

C H A P T E R - I V

GROWTH AND COMPOSITION OF PUBLIC EXPENDITURE
OF THE KOLHAPUR MUNICIPAL CORPORATION

4.1 INTRODUCTION:

"Modern urban man is born in a publicly financed hospital; he receives his education in a publicly supported school and university; spends a good part of his life travelling in publicly built facilities; communicates through publicly operated telephone system; drinks public water, disposes of his garbage through public removal system, reads in the public libraries, picnics in the public parks, is protected by public police, fire and health system, eventually he dies again in a public hospital and may be buried in a public cemetery. His every day life is inextricably linked up with government decisions as these numerous and other public services "¹.

The above quotation describes the importance of urban local government, the functions it performs and the necessary expenditure it undertakes to perform functions. A urban person cannot live without coming into contact with the local government. An urban local government performs various functions by undertaking expenditure to render services or public goods as to make life happy and pleasant for its citizens.

1 Button, K.J., Urban Economic Theory & Policy, p.165.

However, it is a fact that a local government cannot perform even a single function in the absence of expenditure. This means expenditure is the means or instrument of performing functions by the government and thereby services to be supplied. Expenditure on an urban local government plays a key role in provision of public goods or services.

With the pace of industrialization increasing urbanisation is growing in a country like India. Growth of urban cities and metropolitans bring along with them the various problems like housing, proper communication facilities, proper drainage and sewerage system, control of various forms of pollution etc. As an urban city grows, the periphery around it also gets developed and becomes inter-connected with the main city centre. This process also entails increased expenditure on the part of the urban local bodies. In recent days, therefore, with the growth of urbanisation and the problems associated with growth of urban cities and suburbans, the urban local bodies expenditure pattern assumes importance and significance as the common man in the cities is directly affected by the expenditure pattern of the urban local bodies.

In brief, it can be said, public expenditure is the instrument of performing functions and the source of public services. Therefore, in the present chapter an attempt is

to analyse the expenditure of the Kolhapur Municipal Corporation during the period 1980-81 to 1990-91. The expenditure incurred by any level of government is called " Public Expenditure " and hence in this chapter the expenditure of the Kolhapur Municipal Corporation connotes the Public Expenditure envisaged by it.

4.2 FUNCTIONS OF A MUNICIPAL CORPORATION:

It will be appropriate first to mention the functions of a Municipal Corporation and then analyse its expenditure. This is because a Municipal Corporation undertakes expenditure to perform functions to provide public goods or services to the citizens. Moreover, it is the number of functions or activities which determine the size of expenditure of a Municipal Corporation.

The functions which a Municipal Corporation perform are classified into two groups².

- A) Obligatory functions;
- B) Discretionary functions.

A) Obligatory Functions of a Municipal Corporation:

The functions which are of a compulsory nature are called obligatory functions of a Municipal Corporation. In other words, the un-avoidable functions of a Municipal Corporation may be called the obligatory functions.

2 Dr. Bhogle, S.K., Local Government & Administration in India, p.209.

Following functions are included in the obligatory functions of a Municipal Corporation.

- 1) Drainage and similar public conveniences.
- 2) Water supply for public and private purposes.
- 3) Slum clearance and the control of all nuisances.
- 4) Scavenging, removal and disposal of garbage.
- 5) Regulation and maintenance of places for disposal of dead bodies.
- 6) Registration of births and deaths.
- 7) Prevention of dangerous and contagious diseases.
- 8) Public vaccination and family welfare schemes.
- 9) Maintenance of hospitals, dispensaries and child welfare centres.
- 10) Control of offensive, illegal and dangerous trades.
- 11) Removal of dangerous buildings.
- 12) Maintenance of public streets, bridges and cause ways.
- 13) Lighting and cleaning of public streets.
- 14) Removal of obstruction upon streets and bridges.
- 15) Naming and numbering of streets.
- 16) Running and maintenance of primary schools.
- 17) Construction, maintenance and management of undertakings for electricity supply, road transport and water supply services.
- 18) Maintenance of municipal offices and other properties vested in the corporation.

B) Discretionary functions of a Municipal Corporation:

The functions which are of voluntary nature or optional are called discretionary functions of a municipal corporation. In other words, the functions which are of lesser importance and urgency may be called discretionary functions of a Municipal Corporation.

Discretionary functions of a Municipal Corporation includes following functions:

- 1) Furtherance of primary education by various means.
- 2) Establishment of Libraries, Museums, Art galleries, Botanical and zoological collections.
- 3) Public parks, gardens and recreation grounds.
- 4) Survey of buildings and lands.
- 5) Registration of marriages.
- 6) Rest houses, Fire brigade, Poor houses, Informaries, Children home etc.

4.3 FUNCTIONS OF THE KOLHAPUR MUNICIPAL CORPORATION:

Although, the functions of a Municipal Corporation are mentioned previously, it will be appropriate to mention the functions of the Kolhapur Municipal Corporation as the present study is the study of the Kolhapur Municipal Corporation. Similarly, possibility of changes in the number of functions other than mentioned previously cannot be avoided.

Since its establishment , the Kolhapur Municipal Corporation has been performing following functions.

A) Obligatory functions of the Corporation:

The Kolhapur Municipal Corporations performs the following obligatory functions.

Drainage, sanitation and similar public conveniences, water supply, a scavenging, removal and disposal of garbage, slum clearance, cemetery, registration of births and deaths, prevention and control of dangerous diseases, establishment of hospitals and running of dispensaries, child welfare centres, removal of dangerous buildings, lighting of public streets, construction of bridges, naming and numbering of streets, primary education, city transport, maintenance of the municipal offices and property, collection of taxes, fees and fines.

B) Discretionary Functions of the Corporation:

The discretionary functions which the Kolhapur Municipal Corporation performs are enlisted below:

High school and college education, public libraries, establishment of parks and gardens, construction of playgrounds and gymanasiums, survey of buildings and lands, registration of marriages, fire brigade, poor houses and

and children home, arranging of football and wrestling matches, celebrations of birth and death anniversaries of national leaders, providing social security facilities, building and maintenance of swimming pools, health clubs etc.

4.4 EXPENDITURE OF THE KOLHAPUR MUNICIPAL CORPORATION:

Initially, Kolhapur had a Municipal Council which was established in 1854. But, later on, it was converted into a Corporation in the year 1972.

Expenditure incurred by the government at any level is called public expenditure. Like wise, expenditure incurred by the Kolhapur Municipal Corporation is the public expenditure of the Corporation.

It is a fact that, expenditure of a Municipal Corporation is always greater than a Municipal Council as a Municipal Corporation performs functions greater in number and extensive than a Municipal Council. Moreover, the limits of a corporation are greater than a Municipal Council. Therefore, we can say, the expenditure which the Kolhapur Municipal Corporation incurs is greater than that of the earlier Kolhapur Municipal Council. Since its conversion, the Kolhapur Municipal Corporation has been performing obligatory and discretionary functions with an objective of providing services or public goods to its citizens to live happy and pleasant life. Similarly, it has made efforts to make the city beautiful.

To sum up, it can be said, that due to conversion of the Municipal Council into the Municipal Corporation, the number of functions and their scope have increased, which led to increase in the size of expenditure which also shows a rising trend.

4.5 GROWTH OF TOTAL EXPENDITURE OF THE KOLHAPUR MUNICIPAL CORPORATION:

The local governments have been playing a vital role at local levels in improving the living conditions and standards of the people. People are much closely connected with local governments than with other layers of government. Therefore, people give more importance to local governments than other governments. Similarly, local governments at local level have been playing expected and vital role for the people.

Like wise, the Kolhapur Municipal Corporation being an urban local government has been playing an important role directed towards improving conditions and standard of living of its citizens by providing various public goods or services to them. It undertakes various obligatory and discretionary functions to provide public goods or services. The functions of the Kolhapur Municipal Corporation have increased which has resulted into increased expenditure.

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In other words, the expenditure of the Kolhapur Municipal Corporation has been increasing due to increasing functions and their scope.

The growth of total expenditure of the Kolhapur Municipal Corporation is shown in the table below.

TABLE No.4.1: Growth of Total Expenditure of the Kolhapur Municipal Corporation:1980-81 to 1990-91:

(Rs. in lakhs)		
Year	Total Expenditure	Per Capita total Expenditure
		(In Rs.)
1	2	3
	Rs.	Rs.
1980-81	765.80	225.00
1981-82	951.75	271.00
1982-83	1215.87	347.00
1983-84	1194.48	331.00
1984-85	1332.67	370.00
1985-86	1310.67	354.00
1986-87	1724.62	454.00
1987-88	1762.33	452.00
1988-89	1813.50	453.00
1989-90	2077.92	507.00
1990-91	3494.48	832.00
% Increase in 90-91 over 80-81.	456.31	369.77
Average.	1604.01	418.00

Sources:

- i) Annual Budget of the Corporation, 1980-81, page 137-157.
- ii) Annual Budget of the Corporation, 1981-82, page 132, 162.
- iii) Annual Budget of the Corporation, 1982-83, page 132, 162.
- iv) Annual Budget of the Corporation, 1983-84, page 214, 248.
- v) Annual Budget of the Corporation, 1984-85, page 214, 248.
- vi) Annual Budget of the Corporation, 1985-86, page 214, 248.
- vii) Annual Budget of the Corporation, 1986-87, page 71, 85.
- viii) Annual Budget of the Corporation, 1987-88, page
- ix) Annual Budget of the Corporation, 1988-89, page 126, 148.
- x) Annual Budget of the Corporation, 1989-90, page 102, 128.
- xi) Annual Budget of the Corporation, 1990-91, page 126, 148.

The above table gives the data regarding the total expenditure of the Kolhapur Municipal Corporation during the period 1980-81 to 1990-91. From the table we see that, in the year 1980-81 total expenditure was Rs.765.80 lakhs, in 1985-86 Rs.1367.10 lakhs and in 1990-91 Rs.3494.48 lakhs. The total expenditure of the Kolhapur Municipal Corporation has increased gradually during the period under study i.e. 1980-81 to 1990-91, except in the years 1983-84 and 1985-86. The total expenditure has declined in 1983-84, 1985-86 than respective previous years due to decline in the total revenue of the Corporation. The reasons of the fall in the total revenue were declined contributions of the heads of total revenue like miscellaneous items, advances and capital receipts. The total expenditure has increased from Rs.765.80 lakhs in 1980-81 to Rs.3494.48 lakhs in 1990-91 registering an increase of 456.31 percent in 1990-91 over 1980-81.

