

Bihar Budget Analysis 2020-21

The Finance Minister, Mr. Sushil Kumar Modi, presented the Budget for Bihar for the financial year 2020-21 on February 25, 2020.

Budget Highlights

- The **Gross State Domestic Product** of Bihar for 2020-21 (at current prices) is projected to be Rs 6,85,797 crore. This is 11.1% higher than the revised estimate for 2019-20. GSDP for 2019-20 (at current prices) is estimated to be 19.6% higher than that in 2018-19.
- **Total expenditure** for 2020-21 is estimated to be Rs 2,11,761 crore, a 2.8% decrease over the revised estimates of 2019-20. In 2019-20, total expenditure is estimated to increase by 8.6% (Rs 17,259 crore) from the budget estimates.
- **Total receipts (excluding borrowings)** for 2020-21 are estimated to be Rs 1,84,352 crore, an increase of 21.5% as compared to the revised estimate of 2019-20. In 2019-20, total receipts (excluding borrowings) are estimated to fall short of the budgeted estimate by Rs 25,415 crore (14.3% of the budgeted estimate).
- **Revenue surplus** for 2020-21 is targeted at Rs 19,173 crore or 2.8% of the Gross State Domestic Product (GSDP). **Fiscal deficit** is targeted at Rs 20,374 crore (2.97% of GSDP). In 2019-20, Bihar is estimated to observe a revenue deficit (3% of GSDP) as against a budget target of revenue surplus (3.8% of GSDP). Fiscal deficit is estimated to rise from the budgeted 2.8% of GSDP to 9.5% of GSDP at the revised stage.
- In 2020-21, the highest increase in allocations was observed in Water Supply, Sanitation, Housing and Urban Development (8%), police (6%), and irrigation and flood control (6%) sectors over the revised estimates of the previous year. Significant decrease in allocation was observed in Energy (48%) and transport (19%) sectors.

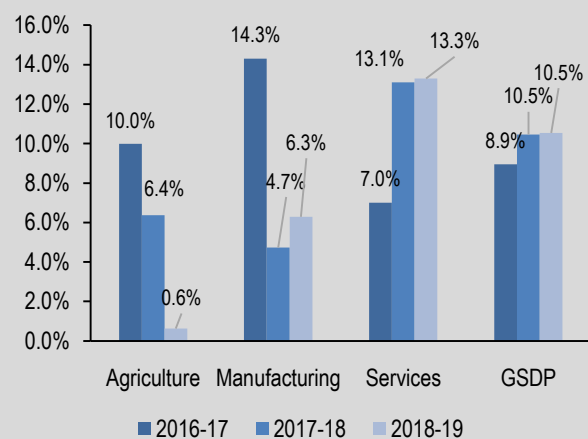
Policy Highlights

- **Green Budget:** The state government will present a Green Budget which will indicate the state's spending on programmes related to environment conservation and climate change. The Jal Jeevan Hariyaali Yojana is estimated to be one of the major schemes under the Green Budget. In 2020-21, Rs 3,051 crore will be spent on: (i) rejuvenation of water bodies, (ii) rainwater harvesting, (iii) solar energy and energy efficiency, (iv) drip irrigation, and (v) tree plantation.
- **Upgradation of various hospitals:** 12 district hospitals will be upgraded as model hospitals. The Indira Gandhi Institute of Medical Sciences (IGIMS), Patna will be upgraded into a super speciality hospital with an increase in the number of beds from 1,032 to 2,732. The Patna Medical College and Hospital (PMCH) will be upgraded into a world-class hospital by 2025 at an estimated cost of Rs 5,540 crore.
- **Agriculture and Rural Development:** Krishi Yantra Banks will be established at Panchayat level. In 2021, organic certification will be done in 21,000 acres of land. Under the third phase of the Pradhan Mantri Gram Sadak Yojana, 6,162 km of roads will be upgraded.

Bihar's Economy

- **GSDP:** The growth rate of Bihar's GSDP (at constant prices) was 10.5% in 2017-18 and 2018-19, higher than the GDP growth rate of the country in both years.
- **Sectors:** In 2018-19, agriculture, manufacturing, and services contributed to 20%, 19% and 61% to the economy. These sectors grew by 0.6%, 6.3%, and 13.3%, respectively.
- **Per capita GSDP:** The per capita GSDP of Bihar in 2018-19 (at constant prices) was Rs 33,629, 9% higher than the corresponding figure in 2017-18. In 2017-18, the per capita GSDP of Bihar was the lowest among all states.
- **Unemployment:** According to the Periodic Labour Force Survey (July 2017-June 2018), the unemployment rate in Bihar was 7.2%, which is higher than that at the all-India level (6.1%).

