CHAPTER 2

RESEARCH METHODOLOGY

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CHAPTER – 2
RESEARCH METHODOLOGY

2.1 INTRODUCTION

The study of local self government institutions in India has acquired a special attention and significance in the post independence period. Because, India has adopted the aim of socialistic pattern of society and the concept of welfare state. The local self government institutions have played a vital role in providing for the participation of public at grossroot level in the political process, and accordingly they have to carry out multifarious functions with the available resources to meet the basic needs and demands of the people.

During the British Raj the “Local Self Government Institutions” were not properly developed in India. The Indians learnt the foreign lessons of politics through these institutions started by Lord Ripon. The members in these institutions were the land-lords, money-lenders and rich people. As they were appointed by the Government, they were in favour of the British. Till 1934 women were prohibited to participate in such institutions. In 1935 the law about the Indian Government was made. According to it the Local Self Government Institutions were handed over to the State Governments. Then the State Governments came into existence and did certain Reformations. The District Development Boards were established in 1939. And efforts were made to
improve the Local Self Government Institutions which used to work formerly in accordance with the Government.

In the light of above discussion, the British Raj was looked as a dark period in the history of Local Self Government Institutions, and Village Panchayats were totally ignored or completely neglected.

In spite of adverse development in the arena of local government, the idea of Panchayat remained as a vital factor and also as a strategy for the struggle for independence. The main architect behind this was none other than Mahatma Gandhi who fought relentlessly for the cause of Swaraj. He viewed Panchayat as a 'Swadeshi'. Institution and later he wrote that "Village organisation" "meant the organisation of the whole of India in as much as India was predominantly rural".\(^1\) He pleaded for the complete 'Village Swaraj' which is a complete republic, independent of its neighbours for its own vital wants, and yet interdependent for any others in which dependence is a necessity.\(^2\)

The Panchayat system maintained its morphological characters even during the Mughal period. Soon after the advent of East India Company, The Panchayat started fading and the feudal system eclipsing the grassroot democracy. But the colonial rule failed to overthrow the Panchayat system.
That is why, at the call of Mahatma Gandhi, a need was felt to revive the old Panchayat system in India.

The nature and functions of local self government institutions in India were changed after the independence. Because, India has adopted the policy to attain socialistic pattern of society and to implement the concept of welfare state. It is the local self government which provides people with an opportunity to actively participate and associate themselves with the development process. In 1947, there were 176 district Boards covering population of 20,452,250. Within a small period of one and half decades after independence, the Panchayat Raj received a big momentum to engulf 99 percent of rural population in the county.

When the process of decentralisation of democracy started, the Rural Development Programmes were implemented with a view to solving the problems of the people. In such programmes the emphasis was on providing the people with their basic needs. After the decentralisation of the power from the central to the state level according to the Indian constitution, it was implied that a third-party-institute should not rule or control it. Therefore many committees were formed from top to bottom, i.e. at central and state levels, for example: Balwantrai Mehta committee; Ashok Mehta Committee, Taktmal Jain study
committee, Vasantrao Naik – committee, Bongirwar committee and P.B.Patil Committee.

Many good recommendations and instructions were given in these committee reports. But the established ‘Power-Politics’ handled the situations with tricks and tactics and never lost its firm grip on these local self government institutions. Although they were compelled to form the local self government institutions, they cunningly used them as their ‘agencies’ and never treated them as the real or independent Swaraj Sansthas.

During the Janata-Party-Government, some committees like Ashok Mehta Committee, strongly recommended drastic changes even by amending the Indian constitution. It was necessary to set-up a third-type-of Government at District level in order to have the real decentralisation and people’s real-participation in the development of social life.

Late Prime Minister Rajiv Gandhi seriously looked into these recommendations and declared ‘power to people’ and put the bill in the Lok Sabha, but the bill was not passed in that unstable-political-situation. On April 24, 1993 the Narasimhroa Government amended the constitution and finally made the room, in the true sense of the word, for these Local-Self-Government Institutions in the Indian Government. According to this 73rd amendment in the
constitution, all the State Government in India have to perform the following activities.