Similarly, per capita expenditure also shows a rising trend during the period 1980-81 to 1990-91. It was Rs.225 in 1980-81, Rs.354 in 1985-86 and Rs.832 in 1990-91. It also rose from Rs.225 in 1980-81 to Rs.832 in 1990-91 with an increase of 369.77 percent except in the years 1983-84 and 1985-86, than respective previous years. The decline in the total expenditure is responsible for the decline in the per capita expenditure in the said years.

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At the same time, an average of total expenditure incurred by the Kolhapur Municipal Corporation during the period under study was Rs.1604.01 lakhs per year. And the average of per capita expenditure during the same period was Rs.418 per year.

To sum up, it can be said that, the total expenditure of the Kolhapur Municipal Corporation shows a rising trend during the period 1980-81 to 1990-91. It rose from Rs.765.80 lakhs in 1980-81 to Rs.1310.48 lakhs in 1990-91 registering an increase of 456.31 percent in 1990-91 over 1980-81. Similarly, per capita expenditure also rose from Rs.225 in 1980-81 to Rs.354 in 1985-86 and further to Rs.832 in 1990-91 showing an increase of 369.77 percent in 1990-91 over 1980-81. Like wise, an average of total expenditure and per capita expenditure during the period under study was Rs.1604.1 lakhs and Rs.418 per year respectively.

The foregoing analysis reveals that the total expenditure of the Corporation has been increasing, which increased from Rs.765.80 lakhs in 1980-81 to Rs.3494.48 lakhs in 1990-91 with an increase of 456.31 percent. Following are the main reasons responsible for the growth of total expenditure of the Corporation.

1) Growing Population:

The growth of population is to a great extent responsible for the growth of aggregate Municipal expenditure³.

The rapid increase of population was associated with several number of small and large industries, expanded trade and commerce, transport and other related spheres. This, in turn, made the cities crowded which enhanced the status of the city - governments as well as their financial needs and demand for services⁴.

The population of Kolhapur has increased from 3.40 lakhs in 1980-81 to 4.20 lakhs in 1990-91 registering an increase of 123.52 percent. This increased population resulted into increased several needs to be satisfied by the Kolhapur Municipal Corporation by increasing spending more that they used to spend in 1980-81.

2) Increased Cost of Providing Services:

The cost of providing services by the Kolhapur Municipal Corporation has increased considerably due to prevailing inflationary situation in the Indian economy.

The inflationary state of economy since the begining of the IInd Five Year plan caused escalation of operational

3 Sharma, G.D. Financing Urban Government 1978, p.95.

4 Improving City Government, Proceedings of Seminar, 13-14 Sept, 1958, Indian Institute of Public Administration, p.37.

cost of local administration. Sky-rocketing prices of essentialities of life and essential materials required for normal maintenance of the essential civic services and labour have caused to swell the Municipal expenditure⁵.

The wholesale prices during the period 1982-83 to 1990-91 rose at an annual rate of 7.5 percent. In 1990-91 the wholesale prices rose by 12.1 percent. The index of wholesale prices increased from 107.02 in 1982-83 to 191.8 in 1990-91 showing an increase of 178.91 percent.

The increasing prices in the Indian economy has led to increased cost of providing services and thereby increase in the total expenditure of the Kolhapur Municipal Corporation.

3) Increased Activities of a Municipal Corporation:

Continually increasing activities of Municipal Corporations increase their expenditure. In the context of a welfare state, the local government in urban areas has not only to look after the traditional function of conservancy; sanitation and the like. These old functions have been greatly expended and changed in concept⁶. State and National governments have assumed an increasing share of the cost of local government and hence, now-a-days in addition

5 Dr.Rastogi,K.M., Local Finances its Theory and Working in India,1967,p.107.

6 Charles R.Adrin & Chrles Press, Governing Urban Government American, Macgraw Hill,1977,p.298.

Municipal authorities in Maharashtra are also concerned with other vital activities described as below⁷.

- a) Local municipal bodies function as a local unit of self government, such a unit of local self government provides public services and conveniences for healthy living, work and play.
- b) So also this unit assures planned and regulated development.
- c) And above all it promotes social, economic and cultural development in an integrated manner.

As a result of increasing activities of the Kolhapur Municipal Corporation, its total expenditure has increased during the period under study.

4) Industrialization:

The size of employment in manufacturing sector influences the local expenditure in two ways. First, by increasing the local tax base and secondly by increasing demand for local services⁸.

Now a days, industrial development has been taking place in the cities, suburban areas and nearby villages due to availability of essential facilities and also possibility of getting the same. The industrialization led to

7 Report of Study Team of District Administrative Reform Commission, Central Government, pp.141-142.

8 Sharma, G.D., Financing Urban Government, Himalaya Publishing House, 1978, p.81.

provide increased essential facilities and thereby increased the total expenditure of the Municipal Corporations. The same thing is true in case of the Kolhapur Municipal Corporation, therefore, its total expenditure has increased during the period under study.

5) Increasing Number of Labourers:

Industrial development in cities persuaded workers to concentrate in cities. The existence of large number of industries swells the size of workers in manufacturing the per capita income of such worker is usually high, and hence, they may give larger local tax revenues. Simultaneously, they require more municipal services like health, sanitation, transport etc. As a result, Municipal government have to spend on increasing scale⁹.

Thus, increasing number and concentration of workers in cities result in corporations spending more and to some extent enhance expenditure of Municipal Corporations. In case of Kolhapur also increasing number and concentration of workers in the Kolhapur city has to some extent increased its total expenditure.

6) Migration of Rural Population:

We find a continuous migration of rural population towards urban areas or cities. The objects may be for

9 Ibid., p.81.

business, education, service or jobs and attraction of cities. The migrated rural population increases demand for various services to be provided by Municipal Corporations and thereby to some extent increases their total expenditure. This has happened in Kolhapur also. Therefore, to some extent the total expenditure of the Kolhapur Municipal Corporation has increased.

7) Growth of Area Covered by the Corporation Limit:

Today, we find a considerable growth in the area covered by the cities. The area covered by cities has been increasing continuously. Besides, the area covered by suburbans and nearby villages also increases. The growth of area covered by cities leads to increase in quantum of facilities to be supplied by the urban local bodies which in turn increases their total expenditure.

The area covered by the Kolhapur Corporation has also increased considerably. It was 25.7 square kilometers in 1950-51 which increased to 66.82 square kilometers in 1990-91. Therefore, to some extent the total expenditure of the Kolhapur Municipal Corporation has increased due to this factor also.

8) Need for Sanitation & Public Water Supply System:

Sanitation and water supply are essential facilities which urban local bodies have to provide. At the same time,

these facilities require huge expenditure. Growing population of cities and growth of area covered by them increases expenditure on these facilities. Provision of clean and filtered water supply is an essential service that an urban local body has to finance and when the size of the city grows and the urban population expands expenditure on this service shows an increasing trend. The Kolhapur Municipal Corporation has to spend increased expenditure on these facilities of sanitation and water supply. The Kolhapur Municipal Corporation provides water supply through wells, bore wells and tankers of water, eventhough, the water supply scheme was in the hands of Irrigation Department of the Government of Maharashtra. Thus, increased demand for sanitation and water supply has to some extent increased the total expenditure of the Corporation.

9) Need for Medical & Health Facilities:

Medical and Health facilities have become one of the primary wants of human beings. Since its establishment, the Kolhapur Municipal Corporation has been providing the facilities of medical and health services. For this, it has been maintaining and running hospitals, dispensaries, family welfare centres, child welfare centres etc. The growing population, the growth of area covered, the development of sub-urban and periphery have increased demand for

medical and health facilities to be provided by the Corporation. Thus, increased demand for medical facilities of the Kolhapur Municipal Corporation has increased expenditure of supplying them and thereby to some extent its total expenditure.

10) Need for a System of Transport:

Many urban local bodies have taken transport system in their own hands from the State Transport Corporation for effective and efficient city transport facilities. Likewise, the Kolhapur Municipal Corporation also has taken the responsibility of city transport system in its hands since 1962. But maintenance and running of city transport is a task of huge expenditure. Besides, increasing pressure of public on city transport facilities has further led to increase in expenditure. Therefore, growing transport expenditure in the form of increase in fleet of buses, increased costs of fuels, oils, tyres and spares, rising maintenance and administrative costs all have led to increase the expenditure of the Corporation in recent years.

11) Needs of Traders & Businessmen:

Trade and commerce is an important activity necessary for economic development of the country. Therefore, urban local bodies are engaged in the development of trade and

commerce facilities. For this, urban local bodies have taken responsibility of providing necessary facilities and services to traders and businessmen. Likewise, the Kolhapur Municipal Corporation also provides various facilities to meet the needs of traders and businessmen. For this, the Corporation provides markets, roads, transport facility etc., which require expenditure. Therefore, also the total expenditure has increased.

12) Environmental Needs:

Now-a-days, cities have become the centres of the industrial growth. Various small scale and large scale industries have developed in cities, sub-urbans and nearby villages. The concentration of industries in the cities has created the problems like air pollution, water pollution, sound pollution. Therefore, urban local bodies are undertaking the activities like plantation of trees, filtration of water, cleaning of city etc., as to maintain ecological balance. The Kolhapur Municipal Corporation also undertakes above activities to meet environmental needs. For this funds are required, which, further has led in increasing the total expenditure of the Kolhapur Municipal Corporation.

13) Need for Creation of Recreation Facilities for the Urban People:

Recreation facility is essential one in making the life of human being happy and pleasant. It also helps in

the personality development of human beings. For this, the Kolhapur Municipal Corporation has created parks and gardens, constructed playgrounds, stadiums, cultural halls etc. It means the Corporation by undertaking various activities provides recreational facilities to citizens. For this, it has to spend money, which has further increased the total expenditure of the Corporation.

