CHAPTER 3

REVENUE ANALYSIS OF ZILLA PARISHADS

3.1 Revenue Sources of Zilla Parishad
3.2 Revenue Analysis of Sangli Zilla Parishad
3.3 Revenue Analysis of Aurangabad Zilla Parishad
CHAPTER - 3

REVENUE ANALYSIS OF ZILLA PARISHADS

3.1 Revenue Sources of Zilla Parishad

Introduction:

The local government administration at present, is becoming important not only in Maharashtra but also in India. It is accepted that only with the help of local self-government, it will be possible to provide the basic amenities in rural areas. Under such circumstances, local finance, in many respects is the key to successful local government and it occupies an important place.

The capacity of a local government unit to discharge civic and development activities within its area of jurisdiction is determined by the sources of revenue placed at its disposal. Therefore, if the local government units are expected to play an important role in development, it must have access to adequate finance. Therefore, finance is crucial to any local government.

The Zilla Parishads are one of the vital forms of local government in India. Financing of Zilla Parishads has become a matter of grant concerned to all those interested in development and welfare activities. The development of decentralised administration and the establishment of Zilla Parishads (under the pattern of Panchayat Raj Institutions) need to have new ways and means to discharge the responsibilities. The success of these institutions depends on their
financial resources and strength. These institutions can be made effective only if they are provided with sufficient financial resources.

"Financial resources placed at the disposal of each unit of government, have to correspond to the functions and obligations assigned".\(^3\) In other words, the division of resources between different governments, must be positively correlated with the division of functions. The resources of the most of the states in general and those of the local bodies in particular, have mostly been founded to be lagging behind. Their requirements are continuously increased, due to ever increasing functions. Therefore, the rational of the distribution of sources must closely follow the principles adopted in the distribution of functions.

Prof. Adarkar has mentioned three essential features, which should satisfy the efficient distribution of resources between different governments:

1) independence of responsibility
2) adequacy and elasticity and
3) administrative economy".\(^4\)

"Revenue is the necessity of the first order for any system of government. No administration can be carried out without it. Raising money, is in fact, the most important and at the same time the most difficult problem which the local administration has to face".\(^5\)
Finance is crucial to any local government system. The ability of local government to discharge the functions entrusted to them depends on the adequacy of financial sources. The state government of Maharashtra has, however, not left the Panchayat Raj Administration in wilderness in search of revenue. It has made provisions in the Act (The Maharashtra Zilla Parishads and Panchayat Samitis Act, 1961) itself, with a view to giving adequate finance to the Panchayat Raj Units i.e. Zilla Parishads and Panchayat Samitis. The Zilla Parishads are one of the strongest units of Panchayat Raj Institutions in Maharashtra. The development of a district depends upon its successful functioning. The Zilla Parishads have been created as the development agency by the State Government which in turn, depends on the income from its own resources and partly on the grants-in-aid given by the state government.

The sections 128 to 131, 143 to 189 and 203 to 214 of the Maharashtra Zilla Parishads and Panchayat Samitis Act, 1961, provide for the assets of the Zilla Parishads and Panchayat Samitis. The revenue pattern as provided in the Zilla Parishads and Panchayat Samitis Act, 1961, is naturally based on the recommendations of Naik Committee Report (Shri V.P.Naik was the Chairman of the Committee, Government of Maharashtra, 1961).

The total receipts of Zilla Parishads include the following major heads:

i) Opening balances
ii) Self-raised resources
iii) Government grants and
iv) Debts.
i) Opening Balances:

The first item in the receipts side of Zilla Parishad is opening balances, which is unspent and adds to total sources of the current year receipts.

ii) Self-Raised Sources:

This is an important source of receipts of Zilla Parishad. It includes fourteen (14) items of revenue of the Zilla Parishad e.g. taxes and fees, local fund cess, local rates, medical etc.

iii) Government Grants:

The income by way of government grants is another important source for the Zilla Parishads in Maharashtra. The Act 1961 provides for twelve different types of grants e.g. purposive grants, establishment grants, plan scheme grants, agency scheme grants etc.

iv) Debts:

The capital income of Zilla Parishads is given in this section which has two sub-sections viz. (a) loans and advances and (b) deposits and advances.

I. Opening Balance:

Opening balance is not a source of income. Therefore, it does not require further explanation.
II. Self-raised Sources:

This is an important source of receipt of the Zilla Parishad. The revenue received by the Zilla Parishads by the authority vested in it under sections 128 to 131 and sections 151 to 159 and section 179 of the Zilla Parishads and Panchayat Samiti's Act, 1961 is put under the category of self-raised sources. This head includes following fourteen (14) items of revenue:

1. Taxes and Fees
2. Local Fund Cess
3. Local Rates
4. Interest
5. Police
6. Education
7. Medical
8. Public Health
9. Agriculture
10. Animal Husbandry
11. Industries and Cottage Industries
12. Public Works
13. Pensions and

Out of the above fourteen items of revenue including (a) Local rates and (b) Police, which bear no income. Hence, in the budgets of Zilla Parishads these two items were dropped. There is one more item namely industries and cottage industries, the income from which has been transferred to the state government since 1973. Therefore, there is no income from this source to the Zilla Parishads.
since 1973 onwards. The explanation in brief, of the remaining eleven items of the self-raised sources is given below:

1. **Taxes and Fees:**

   Section 157 of the Act 1961, provides a fairly long list of items for imposing taxes and fees by the Zilla Parishads within its jurisdiction. The Zilla Parishads can impose the following taxes.6

   a) a tax on persons carrying on any profession, trade calling or employment within the Zilla Parishads jurisdiction.

   b) entertainment or amusement tax,

   c) a pilgrim tax,

   d) a general water tax,

   e) a special tax on lands or buildings, and

   f) any tax which can be imposed by the state government with its prior permission.

   The Zilla Parishads can also impose the following fees under the section of the Act 1961.

   i) A licence fee on brokers, commission agents, weightmen or measures, practicing their calling therein.

   ii) A market fee for the right to expose goods for sales in the market or for use of any building or structure therein.

   iii) Fees on registration of animals sold in the market.
2. **Local Fund Cess:**

This is the most important item of self-raised sources. The sections 144 to 152 of the Zilla Parishads and Panchayat Samitis Act, 1961 of Maharashtra State is applicable to all Zilla Parishads in the state. This section makes every landholder, within the jurisdiction of the Zilla Parishads, liable to pay a cess of twenty paise per one rupee of the land revenue or rent or lease money payable in respect of such land.

Section 155 of the Act (1961) gives the authority to all Zilla Parishads to increase this rate of cess. Since 1962 the rate of local fund cess is increased five times up to 1985. For the first time this rate was increased by Rs. 0.40, during the year 1966, 1968 and 1975 it was increased by Rs. 0.30, 0.40 and 0.50 respectively. This rate was reached up to Rs. 2.00 in the year 1985.

The first assessment of cess was done by the state government and hence it was uniform for all Zilla Parishads in Maharashtra.

The subsequent changes were made by the individual Zilla Parishads by passing the resolution and by getting the sanction from the state government. During the financial year 1963-64 each Zilla Parishad has exercised its power to increase the cess in different degrees. Before the year 1974-75 the limit of increased cess was up to 100 paise per one rupee of land revenue. It was the maximum limit of cess. On the basis of increased local fund cess Zilla
Parishads have got the Incentive grant from the state government. In that time, the formula of sanctioning Incentive grant was as follows:

i) Increased the rate of cess upto 40 paise = 0 paise;

ii) Increased the rate of cess from 41 to 100 paise = 100 paise.