Figure 1: Growth in GSDP and sectors in Bihar at constant (2011-12) prices



Sources: Bihar Economic Survey 2019-20; PRS.

Note: These numbers are as per constant prices (2011-12) which implies that the growth rate is adjusted for inflation.

Budget Estimates for 2020-21

- The total expenditure in 2020-21 is targeted at Rs 2,11,761 crore. This is 2.8% lower than the revised estimates of 2019-20. This expenditure is proposed to be met through receipts (other than borrowings) of Rs 1,84,352 crore and borrowings of Rs 27,609 crore. Total receipts for 2020-21 (other than borrowings) are expected to be 21.5% higher than the revised estimate of 2019-20.
- As per the revised estimates of 2019-20, while the receipts (other than borrowings) is estimated to reduce by 14.3% over the budget estimates, the total expenditure is estimated to increase by 8.6%. This implies that there will be an increase in the borrowing requirement. As a result, in 2019-20, the state is estimated to observe a revenue deficit (3% of GSDP) as against a budget target of revenue surplus (3.76% of GSDP). Fiscal deficit is estimated to rise from the budgeted 2.81% of GSDP to 9.45% of GSDP at the revised stage.

Table 1: Budget 2020-21 - Key figures (in Rs crore)

Items	2018-19 Actuals	2019-20 BE	2019-20 RE	% change from BE 2019- 20 to RE 2019- 20	2020-21 BE	% change from RE 2019-20 to BE 2020-21
Total Expenditure	1,54,655	2,00,501	2,17,760	8.6%	2,11,761	-2.8%
A. Receipts (except borrowings)	1,33,619	1,77,164	1,51,749	-14.3%	1,84,352	21.5%
B. Borrowings	18,668	24,421	26,183	7.2%	27,609	5.4%
Total Receipts (A+B)	1,52,287	2,01,585	1,77,931	-11.7%	2,11,961	19.1%
Revenue Surplus	6,897	21,517	-18,514	-186.0%	19,173	-203.6%
As % of GSDP	1.34%	3.76%	-3.00%		2.80%	
Fiscal Deficit	13,806	16,101	58,343	262.4%	20,374	-65.1%
As % of GSDP	2.68%	2.81%	9.45%		2.97%	
Primary Deficit	3,735	5,378	47,294	779.5%	7,449	-84.2%
As % of GSDP	0.72%	0.94%	7.66%		1.09%	

Note: BE is Budget Estimates; RE is Revised Estimates. Negative sign against revenue surplus indicates a revenue deficit.

Sources: Bihar Budget Documents 2020-21; PRS.

Expenditure in 2020-21

- **Capital expenditure** for 2020-21 is proposed to be Rs 47,010 crore, which is a decrease of 1.9% over the revised estimates of 2019-20. Capital expenditure includes expenditure affecting the assets and liabilities of the state, such as: (i) capital outlay, i.e. expenditure which leads to the creation of assets (such as bridges and hospitals), and (ii) repayment and grant of loans by the state government.
- Bihar's capital outlay for 2020-21 is estimated to be Rs 38,745 crore, which is 0.2% higher than the revised estimates of 2019-20. The revised estimates for capital outlay is 5.7% higher as compared to the budget estimate for the year 2019-20.
- **Revenue expenditure** for 2020-21 is proposed to be Rs 1,64,751 crore, which is a decrease of 3% over revised estimates of 2019-20. This expenditure includes the payment of salaries, interest, and subsidies.

Grants to Local Bodies

The state government provides grants to local bodies. In 2020-21, Bihar has assigned Rs 15,211 crore as establishment and committed expenditure for local bodies, a decrease of 8.3% over the revised estimates of 2019-20. This expenditure head includes Finance Commission grants of Rs 7,434 crore. Rs 2,763 crore has been proposed as scheme expenditure for local bodies in 2020-21, a decrease of 10% over the revised estimates of the previous year.

Table 2: Expenditure budget 2020-21 (in Rs crore)

Items	2018-19 Actuals	2019-20 BE	2019-20 RE	% change from BE 2019-20 to RE 2019-20	2020-21 BE	% change from RE 2019-20 to BE 2020-21
Capital Expenditure	29,759	45,270	47,913	5.8%	47,010	-1.9%
of which Capital Outlay	21,058	36,593	38,676	5.7%	38,745	0.2%
Revenue Expenditure	1,24,897	1,55,231	1,69,846	9.4%	1,64,751	-3.0%
Total Expenditure	1,54,655	2,00,501	2,17,760	8.6%	2,11,761	-2.8%
A. Debt Repayment	7,230	7,236	7,668	6.0%	7,035	-8.2%
B. Interest Payments	10,071	10,723	11,050	3.0%	12,925	17.0%
Debt Servicing (A+B)	17,301	17,959	18,717	4.2%	19,960	6.6%

Note: BE is Budget Estimates; RE is Revised Estimates. Capital outlay denotes expenditure which leads to the creation of assets.

