

# ECONOMIC SURVEY 2019-20

## Press Release

The state government is presenting its 14<sup>th</sup> Economic Survey (2019-20). The Survey has 14 Chapters. In addition to the Introductory Chapter, there are 13 more Chapters – State Finances; Agriculture and Allied Sectors; Enterprises Sector; Labour, Employment and Migration; Infrastructure; Energy Sector; Rural Development; Urban Development; Banking and Allied Sectors; Human Development; Child Development; Environment and Climate Change; and, E-governance. This year's Economic Survey has added two new chapters on environment and e-governance. The highlights of the report are presented below :

1. The Bihar economy has registered higher growth than the overall growth of the Indian economy in the last three years and the growth rate of Bihar's economy in 2018-19 was 10.53 percent (at constant prices) and 15.01 percent (at current prices). *(Page 2, 7).*
2. The GSDP of Bihar was Rs 5,57,490 crore at current prices and Rs 3,94,350 crore at constant (2011-12) prices in 2018-19. The NSDP for the state in 2018-19 was Rs 5,13,881 crore at current prices and Rs 3,59,030 crore at constant prices. The resulting Per Capita GSDP of Bihar was Rs 47,541 at current prices and Rs. 33,629 at constant prices. *(Page 5).*
3. The main growth drivers of the economy which have registered a double-digit growth and has contributed towards real growth of the overall economy of Bihar during 2018-19 are: Air transport (36.0 percent), Other Services (20.0 percent), Trade & repair services (17.6 percent), Road transport (14.0 percent) and Financial Services (13.8 percent). The untapped potential for growth in the primary sector will help the state achieve a higher growth rate in the coming years. *(Page 8).*
4. The management of the state finances in Bihar in 2018-19 has adhered to the resolutions of the Bihar Fiscal Responsibility and Budget Management Act, 2006. The fiscal deficit was 2.68 percent of GSDP, revenue surplus 1.34 percent of GSDP and the outstanding public debt liability of the State Government was 32.34 percent of GSDP during the year. *(Page 22).*
5. The 15th Finance Commission has submitted its report for the year 2020-21. As per its recommendation, the share of Bihar in the total shareable resource pool of the centre has increased from 9.67 percent to 10.06 percent for the year 2020-21. *(Page 23).*
6. The total revenue receipt of Bihar in 2018-19 was Rs 1,31,793 crore and capital receipt Rs 20,494 crore. The revenue expenditure and the total expenditure in the state were Rs 1,24,897 crore and Rs 1,54,655 crore respectively. The revenue receipt increased by 12.2

- percent, whereas the revenue expenditure increased by 21.7 percent in 2018-19 over the previous year. *(Page 23-24).*
7. The receipt from the tax revenues increased by Rs 14,791 crore in 2018-19 to reach Rs 1,03,011 crore, which is 16.8 percent higher than the previous year and the non-tax revenue was Rs 4,131 crore during 2018-19, after an increase of 17.8 percent over the previous year. *(Page 24).*
  8. In a significant development, there was an increase of 55.4 percent from the previous year in the repayment of public debt by the State Government during 2018-19. The repayment of public debt was Rs 7230 crore in 2018-19, compared to Rs 4654 crore in 2017-18. The total borrowing by the State Government in 2018-19 was Rs 18,668 crore, compared to Rs 13,169 crore in 2017-18 and Rs 21,577 crore in 2016-17. *(Page 27).*
  9. In an attempt to improve the efficiency in financial management, the State Government has introduced Comprehensive Financial Management System (CFMS) on April 1, 2019, which will make all financial activities in the state online and paperless. In another development in 2018-19, the State Government made it mandatory for all the departments to make all the purchases through the GeM Portal. *(Page 23).*
  10. In 2018-19, foodgrain production in Bihar stood at 163.12 lakh tonnes. The production of cereals increased from 143.21 lakh tonnes in 2017-18 to 158.58 lakh tonnes in 2018-19. The Government of India has conferred the Krishi Karman Award to the state on 2nd January 2020, for its achievements in production and productivity of maize and wheat. *(Page 81, 92).*
  11. Under the Jal-Jeevan-Hariyali campaign, the State government has recently launched a new scheme of Jalvayu ke Anukul Krishi (Climate Resilient Agriculture) Karykram. *(Page 92, 113).*
  12. Egg production has increased in the state from 111.17 crore in 2016-17 to 176.34 crore in 2018-19. The total fish production in Bihar increased from 4.79 lakh tonnes in 2013-14 to 6.02 lakh tonnes in 2018-19. *(Page 95, 96).*
  13. The Bihar State Organic Mission is being implemented in 12 districts (Patna, Buxar, Bhojpur, Nalanda, Vaishali, Saran, Samastipur, Begusarai, Lakhisarai, Khagaria, Bhagalpur and Munger) with a total approved sum of Rs. 15,588.58 lakh for the period 2019-20 to 2021-22. *(Page 92).*
  14. The annual growth rate of operational agro-based factories in Bihar was 16.4 percent over the last 10 years, compared to only 3.3 percent at the all-India level. In 2017-18 and 2018-19, a sum of Rs. 742.54 crore was invested in food processing industries, the highest among all the industries classified under 'High Priority Sector.' *(Page 138, 150).*