In the year 1974-75 the limit of increased cess was extended upto 200 paise. At that time, the formula of Incentive grant to be given to Zilla Parishads was also changed by the State Government. This new formula is as under:

i) Increased the rate of cess upto 50 paise = 0 paise,

ii) Increased the rate of cess from 51 paise to 100 paise = 75 paise.

iii) Increased the rate of cess from 101 to 200 paise = 100 paise.

We can say that this new formula of incentive grant is not encouraging one because at some place, State Government gives power to Zilla Parishads for increasing local funds cess and at other place it gives limited Incentive grant. The amount of fund cess is given on the basis of the collection. But Zilla Parishads in Maharashtra demanded that, it must be given on the basis of demand and not on the collection. This is the genuine demand of the Zilla Parishads.

The local fund cess forms one of the biggest part of the self-raised sources of the Zilla Parishads. It also amounts to an assured source of income.
3. **Interest**

The Zilla Parishads get interest on their amounts deposited in the banks. As a rule, the district fund, which comprises of all receipts of Zilla Parishads and Panchayat Samitis under it, are deposited in the treasury only. Those receipts which are paid through the bank by the persons like contractors, the tax bidders, etc, bear this income from interest. This amount is in the bank and that too in current accounts only. This gives the negligible small amount of interest that accrues to the Zilla Parishad. But even the district fund can be kept in the bank to which the business of Government treasury is made over.

4. **Education**

Education is the biggest portfolio handed over to the Zilla Parishads. But it is not a big source of income for the Zilla Parishads. This income is derived from the fees received from the schools run by the Zilla Parishads. Due to liberal and compulsory educational policy of the Government of Maharashtra a very few students are paying tuition fees. But, other minor fees, paid by all the students account for the income from education.

5. **Medical**

This source of income includes the income received by the Zilla Parishad from hospital fees, sales of medicines, from donations and contributions and miscellaneous incomes.
6. **Public Health**

This includes income from fairs and contribution and donations for the public health schemes etc. The classification between medical and public health is not clearcut and one finds common sub-headings namely:

i) Donation  

ii) Contributions  

iii) Miscellaneous  

iv) Other Income.

Under both the main headings there is no rule as to what income is to be treated as miscellaneous income of medical and what is to be treated as miscellaneous income of public health.

7. **Agriculture**:  

It accrues income from agriculture, agricultural plots, fees, received from farmers participating in crops contest, the rent charged under crop protection schemes of the Zilla Parishad and such other miscellaneous items.

8. **Animal Husbandry**:  

It is closely connected with agriculture but, separately managed department. Every Zilla Parishad manages a few veterinary dispensaries within its jurisdiction. In the form fees, amount received from the owner of the sick animals which are brought for veterinary service, the income from the animals exhibitions, the sale proceeds of poultry farms owned by Zilla Parishad forms income under this item.
9. **Public Work**:  

The income under the category includes rent from land, buildings machinery and instruments owned by Zilla Parishads, sales proceeds of old property, sales proceeds of trees and fruits, fees charged for the use of Ghats both on roads and rivers, fees from Dharmashala’s or Sarai’s and Rest Houses and such other items.

10. **Pensions**:  

The state government while transferring the services of its confirmed staff to the Zilla Parishads is still left with the responsibility of person provisions of such staff. The Zilla Parishads, however, were responsible for making provision for provident fund of primary school teachers. However, the employers contribution being a grantable item could be shown under this item.

11. **Miscellaneous**:  

This item is a pandora’s box which contains each and everything which cannot be or has not been shown against other items. As such, whenever there is any doubt about the nature of income it could be safely put under this heading. It naturally follows that such amount is readjusted again after receiving the proper advice to that effect. This is accrued mainly from house rent under community development programmes, sales of unusable property, realisation of excess payment, sale of receipt books, printing press, sale of magazines etc.
III. GOVERNMENT GRANTS:

The income by way of grants from the state government is the most important source for all Zilla Parishads in Maharashtra. It is not only important source of revenue but also a striking feature of Zilla Parishad budgets. In this connection Mr. Sidney Webb remarks that “In reality, the grants-in-aid is the necessary hinge in the flap”. He thought it to be a device to establish control without adopting the bureaucratic system.

The system of grants-in-aid can also be used as an effective weapon of mitigating regional inequalities.

It will be interesting to note that articles 45 and 46 of the Indian Constitution, deal with the national minimum standards, to be aimed at in respect of education and health, by the state governments and local bodies. Article 45 implies the state shall endeavour to provide within a period of 10 years, for free and compulsory education for all children, until they complete the age of fourteen years. Article 46 indicates that the state shall regard the raising of nutrition and the standard of living of its people and the importance of public health, as among its primary duties.

If the responsibilities of the local bodies to discharge these functions are to continue, then the state government must come towards with its assistance by way of adequate grants-in-aid.
Meaning:

Grants-in-aid may be defined as the sum of money assigned by one of the government authorities to another either out of its exchanger or out of the sources specially designated. The system of grant-in-aid generally aims at supplementing the sources of finance of the recipients, so as to enable them to perform their functions satisfactorily.

In Panchayat Raj System, it is much more than a mere hinge in the flap. It is the very base of the Panchayat Raj structure. This will be clear from the study of nature of grants-in-aid of the Zilla Parishads.

The Maharashtra Zilla Parishads and Panchayat Samitis Act 1961 provides for twelve different types of grants, which are as follows:

1. Purposive Grant
2. Establishment Grant
3. Plan Scheme Grant
4. Agency Scheme grant and Other Grant
5. Stamp Duty Grant
6. Land Revenue Grant
7. Equalisation Grant
8. Deficit Adjustment Grant
9. Local Cess Matching Grant
10. Incentive Grant
11. Block Grant
12. Forest Revenue Grant.

The explanation in brief of the above items of grant is given below:
1. **Purposive Grant:**

Purposive grant is paid under section 182 to Zilla Parishads for specific works and development schemes transferred by the state government under the provisions of the Act. It is given hundred percent of the total expenditure of the transferred work or scheme. By Maharashtra Act No. 15 of 1974, the amount of grants was made equal to the committed expenditure which may be incurred in respect of such work or schemes.

The percentage of purposive grants to the total receipts of Zilla Parishads are about 50 percent and to the total grants are about 70 to 80 percent. It seems that during 1986-87 and 1992-93 the purposive grants were released on a large scale basis. The most part of this grant is utilised on education head by the Zilla Parishad.

2. **Establishment Grants:**

The Zilla Parishads receive 75% of the establishment expenditure arising out of the transfer of class III and IV servants of the state to Zilla Parishads. This is utilised for salaries of such staff only. Under the provisions of Maharashtra Zilla Parishad and Panchayat Samiti Act, 1961, the establishment grant was given to Zilla Parishads at the rate of 75% at the average annual cost on account of salaries and allowances in respect of posts held by government servants transferred to them. This provision was subsequently revised and
expanded in the year 1970, so as to include posts which were subsequently created by Zilla Parishad with the approval of the government. By Maharashtra Act No. 15 of 1974, this grant is made equal to the average cost on account of the salaries and allowances.

This is second important source of grants, its percentage to the total receipts is about 7 to 10% and to the total grants about 10 to 15% in Sangli and Aurangabad Zilla Parishads.

3. **Plan Scheme Grant:**

It is another item which adds the district fund of the Zilla Parishads. It is paid to finance the Zilla Parishads for such work and development schemes relating to any subject enumerated in the district list as are included in the development plan of the state. Section 187 of Maharashtra Zilla Parishad and Panchayat Samiti Act, 1961 provides for the grants for the plan schemes carried out by Zilla Parishads for all transferred plan schemes and works, a plan scheme grant is given to Zilla Parishads at the rate of 100 percent by making provision under the plan scheme budget.