Sources: Bihar Budget Documents 2020-21; PRS.

Sector-wise expenditure in 2020-21

The sectors listed below account for **73%** of the total expenditure by the state in 2020-21. A comparison of Bihar's expenditure on key sectors with that by other states can be found in Annexure 1.

Table 3: Sector-wise expenditure under Bihar Budget 2020-21 (in Rs crore)

Sector	2018-19 Actuals	2019-20 BE	2019-20 RE	2020-21 BE	% change from 2019-20 RE to 2020-21 BE	Budget provisions for 2020-21
Education, Sports, Arts, and Culture	28,080	35,942	38,484	39,351	2%	Rs 14,014 crore has been allocated to the Sarva Shiksha Abhiyan. Rs 2,554 crore has been allocated to the Mid-Day Meal scheme.
Rural Development	12,316	27,095	27,838	26,058	-6%	Rs 8,128 crore has been allocated to the Pradhan Mantri Awas Yojana-Rural. Rs 5,419 crore has been allocated to the Pradhan Mantri Gram Sadak Yojana. The Mukhyamantri Gram Sampark Yojana has been allocated Rs 3,100 crore. Rs 2,785 crore has been allocated to MNREGS.
Water Supply, Sanitation, Housing and Urban Development	15,638	20,744	22,130	24,008	8%	Rs 620 crore has been allocated towards the Smart City mission. Rs 610 crore and Rs 425 crore have been allocated for the AMRUT mission and the Sabke Liye Awas (Urban) Mission respectively.
Social Welfare and Nutrition	8,337	12,586	16,776	13,506	-19%	Rs 4,412 crore has been allocated towards relief on account of natural calamities. Rs 2,894 crore has been allocated to the Integrated Child Development Scheme. Rs 1,994 crore has been allocated to the Indira Gandhi Pension Yojana.
Health and Family Welfare	7,318	9,157	10,315	10,602	3%	Rs 2,352 crore has been allocated to the National Health Mission. Rs 1,321 crore has been allocated towards human resources in health and medical education. Rs 528 crore has been allocated for medical colleges.
Police	7,492	9,286	9,462	10,021	6%	Rs 145 crore has been allocated towards police modernisation. Rs 65 crore will be spent towards education and training of police.
Transport	8,071	8,360	10,051	8,107	-19%	A capital outlay of Rs 5,069 crore towards construction of roads and bridges is proposed.
Agriculture and allied activities	3,740	6,537	7,235	7,056	-2%	Rs 652 crore has been allocated to Fasal Sahayata Yojana. Rs 278 crore and Rs 250 crore has been allocated towards Rashtriya Krishi Vikas Yojana and promotion of organic farming respectively.
Energy	11,958	8,795	10,488	5,457	-48%	Rs 3,500 crore has been allocated for providing power subsidy. Rs 1,165 crore has been allocated towards capital outlay on transmission and distribution.
Irrigation and Flood Control	3,406	4,357	4,907	5,213	6%	Rs 1,353 crore has been allocated towards various irrigation projects. Rs 440 crore has been allocated towards flood control programmes.
% of total expenditure	73%	74%	76%	73%		

Sources: Bihar Budget Documents 2020-21; PRS.

Committed expenditure: Committed expenditure of a state typically includes expenditure on payment of salaries, pensions, and interest. A larger proportion of budget allocated for committed expenditure items limits the state's flexibility to decide on other expenditure priorities such as capital outlay. In 2020-21, Bihar is estimated to spend Rs 58,380 crore on committed expenditure. This is 9.8% higher than the revised estimates of 2019-20. In 2020-21, Bihar is estimated to spend 32% of its revenue receipts on committed expenditure items. This comprises of spending on salaries (14% of revenue receipts), pension (11%), and interest payments (7%). In 2020-21, interest payments are estimated to increase by 17% over the revised estimates of 2019-20.

