

**Chapter – 3****GROWTH AND COMPOSITION OF REVENUE  
OF VILLAGE PANCHAYATS**

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### Chapter – 3

## **GROWTH AND COMPOSITION OF REVENUE OF VILLAGE PANCHAYATS**

### **Introduction**

Public Economics is a most important branch of Economics. It deals with the financial operations (Finance) of public authorities (Public) i. e. government bodies, central, state and local. Hence, it is called Public Economics. "Public Economics" is concerned with the income (Revenue) and expenditure of authorities and with the adjustment of one to the other.

The above definitions throw light on the subject matter of Public Economics. However, it is necessary to streamline the subject matter to get a full meaning of what is Public Economics. Public Economics is divided into five categories of financial activities of government.

1. Public Revenue
2. Public Expenditure
3. Public Debt
4. Financial Administration and Control and
5. Economic Stability and Growth.

### **3.2 Meaning of Public Revenue**

A study of public finance includes the following on the revenue side.

1. Objectives, methods and effects of collecting public revenue.
2. Analysis and comparison of the benefits and drawbacks of various methods of raising income by way of taxation, public loans and deficit financing.

Thus, public finance includes the study of problems of incidence of taxation and effects of taxation on production, distribution and employment. It also includes the problem of burden of internal and external public debt, and dangers of deficit financing. The study of public finance also includes measures taken to do social justice through taxation and to prevent evasion of taxes.

Definitions of Public Revenue are useful in understanding its meaning.

1. "The income that the government collects from its people through the various sources is called Public Revenue."
2. "The income of the government is called Public Revenue. It is further classified into 1) Tax Revenue and 2) Non-tax Revenue." <sup>2</sup>
3. "The income of government through all sources is called public revenue." <sup>3</sup>
4. Dr. Dalton has defined public revenue into two perspectives – wide and narrow. In the wider sense, it included all the incomes or receipts with the government may secure during any given period of time. In the narrow sense it includes only those sources of income of the government which are ordinarily known as public resources." <sup>4</sup>
5. "The revenue receipts of the government which it obtains from various sources are called public revenue." <sup>5</sup>

### **3.3 Meaning of Revenue of Village Panchayats**

The Village Panchayat is the basic local government unit in rural India. From 1952 onwards, it has been also playing an increasingly significant role in rural development. Like any other economic unit, a government needs funds to finance its activities such funds are raised from various sources. Its sources include taxes, income from

public undertakings, fees, fines, gifts, donations etc. The other sources of revenue made available to the Panchayats by the act are income from property or waste like compost, loans from the district from the Village Development Fund and for development projects etc.

These all sources are divided into tax revenue and non-tax revenue is like the central and state governments. The local government also performs various different functions to achieve predetermined objectives. Therefore, the local government also requires finance and revenue in absence of revenue it cannot achieve its predetermined goals. Therefore, it becomes necessary to take into account the sources of revenue of the local government.

Definitions of revenue of Village Panchayats are useful in undertaking its meaning.

1. "The income of the Village Panchayats is called Revenue of Village Panchayats."
2. "The income that the Village Panchayats collect from their people through the various sources is called revenue of Village Panchayats."
3. "The revenue receipts of the Village Panchayats which they obtain from various sources are called Revenue of Village Panchayats."

### **3.4 Sources of Revenue Receipts of Village Panchayats**

The financial resources of the Village Panchayats may be divided into three categories.

1. Tax Revenue
2. Non-tax Revenue
3. Grants.

The present study is concerned with Village Panchayats in Panhala taluka of Kolhapur district. Hence, here we discuss about the sources of finances of Village Panchayats during the period under study from 2000-01 to 2008-09.

### **1. Tax Revenue**

Tax revenue is most important source of Village Panchayats. "Receipts from taxation is the major source of revenue. It is called Tax Revenue." <sup>6</sup>

"A tax is a compulsory contribution from a person to the government to defray the expenses incurred in the common interest of all without reference to special benefits conferred." <sup>7</sup>

"A tax is a compulsory contribution imposed by a public authority irrespective of the exact amount of service rendered to the tax payer in return and not imposed as a penalty for any legal offence." <sup>8</sup>

The Village Panchayats levy various taxes on the people and collect revenue through the taxes. In general, the Village Panchayats impose following taxes.

1. House Tax or Building Tax
2. Light Tax
3. Water Tax
4. Market Tax
5. Health Tax
6. Fair Tax

All these taxes are included in the tax revenue.