14) Stress of Beautification of the City:

Kolhapur is one of the most beautiful cities of the Maharashtra. The purposeful efforts of the Kolhapur Municipal Corporation help to achieve such a state of the beautification of Kolhapur city. For this, the Corporation by increasing expenditure has undertaken the activities like widening of roads, tar roads, development of parks and gardens, plantation of trees on both the sides of road, provision of mercury and sodium vapor lighting on roads etc. Thus, the Kolhapur Municipal Corporation also stresses on beautification of the city which has increased its total expenditure.

15) Need for Preservation of Sites of Historical & Cultural Importance:

Kolhapur is a city having historical importance and rich cultural heritage. Since the beginning the Kolhapur Municipal Corporation has made efforts to preserve the

sites of historical and cultural importance like Bhawani Mandap, Shalini Palace, Temples, Rankala Tower, Statues, Museums, Film Studios, Cultural halls etc. Besides, it also celebrates birth and death anniversaries of the national and international leaders. The Kolhapur Municipal Corporation undertakes considerable expenditure for the preservation of sites of historical and cultural importance. This has also to some extent enhanced the expenditure.

To sum up, the foregoing analyses, it can be said that the total expenditure, of the Kolhapur Municipal Corporation during the period under study has been increasing. It increased from Rs.765.80 lakhs in 1980-81 to Rs.1310.67 lakhs in 1985-86 and further to Rs.3494.48 lakhs in 1990-91. The percentage increase in 1990-91 over 1980-81 was 456.31 percent. Total expenditure of the Kolhapur Municipal Corporation has increased gradually during the period under study, i.e. 1980-81 to 1990-91, except in the years 1983-84 and 1985-86. Similarly per capita expenditure has also increased gradually during the same period except for a decline in the years 1983-84 and 1985-86. Per capita expenditure rose from Rs.225 in 1980-81 to Rs.832 in 1990-91 registering an increase of 369.77 percent. The reason of such a gradual increase in the total expenditure are growing population, increased cost of providing services, increased activities

of the Corporation, increasing number of labours, migration of rural population into the city, growth of area covered, need for sanitation and water supply, need for medical and health facilities, transport system, need of traders and businessmen, environmental needs, recreation facilities, beautification of the city, preservation of sites of historical and cultural importance etc.

4.6 COMPOSITION OF TOTAL EXPENDITURE OF THE KOLHAPUR MUNICIPAL CORPORATION FROM 1980-81 TO 1990-91:

Composition of public expenditure may be defined as the structure of the expenditure of government. In other words, it refers to the classification of public expenditure into different heads or items on which expenditure is incurred. To be precise, it is the division of public expenditure into various heads.

On different basis, public expenditure is classified into many groups, such as, primary and secondary expenditure, necessary, useful and superfluous expenditure, constant and variable expenditure, and revenue and capital expenditure. Of all the classifications the last classification is considered as a good one. And it is adopted by government at different levels. It is also called an economic classification of public expenditure of the government.

Public expenditure incurred to provide current services is called revenue expenditure. For example, current expenditure on administration, medical and health facilities, education facilities etc. Generally, revenue expenditure is met through revenue receipts mainly from tax and non-tax revenue receipts.

Public expenditure incurred to produce capital goods or to create productive assets is called capital expenditure. For example expenditure on construction of roads and buildings, purchase of vehicles, and machinery etc. Expenditure of recurring nature that is repayment of loans, too comes under capital expenditure. Capital expenditure is financed from borrowed funds and surplus from revenue receipts if any available.

Likewise, the Kolhapur Municipal Corporation has also adopted economic classification of public expenditure. Total expenditure consists of (a) Revenue expenditure and (b) Capital expenditure. The expenditure of the Kolhapur Municipal Corporation is classified into two groups:

- A) Revenue Expenditure,
- B) Capital Expenditure.

The expenditure of the Kolhapur Municipal Corporation to provide current services to its citizens is described as

revenue expenditure. The composition wise revenue expenditure of Kolhapur Municipal Corporation is classified into six major budget heads, such as expenditure on (1) General Administration (ii) Public Health and Amenities (iii) Miscellaneous and (vi) Advances. It is necessary to mention that the Kolhapur Municipal Corporation spends only current expenditure on the said major budget heads. It actually provides services to its citizens through these expenditure heads. In other words, revenue expenditure of the Corporation is closely connected with the actual supply of services to its citizens, which are provided under the above major budget heads.

The expenditure of the Corporation to create productive assets or capital goods is described as its capital expenditure. The composition wise capital expenditure of the Kolhapur Municipal Corporation is classified into five major budget heads such as capital expenditure on (i) General Administration (ii) Public Health and Amenities (iii) Public Protection (iv) Public Education; and (v) Miscellaneous.

The Kolhapur Municipal Corporation spends on the above said major heads to create only capital assets. Thus, this expenditure of the Corporation provides indirect services to its citizens.

The comparison of these two types of budget heads reveals that, both the types have divided total expenditure into the same five needs namely General Administration, Public Health and Amenities, Public Protection, Public Education except revenue expenditure has introduced an additional budget head and that is classified as 'Advances'.

The data regarding composition of the total expenditure of the Kolhapur Municipal Corporation is depicted in the table below.

Table No.4.2: Composition of Total Expenditure of the Kolhapur Municipal Corporation:1980-81 to 1990-91:

(Rs. in lakhs)				
Year	Revenue Expenditure	Capital Expenditure	Total Expenditure	Per Capita Total Exp.
1	2	3	4	5
	Rs	Rs	Rs.	Rs.
1980-81	668.54	97.26	765.80	225
1981-82	785.23	166.52	951.75	271
1982-83	947.50	268.36	1215.87	347
1983-84	938.04	206.43	1194.48	331
1984-85	1130.60	202.06	1332.67	370
1985-86	1096.74	213.92	1310.67	354
1986-87	1433.95	290.66	1724.62	454
1987-88	1525.41	236.96	1762.33	452
1988-89	1614.94	198.55	1813.50	453
1989-90	1891.69	186.22	2077.92	507
1990-91	2666.35	828.13	3494.48	832

% Increase in 90-91 over 80-81	398.83	851.46	456.31	369.77

Average	1340.81	263.18	1604.01	418

Source: Annual Budgets of the Kolhapur Municipal Corporation 1980-81 to 1990-91.

The above table No.4.2 gives data about the composition of total expenditure of the Kolhapur Municipal Corporation for the period under review i.e. 1980-81 to 1990-91.

It is seen from the table that revenue expenditure which is one of the constituents of total expenditure which was Rs.668.54 lakhs in 1980-81, increased to Rs.1096.74 lakhs in 1985-86 and to Rs.2666.35 lakhs in 1990-91. The revenue expenditure has gradually increased during 1980-81 and 1990-91 (except in the year 1985-86 when it declined compared to previous year) from Rs.668.54 lakhs to Rs.2666.35 lakhs registering an increase of 398.83 percent. In the year 1985-86, revenue expenditure has declined slightly than the previous year. The average revenue expenditure was Rs.1340.81 lakhs per year during the period 1980-81 and 1990-91.

Likewise, capital expenditure is the second constituent of the total expenditure of the Kolhapur Municipal Corporation. The table gives statistical information about the capital expenditure of the Kolhapur Municipal Corporation during the period under review. The capital expenditure of the Corporation which was Rs.97.26 lakhs in 1980-81, rose to Rs.213.92 lakhs in 1985-86 and further to Rs.828.13 lakhs in 1990-91. This capital expenditure has increased from Rs.97.26 lakhs in 1990-91 with considerable fluctuations year-wise. It was

minimum in the year 1980-81, 1981-82, 1989-90 and 1988-89. And was maximum in the year 1990-91 i.e. Rs.828.13 lakhs. The fluctuations in the capital expenditure reveals changing decision making of the Kolhapur Municipal Corporation. The urgency and necessity of capital expenditure has reached the maximum in the year 1990-91. The capital expenditure of the corporation increased by 851.46 percent during the period under study. The Kolhapur Municipal Corporation's capital expenditure increased at an average of Rs.263.18 lakhs per year during the period 1980-81 and 1990-91.

Similarly, due to increase in the revenue and capital expenditure, the total expenditure and per capita total expenditure of the Kolhapur Municipal Corporation increased during the period under review. The Total expenditure increased from Rs.765.80 lakhs in 1980-81 to Rs.3494.48 lakhs with 456.31 percent, except in the years 1983-84 and 1985-86. Likewise, per capita Total expenditure also increased from Rs.225 in 1980-81 to Rs.832 in 1990-91 having fluctuations. It indicates lack of steady growth. The percentage of increase in per capita total expenditure was 369.77 percent. The per capita total expenditure on an average was Rs.418 per year during 1980-81 and 1990-91.

The comparison of the constituents of total expenditure of the Kolhapur Municipal Corporation reveals that, revenue

expenditure as well as capital expenditure have increased during the period under study. But, revenue expenditure has steady growth except in the year 1985-86. And capital expenditure has fluctuating growth. Similarly, revenue expenditure has consumed a prominent share of the total expenditure, and capital expenditure has consumed a small share of the total expenditure. As far as the percentage of increase is taken into account for comparison, capital expenditure has increased with more percentage than revenue expenditure due to, in the last year of our study a major portion of total expenditure has allotted to capital expenditure considering its necessity and urgency. Later on a considerable attention was paid by the Kolhapur Municipal Corporation to capital assets creation, therefore, capital expenditure increased at a faster rate. We found a gradual growth in the revenue expenditure because, revenue expenditure needs of the corporation have grown during the period under study and the expenditure on administration has given more rapid growth of revenue expenditure of the Corporation.

The foregoing analysis reveals that:

- a) The Kolhapur Municipal Corporation's revenue expenditure has increased considerable in volume and magnitude during the period under study.
- b) Further as the urgency of capital assets increased the Kolhapur Municipal Corporation also increased its capital expenditure.