1. A three tier system of Panchayat Raj: The establishment of Zilla Parishad, Panchayat Samiti and Gram Panchayat whose members are elected by people.

2. To create an independent ‘Election-System’ based on the instructions received from the central Election Commission and to have regular elections after every five years.

3. 33 percent reservation for women at all levels.

4. To allocate the area of development for PRIs (Panchayat Raj Institutions).

Formerly, near about 5000 elected members of the state and central legislative assemblies used to work in the Government. However, as per this 73rd amendment some 22.5 lakhs elected members have started working in the Government in different levels. Of the Government’s total work near about 29 prominent sectors related to developmental work have been shifted to the Panchayat Raj Institutions. These Institutions have to plan, control, administer and evaluate their works continuously with a view to accelerating the development of the regions. Infact, the reality is different we cannot assure the true emergence of the local self government institutions although the central
and state Governments were inforced to decentralize power as per the constitutional amendments. Still today, 9 out of 29 prominent sectors have not been handed over from the central and State Governments to the Panchayat Raj Institutions. One has to seriously think of the 90 prominent sectors as they are related to the development of rural-areas; and it is essential to know the reasons for the ‘delay’ in the ‘handing-over’ process from the Government to the Panchayat Raj Institutions.

Again if we look into the management of Panchayat Raj Institutions, we will understand that the decentralisation of power has been purposefully avoided. Almost everywhere is seen the attitude: ‘Keep power in our hands’. The established Zilla leadership is skillful in managing the power by centralising it.

2.2 NEED FOR STUDY:

India’s 70 percent population is scattered in the rural area. The various problems are faced by the rural people. After 50 years of independence, scarcity of water, housing, lack of educational and medical facilities, increasing unemployment, breaking away of joint families and thrust for city life and shortage of agricultural labourer etc., were existing in our rural India. These are the problems led to the importance of the study on rural local bodies and their finances on whom a major responsibility lies under the Indian Constitution.
The rural local bodies are expected to play a major role in fulfilling the needs of the rural population. The Zilla Parishad is one of the most important tiers or parts of Panchayat Raj Institutions. The Zilla Parishad is working as an apex body in Panchayat Raj Institutions. It is directly concerned with planning and execution of developmental works in the district. The elected members of Zilla Parishad always complained that they did not have sufficient power to raise the funds and to administer various development projects in the district, which are required to solve the basic problems of the rural people. On the other hand, the critics of the Panchayat Raj Institution criticised that:

- The elected members usually interfere in the working of Zilla Parishad.
- The overhead cost of Zilla Parishad is very high.
- The funds which are made available to the Zilla Parishad are not utilized in optimum ways.

In the light of above situation and discussion one can say that,

- PRIs were facing the problems of lack of financial resources.
- PRIs were unable to fulfill the increasing demands for rural basic requirements.
- PRIs were not using their sources in efficient and productive manner, which will lead to thousands of rural problems.
So, a study of PRIs their performance and evaluation assumes great significance.

2.3 SELECTION OF THE RESEARCH TOPIC:

In the light of above discussion, financial resources are the life blood of the Zilla Parishad and other local self government institutions.

The Zilla Parishads are expected to perform various functions which promote human comfort and welfare in their districts. Therefore, it is expected that the adequate resources are made available to the Zilla Parishads. But unfortunately, the local finance has been in the direction of centralisation of revenue and decentralisation of expenditure, stated thus, the problem becomes very clear, what is needed is a matching of obligation and resources. The picture presented by the finance of rural local bodies is not an encouraging one. The proportion of local resources to the total resources is a comparatively minor and waning factor in local bodies and there is a large measure of dependence on Government grants, which had resulted in complete dependence of rural local bodies upon the mercy of the state government for their existence.

Hence, a close study required on Panchayat Raj institutions, their financial resources and applications to find out an over all picture of their performances.
With this in view, researcher has chosen to undertake a study of “Financial Management of Zilla Parishad” - a case study on comparative analysis of Sangli and Aurangabad Zilla Parishads.