4. **Agency Scheme Grants:**

These grants are received from the concerned departments of the state government through the state finance department, for the department works and schemes which are to be executed through Zilla Parishads. They are family
planning programme, leprosy eradication schemes, farm development schemes, etc.

5. **Stamp Duty Grants:**

   Stamp duty grant charged under section 158 at the rate of half percent on the value of the property transferred or on the mortgage value of property. This amount is collected by the state government and as per the collection in each district the respective Zilla Parishad is given the grant equal to this amount. Hence the provision regarding the same, included in the chapter of Zilla Parishads and Panchayat Samitis Act, 1961, deals with taxes and fees. But in the budgets of the Zilla Parishads, it is included and shown in the amounts of grants. The amount of this grant depends upon the transactions during every year and is therefore extremely uncertain.

6. **Land Revenue Grant:**

   Every Zilla Parishad is given 70 percent of the total land revenue collected within its jurisdiction during the previous year. This grant is a big source of income for Zilla Parishad. But this grant was discontinued by the government from 1975 onwards as per the amendment made to the section 180 of the Maharashtra Zilla Parishad and Panchayat Samitis Act, 1961, in 1974.
7. **Equalisation Grant:**

Equalisation grant is given to those Zilla Parishads which are not in a position to get at least Rs. 2/- per capita income from land revenue grant. According to section 181 of the Maharashtra Zilla Parishads and Panchayat Samitis Act, 1961, the quantum of equalisation grant is fixed for a period of five years on the basis of the average of realisations during the preceding five financial years. This grant is also stopped by the government from 1975 onwards as per the amendment made to the section 180 of the Act, 1961, in 1974.

8. **Deficit Adjustment Grant:**

The state government of Maharashtra undertook to cover in full the financial deficit of the Zilla Parishad for the first five financial years. Hence, it paid this grant for the purpose of execution and maintenance of such works and development schemes (including the expenditure on the staff) as the state government determines at the requisite level of efficiency.

As per the section 184 of the Maharashtra Zilla Parishads and Panchayat Samitis Act 1961, the deficit adjustment grant was given to Zilla Parishad to cover deficits in committed expenditure. However, in revised financial arrangements brought into the effect from 1st April 1968, this grant is discontinued by the state government.
9. **Local Cess Matching Grant:**

Local cess matching grant is paid to the Zilla Parishads in accordance with the cess imposed by them. The state government pays amount of the local cess grant by using the following formula:

1. Local cess upto 50 paise = 0 paise
2. Local cess from 51 paise to 100 = 75 paise
3. Local cess from 101 paise to 200 = 100 paise.

This formula is used from 1974-75. In this time, the limit of cess is increased upto 200 paise. The above mentioned formula is not encouraging to Zilla Parishads.

10. **Incentive Grants:**

Incentive grants are paid to encourage the speedy development within the district. The grant worthiness is decided by comparison of the progress within different Zilla Parishads or Panchayat Samitis. This grant is given to the Zilla Parishads for progress achieved in the local works programme. This grant is always less than one lakh and hence is very negligible as far as Zilla Parishads are concerned.

11. **Block Grants:**

Block grants are given to the Panchayat Samitis through the respective Zilla Parishads and it is the exclusive right of the Panchayat Samitis to utilise
the same. However, the Zilla Parishads can and do divert the grant from one Panchayat Samiti to another in case if it is not in a position to spend the amount.

12. **Forest Revenue Grant:**

It is paid at the rate of 5% of the forest revenue collected within the district with a view to compensating the loss of land revenue cess. Larger area under forest naturally reduces the land revenue and also the cess. But the rate of five percent of forest revenue is not enough to cover the loss. It should be extended up to ten percent. This grant comes under the heading ‘Other grants’.

IV. **DEBTS:**

The capital income of the Zilla Parishads are given in this debt section which has to sub-sections viz. (a) Loans and Advances and (b) Deposits and Advances.

There is one more item which comes under this head namely remunerative enterprises. The Zilla Parishads can draw loans from the state government and transfer them to its Panchayat Samitis. These loans are of two types (i) Interest bearing loans and (ii) Non-interest bearing loans.

(i) **Interest Bearing Loans:**

It includes (a) Loans in connection with community development functions and (b) Loans for the development function such as loans for
industrial purposes, welfare of persons belonging to backward classes, educational purposes, rural housing schemes, relief of distress e.g., fires, flood, storm etc.

(ii) Non-interest Bearing Loans:

The Zilla Parishads can have loans from the state government for which it need not pay the interest thereon. They also accept deposits from contractors, sinking funds and advances.

There is one more item of 'Temporary Advances' from the state government which are adjusted with the government grants during the same year, and hence, the total under this sub item remains always nil.

The reduction in grants is compensated, by additional sanctions in loans and advances. Zilla Parishads are always after bagging in the loan schemes. Whenever these schemes are sanctioned by the government, the debts sections of Zilla Parishad get flooded with funds. This results in a steep increase in the percentage of loans and advances vis-a-vis total receipts of Zilla Parishads during that particular year. It also results in shaking the percentage position of grants making them to appear small and unstable.

3.2 REVENUE ANALYSIS OF SANGLI ZILLA PARISHAD:

Total Receipts: The total receipts of Zilla Parishads include the opening balances; self-raised sources, government grants; and debts of the Zilla
Parishads. The data on total receipts along with growth rate of Sangli Zilla Parishad for the period of ten years from the year 1988-89 to 1997-98 is presented in Table 3.1.

Table No. 3.1
Total Receipts along with Growth Rate of Sangli Zilla Parishad (Rs. in Lakhs)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Receipts</th>
<th>Growth Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1988-89</td>
<td>6137.72</td>
<td>-</td>
</tr>
<tr>
<td>1989-90</td>
<td>7620.57</td>
<td>24.16</td>
</tr>
<tr>
<td>1990-91</td>
<td>10296.77</td>
<td>35.12</td>
</tr>
<tr>
<td>1991-92</td>
<td>10420.00</td>
<td>1.20</td>
</tr>
<tr>
<td>1992-93</td>
<td>12553.33</td>
<td>20.47</td>
</tr>
<tr>
<td>1993-94</td>
<td>14037.88</td>
<td>11.83</td>
</tr>
<tr>
<td>1994-95</td>
<td>16001.93</td>
<td>13.99</td>
</tr>
<tr>
<td>1995-96</td>
<td>19793.04</td>
<td>23.69</td>
</tr>
<tr>
<td>1996-97</td>
<td>21519.98</td>
<td>8.72</td>
</tr>
<tr>
<td>1997-98</td>
<td>25278.21</td>
<td>17.46</td>
</tr>
<tr>
<td>Annual Average</td>
<td>14365.94</td>
<td>17.41</td>
</tr>
</tbody>
</table>

Source: Records of Annual Accounts of the Sangli Zilla Parishad.

A) Net Increase in Amount (in Rs.) - 19140.49
B) Net Increase in Percentage - 311.85
C) Net Percentage Increase in Annual Average - 31.18
D) Compound Growth Rate - 11.52
E) Highest Growth Rate - 35.12
F) Lowest Growth Rate - 1.20
The average amount of total receipts of Sangli Zilla Parishad comes to Rs. 14365.94 lakhs. The total receipts for the first six years (1988-89 to 1993-94) were smaller than the average, while for the last four years (1994-95 to 1997-98), it were higher than the average. The another feature of total receipts were continuously increased over the 10 years of study period.