To sum up, both the constituents of total expenditure of the Kolhapur Municipal Corporation namely revenue expenditure and capital expenditure have increased during the period under study. The revenue expenditure increased from Rs.668.54 lakhs in 1980-81 to Rs.2666.35 lakhs in 1990-91 registering an increase of 398.83 percent. And capital expenditure increased for Rs.97.26 lakhs in 1980-81 to Rs.828.13 lakhs in 1990-91 with an increase of 851.46 percent. However, revenue expenditure forms a prominent share of the total expenditure of the Corporation. At the same time capital expenditure increased rapidly in the last year of our study. The growing revenue and capital expenditure increased total expenditure from Rs.765.80 lakhs in 1980-81 to Rs.3494.48 lakhs showing a 456.31 percent increase. Per capita total expenditure also increased from Rs.225. to Rs.822 during 1980-81 and 1990-91 (by 369.77 percent).

4.7 REVENUE EXPENDITURE PATTERN OF THE KOLHAPUR MUNICIPAL CORPORATION: 1980-81 TO 1990-91:

The Kolhapur Municipal Corporation performs various functions or undertakes activities to provide services as to make the life happy and pleasant of its citizens. On the basis of expenditure required, the activities or functions of the Corporation can be classified into two

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groups (i) Revenue Expenditure requiring activities and (ii) Capital Expenditure requiring activities.

Revenue expenditure requiring activities is important to the citizens because it provides services for direct and immediate consumption to them. On the contrary, capital expenditure requiring activities provides indirect services to the citizens.

The revenue expenditure of the Kolhapur Municipal Corporation is sub-divided into six major heads viz. (1) General Administration, (ii) Public Health and Amenities (iii) Public Protection (iv) Public Education (v) Miscellaneous (vi) Advances. These major heads of revenue expenditure are further divided into a large number of minor heads.

The comparison of revenue expenditure and capital expenditure reveals that revenue expenditure has six major heads having a large number of minor heads. But, capital expenditure is divided into five major heads having a few minor heads. Therefore, the Kolhapur Municipal Corporation has allotted a major share of the total expenditure to revenue expenditure than to capital expenditure. But, it is also necessary to mention here that, capital expenditure required activities of the corporation also require a huge expenditure, a eventhough, it has a few minor heads.

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The data regarding revenue expenditure of the Kolhapur Municipal Corporation is depicted in the table below.

Table No.4.3: Revenue Expenditure of the Kolhapur Municipal Corporation:1980-81 to 1990-91:

(Rs.in lakhs)			
Year	Revenue Expenditure	% To total Expenditure	Per Capita Revenue Expenditure (In Rs.)
1	2	3	4
	Rs.	Rs.	Rs.
1980-81	668.54	87.30	196.62
1981-82	785.23	82.50	224.35
1982-83	947.50	77.93	270.71
1983-84	988.04	82.72	274.45
1984-85	1130.60	84.84	314.05
1985-86	1096.74	83.68	296.41
1986-87	1433.95	83.15	377.35
1987-88	1525.41	86.56	391.13
1988-89	1614.94	89.06	403.73
1989-90	1891.69	91.04	461.38
1990-91	2666.35	76.31	634.84

% Increase in 90-91 over 80-81.	398.83	- 0.87	322.87
Average	1340.81	83.92	349.54

Source: Annual Budgets of the Kolhapur Municipal Corporation 1980-81 to 1990-91.

The study of the data presented in the above table reveals that, the revenue expenditure of the Kolhapur Municipal Corporation rose continuously during the period

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between 1980-81 and 1990-91 except in the year 1985-86. Revenue expenditure rose from Rs.668.54 lakhs in 1980-81 to Rs.1096.74 lakhs in 1985-86 and to Rs.2666.35 lakhs in 1990-91 showing an increase of 398.83 percent in 1990-91 over 1980-81. The Corporation's revenue expenditure increased at an average of Rs.1340.81 lakhs per year during the period under study.

As far as the proportion of the revenue expenditure to the total expenditure is concerned, a major share of the total expenditure is consumed by revenue expenditure during the period under review. It formed an average 84 percent of the total expenditure per year. But we find fluctuations in the proportion of percentage of revenue expenditure to total expenditure. There were considerable ups and downs in it during the period under study. The percentage of revenue expenditure to total expenditure has declined from 87.30 percent in 1980-81 to 76.31 percent in 1990-91. This percentage was maximum i.e. 91.04 percent, in 1980-81 and minimum i.e. 76.31 percent in 1990-91. The analysis reveal that as a percentage of total expenditure share of revenue expenditure and capital expenditure depict fluctuating trends during the period under study. At the same time, in the last year of our study, a considerable share was allotted to capital expenditure than in the previous

Year, therefore, the proportion of revenue expenditure to total expenditure declined to 76.31 percent.

Like revenue expenditure, per capita revenue expenditure also increased gradually during the period under review from Rs.196.62 in 1980-81 to Rs.634.84 in 1990-91 with 322.87 percent increase in 1990-91 over 1980-81 except in the year 1985-86. Per capita revenue expenditure has declined in the year 1985-86 than in the previous year due to decline in total expenditure as well as revenue expenditure of the Corporation. Its per capita revenue expenditure was of an average of Rs.349.54 during 1980-81 and 1990-91.

The foregoing data interpretation reveals that, revenue expenditure has consumed a major share of the total expenditure of the Corporation. The Corporation's revenue expenditure and per capita revenue expenditure have increased gradually except in the year 1985-86 during the period under study. But, the proportion of revenue expenditure to total expenditure shows considerable ups and downs. And in the last year of our study, the Corporation diverted a considerable proportion of total expenditure towards capital expenditure.

To sum up, it can be said that, the Kolhapur Municipal Corporation has performed revenue expenditure requiring

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activities to a great extent, therefore, its revenue expenditure rose gradually from Rs.668.54 lakhs in 1980-81 to Rs.2666.35 lakhs in 1990-91 registering an increase of 398.83 percent. Similarly, per capita revenue expenditure also shows a rising trend, which rose from Rs.196.62 in 1980-81 to Rs.634.84 in 1990-91 with 322.87 percent. The proportion of revenue expenditure to total expenditure fluctuated between 76.31 percent to 91.04 percent with more ups and downs in it. In the last year of our study, this proportion declined to great extent due to diversion of considerable expenditure towards capital expenditure by the Corporation.

4.8 COMPOSITION OF REVENUE EXPENDITURE OF THE KOLHAPUR MUNICIPAL CORPORATION:1980-81 TO 1990-91:

For the simplicity and convenience of working, the revenue expenditure of the Corporation is divided into major heads. This division is useful to study the various constituents and their relative share in total revenue expenditure.

The Revenue expenditure of the Corporation is divided into six major heads such as expenditure on (i) General Administration (ii) Public Health and Amenities (iii) Public Protection (iv) Public Education (v) Miscellaneous items (vi) Advances.

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The data regarding the composition of Revenue Expenditure of the Kolhapur Municipal Corporation is depicted in the following table.

Table No.4.4:Composition of Revenue Expenditure of
The Kolhapur Municipal Corporation:
1980-81 to 1990-91:

(Rs.in lakhs)

Year	Exp.on	Exp.on	Exp.on	Exp.on	Exp.on	Exp.on	Total Revenue Exp.
	General Adm.	Public Prote- ction.	Health & Ame- nities.	Public Edun.	Misce- llaneous	Advan- ces.	
1	2	3	4	5	6	7	8
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1980-81	83.87	16.11	209.62	139.61	9.58	209.78	668.54
1981-82	997-89	19.20	250.39	159.36	13.48	244.88	785.23
1982-83	108.37	23.85	324.00	169.59	15.96	305.71	947.50
1983-84	100.93	26.26	342.43	215.70	22.01	351.10	988.04
1984-85	131.89	30.35	356.15	236.58	40.20	335.50	1130.60
1985-86	158.49	35.21	437.98	259.04	21.40	184.60	1096.74
1986-87	201.32	43.94	508.05	326.02	10.54	344.05	1433.95
1987-88	213.51	48.14	545.87	350.73	48.49	318.85	1525.41
1988-89	265.42	50.54	547.53	358.93	52.12	340.38	1614.94
1989-90	309.09	60.86	573.69	445.05	87.42	415.56	1891.69
1990-91	326.51	82.79	994.44	479.19	90.07	693.36	2666.35
% Incre- ase in 90-91 over 80-81.	389.30	513.71	474.40	343.23	940.18	330.51	398.83
Average	181.57	39.74	433.58	285.43	37.38	331.25	1340.81

Source: Annual Budgets of the Kolhapur Municipal Corporation
1980-81 to 1990-91.

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The above table gives data regarding revenue expenditure and the composition of revenue expenditure of the Kolhapur Municipal Corporation during the period under study. The data in the table shows division of revenue expenditure among its major heads during the period under study. The data reveals that, all components of revenue expenditure show a rising trend during the period.

The revenue expenditure on General Administration, Public Protection, Health and Amenities, Public Education, Miscellaneous items and Advances rose from Rs.83.87 lakhs, 16.11 lakhs, 209.62 lakhs, 139.61 lakhs, 9.58 lakhs and 209.78 lakhs in 1980-81 to Rs.326.51 lakhs, 82.76 lakhs, 894.44 lakhs, 479.19 lakhs, 90.07 lakhs and 693.36 lakhs in 1990-91 registering an increase of 389.30 percent, 513.71, 474.40, 343.23, 940.18, 330.51 percent respectively. It means, revenue expenditure on all heads has increased.

As far as the share of expenditure consumed by the heads of revenue expenditure is considered, public health and Amenities, Advances and Public Education come first, second and third respectively. The analysis reveals that, the Corporation has allocated its revenue expenditure into those heads considering necessity and urgency of these services. And the heads namely General Administration,

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Public Protection and Miscellaneous items were paid less attention, if the size or share of revenue expenditure consumed is taken during the period under study.

If we take into account the percentage of increase in expenditure, the heads Miscellaneous items, Public Protection and Public Health and Amenities stood first, second and third respectively. Because revenue expenditure on Miscellaneous items, Public Protection and Public Health and Amenities rose by 940.18, 513.71 and 474.40 percent respectively during the period under review. This is because the Corporation has paid considerable attention to the heads Miscellaneous items and Public Protection in the last years of our study. Public Health and Amenities is a peculiar head of revenue expenditure of the Corporation which consumed a major share of the revenue expenditure and also stood third in respect of percentage of increase. This reveals the Corporation has given a vital importance to this head of the revenue expenditure.

