

ESTIMATION OF NON-PLAN REVENUE EXPENDITURE NEEDS OF THE STATE

B5.1 An important step in the operationalisation of the normative approach is the estimation of non-Plan revenue expenditure needs of the States. It basically involves the quantification of units of public services provided and the cost per unit of provision. The characteristics of non-excludability and non-marketability of public goods, however, make it difficult to assess the demand for and the supply of those goods and pose serious problems of quantification. The attempts to estimate public services, therefore, have employed measures of inputs utilised for their provision as proxies for the output of public services. This note outlines the approach and the methodology adopted by the Commission to estimate the expenditure needs of the States for the years 1990-91 to 1994-95.

B5.2 Estimation of non-Plan revenue expenditure needs calls for the computation for the base year 1989-90, followed by projections for the period of our recommendation, 1990-91 to 1994-95.

Definition And Scope

B5.3 The principles of estimating non-Plan and Plan expenditures have to be different and, therefore, it is necessary to treat them separately in the exercise of normative assessment. This note deals only with the estimation of the non-Plan revenue expenditure needs of the States.

B5.4 While setting out the broad approach of the Commission for the normative assessment of non-Plan revenue expenditure of the States, the need for distinguishing between developmental and non-developmental heads was indicated in the first report. Expenditure needs under administrative and general services are to be assessed on the basis of the justifiable costs of providing the average standards of these services. Expenditure on social and economic services are to be determined on the basis of the justifiable costs of provision of the physical standards of services already attained in the States.

B5.5 For the purpose of assessment, non-Plan revenue expenditures are further classified into three categories :

- (i) Those regular and recurring items revenue expenditures on which form a substantial proportion of total expenditure. In their case, interdependence between capital and revenue expenditure is weak. The standards of services provided can be approximated by analysing their past revenue expenditure and the cost functions generated.
- (ii) Those items of expenditure revenue expenditures on which depend primarily upon the existing stocks, physical or financial. In the case of some physical assets, like roads, buildings and irrigation works, for example, it is appropriate to use suitable maintenance (engineering) norms. Similarly, interest payments depend upon the outstanding borrowings of the States and the effective rate of interest applicable thereon.
- (iii) Those items of expenditure which cannot be assessed on the basis of statistical analysis or engineering norms, but have to be reckoned on actual basis or on the basis of broad judgement. Expenditures on elections, on pensions and retirement benefits, on scheduled castes and tribes on relief and rehabilitation of displaced persons and on relief on account of natural calamities fall into this category.

B5.6 Normative expenditures can be determined on the basis of cost functions only for the first category. As regards the other two, the earlier Finance Commissions have developed a satisfactory methodology which we have adopted. The details of estimation of expenditure needs under these items are given in Chapter III of the report. Estimation procedures of the cost functions for the first category are detailed below.

Conceptual Issues

B5.7 The basic identity involved is :

$$E_i = Q_i \times C_i \quad (i)$$

where, E_i represents the expenditure incurred, Q_i the units of services provided and C_i the cost per unit of providing the services in the i th State.

The unit cost of providing the services is determined by factors within the control of the State Government, C_{1i} , and those beyond their control, C_{2i} . The identity can, therefore, be restated as :

$$E_i = Q_i \times (C_{1i} + C_{2i}) \quad (ii)$$

The normative expenditure, E_i , for a State i on general services has been defined as :

$$\bar{E}_i = \bar{Q} \times (\bar{C}_1 + \bar{C}_{2i}) \quad (iii)$$

and for social and economic services, as :

$$\bar{E}_i = \bar{Q}_i \times (\bar{C}_1 + \bar{C}_{2i}) \quad (iv)$$

where, \bar{Q} equals vectors of all-States average standard of the service, and \bar{C}_1 equals the vector of all-States average cost variable within the control of the States.

However, as mentioned earlier, the measurement of quantity of public services has to be through the reckoning of inputs required for their provision. Similarly, the several cost factors have to be represented by various proxies. Consequently, the identity (iv) is transformed into a stochastic relation :

$$E_i = f(Q_i, C_{1i}, C_{2i}) \quad (v)$$

where, Q_i , C_{1i} and C_{2i} represent respectively, vectors of proxies of quantity, cost variables within and beyond the control of State Governments and those outside their control.

B5.8 The State Governments provide a wide range of public services, with differing economies of scale. Therefore, specification of the quantity and cost elements which go to determine expenditure and the choice of the appropriate form of expenditure function for the major items of expenditure, over the chosen time period, become important. Once the appropriate functions are specified, by substituting the average values of the cost factors within the States' control (C_1), and the actual values of other variables, "the expenditure need" or normative expenditure for providing the existing standards of services at justifiable costs can be reckoned. If the average values of the quantity variables (\bar{Q}) are substituted, instead of the actual values, the cost of providing the average standards of services at justifiable costs is reckoned.

Studies Measuring Expenditure Needs

B5.9 There have been a number of attempts to develop a satisfactory methodology to estimate expenditure needs. Studies such as Hoffman (1969), Auten (1973) and in more recent years Ladd, et al. (1986) have used similar expenditure determinants models to estimate normative expenditures of State and Local

Governments for certain important expenditure categories in the United States of America.

B5.10 Hoffman (1969) estimates the cost of providing the average level of educational services per pupil for the counties in the State of Maryland by regressing current expenditure on education per pupil on various 'quality' and cost factors. The cost of providing the average level of the service has been arrived at by substituting quality variables at the 'average' levels and cost factors at their actual values in the estimated regression equation. Auten (1973), on the other hand, estimates expenditure needs by regressing per capita local expenditures on 'ability' and 'need' factors. By substituting the average values of ability variables and the actual values of 'need' variables, normative expenditures are estimated for the local governments in New York State. Bradbury et al. (1984) and Ladd et al. (1986) devise a cost index by segregating the effect of various environmental costs, resource and other factors on local expenditures in the State of Massachusetts. The cost index is then used to estimate expenditure needs.

B5.11 In India, however, serious attempts to measure expenditure needs have not been made so far. The Sixth Finance Commission, which gave substantial grants for equalising the standards of administrative and social services, measured the shortfall in the standards of services from the average levels on the basis of per capita expenditures. The weakness of this method is that it ignores non-linearities in the production function for public services and State-specific cost disabilities.

B5.12 At the operational level, the method of measuring aggregate local government expenditure needs based on a cross-section regression analysis of past local government expenditure was employed to allocate grants in England and Wales as far back as 1974. A similar approach was followed in Denmark subsequent to the 1979 legislation introducing the social criterion of measuring expenditure needs instead of allocating funds on the basis of the population criterion (For details, see OECD, 1981). Such an 'umbrella' model cannot obviously take into account all the true 'need' factors, in an adequate manner. Further, as mentioned earlier, some types of expenditure are determined by the stock of physical assets or financial liabilities while others exhibit random behaviour. To stipulate their determinants in a regression equation would not be appropriate. Therefore, the possibility of explaining the need to spend on a service-by-service basis was considered and such an approach was adopted so that each major component of aggregate expenditure was estimated by a methodology appropriate for it.

B5.13 For estimating the cost functions, the States are divided into two categories: the 14 major States and the Special Category States. In view of the heterogeneity of conditions in the latter, the equations estimated for them have not been used to compute their expenditure needs. The measurement of expenditure needs on the basis of estimated cost functions is thus confined to the 14 major States.

Methodology And Data Adjustments

B5.14 To estimate the effects of different quantity and cost variables on non-Plan revenue expenditures, several alternative models were tried. In the first model, cross-section equations were fitted for every year over the period 1981-82 to 1986-87. Although the parameters estimated appeared to be stable over time for almost all items of expenditure, the degrees of freedom associated with each function were found inadequate. Therefore, the cross-section observations from 1981-82 to 1986-87 were pooled in a covariance model and the parameters were estimated by specifying the time effect as well as the State-specific effect through dummy variables. As the data on population and/or its composition used in this model, as proxies representing quantity of public services, were available only for the Census years, they were projected for the other years on the basis of the past trends. However, the use of extrapolated values in the pooled regression equations does not adequately bring out the scale effect of variables such as the density of population or the cost disabilities

arising from factors such as the proportions of population in rural and hill areas. In the final analysis, the average of the expenditures and the relevant explanatory variables for the years 1981-82 to 1983-84 and 1984-85 to 1986-87 were taken separately and the two sets of observations were pooled for estimating the parameters. This approach, besides eliminating year-to-year random fluctuations, has the advantage of increasing the number of observations and thereby the degrees of freedom. The regression coefficients thus derived represent the average behavioural responses of expenditures to different quantity and cost variables and indicate the quantitative relationships at average productivity levels.

B5.15 One of the important requirements of estimating expenditure needs of the States on the basis of determinants analysis is the availability of data on various "quantity" and cost factors. On this front, the Commission's experience has been extremely disappointing. In spite of repeated reminders, even data on items such as the number of employees in major departments and expenditure on wages and salaries under major heads of expenditure were not made available by some of the States. Therefore, we ourselves had to build up a comparable data base on both the dependent and the independent variables used from the Finance Accounts, Budget documents and various publications of Central Ministries and Departments and the information received from the State Governments.

B5.16 Data on expenditures have been compiled under various major and minor heads from the Finance Accounts after making adjustments for transfers to and from various funds. Expenditures met out of transfers from various funds are taken into account whereas transfers made to various funds are not included. Estimates of total population, its rural-urban composition and the number of people in the relevant age groups have been obtained from the office of the Registrar General, Census Operations. The definition of hill areas and the population residing in them in various States have been taken from the Planning Commission. The differences in the salaries of important categories of employees in the States have been computed on the basis of information furnished by the State Governments. Using the information on the prices of various commodities collected by the Labour Bureau, Shimla, for computing the Consumer Price Index of Industrial Workers, the index of consumer price differences across the States has been estimated. Data on most of the other quantity variables such as judicial and police personnel, enrolment in educational institutions, number of teachers, hospital beds, medical personnel, pattern of land utilisation, veterinary centres and cattle population have been collected from various Central Ministries. For use as an explanatory variable, the number of employees has been standardised by dividing the total salary bill under the relevant expenditure head by the all-States average salary of an employee. Appendix 6 details the various adjustments made in the data used to estimate the cost functions.

B5.17 The specification of the relationship for each category of expenditure has been tested using both per capita (in the case of education expenditures per child also) and total expenditures of the States as the dependent variables. The role of many of the elements of quantity and cost which might affect expenditures was evaluated in the linear and log-linear functional forms. The equations have been selected on the basis of conformity to a *priori* reasoning and statistical properties such as the explanatory power of the regressors. Variables with low T-ratios, but conforming to a *priori* reasoning, have been retained to avoid the more serious bias that could arise as a result of the exclusion of a variable whose significance has not been picked up adequately due to data limitations.

B5.18 The general linear model employed by us is a widely used statistical tool. As in all statistical applications, however, the power of the method depends on the underlying assumptions being fulfilled for the particular application in question. Some assumptions turn out to be more crucial than others. One of the basic assumptions, although not very crucial for prediction, is that

no linear dependence exists between the explanatory variables. For estimating the cost functions offsetting the presence of multicollinearity required the judicious use by us of various correlation coefficients, both zero order and partial.

B5.19 One of the main purposes of estimating a relation such as the cost function is to enable us to make predictions of the expected value of the dependent variable associated with some set of values of the independent variables not observed in the sample. In some studies, especially those based on cross-section data, the assumption of constant variance of the error term is unrealistic. The possibility of testing the assumption of homoscedasticity, however, depends on the nature of the sample data available. Further, there is scant empirical evidence on the likely type of heteroscedasticity in the cost functions estimated here. Therefore, we have done a study of residual variance based on the regression of squared residuals on squared fitted values. The upper 1 per cent points in F-distributions indicated that the assumption of homoscedasticity in the cost functions is not unrealistic.

Analysis Of The Results

I. General Services

B5.20 The general services for which expenditures have been normatively determined on the basis of the regression analysis consist of (i) Organs of State, (ii) Administrative Services, (iii) Administration of Justice, (iv) Fiscal Services, (v) Police, (vi) Jails, (vii) Fire Protection and Control, and (viii) Other Administrative Services. The results for these categories of expenditures are presented in Table B.5.1

(i) Organs Of State

B5.21 Under Organs of State, the major heads of expenditure included are :

211. State Legislature
212. Governor
213. Council of Ministers

(Numbers above refer to the budgetary classification existing prior to the change made in 1987-88)

B5.22 After experimenting with different variables, the number of standard employees per thousand population, the proportion of urban population and price differences among the States have been included as explanatory variables in the equation. The regressor "number of standard employees" is taken to represent the quantity factor and the proportion of urban population and price differences are taken to represent cost factors beyond the States' control. The cost of providing services in rural areas as against urban areas is expected to be higher and, therefore, the expected sign of the coefficient of the variable is negative. The expected sign of the coefficient of prices is positive. The log-linear function is found to have the best fit, explaining about 60 per cent of the variation (adjusted for degrees of freedom) in the per capita expenditure differences among the States. As the quantity variable is specified in terms of the number of standard employees, salary differences among the States are automatically taken into account in the equation.