Table 4: Committed Expenditure for the state in 2020-21 (in Rs crore)

Items	2018-19 Actuals	2019-20 BE	2019-20 RE	% change from BE 2019-20 to RE 2019-20	2020-21 Budgeted	% change from RE 2019-20 to BE 2020-21
Salaries	18,954	23,358	23,600	1.0%	24,987	5.9%
Pensions	16,028	18,458	18,535	0.4%	20,468	10.4%
Interest	10,071	10,723	11,050	3.0%	12,925	17.0%
Total	45,053	52,539	53,184	1.2%	58,380	9.8%

Note: BE is Budget Estimates; RE is Revised Estimates.

Sources: Bihar Budget Documents 2020-21; PRS.

Receipts in 2020-21

- The **total revenue receipts** for 2020-21 are estimated to be Rs 1,83,924 crore, an increase of 21.5% over the revised estimates of 2019-20. Of this, Rs 39,989 crore (22%) will be raised by the state through its **own resources**, and Rs 1,43,935 crore (78%) will **come from the centre** in the form of grants (28% of revenue receipts) and the state's share in central taxes (50% of revenue receipts).
- **Devolution:** In 2020-21, receipts from the state's share in central taxes are estimated to increase by 43.8% over the revised estimates of 2019-20. However, as per the revised estimates of 2019-20, the receipts from the state's share in central taxes is estimated to decrease by 28.9% as compared to the budget stage. This may be due to a 19% cut in the union budget for devolution to states, from Rs 8,09,133 crore at the budget stage to Rs 6,56,046 crore at the revised stage. Bihar's share in the centre's tax revenue will increase from 4.06% during the 2015-20 period to 4.13% for 2020-21 (an increase of 2%) as per the recommendations of the 15th Finance Commission (Annexure 2).
- **Tax Revenue:** Total own tax revenue of Bihar is estimated to be Rs 34,750 crore in 2020-21, an increase of 1.9% over the revised estimates of the previous year. The own tax to GSDP ratio is targeted at 5.1% in 2020-21, which is lower than the revised estimates for 2019-20 (5.5%). This implies that the growth of tax collections is estimated to be slower than the growth of the economy.

Table 4: Break up of state government receipts (in Rs crore)

Items	2018-19 Actuals	2019-20 BE	2019-20 RE	% change from BE 2019-20 to RE 2019- 20	2020-21 BE	% change from RE 2019-20 to BE 2020- 21
State's Own Tax	29,408	33,800	34,100	0.9%	34,750	1.9%
State's Own Non-Tax	4,131	4,806	4,806	0.0%	5,239	9.0%
Share in Central Taxes	73,603	89,122	63,406	-28.9%	91,181	43.8%
Grants-in-aid from Centre	24,652	49,019	49,019	0.0%	52,754	7.6%
Total Revenue Receipts	1,31,793	1,76,748	1,51,332	-14.4%	1,83,924	21.5%
Borrowings	18,668	24,421	26,183	7.2%	27,609	5.4%
Other receipts	1,825	416	416	0.0%	428	2.8%
Total Capital Receipts	20,494	24,837	26,599	7.1%	28,038	5.4%
Total Receipts	1,52,287	2,01,585	1,77,931	-11.7%	2,11,961	19.1%

Note: BE is Budget Estimates; RE is Revised Estimates.

Sources: Bihar Budget Documents 2020-21; PRS.

- In 2020-21, State Goods and Services Tax (SGST) is estimated to be the largest source of own tax revenue (60% of total own tax revenue). SGST collection is estimated to increase by 16.8% over the previous year.
- In 2020-21, Bihar is expected to generate Rs 5,830 crore through the levy of sales tax (on items such as petroleum products), and VAT, a decrease of 18.5% over the revised estimates of 2019-20. Since 2017-18, the contribution of state excise duty to revenue has become zero as the state enforced alcohol prohibition.
- Rs 4,700 crore is estimated to come from stamp duty and registration fees in 2020-21, a decrease of 6% over the previous year.

GST Compensation

The GST (Compensation to States) Act, 2017 guarantees states compensation for five years (till 2022) for any revenue loss arising due to GST implementation. The Act guarantees states a 14% annual growth on their revenue which was subsumed under GST. If the GST revenue of a state does not match the guaranteed growth, compensation grants are provided to meet the shortfall.

The state is estimated to receive GST compensation grants in all three years between 2018-19 and 2020-21 (Rs 3,500 crore in 2020-21). Reliance on GST compensation grants indicates a slower growth in SGST collection as compared to the 14% annual growth envisaged under the Act.

