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"A REVIEW OF REVENUE EXPENDITURE FOR THE STATE OF MAHARASHTRA"



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ABSTRACT:

Role of state governments over a period of time has shifted from doer to facilitator for the economic development of respective states. As rightly pointed out by Wagner, an increase in states activity results in corresponding rise in government expenditure which needs to be financed from some or the other sources owing to states role of performing various functions. Revenue Expenditure is an critical component which comprises expenditure incurred on developmental and non-developmental expenditure. This paper is an attempt to review the revenue expenditure for the state of Maharashtra.

KEYWORDS: Revenue Expenditure, Maharashtra.

INTRODUCTION

Study of state finance for Maharashtra, would be incomplete without understanding the pattern of revenue expenditure for the state of Maharashtra. Revenue expenditure plays a vital role which is base for various developmental and non developmental activities for the state of Maharashtra. Revenue expenditure is on social services, economic services and general economic services. Non development expenditure is on maintaining various organs of state, various fiscal services, interest payments and servicing of debts.

OBJECTIVE:

The objective of this paper is to study the revenue expenditure for the state of Maharashtra.

DATA SOURCES:

The study is entirely based on secondary data. The data is extracted from economic survey of Maharashtra, data table from RBI website and various other published sources.

CORE DISCUSSION:

Revenue expenditure is an important part of any states budgets. With increase in programmes of social and economic development, rise in salaries and wages make it more talked subject amongst stakeholders. Revenue expenditure is broadly classified into development and non development expenditure.

Development expenditure is broadly done on various social and economic services while non development expenditure includes expenditure under the head of salaries, pensions, fiscal and administrative services.

Revenue expenditure also includes grants in aid and contributions.

The following table highlights the number of development and non development expenditure for the

state of Maharashtra.

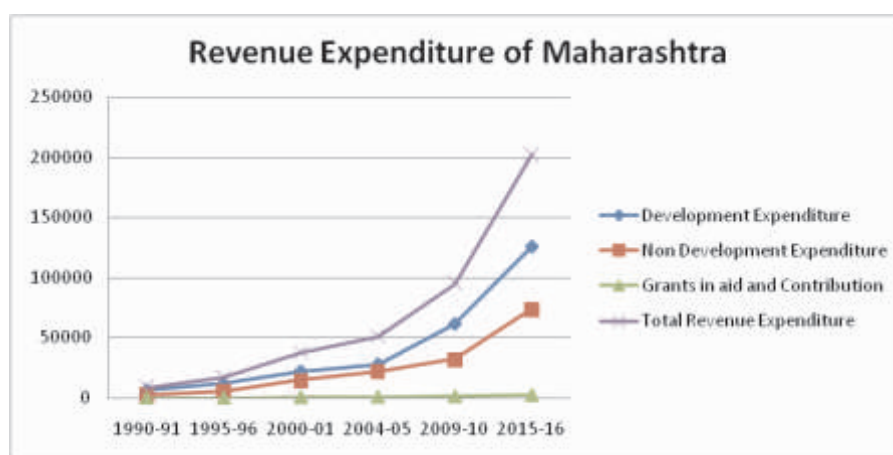
Table: 1 Revenue Expenditure statistics of Maharashtra

Year	Development Expenditure	Non Development Expenditure	Grants in aid and Contribution	Total Revenue Expenditure
1990-91	6123.51	2598.09	32.07	8753.67
1995-96	11531	5590.45	46.94	17168.39
2000-01	22006.57	14702.13	692.25	37400.95
2004-05	27929.81	22271.16	845.68	51046.65
2009-10	61376.59	32070.97	1468.41	94915.97
2015-16	125777.2	73882.83	2327.87	201987.9

Source: Economic Survey of Maharashtra, various issues.
 Note: All figures are in crores.