It is evident that, the total receipts of Sangli Zilla Parishad have been increased net by about 311 percent over this period. Net increase amount of total receipts is Rs. 19140.49 lakhs during the ten years from 1988-89 to 1997-98, being Rs. 6137.72 lakhs in 1988-89 and Rs. 25278.21 lakhs in 1997-98.
Annual average growth rate comes to 31.18%. However, the rate of growth in the total receipts is not uniform during all the ten years. This highest growth rate was recorded in the year 1990-91 (32.12%) and lowest was recorded in the year 1991-92 (1.20%).

i) **Opening Balance:**

The Opening Balance is the unspent amount of the previous year which is added to total receipt of the current year.

The data, on opening balance of Sangli Zilla Parishad along with its growth rate and its contribution to total receipts for the period of ten years from 1988-89 to 1997-98, is presented in Table 3.2
Table 3.2
Opening Balance and Its Percentage Contribution to Total Receipts of the Sangli Zilla Parishad

<table>
<thead>
<tr>
<th>Year</th>
<th>Opening Balance</th>
<th>Growth Rate</th>
<th>Total Receipts</th>
<th>Percentage Contribution to Total receipts</th>
</tr>
</thead>
<tbody>
<tr>
<td>1988-89</td>
<td>584.65</td>
<td>-</td>
<td>6137.72</td>
<td>9.52</td>
</tr>
<tr>
<td>1989-90</td>
<td>459.34</td>
<td>-21.43</td>
<td>7620.57</td>
<td>6.03</td>
</tr>
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<td>1990-91</td>
<td>712.84</td>
<td>55.18</td>
<td>10296.77</td>
<td>6.92</td>
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<td>1991-92</td>
<td>843.76</td>
<td>18.36</td>
<td>10420.00</td>
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<td>1992-93</td>
<td>497.56</td>
<td>-41.03</td>
<td>12533.33</td>
<td>3.96</td>
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<tr>
<td>1993-94</td>
<td>815.50</td>
<td>63.89</td>
<td>14037.88</td>
<td>5.81</td>
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<tr>
<td>1994-95</td>
<td>665.22</td>
<td>-18.42</td>
<td>16001.93</td>
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<td>1995-96</td>
<td>99686</td>
<td>49.85</td>
<td>19793.04</td>
<td>5.04</td>
</tr>
<tr>
<td>1996-97</td>
<td>848.01</td>
<td>-14.93</td>
<td>21519.98</td>
<td>3.94</td>
</tr>
<tr>
<td>1997-98</td>
<td>624.38</td>
<td>-26.37</td>
<td>25278.21</td>
<td>2.47</td>
</tr>
<tr>
<td>Annual Average</td>
<td>704.81</td>
<td>7.23</td>
<td>14365.94</td>
<td>5.59</td>
</tr>
</tbody>
</table>

Source: Records of Annual Account of Sangli Z.P.

A) Net Increase in Amount Rs. - 39.73

B) Net Increase in Percentage - 6.79

C) Net Percentage Increase in Annual average - 0.67

D) Compound Growth Rate - 10.07

E) Highest Growth Rate - 63.89

F) Lowest Growth Rate - -41.03
The annual average of opening balance is Rs. 704.81 lakhs in the Sangli Zilla Parishad. The net increase in percentage is 6.79 percent, being Rs. 584.65 lakhs in 1988-89 and Rs. 624.38 lakhs in 1997-98. But in the year 1995-96 it is the highest amount of Rs. 996.86 lakhs. The net annual average percentage increased was 0.67, however, the growth rate of opening balance was not uniform during all the ten years. It was the highest 63.89 percent in 1993-94, and the lowest and negative -41.03 percent in 1992-93. The compound growth rate of opening balance is 10.07.

The annual average percentage of opening balance to receipts of Sangli Zilla Parishad comes to 5.59 percent. It is the highest 9.52 percent in 1988-89 and the lowest 2.47 percent in 1997-98.

**ii) Self-Raised Sources:**

It is one of the important sources of receipts of the Sangli Zilla Parishad. The data on self-raised sources of Sangli Zilla Parishad along with growth rate and its contribution to total receipts for the period of ten years, from the year 1988-89 to 1997-98 is presented in the table No. 3.3.
### Table 3.3
Self-Raised Sources and its Percentage Contribution to Total Receipts of the Sangli Zilla Parishad

(Rs in Lakhs)

<table>
<thead>
<tr>
<th>Year</th>
<th>Self Raised Sources</th>
<th>Growth Rate</th>
<th>Total Receipts</th>
<th>Percentage Contribution to Total receipts</th>
</tr>
</thead>
<tbody>
<tr>
<td>1988-89</td>
<td>216.21</td>
<td>-</td>
<td>6137.72</td>
<td>3.52</td>
</tr>
<tr>
<td>1989-90</td>
<td>124.18</td>
<td>-42.57</td>
<td>7620.57</td>
<td>1.63</td>
</tr>
<tr>
<td>1990-91</td>
<td>418.81</td>
<td>237.26</td>
<td>10296.77</td>
<td>4.06</td>
</tr>
<tr>
<td>1991-92</td>
<td>291.39</td>
<td>-30.42</td>
<td>10420.00</td>
<td>2.79</td>
</tr>
<tr>
<td>1992-93</td>
<td>271.26</td>
<td>-6.91</td>
<td>12553.33</td>
<td>2.16</td>
</tr>
<tr>
<td>1993-94</td>
<td>275.67</td>
<td>1.63</td>
<td>14037.88</td>
<td>1.96</td>
</tr>
<tr>
<td>1994-95</td>
<td>292.36</td>
<td>6.05</td>
<td>16001.93</td>
<td>1.82</td>
</tr>
<tr>
<td>1995-96</td>
<td>274.19</td>
<td>-6.21</td>
<td>19793.04</td>
<td>1.38</td>
</tr>
<tr>
<td>1996-97</td>
<td>193.92</td>
<td>-29.28</td>
<td>21519.98</td>
<td>0.90</td>
</tr>
<tr>
<td>1997-98</td>
<td>452.77</td>
<td>133.48</td>
<td>25278.21</td>
<td>1.79</td>
</tr>
<tr>
<td>Annual Average</td>
<td>281.07</td>
<td>29.23</td>
<td>14365.94</td>
<td>2.20</td>
</tr>
</tbody>
</table>

Source: Records of Annual Account of Sangli Zilla Parishad

A) Net Increase in Amount - Rs. 236.56

B) Net Increase in Percentage - 109.41

C) Net Percentage Increase in Annual average - 10.94

D) Compound Growth Rate - 10.76

E) Highest Growth Rate - 237.26

F) Lowest Growth Rate - 42.57
The average annual self-raised sources of the Sangli Zilla Parishad came to Rs. 281.07 lakhs. The amount received through self-raised sources has not shown any clear cut trend over the period of 10 years as there were ups and downs in the self-raised sources. For certain years, self-raised sources were above the average and for remaining years, they were lower than the average. The self-raised sources were lower than the average in the following years, 1988-89, 1989-90, 1992-93, 1993-94, 1995-96 and 1996-97, but they were higher than the average during the following four years : 1990-91, 1991-92, 1994-95 and 1997-98.

It is also clear from the table no. 3.3 that the net aggregate self-raised sources of Sangli Zilla Parishad have been increased by 109.41 percent during the study years, being Rs. 216.21 lakhs in 1988-89 and Rs. 452.77 lakhs in 1997-98. The net annual average increase was 10.94 percent. The highest growth rate of self-raised sources was 237.26 in between 1989-90 and 1990-91 and it was the lowest and negative (−42.57) in between 1988-89 and 1989-90. The compound growth rate comes to 10.76 percent.

