

**CHAPTER - V**  
**GROWTH OF EXPENDITURE OF ZILLA PARISHAD,**  
**SOLAPUR**

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**CHAPTER - V**  
**GROWTH OF EXPENDITURE OF**  
**ZILLA PARISHAD, SOLAPUR**

**5.1 Introduction.**

In this Chapter, an attempt has been made to bring out the picture of changes in the revenue and public expenditure of Solapur Zilla Parishad from 1982-83 to 1986-87. While doing this, the most useful method of percentage significance has been used in respect of both, revenue and expenditure. Moreover, with a view to present an apt picture of the growth in various items of expenditure, the indexing has been used.

**5.2 Analysis of Revenue of Solapur Zilla Parishad.**

For the analysis of growth in revenue and expenditure of Solapur Zilla Parishad, the period from 1982-83 to 1986-87 has been taken into account. The public expenditure of the Zilla Parishad entirely depends upon its revenue sources, whatever they may be. So, it was necessary to take note of the revenue of Solapur Zilla parishad, though the study mainly aims at studying the effects of the expenditure.

There are various sources of revenue of a Zilla Parishad. The sources of Zilla Parishad itself are very meagre when compared to its volume of expenditure. A Zilla Parishad has to mainly depend upon grants made available to it by the State Government, for regular and special purposes. Following are the

sources of income of Solapur Zilla Parishad in revenue and capital account:

**Sources of Income in Revenue Account.**

The Zilla Parishad, Solapur, gets income from revenue account from the following sources:

1. Taxes and fees,
2. Local taxes,
3. Grants received from the Government of Maharashtra under Zilla Parishad Act of 1961,
4. Other grants received from the Government.

**Other Sources:**

1. Interest,
2. Police,
3. Education,
4. Medical,
5. Public Health,
6. Agriculture,
7. Animal Husbandry,
8. Industries and Cottage Industries,
9. Public Works,
10. Pensions,
11. Miscellaneous.

**Sources of Income from Capital Account:**

Loans:

1. Loan bearing interest,
2. Loan without bearing interest.

Deposits and Advances:

1. Deposits,
2. Advances.
3. Remunerative Enterprises,
4. Miscellaneous.

**5.3 Progress of Income from Revenue  
Account from 1982-83 to 1986-87.**

The growth of total revenue from some important sources has been shown in Table no.5.1 (on the following page).

It is evident from Table 5.1 that the total revenue of Solapur Zilla Parishad has grown consistently over the period under study. The total growth over the five-year period is of about 75%. It can also be noted that the single-largest source of revenue has been in the form of government grants. The significance of this source has also increased over the years. A Table showing the details of the revenue account figures has been appended to this Chapter (Table 5.1.1).

**5.4 Analysis of Public Expenditure of  
Solapur Zilla Parishad.**

**Importance.**

After Independence, Panchayati Raj institutions have been assigned the important role of developing rural and remote part of India. For bringing Welfare State in reality. through democratic planning, it is necessary to increase the volume of public expenditure, which directly and indirectly, affects production and distribution. By this expenditure, schooling,

TABLE 5.1

Growth in Revenue of Solapur Zilla Parishad from 1982-83 to 1986-87 and Percentage Variation in it

Sr. No.	Particulars	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.
		Revenue in 1982-83	%	Revenue in 1983-84	%	Revenue in 1984-85	%	Revenue in 1985-86	%	Revenue in 1986-87	%
1.	2.										
	1. Opening Balance	1,87,24,062	11.20	2,86,04,131	14.44	2,55,51,949	11.01	3,39,23,172	12.78	1,44,85,062	4.70
	2. Taxes and Fees	3,34,195	0.20	2,56,550	0.13	2,25,195	0.11	2,16,629	0.08	2,16,764	0.07
	3. Local Taxes	42,73,401	2.55	17,26,870	0.87	40,43,778	1.97	29,01,093	1.10	35,36,487	1.17
	4. Government Grants	14,13,14,562	84.39	16,26,91,869	82.13	17,12,11,667	83.61	22,43,09,791	84.56	27,83,36,661	92.11
	5. Other Sources	27,98,068	1.67	48,17,419	2.43	67,60,851	3.30	39,25,844	1.48	55,78,383	1.85
	TOTAL:	16,74,44,288	100.00	19,80,96,839	100.00	20,47,93,440	100.00	26,52,76,529	100.00	29,06,82,352	100.00