It is evident from table 1 highlighting statistics of revenue expenditure for the state of Maharashtra. Looking at the total revenue expenditure which was Rs 8753.67 Crores in 1990-91 which jumped by 96% in 5 years amounting to Rs 17,168.39 Crores by 1995-96. The next 5 years between 1995-96 to 2000-01 recorded enormous jump in revenue expenditure recording 118% rise amounting to Rs 37,400.95 Crores in revenue expenditure which is primarily due to tremendous rise in grant in aids and contribution given to local bodies and panchayati raj institutions. Over next 5 years, 2000-01 to 2004-05, the revenue expenditure registered a growth of 36% amounting to Rs 51,046 Crores. Over next 5 years i.e 2005-06 to 2009-10 the rise in revenue expenditure registered a rise of almost 86% amounting to Rs 94,916 Crores in 2009-10 and 112% from 2011-2016 amounting to Rs 2,01,988 Crores in 2015-16.

Figure 1 : Revenue Expenditure of Maharashtra.



Source: Table

Table: 2 Percentage wise break up of revenue expenditure of Maharashtra

Year	A (%)	B (%)	C (%)	Total Revenue Expenditure (%)
1990-91	69.95	29.68	0.366361	100
1995-96	67.16	32.56	0.273409	100
2000-01	58.84	39.31	1.850889	100
2004-05	54.71	43.63	1.656681	100
2009-10	64.66	33.79	1.547063	100
2015-16	62.27	36.58	1.15248	100

Source: Economic Survey of Maharashtra, various issues

Note: A: Development Expenditure to total revenue expenditure

B: Non Development Expenditure to total revenue expenditure

C: Grants in aid and contribution to total revenue expenditure

It is evident from table 2 that development expenditure in percentage terms when compared to total revenue expenditure for the Maharashtra was around 70% in 1990-91, which fell down to 67% in 1995-96, 58.84% ,54.71% in 2000-01 and 2004-05 respectively. The development expenditure further expanded in next year which came to 64.66% in 2009-10 with a further decline to 62.27% in 2015-16.

The average development expenditure to the total revenue expenditure in percentage terms is 62.93% from 1990-2016 for the state of Maharashtra.

Further, when non development expenditure is compared to total revenue expenditure for the state of Maharashtra. It can be seen that non development expenditure is rising over years till 2004-05. The non development expenditure in percentage terms compared to total revenue expenditure for the state of Maharashtra which was 29.68% in 1990-91, rose to 32.56% in 1995-96, 39.31 % in 2000-01 and 43.63% in 2004-05. The next five years saw decline in non development expenditure which was registered at 33.79% in 2009-10 and 36.58% in 2015-16.

The average non developmental expenditure to the total revenue expenditure in percentage terms is 35.92% from 1990-2016 for the state of Maharashtra.

Now, if we look at the grant in aids and contribution statistics that comprise one of the component in revenue expenditure. It is revealed that grants in aids and contribution to total revenue expenditure for the state of Maharashtra is in the range of 0.27% to 1.85% to total revenue expenditure of Maharashtra.

The average grants in aid and contribution expenditure to the total revenue expenditure in percentage terms is 1.15 % from 1990-2016 for the state of Maharashtra.

DEVELOPMENTAL EXPENDITURE

Developmental expenditure is primarily under two heads:

a) Social Services & b) Economic Services

Social services are an important obligation of the state which also acts as a barometer of how states are performing their social duties towards citizens of its state by financing various social initiatives.

Developmental expenditure under social services is primarily done on Education, Sports, Arts, Culture, Medical and Public health, Family welfare, Water Supply, Sanitation, Housing, Urban development, Welfare of weaker sections of society, Labor welfare, Social security, Nutrition , Relief on account of natural calamities and others.

The following table highlights a pattern of developmental revenue expenditure under social and economic services heads.

Table: 3 Statistics of Developmental Expenditure (Amount in Indian rupees and Crores)

Year	Social Services	Economic Services	Total Development Expenditure	Total Revenue Expenditure
1990-91	3096.68	3026.83	6123.51	8753.67
1995-96	6568.21	4962.79	11531	17168.39
2000-01	14350.71	7655.86	22006.57	37400.95
2004-05	17548.7	10381.11	27929.81	51046.65
2009-10	41004.66	20371.93	61376.59	94915.97
2015-16	84944.1	40833.1	125777.2	201987.9

Source: Economic Survey of Maharashtra, various issues.

