58	3.37	1.40	14.80	-	0.14	20.29	3.32
122	Ghogharia	1.01	5.77	1.75	25.93	-	-	34.46	0.48
123	Bhagwanpur	0.07	5.31	0.08	24.32	-	0.12	29.90	7.75
124	Basantpur	Nil	5.53	1.25	27.28	-	0.13	34.19	2.44
125	Parmanand pur	Nil	5.77	1.59	31.89	-	0.11	39.36	1.46
126	Mohammad ganj	0.99	5.05	Nil	38.14	-	-	44.18	1.60
127	Chhatapur	0.99	5.49	1.15	18.86	-	-	26.49	2.99
128	Gwalpara	Nil	4.31	1.53	35.56	-	Nil	41.40	2.04
129	Sagarpur	1.03	5.59	1.48	7.73	-	1.58	17.41	4.10
130	Bolahi	1.03	7.63	1.47	9.00	-	0.86	19.99	2.29
131	Meghoul	1.04	9.43	1.76	10.77	-	1.14	24.14	0.18
132	Sanor	1.04	8.58	1.73	13.59	-	0.68	25.62	0.25
133	Kakraul	1.04	5.87	0.97	6.31	-	0.66	14.85	3.48
134	Sapta	1.01	6.37	-	6.84	-	0.73	14.95	2.41
135	Khajauli	1.04	6.40	1.76	8.34	-	1.64	19.18	0.07
136	Datuwar	1.04	5.34	0.92	8.61	-	0.17	16.08	3.86
137	Bhakua	1.06	5.68	1.65	7.26	-	0.85	16.50	0.65
138	Selra	1.03	5.90	1.68	11.61	-	0.30	20.52	0.76
139	Dodwar	1.02	5.63	1.21	7.32	-	0.38	15.56	2.12
140	Belhi (South)	1.03	5.65	1.75	7.88	-	0.53	16.84	0.43
141	Kataiya	1.06	5.33	1.76	7.74	-	-	15.89	0.99
142	Rajfet	1.04	5.92	1.68	7.27	-	0.67	16.58	1.21
143	Bassopatti (West)	0.91	5.71	1.60	8.01	-	0.79	17.02	0.96
144	Salempur	1.04	5.93	1.76	10.65	-	1.45	20.83	0.63
145	Uttra	1.04	5.92	1.76	10.26	-	0.66	19.64	2.07
146	Balia	1.03	5.78	0.97	6.11	-	1.00	14.89	1.29
147	Kauna Barhi	0.99	6.86	1.47	5.44	-	0.33	15.09	0.91
148	Chahuta	1.00	4.71	-	5.70	-	0.62	12.03	2.82
149	Khairibanka	1.03	7.74	-	6.94	-	0.31	16.02	0.73