The average percentage of the self-raised sources to the total receipts of Sangli Zilla Parishad for ten years was just 2.20 percent. During the years 1988-89, 1990-91 and 1991-92, the percentage of self-raised sources to total receipts was higher than the average percentage and for the remaining seven years, it
was lower than this average percentage. Its highest contribution to the total receipts was noted 4.06 in the year 1990-91 and lowest 0.90 was found in the year 1996-97. The percentage of self-raised sources to total receipts does not show any clearcut tendency or trend over the study period.

The following are the reasons for negative and changing trends of self-raised sources.

i) Local cess was not fully received in the year 1989-90 by the Sangli Zilla Parishad.

ii) In the year 1989-90 and 1996-97, the Zilla Parishad has given concession to the farmers in regard to local cess due to the drought.

iii) **Government Grants:**

It is one of the important sources of Sangli Zilla Parishad’s receipts, which has different grants indicated earlier. The data about total grants of Sangli Zilla Parishad along with its growth rate and its contribution to total receipts for the period of ten years from 1988-89 to 1997-98 are presented in table 3.4. The analysis of table 3.4 would bring out the role of grants in financial structure of the Sangli Zilla Parishad.
## Table 3.4
**Government Grants and its Percentage Contribution to Total Receipts of the Sangli Zilla Parishad**

(Rs. in Lakhs)

<table>
<thead>
<tr>
<th>Year</th>
<th>Grants</th>
<th>Growth Rate</th>
<th>Total Receipts</th>
<th>Percentage Contribution to Total receipts</th>
</tr>
</thead>
<tbody>
<tr>
<td>1988-89</td>
<td>3063.67</td>
<td>-</td>
<td>6137.72</td>
<td>49.92</td>
</tr>
<tr>
<td>1989-90</td>
<td>3463.33</td>
<td>13.05</td>
<td>7620.57</td>
<td>45.45</td>
</tr>
<tr>
<td>1990-91</td>
<td>4080.54</td>
<td>17.82</td>
<td>10296.77</td>
<td>39.62</td>
</tr>
<tr>
<td>1991-92</td>
<td>4614.40</td>
<td>13.08</td>
<td>10420.00</td>
<td>44.28</td>
</tr>
<tr>
<td>1992-93</td>
<td>5817.68</td>
<td>26.08</td>
<td>12553.33</td>
<td>46.34</td>
</tr>
<tr>
<td>1993-94</td>
<td>5768.59</td>
<td>-0.84</td>
<td>14037.88</td>
<td>41.09</td>
</tr>
<tr>
<td>1994-95</td>
<td>6501.89</td>
<td>12.71</td>
<td>16001.93</td>
<td>40.63</td>
</tr>
<tr>
<td>1995-96</td>
<td>8274.22</td>
<td>27.26</td>
<td>19793.04</td>
<td>41.80</td>
</tr>
<tr>
<td>1996-97</td>
<td>11823.24</td>
<td>42.89</td>
<td>21519.98</td>
<td>54.94</td>
</tr>
<tr>
<td>1997-98</td>
<td>11175.22</td>
<td>-5.48</td>
<td>25278.21</td>
<td>44.21</td>
</tr>
<tr>
<td><strong>Annual Average</strong></td>
<td>6458.27</td>
<td>16.28</td>
<td>14365.94</td>
<td>44.82</td>
</tr>
</tbody>
</table>

Source: Records of Annual Accounts of Sangli Zilla Parishad

A) Net Increase in Amount - Rs. 8111.55
B) Net Increase in Percentage - 264.76
C) Net Percentage Increase in Annual average - 26.47
D) Compound Growth Rate - 11.38
E) Highest Growth Rate - 42.89
F) Lowest Growth Rate - 5.48
The average annual total grants of Sangli Zilla Parishad came to Rs. 6458.27 lakhs. The annual total grants for the first six years (1988-89 to 1993-94) were smaller than the average; while for last four years, (1994-95 to 1997-98) were higher than the average. Another feature of this Zilla Parishad is that, the annual grants have been steadily increased over the period of ten years. From the table 3.4, it is evident that the annual grants of Sangli Zilla Parishad had been increased by 264.76 percent over this period, being Rs. 3063.67 lakhs in the year 1988-89 and Rs. 1,11,75.22 lakhs in the year 1997-98. The net annual average increase was 26.47 percent. However, the rate of growth in total grants was not uniform during all the year as it was as high as 42.89 between
1995-96 and 1996-97 as against, the lowest and negative growth rate -5.48 between 1996-97 and 1997-98.

The annual average percentage of aggregate grants to the total receipts of Sangli Zilla Parishad comes to 44.82 percent. During the four years (1988-89, 1989-90, 1992-93 and 1996-97) the annual percentage is higher than this average percentage. While in remaining four years (1990-91, 1993-94, 1994-95 and 1995-96) it is lower than this average percentage and in two years (1991-92 and 1997-98) it is equal to this average percentage. The percentage of grants to total receipts has ups and downs during the ten years. The compound growth rate of aggregate grant is 11.38%.

The following reasons are made about fluctuation of government grants:

1. The amount of grant is paid to the Sangli Zilla Parishad equal to the committed expenditure which may be incurred in respect of such works or schemes.

2. New schemes are transferred to the Sangli Zilla Parishad e.g. IRDP, ICDS.

3. The payment of Zilla Parishad staff has increased according to price index.

4. Number of total staff has been increased from 6235 in 1988-89 to 10756 in 1997-98.
5. Prices of goods like cement, furniture stationery etc. are increased year after year, so the expenditure of schemes or works is increased.

iv) Debts:

The capital income of the Zilla Parishad is given in this debt section which has two sub-sections: a) loans and advances and b) Deposits and advances. The data on aggregate debts of Sangli Zilla Parishad along with growth rate and its contribution to total receipts for the period of ten years, from 1988-89 to 1997-98 are presented in table 3.5. The analysis of table 3.5 would bring out the role of debts in financial structure of Sangli Zilla Parishad.
Table 3.5
Debts and its Percentage Contribution to Total Receipts of Sangli Zilla Parishad

<table>
<thead>
<tr>
<th>Year</th>
<th>Debts (Rs in Lakhs)</th>
<th>Growth Rate</th>
<th>Total Receipts (Rs in Lakhs)</th>
<th>Percentage Contribution to Total receipts</th>
</tr>
</thead>
<tbody>
<tr>
<td>1988-89</td>
<td>2273.19</td>
<td>-</td>
<td>6137.72</td>
<td>37.04</td>
</tr>
<tr>
<td>1989-90</td>
<td>3573.72</td>
<td>57.21</td>
<td>7620.57</td>
<td>46.90</td>
</tr>
<tr>
<td>1990-91</td>
<td>5084.58</td>
<td>42.28</td>
<td>10296.77</td>
<td>49.38</td>
</tr>
<tr>
<td>1991-92</td>
<td>4670.45</td>
<td>-8.14</td>
<td>10420.00</td>
<td>44.82</td>
</tr>
<tr>
<td>1992-93</td>
<td>5966.83</td>
<td>27.76</td>
<td>12553.33</td>
<td>47.53</td>
</tr>
<tr>
<td>1993-94</td>
<td>7178.12</td>
<td>20.30</td>
<td>14037.88</td>
<td>51.13</td>
</tr>
<tr>
<td>1994-95</td>
<td>8542.46</td>
<td>19.01</td>
<td>16001.93</td>
<td>53.38</td>
</tr>
<tr>
<td>1995-96</td>
<td>10247.77</td>
<td>19.96</td>
<td>19793.04</td>
<td>51.77</td>
</tr>
<tr>
<td>1996-97</td>
<td>8654.81</td>
<td>-15.54</td>
<td>21519.98</td>
<td>40.21</td>
</tr>
<tr>
<td>1997-98</td>
<td>13025.84</td>
<td>50.50</td>
<td>25278.21</td>
<td>51.52</td>
</tr>
<tr>
<td>Annual Average</td>
<td>6921.78</td>
<td>23.70</td>
<td>14365.94</td>
<td>47.37</td>
</tr>
</tbody>
</table>

Source: Records of Annual Accounts of Sangli Zilla Parishad

A) Net Increase in Amount - Rs. 10752.63
B) Net Increase in Percentage - 473.02
C) Net Percentage Increase in Annual average - 47.30
D) Compound Growth Rate - 11.91
E) Highest Growth Rate - 57.21
F) Lowest Growth Rate - -15.54
The average of annual aggregate debts of Sangli Zilla Parishad comes to Rs. 6921.78 lakhs. The amount of aggregate debts for the first five year (1989-93) is smaller while for the last five years (1994-98) is higher than this average.