It is evident from table 3 that developmental expenditure under providing social services is continuously rising leaving a little room for state for providing developmental expenditure in providing economic services.

The expenditure on social services under developmental revenue expenditure for the state of Maharashtra was around 50% in 1990s, which had enormous growth in a decade where it jumped 30 % in percentage terms with utilizing around 65% of states developmental revenue expenditure's allocation for the year 2000-01 amounting to Rs. 14,350 Crores. The utilization was 66.81% and 67.54% amounting to Rs 41,004.66 and Rs 84,944.1 Crores in 2009-10 and 2015-16 respectively compared to total developmental revenue expenditure for the state of Maharashtra.

The average expenditure on providing social services to the citizens of Maharashtra under developmental revenue expenditure between 1990-2016 is 61.65% of total developmental revenue expenditure.

The expenditure on economic services under developmental revenue expenditure for the state of Maharashtra was around 50% in 1990s, which witnessed tremendous decline in a decade with utilizing just 34.79% of total developmental revenue expenditure of state of Maharashtra amounting to Rs 7655.86 Crores. The expenditure further noticed fall in next decade with just utilizing 33% of developmental revenue expenditure in 2009-10 for the state of Maharashtra. The expenditure for the year 2015-16 amounted to Rs. 40,833.1 Crores which was 32.46% of total developmental revenue expenditure.

The average expenditure on providing economic services to the citizens and various stakeholders of Maharashtra under developmental revenue expenditure between 1990-2016 is 38.35 % of total developmental revenue expenditure.

Comparing the expenditure done on social and economic services to total revenue expenditure of Maharashtra state. It can be noted that.

- Around 35% of states revenue expenditure was incurred on providing social services in 1990-91, which touched 43% by 2009-10 and is 42% in 2015-16.
- Expenditure on economic services was 35% in 1990-91, which registered a decline to 21% by 2009-10 and 20% by 2015-16.

It can hence concluded that providing social services is becoming a costly affair for the state of Maharashtra, leaving less room for improving developmental expenditure on economic services.

Social Services

Education, Arts, Sports and Culture

Government's expenditure on education, sports, arts and culture is maximum when compared to total social service expenditure. The following table highlights the trend.

Table 4 Statistics of expenditure on Education, Sports, Arts and Culture in Maharashtra. (In Crores)

Year	A	B
1990-91	1734.13	3096.68
1995-96	3666.36	6568.21
2000-01	9408.42	14350.71
2004-05	10184.16	17548.7
2009-10	22207.82	41004.66
2015-16	45495.27	84944.1

Source: Economic Survey of Maharashtra, various issues

Note: A: Expenditure on Education, Sports, Arts and Culture in the state of Maharashtra
 B: Total Expenditure on Social Services (Developmental Revenue Expenditure) for the State of Maharashtra

It is evident from table 4 that a majority of expenditure from social services is done of education, sports, art and culture. The expenditure under this head in 1990-91 was Rs 1,734 Crores which was around 56% of total expenditure on social services. This jumped to 65% in a decade's time and by 2000-01 with expenditure of Rs 9,408.42 Crores. However this was arrested in coming years by spending more on other social services. Still predominantly a chunk of social services is being spent on providing educations, sports, arts and culture in Maharashtra. The expenditure was Rs 22,207.82 Crores and Rs 45,495.27 Crores in 2009-10 and 2015-16 respectively, which in percentage terms were 54% and 53.55% for respective years.

The average expenditure on education, sports, arts and culture from 1990-2016 is 57.18% of total social services expenditure for the state of Maharashtra.

Medical and Public health

Government of Maharashtra under its social services obligations spend considerable amount of resources in providing medical facilities for its citizens reflected through its expenditure under this head.

The following highlights the statistics of expenditure on it.

Table: 5 Statistics of expenditure on Medical and Public Health in Maharashtra. (In Crores)

Year	A	B
1990-91	477.42	3096.68
1995-96	758.29	6568.21
2000-01	1417.84	14350.7
2004-05	1745.81	17548.7
2009-10	3283.36	41004.7
2015-16	9415.08	84944.1

Source: Economic Survey of Maharashtra, various issues.

