

CHAPTER - V  
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CONCLUSION AND SUGGESTIONS

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On the basis of the findings and analysis made in the previous chapter, some of the following conclusions and suggestions would be useful for the effective management of the revenue and the expenditure which would enhance the overall impact of the Z.P.'s performance towards the Sangli District.

1) Self-raised Sources :

- 1.1 The broad base of the tax structure should remain as it is. But the number of compulsory taxes should be increased so as to add substantially to the income of Zilla Parishad. The tax on animals and carts at a nominal rate can fetch a good income of Z.P.
- 1.2 The tax on purchase of sugarcane by sugar factories should be given statutory status. Since Maharashtra has emerged as the greatest producer of sugarcane and sugar. This source will fetch immense revenue to the Zilla Parishad.
- 1.3 The properties in villages should be reassessed after every ten years by the Z.P. and the tax rate should be fixed by them on the basis of the value of these properties.
- 1.4 The taxes may be collected by village level worker but one full time officer of the rank of class II should be appointed at Panchayat Samiti level to supervise, guide and help these village level workers.
- 1.5 A betterment levy should be imposed on individuals who derive individual benefit from the development schemes of Zilla Parishad or Government. Thus farmers who are benefitted from

percolation tanks, irrigation works, seed production programmes, and the like should be required to pay the levy individually. The amount should accrue to Zilla Parishad.

1.6 The present policy regarding cess on land revenue source of income or fund of Zilla Parishad. It is necessary to undertake change in this policy with view to increase the self-raised sources of income. In this respect we would make that the ceiling limit for the increased cess when it is 200 paise per rupee of the land revenue fixed upto 1985, should be now raised to 300 paise. The Bongirwar Committee had, in fact recommended the raising the limit to 250 to 300 paise. The land revenue cess should be brought on the same level in Sangli Zilla Parishad as well as in all the districts in the Maharashtra State.

## 2) Grants :

2.1 The land revenue grant should be paid to the Zilla parishads on 100 percent basis and the loss of Zilla parishads should be made good by the state government. Out of the land revenue grant thus paid to the gram panchayats 25 percent, grant should be paid to the panchayat samitis for working out its schemes at Panchayat Samitis level, for filling in gaps between the actual resources and absolute minimum resources of Zilla Parishads within its jurisdiction. This amount will have to be utilised for village uplift and the development schemes too, if the funds permit.

2.2 The state government should create a special reserve fund for each zilla parishad in the nature of an imprest amount for the

transferred schemes. If this fund is lodged with the treasury then ways and means position of the state will not be seriously affected. This fund could be recouped from the grants as and when they arrive.

2.3 Government should not discontinue incentive grants. We feel that it should be resumed and patterned on the basis of the resource mobilization by the Zilla Parishad; as per the recommendation of the Evaluation Committee.<sup>1</sup>

2.4 We close over suggestions regarding the 'grants' system by suggesting a new type of grant. Government should give a small saving matching grant to the zilla parishad. The Z.P. should encourage its hundreds of employees to invest in various schemes of national savings organisation directly from their salaries under the 'pay roll saving scheme' and as an incentive to the Zilla parishad. Government should give it a matching grant.

2.5 The present complicated accounting system in respect of government's grants should be simplified. "Delays in sanctioning and release of grants results in 'March Expenditure Fever' and reduces the budgetary process at the Zilla Parishad level to mere ritual. Administrative practices must be made efficient to avoid such delays. So that not only the March fever can be avoided, but even forward planning at the grass-root level would also be possible".<sup>2</sup>

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1 Report of the Evaluation Committee on Panchayat Raj, Govt. of Maharashtra, Bombay, 1971. Recommendation No.89.

2 Mathur, M.V., Panchayat Raj in Rajasthan, New Delhi, Impex, India, 1966, p.220.

### 3) Capital Receipts :

3.1 State Government should provide loan finance at the low rate of interest to zilla parishad for its capital expenditure on the condition that it must be utilized for capital activity for the development of rural areas.

3.2 The Zilla parishad should be allowed to run remunerative enterprises like printing press; petrol pump and other productive activities which they must run on commercial principle and generate surplus for capital expenditure. So therefore, state government should provide loan finance for such enterprises. These enterprises have a large scope in view of the developing rural areas of the district.

### 4) Administrative Expenditure :

The Zilla Parishad Public authorities should economise on Honoraria of travelling allowance. So that more resources will be released for rural welfare. It must strive hard to improve the quality of service, which would justify such a tremendous expenditure.

### 5) Expenditure on Education :

The Sangli Zilla parishad needs to make still more concrete efforts for the spread of education, in view of the findings that there were still so many villages and wadies without schools. Also it needs to be very sincere over its own expenditure on education by the Panchayat Samitis under its jurisdiction, so that the proportion of wasteful expenditure will be reduced to the minimum.

6) Expenditure on Public Works :

The zilla parishad needs to expand its expenditure on road construction and build irrigation projects which a vital infra-structure of rural development especially eastern part of the district. Also it need to have strict control over its public works to avoid undue expenditure on them.

7) Expenditure on Sanitation and Public Health :

The zilla parishad needs to strive hard to cover all the towns and villages in the district with well water supply and pipe line water supply. Expenditure on medical and ayurved should be increased in view of the growing requirement of rural areas in the district. The average expenditure on public health needs to be increased in view of the situation obtaining in the rural areas of the district.

8) Miscellaneous Expenditure :

The zilla parishad needs to be highly careful that agricultural schemes are implemented honestly which benefits must be allowed to poor and marginal farmers. The zilla parishad should arrange agricultural demonstrations for giving knowledge to farmers about new agro technique, skill, equipment and improved seeds. Therefore, it is needed that the Zilla Parishad should provide big amount for the development of agriculture and animal husbandry.

9) Capital Expenditure :

9.1 Capital expenditure is related to capital receipts of the zilla parishad. There is no possibility in future to increase in deposits and advances of zilla parishad due to attractive interest rate of banks and other financial institutions. So there is only one way to increase capital expenditure i.e. state government should provide loan finance on the large scale basis. With the financial help of state loan zilla parishad will be in a better position to implement development projects in rural areas e.g. major irrigation projects.

9.2 Panchayat Raj Finance Corporation may be established to advance loans to Panchayat Raj units, for their development programmes or public utility schemes. Its constitution should work on the lines of other finance corporations.

10) Panchayat Raj Finance Commission needs to be established with the view of following purposes/objectives :-

10.1 To study the financial sources of zilla parishads and its panchayat samitis and village panchayat.

10.2 To find out the correlations between functions of zilla parishad and its finances.

10.3 To find out the new ways and means of self-raised sources to the Zilla parishad

10.4 To guide the zilla parishad for allocation of funds.

Having seen the working of Z.P. it could be said that for further reinforcement of the efficient functioning the conclusions and suggestions listed above should be taken into consideration in the near future.