From the above table 3.5 it is evident that the annual total debts of this Zilla Parishad seem to have increased by 473.02 percent over this period, being Rs. 2273.19 lakhs in 1988-89 and Rs. 13025.84 lakhs in 1997-98. The net annual average increase was to about 47.30 percent, however, the rate of growth in total debts is not uniform during all the years as it is as high as 57.21 percent between 1988-89 and 1989-90, as against the lowest and negative
growth rate of -15.54 percent between 1995-96 and 1996-97. The compound growth rate comes to 11.91%.

The average annual percentage of total debts to the total receipts of Sangli Zilla Parishad comes to 47.37 percent. During the four years (1988-89, 89-90, 91-92 & 96-97) the annual percentage is lower than the average percentage while the five year (1990-91, 93-94, 94-95, 95-96 & 97-98) it is higher than this average. In the year 1992-93 it is equal to this average percentage. The percentage of aggregate debts to the total receipts has ups and downs during the study period. Its trend to total receipts is fluctuating during all the ten years.

The following reasons are made about fluctuation of debts:

i) Advances are given to the various department of Zilla Parishad according to their needs.

ii) Advances are inter-related to the price of goods during 1990-91, 1992-93 and 1994-95 and the debt section of the Sangli Zilla Parishad is increased due to the increasing prices.

iii) More loan has been taken from government by the Sangli Zilla Parishad in 1997-98.
3.3 REVENUE ANALYSIS OF AURANGABAD ZILLA PARISHAD:

Total Receipts:

The total receipts of Zilla Parishad includes the opening balances, self-raised sources; government grants; and debts of the Zilla Parishad. The data on total receipts along with growth rate of the Aurangabad Zilla Parishad for the period of the ten years from 1988-89 to 1997-98 are presented in the table 3.5.

Table 3.6
Total Receipts Along With Growth Rate of Aurangabad Zilla Parishad

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Receipts</th>
<th>Growth Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1988-89</td>
<td>5376.86</td>
<td>-</td>
</tr>
<tr>
<td>1989-90</td>
<td>8280.04</td>
<td>16.80</td>
</tr>
<tr>
<td>1990-91</td>
<td>6885.31</td>
<td>9.64</td>
</tr>
<tr>
<td>1991-92</td>
<td>7932.81</td>
<td>15.21</td>
</tr>
<tr>
<td>1992-93</td>
<td>10227.25</td>
<td>28.92</td>
</tr>
<tr>
<td>1993-94</td>
<td>11302.22</td>
<td>10.51</td>
</tr>
<tr>
<td>1994-95</td>
<td>12521.92</td>
<td>10.80</td>
</tr>
<tr>
<td>1995-96</td>
<td>16952.99</td>
<td>35.40</td>
</tr>
<tr>
<td>1996-97</td>
<td>20472.39</td>
<td>20.76</td>
</tr>
<tr>
<td>1997-98</td>
<td>22356.75</td>
<td>9.20</td>
</tr>
<tr>
<td>Annual Average</td>
<td>12030.85</td>
<td>17.47</td>
</tr>
</tbody>
</table>

Source: Records of Annual Accounts of the Aurangabad Zilla Parishad

A) Net Increase in Amount - Rs. 16979.89
B) Net Increase in Percentage - 315.79
C) Net Percentage Increase in Annual average - 31.57
D) Compound Growth Rate - 11.53
E) Highest Growth Rate - 35.40
F) Lowest Growth Rate - 9.20
The average of total receipts of the Aurangabad Zilla Parishad comes to Rs. 12030.85 lakhs. The total receipts for the first six years (1989 to 1994) are smaller than this average while for the last four years (1995 to 1998), it is higher than this average. The another feature of total receipts is continuously increased over the period of study. From the above table 3.6 it is evident that the total receipts of this Zilla Parishad seems to have increased by 315.79 percent over this period, being Rs. 5376.86 lakhs in 1988-89 and Rs. 22356.75
lakhs in 1997-98. Net increased amount of total receipts is Rs. 16979.89 lakhs during the ten years from 1988-89 to 1997-98.

The net annual average increase was 31.57 percent. However, the rate of growth in the total receipts is not uniform during the ten years as it is as high as about 35.40 percent between 1994-95 and 1995-96, as against the lowest growth rate about 9.20 percent between 1996-97 and 1997-98. The compound growth rate comes to 11.53 percent. As it is seen from table 3.5 its trend is steadily increasing during the study period. It shows increasing trend in both i.e. absolute and relative terms.

i) **Opening balance** :

The data, on opening balance of Aurangabad Zilla Parishad along with its growth rate and its contribution to total receipts for the period of ten years from 1988-89 to 1997-98, is presented in table No. 3.7.
Table 3.7
Opening Balance and its Percentage Contribution to Total Receipts of the Aurangabad Zilla Parishad

(Rs. in Lakhs)

<table>
<thead>
<tr>
<th>Year</th>
<th>Opening Balance</th>
<th>Growth Rate</th>
<th>Total Receipts</th>
<th>Percentage Contribution to Total receipts</th>
</tr>
</thead>
<tbody>
<tr>
<td>1988-89</td>
<td>329.79</td>
<td>-</td>
<td>5376.86</td>
<td>6.13</td>
</tr>
<tr>
<td>1989-90</td>
<td>248.48</td>
<td>-24.65</td>
<td>6280.04</td>
<td>3.97</td>
</tr>
<tr>
<td>1990-91</td>
<td>263.14</td>
<td>5.89</td>
<td>6885.31</td>
<td>3.83</td>
</tr>
<tr>
<td>1991-92</td>
<td>224.38</td>
<td>-14.73</td>
<td>7932.81</td>
<td>2.83</td>
</tr>
<tr>
<td>1992-93</td>
<td>238.44</td>
<td>6.26</td>
<td>10227.25</td>
<td>2.33</td>
</tr>
<tr>
<td>1993-94</td>
<td>427.55</td>
<td>79.31</td>
<td>11302.22</td>
<td>3.78</td>
</tr>
<tr>
<td>1994-95</td>
<td>500.44</td>
<td>17.05</td>
<td>12521.92</td>
<td>4.00</td>
</tr>
<tr>
<td>1995-96</td>
<td>808.43</td>
<td>61.54</td>
<td>16952.99</td>
<td>4.77</td>
</tr>
<tr>
<td>1996-97</td>
<td>477.34</td>
<td>-40.95</td>
<td>20472.39</td>
<td>2.33</td>
</tr>
<tr>
<td>1997-98</td>
<td>649.87</td>
<td>36.14</td>
<td>22356.75</td>
<td>2.90</td>
</tr>
<tr>
<td>Annual Average</td>
<td>416.78</td>
<td>13.98</td>
<td>12030.85</td>
<td>3.68</td>
</tr>
</tbody>
</table>

Source: Records of Annual Accounts of Aurangabad Zilla Parishad

A) Net Increase in Amount - Rs. 320.08
B) Net Increase in Percentage - 97.05
C) Net Percentage Increase in Annual average - 9.70
D) Compound Growth Rate - 10.70
E) Highest Growth Rate - 79.31
F) Lowest Growth Rate - -40.95

The annual average of opening balance is Rs. 416.78 lakhs in the Aurangabad Zilla Parishad. During the first five years from 1988-89 to 1992-93
the amount of opening balance is lower than this average. Whereas it is higher during the last five years from 1993-94 to 1997-98. The net annual average percentage increased was 9.70.