### **2. Non-tax Revenue**

"Non-tax revenue includes 1) prices paid for goods and services sold by government, 2) fines and pecuniary penalties court fee, registration fee etc." <sup>9</sup>

Non-tax revenue is another most important source of Village Panchayats. Non-tax revenue of Village Panchayats mainly continues of the sources mentioned above. The various grants-in-aid of the state government as well as central government. It is also an important source of revenue. Following are major items, which are included in the non-tax revenue of Village Panchayats.

1. Stamp Duty
2. Water Charges
3. Building Rent
4. Notice Fees
5. Other (Registration of Birth and Death, Marriage etc.)

### **3. Grants**

Grants are also an important source of Revenue Receipts of Village Panchayats. They receive grants from state government as well as union government. Village Panchayat get grants of various categories or types. The details are given in the table.

### **Sources of Capital Receipts**

Capital receipts determine capital expenditure of Village Panchayats. Capital receipts as well as capital expenditure play an important role in speeding up rural development. The major sources of capital receipts of Village Panchayats are loan, grants, donations, advances, deposits and other.

### **3.5 Growth of total Revenue of Village Panchayat under Study**

The data about total revenue for the period 2000-01 to 2008-09 of Village Panchayats under study is presented in Table No. 3.1.

**Table No. 3.1**  
**Growth and Composition of Total Revenue of Village Panchayats**

(in Rs.)

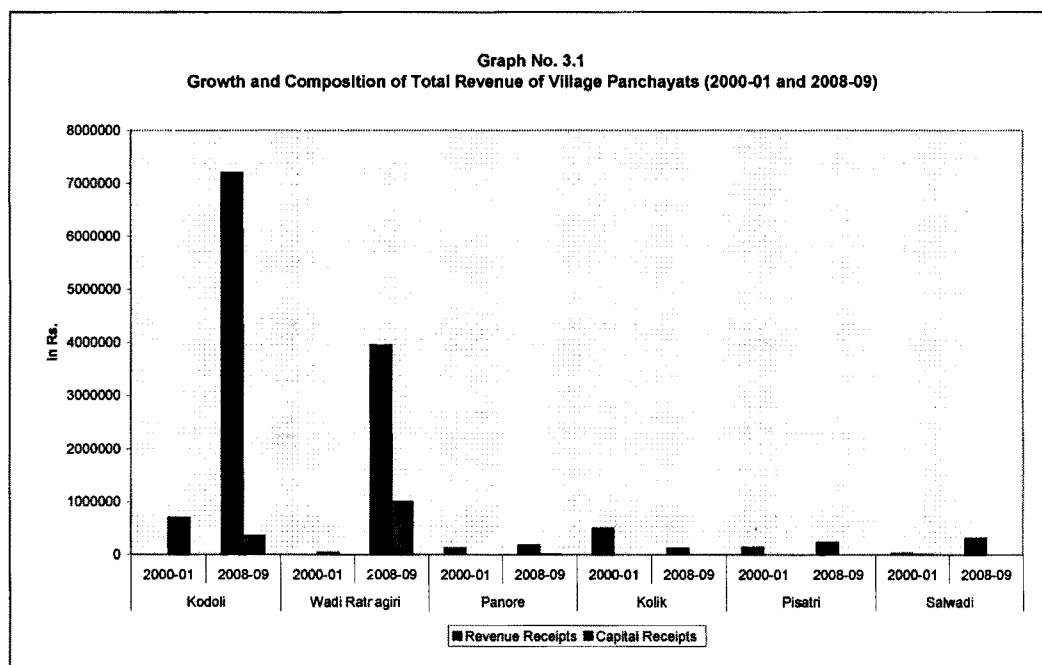
Year	1) Kodoli			2) Wadi Ratnagiri			3) Panore		
	Revenue Receipts	Capital Receipts	Total Revenue	Revenue	Capital	Total Revenue	Revenue	Capital	Total Revenue
2000-01	--	70000 (100)	70000 (100)	--	46391 (100)	46391 (100)	129862 (99.85)	200 (0.15)	130062 (100)
2001-02	3753500 (82.48)	797250 (17.52)	4550750 (100)	494081 (87.63)	69758 (12.37)	563839 (100)	109885 (88.38)	1800 (1.61)	111685 (100)
2002-03	4726000 (66.60)	2370250 (33.40)	7096250 (100)	461112 (63.51)	264900 (36.49)	726012 (100)	111373 (97.80)	2500 (2.20)	113873 (100)
2003-04	3921400 (94.00)	250250 (6.00)	4171650 (100)	900750 (69.00)	405250 (31.00)	1306000 (100)	244756 (95.98)	10250 (4.02)	255006 (100)
2004-05	7262400 (96.00)	300250 (4.00)	7562650 (100)	1217500 (85.57)	205250 (14.43)	1422750 (100)	251850 (96.00)	10500 (4.00)	262350 (100)
2005-06	12630800 (92.00)	1105250 (8.00)	13736050 (100)	1797750 (81.60)	405250 (18.40)	2203000 (100)	310000 (96.72)	10500 (3.28)	320500 (100)
2006-07	7566295 (74.66)	2568500 (25.34)	10134795 (100)	1456000 (78.23)	405250 (21.77)	1861250 (100)	164702 (99.85)	250 (0.15)	164952 (100)
2007-08	7901065 (95.63)	360500 (4.37)	8261565 (100)	2104700 (86.08)	340250 (13.92)	2444950 (100)	186700 (92.33)	15500 (7.67)	202200 (100)
2008-09	7199450 (95.23)	360500 (4.77)	7559950 (100)	3953300 (79.72)	1005500 (20.28)	4958800 (100)	181700 (97.32)	5000 (2.68)	186700 (100)
CGR	12.17	- 5.49	24.75	22.72	29.70	31.18	6.55	27.87	7.23