Thus, researcher also has tried to examine broadly how far an equilibrium between function and finances prevailing in the Sangli and Aurangabad Zilla Parishads. Also the present study tries to analyse and assess the financial aspects of these two Zilla Parishads.

2.4 OBJECTIVES OF THE STUDY:

The present study is related to the indepth analysis in regards to the financial management and economic aspects of Zilla Parishads, namely:

- Revenue - Pattern, trend and growth rates.
- Expenditure - Pattern, trend and growth rates.
- Physical achievements in the following fields.

1. Agriculture, 2. Animal Hasbandry

The specific objectives of the study undertaken are as follows:

1. To take on overview of historical development of the organisational structure and functions of Zilla Parishads in India and Maharashtra.
2. To assess the revenue management of the Sangli and Aurangabad Zilla Parishads.

3. To examine the application of financial resources by the Sangli and Aurangabad Zilla Parishads.

4. To study the physical achievements made by the Sangli and Aurangabad Zilla Parishads and to carry out the performance appraisal of the major schemes being implemented by these Zilla Parishads.

5. To suggest measures of enhancing the financial management and functioning machinery of the Sangli and Aurangabad Zilla Parishads.

2.5 HYPOTHESES

Following are the important hypotheses which are to be tested.

1. The contribution of self raised sources to the total receipts of Sangli and Aurangabad Zilla Parishads was insignificant. 

2. The percentage contribution of Government grants-in-aid to the total receipts is insignificant in Sangli Zilla Parishad and is significant in Aurangabad Zilla Parishad.

3. The contribution of revenue expenditure to the total expenditure is insignificant in Sangli Zilla Parishad and significant in Aurangabad Zilla Parishad.
2.6 SAMPLING DESIGN:

A) Selection of the Zilla Parishads

Keeping the objectives of study in mind two Zilla Parishads, namely Sangli Zilla Parishad and Aurangabad Zilla Parishad are selected randomly as sample Zilla Parishads from 28 Zilla Parishads of Maharashtra State (in the year 1994-95 there were 28 Zilla Parishads). The general characteristics of these sample Zilla Parishads are presented below.

B) General Features of Sangli District

1. Location and area:

Forming part of famous deccan plateau, district Sangli lies between 16°45' to 17°33' North latitude and 73°42 to 75°40' East Longitude. It is bound by districts Solapur and Satara in the north, Bijapur in the east and Belgaum and Kolhapur in the South. A narrow Tapering part of the district, stretching towards the west, is bound by the coastal district of Ratnagiri. Please see in map 2.1. Total area of the Sangli district is 8572 sq.kms. which constitutes 2.80 percent of the total area of the state. The district headquarter is located at Sangli.
2. **Population (General, SC/ST)**:

Total population of the district according to 1991 census is 2209488 persons, comprising 1128521 (51.08%) males and 1080967 (48.92%) females. Rural population of the district is 1707041 (77.26%) persons and urban population is 502447 (22.74%) persons.

The population of scheduled castes and scheduled tribes in the district as per 1991 census is 277458 (12.56) persons and 10784 (0.48%) persons respectively. The decennial growth rate of population of the Sangli district as a whole in relation to the state between the period 1981 and 1991 is presented below-

<table>
<thead>
<tr>
<th>State/District</th>
<th>Decennial Growth Rate of Population</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
</tr>
<tr>
<td>Maharashtra</td>
<td>25.43</td>
</tr>
<tr>
<td>Sangli</td>
<td>19.83</td>
</tr>
</tbody>
</table>

Source: The Encyclopaedic District Gazetteers of India P.560.

3. **Agriculture**:

Agriculture is the main source of the people in the district. Kharif and Rabi, are the two important agricultural seasons in the district. The crops which are taken in the early South-West Monsoon are called Kharif crops while those harvested in the winter are known as Rabi crops. The latter are grown with help of irrigation. Generally cereals are produced as Kharif crops while wheat and
some pulses, etc., are grown in rabi season. Of these jawar is the most important cereal crop of the district and it is grown in all the tehsils of the district. Bajara is the next important food crop in the district.