The data in the table NO.4.4 reveals the trend of growth in expenditure on different heads of revenue expenditure of the Corporation during the period under study.

The expenditure on the heads of revenue expenditure namely Public Protection, Health and Amenities and

and Public Education increased gradually without any fall. And the expenditure on the heads viz. General Administration Miscellaneous items and Advances increased with fluctuations during the period under study.

To sum up, it can be said that, revenue expenditure of the Corporation increased from Rs.668.54 lakhs in 1980-81 to Rs.2666.35 lakhs in 1990-91 registering an increase of 398.83 percent. Besides, expenditure on all the heads of revenue expenditure namely General Administration, Public Protection, Public Health and Amenities, Public Education, Miscellaneous items and Advances increased during the period under study. As far as the size or the share of expenditure consumed is concerned, the heads of revenue expenditure namely Public Health and Amenities, Advances and Public Education stood first, second and third respectively. But the consideration of percentage of increase in expenditure reveals that the heads namely Miscellaneous items, Public Protection and Public Health and Amenities stood respectively first, second and third. Of all the heads of revenue expenditure of the Corporation expenditure on Public Protection, Health and Amenities and Public Education rose gradually without any fall during the period under study.

4.9 ANALYSIS OF COMPOSITION OF REVENUE EXPENDITURE OF
THE KOLHAPUR MUNICIPAL CORPORATION:1980-81 TO 1990-91:

Revenue expenditure is one of the constituents of total expenditure of the Kolhapur Municipal Corporation. Revenue expenditure is further divided into six major heads. An attempt is made to analyse different heads of revenue expenditure of the Corporation.

A) Expenditure on General Administration:

Under this head, the Corporation incurs expenditure to undertake administrative activities. It undertakes spending for the administration of the working of its various departments. This expenditure is necessary to provide administrative services at present. Revenue Expenditure of the Corporation on General Administration includes minor heads like General Administration, Tax Collection, Municipal Property, Octroi and other refunds.

Revenue expenditure of the Corporation on General Administration is presented in the table below.

Table NO.4.5:Revenue Expenditure of Kolhapur Municipal Corporation on General Administration: 1980-81 to 1990-91:

(Rs.in lakhs)			
Year	Expenditure on General Administration.	% To Total Revenue Expenditure.	Per Capita Expenditure on General Administration. (In Rs.)
1	2	3	4
	Rs.	Rs.	Rs.
1980-81	83.87	12.54	24.66
1981-82	97.89	12.46	27.96
1982-83	108.37	11.43	30.96
1983-84	100.93	10.21	28.03
1984-85	131.89	11.66	36.63
1985-86	158.49	14.55	42.83
1986-87	201.32	14.03	52.97
1987-88	213.51	13.99	54.74
1988-89	265.42	16.43	66.35
1989-90	309.09	16.33	75.38
1990-91	326.51	12.54	77.24
% Increase in 90-91 over 80-81	389.30	-0.97	315.24
Average	181.87	13.25	54.18

Source: Annual Budgets of the Kolhapur Municipal Corporation 1980-81 to 1990-91.

The table No.4.5 gives data regarding the revenue expenditure of the Corporation on General Administration during the period under study. It is seen from the above table that, revenue expenditure on General Administration

rose from Rs.83.67 lakhs in 1980-81 to Rs.158.49 lakhs in 1985-86 and to Rs.326.51 lakhs in 1990-91. The table shows a steady growth in the expenditure on General Administration during the period under study except in the year 1983-84, when the expenditure declined as compared to the previous year. Declined expenditure on allowances to employees, stationary, posting charges, telephone bills and dress of workers in the year 1983-84 declined expenditure on General Administration than the previous year. The Corporation spent revenue expenditure on General Administration on an average Rs.181.57 lakhs per year during the period under study.

As per information available, the Revenue Expenditure of the Corporation on General Administration has been increasing due to increased expenditure on (a) Staff allowances, (b) Increase in Telephone bills (c) Rising stationary bills (d) Growth of contribution to Pension fund, leave pension contribution etc.

Data in the column No.3 of the table gives information about the proportion of percentage of expenditure on General Administration to the total revenue expenditure of the Corporation. This percentage was fluctuating during the period under review, which fluctuated between 10.21 and 16.43 percent. It was maximum i.e. 16.43 percent in

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in 1988-89 and minimum i.e. 10.21 percent in 1983-84. The percentage to revenue expenditure was on an average 11.25 percent per year during 1980-81 and 1990-91.

Like, Revenue expenditure on General Administration per capita expenditure on General Administration also shows steady growth during the same period except in the year 1983-84. Per capita expenditure on General Administration was Rs.24.66 in 1980-81, Rs.42.83 in 1985-86 and Rs.77.74 in 1990-91. It rose from Rs.24.66 in 1980-81 to Rs.77.74 in 1990-91 showing an increase of 315.24 percent. The Corporation spent per capita expenditure on General Administration on an average of Rs.54.18 per year during the period under study.

The foregoing analysis reveals that, increasing scope of administrative activities of the Corporation increased its revenue expenditure on General Administration.

In conclusion it can be said that, Revenue expenditure of the Corporation on General Administration increased gradually except in the year 1983-84 from Rs.83.67 lakhs in 1980-81 to Rs.326.51 lakhs in 1990-91 (a 389.30 percent increase). Like wise, per capita expenditure on General Administration also rose from Rs.24.66 in 1980-81 to Rs.77.74 in 1990-91 showing an increase of 315.24 percent.

The Corporation's expenditure on General Administration and per capita expenditure on the same was on an average Rs.181.57 lakhs and Rs.54.18 per year respectively.

Expenditure on General Administration as a percentage of total revenue expenditure indicates a fluctuating trend, which fluctuated between 10.21 and 16.43 percent during the period under study.

B) Expenditure on Public Protection:

Under this head of revenue expenditure of the Corporation, it undertakes expenditure to provide protective services to the citizens. Revenue expenditure on public protection includes the expenditure of corporation on the minor heads, such as, Fire brigade service, Street lighting and killing of stray dogs.

Revenue expenditure of the Corporation on Public Protection during the period under study is depicted in table below.

Table No.4.6: Revenue Expenditure of the Kolhapur
Municipal Corporation on Public
Protection:1980-81 to 1990-91:

(Rs.in lakhs)

Year	Expenditure on Public Protection	% To Total Revenue Expenditure.	Per Capita Expendi- ture on Public Protection (In Rs.)
1	2 Rs.	3	4 Rs.
1980-81	16.11	2.40	4.73
1981-82	19.20	2.44	5.48
1982-83	23.85	2.51	6.81
1983-84	26.26	2.65	7.29
1984-85	30.25	2.67	8.40
1985-86	35.21	3.21	9.51
1986-87	43.94	2.06	11.56
1987-88	48.14	3.15	12.34
1988-89	50.54	3.12	12.63
1989-90	60.86	2.31	14.84
1990-91	82.76	3.10	19.70
% Increase in 90-91 over 80-81	513.71	129.16	416.49
Average	39.74	2.86	10.29

Source: Annual Budgets of the Kolhapur Municipal Corporation
1980-81 to 1990-91.

The data presented in the above table provides statistical information about the Kolhapur Municipal Corporation's Revenue expenditure on Public Protection during the period from 1980-81 to 1990-91. From column No.2

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of the table, it can be seen that, the Corporation's revenue expenditure on Public Protection was Rs.16.11 lakhs in 1980-81, Rs.35.21 lakhs in 1985-86 and Rs.82.76 lakhs in 1990-91. The column No.2 shows a gradual growth in the revenue expenditure on Public Protection during 1980-81 and 1990-91, which rose from Rs.16.11 lakhs in 1980-81 to Rs.82.76 lakhs in 1990-91 showing an increase of 513.71 percent. At the same time, Revenue expenditure incurred on Public Protection by the Corporation was on an average Rs.39.74 lakhs per year during the period under review.

The column No.3 of the above table shows the proportion of percentage of revenue expenditure on Public Protection to the total revenue expenditure of the Corporation. It is observed from the data presented in the column No.3 that the corporation allocated a small share of revenue expenditure to the head of Public Protection. It's proportion to total revenue expenditure varied from 2.40 to 3.21 percent. It's proportion to total revenue expenditure increased gradually from 1980-81 to 1985-86, and during 1986-87 and 1990-91, we find fluctuations in it. The noteworthy point is that, proportion of percentage of revenue expenditure on Public Protection to total revenue expenditure rose from 2.40 to 3.10 percent during 1980-81 to 1990-91 registering an increase of 129.16 percent.

From the data in the column No.4 it can be said that, like expenditure on public protection, per capita expenditure on Public Protection also indicates a gradual growth in it. The per capita revenue expenditure on public protection rose from Rs.4.73 in 1980-81 to Rs.9.51 in 1985-86 and further to Rs.19.70 in 1990-91, which registered an increase of 416.49 percent in 1990-91 over 1980-81. But, an average per capita revenue expenditure incurred on public protection was only Rs.10.29 per year during the period under study.

The foregoing analysis draws a conclusion that, considering necessity and urgency of protection services a small slice of revenue expenditure was diverted to public protection. Of all the minor heads of Public Protection, fire brigade service and street lighting are considered important, therefore, expenditure on these have been increased considerably i.e. 717.05 and 368.83 percent in 1990-91 over 1980-81 respectively.

To sum up, it can be said that, revenue expenditure on Public Protection shows a steady rising trend, which rose from Rs.16.11 lakhs in 1980-81 to Rs.82.76 lakhs in 1990-91. Similarly, per capita expenditure on Public Protection also increased gradually during the period under study from Rs.4.73 in 1980-81 to Rs.19.70 in 1990-91. Percentage wise this increase was 416.49 percent in 1990-91

over 1980-81. But the percentage of revenue expenditure on Public Protection to total revenue expenditure was very less, it fluctuated between 2.40 and 3.21 percent during 1980-81 and 1990-91. An average of revenue expenditure on Public Protection, its percentage to total revenue expenditure and per capita expenditure on Public Protection during the period under study were Rs.39.74 lakhs, 2.86 percent and Rs.10.29 respectively. Composition wise Fire brigade services and street lighting are two important heads of the expenditure of public protection.