(ii) Administrative Services

B5.23 Administrative Services consist of expenditure on :

251. Public Service Commission
252. Secretariat - General Services
253. District Administration
254. Treasury and Accounts and Administration

Of the various quantity and cost variables experimented with, only the number of standard employees per thousand population and the price differences among the States have been found to be significant. The two variables explain over 85 per cent of variations in per capita expenditures in a log-linear model. As in the earlier case, the number of standard employees is taken as the quantity variable.

(iii) Administration of Justice

B5.24 In the case of Administration of Justice (major head

214), the per capita expenditures in the log-linear form are found to have the best statistical fit. In the equation, the regressors, the number of standard employees and the cases disposed of per judge are taken to represent the quantity of the services provided. Price differences among the States, the proportion of urban population and the proportion of hill/desert population, on the other hand, are taken to represent cost disabilities. The equation has an explanatory power of 87 per cent, and four of the five variables are significant at the one per cent level.

(iv) Fiscal Services

B5.25 Fiscal Services (major heads 220, 229, 230, 239, 240, 241, 245 and 247) mainly represent the expenditure on tax collection. The expenditure function using total expenditure on fiscal services in a log-linear form is found to have the best fit. Here, the quantity variable is the tax revenue collected. The higher the population density the greater is the ease and hence the lower the cost of tax collections. Similarly, with a higher degree of urbanisation, the cost of collection is likely to be lower. Therefore, population density and the degree of urbanisation in a State have been taken to represent cost disabilities. The coefficients have the expected signs and the equation has an explanatory power of over 64 per cent.

(v) Police Expenditures

B5.26 Per capita expenditure on Police (major head 255) is related in a log-linear function to (a) the number of police constables (below SI rank) per thousand population, (b) the number of cognisable offences per thousand population, (c) the differences in the average salaries of constables across the States, and (d) the proportion of urban population. The coefficient of the variable (d) has a positive sign, indicating some correlation between the proportion of urban population and the crime rate. The equation explains about 82 per cent of the variations in the dependent variable.

(vi) Jails

B5.27 In the case of expenditures on Jails (major head 256), the equation regresses total expenditure on jails on jail capacity, the ratio of the number of prisoners to jail capacity (occupancy ratio), and the density of urban population in a log-linear model. The three variables explain nearly 88 per cent of the variations. The density of urban population, though not significant, has a negative coefficient indicating the operation of economies of scale in more densely populated States.

(vii) Fire Protection and Control

B5.28 Per capita expenditure on Fire Protection and Control (major head 260) is related in a linear equation to the number of standard employees for fire protection per thousand population, the density of urban population and the price differences among the States. The regression analysis is confined to the eleven States among the fourteen major States which reported expenditure under the head. While the variable "number of standard employees" is taken to represent the quantity of the public services, density of urban population and price differences are taken to denote the cost disability factors.

(viii) Other Administrative Services

B5.29 Other Administrative Services consist of the following major heads of expenditure :

257. Supply and Disposal
258. Stationery and Printing
265. Other Administrative Services
267. Aid, Materials, etc.
268. Miscellaneous General Services - Other Expenditure

The per capita expenditure on Other Administrative Services is regressed on the number of standard employees per thousand population, the price differences and the proportion of hill/desert population, in a log-linear equation. All the three variables are found to be significant at five per cent level and the equation has an explanatory power of 79 per cent. While the variable the "number of standard employees" represents the quantity of the public service, price differences and the proportion of hill/desert

population denote cost disabilities. It may also be noted that factors such as density of population and proportion of urban population are not found to be significant and, therefore, are not included in the equation.

II. Social Services

B5.30 Expenditure on social services has been assessed on the basis of cost functions fitted for expenditures on education, medical care, family welfare and public health and sanitation (excluding water supply). Education (major head 277) has been disaggregated into primary education, secondary education and higher education and dealt with separately in the statistical exercises. Other incidental expenditures relating to education like art and culture and scientific services and research are taken as a constant proportion of the normative expenditures on education.

(i) Primary Education

B5.31 In the case of Primary Education, expenditure per child in the age-group 6 to 10 has been taken as the dependent variable. This has been regressed in a log-linear model on the proportion of enrolment in primary stages to the population in the age-group 6 to 10, the student-teacher ratio in primary stages, the price differences across the States and differences in the average salaries of primary school teachers across the States. Although variables such as the proportion of enrolment in rural areas, the density of child population in the age-group 6 to 10 and the proportion of hill/desert population in the States have been tried, they were not included as their inclusion adversely affected the efficiency of parameters. The selected equation has an explanatory power of about 76 per cent and all the regression coefficients have the expected signs.

(ii) Secondary Education

B5.32 Expenditure on Secondary Education per person in the age-group 11 to 18 has been taken as the dependent variable. The enrolment in secondary stages as a proportion of children in the age-group 11 to 18 is taken as the quantity variable. The proportion of private unaided secondary schools to total number of schools has also been taken, as an additional quantity variable in the equation, but the coefficient has not been found to be significant. The variable 'salary differences of Trained Graduate Teachers' in the equation represents the cost factor within the control of the State Governments as also the student-teacher ratio. The log-linear form of equation has been found to have the best fit. The coefficients of all the five variables included in the equation have the expected signs with the enrolment ratio, the proportion of children in the age group 11-18 years in rural areas and the 'salary differences of Trained Graduate Teachers' significant at five per cent level.

(iii) Higher Education

B5.33 Under this head, expenditures on university, technical and special education have been included. Per capita expenditure on higher education has been regressed on the proportion of enrolment in higher stages of education to total population, student-teacher ratio, differences in price levels among the States, population density and the proportion of enrolment in private colleges to total enrolment. All the variables except the last one are found to be significant at one per cent level. The equation has an explanatory power of 0.69.

(iv) Medical, Family Welfare And Public Health

B5.34 Under this head, the major heads of expenditure included are :

- 280. Medical
- 281. Family Welfare
- 282. Public Health and Sanitation excluding expenditure on water supply

Total expenditure on these heads are regressed on the number of hospital beds, the number of indoor patients per hundred hospital beds, the proportion of population provided with sanitation facilities in urban areas, the differences in the average salaries of staff nurses, population density and the proportion of population in hill/desert areas of the States. The coefficients of all the variables

are found to be significant (except the hill/desert population proportion) and have the expected signs. Then number of hospital beds, the number of indoor patients per hundred hospital beds and the proportion of population provided with sanitation facilities in urban areas have been taken to be the factors affecting the quantity of these public services. Salary of staff nurses are taken to be the cost factor within the control of the State Governments. Population density and the proportion of hill/desert population are taken to be the cost disability factors. The equation has an explanatory power of 0.86.

III. Economic Services

B5.35 The expenditure on economic services considered for statistical analysis includes expenditure on (i) Agriculture and Allied Activities, (ii) Animal Husbandry, and (iii) Industries and Minerals. As mentioned earlier, expenditures under major heads like minor irrigation, water and power development, multipurpose river projects, irrigation, drainage and flood control projects, power projects, civil aviation and roads and bridges are to be considered on a different footing and needs in respect of these items have to be reckoned on the basis of engineering norms. Expenditures on secretariat-economic services, on special and backward areas and on other general economic services are taken as a constant proportion of the normative expenditures on economic services as a whole in all the States taken together.

(i) Agriculture and Allied Activities

B5.36 Under this head, the major heads of expenditure included are:

- 298. Cooperation.
- 305. Agriculture.
- 307. Soil and Water Conservation.
- 308. Area Development.
- 309. Food.
- 312. Fisheries
- 314. Community Development.

Per capita expenditures on Agriculture and Allied Activities are regressed on the gross cropped area per thousand population, the number of standard employees in the departments dealing with these major heads per thousand hectares of gross cropped area, the proportion of area covered under high yielding varieties of cereals to total gross cropped area, the proportion of area covered under commercial crops and price differences among the States. The log-linear equation has given the best fit explaining nearly 75 per cent of variations. All the variables included in the equation are significant at one per cent level.

(ii) Animal Husbandry

B5.37 In the case of expenditure on Animal Husbandry (major head 310), total expenditure rather than per capita expenditure is found to have the best fit in the log-linear form chosen. Expenditure under the head is regressed on total cattle population, salaries of assistant veterinary surgeons in differing States, the proportion of urban population and the number of veterinary centres per thousand cattle. While the first two variables are significant at the one per cent level, the number of veterinary centres per thousand cattle is significant only at ten per cent level. The coefficient of the proportion of urban population, though not significant, has the expected sign. These factors explain over 69 per cent of the variation in the expenditure.

(iii) Industries And Minerals

B5.38 Expenditures on Industries and Minerals (major heads 320- general, 321, 328) are related to the total income arising from manufacture and mining and quarrying, the number of standard employees per rupees lakh of income arising from manufacture and mining and quarrying, the proportion of hill/desert population, and the density of urban population. All the variables are significant at the one per cent level and the equation has an explanatory power of about 61 per cent.

Normative Estimates In The Base Year

B5.39 For projecting expenditure needs of the States, in the first instance, the normative estimates of expenditure for the year

1986-87 were worked out on the basis of the expenditure determinants equations discussed above. As mentioned earlier, the normative expenditures have been estimated by substituting the actual or the average values of the explanatory variables in 1986-87 in the equations.

B5.40 To reckon the justifiable cost of providing the average standards of service in the case of general services, it is necessary that the variables representing the quantities of public services and the cost of providing them which are within the control of the State Governments are substituted at their average values. Only the cost factors beyond the control of the State Governments should be substituted at their actual values. In the case of "Organs of State" and "Administrative Services", for example, the quantity variable is represented by the number of standard employees per thousand population. Similarly, the number of police constables per thousand population in the case of "Police Services", the number of judges in the High Courts and subordinate courts and the cases disposed of per judge in the case of "Administration of Justice", the capacity in the case of "Jails", the total tax collected in the case of "Fiscal Services", and the number of standard employees per thousand population in the cases of "Fire Protection" and "Other Administrative Services", have been taken as quantity variables and are substituted at their average values in the respective equations. Factors such as salaries of police constables have been taken as the cost factors within the control of the State Governments. In all cases where the number of standard employees is taken in the equations, the salary differences get automatically subsumed. Only the cost factors beyond the control of the State Governments should be substituted at their actual values. Variables such as inter-State differences in consumer prices, proportion of hill/desert population to total population, density of population, the degree of urbanisation (which in many cases is expected to have a negative sign due to the cost disabilities of providing the services in rural areas) are the cost factors which are beyond the control of the State Governments and are substituted at their actual values.

B5.41 As mentioned earlier, normative expenditures on social and economic services have to be estimated at the justifiable cost of providing the existing standards of services. For these services, only the unit cost of provision is to be computed normatively. Therefore, we have substituted the actual values of the variables in respect of quantity variables and cost variables beyond the control of the State Governments and the average values of the cost factors within the control of the State Governments. In the case of educational services, for example, the enrolment ratio, as well as various cost factors such as density of population, the proportion of hill population and price level differences among the States are substituted at their actual values, whereas, the student-teacher ratio and differences in the salary levels of teachers among the States are substituted at their average values. Similarly, in the case of expenditures on medical and public health, the number of hospital beds per thousand population and other cost factors are substituted at their actual values and salaries of nurses in government hospitals and health centres are substituted at their average levels. The same procedure has been adopted to estimate expenditures on the economic services included in the statistical exercise. In the case of expenditures on agriculture and allied activities, gross cropped area per thousand population, proportion of area covered under high yielding varieties of cereals to gross cropped area, proportion of area covered under commercial crops and the cost disability factors, if any, are substituted at their actual values and the number of standard employees per thousand hectares of gross cropped area is substituted at its average value. In the case of animal husbandry, only the salaries of assistant veterinary surgeons is taken at the average value. In the case of expenditures on industries and minerals, the number of standard employees per rupees lakh of income arising from manufacture and mining and quarrying is taken at its average value for substitution.

B5.42 The sum total of the normative estimates of

expenditures of the States as a whole obtained, by using the average as the norm, as mentioned above, should broadly correspond to the sum of actual expenditures. The difference between the norm and actual is within 10 per cent under most expenditure categories. We have adjusted the total normative expenditure of all the States in each expenditure function to equal the total actual expenditure. This amounts to adjusting the value of the constant term in the equations, as suggested in Intriligator [1980].