The total cultivable area is 7.29 (84.66%) lakhs hectares in the district, out of which 6.91 lakhs (80.25 percent) hectares were under crop area. Agriculture covers major important programmes viz. agricultural production, soil conservation, animal husbandry, minor irrigation, forest, fisheries etc.

4. Amenities:

Number (with percentage) of villages having one or more amenities in the Sangli district as per 1991 census is given below:

<table>
<thead>
<tr>
<th>Sr. No</th>
<th>Amenities</th>
<th>No of inhabited Villages</th>
<th>Percentage of Village Covered</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Education</td>
<td>709</td>
<td>98.06</td>
</tr>
<tr>
<td>2.</td>
<td>Medical</td>
<td>314</td>
<td>43.43</td>
</tr>
<tr>
<td>3.</td>
<td>Drinking Water</td>
<td>723</td>
<td>100.00</td>
</tr>
<tr>
<td>4.</td>
<td>Post and Telegraph</td>
<td>396</td>
<td>54.77</td>
</tr>
<tr>
<td>5.</td>
<td>Market / Hat</td>
<td>134</td>
<td>18.53</td>
</tr>
<tr>
<td>6.</td>
<td>Communication</td>
<td>633</td>
<td>87.55</td>
</tr>
<tr>
<td>7.</td>
<td>Approach by Pucca Road</td>
<td>355</td>
<td>49.10</td>
</tr>
<tr>
<td>8.</td>
<td>Power Supply</td>
<td>542</td>
<td>74.97</td>
</tr>
</tbody>
</table>

Source: The Encyclopaedic District Gazetteers of India P.561.
5. **Communication:**

Six hundred thirty three villages in the Sangli district have the availability of bus-stop, railway station, water way within the village. For the remaining villages communication facility is available within a distance of less than 5 kms. for 80 villages, between 5-10 kms. in case of 25 villages and beyond 10 kms. in respect of 68 villages.

6. **Trade, Commerce and Industries:**

The main articles of export in the Sangli district are groundnut, yarn, cloth, gur grapes, turmeric. Besides these, Kirloskarwadi exports electric motors, Sugarcane, Cotton, Jawar and Casting Iron are the main articles of import. Agriculture produce is collected from the producers mainly at trading centres like Sangli, Tasgaon and Takari.

In the first decade of the present century, Sangli district was very backward in industrial field. A few crafts, such as, preparation of gold and silver ornaments, copper and brass smithy, preparation of iron tools, carpentry, pottery and blanket weaving were existent. The history of industrialisation of the district dates back to 1901, when the Kirloskar Brothers factory was established at Kundal road which later came to be known as Kirloskarwadi. This proved a landmark and a turning point in the history of the industrialisation
of the district. Since then the pace of industrialisation in the district has been rapid.

There are 18 large scale industries in the district. Out of them 6 sugar factories are in co-operative sector. Kirloskar Brother Engineering concern, Madhavnagar Cotton Mill and Marathe Engineering Industries are the important industrial units since they are labour oriented. In addition, there are 1700 small scale industries which are engaged in cement products, foundries and engineering units. ‘Shetkari Sahakari Karkhana’, Sangli is the largest co-operative factory in Asia. Besides, musical instruments, especially ‘Sitar’ of Sangli, are famous throughout India. These musical instruments are also exported.

7. **Education**:

According to 1991 census, total number of literates (excluding the population in the age group of 0-6 years) is 1164092 (52.68 percent) persons. Of these, 708235 are males and 455857 are females. In the rural areas of the Sangli district 848442 persons (525457 males and 322985 females) are literates and urban areas 315650 persons (182778 males and 132872 females) are literates. The rate of literacy of population in Sangli district excluding 0-6 years age group according to 1991 census is shown below:
On an average, the population to institution ratio in urban areas in the district is 10000:1.19 Higher secondary/Int/Puc/Junior Colleges, 10000 :1.22 Secondary/ Matriculation Schools, 10000 :1.17 middle Schools and 10000 : 3.70 Primary Schools.