Note: A: Expenditure on Medical and Public Health in the state of Maharashtra
 B: Total Expenditure on Social Services (Developmental Revenue Expenditure) for the State of Maharashtra.

It is evident from table 5 the expenditure of government of Maharashtra on providing medical facilities to general public is declining over a period of time. The expenditure in percentage terms was 15.41% in 1990-91 amounting to Rs 477.42 Crores to the total spent on social services by the state of Maharashtra. In a decade expenditure in percentage terms was 9.87% in 2000-01 amounting to Rs 1417.84 Crores which further declined to 8% by 2010-11 amounting to Rs 3286.36%. However some momentum in increase in expenditure under this

head was visible resulting in improving the spent on providing medical facilities resulting in expenditure at 11% in 2015-16 amounting to Rs 9,415 Crores of total expenditure on social services under developmental revenue expenditure.

The average expenditure on Medical and Public Health from 1990-2016 is 10.98 % of total social services expenditure for the state of Maharashtra.

Water Supply and Sanitation

Water Supply and Sanitation is an important services provided by state government to ensure citizens get potable drinking water and healthy living conditions by spending on sanitation.

The following table presents statistics of expenditure by state of Maharashtra on this social service under developmental revenue expenditure.

Table: 6 Statistics of expenditure on Water Supply and Sanitation in Maharashtra. (In Crores)

Year	A	B
1990-91	206.88	3096.68
1995-96	330.25	6568.21
2000-01	830.08	14350.7
2004-05	1251.83	17548.7
2009-10	712.49	41004.7
2015-16	4047.17	84944.1

Source: Economic Survey of Maharashtra, various issues.

Note: A: Expenditure on Water Supply and Sanitation in the state of Maharashtra

B: Total Expenditure on Social Services (Developmental Revenue Expenditure) for the State of Maharashtra.

It is evident from table 6 the expenditure of government of Maharashtra on providing to water supply and sanitation public is showed a stable trend barring a sharp decrease in expenditure in 2009-10 which was just 1.73% of total expenditure on social services by the state of Maharashtra.

The expenditure in providing safe drinking water and sanitation to the citizens of Maharashtra, Government of Maharashtra spent around 6.68% of its total social services expenditure in 1990-91, which fell to 5.78% in a decade's time in 2000-01 and 4.76% in 2015-16.

The average expenditure on Water Supply and Sanitation from 1990-2016 is 5.19 % of total social services expenditure for the state of Maharashtra.

Urban Development

Cities are economic growth engines for the state of Maharashtra. Majority of GDP is contributed from cities to the state. However considering the migration of people from various rural parts of Maharashtra and other parts of countries. Facilitating basic infrastructural facilities in cities in becoming a challenging task for the state government of Maharashtra.

The Following table highlights expenditure on urban development under social services of developmental revenue expenditure in the state of Maharashtra.

Table: 7 Statistics of expenditure on Urban Development in Maharashtra. (In Crores)

Year	A	B
1990-91	84.01	3096.68
1995-96	246.34	6568.21
2000-01	306.99	14350.7
2004-05	844.97	17548.7
2009-10	4340.2	41004.7
2015-16	5861.6	84944.1

Source: Economic Survey of Maharashtra, various issues.

Note: A: Expenditure on Urban Development in the state of Maharashtra
 B: Total Expenditure on Social Services (Developmental Revenue Expenditure) for the state of Maharashtra.

It is evident from table 7 that state of Maharashtra spends a very minimal amount on urban development reflected through statistics of expenditure. The expenditure was 2.71% to the total social services expenditure under developmental revenue expenditure amounting to Rs 84 Crores. The next five years were good in terms of allocations and expenditure in the year the expenditure was in tune of Rs 246.34 Crores which was around 3.75% of total social services expenditure for the state of Maharashtra. However this rise in expenditure towards urban development was arrested in next five years with expenditure amounting to Rs. 307 Crores in 2000-01, 2.14% in compared to total spent on social services.