However, growth rate of opening balance was not uniform during all these ten years. It was the highest 79.31 in 1993-94, and the lowest and negative – 40.95 in 1996-97. The compound growth rate of opening balance is 10.70.

The annual average percentage of opening balance to total receipts of Aurangabad Zilla Parishad comes to 3.68. It is the highest 6.13 in 1988-89 and the lowest 2.33 in 1992-93 and 1996-97.

ii) Self-Raised Sources:

The data on aggregate self-raised sources of the Aurangabad Zilla Parishad for the period of ten years from the year 1988-89 to 1997-98 are presented in table 3.8. The average amount of aggregate self-raised sources of this Zilla Parishad for the period of ten years is given in the same table. Also the percentage of growth in aggregate self-raised sources for all the years is given along with average annual growth in aggregate self-raised sources. The percentage of aggregate self-raised sources to the total receipts is also given in this table.
Table 3.8
Self-Raised Sources and its Percentage Contribution to Total Receipts of the Aurangabad Zilla Parishad (Rs. in Lakhs)

<table>
<thead>
<tr>
<th>Year</th>
<th>Self Raised Sources</th>
<th>Growth Rate</th>
<th>Total Receipts</th>
<th>Percentage Contribution to Total receipts</th>
</tr>
</thead>
<tbody>
<tr>
<td>1988-89</td>
<td>47.31</td>
<td>-</td>
<td>5376.86</td>
<td>0.87</td>
</tr>
<tr>
<td>1989-90</td>
<td>190.97</td>
<td>303.66</td>
<td>6280.04</td>
<td>3.04</td>
</tr>
<tr>
<td>1990-91</td>
<td>180.96</td>
<td>-5.24</td>
<td>6885.22</td>
<td>2.63</td>
</tr>
<tr>
<td>1991-92</td>
<td>178.09</td>
<td>-1.59</td>
<td>7932.81</td>
<td>2.24</td>
</tr>
<tr>
<td>1992-93</td>
<td>137.62</td>
<td>-22.72</td>
<td>10227.25</td>
<td>1.35</td>
</tr>
<tr>
<td>1993-94</td>
<td>157.35</td>
<td>14.34</td>
<td>11302.22</td>
<td>1.39</td>
</tr>
<tr>
<td>1994-95</td>
<td>168.74</td>
<td>7.24</td>
<td>12521.92</td>
<td>1.34</td>
</tr>
<tr>
<td>1995-96</td>
<td>235.77</td>
<td>39.72</td>
<td>16952.99</td>
<td>1.39</td>
</tr>
<tr>
<td>1996-97</td>
<td>257.55</td>
<td>9.24</td>
<td>20472.39</td>
<td>1.25</td>
</tr>
<tr>
<td>1997-98</td>
<td>231.42</td>
<td>-10.15</td>
<td>22356.75</td>
<td>1.03</td>
</tr>
<tr>
<td>Annual Average</td>
<td>178.57</td>
<td>37.17</td>
<td>12030.85</td>
<td>1.65</td>
</tr>
</tbody>
</table>

Source: Records of Annual Account of Aurangabad Zilla Parishad

A) Net Increase in Amount - Rs. 184.11
B) Net Increase in Percentage - 389.15
C) Net Percentage Increase in Annual average - 38.91
D) Compound Growth Rate - 11.71
E) Highest Growth Rate - 303.66
F) Lowest Growth Rate - -22.72
The annual average of self-raised sources of the Aurangabad Zilla Parishad came to Rs. 178.57 lakhs. The annual aggregate self-raised sources during the five years (1989-90, 1990-91, 1995-96, 1996-97 and 1997-98) were higher than this average. However, it was lower than this average for the four years (1988-89, 1992-93, 1993-94, 1994-95). In the year 1991-92 it is equal to the average amount. From the above table it is evident that the aggregate self-raised sources of the Zilla Parishad seem to have increased by 389.15 percent over this period being Rs. 47.31 lakhs in 1988-89 and Rs. 231.42 lakhs in 1997-98 (increased amount Rs. 184.11 lakhs). The amount received through self-raised sources does not show any clearcut trend over the period of ten years as there are ups and downs in this amount. The net annual average increase was by 38.91 percent, though the rate of growth in the total self-raised sources was not uniform during all the years as it was as high as about 303.65 percent between 1988-89 and 1989-90 against the lowest and negative growth rate as -22.72 percent between 1991-92 and 1992-93.

The average percentage of aggregate self-raised sources to the respective total receipts of this Zilla Parishad for ten years seems to be slightly near to two percent (1.65). During the first year (1988-89) and last two years (1996-97 and 1997-98), the percentage of self-raised sources to total receipts was lower than this average percentage and for the three years (1990 to 1992), it was higher
than this average percentage while for the remaining four years (1993 to 1996), it was slightly less than this average percentage. The percentage of self-raised sources to total receipts does not show any clearcut tendency or trend over the period of ten years as it increased in the one year only (1989-90) but again decreased steadily in the subsequent year. The compound growth rate comes to 11.71 percent of this Zilla Parishad.

iii) **Government Grants:**

The data about aggregate grant of the Aurangabad Zilla Parishad for the period of ten years from the year 1988-89 to 1997-98 are presented in table 3.9. The average amount of aggregate government grants of this Zilla Parishad for the ten years is given in the table. Also the percentage of growth in aggregate grants for all the years is given along with annual average growth in aggregate grants. The percentage of aggregate grants to the total receipts is also given in this table. The analysis of table 3.9 would bring out the role of government grants in the financial structure of the Aurangabad Zilla Parishad.
**Table 3.9**  
Government Grants and its Percentage Contribution to Total Receipts of the Aurangabad Zilla Parishad  
(Rs. in Lakhs)

<table>
<thead>
<tr>
<th>Year</th>
<th>Grants</th>
<th>Growth Rate</th>
<th>Total Receipts</th>
<th>Percentage Contribution to Total receipts</th>
</tr>
</thead>
<tbody>
<tr>
<td>1988-89</td>
<td>2734.60</td>
<td>-</td>
<td>5376.86</td>
<td>50.85</td>
</tr>
<tr>
<td>1989-90</td>
<td>3216.12</td>
<td>17.60</td>
<td>6280.04</td>
<td>51.21</td>
</tr>
<tr>
<td>1990-91</td>
<td>3154.99</td>
<td>-1.90</td>
<td>6885.31</td>
<td>45.82</td>
</tr>
<tr>
<td>1991-92</td>
<td>4139.89</td>
<td>31.22</td>
<td>7932.81</td>
<td>52.18</td>
</tr>
<tr>
<td>1992-93</td>
<td>5651.36</td>
<td>36.51</td>
<td>10227.25</td>
<td>55.25</td>
</tr>
<tr>
<td>1993-94</td>
<td>5948.78</td>
<td>5.26</td>
<td>11302.22</td>
<td>52.63</td>
</tr>
<tr>
<td>1994-95</td>
<td>6146.69</td>
<td>3.33</td>
<td>12521.92</td>
<td>49.08</td>
</tr>
<tr>
<td>1995-96</td>
<td>8863.17</td>
<td>44.19</td>
<td>16952.99</td>
<td>52.28</td>
</tr>
<tr>
<td>1996-97</td>
<td>10705.30</td>
<td>20.78</td>
<td>20472.39</td>
<td>52.29</td>
</tr>
<tr>
<td>1997-98</td>
<td>10930.58</td>
<td>2.10</td>
<td>22356.75</td>
<td>48.89</td>
</tr>
</tbody>
</table>