Source: Budget Reports of Solapur Zilla Parishad for the year 1982-83 to 1986-87.

Note: Percentages calculated by the researcher.

public health, transportation, drinking water and other facilities are being made available by the Zilla Parishad.

#### **Heads of Expenditure in Revenue Account.**

The various heads on which Solapur Zilla Parishad incurred the expenditure over the period of study are as follows:

1. Administration  
(Honorarium paid to Chairman, Vice-Chairman and Councillors),
2. General Administration,
3. Education,
4. Building and Communication
5. Irrigation,
6. Medical,
7. Public Health,
8. Public Health Engineering,
9. Agriculture,
10. Animal Husbandry
11. Forestry,
12. Social Welfare,
13. Community Development.

#### **Heads of Expenditure in Capital Account.**

1. Loans,
2. Advances,

In Table 5.2 (on the following page), the growth of expenditure of Solapur Zilla Parishad on revenue

TABLE 5.2

Growth in the Expenditure of Solapur Zilla Parishad from 1982-83 to 1986-87 and Percentage Variation in it.

Sr. No.	Particulars	(Amounts in Rupees)										
		1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.
		Expenditure in 1982-83	%	Expenditure in 1983-84	%	Expenditure in 1984-85	%	Expenditure in 1985-86	%	Expenditure in 1986-87	%	
1.	Administration	1,59,77,392	10.78	1,75,63,047	10.43	2,18,08,592	11.23	2,61,68,531	10.49	3,05,15,668	10.50	
2.	Education	8,28,16,446	55.90	8,72,04,964	51.77	11,65,68,776	60.07	12,67,89,112	50.83	14,97,24,394	51.50	
3.	Building & Communication	1,48,37,467	10.01	1,98,78,462	11.80	2,05,06,349	10.57	1,99,75,645	8.00	3,13,98,109	10.81	
4.	Primary Health Care	84,26,708	5.69	85,04,849	5.05	1,06,66,985	5.50	1,93,44,806	7.75	2,90,71,359	10.00	
5.	Miscellaneous	2,61,15,340	17.62	3,53,02,739	20.95	2,45,19,594	12.63	5,71,95,546	22.93	4,99,72,822	17.19	
	TOTAL:	14,81,73,249	100.00	16,84,54,061	100.00	19,40,70,296	100.00	24,94,73,640	100.00	29,06,82,352	100.00	

Source: Budget Reports and Annual Administration Reports of Solapur Zilla Parishad for the years 1982-83 to 1986-87.

Note: Percentages calculated by the researcher.

account has been shown with its percentage significance of variation.

It is revealed by Table 5.2 that the revenue expenditure of Solapur Zilla Parishad has consistently grown over the period of study. The total growth of expenditure over the five year period is of about 96%. Education has been receiving the largest share of total expenditure throughout the period under study. It received 55.1% share of the total expenditure on an average. Percentage variation of expenditure on administration is less than one throughout the period under study. The total growth in percentage variation of expenditure of primary health care over the period under study is of about 4%. It has also grown consistently over the period. A table of detailed figures of expenditure is appended to this Chapter (Table 5.1.2).