The expenditure on urban development was tremendous for next decade with record expenditure of 4.82% (Rs 844.97 Crores) and 10.58% (Rs 4340.2 Crores) in the year 2004-05 and 2009-10 respectively. For the year 2015-16 the expenditure on urban development was 6.90% of total spent on social services expenditure of developmental revenue expenditure amounting to Rs 5861.6 Crores.

The average expenditure on Urban Development from 1990-2016 is 5.15 % of total social services expenditure for the state of Maharashtra.

Welfare of Weaker sections of society

Government plays a major role in uplifting weaker sections of society by running and facilitating various welfare schemes for SC,ST and OBCs. Maharashtra government is not an exception to this practice. The following presents herewith the expenditure under welfare of weaker sections of society by government of Maharashtra.

Table: 8 Statistics of expenditure on Weaker Sections of Society in Maharashtra. (In Crores)

Year	A	B
1990-91	139.08	3096.68
1995-96	375.16	6568.21
2000-01	752.66	14350.7
2004-05	1301.91	17548.7
2009-10	4145.32	41004.7
2015-16	10243.38	84944.1

Source: Economic Survey of Maharashtra, various issues.

Note: A: Expenditure on Weaker Section of Society in the state of Maharashtra
 B: Total Expenditure on Social Services (Developmental Revenue Expenditure)

It is evident from table 8 that government of Maharashtra spent around 4.50% of its social services expenditure on uplifting weaker sections of society in the year 1990-91 amounting to Rs 752.66 Crores by the year 2000-01 which was 5.24% of total social services expenditure. The expenditure on uplifting weaker sections doubled in percentage terms by 2009-10 with amount of 4145.32 Crores by 2009-10 with 10.10%

expenditure. The expenditure on this head was Rs. 10,243 Crores registering a growth of more 150% when compared to 2009-10 numbers in the year 2015-16 which shows commitment of government of Maharashtra towards upliftment of weaker sections of society.

The average expenditure on Upliftment of weaker sections of society from 1990-2016 is 7.50 % of total social services expenditure for the state of Maharashtra.

Social security and welfare

Providing social security to its citizens of the state is an important social function. Government of Maharashtra also spends considerable amount on this head. The following table highlights the statistics of expenditure.

Table: 9 Statistics of expenditure on Social Security and Welfare in Maharashtra. (In Crores)

Year	A	B
1990-91	104.02	3096.68
1995-96	211.09	6568.21
2000-01	478.94	14350.7
2004-05	590.27	17548.7
2009-10	1479.12	41004.7
2015-16	3704.69	84944.1

Source: Economic Survey of Maharashtra, various issues.

Note: A: Expenditure on Social Security and Welfare in the state of Maharashtra

B: Total Expenditure on Social Services (Developmental Revenue Expenditure)

It is evident from table 9 that government of Maharashtra spent around 104.2 Crores of its social security expenditure on providing social security and welfare which was 3.36% of its social security expenditure. Over the years the expenditure is in the ratio of 3 to 3.60% till the year 2009-10. However in the year 2015-16 the expenditure is increased by 20 percentile points when compared to 2009-10 numbers amounting to Rs 3704.69 Crores which was 4.36% of the total expenditure on social services under developmental revenue expenditure for the state of Maharashtra.

The average expenditure on social security and welfare from 1990-2016 is 3.54 % of total social services expenditure for the state of Maharashtra.

Government of Maharashtra also spends considerable amount of its resources under social services developmental expenditure on heads like Nutrition, Family Welfare, Housing, Labor welfare, Relief on accounts of calamities and others.

The expenditure together on the above heads was Rs 6176.89 Crores in the year 2015-16 which was around 7.27 % of the social services expenditure under developmental revenue expenditure. The expenditure in the year 1990-91 under the same heads together was Rs 351.14 Crores and 11.33% in percentage terms.

While Economic Services under developmental expenditure includes expenditure on agriculture and allied activities, Food and nutrition, Community development, Other agricultural programmes, rural development, special area programmes, Irrigation and flood control, Energy, Industry and minerals, Transport and communication, Science, Technology and general economic services.