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Year	4) Kolik		5) Pisatri		6) Salwadi				
	Revenue Receipts	Capital Receipts	Total Revenue	Revenue	Capital	Total Revenue			
2000-01	503179 (99.95)	250 (0.05)	503429 (100)	143265 (99.92)	120 (0.08)	143385 (100)	33750 (85.99)	5500 (14.01)	39250 (100)
2001-02	45869 (99.46)	250 (0.54)	46119 (100)	24426 (85.85)	4025 (14.15)	28451 (100)	33850 (76.32)	10500 (23.68)	44350 (100)
2002-03	113180 (99.78)	250 (0.22)	113430 (100)	57975 (100)	--	57975 (100)	22527 (99.11)	200 (0.89)	22727 (100)
2003-04	102599 (99.76)	250 (0.24)	102849 (100)	143714 (99.65)	500 (0.35)	144214 (100)	80799 (99.69)	250 (0.31)	81049 (100)
2004-05	183599 (99.89)	200 (0.11)	183799 (100)	147830 (99.66)	500 (0.34)	148330 (100)	71400 (91.65)	6500 (8.35)	77900 (100)
2005-06	281540 (99.91)	250 (0.09)	281790 (100)	152430 (99.67)	500 (0.33)	152930 (100)	103125 (93.64)	7000 (6.36)	110125 (100)
2006-07	216490 (99.88)	250 (0.12)	216740 (100)	109969 (93.09)	8152 (6.91)	118121 (100)	117025 (53.55)	101500 (46.45)	218525 (100)
2007-08	223540 (99.89)	250 (0.11)	223790 (100)	210900 (99.76)	500 (0.24)	211400 (100)	303125 (99.51)	1500 (0.49)	304625 (100)
2008-09	123140 (99.59)	500 (0.41)	123640 (100)	239900 (99.79)	500 (0.21)	240400 (100)	322550 (99.84)	500 (0.16)	323050 (100)
CGR	2.62	4.72	2.40	17.87	9.90	17.28	37.58	0.60	37.35

Source : Official Records of Village Panchayats

Note : Figures in round brackets shows percentage to total Revenue.



### 1. Kodoli Village Panchayat

The minimum revenue receipts of Kodoli Village Panchayat were Rs. 3753500 (84.48%) in 2001-02. In addition, the maximum revenue receipts were Rs. 12630800 (92%) in the year 2005-06. An average of revenue receipts was Rs. 6870113. The growth rate of revenue receipts was 12.17%. As well as capital receipts were minimum in the year 2003-04. They were Rs. 250250 (6%). In addition, maximum capital receipts were Rs. 2568500 (25.34%) in 2006-07. An average of capital receipts was Rs. 1056531. The compound growth rate of capital receipts was negative. It was – 5.49%.

Revenue receipts were a major source of total revenue for Kodoli Village Panchayat. This Panchayat did collect much capital receipts.