**Index of Growth in Expenditure of some  
Important Heads from 1982-83 to 1986-87.**  
(1982-83 Index as Base - 100).

From Table 5.3 (on the following page), it is seen that the index of expenditure on some important heads shows a consistent rise over the period. Increase in the index of expenditure on health care is highest. The total increase in the index of health care expenditure is of about 245.50. The growth in the index of expenditure on administration is also consistent over the period under study. Next to the increase in the index of expenditure on health care is the increase in the index of expenditure on Building and Communication. It has increased from 100 to 211. The increase in the index of education expenditure is of about 80.79 over the period.



TABLE 5.3

Index Table of Growth in Expenditure on Various Heads  
(1982-83 Index as Base 100).

Sr. No.	Particulars of Heads	Base Index of 1982-83	1983-84	1984-85	1985-86	1986-87
1.	2.	3.	4.	5.	6.	7.
1.	Administration	100	110.00	136.50	163.80	190.10
2.	Education	100	105.29	140.75	153.09	180.79
3.	Building & Communication	100	133.97	138.20	134.62	211.61
4.	Primary Health Care	100	100.92	126.58	229.57	345.50
5.	Miscellaneous	100	135.17	93.88	219.01	191.35

Source: Annual Administrative Report of Solapur Zilla Parishad for the years 1982-83 to 1986-87.

#### 5.4 Annually Moving Growth Rates of Expenditure.

In Table 5.4 (on the following page), the Annual Moving Growth Rates of expenditure of Solapur Zilla Parishad have been explained.

It is evident from Table 5.4 that the annual movement in the growth rate of expenditure on Building and Communication is fluctuating. This is due to the fluctuating nature of the grants made available by the Government. The annual growth rates of education expenditure have also moved from 6.50 to 33.67. The growth rates of expenditure on primary health is 0.92 at minimum level in 1983-84 and 81.36, highest in 1985-86.

#### 5.5 Conclusions.

From the analysis of income and expenditure of Solapur Zilla Parishad, it can be concluded that the Zilla Parishad mainly depends upon the government grants for its income and expenditure on revenue account. The sources of income of Zilla Parishad itself are very limited, compared to the total sources of income. Government grants made available by the State Government contribute a larger part of income, so it is natural that the Zilla Parishad has to depend upon the government grants for its expenditure. Hence, it is the only largest important variable affecting the volume, growth and direction of the public expenditure of Solapur Zilla Parishad.

TABLE NO..5.4

Annually Moving Growth Rates of Expenditure on Various Heads of  
Solapur Zilla Parishad from 1982-83 to 1986-87

Sr. No.	Particulars of Heads	Growth Rate of 1982-83	1983-84	1984-85	1985-86	1986-87
1.	2.	3.	4.	5.	6.	7.
1.	Administration	-	10.00	24.17	20.00	16.61
2.	Education	-	6.50	33.67	8.76	18.08
3.	B & C.	-	33.97	3.16	-2.6	57.18
4.	Primary Health Care	-	0.92	25.42	81.36	50.28
5.	Miscellaneous	-	35.17	-30.55	133.26	-12.63

Source: Annual Administrative Reports of Solapur Zilla Parishad for the years 1982-83 to 1986-87.

Note: Growth Rate calculations made by the Researcher.

TABLE NO.5.1.1.1.

Progress of Income Side of Revenue Account of  
Solapur Zilla Parishad (from 1982-83 to 1986-87)