Table 5: Some of the major state's own tax revenue sources (in Rs crore)

Head	2018-19 Actuals	2019-20 BE	2019-20 RE	% change from BE 2019-20 to RE 2019-20	2020-21 BE	% change from RE 2019-20 to BE 2020-21	% of Revenue Receipts in 2020-21
State's own tax revenue	29,408	33,800	34,100	0.9%	34,750	1.9%	18.9%
State GST	15,288	17,812	17,812	0.0%	20,800	16.8%	11.3%
Sales Tax and VAT	6,584	7,150	7,150	0.0%	5,830	-18.5%	3.2%
Stamp Duty and Registration Fees	4,189	4,700	5,000	6.4%	4,700	-6.0%	2.6%
Taxes on Vehicles	2,086	2,500	2,500	0.0%	2,500	0.0%	1.4%
Land Revenue	477	1,100	1,100	0.0%	500	-54.5%	0.3%
Taxes and Duties on Electricity	269	350	350	0.0%	250	-28.6%	0.1%
GST Compensation Grants	2,571	3,500	3,500	0.0%	3,500	0.0%	1.9%

Note: BE is Budget Estimates; RE is Revised Estimates.

Sources: Bihar Budget Documents 2020-21; PRS.

Deficits, Debts and FRBM Targets for 2020-21

The Bihar Fiscal Responsibility and Budget Management (FRBM) Act, 2006 provides annual targets to progressively reduce the outstanding liabilities, revenue deficit and fiscal deficit of the state government.

Revenue Balance: It is the difference of revenue expenditure and revenue receipts. A revenue deficit implies that the government needs to borrow to finance its expenses which do not create capital assets. Once the revenue deficit is accounted for, only then the borrowings can be used for capital investments. A revenue surplus implies that the revenue receipts of state are sufficient to meet the revenue expenditure requirements.

The budget estimates a revenue surplus of Rs 19,173 crore (or 2.8% of GSDP) in 2020-21. The 14th Finance Commission had recommended that states should eliminate revenue deficit. The 15th Finance Commission did not suggest any revenue deficit grants for Bihar since it has been consistently witnessing a revenue surplus. However, a revenue deficit of 3% of GSDP is estimated in 2019-20 (as per the revised estimates).

Fiscal deficit: It is the excess of total expenditure over total receipts. This gap is filled by borrowings by the government, and leads to an increase in total liabilities. In 2020-21, the fiscal deficit is estimated to be Rs 20,374 crore (2.97% of GSDP). The estimate is within the 3% limit as per the FRBM Act. This limit may be relaxed to a maximum of 3.5%, if the state can contain its debt and interest payments to certain specified levels. In 2019-20, the fiscal deficit is expected to be 9.45% of GSDP as per the revised estimates.

Outstanding Liabilities: Outstanding liabilities is the accumulation of borrowings over the years. In 2020-21, the outstanding liabilities are expected to be 30.1% of the GSDP, lower than 30.2% in 2019-20. This is higher than the average level of outstanding liabilities of 29 states in 2019-20 (24.6% of their GSDP).

Outstanding Government Guarantees: Outstanding liabilities of states do not include a few other liabilities that are contingent in nature, which states may have to honour in certain cases. State governments guarantee the borrowings of State Public Sector Enterprises (SPSEs) from financial institutions. The total outstanding government guarantees at the end of the year 2018-19 is estimated at Rs 5,501 crore (1.1% of GSDP).

Debt Servicing

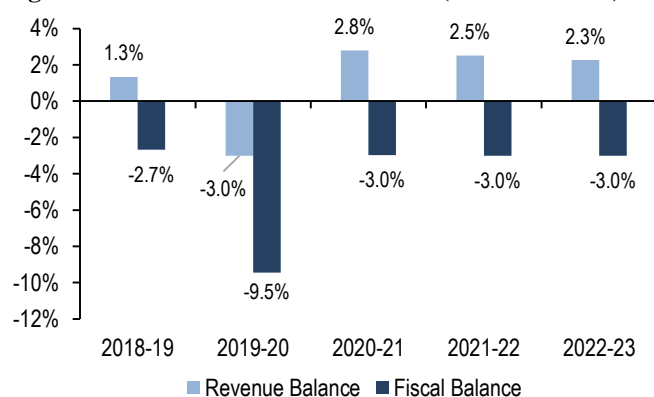
In 2020-21, Bihar is expected to spend Rs 19,960 crore on servicing its debt. This is 6.6% higher than the revised estimates of 2019-20. This includes Rs 7,035 crore towards repaying loans (35%), and Rs 12,925 crore towards interest payments (65%).