**Annual Average**  
6149.14  
17.68  
12030.85  
51.04

Source: Records of Annual Accounts of Aurangabad Zilla Parishad

A) Net Increase in Amount - Rs. 8195.98
B) Net Increase in Percentage - 299.71
C) Net Percentage Increase in Annual average - 29.97
D) Compound Growth Rate - 11.48
E) Highest Growth Rate - 44.19
F) Lowest Growth Rate - 1.90
The average annual aggregate grants of the Aurangabad Zilla Parishad comes to Rs. 6149.14 lakhs. The annual total grants for the fist seven years (1989 to 1995) were smaller than this average; while for the last three years (1996 to 1998) they were higher than this average. Another feature of this Zilla Parishad is that annual aggregate grants have been steadily increased over the period under study. From the table 3.9, it is evident that the annual aggregate grants of this Zilla Parishad seems to have increased by 299.71 percent over this period, being Rs. 2734.60 lakhs in the year 1988-89 and Rs. 10930.58 lakhs in
the year 1997-98 (increased Rs.8195.98 lakhs). The net annual average increase was by 29.97 percent. However, the rate of growth in total grants was not uniform during all the years as it was as high as about 44.19 percent between 1994-95 and 1995-96 as against the lowest and negative growth rate - .90 percent between 1989-90 and 1990-91.

The annual average percentage of aggregate grants to the total receipts of the Aurangabad Zilla Parishad comes to 51.04. During the five years (1992 to 1994 and 1996 to 1997) the annual percentage is slightly higher than this average percentage while during four years (1988-89, 1990-91, 1994-95, 1997-98), it is lower than this average percentage. In only one year (1989-90), it is equal to this percentage. The percentage of grants to the total receipts has ups and downs during the ten years. The compound growth rate of government grants is about 11.48 percent.

The following reasons are made about fluctuation of government grants.

i) The amount of grant is paid to the Zilla Parishad equal to the committed expenditure which may be incurred in respect of such works or schemes.

ii) New schemes are transferred to the Aurangabad Zilla Parishad e.g. IRDP, ICDS.

iii) The payment of Zilla Parishad staff is increased according to price index; the 5th pay scale has been given during the study period.
iv) Prices of goods e.g. cement, furniture, stationery, etc. are increased year after year, so the expenditure of schemes or works is increased.

iv) DEBTS:

The data about aggregate debts of the Aurangabad Zilla Parishad for the period of ten years from the year 1988-89 to 1997-98 are presented in table 3.10. The average amount of aggregate debts for the ten years is given in this table. Also the percentage of growth in debts for all the years is given along with average annual growth in aggregate debts. The percentage of aggregate debts to the total receipts is also given in this table.
## Table 3.10
Debts and its Percentage Contribution to Total Receipts of Aurangabad Zilla Parishad (Rs. in Lakhs)

<table>
<thead>
<tr>
<th>Year</th>
<th>Debts</th>
<th>Growth Rate</th>
<th>Total Receipts</th>
<th>Percentage Contribution to Total receipts</th>
</tr>
</thead>
<tbody>
<tr>
<td>1988-89</td>
<td>2265.16</td>
<td>-</td>
<td>5376.86</td>
<td>42.12</td>
</tr>
<tr>
<td>1989-90</td>
<td>2624.47</td>
<td>15.86</td>
<td>6280.04</td>
<td>41.79</td>
</tr>
<tr>
<td>1990-91</td>
<td>3286.22</td>
<td>25.21</td>
<td>6885.31</td>
<td>47.72</td>
</tr>
<tr>
<td>1991-92</td>
<td>3390.45</td>
<td>3.17</td>
<td>7932.81</td>
<td>42.73</td>
</tr>
<tr>
<td>1992-93</td>
<td>4199.83</td>
<td>23.87</td>
<td>10227.25</td>
<td>41.06</td>
</tr>
<tr>
<td>1993-94</td>
<td>4768.54</td>
<td>13.54</td>
<td>11302.22</td>
<td>42.19</td>
</tr>
<tr>
<td>1994-95</td>
<td>5706.05</td>
<td>19.66</td>
<td>12521.92</td>
<td>45.56</td>
</tr>
<tr>
<td>1995-96</td>
<td>7054.62</td>
<td>23.48</td>
<td>16952.99</td>
<td>41.55</td>
</tr>
<tr>
<td>1996-97</td>
<td>9032.20</td>
<td>28.20</td>
<td>20472.39</td>
<td>44.11</td>
</tr>
<tr>
<td>1997-98</td>
<td>10544.88</td>
<td>16.75</td>
<td>22356.75</td>
<td>47.16</td>
</tr>
<tr>
<td><strong>Annual Average</strong></td>
<td><strong>5286.34</strong></td>
<td><strong>18.86</strong></td>
<td><strong>12030.65</strong></td>
<td><strong>43.59</strong></td>
</tr>
</tbody>
</table>

Source: Records of Annual Accounts of Aurangabad Zilla Parishad

A) Net Increase in Amount - Rs. 8279.72  
B) Net Increase in Percentage - 365.52  
C) Net Percentage Increase in Annual average - 36.55  
D) Compound Growth Rate - 11.66  
E) Highest Growth Rate - 28.20  
F) Lowest Growth Rate - 3.17
The average of annual aggregate debts of the Aurangabad Zilla Parishad comes to Rs. 5286.34 lakhs. The amount of aggregate debts for the first six years (1988-89 to 1993-94) is smaller than this average, while for the last four years (1994-95 to 1997-98) it is higher than this average amount.

From the above table 3.10, it is evident that the annual total debts of this Zilla Parishad seem to have increased by 365.52 percent over this period, being Rs. 2265.16 lakhs in 1988-89 and Rs. 10544.88 lakhs in 1997-98. The net
annual average increase was to 36.55 percent however, the rate of growth in total debts is not uniform during all the years as it is as high as 28.20 percent between 1995-96 and 1996-97, as against the lowest growth rate about 3.17 percent between 1990-91 and 1991-92. The compound growth rate of debts comes to 11.66 percent.

The average annual percentage of debts to the total receipts of this Zilla Parishad comes to 43.59 percent. During the four years (1990-91, 1994-95, 1996 to 1998) the annual percentage is higher than this average percentage, while for the six years (1989 to 1990, 1992 to 1994, 1995-96), it is lower than this average percentage. Its trend to total receipts is fluctuating during all the ten years.

The following reasons are made about fluctuation of debts of the Aurangabad Zilla Parishad.

i) Advances are given to the various departments of Zilla Parishad according to the needs.

ii) Advances are inter-related to the price of goods during 1996-98. Debt section of the Aurangabad Zilla Parishad has increased amount of debts due to the increasing prices.

iii) More loan has been taken from government by this Zilla Parishad in 1996-97.
REFERENCES


8. Ibid.


12. Section 187, Ibid.

13. Section 158, Ibid.

14. Section 181, Ibid.

15. Section 181, Ibid.

16. Section 186, Ibid.

17. Section 186, Ibid.

18. Section 188, Ibid.