C) General Features of Aurangabad District:

1. Location and area:

The major part of the Aurangabad district falls in Godavari basin, only a small portion in the north and north-west beyond the Satmala hills lies in Tapi basin. It is roughly triangular in Shape, the Southern side corresponding to the Godavari river and the Northern side to the North-East trending arm of the Ajantha ranges which themselves form natural boundaries of the district. The district is bounded by Jalgaon district in the North, Jalana district in East, Ahmadnagar district in the South and Nasik and Ahmadnagar district in the West. Please see map 2.2. Total area of the district is 10170 sq. kms. which constitutes 3.30 percent of the total area of the State. The district head-quarter is located at Aurangabad.
2. Population (General, SC/ST):

Total population of the district according to 1991 census, is 2213779 persons, comprising 1151693 (52.02 percent) males and 1062086 (47.98 percent) females. Rural population of the district is 1488636 (67.24 percent) persons (766816 males and 721820 females), urban population is 725143 (32.76 percent) persons (384877 males and 340266 females).

The scheduled castes and scheduled tribes population of the district as per 1991 census is 305246 persons and 83502 persons respectively. The decennial growth rate of population of the district as a whole in relation to the state between the period 1981 and 1991 is presented below:

<table>
<thead>
<tr>
<th>State/District</th>
<th>Decennial Growth Rate of Population</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
</tr>
<tr>
<td>Maharashtra</td>
<td>25.48</td>
</tr>
<tr>
<td>Aurangabad</td>
<td>39.33</td>
</tr>
</tbody>
</table>

Source: The Encyclopaedic District Gazetteers of India P.344.

3. Agriculture:

The soil of the district is black cotton (clay) soil derived from the trap volcanic rock. And hence is helpful for Kharif and Rabbi crops like cotton, jawar, bajara, wheat, groundnut and pulses. The soil can be classified as light, medium and heavy according to its texture and depth. In the Southern tehsils
and along the river banks the soil is deep black and very fertile. The Northern and Western portions are mountainous and rocky where soil is shallow and poor.

The total cultivable area is 9.10 lakhs hectares in the Aurangabad district, out of which 7.94 lakhs hectares (187.25 percent) were under crops. During the year 1997-98, 1.17 lakhs (12.85 percent) hectares were irrigated in the district.

4. Amenities:

Number (with percentage) of villages having one or more amenities in the Aurangabad district as per 1991 census is given below:

<table>
<thead>
<tr>
<th>Sr.No</th>
<th>Amenities Covered</th>
<th>No of inhabited Villages</th>
<th>Percentage of Village</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Education</td>
<td>1204</td>
<td>92.62</td>
</tr>
<tr>
<td>2.</td>
<td>Medical</td>
<td>592</td>
<td>45.54</td>
</tr>
<tr>
<td>3.</td>
<td>Drinking Water</td>
<td>1299</td>
<td>99.92</td>
</tr>
<tr>
<td>4.</td>
<td>Post and Telegraph</td>
<td>301</td>
<td>23.15</td>
</tr>
<tr>
<td>5.</td>
<td>Market / Hat</td>
<td>105</td>
<td>08.08</td>
</tr>
<tr>
<td>6.</td>
<td>Communication</td>
<td>753</td>
<td>57.92</td>
</tr>
<tr>
<td>7.</td>
<td>Approach by Pucca Road</td>
<td>789</td>
<td>60.69</td>
</tr>
<tr>
<td>8.</td>
<td>Power Supply</td>
<td>702</td>
<td>54.00</td>
</tr>
</tbody>
</table>

Source: The Encyclopaedic District Gazetteers of India P.344.
5. Communication:

Aurangabad is situated at a distance of 375 kms. from Bombay. Passengers are required to travel by rail on metre guage line upto Manmad Railway Junction, and from there by Road to Aurangabad.

753 villages in the Aurangabad district have the availability of bus-stop, railway station within the village. The district at present comprises of 8 tehsil and equal number of community development block. It has 8 towns and 1344 village (1300 inhabited village and 44 uninhabited villages).