### 2. Wadi Ratnagiri Village Panchayat

The minimum revenue receipts of Wadi Ratnagiri Village Panchayat were Rs. 463019 (63.60%) in 2002-03 and maximum revenue receipts were Rs. 7200750 (63.99%) in 2003-04. An average of revenue receipts was Rs. 2258872. They increased by 22.72%.

As well as minimum capital receipts were Rs. 46391 (100%) in 2000-01 and maximum capital receipts were Rs. 4052250 (21.77%) in 2003-04. An average of capital receipts were Rs. 754977. The compound growth rate of capital receipts was higher than revenue receipts. It was 29.70%.

Wadi Ratnagiri Village Panchayat was mainly depending of revenue receipts for its total revenue collection. However, its attempts to mobilise capital receipts were also considerate. The growth of capital receipts was significant.

### **3. Panore Village Panchayat**

The minimum revenue of Panore Village Panchayat was Rs. 109885 (98.39%) in 2001-02 and maximum revenue receipts were Rs. 270000 (96.26%) in the 2005-06. An average of revenue receipts was Rs. 183369. They increased by 6.55%. The growth rate of capital receipts was higher than revenue receipts. It was 27.87%. The minimum capital receipts were Rs. 200 (0.15%) in 2000-01 and maximum capital receipts were Rs. 15500 (7.67%) in 2007-08.

Panore Village Panchayat has paid emphasis on revenue receipts mobilisation. Its capital receipts were meagre, but they are increasing is a good thing. Here, revenue receipts were its prominent determinant of revenue mobilisation.

### **4. Kolik Village Panchayat**

The minimum revenue receipts of Kolik Village Panchayat were Rs. 49869 (99.46%) in 2001-02. As well as maximum revenue receipts were Rs. 503179 (99.95%) in 2000-01. An average of revenue receipts were Rs. 200337. The compound growth rate of revenue receipts was less than capital receipts. It was 2.62%. Capital receipts increased by 4.72%. The minimum capital receipts were Rs. 200 (0.05%) in 2004-05 and maximum capital receipts were Rs. 500 (0.41%) in 2008-09. An average of capital receipts was Rs. 272.

## **5. Pisatri Village Panchayat**

The revenue receipts of Pisatri Village Panchayat increased by 17.87% during the period under study. The minimum revenue receipts were Rs. 24426 (85.85%) in 2001-02 and the maximum revenue receipts were Rs. 239900 (99.79%) in 2008-09. An average of revenue receipts was Rs. 136712. As well as the minimum capital receipts were Rs. 120 (0.08%) in 2000-01. And maximum capital receipts were Rs. 8152 (6.91%) in 2006-07. An average of capital receipts was Rs. 1849. The compound growth rate of capital receipts was 9.90%.

Capital receipts were not on the agenda of the Pisatri Village Panchayat. This can have bad effects on the socio-economic development of the area under its jurisdiction. Revenue receipts were a dominant component of total revenue collection by this Panchayat.

## **6. Salwadi Village Panchayat**

The revenue receipts of Salwadi Village Panchayat increased by 37.58% during the period under study. An average of revenue receipts was Rs. 120905. The minimum of revenue receipts were Rs. 22527 (99.11%) in 2002-03 and the maximum revenue receipts were Rs. 322550 (99.84%) in 2009-09. As well as the growth rate of capital receipts was only 0.60%. An average of capital receipts was Rs. 14827. The minimum capital receipts were Rs. 200 (0.89%) in 2002-03 and the maximum capital receipts were Rs. 1011500 (46.45%) in 2006-07.

Salwadi Village Panchayat has very significantly neglected collections of capital receipts and thereby capital expenditure which influences very significantly rural development of the area under its jurisdiction.

A technique of standard deviation (SD) reveals that total revenue (SD 372884.3) registered greater variations than revenue receipts and capital receipts. Revenue receipts showed a positive correlation with total revenue. Likewise, capital receipts indicated positive but lower degree ( $r = 0.27$ ) correlation with total revenue of Kodoli Village Panchayat.

For Wadi Ratnagiri Village Panchayat its total revenue had greater variations (SD = 3484429.49) than its revenue receipts and capital receipts. The correlation analysis indicated that revenue receipts had lower degree and negative ( $r = - 0.25$ ) relationship with total revenue. Moreover, capital receipts had positive but higher degree ( $r = 0.97$ ) association with total revenue.