15. The number of organised societies under the COMFED in the state has increased by 9.4 percent, from 20,997 in 2017-18 to 22,971 in 2018-19. The daily milk collection across all dairies registered a growth of 18.7 percent during the year. *(Page 153).*
16. The performance of unincorporated non-agricultural enterprises (UNAEs) has been particularly impressive in Bihar. The GVA per worker in own-account enterprises (OAEs) within the manufacturing sector in Bihar was Rs 71 thousand, almost 54 percent higher than the all-India average. Similarly, GVA per worker in OAEs in trade was Rs 94 thousand, which is 7 percent more than the all-India average. The ratio of GVA to fixed assets of UNAEs in Bihar was also higher than the national average. *(Page 145).*
17. Major employment-generating industries for working males in Bihar during 2017-18 were — agriculture, forestry and fishing (44.6 percent), construction (17.1 percent), wholesale and retail trade, repair of vehicles (12.3 percent), and manufacturing (9.3 percent). For female workers, major employment-generating industries were — agriculture, forestry and fishing (53.6 percent), and education (25.7 percent). *(Page 173).*
18. During the last five years, Rural Self Employment Training Institute (RSETI) has trained 1,38,104 candidates, of which 45 percent were male, 54 percent were female, and around one percent were transgender. Of the total trained candidates, 74 percent obtained gainful employment in various economic activities. *(Page 186).*
19. Under the Bihar State Migrant Labour Accidental Grant, the compensations provided in the state are — Rs. 1.00 lakh for death, Rs. 75.00 thousand for permanent absolute disability, and Rs. 37.50 thousand for permanent partial disability. *(Page 191).*
20. The physical infrastructure in Bihar has been strengthened considerably during the last decade. The growth in the transport sector was 11.0 percent during the period 2011-12 to 2018-19. It was mainly on account of massive public investment, which has tripled from Rs 5,988 crore (2012-13) to Rs 18,677 crore (2019-20). *(Page 198, 199).*
21. Bihar was the sixth highest state in terms of building additional road length (1,30,799 km), during the period 2008-2017. The total paved road in rural area has increased in the state from 35 percent in 2015 to 75 percent in 2019. *(Page 202, 218).*
22. In 2018-19, a total of 11.89 lakh vehicles were registered in the state, compared to only 5.53 lakh in 2013-14. The revenue collection from registration of vehicles has also increased substantially from Rs. 835 crore in 2013-14 to Rs. 2,067 crore in 2018-19, registering an annual growth of around 20 percent. *(Page 225).*
23. Air transport has registered a massive annual growth (35.6 percent) in the state, as the contribution of the sector in the GSDP increased from Rs. 31 crore in 2011-12 to Rs. 252