B5.43 Although we have tried to capture the effects of cost disability factors that are applicable to States in general in our econometric analysis, it was found that special cost disabilities in the form of environmental cost disadvantages in the Himalayan hill regions have not been taken into account. The variable employed in the equation, 'proportion of hill/desert population' cannot be considered to fully reflect the cost disabilities in the provision of services in these far-flung hill areas; and most probably for this reason, in the case of many functions, the above variable is not significant and has had to be excluded from the equation. The cost disabilities experienced in these areas have to be separately taken into account. The issue pertains to the hill regions of Uttar Pradesh and the Darjeeling district of West Bengal. Additional cost disabilities in these regions have, therefore, been worked out using the cost functions for various services in the ten Special Category States. This has been done in the following manner. From the per capita normative expenditures worked out for various services in Himachal Pradesh, a State in the Himalayan belt adjacent to Uttar Pradesh, the normative per capita expenditure estimated for Uttar Pradesh (and of West Bengal) is deducted. The differences so obtained, however, include not only the cost disabilities of providing various services in the Himalayan hill region but also the differences in the quantity of services provided. Besides, there are certain indivisible expenditures incurred by a State such as on the Governor and on the Council of Ministers and the hill regions within that State can reap scale economies in respect of these expenditures. Therefore, we have taken 50 per cent of the differences as the additional cost disability per capita and added these to the normative estimates of expenditures for Uttar Pradesh and West Bengal.

B5.44 Table B.5.2 shows the normative expenditure under each category analysed by us and compares it with the actual. It is seen that by and large the normative expenditures of low income States are higher than their actual levels and, conversely, for the high income States. This is largely because the low income States provide standards of services below the average levels. This is clearly indicated by the standard deviation and the coefficient of variation computed for the per capita expenditures on different services. In the case of general services, for example, the coefficient of variation in expenditures falls substantially from 0.2148 for the actuals to 0.0868 for normative expenditures. In the case of social services, the decline is from 0.2907 to 0.2398 while for economic services, it is from 0.3471 to 0.3315. (Table B.5.3). It can thus be seen that the application of the Commission's methodology serves to bring about a degree of equalisation in the costs of providing public services among the States. In the case of general services there is a move towards equalisation of standards of services too.

B5.45 It may be mentioned here that the expenditure estimates derived on the basis of equations subsume the salary revisions by the States only upto 1986-87. Following the pay revision by the Union Government on the basis of the recommendations of the Fourth Pay Commission, many of the State Governments had to follow suit. Therefore, provision has been made for bringing about parity between the scales of pay of the States and the Centre by taking into account the respective differences in the pay scales of representative categories of employees.

B5.46 The estimated expenditure required to bring pay parity for the year 1989-90 was then adjusted to conform to our normative expenditure estimates. The non-Plan and Plan

components have been derived by proportionately apportioning the total provision on the basis of the ratio of salary expenditures under non-Plan and Plan heads. The non-Plan portion was then adjusted *pro rata* to conform to our normative estimates on the basis of the difference between actual expenditure and normative expenditure in each of the major States in 1986-87.

Projection

B5.47 The expenditure needs estimated for 1986-87 have to be projected to the end of the period of our report. This has been done in two stages. In the first, the normative expenditures have been projected to the base year 1989-90 by applying the all-States average historical growth rates adjusted partially for periodic revision in the salaries by the States. Therefore, although the historical growth rate of expenditure is 14.5 per cent, we have applied a growth rate of 13 per cent per annum to the normative expenditures estimated for 1986-87 to arrive at the normative expenditures in 1989-90. To this, the provision for salary revision computed separately as indicated above has been added.

B5.48 It is necessary to mention in this connection that the assessment of non-Plan revenue expenditures of the States taken together is similar to that of the Centre, although in respect of individual States, norms have been applied to take into account the levels of underspending and overspending. As already mentioned, for the States in the aggregate, our approach amounts to taking actual expenditures of 1986-87¹⁾, applying the historical growth rates (partially adjusted for frequent revision of pay scales) and superimposing the expenditure on account of pay parity with the Centre. In effect, in 1989-90, the total expenditure thus reckoned could even be higher than actual, as in some cases, the States are yet to revise their pay scales on par with the Centre's. For the Centre, on the other hand, by and large, we have taken 1989-90(BE) as the base. This has been done mainly to take account of the lower base year estimates arising from the significant deceleration in the growth of expenditures between the budget estimates of 1988-89 and 1989-90.

B5.49 In the second stage, the normative estimate of expenditure arrived at for the base year has been projected for the period of recommendation, 1990-91 to 1994-95. While making projections, we have been guided by the principle of phasing out revenue deficits by the end of the period. A serious pursuit of this objective requires the containment of the rate of growth of non-Plan revenue expenditure, as well as accelerating revenue growth. However, given the limits to revenue growth, it is inescapable that the State governments strictly contain the growth of expenditure in real terms.

B5.50 Considering these factors, only moderate increases in real expenditures have been provided for. Given the assumption of 5 per cent increase in prices, making provision for increases in prices alone would result in the growth of expenditures by 4 per cent, as the major component of expenditures - wages and salaries - has been found to increase in the past by 0.75 per cent for every one per cent increase in prices. In addition, we have postulated that the expenditures should increase at a rate only marginally higher than the increase in population, considering that the public services, by and large, are meant to serve the entire population, that is, provision has been made for expenditures in real terms to increase at 3 per cent per annum. Thus, the non-Plan revenue expenditure has been projected to increase at 7 per cent per annum in nominal terms during the period 1990-91 to 1994-95.

B5.51 Achieving the normative levels of expenditure from the very first year of recommendations may not be feasible. In the cases of those States for which normative levels have been estimated to be lower than their actual expenditures, severe hardship would result if the normative levels are assumed from the first year itself. In the cases of the States whose actual expenditures fall short of normative levels, it may not be realistic to

assume that within a year normative levels can be achieved. Therefore, we have phased out the movement towards the normative levels of expenditures such that each State reaches the normative levels by 1994-95. This has been done by reducing the estimated difference between the actuals and the normative estimates for 1989-90 by 50 per cent. With the resultant figures as the base year estimates, the targetted full normative expenditures are to be attained in 1994-95. The normative estimates of expenditure for the major items analysed by us are given in Table B.5.4.

B5.52. It may be stated in conclusion that the objective of the normative assessment of revenues and revenue expenditures carried out by us on the lines indicated above is to ensure inter-State equity in relation to Central transfers (devolution of taxes and grants-in-aid). The methodologies chosen, based on the concept of evolving norms linked to average behaviour, is in consonance with this objective. It should be pointed out further that our normative assessment of State Governments' revenues and expenditures has no role in determining the relative shares in expenditures or revenues of the Central Government on the one hand and the States on the other.

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1) *Except for expenditures where engineering norms have been applied, these norms are generally higher than the actuals.*

TABLE B.5.1
Regression Results

Dependent Variable	Per Capita Expenditure on Organs of State		
Number Of Observations	28	Degrees Of Freedom	23
Regressor	Coefficient	Standard Error	T - Ratio
1 Number of Standard Employees for Organs of State per 1000 population	0.8808	0.1535	5.7397
2 Proportion of urban population to total population	-0.2349	0.1684	-1.3952
3 Price differences Time period (1981-82 to 1983-84)	0.5308	0.1322	4.0142
Time period (1984-85 to 1986-87)	-0.0944	0.1586	-0.5948
	0.1061	0.1647	0.6439
R - Squared	0.6589	Residual Sum of Squares	1.8753
R - Bar - Squared	0.5996	S.E. of Regression	0.2855

Diagnostic Tests

Test Statistics	LM Version	F Version
A: Serial Correlation	CHI-SQ(1)=0.0366	F(1, 22)=0.0288
B: Functional Form	CHI-SQ(1)=5.2223	F(1, 22)=5.0440
C: Normality	CHI-SQ(2)=0.8047	Not Applicable
D: Heteroscedasticity	CHI-SQ(1)=0.0680	F(1, 26)=0.0633

Dependent Variable	Per Capita Expenditure on Administrative Services		
Number Of Observations	28	Degrees Of Freedom	24
Regressor	Coefficient	Standard Error	T - Ratio
1 Number of Standard Employees for Administrative Services per 1000 population	0.9194	0.0754	12.1932
2 Price differences Time period (1981-82 to 1983-84)	0.5567	0.0172	32.3092
Time period (1984-85 to 1986-87)	-0.1634	0.0922	-1.7734
	0.1568	0.0925	1.6951
R - Squared	0.8730	Residual Sum of Squares	0.7002
R - Bar - Squared	0.8571	S.E. of Regression	0.1708

Diagnostic Tests

Test Statistics	LM Version	F Version
A: Serial Correlation	CHI-SQ(1)=0.0019	F(1, 23)=0.0015
B: Functional Form	CHI-SQ(1)=11.8344	F(1, 23)=16.8376
C: Normality	CHI-SQ(2)=0.5582	Not Applicable
D: Heteroscedasticity	CHI-SQ(1)=0.0631	F(1, 26)=0.0587

Regression Results

Dependent Variable	Per Capita Expenditure on Administration of Justice		
Number Of Observations	28	Degrees Of Freedom	21
Regressor	Coefficient	Standard Error	T - Ratio
1 Number of Standard Employees for Administration of Justice per 1000 population	0.5482	0.0792	6.9210
2 Number of cases disposed off per judge	-0.2066	0.0498	-4.1465
3 Price differences	0.8685	0.1012	8.5789
4 Proportion of urban population to total population	0.5430	0.1200	4.5245
5 Proportion of population in hill/desert areas Time period (1981-82 to 1983-84)	0.0024	0.0027	0.8719
Time period (1984-85 to 1986-87)	0.0473	0.0675	0.7010
	-0.0367	0.0686	-0.5343
R - Squared	0.8996	Residual Sum of Squares	0.2259
R - Bar - Squared	0.8709	S.E. of Regression	0.1037

Diagnostic Tests

Test Statistics	LM Version	F Version
A: Serial Correlation	CHI-SQ(1)=3.1205	F(1, 20)=2.5085
B: Functional Form	CHI-SQ(1)=0.0137	F(1, 20)=0.0098
C: Normality	CHI-SQ(2)=0.6211	Not Applicable
D: Heteroscedasticity	CHI-SQ(1)=0.2972	F(1, 26)=0.2789

Dependent Variable	Per Capita Expenditure on Fiscal Services		
Number Of Observations	28	Degrees Of Freedom	23
Regressor	Coefficient	Standard Error	T - Ratio
1 Total tax revenue	0.9239	0.1219	7.5773
2 Proportion of urban population to total population	-0.7911	0.1902	-4.1601
3 Density of urban population Time period (1981-82 to 1983-84)	-0.5551	0.2389	-2.3233
Time period (1984-85 to 1986-87)	-0.3785	0.2057	-1.8398
	0.0706	0.2068	0.3413
R - Squared	0.6974	Residual Sum of Squares	3.2090
R - Bar - Squared	0.6448	S.E. of Regression	0.3735

Diagnostic Tests

Test Statistics	LM Version	F Version
A: Serial Correlation	CHI-SQ(1)=3.7387	F(1, 22)=3.3903
B: Functional Form	CHI-SQ(1)=2.9796	F(1, 22)=2.6199
C: Normality	CHI-SQ(2)=1.2530	Not Applicable
D: Heteroscedasticity	CHI-SQ(1)=1.0608	F(1, 26)=1.0238

Regression Results

Dependent Variable	Per Capita Expenditure on Police		
Number Of Observations	28	Degrees Of Freedom	22
Regressor	Coefficient	Standard Error	T - Ratio
1 Number of police constables (below SI rank) per 1000 population	0.7383	0.1320	5.5935
2 Number of cognisable offences per 1000 population	-0.1231	0.0772	-1.5950
3 Salary differences of police constables	0.4959	0.0212	23.4180
4 Proportion of urban population to total population Time period (1981-82 to 1983-84)	0.1731	0.0803	2.1565
Time period (1984-85 to 1986-87)	-0.0336	0.0778	-0.4322
	0.0690	0.0858	0.8046
R - Squared	0.8589	Residual Sum of Squares	0.3377
R - Bar - Squared	0.8268	S.E. of Regression	0.1239

Diagnostic Tests

Test Statistics	LM Version	F Version
A: Serial Correlation	CHI-SQ(1)=1.9767	F(1, 21)=1.5952
B: Functional Form	CHI-SQ(1)=2.8278	F(1, 21)=2.3591
C: Normality	CHI-SQ(2)=5.6501	Not Applicable
D: Heteroscedasticity	CHI-SQ(1)=0.0309	F(1, 26)=0.0288