150	Balha	1.03	5.95	-	5.99	-	0.47	13.44	1.39
151	Mahthour Khurd	1.04	6.07	1.76	8.35	-	2.35	19.57	0.13
152	Bathnaha	-	6.30	-	6.54	-	-	12.84	1.70
153	Dairawan	1.03	6.03	1.69	11.82	-	3.74	24.31	0.79
154	Narhia North	1.00	6.04	1.75	7.19	-	-	15.98	1.52
155	Narhia South	1.06	2.85	1.33	3.68	-	1.02	9.94	1.77
156	Laukahi	0.95	5.47	1.29	8.61	-	0.18	16.50	3.70
157	Balni Mehanth	1.01	5.76	0.84	13.48	-	0.12	21.21	2.56
158	Lohna (North)	1.04	5.95	1.20	4.29	-	1.00	13.48	1.33
159	Raiyam East	0.99	4.88	1.38	5.43	-	0.82	13.50	3.80
160	Dwip West	0.80	6.67	1.11	7.93	-	-	16.51	2.57
161	Tamuraia	0.89	5.44	1.70	5.03	-	0.26	13.32	4.99
162	Kaithinia	1.04	4.96	1.70	8.91	-	0.46	17.03	3.81
163	Basha	0.98	5.89	1.75	5.91	-	0.84	15.37	0.49
164	Chhorhi	1.06	5.15	-	5.74	-	0.73	12.68	3.49
165	Murhaddi	1.04	5.94	1.71	9.20	-	1.11	19.00	1.93
166	Pariharpur	1.03	6.10	1.70	4.79	-	0.89	14.51	1.38
167	Chichari Kanoongo	1.03	5.86	1.74	12.76	-	0.78	22.17	0.21
168	Patwara South	1.04	6.16	1.75	9.45	-	0.49	18.89	2.03
169	Raj Madhepur East	1.05	7.43	1.76	9.47	-	0.87	20.58	1.12
170	Matras	0.99	5.89	1.73	10.01	-	0.77	19.39	0.68
171	Sunder Virajeet	1.03	5.98	1.73	5.23	-	1.03	15.00	1.11
172	Padma	0.85	6.01	1.53	5.99	-	0.68	15.06	1.31
173	Dalokhar	1.07	6.44	1.15	8.34	-	1.39	18.39	0.72
174	Gidhwas	1.06	6.06	1.74	9.98	-	0.82	19.66	0.12
175	Andhrathri South	1.05	5.63	1.76	4.18	-	0.69	13.31	1.51
176	Nanaur	1.05	5.78	Nil	7.29	-	1.09	15.21	16.29
177	Shiwa	1.03	5.42	2.03	8.45	-	1.00	17.93	3.50
178	Chhajana	2.81	5.91	1.70	4.80	-	1.26	16.48	1.19
179	Parsa North	1.04	5.87	0.96	4.70	-	0.75	13.32	1.83
180	Sangi	1.05	5.74	1.20	5.62	-	-	13.61	1.89
181	Lalmania	1.00	5.96	1.07	10.67	-	0.73	19.43	3.17
182	Siktiyahi	1.02	5.66	1.63	8.36	-	0.38	17.05	1.11
183	Karmagh	0.89	5.94	-	7.46	-	1.18	15.47	4.47
184	Tyonth	1.05	5.96	1.58	8.32	-	0.81	17.72	1.44
185	Parkauli	1.03	5.79	1.75	8.47	-	1.14	18.18	0.54
186	Arer	0.93	5.99	1.59	6.10	-	0.53	15.14	2.07
187	Dairwan	1.03	6.03	1.69	11.82	-	3.74	24.31	0.79
188	Sakari	1.02	10.75	1.53	13.05	-	6.08	32.43	3.48
189	Maura	1.02	6.01	1.75	12.85	-	5.87	27.50	1.30
190	Barahara	Nil	4.39	1.45	18.96	-	Nil	24.80	4.15
191	Marauna South	0.58	4.80	0.90	14.62	-	-	20.90	2.60
192	Marauna North	1.03	5.09	1.50	15.44	-	-	23.06	1.85
193	Madhopur	1.01	5.27	-	10.14	-	1.09	17.51	4.65
194	Majhaura	1.04	3.86	-	10.20	-	0.41	15.51	7.70
195	Persahi (East)	0.93	6.03	1.20	8.73	-	0.60	17.49	2.14
		<b>205.34</b>	<b>1105.25</b>	<b>252.81</b>	<b>2476.85</b>	<b>0.22</b>	<b>219.11</b>	<b>4259.58</b>	<b>416.45</b>

**Appendix V : Details of Central Taxes Collected in Bihar**

(Rs. crore)

Tax Heads		2005-06	2006-07	2007-08	2008-09 (upto Dec., 2008)
<b>Central Excise</b>		<b>3271.58</b>	<b>3398.88</b>	<b>3769.84</b>	<b>2724.51</b>
<b>Service Tax</b>		<b>83.79</b>	<b>156.04</b>	<b>195.48</b>	<b>136.62</b>
<b>Direct Tax</b>					
1	Corporate Tax	88.60	121.10	95.40	92.17
2	Income Tax	368.00	438.61	629.90	608.65
3	Fringe Benefit Tax	4.46	7.04	4.72	4.56
4	Securities Transaction Tax	0.00	0.00	0.00	0.00
5	Banking Cash Transaction Tax	0.05	0.03	0.07	0.06
6	Hotel Receipt / State Duty Tax	0.00	0.00	0.01	0.01
7	Interest / Expenditure Tax	0.12	0.18	0.44	0.42
8	Wealth / Gift Tax	0.20	0.30	0.17	0.16
<b>9</b>	<b>Total</b>	<b>461.43</b>	<b>567.26</b>	<b>730.71</b>	<b>706.03</b>
<b>Customs Duty</b>					
1	Total Basic Duty		0.56	0.73	0.63
2	Total Additional Duty of Customs (CVD)		152.40	162.00	98.25
3	Total Special CVD		37.58	2.71	2.14
4	Total Special Addl. Duty of Customs				
5	Addl. Customs Duty (Cess) on HSD				
6	Addl. Customs Duty (Cess) on MS				
7	Surcharge on Petroleum Goods on MS				
8	National Calamity Contingent Duty (N C Duty)		0.55	0.42	0.31
9	Education Cess		3.30	4.29	3.61
10	Cess on Secondary and Higher Education			3.31	2.01
11	Others			5.97	3.44
12	Total Export Duty				40.51
13	Total Cess on Export		1.03	0.02	0.00
14	Total Other Receipts		4.48	3.18	2.33
<b>15</b>	<b>Total Gross Revenue (1 to 14)</b>		<b>199.90</b>	<b>182.63</b>	<b>153.23</b>
16	Refunds		0.22	-	-
17	Drawback (Customs)		46.80	65.57	44.53
<b>18</b>	<b>Total Net Revenue (15-16-17)</b>		<b>152.88</b>	<b>117.06</b>	<b>108.70</b>

Note : For 2007-08 and 2008-09, the figures are of net taxes collected after deducting refunds.

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