Agriculture and Allied Activities

Government of Maharashtra spends considerable amount on agricultural and allied activities. This includes expenditure on crop husbandry, soil and water conservation, animal husbandry, dairy development, Fisheries, Forestry and wild life, Plantations, Food storage and warehousing, Agriculture research and education, Agriculture finance institutions, Cooperation and area development.

The following table highlights the expenditure on agriculture and allied activities by Government of Maharashtra under economic services of developmental revenue expenditure.

Table: 10 Statistics of expenditure on agriculture and allied activities in comparison with total expenditure on economic services and total developmental revenue expenditure (In Crores)

Year	Agri. and Allied Activities	Total Economic Services	Total Developmental Revenue Expenditure
1990-91	1162.76	3026.83	6123.51
1995-96	1458.14	4962.79	11531
2000-01	2625.96	7655.86	22006.57
2004-05	3492.03	10381.11	27929.81
2009-10	6460.18	20371.93	61376.59
2015-16	8614.09	40833.1	125777.2

Source: Economic Survey of Maharashtra, various issues

Agriculture plays a vital role in the economy of any state, to which state of Maharashtra is not an exception. Considering the importance of its contribution of number of people it employs the sector is critical and there is no harm in expecting more expenditure on it. To be more precise more developmental expenditure would certainly benefit the sector in long term which would boost productivity gains.

However when we look at the analysis the contrary is proven from it. The expenditure on agriculture and allied activities in terms of developmental economic services is falling. The following table proves it

Table: 11 Percentage analysis of expenditure on agriculture and allied activities

Year	Expenditure on Agriculture & Allied Activities (In Crores)	% to Total expenditure on Economic Services	% to Total developmental revenue expenditure
1990-91	1162.76	38.42	18.99
1995-96	1458.14	29.38	12.65
2000-01	2625.96	34.30	11.93
2004-05	3492.03	33.64	12.50
2009-10	6460.18	31.71	10.53
2015-16	8614.09	21.10	6.85

Source: Economic Survey of Maharashtra and authors own calculations.

If we look at the expenditure on agriculture and allied activities in rupee terms. The expenditure seems to improving from Rs 1162.76 Crores in 1990-91, Rs 2625.96 Crores in 2000-01, Rs. 6460.18 Crores and Rs 8614.09 Crores in 2015-16. The average growth looks impressive from 1990-2016 which is at 51.36%. However when we look the expenditure compared to total expenditure on economic services under developmental revenue expenditure, the irony is highlighted. Expenditure on agriculture and allied activities in falling continuously in percentage terms. Expenditure of 38.42% of total economic services on agriculture and allied activities in 1990-91 fell down to 34.30% in a decade by 2000-01 and 31.71% by 2009-10 and 21.10% in the year 2015-16.

The average expenditure on agriculture and allied activities from economic services under developmental revenue expenditure is 31.42% from 1990-2016.

Now, when we compare the expenditure to total developmental expenditure, the situation becomes even worse that we hardly spend more than 12% averaged on agriculture and allied activities on agriculture and allied activities from 1990-2016.

The analysis reveals that expenditure in percentage terms is reducing fastly. It was 19% in 1990-91 which fell down to 12% in a decade in 2000-01, 10.53% in 2009-10 and 6.85% in 2015-16.

RURAL DEVELOPMENT

Development of rural part of Maharashtra is important as we now see more and more pressure on urban infrastructure leading to social problems in various parts. Government of Maharashtra has been proactively spending on development of various rural parts of Maharashtra. The following table highlights the expenditure on this initiative by government of Maharashtra.

Table: 12 Statistics on expenditure on rural development (All Amounts in Crores)

Year	Expenditure on Rural Development	Total Expenditure on Economic Services
1990-91	497.43	3026.83
1995-96	1245.57	4962.79
2000-01	507.28	7655.86
2004-05	2234.22	10381.11
2009-10	2493.16	20371.93
2015-16	12822.74	40833.1

Source: Economic Survey of Maharashtra, various issues.