Dependent Variable	Total Expenditure on Jails		
Number Of Observations	28	Degrees Of Freedom	23
Regressor	Coefficient	Standard Error	T - Ratio
1 Total jail capacity	0.7341	0.0735	9.9851
2 Number of prisoners per jail capacity	0.6187	0.1721	3.5946
3 Density of urban population Time period (1981-82 to 1983-84)	-0.0666	0.1228	-0.5422
Time period (1984-85 to 1986-87)	-0.0701	0.1273	-0.5511
	-0.0456	0.1274	-0.3580
R - Squared	0.8942	Residual Sum of Squares	1.1711
R - Bar - Squared	0.8758	S.E. of Regression	0.2256

Diagnostic Tests

Test Statistics	LM Version	F Version
A: Serial Correlation	CHI-SQ(1)=9.1061	F(1, 22)=10.6031
B: Functional Form	CHI-SQ(1)=1.0500	F(1, 22)=0.8571
C: Normality	CHI-SQ(2)=1.1380	Not Applicable
D: Heteroscedasticity	CHI-SQ(1)=0.2313	F(1, 26)=0.2166

Regression Results

Dependent Variable	Per Capita Expenditure on Fire Protection and Control		
Number Of Observations	22	Degrees Of Freedom	17
Regressor	Coefficient	Standard Error	T - Ratio
1 Number of Standard Employees for Fire Protection and Control per 1000 population	7.1069	3.4935	2.0343
2 Density of urban population	-0.0012	0.0006	-2.1514
3 Price differences	0.0082	0.0020	4.0841
Time period (1981-82 to 1983-84)	0.1721	0.1734	0.9927
Time period (1984-85 to 1986-87)	-0.4295	0.2014	-2.1319
R - Squared	0.6231	Residual Sum of Squares	1.6450
R - Bar - Squared	0.5344	S.E. of Regression	0.3111

Diagnostic Tests

Test Statistics	LM Version	F Version
A: Serial Correlation	CHI-SQ(1)=0.2544	F(1, 16)=0.1976
B: Functional Form	CHI-SQ(1)=1.6846	F(1, 16)=1.3857
C: Normality	CHI-SQ(2)=4.3973	Not Applicable
D: Heteroscedasticity	CHI-SQ(1)=0.0289	F(1, 20)=0.0267

Note: Linear specification.

Regression Results

Dependent Variable	Per Capita Expenditure on Other Administrative Services		
Number Of Observations	28	Degrees Of Freedom	23
Regressor	Coefficient	Standard Error	T - Ratio
1 Number of Standard Employees for Other Administrative Services per 1000 population	0.5842	0.0635	9.1986
2 Price differences	0.5220	0.0264	19.7690
3 Proportion of population in hill/desert areas	0.0067	0.0033	2.0184
Time period (1981-82 to 1983-84)	0.0910	0.0860	1.0585
Time period (1984-85 to 1986-87)	0.1120	0.0864	1.2967
R - Squared	0.8222	Residual Sum of Squares	0.4996
R - Bar - Squared	0.7913	S.E. of Regression	0.1474

Diagnostic Tests

Test Statistics	LM Version	F Version
A: Serial Correlation	CHI-SQ(1)=1.4023	F(1, 22)=1.1599
B: Functional Form	CHI-SQ(1)=0.6778	F(1, 22)=0.5458
C: Normality	CHI-SQ(2)=1.4049	Not Applicable
D: Heteroscedasticity	CHI-SQ(1)=0.0001	F(1, 26)=0.0001

Regression Results

Dependent Variable	Per Child Expenditure on Primary Education		
Number Of Observations	28	Degrees Of Freedom	22
Regressor	Coefficient	Standard Error	T - Ratio
1 Proportion of enrolment in Primary Schools to children in the age group 6-10 years	0.9339	0.2306	4.0503
2 Student-Teacher ratio in Primary Schools	-0.6545	0.3329	-1.9661
3 Price differences	1.3859	0.3196	4.3365
4 Salary differences of Primary School teachers	0.2133	0.1944	1.0971
Time period (1981-82 to 1983-84)	0.2247	0.1256	1.7885
Time period (1984-85 to 1986-87)	0.0417	0.1179	0.3533

R - Squared	0.8035	Residual Sum of Squares	0.8631
R - Bar - Squared	0.7588	S.E. of Regression	0.1981

Diagnostic Tests

Test Statistics	LM Version	F Version
A: Serial Correlation	CHI-SQ(1)=2.4906	F(1, 21)=2.0503
B: Functional Form	CHI-SQ(1)=3.6223	F(1, 21)=3.1204
C: Normality	CHI-SQ(2)=0.4335	Not Applicable
D: Heteroscedasticity	CHI-SQ(1)=0.0497	F(1, 26)=0.0462

Regression Results

Dependent Variable	Total Expenditure on Secondary Education		
Number Of Observations	28	Degrees Of Freedom	21
Regressor	Coefficient	Standard Error	T - Ratio
1 Enrolment of children in the age group 11-18 years in Secondary Schools	0.6407	0.1009	6.3519
2 Student-Teacher ratio in Secondary Schools	-0.1922	0.4281	-0.4491
3 Salary differences of Trained Graduate teachers	0.5203	0.1838	2.8314
4 Proportion of children (11-18 years) in rural areas	0.5250	0.2449	2.1438
5 Density of children (11-18 years)	-0.1833	0.1123	-1.6322
Time period (1981-82 to 1983-84)	-0.1587	0.1481	-1.0714
Time period (1984-85 to 1986-87)	-0.1325	0.1497	-0.8849
R - Squared	0.8126	Residual Sum of Squares	1.2796
R - Bar - Squared	0.7590	S.E. of Regression	0.2468

Diagnostic Tests

Test Statistics	LM Version	F Version
A: Serial Correlation	CHI-SQ(1)=2.9743	F(1, 20)=2.3770
B: Functional Form	CHI-SQ(1)=7.7690	F(1, 20)=7.6803
C: Normality	CHI-SQ(2)=0.4163	Not Applicable
D: Heteroscedasticity	CHI-SQ(1)=2.2271	F(1, 26)=2.2467

Regression Results

Dependent Variable	Per Capita Expenditure on Higher Education		
Number Of Observations	28	Degrees Of Freedom	21
Regressor	Coefficient	Standard Error	T - Ratio
1 Enrolment in Colleges and Universities per 1000 population	1.0445	0.2178	4.7964
2 Student-Teacher ratio in Colleges and Universities	-0.9144	0.1990	-4.5948
3 Price differences	1.0338	0.1413	7.3191
4 Density of population	-0.3015	0.1095	-2.7531
5 Proportion of enrolment in Private Colleges and Universities to total enrolment	0.1636	0.1528	1.0708
Time period (1981-82 to 1983-84)	0.0111	0.1244	0.0892
Time period (1984-85 to 1986-87)	0.1242	0.1312	0.9466
R - Squared	0.7590	Residual Sum of Squares	0.9316
R - Bar - Squared	0.6901	S.E. of Regression	0.2106

Diagnostic Tests

Test Statistics	LM Version	F Version
A: Serial Correlation	CHI-SQ(1)=2.2811	F(1, 20)=1.7738
B: Functional Form	CHI-SQ(1)=0.0556	F(1, 20)=0.0398
C: Normality	CHI-SQ(2)=0.2491	Not Applicable
D: Heteroscedasticity	CHI-SQ(1)=0.2100	F(1, 26)=0.1964

Regression Results

Dependent Variable	Total Expenditure on Medical, Family Welfare and Public Health (excluding Water Supply)		
Number Of Observations	28	Degrees Of Freedom	20
Regressor	Coefficient	Standard Error	T - Ratio
1 Number of hospital beds	0.8754	0.0750	11.6745
2 Number of indoor patients per 100 hospital beds	0.0996	0.0449	2.2177
3 Proportion of population covered under sanitation in urban areas	0.1210	0.0492	2.4619
4 Salary differences of Staff Nurse	0.2682	0.1006	2.6677
5 Density of population	-0.2166	0.0828	-2.6179
6 Proportion of population in hill/desert areas	0.0064	0.0054	1.1725
Time period (1981-82 to 1983-84)	0.0470	0.1265	0.3715
Time period (1984-85 to 1986-87)	-0.0766	0.1279	-0.5987
R - Squared	0.8926	Residual Sum of Squares	0.8706
R - Bar - Squared	0.8550	S.E. of Regression	0.2086

Diagnostic Tests

Test Statistics	LM Version	F Version
A: Serial Correlation	CHI-SQ(1)=7.9846	F(1, 19)=7.5795
B: Functional Form	CHI-SQ(1)=2.8071	F(1, 19)=2.1171
C: Normality	CHI-SQ(2)=1.6982	Not Applicable
D: Heteroscedasticity	CHI-SQ(1)=1.3137	F(1, 26)=1.2799

Regression Results

Dependent Variable	Per Capita Expenditure on Agriculture, Food, etc.		
Number Of Observations	28	Degrees Of Freedom	21
Regressor	Coefficient	Standard Error	T - Ratio
1 Gross cropped area per 1000 population	0.4026	0.1242	3.2407
2 Number of Standard Employees for Agriculture, etc., per 1000 hectares of gross cropped area	0.4135	0.1132	3.6527
3 Proportion of area under High Yielding Varieties of cereals to gross cropped area	0.3318	0.1028	3.2259
4 Proportion of area under Commercial crops to gross cropped area	0.4344	0.0908	4.7824
5 Price differences	0.8429	0.0777	10.8468
Time period (1981-82 to 1983-84)	0.1878	0.0957	1.9624
Time period (1984-85 to 1986-87)	-0.1570	0.0999	-1.5710
R - Squared	0.8027	Residual Sum of Squares	0.6514
R - Bar - Squared	0.7463	S.E. of Regression	0.1761

Diagnostic Tests

Test Statistics	LM Version	F Version
A: Serial Correlation	CHI-SQ(1)=1.0309	F(1, 20)=0.7645
B: Functional Form	CHI-SQ(1)=1.6213	F(1, 20)=1.2292
C: Normality	CHI-SQ(2)=1.3847	Not Applicable
D: Heteroscedasticity	CHI-SQ(1)=0.0925	F(1, 26)=0.0861

Regression Results

Dependent Variable	Total Expenditure on Animal Husbandry		
Number Of Observations	28	Degrees Of Freedom	22

Regressor	Coefficient	Standard Error	T - Ratio
1 Total cattle population	0.5739	0.0950	6.0403
2 Salary differences of Assistant Veterinary Surgeon	0.3693	0.0997	3.7051
3 Proportion of urban population to total population	0.2390	0.1518	1.5748
4 Number of veterinary centres per 1000 cattle	0.1923	0.1006	1.9106
Time period (1981-82 to 1983-84)	-0.0599	0.1419	-0.4217
Time period (1984-85 to 1986-87)	0.0396	0.1421	0.2784
R - Squared	0.7511	Residual Sum of Squares	1.3798
R - Bar - Squared	0.6945	S.E. of Regression	0.2504

Diagnostic Tests

Test Statistics	LM Version	F Version
A: Serial Correlation	CHI-SQ(1)=6.0275	F(1, 21)=5.7607
B: Functional Form	CHI-SQ(1)=0.6756	F(1, 21)=0.5192
C: Normality	CHI-SQ(2)=1.3010	Not Applicable
D: Heteroscedasticity	CHI-SQ(1)=4.0392	F(1, 26)=4.3830

Regression Results

Dependent Variable	Total Expenditure on Industry and Minerals		
Number Of Observations	28	Degrees Of Freedom	22
Regressor	Coefficient	Standard Error	T - Ratio
1 Income from Mining and Quarrying and Manufacture	1.3875	0.1642	8.4528
2 Number of Standard Employees for Industry and Minerals per income from Mining and Quarrying and Manufacture	0.8514	0.2018	4.2195
3 Density of urban population	-1.0868	0.3013	-3.6072
4 Proportion of population in hill/desert areas	0.0392	0.0116	3.3827
Time period (1981-82 to 1983-84)	0.3879	0.3012	1.2881
Time period (1984-85 to 1986-87)	-0.4294	0.3382	-1.2698
R - Squared	0.6851	Residual Sum of Squares	5.1961
R - Bar - Squared	0.6135	S.E. of Regression	0.4860

Diagnostic Tests

Test Statistics	LM Version	F Version
A: Serial Correlation	CHI-SQ(1)=4.8699	F(1, 21)=4.4214
B: Functional Form	CHI-SQ(1)=0.2659	F(1, 21)=0.2013
C: Normality	CHI-SQ(2)=1.8951	Not Applicable
D: Heteroscedasticity	CHI-SQ(1)=0.9744	F(1, 26)=0.9374

Note : Diagnostic Tests :

- A: Lagrange multiplier test of residual serial correlation.
- B: Ramsey's RESET test using the square of the fitted values.
- C: Based on a test of skewness and kurtosis of residuals.
- D: Based on the regression of squared residuals on squared fitted values.