C) Expenditure on Public Health and Civic Amenities:

Under this head of revenue expenditure of the Corporation, the Kolhapur Municipal Corporation incurs expenditure to provide medical and health facilities and civic amenities to the citizens. This head of revenue expenditure has achieved a vital position due to urgency and necessity of services it provides especially to the poor class of the society. Revenue expenditure of the Corporation on Public Health and Amenities includes expenditure on Health Department. Eradication and prevention of epidemics, general and special conservancy, Gutters and Urinals maintainance, hospital and medical aid, birth and death registration, family planning, prevention of adulteration, child welfare, market department, water supply public parks, public works, construction of buildings and repairs.

The revenue expenditure of the Corporation on Public Health and Civic Amenities is illustrated in the table below.

Table No.4.7: Revenue Expenditure of the Kolhapur Municipal Corporation on Public Health & Civic Amenities: 1980-81 to 1990-91:

(Rs.in lakhs)

Year	Expenditure on Public Health & Civic Amenities.	% To total Revenue Expenditure.	Per Capita Expenditure on Health & Civic Amenities (In Rs.)
1	2 Rs.	3	4 Rs.
1980-81	209.62	31.35	61.65
1981-82	250.39	31.38	71.54
1982-83	324.00	34.19	92.67
1983-84	342.43	34.65	95.11
1984-85	356.15	31.50	98.93
1985-86	437.98	39.93	118.37
1986-87	508.05	35.43	133.69
1987-88	545.87	35.78	139.96
1988-89	547.53	33.90	136.88
1989-90	573.69	30.32	139.92
1990-91	994.44	37.29	236.77
% Increase in 90-91 over 80-81	474.44	118.94	384.05
Average	433.58	34.20	120.49

Source: Annual Budgets of the Kolhapur Municipal Corporation 1980-81 to 1990-91.

In the above table the data regarding revenue expenditure of the Corporation on Public Health and Civic Amenities is depicted during the period under study. Data depicted in the table shows that, the Corporation spent Rs.209.63 lakhs in 1980-81, Rs.437.98 lakhs in 1985-86 and Rs.994.44 lakhs in 1990-91. The column No.2 of the table shows a gradual growth in the revenue expenditure on Public Health and Amenities during 1980-81 and 1990-91. Expenditure rose from Rs.209.62 lakhs in 1980-81 to Rs.994.44 lakhs in 1990-91, percentage increase being 474.44 percent in 1990-91 over 1980-81. The Corporation has tried to provide health facilities and civic amenities to a great extent considering their need and urgency, therefore, expenditure on health and amenities shows a gradual growth and have consumed a big share of the total revenue expenditure. The Corporation spent revenue expenditure on Public Health and Amenities on an average Rs.433.58 lakhs per year during out period of study.

Likewise, per capita revenue expenditure on Public Health and Amenities also increased during period under study except its fall in 1988-89 than the previous year. It increased from Rs.61.65 in 1980-81 to Rs.133.69 in 1985-86 and further to Rs.236.77 in 1990-91. The percentage increase in per capita revenue expenditure on Public

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Health and Amenities was 384.05 in 1990-91 over 1980-81. The Corporation spent per capita revenue expenditure on health and amenities on an average Rs.120.49 per year during the period under review.

As far as the proportion of percentage of revenue expenditure on Public Health and Amenities to total revenue expenditure is considered, a big slice is consumed by it. The percentage fluctuated between 31.35 and 39.93 percent. It does not show a gradual growth in it. The percentage shows increasing trend from 1980-81 to 1983-84, then depicts a fall in 1984-85, then again a increase in 1985-85 then a continuous fall from 1986-87 to 1989-90 and an increase in 1990-91. The percentage was maximum 39.93 percent in 1985-86 and minimum 30.32 percent in 1989-90. The percentage of revenue expenditure on Public Health and Amenities was on an average 34.20 percent per year during the period under study.

The foregoing analysis reveals that, due to the prime necessity and urgency of health facilities and civic amenities, the Corporation spent a considerable amount to provide them. Therefore, it allocated a comparative big share in expenditure in per capita expenditure and also a proportion to the total expenditure. Therefore, expenditure

on health and amenities shows a steady growth during the period under study.

Thus it can be said that, revenue expenditure on Public Health and Amenities shows a growth, which rose from Rs.209.62 lakhs in 1980-81 to Rs.994.44 lakhs in 1990-91 registering an increase of 474.44 percent. Similarly, per capita revenue expenditure on Public Health and Amenities also rose from Rs.61.25 in 1980-81 to Rs.236.77 in 1990-91, with an increase of 384.05 percent. But, the percentage of revenue expenditure on Public Health and Amenities to total revenue expenditure fluctuated between 30.32 percent and 39.33 percent. This percentage was maximum i.e. 39.93 percent, in the year 1985-86. The Corporation spent revenue expenditure on Public Health and Amenities on an average Rs.433.58 lakhs per year and per capita expenditure on an average of Rs.120.49 per year during the period under study.

D) Expenditure on Public Education:

Under this head of revenue expenditure the Kolhapur Municipal Corporation, incurs expenditure to provide educational facilities to the citizens. Revenue expenditure on public education includes expenditure on Primary education, District Sports, Grants to Institutions, expenditure on running and maintenance of public libraries, high schools and college, Municipal servants' death time contribution etc.

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The revenue expenditure of the Corporation on Public Education during 1980-81 and 1990-91 is presented in the table below.

Table No.4.8: Revenue Expenditure of the Kolhapur Municipal Corporation on Public Education:1980-81 to 1990-91:

(Rs.in lakhs)			
Year	Expenditure on Public Education.	% To total Revenue Expenditure.	Per Capita Expenditure on Public Education.
1	2	3	4
	Rs.		Rs. (In Rs.)
1980-81	139.61	20.88	41.06
1981-82	159.36	20.29	45.53
1982-83	169.59	17.89	48.45
1983-84	215.70	21.83	59.91
1984-85	236.58	20.92	65.71
1985-86	259.04	23.61	70.01
1986-87	326.02	22.73	85.79
1987-88	350.73	22.99	89.93
1988-89	358.93	22.22	89.73
1989-90	445.05	23.52	108.54
1990-91	479.19	17.97	114.09
% Increase in 90-91 over 80-81	343.23	- 0.86	277.86
Average	285.43	21.25	74.43

Source: Annual Budgets of the Kolhapur Municipal Corporation 1980-81 to 1990-91.

The data presented in the table No.4.8 gives statistical information regarding revenue expenditure incurred by the Corporation on Public Education during the period under study. It is observed from the column No.2 of the table that revenue expenditure on Public Education shows a steady continuous growth during 1980-81 and 1990-91. The revenue expenditure on Public Education was Rs.139.61 lakhs in 1980-81 which increased to Rs.259.04 lakhs in 1985-86 and to Rs.479.19 lakhs in 1990-91, registering an increase of 343.23 percentage in 1990-91 over 1980-81. During the same period, the Corporation's expenditure on Public Education was on an average Rs.285.43 lakhs per year.

Of all the minor heads of Public Education, the Corporation has allotted a major share to primary education i.e. 95, 94 and 90 percent in 1980-81, 1985-86 and 1990-91 respectively.

Like revenue expenditure on Public Education, per capita expenditure on Public Education also shows a steady growth (column No.4 of the table). Except for a slight fall in 1988-89 by only Rs.0.20 less than the previous year, the per capita expenditure rose from Rs.41.06 to Rs.114.09 registering an increase of 277.86 percent during the period under study. The Corporation's per capita expenditure on Public Education was on an average Rs.74.43 per year during the period under review.

Column No.3 of the table gives information about the proportion of percentage of revenue expenditure on Public Education to total revenue expenditure. This percentage fluctuated between 17.89 and 23.61 percent during period under study. The notable feature, is that the revenue expenditure on Public Education as percentage of total revenue expenditure declined by 0.86 percent in 1990-91 over 1980-81.

From the foregoing analysis it is revealed that, the efforts of the Corporation to provide educational facilities, have increased its expenditure on Public Education from Rs.139.61 lakhs to Rs.479.19 lakhs during the period under study. At the same time the Corporation has paid a greater attention to provide primary education facilities.

Thus it can be said that, efforts of the Corporation to provide educational facilities increased the revenue expenditure on Public Education from Rs.139.61 lakhs to Rs.479.19 lakhs registering an increase of 343.23 percent during the period under study. Similarly, per capita expenditure on Public Education also rose from Rs.41.06 to Rs.114.09 showing an increase of 277.86 percent. However, the proportion of revenue expenditure on Public Education to total revenue expenditure fluctuated between

17.89 and 23.61 percent during the period under review.

Of all the minor heads of Public Education, the Corporation has concentrated more on providing primary education. It spent 95, 94 and 90 percent of revenue expenditure on Public Education on primary education in 1980-81, 1985-86 and 1990-91 respectively.

E) Expenditure on Miscellaneous Items:

Under this head of revenue expenditure, the Corporation undertakes expenditure to provide some miscellaneous services. This expenditure includes expenditure on minor heads like, Salary of Election Servants, Rent, Payment of Municipal Lawyers and Court Expenses, Printing of Stationary, Labour Training, Honorarium and allowances of Mayor and elected members, expenditure incurred on celebration of National Festivals, Birth-Death anniversaries of National Leaders etc.

The data regarding revenue expenditure of the Kolhapur Municipal Corporation during the period under study is shown in the table below.