In the case of Panore Village Panchayat revenue receipts had greater variations (SD = 61023) than capital receipts. The correlation analysis indicated that revenue receipts had positive and high degree ( $r = 0.99$ ) and capital receipts showed a positive and high degree relation with total revenue ( $r = 0.76$ ).

Village Panchayat Kolik's standard deviation of total revenue was high (SD = 133497). The correlation analysis indicated that revenue receipts had about to perfect and positive relationship with total revenue. Likewise, capital receipts indicated negative but lower degree ( $r = - 0.19$ ) correlation with total revenue.

In the case of Pisatri Village Panchayat, revenue receipts had greater variations (SD – 67209) than capital receipts. The correlation analysis indicated that revenue receipts had a positive and high degree relationship with total revenue ( $r = 0.99$ ). In addition, capital receipts had a moderate negative ( $r = - 0.52$ ) association.

For the Salwadi Village Panchayat its total revenue had greater variations (SD = 116129.03) than its revenue receipts and capital receipts. The correlation analysis indicated that revenue receipts had a strong and positive ( $r = 0.96$ ) correlation with total revenue.

In addition, capital receipts had weak and positive association with total revenue.

The employment of regression analysis reveals that revenue receipts were a prominent determinant of total revenue collected by all the Panchayats into our consideration. That was indicated by standardized beta and t value.

### **3.6 Growth and Composition of Revenue Receipts of Village Panchayats**

The table 3.2 presents the data about Revenue Receipts of Village Panchayats during 2000-01 to 2008-09.

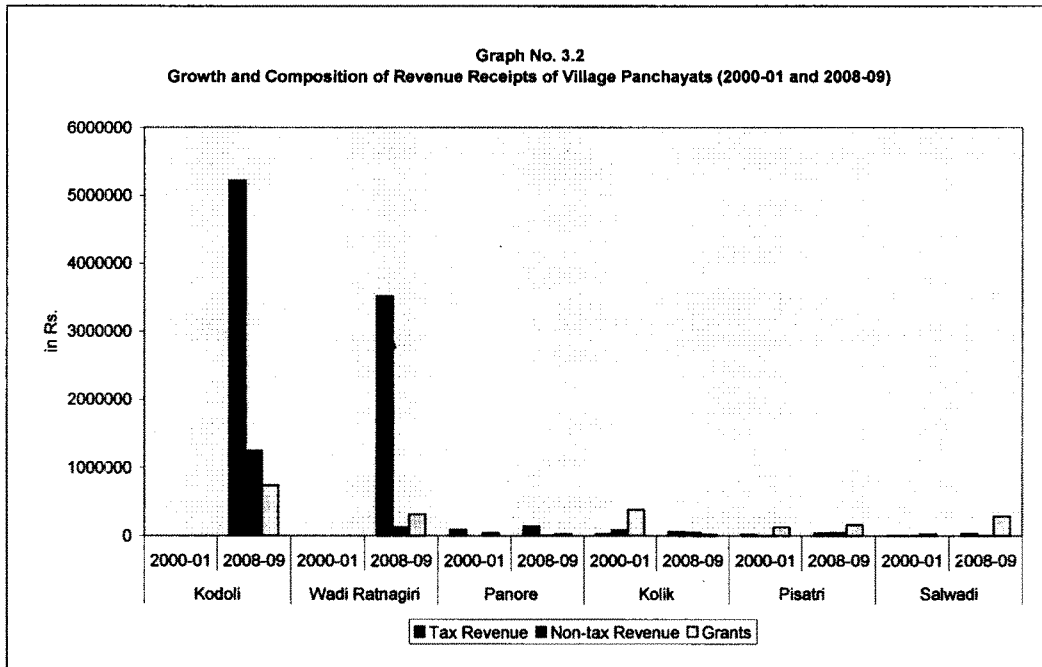
**Table No. 3.2**  
**Growth and Composition of Revenue Receipts of Village Panchayats**