Comparison Of Normative And Actual Expenditures (non-Plan) In 1986-87

	Actual Expenditure	Normative Expenditure	Deviation From Actual	per cent Deviation From Actual	per Capita Actual Exp.	per Capita Normative Exp.	per Capita Deviation From Actual
	(Rs. Lakh)	(Rs. Lakh)	(Rs. Lakh)	(%)	(Rs.)	(Rs.)	(Rs.)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Expenditure Category : Organs Of State							
1 Andhra							
Pradesh	365.00	460.32	95.32	26.12	0.61	0.77	0.16
2 Bihar	976.00	695.98	-280.02	-28.69	1.24	0.88	-0.36
3 Gujarat	191.00	297.06	106.06	55.53	0.50	0.78	0.28
4 Haryana	299.00	115.07	-183.93	-61.52	1.99	0.77	-1.22
5 Karnataka	411.00	332.40	-78.60	-19.12	0.98	0.80	-0.19
6 Kerala	313.00	250.17	-62.83	-20.07	1.11	0.89	-0.22
7 Madhya Pradesh	495.00	470.31	-24.69	-4.99	0.84	0.80	-0.04
8 Maharashtra	606.00	530.32	-75.68	-12.49	0.86	0.75	-0.11
9 Orissa	232.00	272.09	40.09	17.28	0.80	0.93	0.14
10 Punjab	417.00	140.49	-276.51	-66.31	2.23	0.75	-1.48
11 Rajasthan	301.00	392.85	91.85	30.51	0.76	0.99	0.23
12 Tamil Nadu	334.00	425.06	91.06	27.26	0.63	0.80	0.17
13 Uttar Pradesh	703.00	1112.81	409.81	58.29	0.56	0.89	0.33
14 West Bengal	274.00	476.74	202.74	73.99	0.45	0.78	0.33
14 Major States	5917.00	5971.69	54.69	0.92	0.83	0.83	0.01
Expenditure Category : Administrative Services							
1 Andhra							
Pradesh	7445.00	4715.04	-2729.96	-36.67	12.52	7.93	-4.59
2 Bihar	3912.00	6182.38	2270.38	58.04	4.97	7.85	2.88
3 Gujarat	2462.00	3232.78	770.78	31.31	6.46	8.48	2.02
4 Haryana	1193.00	1166.52	-26.48	-2.22	7.94	7.76	-0.18
5 Karnataka	2799.00	3590.23	791.23	28.27	6.69	8.59	1.89
6 Kerala	2579.00	2433.89	-145.11	-5.63	9.17	8.65	-0.52
7 Madhya Pradesh	3905.00	4684.97	779.97	19.97	6.63	7.95	1.32
8 Maharashtra	12425.00	5944.36	-6480.64	-52.16	17.64	8.44	-9.20
9 Orissa	2411.00	2427.42	16.42	0.68	8.27	8.32	0.06
10 Punjab	1791.00	1495.23	-295.77	-16.51	9.58	8.00	-1.58
11 Rajasthan	2951.00	3388.92	435.92	14.77	7.41	8.51	1.10
12 Tamil Nadu	7449.00	4686.41	-2762.59	-37.09	14.04	8.83	-5.21
13 Uttar Pradesh	5368.00	10482.21	5094.21	94.90	4.31	8.40	4.09
14 West Bengal	2525.00	4917.23	2392.23	94.74	4.15	8.07	3.93
14 Major States	59215.00	59325.89	110.89	0.19	8.28	8.28	0.02
Expenditure Category : Administration Of Justice							
1 Andhra							
Pradesh	1983.00	1577.80	-405.20	-20.43	3.33	2.65	-0.68
2 Bihar	2033.00	1683.07	-349.93	-17.21	2.58	2.14	-0.44
3 Gujarat	1435.00	1578.07	143.07	9.97	3.77	4.14	0.38
4 Haryana	487.00	476.65	-10.35	-2.12	3.24	3.17	-0.07
5 Karnataka	1897.00	1821.85	-75.15	-3.96	4.54	4.36	-0.18
6 Kerala	1384.00	935.31	-448.69	-32.42	4.92	3.33	-1.60
7 Madhya Pradesh	1382.00	1600.36	218.36	15.80	2.35	2.72	0.37
8 Maharashtra	2897.00	3227.12	330.12	11.40	4.11	4.58	0.47
9 Orissa	808.00	650.79	-157.21	-19.46	2.77	2.23	-0.54
10 Punjab	749.00	689.34	-79.66	-10.64	4.01	3.58	-0.43
11 Rajasthan	1199.00	831.39	-367.61	-30.66	3.01	2.09	-0.92
Expenditure Category : Fiscal Services							
1 Andhra							
Pradesh	7618.00	6802.09	-815.91	-10.71	12.81	11.44	-1.37
2 Bihar	4350.00	5424.96	1074.96	24.71	5.53	6.89	1.37
3 Gujarat	2547.00	5031.94	2484.94	97.56	6.68	13.21	6.52
4 Haryana	1327.00	2667.99	1340.99	101.05	8.83	17.76	8.92
5 Karnataka	5111.00	4690.70	-420.30	-8.22	12.22	11.22	-1.01
6 Kerala	4748.00	5053.47	305.47	6.43	16.88	17.97	1.09
7 Madhya Pradesh	7498.00	5856.25	-1641.75	-21.90	12.73	9.94	-2.79
8 Maharashtra	9607.00	7138.49	-2468.51	-25.69	13.64	10.13	-3.50
9 Orissa	3758.00	3481.33	-276.67	-7.36	12.89	11.94	-0.95
10 Punjab	1727.00	3145.51	1418.51	82.14	9.24	16.83	7.59
11 Rajasthan	5298.00	7797.93	2499.93	47.19	13.31	19.59	6.28
12 Tamil Nadu	4926.00	6627.58	1701.58	34.54	9.29	12.49	3.21
13 Uttar Pradesh	10437.00	7304.38	-3132.62	-30.01	8.38	5.87	-2.52
14 West Bengal	5482.00	3642.23	-1839.77	-33.56	9.00	5.98	-3.02
14 Major States	74434.00	74664.85	230.85	0.31	10.38	10.42	0.03
Expenditure Category : Police							
1 Andhra							
Pradesh	11030.00	15376.83	4346.83	39.41	18.54	25.85	7.31
2 Bihar	13851.00	17866.42	4015.42	28.99	17.59	22.69	5.10
3 Gujarat	13717.00	9500.59	-4216.41	-30.74	36.00	24.93	-11.07
4 Haryana	4691.00	3781.26	-909.74	-19.39	31.22	25.17	-6.05
5 Karnataka	8716.00	10521.38	1805.38	20.71	20.85	25.17	4.32
6 Kerala	6565.00	6596.61	31.61	0.48	23.34	23.45	0.11
7 Madhya Pradesh	14109.00	13348.07	-760.93	-5.39	23.96	22.66	-1.29
8 Maharashtra	23988.00	17657.76	-6330.24	-26.39	34.05	25.07	-8.99
9 Orissa	6610.00	6588.77	-21.23	-0.32	22.67	22.59	-0.07
10 Punjab	8293.00	5289.97	-3003.03	-36.21	44.36	26.30	-16.06
11 Rajasthan	8545.00	8451.67	-93.33	-1.09	21.47	21.24	-0.23
12 Tamil Nadu	11230.00	13509.24	2279.24	20.30	21.17	25.46	4.30
13 Uttar Pradesh	27482.00	31647.72	4165.72	15.24	22.05	25.41	3.36
14 West Bengal	16071.00	16129.54	58.54	0.36	26.38	26.48	0.10
14 Major States	174878.00	176265.83	1387.83	0.79	24.40	24.59	0.19
Expenditure Category : Jails							
1 Andhra							
Pradesh	609.00	1051.49	442.49	72.66	1.02	1.77	0.74
2 Bihar	1564.00	1327.00	-237.00	-15.15	1.99	1.69	-0.30
3 Gujarat	335.00	701.67	366.67	109.45	0.88	1.84	0.96
4 Haryana	327.00	361.23	34.23	10.47	2.18	2.40	0.23
5 Karnataka	325.00	584.56	259.56	73.71	0.78	1.35	0.57
6 Kerala	334.00	413.76	79.76	23.88	1.19	1.47	0.28
7 Madhya Pradesh	914.00	1196.55	282.55	30.91	1.55	2.03	0.48
8 Maharashtra	915.00	888.83	-26.17	-2.86	1.30	1.26	-0.04
9 Orissa	465.00	613.72	148.72	31.98	1.59	2.10	0.51
10 Punjab	620.00	407.34	-212.66	-34.30	3.32	2.18	-1.14
11 Rajasthan	555.00	668.49	113.49	20.45	1.39	1.68	0.29
12 Tamil Nadu	1266.00	772.49	-493.51	-38.98	2.39	1.46	-0.93

TABLE B.5.3

Inter-State Variations In Per Capita Normative Expenditure : 1986-87

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
13 Uttar Pradesh	2567.01	2841.84	274.83	10.71	2.06	2.28	0.22
14 West Bengal	1795.01	2184.63	389.62	21.71	2.95	3.59	0.64
14 Major States	25940.95	26060.99	120.04	0.46	3.62	3.64	0.02

Expenditure Category : Industry And Minerals

1 Andhra Pradesh	503.00	502.11	-0.89	-0.18	0.85	0.84	0.00
2 Bihar	1106.00	566.47	-539.53	-48.78	1.40	0.72	-0.69
3 Gujarat	1354.98	2333.36	978.37	72.21	3.56	6.12	2.57
4 Haryana	188.99	308.68	119.68	63.33	1.26	2.05	0.80
5 Karnataka	1800.00	1588.18	-211.82	-11.77	4.31	3.80	-0.51
6 Kerala	1299.99	475.57	-824.42	-63.42	4.62	1.69	-2.93
7 Madhya Pradesh	1319.00	814.68	-504.32	-38.24	2.24	1.38	-0.86
8 Maharashtra	593.00	5702.82	5109.82	861.70	0.84	8.10	7.25
9 Orissa	664.01	162.48	-501.52	-75.53	2.28	0.56	-1.72
10 Punjab	390.00	236.99	-153.01	-39.23	2.09	1.27	-0.82
11 Rajasthan	2079.99	919.22	-1160.77	-55.81	5.23	2.31	-2.92
12 Tamil Nadu	1721.00	2543.95	822.95	47.82	3.24	4.80	1.55
13 Uttar Pradesh	3404.01	1345.31	-2058.69	-60.48	2.73	1.08	-1.65
14 West Bengal	2225.01	1149.16	-1075.85	-48.35	3.65	1.89	-1.77
14 Major States	18648.98	18648.98	0.00	0.00	2.60	2.60	0.00

Expenditure Category : Economic Services

1 Andhra Pradesh	20996.03	20164.17	-831.86	-3.96	35.30	33.90	-1.40
2 Bihar	18275.00	13360.74	-4914.26	-26.89	23.21	16.97	-6.24
3 Gujarat	26346.78	24010.55	-2336.24	-8.87	69.14	63.01	-6.13
4 Haryana	4738.84	4711.08	-27.77	-0.59	31.54	31.35	-0.18
5 Karnataka	20026.03	20441.43	415.40	2.07	47.90	48.89	0.99
6 Kerala	9993.90	8293.19	-1700.70	-17.02	35.53	29.49	-6.05
7 Madhya Pradesh	16154.02	19257.12	3103.10	19.21	27.43	32.70	5.27
8 Maharashtra	20702.88	29401.42	8698.53	42.02	29.39	41.74	12.35
9 Orissa	10409.13	8857.38	-1551.75	-14.91	35.70	30.37	-5.32
10 Punjab	6202.00	6963.16	761.16	12.27	33.17	37.25	4.07
11 Rajasthan	9360.96	11121.64	1760.68	18.81	23.52	27.94	4.42
12 Tamil Nadu	21999.97	20425.17	-1574.79	-7.16	41.47	38.50	-2.97
13 Uttar Pradesh	27724.06	28864.19	1140.13	4.11	22.26	23.18	0.92
14 West Bengal	24099.05	21605.47	-2493.58	-10.35	39.56	35.47	-4.09
14 Major States	237028.66	237476.71	448.05	0.19	33.07	33.13	0.06

*Note : Inclusive of expenditure on "Other Economic Services", "Water and" Power Development Services" and "Compensation to Local Bodies" reckoned at actuals.