Table No.4.9: Revenue Expenditure of the Kolhapur
Municipal Corporation on Miscellaneous
Items:1980-81 to 1990-91:

(Rs.in lakhs)

Year	Expenditure on Miscellaneous Items.	% To total Revenue Expenditure	Per Capita Expen- diture on Miscellaneous (In Rs.)
1	2	3	4
	Rs		Rs.
1980-81	9.52	1.42	2-80
1981-82	13.48	1-71	3-85
1982-83	15.96	1.68	4.56
1983-84	22.01	2.22	6.11
1984-85	40.20	3.55	11.16
1985-86	21.40	1.95	5.78
1986-87	10.54	0.73	2.77
1987-88	48.49	3.17	12.43
1988-89	52.12	3.22	13.03
1989-90	87.42	4.62	21.32
1990-91	90.07	3.37	21.44
% Increase in 90-91 over 80-81.	946.11	237.32	765.71
Average	37.38	2.51	9.56

Source: Annual Budgets of the Kolhapur Municipal Corporation
1980-81 to 1990-91.

The table gives information regarding revenue expenditure of the Kolhapur Municipal Corporation on Miscellaneous items. It is observed from the column No.2

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of the table, that there is a fluctuating growth in the expenditure on Miscellaneous items, the reason is uncertainty of minor heads on spending to be undertaken. Initially, the expenditure increased from Rs.9.52 lakhs in 1980-81 to Rs.40.20 lakhs in 1984-85, then it declined in the years 1985-86 and 1986-87. And in the later stage, it increased from Rs.48.49 lakhs in 1987-88 to Rs.90.07 lakhs in 1990-91. The expenditure on Miscellaneous items increased from Rs.9.52 lakhs in 1980-81 to Rs.90.07 lakhs in 1990-91 registering an increase of 946.11 percent. The Corporation spent on Miscellaneous items on an average Rs.37.38 lakhs per year during the period under study.

Like wise, per capita expenditure on Miscellaneous items also shows growth from Rs.2.80 in 1980-81 to Rs.5.78 in 1985-86 and to Rs.21.44 in 1990-91 showing an increase of 765.71 percent in 1990-91 over 1980-81. The Corporation spent per capita expenditure on Miscellaneous items on an average of Rs.9.56 per year during the period under study.

It is observed from the column No.3 of the table that, the percentage of revenue expenditure on Miscellaneous items to total revenue expenditure was negligible which fluctuated between 1 and 4.62 percent with an average of 2.51 percent per year during the period under study. We found ups and

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downs in the percentage, which was maximum 4.62 percent in 1989-90 and minimum 0.73 percent in 1986-87. Thus it is revealed from the foregoing analysis that, due to comparative little importance of this head, the Corporation diverted a small share to it. At the same time uncertainty of minor heads which come under Miscellaneous items fluctuated the Revenue expenditure on them.

To sum up it can be said that, revenue expenditure on Miscellaneous items increased showing fluctuating growth from Rs.9.52 lakhs in 1980-81 to Rs.90.07 lakhs in 1990-91 registering 946.11 percent increase. Similarly, per capita expenditure on Miscellaneous items also increased from Rs.2.80 in 1980-81 to Rs.21.44 in 1990-91 by 765.71 percent increase. The proportion of percentage of revenue expenditure on Miscellaneous items to total revenue expenditure was very small, which fluctuated between 1 and 4 percent during the period under study.

F) Expenditure on Advances:

Under this head of revenue expenditure, the Kolhapur Municipal Corporation undertakes spending to provide financial assistance to its various departments. Revenue expenditure on Advances includes expenditure on Housing Loans, Loans for Purchase of Vehicles, Financial Assistance to Kolhapur

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Municipal Transport to cover deficits and transfer of revenues to Capital account.

The revenue expenditure incurred by the Corporation on Advances during the period under study is depicted in the table below.

Table No.4.10: Revenue Expenditure of the Kolhapur Municipal Corporation on Advances: 1980-81 to 1990-91:

(Rs.in lakhs)

Year	Expenditure on Advances.	% To Total Revenue Expenditure	Per Capita Expenditure on Advances. (In Rs.)
1	2 Rs.	3	4 Rs.
1980-81	209.78	31.37	61.70
1981-82	244.88	31.88	69.96
1982-83	305.71	32.26	87.34
1983-84	251.10	25.41	69.75
1984-85	335.50	29.67	93.19
1985-86	184.60	16.83	49.89
1986-87	344.05	23.99	90.53
1987-88	318.85	20.90	81.75
1988-89	340.38	21.07	85.09
1989-90	415.56	21.96	101.35
1990-91	693.36	26.00	165.08
% Increase in 90-91 over 80-81	330.51	- 0.82	267.55
Average	331.25	25.53	86.87

Source: Annual Budgets of the Kolhapur Municipal Corporation 1980-81 to 1990-91.

The above table gives data regarding revenue expenditure of the Corporation on Advances. From the above table we see that in the year 1980-81 revenue expenditure on Advances was Rs.209.78 lakhs, Rs.184.60 lakhs in 1985-86 and Rs.693.36 lakhs in 1990-91. The column No.2 of the table indicates fluctuating growth in the expenditure on Advances. The expenditure shows a rising trend in 1980-81, 1981-82, 1982-83, 1984-85, 1986-87, 1989-90 and 1990-91 due to increased expenditure on loans and advances, Transfer of revenue to capital account, contributions to development fund. And it shows a declining trend in 1983-84, 1985-86, 1987-88 because of fall in the expenditure on transfer of revenue to capital account, instalments of loans, contribution to development fund etc. During the period under study, the revenue expenditure on Advances increased from Rs.209.78 lakhs to Rs.693.36 lakhs (330.51 percent). The Corporation's revenue expenditure on Advances on an average was Rs.331.25 lakhs per year during 1980-81 and 1990-91.

The analysis reveals that, the Corporation has spent a considerable amount of expenditure on Advances due to its significant role in repayment of loans, covering deficits of KMT, strengthening financial position of capital account, and promotion of material welfare of employees.

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Similarly, per capita expenditure on Advances also shows a fluctuating growth which rose from Rs.61.70 in 1980-81 to Rs.165.08 in 1990-91 registering an increase of 267.55 percent. We find fluctuations in per capita expenditure similar to the fluctuations in the column No.2 of the table. The Corporation spent per capita expenditure on Advances on an average of Rs.86.87 per year during the period under study.

As far as the proportion of percentage of revenue expenditure on Advances to total revenue expenditure is considered, this head got a significant share of the total revenue expenditure. The percentage fluctuated between 21 and 32 percent with an average of 25.53 percent per year during the period taken into account. But, the percentage declined by 0.82 percent in 1990-91 over 1980-81.

Thus it can be said that, revenue expenditure on Advances of the Corporation during the period under study obtained a considerable position as far as size of expenditure on Advances is concerned. It rose from Rs.209.78 lakhs to Rs.693.36 lakhs registering an increase of 330.51 percent during 1980-81 to 1990-91. Similarly, per capita expenditure on Advances also increased from Rs.61.70 to 165.08 showing an increase of 267.55 percent. During the period under study, the proportion of percentage of revenue

expenditure on Advances to total revenue expenditure fluctuated between 21 and 32 percent. The Corporation's expenditure on Advances and per capita expenditure on Advances increased on an average of Rs.331.25 lakhs per year and Rs.86.87 per year during 1980-81 and 1990-91 respectively.

4.10 CAPITAL EXPENDITURE PATTERN OF THE KOLHAPUR MUNICIPAL CORPORATION:1980-81 TO 1990-91:

Public expenditure incurred to create productive assets or capital goods is described as capital expenditure. Like wise, that part of the total expenditure incurred to create productive assets or capital goods is called capital expenditure of the Corporation.

Like revenue expenditure, capital expenditure of the Kolhapur Municipal Corporation is also divided into five major heads namely: (i) General Administration, (ii) Public Protection (iii) Public Health and Amenities (iv) Public Education; and (v) Miscellaneous items.

The basic object of capital expenditure is to create or purchase capital goods required by various departments of the Corporation. Generally, it undertakes capital expenditure to purchase vans, jeeps, trucks, tractors, machinery for hospital, to construct roads, buildings, drainage, gutters, latrines, urinals, markets, school buildings, statues etc.

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The importance of capital expenditure of the Kolhapur Municipal Corporation is (i) it creates an assets or property (ii) strengthens financial position of revenue receipts (Accounts), (iii) works as a source of revenue, (iv) Works as a source of essential services to citizens.

The peculiarity of capital expenditure is, that a huge amount is required to complete a particular capital work.

The data regarding capital expenditure of the Corporation from 1980-81 to 1990-91 is presented in the following table.

Table No.4.11: Capital Expenditure of the Kolhapur Municipal Corporation:1980-81 to 1990-91:

(Rs.in lakhs)			
Year	Capital Expe- nditure.	% To total Expenditure.	Per Capita Capital Expenditure (in Rs.)
1	2	3	4
	Rs.		Rs.
1980-81	97.26	12.70	28.60
1981-82	166.52	17.49	47.57
1982-83	268.36	22.07	76.67
1983-84	206.43	17.28	57.34
1984-85	202.06	15.16	56.12
1985-86	213.92	16.32	57.81
1986-87	290.66	16.85	76.48
1987-88	236.96	13.44	60.75
1988-89	198.55	10.94	49.63
1989-90	186.22	8.96	45.41
1990-91	828.13	23.69	197.17
% Increase in 90-91 over 80-81.	851.46	186.53	689.40
Average	263.18	15.90	68.50

Source: Annual Budgets of the Kolhapur Municipal Corporation 1980-81 to 1990-91.

The data depicted in the table No.4.11 gives information regarding capital expenditure of the Corporation during the period under study. A study of the data presented in the column No.2 of the table reveals that in the year 1980-81 capital expenditure was Rs.97.26 lakhs, in 1985-86 it rose to Rs.213.92 lakhs and in 1990-91 Rs.828.13 lakhs. The data shows fluctuating growth in the capital expenditure. We find considerable ups and downs in it. The capital expenditure was minimum Rs.97.26 lakhs in 1980-81 and reached a peak of Rs.828.13 lakhs in 1990-91. It increased from Rs.97.26 lakhs to Rs.828.13 lakhs registering an increase of 851.46 percent during the period under study. It declined considerably in 1988-89 and 1989-90 due to decline in the amount to be transferred to capital revenue from revenue account, non-getting of any loans and grants. But, it reached to peak i.e. Rs.828.13 lakhs in 1990-91 because the Corporation made provision of expenditure to complete postponed capital works in 1987-88, 1988-89, and also proposed to undertake new capital works like tar roads, underground drainage, constructing of markets, primary schools and hospitals. During the period of our study the Corporation incurred capital expenditure on an average of Rs.263.18 lakhs per year.