Table 6: Budget targets for deficits for Bihar in 2020-21 (% of GSDP)

Year	Revenue Deficit (-)/Surplus (+)	Fiscal Deficit (-)/Surplus (+)	Outstanding Liabilities
2018-19	1.3%	-2.7%	32.8%
2019-20	-3.0%	-9.5%	30.2%
2020-21	2.8%	-3.0%	30.1%
2021-22	2.5%	-3.0%	-
2022-23	2.3%	-3.0%	-

Note: Numbers for 2019-20 and 2020-21 are revised estimates and budget estimates respectively. Numbers for 2021-22 and 2022-23 are targets as per the Medium Term Fiscal Policy Statement. Outstanding liabilities include liabilities on public accounts. Sources: Bihar Budget Documents 2020-21; PRS.

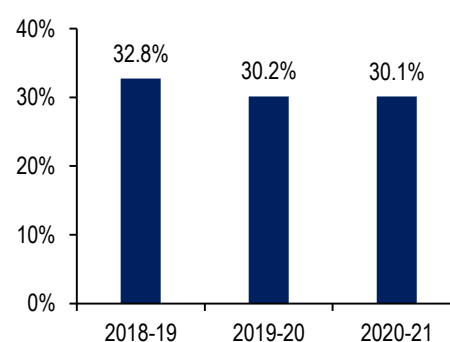
Figure 2: Revenue and Fiscal Balance (as % of GSDP)



Note: (-) indicates deficit and (+) indicates a surplus.

Sources: Bihar Budget Documents; PRS.

Figure 3: Outstanding liabilities targets (as % of GSDP)



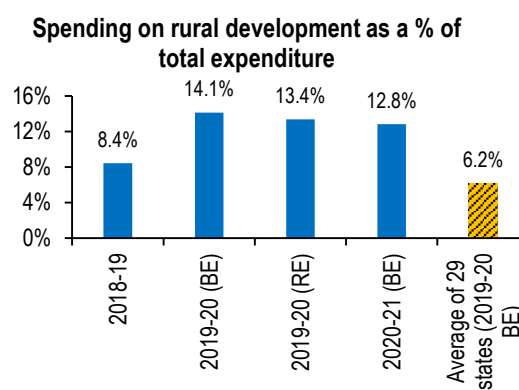
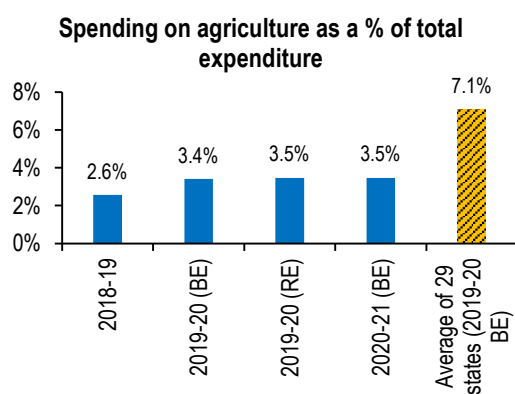
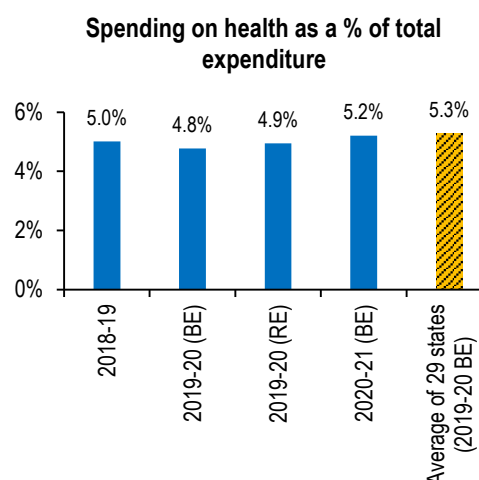
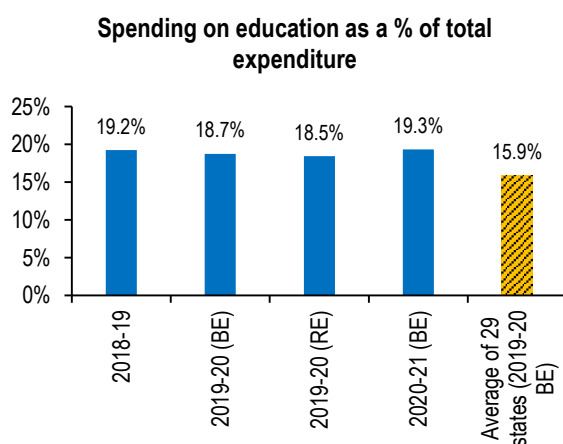
Sources: Bihar Budget Documents; PRS.