Expenditure Category : Expenditure On Selected Services

1 Andhra Pradesh	121442.12	121827.67	385.56	0.32	204.16	204.81	0.65
2 Bihar	113015.00	120006.68	6991.68	6.19	143.55	152.43	8.88
3 Gujarat	116146.15	111236.33	-4909.82	-4.23	304.81	291.92	-12.89
4 Haryana	33876.34	34407.13	530.79	1.57	225.46	226.99	3.53
5 Karnataka	97927.13	102427.74	4500.61	4.60	234.22	244.99	10.76
6 Kerala	85768.41	77687.64	-8080.77	-9.42	304.95	276.22	-28.73
7 Madhya Pradesh	109038.10	109478.43	440.33	0.40	185.13	185.88	0.75
8 Maharashtra	193989.24	177694.07	-16295.17	-8.40	275.38	252.25	-23.13
9 Orissa	56072.43	61117.99	5045.56	9.00	192.29	209.59	17.30
10 Punjab	55029.00	47875.38	-7153.62	-13.00	294.35	256.09	-38.26
11 Rajasthan	74895.79	81858.70	7162.91	9.59	187.68	205.68	18.00
12 Tamil Nadu	125927.88	134444.93	8517.07	6.76	237.36	253.42	16.05
13 Uttar Pradesh	184811.26	201376.26	16565.01	8.96	148.41	161.71	13.30
14 West Bengal	147358.24	137498.40	-9859.84	-6.69	241.92	225.73	-16.19
14 Major States	1515097.07	1518937.35	3840.28	0.25	211.38	211.91	0.54

Expenditure Category	Mean (Rs.)		Standard Deviation (Rs.)		Coeff. of Variation	
	Actual	Normative	Actual	Normative	Actual	Normative
1 Organs of State	0.8255	0.8331	0.3740	0.0677	0.4530	0.0813
2 Administrative Services	8.2614	8.2768	4.3141	0.3071	0.5222	0.0371
3 Administration of Justice	3.2295	3.2321	0.7323	0.8155	0.2267	0.2523
4 Fiscal Services	10.3847	10.4169	2.9866	4.0899	0.2876	0.3926
5 Police	24.3981	24.5918	6.2507	1.6000	0.2562	0.0651
6 Jails	1.5684	1.5706	0.5085	0.3258	0.3242	0.2074
7 Other Administrative Services	4.6994	4.7355	1.3994	0.4253	0.2978	0.0898
8 Fire Protection	0.5264	0.5329	0.5426	0.1735	1.0308	0.3256
General Administrative Services	53.8934	54.1898	11.5740	4.7043	0.2148	0.0868
9 Primary Education	44.8892	44.9079	11.7824	7.4120	0.2625	0.1650
10 Secondary Education	30.9829	31.0319	11.9375	10.9411	0.3853	0.3526
11 Higher Education	14.6422	14.6430	5.3634	4.3684	0.3663	0.2983
12 Other Education	24.2867	24.3951	8.7713	9.2653	0.3612	0.3798
13 "Art, Scientific Services, e.t.c."	2.5817	2.5817	3.2430	3.2430	1.2561	1.2561
14 "Medical, Family Welfare, e.t.c."	2.8711	2.8711	2.3913	2.3913	0.8329	0.8329
15 Urban Development	2.1692	2.1692	1.9742	0.6196	0.9101	0.2856
16 Labour Employment	1.2747	1.2747	0.5381	0.5381	0.4221	0.4221
17 Other Social Services	0.7188	0.7188	0.4601	0.2096	0.6401	0.2916
Social Services	124.4164	124.5934	36.1698	29.8799	0.2907	0.2398
18 "Agriculture, Food, e.t.c."	18.3904	18.4362	5.2216	3.5592	0.2839	0.1931
19 Animal Husbandry	3.6192	3.6359	0.9774	1.1034	0.2701	0.3035
20 Industry and Minerals	2.6018	2.6018	1.2905	2.3534	0.4960	0.9045
21 Other Economic Services	1.5831	1.5831	1.0033	1.0033	0.6338	0.6338
22 "Water, Power Development Services"	1.6633	1.6633	4.9599	4.9599	2.9820	2.9820
23 Compensation to Local Bodies	5.2113	5.2113	4.4095	4.4095	0.8461	0.8461
Economic Services	33.0691	33.1316	11.4788	10.9830	0.3471	0.3315
All Services	211.3790	211.9148	53.4307	42.6125	0.2528	0.2011

Projection Of Normative Expenditure On Selected Categories

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1990-91 to 1994-95
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Expenditure Category : Organs Of State							
1 Andhra Pradesh	595.43	651.19	712.17	778.87	851.81	931.58	3925.61
2 Bihar	1206.25	1244.23	1283.40	1323.81	1365.49	1408.48	6625.42
3 Gujarat	352.11	391.87	436.12	485.37	540.18	601.17	2454.71
4 Haryana	298.73	284.21	270.40	257.26	244.76	232.87	1289.50
5 Karnataka	536.33	561.19	587.20	614.42	642.90	672.70	3078.41
6 Kerala	406.30	424.58	443.68	463.63	484.49	506.28	2322.66
7 Madhya Pradesh	696.42	741.32	789.12	839.99	894.15	951.79	4216.37
8 Maharashtra	819.80	865.18	913.07	963.61	1016.95	1073.24	4832.04
9 Orissa	363.67	395.13	429.31	466.44	506.79	550.63	2348.30
10 Punjab	402.20	375.24	350.09	326.63	304.74	284.31	1641.01
11 Rajasthan	500.58	549.10	602.33	660.72	724.77	795.03	3331.95
12 Tamil Nadu	547.63	599.39	656.04	718.06	785.93	860.22	3619.63
13 Uttar Pradesh	1310.01	1459.94	1627.02	1813.23	2020.76	2252.03	9172.98
14 West Bengal	541.62	607.91	682.32	765.84	859.58	964.79	3880.44
14 Major States	8577.07	9150.48	9782.28	10477.88	11243.27	12085.11	52739.03
Expenditure Category : Administrative Services							
1 Andhra Pradesh	8772.85	8921.55	9072.78	9226.57	9382.96	9542.01	46145.87
2 Bihar	7282.57	8115.03	9042.63	10076.27	11228.06	12511.51	50973.51
3 Gujarat	4108.49	4509.12	4948.81	5431.39	5961.01	6542.29	27392.62
4 Haryana	1702.27	1817.33	1940.16	2071.29	2211.28	2360.74	10400.79
5 Karnataka	4609.50	5048.68	5529.71	6056.57	6633.63	7265.67	30534.28
6 Kerala	3616.54	3847.03	4092.21	4353.01	4630.44	4925.55	21848.24
7 Madhya Pradesh	6197.22	6747.30	7346.20	7998.26	8708.20	9481.16	40281.12
8 Maharashtra	13252.55	12998.44	12749.21	12504.76	12264.99	12029.83	62547.23
9 Orissa	3490.67	3737.55	4001.89	4284.93	4587.98	4912.47	21524.83
10 Punjab	2370.84	2489.40	2613.89	2744.59	2881.84	3025.95	13755.67
11 Rajasthan	4572.49	4958.08	5376.20	5829.57	6321.18	6854.25	29339.28
12 Tamil Nadu	8755.07	8896.25	9039.69	9185.46	9333.57	9484.07	45939.03
13 Uttar Pradesh	11420.68	12921.38	14619.28	16540.29	18713.73	21172.76	83967.45
14 West Bengal	5369.18	6074.38	6872.19	7774.78	8795.92	9951.18	39468.44
14 Major States	85520.93	91081.52	97244.86	104077.75	111654.82	120059.43	524118.38
Expenditure Category : Administration Of Justice							
1 Andhra Pradesh	2568.94	2683.14	2802.43	2927.02	3057.15	3193.06	14662.80
2 Bihar	2680.96	2812.44	2950.37	3095.07	3246.86	3406.10	15510.84
3 Gujarat	2173.77	2347.62	2535.36	2738.13	2957.10	3193.59	13771.81
4 Haryana	695.23	742.29	792.53	846.18	903.46	964.62	4249.09
5 Karnataka	2682.96	2859.07	3046.74	3246.73	3459.85	3686.95	16299.35
6 Kerala	1673.26	1715.04	1757.85	1801.74	1846.72	1892.82	9014.16
7 Madhya Pradesh	2151.62	2335.00	2534.01	2749.98	2984.36	3238.71	13842.07
8 Maharashtra	4418.24	4777.42	5165.80	5585.75	6039.84	6530.85	28099.66
9 Orissa	1052.44	1100.72	1151.21	1204.02	1259.25	1317.02	6032.22
10 Punjab	1023.26	1082.30	1144.75	1210.81	1280.67	1354.57	6073.11
11 Rajasthan	1464.82	1505.98	1548.30	1591.81	1636.53	1682.52	7965.14
12 Tamil Nadu	2920.83	3150.89	3399.08	3666.80	3955.62	4267.19	18439.58
13 Uttar Pradesh	5119.70	5535.89	5985.91	6472.51	6998.67	7567.60	32560.57
14 West Bengal	2787.77	3079.87	3402.57	3759.08	4152.94	4588.08	18982.53
14 Major States	33413.80	35727.67	38216.92	40895.62	43779.04	46883.69	205502.94
Expenditure Category : Fiscal Services							
1 Andhra Pradesh	10403.35	11002.66	11636.50	12306.85	13015.82	13765.64	61727.48
2 Bihar	7052.13	7704.89	8418.06	9197.26	10048.57	10978.69	46347.47
3 Gujarat	5467.82	6191.97	7012.04	7940.71	8992.38	10183.33	40320.44
4 Haryana	2882.18	3267.72	3704.82	4200.40	4762.28	5399.31	21334.53
5 Karnataka	7071.42	7500.38	7955.37	8437.96	8949.82	9492.74	42336.28
6 Kerala	7071.26	7612.83	8195.88	8823.59	9499.37	10226.91	44358.58
7 Madhya Pradesh	9634.41	10041.87	10466.58	10909.24	11370.62	11851.52	54639.84
8 Maharashtra	12081.01	12520.88	12976.76	13449.24	13938.93	14446.44	67332.25
9 Orissa	5222.80	5545.01	5887.10	6250.30	6635.90	7045.29	31363.61
10 Punjab	3515.26	3958.54	4457.72	5019.84	5652.85	6365.68	25454.62
11 Rajasthan	9448.04	10468.88	11600.02	12853.37	14242.15	15780.97	64945.39
12 Tamil Nadu	8335.31	9167.26	10082.24	11088.54	12195.28	13412.48	55945.79
13 Uttar Pradesh	12799.49	13173.52	13558.47	13954.67	14362.45	14782.15	69831.26
14 West Bengal	6582.67	6733.27	6887.31	7044.89	7206.06	7370.93	35242.46
14 Major States	107567.14	114889.68	122838.88	131476.86	140872.48	151102.07	661179.98

