

AT A GLANCE

# Bihar Budget

2023-24



# Economic Overview

- Bihar's economy has almost tripled in size in the last 10 years. The state's Gross Domestic Product has increased from ₹2.47 lakh crore in FY 2011-12 to ₹ 6.75 lakh crore in FY 2021-22.
- Bihar's economic growth rate stood at 10.98 per cent, compared to 8.7 per cent national economic growth rate. As a result, in terms of economic development, Bihar stood 3<sup>rd</sup> amongst all Indian states.

## Sources of Funding, and Expenditures

- For the Financial Year (FY) 2023-24, the Government of Bihar (GoB) has allocated ₹2,62,085 crore (of which ₹2,12,327 crore is for Revenue Receipts and ₹49,758 crore for Capital Receipts) for Total Receipts. This is 10 per cent higher than the Budget Estimates (BEs), but only 2 per cent higher than the Revised Estimates (REs) for FY 2022-23.
- For FY 2023-24, Revenue Receipts are expected to account for 81 per cent of Total Receipts and Capital Receipts are estimated to be at 19 per cent.
- For FY 2023-24, 26 per cent of Total Receipts are estimated to come through Own Source Revenue, which was 24 per cent in FY 2022-23 BEs.
- For FY 2023-24 BEs, Total Expenditure is estimated to be ₹2,61,885 crore which is an 8 per cent decline from last year's REs and 10 per cent increase from last year's BEs.
- For FY 2023-24 BEs, Revenue Expenditure is estimated to be ₹2,07,848 crore (which accounts for 80 per cent of Total Expenditure), a 9 per cent decline from last year's REs. During the same time, Capital Expenditure is estimated to be ₹54,037 crore, which is a 4 per cent decline from last year's REs and accounts for 20 per cent of Total Expenditure.
- For FY 2023-24, it is estimated that Social Sector Expenditure as a share of Total Expenditure accounts for 48 per cent.
- Commitment Expenditure (which include salaries, wages, pension, and interest payments) for FY 2023-24 is estimated at ₹87,325 crore, which is 18 per cent more than FY 2022-23 REs.

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Note: Budget Estimates (BEs) are allocations by the government for any department or scheme for the upcoming financial year.

Revised Estimates (REs) are a mid-year review of projected amounts of receipts and expenditure until the end of the financial year.

Total Expenditure: GoI expenditure can be broadly classified into two types — Revenue Expenditure and Capital Expenditure. Revenue Expenditure is the spending largely on account of administrative expenses, salaries, financing daily operation, subsidies, etc. It frequently includes a sizable portion for committed liabilities which the government is still required to pay in the event of resource scarcity. Capital Expenditure (or capex, in short) refers to the spending on asset creation, machinery and equipment, which creates value over the long term. For instance, roads and bridges, hospitals, school buildings, etc.

- For FY 2023–24, the Government of Bihar has estimated the fiscal deficit to be ₹25,568 crore, which is 2.98 per cent of the Gross State Domestic Product (GSDP), compared to 8.79 per cent of the REs for FY 2022–23.
- In FY 2022-23 BEs, debt and other liabilities were ₹2,88,107 crore, which was 38.66 per cent of GSDP. This is estimated to marginally decline in FY 2023-24 to ₹3,24,762 crore, which is 37.81 per cent of the GSDP.

## Social Sector

### Education

- For FY 2023-24, Education Department expenditure is estimated at ₹ 40,451 crore, which is ₹39,929 crore for Revenue and ₹522 crore for Capital.
- In FY 2023-24, the Education Department estimated ₹22,200 crore towards scheme outlay, which is 55 per cent of the total education expenditure.
- In 2021-22, Gross Enrolment Ratio (GER) for primary school education (Class 1-8) stood at 96.2 per cent.
- In FY 2022-23, a total of 18,08,534 girls have benefitted from the Mukhya Mantri Balika Poshak Yojana. In FY 2023-24, a total of ₹100 crore has been budgeted for the scheme.
- In FY 2022-23, a total of 6,75,125 girls have benefitted from the Mukhya Mantri Balika Cycle Yojana. In FY 2023-24, a total of ₹50 crore has been budgeted for this.

 As per our [analysis](#), during FY 2022-23, till 30 November 2022, Bihar had received 40 per cent of the total Government of India share approved under Samagra Shiksha.

 In contrast to most large states, utilisation rate of Samagra Shiksha funds declined in FY 2021-22 as compared to the previous year. Expenditure as a share of approved budget decreased in Bihar from 70 per cent in FY 2020-21 to 67 per cent in FY 2021-22.

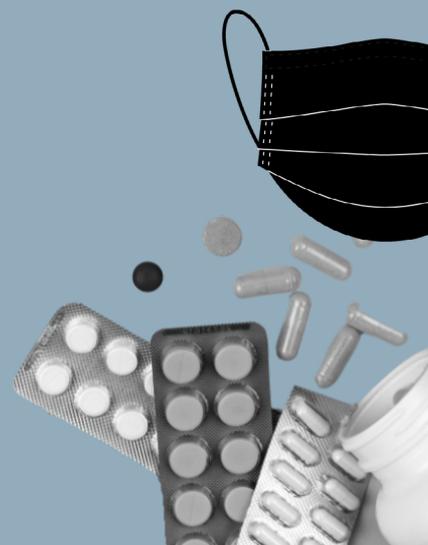
 Among 20 large states, Bihar ranked one of the lowest in terms of per-student expenditure under Samagra Shiksha during FY 2021-22 at ₹2,351.