Like wise, per capita capital expenditure also increased with major ups and downs from Rs.28.60 in 1980-81

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to Rs.57.81 in 1985-86 and further to Rs.197.17 in 1990-91. The per capita expenditure increased in 1990-91 over 1980-81 by 689.40 percent. It was minimum in the year 1980-81 i.e. Rs.28.60 and maximum in the year 1990-91 i.e. Rs.197.17, which is the last year of our study. The Corporation spent per capita capital expenditure on an average Rs.68.50 per year during the period under study.

It is observed from column No.3 of the table that the proportion of percentage of capital expenditure to total expenditure was having major ups and downs, which fluctuated between 8.96 percent and 23.69 percent during the period under review. The Corporation diverted an average of 15.90 percent expenditure to capital account from its total expenditure during 1980-81 and 1990-91.

The foregoing analysis reveals that, the Corporation could allot relatively a small share to capital expenditure due to financial stringency, eventhough there was the need of capital expenditure. The uncertain sources of capital receipts are responsible for major ups and downs in the capital expenditure. Therefore, there is an urgent need of making provision of a special revenue or sources of revenue to capital receipts.

To sum up it can be said that, capital expenditure of the Corporation increased with major ups and downs from

Rs.97.26 lakhs in 1980-81 to Rs.828.13 lakhs in 1990-91 showing an increase of 851.46 percent. Similarly, per capita capital expenditure also increased with major fluctuations from Rs.28.60 in 1980-81 to Rs.197.17 in 1990-91, registering 689.40 percent growth. Like wise, the proportion of percentage of capital expenditure to total expenditure increased with considerable ups and downs from 12.70 percent in 1980-81 to 23.69 percent in 1990-91 showing a 186.53 percent increase. It was minimum in 1989-90 i.e. 8.96 percent and reached to peak in 1990-91 i.e. 23.69 percent. The Corporation could not allot a sufficient share to capital expenditure due to financial unsound position. The basic cause of major fluctuations in the capital expenditure is uncertain revenue sources of capital account.

4.11 COMPOSITION OF CAPITAL EXPENDITURE OF THE KOLHAPUR MUNICIPAL CORPORATION:1980-81 TO 1990-91:

Capital expenditure is the second constituent of the total expenditure of the Kolhapur Municipal Corporation. Like revenue expenditure the capital expenditure of the Corporation is divided into five major heads namely (i) General Administration (ii) Public Protection (iii) Public Health and Amenities (iv) Public Education, and (v) Miscellaneous items.

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The data regarding the composition of capital expenditure of the Corporation is presented in the table below.

Table No.4.12: Composition of Capital Expenditure of The Kolhapur Municipal Corporation: 1980-81 to 1990-91:

(Rs. in lakhs)						
Year	COMPOSITION OF CAPITAL EXPENDITURE					Total Capital Exp.
	Exp. on General Admn.	Exp. on Public Protection.	Exp. on Health & Amenities.	Exp. on Public Edn.	Exp. on Miscellaneous.	
1	2	3	4	5	6	7
	Rs	Rs	Rs.	Rs.	Rs.	Rs.
1980-81	0.05	3.59	69.82	3.17	26.63	97.26
1981-82	0.40	15.32	142.07	4.13	4.60	166.52
1982-83	1.58	23.28	219.88	14.62	9.00	268.36
1983-84	1.35	22.40	145.40	10.41	26.87	206.43
1984-85	6.20	18.72	154.12	6.56	16.46	202.06
1985-86	2.20	6.45	176.94	5.92	22.01	213.92
1986-87	0.24	12.93	187.74	5.98	83.77	290.66
1987-88	Nil	8.07	169.61	6.51	52.77	236.96
1988-89	0.04	10.53	137.98	4.60	45.40	198.55
1989-90	5.45	7.88	81.29	3.63	87.97	186.22
1990-91	17.35	14.26	608.11	24.06	164.68	828.46
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% Increase in 90-91 over 80-81	347	397.21	870.96	758.99	798.25	851.46
Average	3.20	13.03	190.26	8.14	48.56	263.18

Source: Annual Budgets of the Kolhapur Municipal Corporation 1980-81 to 1990-91.

It is seen from the table that, the capital expenditure on all heads have increased having ups and downs in them. The capital expenditure on General Administration rose from Rs.0.05 lakhs in 1980-81 to Rs.2.60 lakhs in 1985-86 and further to Rs.17.35 lakhs in 1990-91 registering an increase of 347 percent. The capital expenditure on Public Protection increased from Rs.3.59 lakhs in 1980-81, Rs.6.45 lakhs in 1985-86 to Rs.14.26 lakhs in 1990-91 by 397.21 percent. Similarly, capital expenditure on Public Health and Amenities also shows a rising trend, which rose from Rs.69.82 lakhs in 1980-81 to Rs.176.94 lakhs in 1985-86 and further to Rs.608.11 lakhs in 1990-91 showing an increase of 870.96 percent. Like wise capital expenditure on Public Education and Miscellaneous items increased from Rs.3.17 lakhs and Rs.26.63 lakhs in 1980-81 to Rs.5.92 lakhs and Rs.22.01 lakhs in 1985-86 and further to Rs.24.06 lakhs and Rs.164.68 lakhs in 1990-91 registering an increase of 758.99 and 798.25 percent.

Of all the heads of capital expenditure heads namely Public Health and Amenities and Miscellaneous items consumed a major size of capital expenditure i.e. Rs.190.26 and 48.56 lakhs on an average per year during the period under study.

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As far as the percentage of increase is considered the same heads namely Public Health and Amenities and Miscellaneous items stood first and second respectively. i.e. 870.96 and 798.25 percent.

The foregoing analysis reveals that, capital expenditure on all the heads shows a rising trend having significant ups and downs because the Corporation allotted capital expenditure among the heads considering availability of revenue and necessity of expenditure. Of all the heads, Public Health and Amenities received a big slice of capital expenditure because of increasing demand for these services, large number of minor heads, growing urgency and necessity of services, huge expenditure requirement to complete concerned capital works. The Corporation could not provide adequate capital finance to the head of Public Education, though there was need of capital expenditure to be diverted to Public Education.

Thus it can be said that, capital expenditure on its major heads have increased during the period under study but with considerable ups and downs. The capital expenditure on General Administration from Rs.0.5 lakhs to Rs.17.35 lakhs by 347 percent, on Public Protection from Rs.3.59 lakhs to Rs.14.26 lakhs by 397.21 percent, on public Health and Amenities from Rs.69.82 lakhs to Rs.608.11 lakhs by

870.96 percent, on Public Education from Rs.3.17 lakhs to Rs.24.06 lakhs by 758.99 percent and on Miscellaneous items from Rs.26.63 lakhs to Rs.164.68 lakhs by 798.25 percent during the period under study. Of all the heads of capital expenditure, the head namely Public Health and Amenities received a considerable share of capital expenditure. But Public Education, one of the important heads, did not get adequate share of the total capital expenditure.

4.12 EXPENDITURE OF THE KOLHAPUR MUNICIPAL TRANSPORT (KMT)
1980-81 to 1990-91:

Since 1962 there has been city transport facility within the city and also to suburbans and to near-by villages. To provide transport facility is a difficult task which requires undertaking expenditure on a massive scale. Therefore, the Kolhapur Municipal Transport (KMT) prepares a separate budget. While studying expenditure of the Kolhapur Municipal Corporation it becomes necessary to study expenditure of the Kolhapur Municipal Transport because it is one aspect of expenditure of the Corporation. Therefore, an attempt is made to analyse total expenditure of the Kolhapur Municipal Transport during the period under study.

The data regarding expenditure of the Kolhapur Municipal Transport (KMT) during 1980-81 and 1990-91 is presented in the table below.

Table No.4.13: Expenditure of the Kolhapur Municipal Transport (KMT): 1980-81 to 1990-91:

(Rs.in lakhs)

Year	Total Expenditure	Per Capita Total Expenditure (In Rs.)
1	2 Rs.	3 Rs.
1980-81	139.58	41.05
1985-86	299.16	80.85
1990-91	488.62	116.38
% Increase in 90-91 over 80-81.	350.20	283.50

Source: Annual Budgets of the Kolhapur Municipal Transport (KMT): 1980-81, 1985-86, 1990-91.

The above table gives data regarding total expenditure of the Kolhapur Municipal Transport. From the table we see that in the year 1980-81 total expenditure was Rs.139.58 lakhs, Rs.299.16 lakhs in 1985-86 and Rs.488.82 lakhs in 1990-91. The total expenditure of Kolhapur Municipal Transport shows a gradual growth, which rose from Rs.139.58 lakhs in 1980-81 to Rs.488.82 lakhs in 1990-91 registering an increase of 350.20 percent.

Like wise, per capita total expenditure also shows a gradual growth during the period under study. It increased from Rs.41.05 in 1980-81 to Rs.80.85 in 1985-86 and further

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to Rs.116.38 in 1990-91. The per capita total expenditure increased by 283.50 percent in 1990-91 over 1980-81.

It is revealed from the foregoing analysis that the Kolhapur Municipal Transport's efforts to provide transport facilities have increased total expenditure gradually. It is also trying to provide transport facilities in the suburbans and nearby villages, besides these facilities within the city. It undertakes spending to meet the expenditure on purchase of buses and vehicles and staff.

To sum up it can be said that, due to the Kolhapur Municipal Transport's efforts to provide efficient and extensive transport facilities its total expenditure shows a gradual growth during the period under study. The total expenditure of the Kolhapur Municipal Transport rose from Rs.139.58 lakhs in 1980-81 to Rs.488.82 lakhs in 1990-91 registering an increase of 350.20 percent. Similarly, per capita total expenditure of the Kolhapur Municipal Transport also increased gradually from Rs.41.05 in 1980-81 to Rs.116.38 in 1990-91 showing an increase of 283.50 percent.