6. Trade, Commerce and Industries:

The chief commodities of export from this district are cotton (ginned and raw), food grains like jawar, skin, sugar, mangoes, gur, handloom sarees and bidies. The principal imports are food-grains (chiefly rice and wheat) cloth, salt, tobacco, Kerosene oil, spices, etc.

Proper Aurangabad town is a historical place form Moghal period and the Bibi-Ka-Mukbara and Panchakki are attractions for tourist. The famous Elora and Ajanta Caves in this district are the attraction of tourist all over the world. Therefore, the tourism has made rapid development in trade and commerce. Silk and Jari sarees of Paithan are very famous and have international market.
The Aurangabad district has made a rapid development in the field of industrialisation in the last couple of years. Some important industries found in the district are listed below:

**Important Industries**

Acrow India Ltd., Chikalthana, Aurangabad;

Automobile Products of India Ltd., Aurangabad;

Aurangabad Paper Mills Ltd., MIDC Paithan;

Bajaj Auto Ltd. Bajaj Nagar, Waluj, Aurangabad;

Ceat Ltd. (Formerly Ceat Tyres of India Ltd.);

Aurangabad Colgate - Palmolive (India) Ltd Waluj Industrial Area, MIDC, Aurangaba;

Cosmo Films Ltd. MIDC, Chikalthana, Aurangabad;

Ceekay Daikin Ltd. Chikalthana, Aurangabad;

Crompton & Greaves Company Ltd. Chikalthana, Aurangabad;

Garware Marine Industries Ltd. Chikalthana, Aurangabad;

Lorcom (Protectives) Ltd. Chikalthana, Aurangabad;

Nath Pulp & Paper Mills Ltd., Nathnagar, Dist. Aurangabad;

The Tata Oil Mills Company Ltd.
7. **Education:**

According to 1991 census, total literates (excluding the population the age group of 0 to 6 years) are 1005452 persons, of these, 670368 are males and 335084 are females. In the rural areas of the district 564570 persons (402394 males and 162176 females) are literates and in the urban areas 440882 persons (267974 males and 172908 females) are literates. The rate of literacy of this population to the total population, excluding 0-6 years age groups according to 1991 census is shown below:

<table>
<thead>
<tr>
<th></th>
<th>Persons</th>
<th>Males</th>
<th>Females</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>56.98</td>
<td>72.93</td>
<td>39.64</td>
</tr>
<tr>
<td>Rural</td>
<td>47.84</td>
<td>66.08</td>
<td>28.39</td>
</tr>
<tr>
<td>Urban</td>
<td>75.47</td>
<td>86.38</td>
<td>63.11</td>
</tr>
</tbody>
</table>

Source: The Encyclopaedic District Gazetteers of India P.347.

The ratio of population to institution in urban areas of the district is

10000 : 1.10 Higher Secondary/Inter/PUC/Junior College,

10000 : 1.28 Secondary/Matriculation Schools,

10000 : 1.19 Junior/Secondary/Middle Schools,

10000 : 2.90 Primary Schools.

2.7 **SOURCE AND METHODS OF DATA COLLECTION:**

The approach of the study as far as the methodology is concerned is both a historical approach and aggregate analysis of facts and figures based on both
primary and secondary data collected from different sources to evaluate the various objectives of the study.

**Primary Data:**

To collect primary data on the performance indicators of two Zilla Parishad pre-tested structured interview schedules were employed. Care was taken to include most of the variables which were relevant for the study. The data was collected through personal interviews, through observation and through informal discussion. Research on performance indicator of Zilla Parishad is taken into account for the years from 1988-89 to 1997-98.

**The Secondary Data:**

The secondary data on physical and financial performance indicators of two Zilla Parishads viz. Sangli Zilla Parishad and Aurangabad Zilla Parishad were collected from the annual reports and other official records of Zilla Parishad for a period of 10 years. The source of secondary data were annual accounts of Zilla Parishads and the Varshik Prashasakiya Ahwal of the Sangli and Aurangabad.