## Health

- For FY 2023-24, the Health Department expenditure is estimated at ₹16,966 crore, or ₹15,137 crore for Revenue and ₹1,829 crore for Capital.
- In FY 2023-24, the Health Department estimated ₹7,118 crore towards scheme outlay, which is 42 per cent of the total health expenditure.
- Per capita expenditure on health was ₹538 in FY 2017-18, which has gone up to ₹882 in FY 2021-22.
- The IMR decreased from 43 (per 1,000 live births) in 2012 to 27 in 2020, bringing Bihar's IMR lower to the national IMR. At the national level, IMR stood at 28 in 2020.
- 21 Sadar hospitals are being upgraded to Model hospitals with a total budget of ₹580.09 crore.

- For all 243 assembly constituencies in Bihar, a total budget of ₹1,755 crore has been approved for 1,379 health institutes which includes PHCs (Primary Healthcare Centres), SCs (Sub-Centres), and CHCs (Community Health Centres).
- Against the target of 268 Ayush Health and Wellness Centres, a total of 175 centres have been made operational.
- A total of 35.95 lakh families and 77.29 individuals in the state have an Ayushman Card. As on 31 December 2022, a total of 5.45 lakh eligible citizens have received treatment worth ₹618 crore in the state.



- ① In our [analysis](#), there were differences between proposals, approvals, releases, and expenditures in Bihar. In FY 2021-22, proposed budgets stood at ₹5,579 crore, of which ₹5,019 crore (90 per cent) was approved. However, ₹4,010 crore, or 80 per cent of the approved budgets, were released. As a result, the state had ₹4,273 crore available to spend (including unspent balances), of which only 45 per cent or ₹1,905 crore were spent.
- ① Of the budget approved for Bihar for FY 2022-23, 61 per cent was for Health System Strengthening, 25 per cent for the National RHM-Reproductive and Child Health (RCH) flexipool, 5 per cent for the National Disease Control Programme (NDCP), 3 per cent each for Non-Communicable Diseases (NCDs), and 2 per cent for National Urban Health Mission.

- ① Per capita NHM expenditures for Bihar increased marginally from ₹150 in FY 2013-14 to ₹154 in FY 2021-22.
- ① Bihar had 36,938 people per government allopathic doctor and 4,094 people per government hospital bed in 2021.
- ① There is a shortfall in staff at the Primary Health Centre level. Only 65 per cent of sanctioned doctor posts were filled as on 31 March 2021. Similarly, only 13 per cent of sanctioned posts for specialist doctor posts were filled in Community Health Centres.

## Rural Development

- For FY 2023-24, Rural Development expenditure is estimated at ₹25,270 crore, of which ₹17,099 crore is for Revenue and ₹8,171 crore for Capital.
- In FY 2023-24, out of the total Rural Development expenditure, ₹15,193 crore was estimated towards scheme outlay or 60 per cent of the total Rural Development expenditures.
- For the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), against the target of 25 crore person days in FY 2022-23, a total of 19.68 crore person days have been generated as on 16 January 2023. Under the Jal-Jeevan-Hariyali Abhiyan in MGNREGS, in FY 2022-23, approximately 1.47 crore plantations have been carried out. In the last 3 years, under the Abhiyan, a total of 4.20 crore plantations have been done.

- ① As per our [analysis](#), in FY 2022-23 till January 4, the average minimum wages paid in Bihar were equal to the notified rates by Ministry of Rural Development i.e. ₹210.
- ① In FY 2022-23, as on 4 January 2023, 18 per cent of total payment due in Bihar was on wage costs.
- ① Employment provided as a proportion of demand was only 80 per cent in Bihar in FY 2022-23, till 4 January 2023.



- Under the Pradhan Mantri Awaas Yojna - Gramin (PMAY-G), against the target of 37,35,491 houses between FY 2016-17 to FY 2021-22, a total of 36.93 lakh houses have been sanctioned and 33,74,311 houses have been constructed as on 17 January 2023.
- Under the Mukhya Mantri Awaas Yojna, as on 17 January 2023, a total of 30,876 eligible citizens have been registered, construction of 17,808 houses has been sanctioned, and 12,824 eligible citizens have received the 3rd instalment. Since the inception of the scheme in 2018-19, a total of 12,953 houses have been constructed under the scheme.

## Social Security and Welfare

- For FY 2023-24, Social Security and Welfare expenditure is estimated at ₹7,396 crore, of which ₹7,212 crore is for Revenue and ₹184 crore for Capital.
- Under the Jeevika Yojana scheme, SHGs (Self-Help Groups) are formed to encourage social and economic empowerment of women. A total of 10.45 lakh SHGs have been created with the participation of 1.30 crore women.

- Civil Seva Protsahan Rashi will be provided under the Mukhya Mantri Nari Shakti Yojana to female students who clear the prelims examination of Union Public Service Commission (UPSC) and Bihar State Service Commission (BPSC). They will be provided with ₹1 lakh and ₹50,000, respectively, for further preparations. In FY 2023-24, a total of ₹60.20 crore is budgeted for this.
- Mukhya Mantri Mahila Udyami Yojana has been launched to promote self-employment among women. In FY 2023-24, a total of ₹250 crore has been budgeted.



## Nutrition

- For FY 2023-24, Nutrition expenditure is estimated at ₹1,987 crore.
- Supplementary Nutrition Programme (SNP) services have been provided to a total of 1,11,21,124 infants, pregnant women, and lactating women through a network of 1,14,718 centres in the state.
- As on 30 June 2022, 54 Anganwadi Workers were in-position for every Lady Supervisor in-position.



① As per our analysis, in Poshan 2.0 guidelines, it is necessary for eligible citizens to register using the Aadhaar identification in order to avail scheme benefits. While children can access the scheme using their mother's Aadhaar card, adolescents, pregnant women, and lactating mothers need to have their own Aadhaar cards. As on 31 July 2022, only 25 per cent of eligible women and children were linked and verified to Aadhaar.

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