- crore in 2018-19. As many as 40.61 lakh passengers availed air travel during 2018-19, compared to 31.11 lakh in 2017-18. *(Page 236).*
24. The telecom sector has registered tremendous growth and tele-density has been increasing rapidly over the years in both Bihar and other states. Presently, the rural tele-density in Bihar is 46 connections per 100 persons. The urban tele-density in Bihar is 149 connections per 100 persons. *(Page 239).*
25. Many financial services are being provided through the vast postal networks in the state. There are 272 lakh account holders in Post Office Bank (POB) in Bihar, which constituted 7.3 percent of the all-India total. In terms of the total outstanding balance in the Post Office Bank, Bihar accounts for Rs. 92,810 crore, constituting 15.5 percent of the all-India total. *(Page 242).*
26. There has been significant improvement in peak demand of electricity in Bihar from 2650 MW in 2012-13 to 5300 MW in 2018-19, implying a growth of around 100 percent in six years. The peak demand met increased to 5139 MW during 2018-19, from 1802 MW in 2012-13. *(Page 250).*
27. The per capita consumption of the electricity in the state has risen from 145 kwh in 2012-13 to 311 kwh in 2018-19, implying a growth of 114 percent in six years. The availability of power has increased from an average of 6-8 hours to 20-22 hours in rural areas and from 10-12 hours to 22-24 hours in urban areas. *(Page 250).*
28. The power capacity availability in the state was 3889 MW in 2018, which increased to 4767 MW in 2019. In order to meet the increased demand for power, the State Government has planned for additional capacity of 5335 MW from different sources in a phased manner by 2021-22. *(Page 253).*
29. The generation and purchase of power (net of central transmission loss) in Bihar increased from 21,677 MU in 2015-16 to 28,112 MU in 2018-19. The cost coverage was around 80 percent in 2017-18 and has increased to over 86 percent in 2018-19. *(Page 257).*
30. The total allocation of fund for Bihar State Power Holding Corporation Ltd. (BSPHCL) and its subsidiary companies, Bihar Renewable Energy Development Agency (BREDA) and Bihar State Hydroelectric Power Corporation (BSHPC) was Rs. 3663.49 crore in 2015-16, and has increased to Rs. 6185.63 crore in 2018-19. *(Page 256).*
31. In the last eight years (2011-12 to 2018-19) the expenditure on education increased in the state at an annual rate of 13.8 percent. In absolute terms, the expenditures on education in Bihar was Rs. 10,214 crore in 2011-12 and has increased to Rs. 28,080 crore in 2018-19. The expenditure on health has also increased from Rs. 2125 crore in 2011-12 to Rs. 7318 crore in 2018-19, registering an annual growth rate of 20.8 percent. *(Page 353).*

32. As per population projection upto 2041, the percentage share of the population in the working-age group is projected to increase steadily from 43.0 percent in 2011 to 58.3 percent in 2041. *(Page 357).*
33. The life expectancy at birth in Bihar was 69.2 and 68.6 years for males and females, respectively during 2013-17. The increase in life expectancy has been 3.7 years for males and 2.4 years for females over 2006-10. *(Page 359).*
34. The number of institutional deliveries increased from 14.94 lakh to 16.02 lakh in the state, registering an increase of 7.2 percent between 2014-15 and 2018-19. *(Page 367).*
35. Under Mission Indradhanush there was an increase of 41 percentage points in immunisation coverage in Bihar. It increased from 62 percent in 2015-16 to 103 percent in 2017-18. *(Page 369).*
36. A remarkable achievement was made in 2018-19, when 20290 wards were covered as per Mukhyamantri Peyjal Nischay Yojana to provide safe drinking water in the state. *(Page 377).*
37. The total enrolment in schools at the primary level increased to 160.08 lakh in 2017-18 from 154.51 lakh in 2012-13. At the upper primary level, the total enrolment has increased from 60.36 lakh in 2012-13 to 75.76 lakh in 2017-18. At the primary level, the dropout rate recorded a decrease of 15.5 percentage points, between 2012-13 (31.7 percent) and 2017-18 (16.2 percent). At the upper primary level, this decrease was 6.9 percentage points. *(Page 381).*
38. Under the Chief Minister Merit Scholarship Schemes, an amount of Rs. 105.00 crore for the SC students and Rs. 16.36 crore for the ST students have been allotted for those passing matric examinations in 2019-20. For SC/ST students in higher secondary, the allotment was Rs. 63.40 crore. *(Page 396).*
39. As per Mukhyamantri Alpsankhyak Vidyarthi Protsahan Yojana, a total of Rs. 34.40 crore was sanctioned to benefit 30,933 students in 2018-19. *(Page 403).*
40. The total expenditure on the pension schemes for persons of old age, widows and disabled people has increased from Rs. 98.34 crore in 2005-06 to Rs. 3,138.88 crore in 2018-19 and 63.6 lakh people have benefitted from these schemes. *(Page 410).*
41. With 4.98 crore children, Bihar accounts for 11 percent of India's total child population. The Census 2011 data reveals that the child sex ratio was higher than the overall sex ratio in Bihar (918). The child sex ratio was 935 females per 1000 males in 0-6 years age group, 923 in 0-14 years age group, and 897 in the age group of 0-18 years. The child sex ratios among the Scheduled Castes (962) and Scheduled Tribes (969) are better than the state average of 935. *(Page 442, 443).*