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	
Expenditure Category : Police								
1	Andhra Pradesh	19051.17	21015.59	23182.56	25572.98	28209.88	31118.68	129099.69
2	Bihar	22882.48	25074.99	27477.58	30110.38	32995.44	36156.94	151815.34
3	Gujarat	16750.30	17218.64	17700.09	18194.99	18703.73	19226.70	91044.16
4	Haryana	6112.30	6393.25	6687.12	6994.50	7316.00	7652.28	35043.16
5	Karnataka	13878.78	15119.12	16470.30	17942.24	19545.72	21292.51	90369.89
6	Kerala	9495.42	10164.98	10681.75	11649.06	12470.47	13349.81	58516.07
7	Madhya Pradesh	19808.86	21076.68	22425.64	23860.94	25388.10	27013.00	119764.36
8	Maharashtra	30045.27	31105.62	32203.39	33339.90	34516.52	35734.67	166900.09
9	Orissa	9522.23	10185.51	10894.98	11653.88	12465.64	13333.94	58533.94
10	Punjab	9799.41	9974.28	10152.27	10333.43	10517.83	10705.51	51683.32
11	Rajasthan	12262.22	13106.14	14008.13	14972.21	16002.63	17103.97	75193.07
12	Tamil Nadu	17848.08	19437.05	21167.47	23051.95	25104.20	27339.15	116099.81
13	Uttar Pradesh	42644.62	46258.41	50178.45	54430.67	59043.24	64046.69	273957.46
14	West Bengal	23231.03	24866.23	26616.54	28490.04	30495.42	32641.96	143110.19
14	Major States	253332.19	270996.50	290046.27	310597.17	332774.83	356715.80	1561130.57
Expenditure Category : Jails								
1	Andhra Pradesh	1197.96	1343.83	1507.47	1691.04	1896.95	2127.94	8567.24
2	Bihar	2085.71	2193.86	2307.61	2427.27	2553.12	2685.51	12167.36
3	Gujarat	747.91	850.23	966.55	1098.78	1249.11	1420.00	5584.67
4	Haryana	496.52	536.46	579.62	626.24	676.61	731.04	3149.98
5	Karnataka	641.77	720.24	808.30	907.13	1018.04	1142.52	4596.23
6	Kerala	539.47	589.05	643.19	702.31	766.86	837.34	3538.75
7	Madhya Pradesh	1522.66	1670.70	1833.14	2011.37	2206.93	2421.51	10143.66
8	Maharashtra	1301.37	1388.41	1481.26	1580.32	1686.01	1798.76	7934.76
9	Orissa	778.24	854.51	938.25	1030.20	1131.16	1242.01	5196.14
10	Punjab	741.18	757.11	773.39	790.02	807.00	824.36	3951.88
11	Rajasthan	882.69	961.38	1047.09	1140.44	1242.11	1352.85	5743.88
12	Tamil Nadu	1470.67	1488.75	1507.05	1525.58	1544.33	1563.32	7629.03
13	Uttar Pradesh	2574.91	2692.31	2815.06	2943.40	3077.60	3217.91	14746.28
14	West Bengal	1251.16	1282.71	1315.06	1348.23	1382.23	1417.09	6745.32
14	Major States	16232.21	17329.55	18523.04	19822.32	21238.08	22782.17	99695.16
Expenditure Category : Fire Protection And Control								
1	Andhra Pradesh	600.20	582.31	564.96	548.12	531.79	515.94	2743.12
2	Bihar	293.69	352.81	423.84	509.16	611.65	734.78	2632.24
3	Gujarat	195.41	240.18	295.20	362.84	445.97	548.14	1892.33
4	Haryana	45.15	54.39	65.51	78.92	95.06	114.51	408.39
5	Karnataka	390.04	416.82	445.44	476.03	508.72	543.65	2390.66
6	Kerala	456.82	449.92	443.13	436.44	429.85	423.36	2182.71
7	Madhya Pradesh	294.39	356.16	430.90	521.32	630.71	763.06	2702.15
8	Maharashtra	213.08	259.73	316.60	385.92	470.42	573.42	2006.11
9	Orissa	493.51	491.56	489.60	487.66	485.73	483.80	2438.34
10	Punjab	60.22	74.02	90.98	111.83	137.45	168.94	583.21
11	Rajasthan	236.39	290.55	357.11	438.93	539.49	663.10	2289.19
12	Tamil Nadu	829.75	823.21	816.73	810.30	803.91	797.58	4051.73
13	Uttar Pradesh	797.07	856.06	919.41	987.44	1060.52	1139.00	4962.42
14	West Bengal	572.18	489.15	418.17	357.49	305.62	261.27	1831.70
14	Major States	5477.91	5736.88	6077.60	6512.40	7056.88	7730.54	33114.29
Expenditure Category : Other Administrative Services								
1	Andhra Pradesh	3741.09	3964.81	4201.91	4453.19	4719.50	5001.73	22341.14
2	Bihar	3948.17	4370.44	4837.88	5355.30	5928.07	6562.10	27053.79
3	Gujarat	3304.92	3406.86	3511.94	3620.26	3731.93	3847.03	18118.02
4	Haryana	1073.63	1134.89	1199.65	1268.10	1340.46	1416.94	6360.04
5	Karnataka	3364.58	3534.73	3713.48	3901.26	4098.55	4305.81	19553.81
6	Kerala	1803.64	1988.59	2192.51	2417.33	2665.22	2938.52	12202.16
7	Madhya Pradesh	3227.92	3518.75	3835.77	4181.35	4558.07	4968.74	21062.68
8	Maharashtra	5505.59	5798.14	6106.23	6430.69	6772.39	7132.25	32239.70
9	Orissa	1929.53	2042.93	2162.98	2290.09	2424.68	2567.17	11487.84
10	Punjab	1756.96	1721.20	1686.15	1651.83	1618.20	1585.25	8262.63
11	Rajasthan	2888.62	3097.88	3322.30	3562.98	3821.09	4097.90	17902.15
12	Tamil Nadu	3812.83	4119.84	4451.58	4810.02	5197.32	5615.81	24194.57
13	Uttar Pradesh	7681.78	8508.70	9424.65	10439.19	11562.94	12807.66	52743.14
14	West Bengal	4750.00	4951.13	5160.77	5379.30	5607.07	5844.50	26942.77
14	Major States	48789.28	52158.88	55807.79	59760.90	64045.48	68691.40	300464.45
Expenditure Category : General Administrative Services								
1	Andhra Pradesh	46930.99	50165.10	53680.79	57504.64	61665.86	66196.57	289212.96
2	Bihar	47431.96	51868.69	56741.38	62094.52	67977.28	74444.12	313125.98
3	Gujarat	33100.72	35156.49	37406.12	39872.47	42581.41	45562.26	200578.75
4	Haryana	13306.02	14230.54	15239.82	16342.89	17549.92	18872.31	82235.48
5	Karnataka	33175.38	35760.23	38556.55	41582.35	44857.23	48402.55	209158.91
6	Kerala	25062.71	26792.02	28650.20	30647.11	32793.42	35100.59	153983.33

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
7 Madhya Pradesh	43533.51	46487.79	49661.35	53072.46	56741.15	60689.49	266652.24
8 Maharashtra	67636.91	69713.81	71912.31	74240.20	76706.06	79319.46	371891.84
9 Orissa	22853.11	24352.91	25955.34	27667.53	29497.13	31452.33	138925.23
10 Punjab	19669.34	20432.10	21269.24	22188.97	23200.57	24314.57	111405.45
11 Rajasthan	32255.85	34938.00	37861.49	41050.03	44529.96	48330.58	206710.05
12 Tamil Nadu	44520.18	47682.63	51119.87	54856.69	58920.16	63339.81	275919.17
13 Uttar Pradesh	84348.26	91406.20	99128.24	107581.41	116839.90	126985.79	541941.55
14 West Bengal	45085.61	48084.65	51354.93	54919.64	58804.85	63039.79	276203.86
14 Major States	558910.53	597071.16	638537.63	683620.90	732664.89	786050.22	3437944.80
Expenditure Category : Primary Education							
1 Andhra Pradesh	34135.19	36627.32	39301.40	42170.70	45249.48	48553.03	211901.93
2 Bihar	44152.22	46260.36	48469.15	50783.42	53208.18	55748.71	254469.82
3 Gujarat	31622.20	33385.49	35247.10	37212.51	39287.52	41478.23	186610.85
4 Haryana	7897.48	8387.48	8907.88	9460.57	10047.56	10670.96	47474.45
5 Karnataka	30903.00	32752.22	34712.11	36789.27	38990.73	41323.92	184568.24
6 Kerala	26565.79	26739.17	26913.69	27089.35	27266.15	27444.10	135452.46
7 Madhya Pradesh	36241.08	38655.79	41231.39	43978.60	46908.85	50034.34	220808.97
8 Maharashtra	56744.97	60223.57	63915.42	67833.59	71991.95	76405.23	340369.77
9 Orissa	16322.66	17960.72	19763.17	21746.50	23928.88	26330.26	109729.54
10 Punjab	10960.90	11540.85	12151.48	12794.43	13471.40	14184.18	64142.34
11 Rajasthan	24669.53	26473.85	28410.13	30488.04	32717.92	35110.90	153200.84
12 Tamil Nadu	42828.95	46637.86	50785.50	55302.01	60220.18	65575.73	278521.27
13 Uttar Pradesh	65263.81	71011.45	77265.28	84069.87	91473.72	99529.61	423349.93
14 West Bengal	36043.11	39779.73	43903.74	48455.29	53478.70	59022.90	244640.37
14 Major States	464350.89	496435.87	530977.45	568174.14	608241.20	651412.11	2855240.77
Expenditure Category : Secondary Education							
1 Andhra Pradesh	22534.86	24234.49	26062.32	28028.00	30141.94	32415.32	140882.07
2 Bihar	17087.18	18850.43	20795.64	22941.57	25308.94	27920.60	115817.17
3 Gujarat	21070.71	22551.91	24137.23	25833.99	27650.04	29593.74	129766.91
4 Haryana	10279.78	11237.57	12284.61	13429.20	14680.44	16048.26	67680.09
5 Karnataka	16569.20	18242.84	20085.54	22114.38	24348.14	26807.53	111598.44
6 Kerala	22546.86	24755.86	27181.28	29844.33	32768.29	35978.72	150528.49
7 Madhya Pradesh	23565.24	25301.25	27165.14	29166.35	31314.98	33621.90	146569.62
8 Maharashtra	45369.14	47481.11	49691.39	52004.57	54425.42	56958.97	260561.45
9 Orissa	13467.62	14647.47	15930.69	17326.32	18844.23	20495.11	87243.82
10 Punjab	14895.17	15530.00	16191.88	16881.98	17601.48	18351.65	84557.00
11 Rajasthan	17020.08	18402.23	19896.62	21512.37	23259.33	25148.16	108218.71
12 Tamil Nadu	26648.57	29345.54	32315.46	35585.96	39187.44	43153.41	179587.81
13 Uttar Pradesh	39245.50	41433.63	43743.75	46182.68	48757.58	51476.05	231593.69
14 West Bengal	30385.53	30733.16	31084.76	31440.39	31800.09	32163.90	157222.30
14 Major States	320685.43	342747.50	366566.33	392292.09	420088.34	450133.32	1971827.57
Expenditure Category : Higher Education							
1 Andhra Pradesh	17468.08	18540.61	19679.00	20887.29	22169.77	23530.98	104807.66
2 Bihar	17710.25	19819.11	22179.09	24820.08	27775.56	31082.95	125676.79
3 Gujarat	8281.04	8848.10	9453.98	10101.36	10793.06	11532.13	50728.63
4 Haryana	3332.35	3488.74	3652.48	3823.90	4003.37	4191.26	19159.76
5 Karnataka	11323.51	11935.71	12581.00	13261.17	13978.12	14733.83	66489.84
6 Kerala	9622.39	10024.79	10444.02	10880.78	11335.81	11809.87	54495.27
7 Madhya Pradesh	7919.26	8272.00	8640.46	9025.33	9427.34	9847.25	45212.38
8 Maharashtra	17526.09	18693.10	19937.83	21265.44	22681.46	24191.76	106769.60
9 Orissa	5912.25	6578.81	7320.53	8145.86	9064.24	10086.17	41195.62
10 Punjab	5111.70	5330.02	5557.65	5795.01	6042.51	6300.57	29025.76
11 Rajasthan	6340.60	6827.24	7351.23	7915.44	8522.96	9177.10	39793.97
12 Tamil Nadu	12760.74	12897.10	13034.91	13174.19	13314.96	13457.23	65878.38
13 Uttar Pradesh	14203.43	15377.30	16648.19	18024.12	19513.76	21126.52	90689.90
14 West Bengal	13925.45	15166.01	16517.09	17988.53	19591.05	21336.34	90599.01
14 Major States	151437.13	161798.64	172997.46	185108.50	198213.96	212403.97	930522.53
Expenditure Category : Other Expenditure On Education							
1 Andhra Pradesh	1478.15	1640.24	1820.10	2019.69	2241.16	2486.91	10208.10
2 Bihar	1586.01	1746.60	1923.45	2118.21	2332.68	2568.87	10689.81
3 Gujarat	1702.44	1796.17	1895.06	1999.39	2109.47	2225.61	10025.70
4 Haryana	566.47	593.77	622.39	652.39	683.83	716.78	3269.16
5 Karnataka	1215.81	1339.79	1476.40	1626.95	1792.84	1975.65	8211.63
6 Kerala	1190.00	1338.96	1506.56	1695.15	1907.34	2146.09	8594.09
7 Madhya Pradesh	1069.12	1187.18	1318.27	1463.84	1625.49	1804.98	7399.75
8 Maharashtra	3226.67	3421.16	3627.39	3846.04	4077.87	4323.68	19296.14
9 Orissa	881.62	914.09	947.76	982.68	1018.88	1056.41	4919.82
10 Punjab	758.87	825.99	899.05	978.57	1065.13	1159.34	4928.08
11 Rajasthan	916.72	1020.57	1136.18	1264.89	1408.19	1567.71	6397.54
12 Tamil Nadu	1244.78	1440.69	1667.43	1929.85	2233.58	2585.10	9856.64
13 Uttar Pradesh	2028.80	2307.02	2623.40	2983.16	3392.27	3857.47	15163.32