It is evident from table 12 that expenditure on rural development when compared to total expenditure on economic services is facing a roller coaster ride. The expenditure is rising and falling in various years in percentage terms. The expenditure in the year 1990-91 was Rs 497.43Crores which was 16.43% of total expenditure on economic services in the state of Maharashtra. This percentage went down to 6.62% in 2000-01 with expenditure of Rs 507.28 Crores. However by end of decade i.e by 2010-11 the expenditure was Rs 2493.16 Crores which was 12.24% of total expenditure on economic services under developmental revenue expenditure. The expenditure since then is improving and for the year 2015-16, the situation seems to be more favorable with expenditure of Rs 12822.74 Crores which is 31.40% of total expenditure on economic services of developmental revenue expenditure.

The average expenditure on rural development from 1990s-2016 is at 18.88% of total expenditure on economic services of developmental revenue expenditure.

Irrigation and Flood Control

Expenditure on irrigation and flood control is also falling in percentage terms when compared to total expenditure on economic services for the state of Maharashtra.

Table: 13 Statistics of Expenditure on Irrigation and Flood Control (All Amounts in Crores)

Year	Expenditure on Irrigation and Flood Control	Total Expenditure on Economic Services
1990-91	641.74	3026.83
1995-96	1338.63	4962.79
2000-01	1857.93	7655.86
2004-05	815.43	10381.11
2009-10	2339.54	20371.93
2015-16	2847.78	40833.1

Source: Economic Survey of Maharashtra, various issues

It is evident from table 13 that expenditure on irrigation and flood control was considerably good till the year 2000-01 in percentage terms, post which it is falling at a rapid pace.

The expenditure as Rs 641.74 Crores in 1990-91 which was 21% of total expenditure on economic services which was 1857.93 Crores in 2000-01, though the rise in expenditure in a decade looks like 300%, when compared to the total expenditure on economic services it is 24.26%. By 2010-11, the expenditure in percentage terms was just 11.48% amounting to Rs 2339.54 Crores when compared to expenditure on total economic services. Expenditure in the year 2015-16 was Rs 2847.78 Crores which was 6.97% of total expenditure on economic services under developmental revenue expenditure for the state of Maharashtra.

The average expenditure on Irrigation and Flood Control from 1990s-2016 is at 16.45% of total expenditure on economic services of developmental revenue expenditure.

Energy

Energy is an important resource for development of a state. Government of Maharashtra stays committed with its development of this sector. The importance of investing on energy is seen from the year 2000-01. The following table highlights the expenditure on energy

Table: 14 Statistics of Expenditure on Energy (All Amounts in Crores)

Year	Expenditure on Energy	Total Expenditure on Economic Services
1990-91	87.38	3026.83
1995-96	22.96	4962.79
2000-01	2405.06	7655.86
2004-05	2982.96	10381.11
2009-10	4137.84	20371.93
2015-16	6306.06	40833.1

Source: Economic Survey of Maharashtra, various issues.

It is evident from table 14 that highlights the expenditure on energy sector from economic services under developmental revenue expenditure. Expenditure under this head was Rs 87.38 Crores in the year 1990-91 which was 2.88% of the total expenditure on economic services, it gradually improved to Rs 2405.06 Crores which was around 31.41% of total expenditure on economic services. The same expenditure was around 20.31% amounting to Rs 4137.84 Crores in the year 2009-10. Expenditure for the year 2015-16 amounted to Rs 6306.06 Crores with 15.44% contribution when compared to the total expenditure on economic services.

The average expenditure on Energy from 1990s-2016 is at 16.54 % of total expenditure on economic services of developmental revenue expenditure.

Industry and Minerals

The following table highlights the expenditure statistics on industry and minerals (Amount in Crores)

Table: 15 Statistics on Expenditure on Industry and Minerals (Amount in Crores)

Year	Expenditure on Industry and Minerals	Total Expenditure on Economic Services
1990-91	78.37	3026.83
1995-96	144.88	4962.79
2000-01	39.08	7655.86
2004-05	303.9	10381.11
2009-10	998.5	20371.93
2015-16	3719.63	40833.1

Source: Economic Survey of Maharashtra, various issues

It is evident from table 15 that expenditure on industry and minerals is increasing in percentage terms is improving after 2004-05. Expenditure in 1990-91 was Rs 78.37 Crores which was 2.58% of total expenditure on economic services, this expenditure fell drastically to Rs 39.08 Crores in the year 2000-01 which was 0.51% of total expenditure on economic services. Expenditure on industry and minerals was Rs 998.5 Crores in the year 2009-10 which was 4.90% of total expenditure on economic services. This further improved to 9.10% by 2015-16 amounting to Rs 3719.63 Crores in the year 2015-16.