42. The practice of Child Budgeting started in Bihar in 2013-14, presenting the details of all schemes related to child welfare. Between 2013-14 and 2018-19, the expenditure on child development grew at an annual rate of 23.3 percent. During the same period, the per capita expenditure increased from Rs. 1,225 in 2013-14 to Rs. 3,727 in 2018-19. The share of expenditure on child development in the total state budget is around 12 percent. *(Page 445, 446).*
43. The percentage of elementary schools with drinking water facility has increased from 93.0 percent in 2011-12 to 99.0 percent in 2016-17. In 2011-12, the percentage of schools with boy's toilets was 70.3 percent, which increased to 97.8 percent in 2016-17. Similarly, the number of schools having toilet facility for girls had increased from 52.2 percent in 2011-12 to 94.0 percent in 2016-17. *(Page 455).*
44. There has been decrease in the number of total out-of-school children from 2.17 lakh in 2016-17 to 1.44 lakh in 2018-19. Out of these 1.44 lakh, 29.4 percent were SC, 13.8 percent were minority and only 3.0 percent were ST. *(Page 455).*
45. During 2018-19, Bihar recorded an annual rainfall of 780 mm. Kishanganj district received the highest annual rainfall of 1522 mm, while the lowest rainfall was observed in Jehanabad district (403 mm). *(Page 469, 470).*
46. Jal-Jeevan-Hariyali, the flagship programme of the State Government intends to tackle issues related to climate change and environmental degradation. The total expenditure for the execution of various schemes under this campaign is estimated to be Rs 24,524 crore in three years during 2019-20 to 2021-22. The expenditures for 2019-20, 2020-21 and 2021-22 is estimated to be Rs 5,870 crore, Rs 9,874 crore and Rs 8,780 crore, respectively. In the state-wide human chain formation organised on January 19, 2020 to create awareness about environmental conservation, more than 5.17 crore people participated in the 18,034-kilometre-long human chain. *(Page 493, 494).*
47. Keeping in view the damage caused by rains and floods in Bihar, the State Government has set aside an expenditure of Rs. 1607.14 crore for relief on account of natural calamities in 2018-19. Under the Bihar Rajya Fasal Sahayata scheme, financial assistance is being provided to the farmers in case of damage to the crops due to natural calamities. For this purpose, an expenditure of Rs. 318.23 crore has been earmarked by the State Government in 2018-19. *(Page 502).*
48. The Gas Authority of India Limited (GAIL) is creating City Gas Distribution Network in Patna geographical area, with a minimum work plan of 50,154 PNG connections in the first five years. Patna covers an area of 3202 sq. kms. and the estimated project cost is Rs. 850 crore for a 25 years' work plan. GAIL, with an investment of Rs. 98 crore, has already completed 11,000 PNG infrastructure and has made 5 CNG stations operational. *(Page 498).*

49. The State has received eight prestigious awards in the field of e-governance as the State Government has continuously endeavoured for delivering good governance and development with justice. Almost all departments have been running e-governance programme in the state. The Information and Communication Technology (ICT) infrastructure has been strengthened right from the state headquarter to the village level. *(Page 512, 513).*
50. Law and Governance is a very complex issue and ICT has been playing an important role through implementation of CCTN, Cyber Security, e-prison, CCTV and VC, Bihar Police Help Line, E-court, Child Labour Tracking System, E-Municipality Bihar, E-Office etc. to enforce law and order and speedup peaceful environment in the state. *(Page 517-521).*
51. The State Government has improved its budgetary allocation and operational efficiency through the CFMS since 2019. It has been rolled out by connecting all departments, treasuries, DDOs, Reserve Bank of India and other government offices to provide real time information regarding receipts, expenditures, debt and investments including ways and means among the stakeholders to facilitate office-wise and agency specific policy decisions. *(Page 552).*
52. E-Labharthi provides several e-services to crores of the beneficiaries including Kanya Utthan. For smooth and leakage proof food supply chain management, an IT module has been developed to track doorstep delivery through GPS, SMS alert and grievance redressal of beneficiaries. All procurement related processes in case of paddy is being done online through procurement software and payment is being released within 48 hours through RTGS/ NEFT to registered farmers. *(Page 524-534).*
53. E-governance plays a crucial role in evolving inclusive, resilient societies both before and in response to the disasters. Alerts for disaster awareness are sent to the citizens to prepare themselves for the disaster through WRD Scheme Implementation and Monitoring System, Flood Forecast Model, River Behavioural Analysis Model, Embankment Asset Management System, Real Time Data Acquisition System, Mathematical Modelling Centre, Distribution of Gratuitous Relief (GR) and Tatkal Sahayata etc. *(Page 535-537).*
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