**2.8 METHODS OF ANALYSIS AND STATISTICAL TOOLS:**

The collected data has been used intensively and extensively to analyse the research work. Basically the researcher employed some descriptive statistical tools to analyse the data for studying different objectives, such as:
a) Tabular Analysis
b) Graphical Analysis
c) Ratio Analysis
d) Growth Rate
e) Compound Growth Rate.

2.9 RESEARCH TERMS AND CONCEPTS:

The researcher used the following terms and concepts in present research work.

1. Panchayat Raj:

This term refers to the three tier system comprising the Zilla Parishad, Panchayat Samities and Village Panchayats, which has come into existence by the Bombay Village Panchayat Act, 1958 and the Maharashtra Zilla Parishad and Panchayat Samitis Act 1961.

2. Financial Management:

Financial management comprises of the inflow of receipts from various sources, such as self-raised sources, government grants and debts of Zilla Parishad and the outflow of payments for the expenses on several items such as administration, education, public work, sanitation, public health and Miscellaneous expenses.
3. **Self Raised Sources:**

   It includes all revenue of the Zilla Parishad or the village Panchayat received from taxes, fees, local funds cess, income from the department works.

4. **Grants:**

   Grants-in-aid may be defined as the sum of money assigned by one of the governmental authorities to another either out of its exchanger or out of the sources specially designated. The Government has provided sum amount on several heads to every Zilla Parishad.

5. **Revenue Expenditure:**

   The expenditure which the Zilla Parishad, Panchayat Samiti or village Panchayat is required to incur under the relevant sections of the Act is the Revenue Expenditure of the Zilla Parishad. It includes the expenditure, on salary of staff, travelling allowances, social services, development work, payments towards purchases, contributions to the pensions, gratuities etc. grants from Zilla Parishads to the Panchayat Samities or Village Panchayats; but it does not include the loans and advances made by the Zilla Parishads.
2.10 CHAPTER SCHEME:

This research work is being presented in Seven Chapters:

Chapter - 1: Panchayat Raj Institutions in India and Maharashtra:

This chapter deals with the historical review of Panchayat Raj Institutions in India as well as in the Maharashtra State. It also covers the present structure, principles, functions and powers of the Panchayat Raj Institutions.

Chapter - 2: Research Methodology:

This chapter covers the introduction to the research problem, need for the study of Panchayat Raj Institutions, selection of the research problem, objectives of the study. Hypotheses, sampling design general features of Sangli and Aurangabad districts. Source and method of data collection, methods of data analysis and statistical tools and scheme of study with its limitations.

Chapter - 3: Revenue Analysis of Zilla Parishads:

This chapter deals with revenue pattern of Zilla Parishad: Opening Balances, Self-Raised Source, Government Grants and Debts. The role of each source has been analysed in total revenue of the Sangli and Aurangabad Zilla Parishads.
Chapter - 4: Expenditure Analysis of Zilla Parishads:

This chapter covers expenditure pattern of the Sangli and Aurangabad Zilla Parishads: Revenue expenditure and capital expenditure. The share of each expenditure has been analysed in total expenditure of these Zilla Parishads.

Chapter - 5: Physical Achievement of Zilla Parishads:

It covers a study of physical achievements of Various schemes and programmes implemented by the Sangli and Aurangabad Zilla Parishads. A comparative analysis of selected schemes has been made.

Chapter - 6: Comparative financial analysis of Sangli and Aurangabad Zilla Parishads:

This chapter deals with the comparative analysis of revenue factors and expenditure factors of the Sangli and Aurangabad Zilla Parishads.

Chapter - 7: Findings and Suggestions:

This chapter summarises the findings, draws conclusions based on them and suggests some measures for improving the working of the Zilla Parishad in general, financial management in particular.
2.11 LIMITATION OF THE STUDY:

1. The study was confined only to the study area, hence generalisation of findings would be limited to this area.

2. Due to limitations of time and finance the researcher could not use large sample for quantitative assessment.

3. The study period is confined only to 10 years from 1988-89 to 1997-98.

4. Researcher assumed that, during the study time there were no economic crises or fluctuations in the study area.
Reference