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
14 West Bengal	4568.71	4197.42	3856.30	3542.91	3254.99	2990.46	17842.08
14 Major States	22434.16	23769.65	25319.75	27103.71	29143.69	31465.07	136801.87
Expenditure Category : "Medical, Family Welfare And Public Health (excluding Water Supply)"							
1 Andhra Pradesh	17755.64	18979.22	20287.11	21685.13	23179.49	24776.83	108907.78
2 Bihar	12743.47	13561.17	14431.34	15357.35	16342.78	17391.44	77084.08
3 Gujarat	22167.59	23921.87	25814.97	27857.89	30062.48	32441.54	140098.75
4 Haryana	5279.39	5597.66	5935.11	6292.91	6672.28	7074.52	31572.48
5 Karnataka	18316.94	19890.05	21598.26	23453.17	25467.40	27654.61	118063.48
6 Kerala	15601.34	16718.53	17915.72	19198.63	20573.42	22046.65	96452.94
7 Madhya Pradesh	15647.32	16532.83	17468.46	18457.03	19501.56	20605.19	92565.07
8 Maharashtra	29543.35	31675.67	33961.89	36413.12	39041.26	41859.10	182951.04
9 Orissa	8778.01	9517.43	10319.14	11188.38	12130.84	13152.68	56308.47
10 Punjab	10996.44	11722.98	12497.52	13323.24	14203.51	15141.94	66889.19
11 Rajasthan	14348.73	15371.43	16467.03	17640.72	18898.06	20245.02	88622.28
12 Tamil Nadu	24537.13	26547.18	28721.90	31074.76	33620.37	36374.51	156338.72
13 Uttar Pradesh	27680.88	29621.40	31697.95	33920.07	36297.97	38842.57	170379.95
14 West Bengal	28342.43	29773.23	31276.27	32855.19	34513.81	36256.17	164674.67
14 Major States	251738.66	269430.65	288392.67	308717.60	330505.22	353862.76	1550908.89
Expenditure Category : Other Social Services							
1 Andhra Pradesh	763.06	824.60	891.10	962.96	1040.62	1124.54	4843.81
2 Bihar	411.41	472.51	542.68	623.28	715.84	822.16	3176.47
3 Gujarat	564.22	601.55	641.35	683.79	729.03	777.26	3432.99
4 Haryana	137.57	150.27	164.13	179.28	195.82	213.89	903.39
5 Karnataka	737.25	721.01	705.12	689.59	674.40	659.54	3449.66
6 Kerala	394.22	436.02	482.25	533.39	589.95	652.50	2694.10
7 Madhya Pradesh	342.31	392.09	449.10	514.40	589.20	674.88	2619.67
8 Maharashtra	751.50	842.76	945.11	1059.88	1188.60	1332.94	5369.29
9 Orissa	404.51	391.94	379.76	367.96	356.52	345.44	1841.62
10 Punjab	233.07	256.27	281.77	309.80	340.63	374.52	1562.98
11 Rajasthan	453.03	468.91	485.34	502.35	519.96	538.19	2514.76
12 Tamil Nadu	811.94	811.62	811.30	810.99	810.67	810.36	4054.94
13 Uttar Pradesh	600.07	677.94	765.92	865.31	977.60	1104.46	4391.23
14 West Bengal	829.64	860.46	892.42	925.57	959.96	995.61	4634.03
14 Major States	7433.81	7907.94	8437.36	9028.55	9688.80	10426.30	45488.95
Expenditure Category : Social Services							
1 Andhra Pradesh	98880.68	105924.37	113474.37	121567.44	130243.08	139543.70	610752.95
2 Bihar	97857.62	105168.96	113112.25	121748.76	131146.17	141379.29	612555.44
3 Gujarat	94613.81	100955.08	107729.19	114966.19	122698.26	130959.84	577308.55
4 Haryana	29139.36	31217.06	33451.48	35855.06	38441.28	41224.71	180189.59
5 Karnataka	82175.16	88208.72	94718.44	101743.73	109327.47	117516.25	511514.61
6 Kerala	79669.21	84024.35	88735.31	93833.84	99354.62	105335.56	471283.68
7 Madhya Pradesh	88567.60	94389.24	100604.29	107240.23	114326.52	121894.78	538455.56
8 Maharashtra	164365.78	174325.74	184906.57	196148.10	208092.81	220785.96	984259.18
9 Orissa	47793.95	52179.66	56982.08	62241.20	68000.93	74309.44	313713.31
10 Punjab	45072.88	47471.00	50002.80	52676.12	55499.25	58481.03	264130.21
11 Rajasthan	65913.02	70880.07	76224.50	81975.23	88163.43	94822.67	412065.91
12 Tamil Nadu	112717.83	121837.71	131785.26	142637.92	154480.57	167406.26	718147.72
13 Uttar Pradesh	153440.64	165156.16	177802.83	191457.64	206204.21	222133.39	962754.23
14 West Bengal	127450.33	134800.36	142821.26	151568.89	161104.88	171497.10	761792.48
14 Major States	1287657.86	1376538.48	1472350.62	1575660.37	1687083.49	1807289.98	7918922.93
<i>Note : Inclusive of expenditure on "Art, Scientific Services, e.t.c.", "Urban" Development" and "Labour And Employment" reckoned at actuals."</i>							
Expenditure Category : "Agriculture, Food, Cooperation, Community Development, e.t.c."							
1 Andhra Pradesh	18590.10	19776.41	21038.43	22380.98	23809.20	25328.57	112333.59
2 Bihar	15988.70	16473.04	16972.05	17486.17	18015.87	18561.62	87508.76
3 Gujarat	15289.80	15792.01	16310.72	16846.46	17399.80	17971.32	84320.30
4 Haryana	4632.09	4922.32	5230.73	5558.46	5906.73	6276.82	27895.06
5 Karnataka	13353.55	14346.70	15413.71	16560.07	17791.70	19114.92	83227.10
6 Kerala	8207.38	8657.10	9131.46	9631.82	10159.58	10716.27	48296.24
7 Madhya Pradesh	11889.21	13165.71	14579.27	16144.59	17877.98	19797.48	81565.02
8 Maharashtra	19731.68	21730.63	23932.09	26356.57	29026.67	31967.26	133013.21
9 Orissa	9237.14	9700.70	10187.51	10698.76	11235.67	11799.51	53622.15
10 Punjab	5226.18	5706.14	6230.18	6802.34	7427.05	8109.13	34274.84
11 Rajasthan	8697.12	9698.04	10814.16	12058.73	13446.53	14994.05	61011.52
12 Tamil Nadu	17603.04	18532.59	19511.22	20541.53	21626.25	22768.25	102979.83
13 Uttar Pradesh	28166.81	30576.98	33193.37	36033.65	39116.96	42464.10	181385.07
14 West Bengal	13822.00	14499.33	15209.86	15955.21	16737.08	17557.27	79958.75
14 Major States	190434.81	203577.70	217754.75	233055.34	249577.07	267426.57	1171391.44

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	
Expenditure Category : Animal Husbandry								
1	Andhra Pradesh	3336.92	3555.76	3788.95	4037.44	4302.22	4584.37	20268.75
2	Bihar	3228.72	3364.16	3505.28	3652.32	3805.53	3965.16	18292.45
3	Gujarat	1857.03	2004.93	2164.60	2336.99	2523.11	2724.05	11753.68
4	Haryana	1338.89	1443.24	1555.73	1676.99	1807.69	1948.59	8432.25
5	Karnataka	2411.00	2616.66	2839.86	3082.10	3345.01	3630.34	15513.98
6	Kerala	1464.09	1552.33	1645.89	1745.08	1850.26	1961.78	8755.33
7	Madhya Pradesh	3931.76	4284.62	4669.16	5088.20	5544.85	6042.49	25629.32
8	Maharashtra	3932.22	4101.37	4277.78	4461.79	4653.71	4853.89	22348.54
9	Orissa	2144.37	2308.54	2485.29	2675.57	2880.42	3100.95	13450.77
10	Punjab	1717.16	1859.10	2012.77	2179.15	2359.27	2554.29	10964.58
11	Rajasthan	2376.69	2567.05	2772.66	2994.73	3234.59	3493.66	15062.69
12	Tamil Nadu	3004.57	3133.81	3268.61	3409.20	3555.84	3708.79	17076.26
13	Uttar Pradesh	3902.20	4216.95	4557.09	4924.66	5321.88	5751.14	24771.73
14	West Bengal	2871.10	3130.01	3412.26	3719.96	4055.41	4421.12	18738.76
14	Major States	37516.73	40138.53	42955.93	45984.19	49239.81	52740.61	231059.06

Expenditure Category : Industry And Minerals

1	Andhra Pradesh	725.14	775.76	829.92	887.86	949.84	1016.15	4459.53
2	Bihar	1206.60	1194.31	1182.14	1170.10	1158.18	1146.38	5851.10
3	Gujarat	2660.95	2984.39	3347.16	3754.01	4210.32	4722.10	19017.99
4	Haryana	359.04	401.10	448.07	500.56	559.18	624.68	2533.59
5	Karnataka	2444.40	2581.95	2727.25	2880.72	3042.83	3214.06	14446.81
6	Kerala	1280.97	1209.78	1142.54	1079.04	1019.07	962.43	5412.85
7	Madhya Pradesh	1539.34	1560.62	1582.19	1604.05	1626.22	1648.70	8021.78
8	Maharashtra	4542.11	5473.37	6595.56	7947.84	9577.38	11541.01	41135.16
9	Orissa	596.27	529.36	469.95	417.21	370.39	328.83	2115.74
10	Punjab	452.34	457.67	463.06	468.51	474.02	479.61	2342.86
11	Rajasthan	2163.77	2099.35	2036.84	1976.19	1917.34	1860.25	9889.97
12	Tamil Nadu	3076.94	3410.58	3780.39	4190.30	4644.66	5148.29	21174.22
13	Uttar Pradesh	3426.39	3272.39	3125.31	2984.84	2850.69	2722.56	14955.80
14	West Bengal	2434.29	2412.15	2390.21	2368.48	2346.94	2325.59	11843.37
14	Major States	26906.55	28362.76	30120.58	32229.71	34747.07	37740.64	163200.75

Expenditure Category : Economic Services

1	Andhra Pradesh	33297.96	35498.95	37845.68	40347.84	43015.74	45860.38	202568.60
2	Bihar	22823.56	23599.01	24406.70	25248.13	26124.88	27038.64	126417.36
3	Gujarat	36330.22	38460.35	40739.02	43178.17	45790.79	48591.05	216759.38
4	Haryana	6817.63	7288.40	7792.80	8333.34	8912.76	9533.98	41861.28
5	Karnataka	30038.19	32202.60	34524.11	37014.22	39685.25	42550.44	185976.63
6	Kerala	13193.19	13816.81	14485.33	15200.96	15966.08	16783.25	76252.42
7	Madhya Pradesh	25547.31	27771.05	30203.91	32866.28	35780.55	38971.36	165593.14
8	Maharashtra	36278.67	39943.12	44047.83	48655.56	53839.37	59684.49	246170.38
9	Orissa	13899.80	14595.16	15343.27	16146.10	17005.85	17925.01	81015.39
10	Punjab	9497.99	10272.37	11112.93	12025.40	13016.03	14091.61	60518.35
11	Rajasthan	14777.14	16011.76	17386.29	18915.67	20616.51	22507.28	95437.51
12	Tamil Nadu	36207.55	38476.58	40897.80	43482.25	46241.85	49189.48	218287.96
13	Uttar Pradesh	41130.51	44095.88	47327.40	50846.39	54676.00	58841.33	255787.00
14	West Bengal	33073.46	34963.79	36979.19	39128.19	41419.89	43864.06	196355.12
14	Major States	352913.18	376995.80	403092.26	431388.50	462091.56	495432.36	2169000.49

Note : Inclusive of expenditure on "Other Economic Services", "Water and " Power Development Services" and "Compensation to Local Bodies" reckoned at actuals.

Expenditure Category : Expenditure On Selected Services

1	Andhra Pradesh	180193.77	192748.45	206242.07	220748.04	236345.77	253121.21	1109205.54
2	Bihar	178876.20	192153.13	206582.96	222276.62	239356.51	257957.79	1118327.01
3	Gujarat	164044.75	174571.91	185874.32	198016.83	211070.46	225113.15	994646.68
4	Haryana	49263.00	52736.00	56484.09	60531.30	64903.96	69631.00	304286.35
5	Karnataka	145514.85	156306.51	167943.50	180494.82	194035.29	208646.14	907426.26
6	Kerala	126266.57	133558.53	141420.96	149900.55	159048.06	168918.71	752846.80
7	Madhya Pradesh	158888.20	169974.63	181888.97	194697.74	208473.30	223294.47	978329.11
8	Maharashtra	268281.37	283982.66	300866.71	319043.86	338638.24	359789.92	1602321.39
9	Orissa	91082.87	98121.27	105763.78	114061.74	123071.29	132853.88	573871.96
10	Punjab	74240.21	78175.47	82384.97	86890.49	91715.86	96887.21	436054.00
11	Rajasthan	116944.30	126108.01	136049.93	146839.02	158550.86	171268.36	738816.17
12	Tamil Nadu	219825.92	236223.91	254005.80	273293.93	294221.85	316935.38	1374680.87
13	Uttar Pradesh	335626.70	361335.05	389182.65	419354.31	452051.79	487495.42	2109419.22
14	West Bengal	212484.36	225205.01	239026.54	254038.85	270341.29	288043.45	1276655.15
14	Major States	2321533.07	2481200.53	2653717.27	2840188.10	3041824.54	3259956.09	14276886.52

Note : "Provision for Salary Revision made in "Expenditure on Selected Services" only."