Year	1) Kodoli				2) Wadi Ratnagiri				3) Panore			
	Tax Revenue	Non-tax Revenue	Grants	Revenue Receipts	Tax Revenue	Non-tax Revenue	Grants	Revenue Receipts	Tax Revenue	Non-tax Revenue	Grants	Revenue Receipts
2000-01	--	--	--	--	--	--	--	--	88974 68.51)	--	40888 31.49)	129862 100)
2001-02	1418000 37.78)	617500 16.45)	1718000 45.77)	3753500 100)	311235 63.00)	112548 23.00)	70298 14.00)	494081 100)	92697 84.36)	395 0.36)	16793 15.28)	109885 100)
2002-03	2361100 49.96)	630000 13.33)	1734900 36.71)	4726000 100)	285699 61.96)	119259 25.86)	56154 12.18)	461112 100)	92837 83.36)	3254 2.92)	15282 13.72)	111373 100)
2003-04	2759500 70.37)	775000 19.76)	386900 9.87)	3921400 100)	703000 78.05)	81750 9.07)	116000 12.88)	900750 100)	112600 46.01)	103906 42.45)	28250 11.54)	244756 100)
2004-05	5034500 69.33)	826000 11.37)	1401900 19.30)	7262400 100)	703000 57.74)	356500 29.28)	158000 12.98)	1217500 100)	113600 45.11)	105000 41.69)	33250 13.20)	251880 100)
2005-06	5639900 44.65)	889000 7.04)	6101900 48.31)	12630800 100)	1503000 83.60)	131750 7.33)	163000 9.07)	1797750 100)	124000 40.00)	155000 50.00)	31000 10.00)	31000 100)
2006-07	564270 7.46)	909345 12.02)	6092680 80.52)	7566295 100)	1103000 75.76)	195000 13.39)	158000 10.85)	1456000 100)	77856 47.27)	8010 4.86)	78836 47.87)	164702 100)
2007-08	5217810 66.04)	1231355 15.58)	1451900 18.38)	7901065 100)	1862800 88.51)	64000 3.04)	177900 8.45)	2104700 100)	145000 77.66)	10000 5.36)	31700 16.98)	186700 100)
2008-09	5218660 72.49)	1242890 17.26)	737900 10.25)	7199450 100)	3517000 88.96)	125000 3.17)	311300 7.87)	3953300 100)	146500 80.63)	5800 3.19)	29400 16.18)	181700 100)
CGR	10.56	11.04	3.55	12.17	38.86	0.28	6.91	22.72	5.24	27.17	6.82	6.55

Year	4) Kolik			4) Pisatri			5) Saliwadi					
	Tax Revenue	Non-tax Revenue	Grants	Revenue Receipts	Tax Revenue	Non-tax Revenue	Grants	Revenue Receipts	Tax Revenue	Non-tax Revenue	Grants	Revenue Receipts
2000-01	32045 6.37)	85494 16.99)	385640 76.64)	503179 100)	15534 10.84)	1515 1.06)	126216 88.10)	143265 100)	5300 15.70)	1900 5.63)	26550 78.67)	33750 100)
2001-02	23540 51.32)	780 1.70)	21549 46.98)	45869 100)	16366 67.00)	--	8060 33.00)	24426 100)	18400 54.36)	3500 10.34)	11950 35.30)	33850 100)
2002-03	22752 20.10)	1920 1.70)	88508 78.20)	113180 100)	11331 19.55)	39000 67.27)	7644 13.18)	57975 100)	13887 61.65)	590 2.62)	8050 35.73)	22527 100)
2003-04	32050 31.24)	44250 43.13)	26299 25.63)	102599 100)	18580 12.93)	38500 26.79)	86634 60.28)	143714 100)	16337 20.22)	9300 11.51)	55162 68.27)	80799 100)
2004-05	36050 19.64)	44250 24.10)	103299 56.26)	183599 100)	21590 14.60)	38500 26.04)	87740 59.36)	147830 100)	19800 27.73)	1000 1.40)	50600 70.87)	71400 100)
2005-06	30600 10.87)	45000 15.98)	205940 73.15)	281540 100)	26090 17.12)	38500 25.26)	87840 57.62)	152430 100)	22025 21.36)	1500 1.45)	79600 77.19)	103125 100)
2006-07	42550 19.65)	45000 20.79)	128940 59.56)	216490 100)	14342 13.04)	--	95627 86.96)	109969 100)	22025 18.82)	1500 1.29)	93500 79.90)	117025 100)
2007-08	47100 21.07)	47000 21.02)	129440 57.91)	223540 100)	30300 14.37)	41560 19.71)	139040 65.92)	210900 100)	22025 7.27)	1500 0.49)	279600 92.24)	303125 100)
2008-09	56700 46.05)	52000 42.23)	14140 11.72)	123140 100)	36300 15.13)	45500 18.97)	158100 65.90)	239900 100)	33200 10.29)	1500 0.05)	289200 89.66)	322550 100)
CGR	9.71	31.94	7.57	2.62	10.61	44.63	27.36	17.87	16.37	- 19.64	49.88	37.58

Source : Official Records of Village Panchayats

Note : Figures in round brackets shows percentage to Revenue Receipts.