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Annexure 1: Comparison of states' expenditure on key sectors

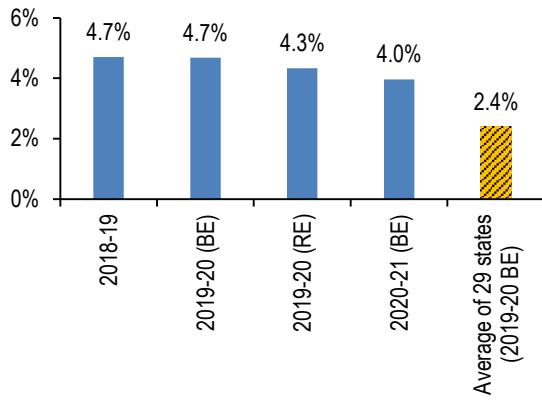
The graphs below compare Bihar's expenditure on eight key sectors as a proportion of its total expenditure on all sectors. The average for a sector indicates the average expenditure in that sector by 29 states as per their budget estimates of 2019-20.¹

- **Education:** Bihar has allocated 19.3% of its total budget for education in 2020-21. This is higher than the average expenditure (15.9%) allocated for education by states (using 2019-20 BE).
- **Health:** Bihar has allocated 5.2% of its total budget on health, which is marginally lower than the average allocation for health by states (5.3%).
- **Agriculture:** The state has allocated 3.5% of its total expenditure towards agriculture and allied activities. This is significantly lower than the average allocated by states (7.1%).
- **Rural development:** Bihar has allocated 12.8% of its expenditure on rural development. This is significantly higher than the average allocation for rural development by states (6.2%).
- **Water Supply and Sanitation:** Bihar has allocated 4% of its expenditure on water supply and sanitation. This is significantly higher than the average allocation for water supply and sanitation by states (2.4%).
- **Housing:** Bihar has allocated 4.6% of its total expenditure on housing, which is higher than the average allocation for housing by states (1.4%).
- **Roads and bridges:** Bihar has allocated 3.7% of its total expenditure on roads and bridges, which is lower than the average expenditure of 29 states (4.2%).
- **Police:** Bihar has allocated 4.9% of its total expenditure on police, which is higher than the average allocation for police by states (4.1%).

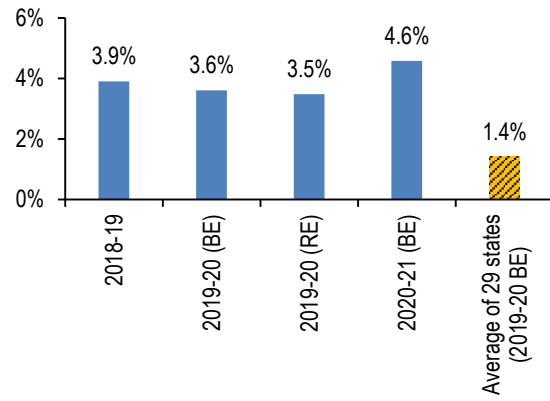


¹ The 28 other states include all states except Manipur. It includes the Union Territory of Delhi and erstwhile state of Jammu and Kashmir.

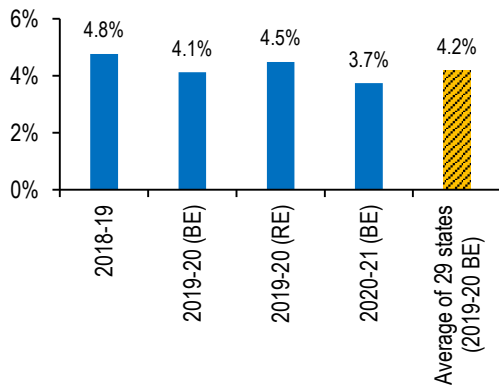
Spending on water supply and sanitation as a % of total expenditure



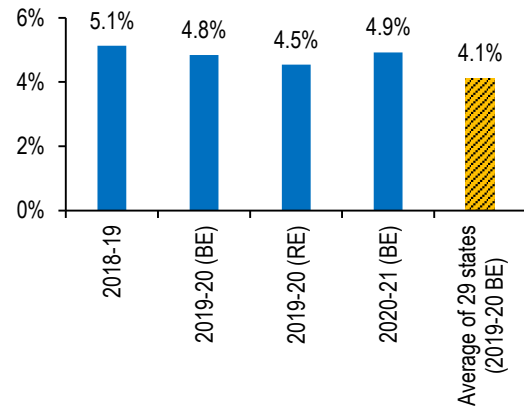
Spending on housing as a % of total expenditure



Spending on roads and bridges as a % of total expenditure



Spending on police as a % of total expenditure



Note: 2018-19, 2019-20 (BE), 2019-20 (RE), and 2020-21 (BE) figures are for Bihar.
 Sources: Annual Financial Statement (2019-20 and 2020-21), various state budgets; PRS.

