



CAG Report presented in Legislature: Bihar in top 3 in Revival of Economy | Bihar | 15 Jul 2023

Why in News?

On July 13, 2023, Finance Minister Vijay Chaudhary tabled the CAG report in the Bihar Legislature, in which Bihar ranked 3rd among the top 10 states in the country that revived their economy after the Covid pandemic.

Key Points:

- As per the report, Bihar has recorded GSDP at a five-year high. During the financial year 2021-22, an increase of Rs 30630 crore i.e. 23.90 percent was recorded in revenue receipts due to an increase in the share of central taxes and self-tax revenue. Due to the increase in social services, the revenue expenditure increased by 19727 crores.
- During the financial year ending March 31, 2022, the state government spent only Rs 194202.20 crore i.e. 73.17 percent against the total budget provision of Rs 265396.87 crore.
- The supplementary provision of Rs.47094.17 crores was completely wasted as it was not even up to the level of the original provision.
- The report of local bodies for the financial year March 31, 2021, and financial management till March 31, 2022, was presented in the House. In this, questions have been raised on the functioning of Panchayati Raj Institutions and Municipal Bodies and the financial management of the State.
- According to the CAG report, Panchayati Raj institutions have not given utilization certificates worth about Rs 25,000 crore. Also, questions have been raised about the continuous increase in the budget size and the amount not being spent in that proportion.
- According to the CAG report, a fiscal deficit of Rs 25551 crore has been recorded, although this deficit is less than Rs 4276 crore in the previous year. During the year 2021-22, the state faced revenue deficit for the third time after 2004-05, which was 422 crores.
- According to the CAG report, the Urban Development and Housing Department had approved a grant of Rs 10,952 crore received between the financial years 2016-17 to 2020-21, but till March 2022, adjustment of Rs 4984 crore i.e. up to 46% of the utilization certificates were pending.
- Patna Municipal Corporation has suffered a loss of about nine crore rupees due to its failure to recover the user fee charged for providing door-to-door garbage collection services.
- It was found in the audit that between the years 2007-08 to 2020-21, the Panchayati Raj Department had issued a grant of Rs 42940 crore to the Panchayati Raj Institutions, but the institutions gave utilization certificates of only Rs 17917 crore. This was only 42% of the total amount, while a utilization certificate of about Rs 25,000 crore is pending.

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