Sr. No.	Particulars	1982-83	1983-84	1984-85	1985-86	1986-87
		3.	4.	5.	6.	7.
	Opening Balance	1,87,24,062	2,86,04,131	2,25,51,949	3,39,23,172	1,44,85,062
	Revenue					
A)	- Taxes					
	Taxes and fees	4,34,195	2,56,550	2,25,195	2,16,629	2,16,764
B)	- Assigned Revenue					
	Local cess	27,61,097	3,18,239	27,26,185	11,75,365	19,23,284
	Local taxes	15,12,304	14,08,631	13,17,593	17,25,728	16,13,203
C)	- Grants					
	Grants from Government under Maha.Z.P. & P.S. Act, 1961.	14,13,14,562	16,26,91,869	17,72,11,667	22,43,09,791	27,83,36,661
D)	- Other sources.					
	Interest	12,68,362	7,50,650	6,96,197	9,53,746	3,38,747
	Police	12,202	-	3,691	851	581
	Education	2,30,930	5,58,573	9,58,370	10,14,213	26,78,103
	Medical	16,624	14,629	13,109	15,923	15,828
	Public Health	34,972	23,179	31,470	33,457	52,981
	Agriculture	41,710	13,367	24,601	2,881	5,883
	Animal Husbandry	7,128	686	3,439	2,586	11,256
	Industries & Cottage ind.	-	-	-	-	-
	Public Works	18,92,060	28,76,489	33,38,565	7,72,805	14,33,308
	Pension	11,520	15,754	22,789	92,577	38,107
	Miscellaneous	9,85,395	5,64,092	16,68,570	10,37,105	10,03,589

Source: Budget Reports of Solapur Zilla Parishad for the years 1985-86 and 1988-89.

TABLE 5.1.2.

Public Expenditure made by Solapur Zilla Parishad on Revenue Account in detail  
for the period from 1982-83 to 1986-87.

Sr. No.	Particulars	(Amount in Rupees)				
		1982-83	1983-84	1984-85	1985-86	1986-87
1.	Administration	5,14,335	5,31,558	6,04,558	8,53,104	8,87,524
2.	General Administration	1,54,63,057	1,70,31,489	2,12,04,035	2,61,82,113	2,97,15,365
3.	Education	8,28,16,446	8,72,04,965	10,73,10,528	12,65,06,776	14,97,24,394
4.	B&C (Parishad)	10,31,798	22,88,341	-	31,51,729	42,74,598
	B&C (Government)	1,38,05,665	1,75,36,735	2,05,06,349	1,50,31,111	2,47,70,766
5.	Irrigation (Parishad)	1,45,592	2,96,083	-	2,43,741	-
	(Government)	66,54,543	1,22,35,799	81,87,892	1,24,82,201	1,01,65,413
6.	Medical	-	1,31,946	1,32,060	-	2,06,985
7.	Public Health (Parishad)	4,45,048	7,55,302	-	2,93,414	2,89,858
	(Government)	49,82,448	55,46,368	81,76,692	1,45,45,612	2,05,22,932
8.	Public Health I (Parishad)	not avail.	4,81,193	20,90,294	7,90,052	10,11,429
	(Government)	84,26,708	17,64,173	-	38,58,019	73,69,426
9.	Engineering (Parishad)	2,09,886	4,79,647	-	39,567	43,557
	(Government)	11,97,135	14,12,853	21,64,675	9,24,166	7,15,206
10.	Animal Husbandry (Parishad)	3,59,262	3,39,630	-	3,75,987	3,23,848
	(Government)	30,11,479	31,59,418	41,00,504	42,96,874	48,92,840
11.	Forest	-	2,914	-	8,742	2,900
12.	Social Welfare (Parishad)	3,58,627	4,13,642	-	-	8,01,829
	(Government)	31,03,776	31,74,035	45,84,753	-	39,07,169
13.	Commun.Dev.(Parishad)	24,414	2,00,455	-	1,29,932	-
	(Government)	2,14,607	6,56,926	8,40,540	8,72,549	6,25,413
14.	Pension and Other I (Parishad)	2,50,000	50,00,000	-	8,33,591	9,66,824
	Retirement Benefits I (Govt.)	63,89,717	74,22,077	95,56,041	1,11,40,768	1,76,68,621
15.	Miscellaneous (Parishad)	20,50,214	15,24,130	-	-	-
	(Government)	21,06,088	22,94,460	32,59,786	1,93,63,007	36,02,167
	TOTAL:	14,81,73,249	16,84,44,220	19,40,70,296	24,94,73,640	29,06,82,352

Source: Budget Reports of Solapur Zilla Parishad for the years 1985-86 to 1988-89.