Annexure 2: Recommendations of the 15th Finance Commission for 2020-21

The 15th Finance Commission's (15th FC) report for the financial year 2020-21 was tabled in Parliament on February 1, 2020. The 15th FC recommended a 41% share for states in the central government's tax revenue in 2020-21, a 1% decrease from the 42% share recommended by the 14th FC (2015-20). The 1% decrease is to provide funds to the newly formed union territories of Jammu and Kashmir, and Ladakh from the share of the central government. The 15th FC also proposed revised criteria for determining the share of individual states.

Table 7 shows the share of states in the central government's tax revenue², as per the recommendations of the 14th FC for 2015-20 and the 15th FC for 2020-21. The 15th FC has recommended a 4.13% share for Bihar in the centre's tax revenue for 2020-21 (an increase of 2% over the 14th FC period). This implies that out of every Rs 100 of centre's tax revenue in 2020-21, Bihar will receive Rs 4.13. Table 8 also shows the estimated devolution to states by the centre for 2019-20 and 2020-21 (in Rs crore).

Table 7: Share of states in centre's tax revenue under the 14th and 15th Finance Commissions (2020-21)

State	Share of states in centre's tax revenue			Devolution to states by the centre		
	14 th FC (2015-20)	15 th FC (2020-21)	% change	2019-20 RE	2020-21 BE	% change
Andhra Pradesh	1.81	1.69	-7%	28,242	32,238	14%
Arunachal Pradesh	0.58	0.72	24%	8,988	13,802	54%
Assam	1.39	1.28	-8%	21,721	24,553	13%
Bihar	4.06	4.13	2%	63,406	78,896	24%
Chhattisgarh	1.29	1.4	9%	20,206	26,803	33%
Goa	0.16	0.16	0%	2,480	3,027	22%
Gujarat	1.3	1.39	7%	20,232	26,646	32%
Haryana	0.46	0.44	-4%	7,112	8,485	19%
Himachal Pradesh	0.3	0.33	10%	4,678	6,266	34%
Jammu and Kashmir	0.78	-	-	12,171	-	-
Jharkhand	1.32	1.36	3%	20,593	25,980	26%
Karnataka	1.98	1.49	-25%	30,919	28,591	-8%
Kerala	1.05	0.8	-24%	16,401	15,237	-7%
Madhya Pradesh	3.17	3.23	2%	49,518	61,841	25%
Maharashtra	2.32	2.52	9%	36,220	48,109	33%
Manipur	0.26	0.29	12%	4,048	5,630	39%
Meghalaya	0.27	0.31	15%	4,212	5,999	42%
Mizoram	0.19	0.21	11%	3,018	3,968	31%
Nagaland	0.21	0.23	10%	3,267	4,493	38%
Odisha	1.95	1.9	-3%	30,453	36,300	19%
Punjab	0.66	0.73	11%	10,346	14,021	36%
Rajasthan	2.31	2.45	6%	36,049	46,886	30%
Sikkim	0.15	0.16	7%	2,408	3,043	26%
Tamil Nadu	1.69	1.72	2%	26,392	32,849	24%
Telangana	1.02	0.87	-15%	15,988	16,727	5%
Tripura	0.27	0.29	7%	4,212	5,560	32%
Uttar Pradesh	7.54	7.35	-3%	1,17,818	1,40,611	19%
Uttarakhand	0.44	0.45	2%	6,902	8,657	25%
West Bengal	3.08	3.08	0%	48,048	58,963	23%
Total	42	41	-2%	6,56,046	7,84,181	20%

Sources: Reports of 14th and 15th Finance Commissions (2020-21); Union Budget Documents 2020-21; PRS.

In addition, the 15th FC has also recommended certain grants-in-aid for various purposes for the year 2020-21. These include: (i) Rs 74,341 crore as grants to states for eliminating revenue deficit, of which Bihar will receive none, (ii) Rs 90,000 crore as grants to local bodies, of which Bihar will receive Rs 7,434 crore (this consists of Rs 5,018 crore for rural local bodies and Rs 2,416 crore for urban local bodies), and (iii) Rs 22,184 crore as the centre's grants to disaster management, out of which Bihar will receive Rs 1,416 crore.

² This excludes the cess and surcharge revenue of the central government as it is outside the divisible pool and not shared with states. As per the 2019-20 union budget, cess and surcharge revenue accounted for 15% of the estimated gross tax revenue of the central government.