The average expenditure on Industry and Minerals from 1990s-2016 is at 3.82 % of total expenditure on economic services of developmental revenue expenditure.

Transport and Communication

Following table highlights the expenditure on transport and communication.

Table: 16: Statistic of Expenditure on Transport and Communication (Amount in Crores)

Year	Expenditure on Transport and Communication	Total Expenditure on Economic Services
1990-91	241.66	3026.83
1995-96	674.85	4962.79
2000-01	45.76	7655.86
2004-05	219.58	10381.11
2009-10	3226.81	20371.93
2015-16	4642.56	40833.1

Source: Economic Survey of Maharashtra.

It is evident from table 16 that expenditure on transport and communication was Rs 241.66 Crores which was around 8% in the year 1990-91, which fell drastically to Rs 45.76 Crores in the year 2000-01 which was just 0.60% of total expenditure on economic services. However expenditure tremendous jump amounting to Rs 3226.81 Crores in the year 2009-10 which was 15.83% to the total expenditure on economic services. The expenditure amounted to Rs 4642.56 Crores in the year 2015-16 which was 11.37% to the total expenditure on economic services.

The average expenditure on Transport and Communication from 1990s-2016 is at 8.58 % of total expenditure on economic services of developmental revenue expenditure.

General Economic Services

Government of Maharashtra, spends considerable amount on general economic services which

includes secretariat-economic services, tourism, civil supplies and others. The following table highlights expenditure under this head.

Table: 17: Statistic of Expenditure on General Economic Services (All Amounts in Crores)

Year	Expenditure on General Economic Services	Total Expenditure on Economic Services
1990-91	301.87	3026.83
1995-96	39.38	4962.79
2000-01	119.91	7655.86
2004-05	283.97	10381.11
2009-10	615.57	20371.93
2015-16	1778.91	40833.1

Source: Economic Survey of Maharashtra, various issues

It is evident from table 17 that highlights the expenditure on general economic services that expenditure amount Rs 301.87 Crores which was 9.97% of total expenditure on economic services in the year 1990-91. The expenditure fell drastically in the year 2000-01 which was around Rs 119.91 Crores which was 1.57% of total expenditure on economic services. By next decade this expenditure saw considerable hike which was amounted to Rs 615.57 Crores in the year 2009-10 which was 3.02% of the total expenditure on economic services. The expenditure on general economic services was Rs 1778.91 Crores in the year 2015-16, which was 4.36% in the year 2015-16 to total expenditure on economic services.

The average expenditure on General Economic Services from 1990s-2016 is at 3.74 % of total expenditure on economic services of developmental revenue expenditure.

There are also several other heads that are under economic services which includes expenditure on food and nutrition, food subsidy, community development, science, technology and environment.

CONCLUSION:

Major portion of revenue expenditure for the state of Maharashtra is spent on developmental revenue expenditure which is averaged at 62.93% of total revenue expenditure for the year 1990-2015 and 35.92% is non developmental revenue expenditure during the same period.

Facilitating social and economic services to the citizens of Maharashtra which is part of developmental expenditure, the average expenditure was 61.65% and 38.35% of total developmental revenue expenditure from 1990-2015 for the state of Maharashtra.

Comparing the expenditure done on social and economic services to total revenue expenditure of Maharashtra state. It can be noted that.

- Around 35% of states revenue expenditure was incurred on providing social services in 1990-91, which touched 43% by 2009-10 and is 42% in 2015-16.
- Expenditure on economic services was 35% in 1990-91, which registered a decline to 21% by 2009-10 and 20% by 2015-16.

It can hence concluded that providing social services is becoming a costly affair for the state of Maharashtra, leaving less room for improving developmental expenditure on economic services.

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