### 1. Kodoli Village Panchayat

Tax Revenue of Kodoli Village Panchayat increased by 10.56%. The minimum tax revenue was Rs. 564270 (7.96) in 2006-07 and maximum tax revenue was Rs. 5639900 (44.65%) in 2005-06. An average of tax revenue was Rs. 3526717. As well as the growth rate of non-tax revenue was 11.04%. An average of non-tax revenue was Rs. 890136. The minimum non-tax revenue was Rs. 617500 (16.45%) in 2001-02 and maximum non-tax revenue was Rs. 1242890 (17.26) in 2008-09. Moreover, the grants increased by 3.55% during the period under study. An average of grants was Rs. 6870113. The minimum grants were Rs. 386900 (9.87) in 2003-04 and the maximum grants were Rs. 6101900 (48.31) in 2005-06.

The growth and composition of Revenue receipts of Kodoli Village Panchayat reveals that grants were a major source of Revenue Receipts initially. This picture has been changed radically in the last two years under study. It is a good fiscal practice as far as fiscal autonomy and decision making freedom is concerned. However,

non-tax revenue is unexploited and under utilised source of Revenue Receipts.

## **2. Wadi Ratnagiri Village Panchayat**

The tax revenue of Wadi Ratnagiri Village Panchayat was increased by 38.86%. Average tax revenue was Rs. 1173591. The minimum tax revenue was Rs. 285699 (61.70%) in 2002-03 and maximum tax revenue was Rs. 3517000 (88.96) in 2008-09. As well as non-tax revenue was increased by 0.28%. An average of non-tax revenue was Rs. 890136. The minimum non-tax revenue was Rs. 64000 (3.36%) in 2007-08 and the maximum value of non-tax revenue was Rs. 356500 (29.28) and the grants were increased by 6.91%. an average of grants was Rs. 938831. The minimum grants were Rs. 56154 (12.13%) and maximum grants were Rs. 311300 (7.87%) in 2008-09.

Wadi Ratnagiri has exploited and utilised tax revenue sources significantly than the others. Hence, tax revenue was a prominent constituent of its revenue receipts. However, it could not use non-tax revenue sources to the extent expected. The share as well as growth in grants was insignificant.

## **3. Panore Village Panchayat**

Tax revenue of Panore Village Panchayat increased by 5.24%. The minimum tax revenue was Rs. 77356 (47.11) in 2006-07 and the maximum tax revenue was Rs. 146500 (77.66) in 2007-08. An average of tax revenue was Rs. 110396. As well as non-tax revenue was increased by 27.17%. An average of the non-tax revenue was Rs. 39040. The minimum non-tax revenue was Rs. 395(0.36%) in 2001-02 and the maximum was Rs. 115000 (42.59) in 2005-06. In addition, the growth rate of grants was 6.82%. An average of grants was Rs. 33933. The minimum amount of grants were Rs. 15282 (13.72) in 2002-03 and the maximum grants were of Rs. 78836 (48.01%) in the year 2006-07.

It is observed that Panore Village Panchayat has attempted to achieve fiscal autonomy as far as its revenue receipts are concerned. It mainly relied on tax revenue for revenue receipts collection. Its dependence on grants was lower and it is declining. However, it has neglected its non-tax revenue sources in the mobilization of revenue receipts. Thus, tax revenue was a prominent determinant of revenue receipts collection by Panore Village Panchayat.

#### **4. Kolik Village Panchayat**

The growth rate of tax revenue was 9.71%. An average of tax revenue was Rs. 35920. The minimum tax revenue was Rs. 22752 (20.10%) in 2002-03 and maximum tax revenue was Rs. 56700 (46.05%) in 2008-09. As well as the non-tax revenue increased by 31.94%. An average of non-tax revenue was Rs. 40632. The minimum non-tax revenue was Rs. 780 (1.70%) in 2001-02 and the maximum was Rs. 85494 (16.99) in 2000-01. In addition, grants have declined by – 7.57% during the study period. An average of grants was Rs. 123783. The minimum amount of grants was Rs. 14440 (11.72%) in 2008-09 and maximum grants were Rs. 385640 (76.64%) in 2000-01.

It is revealed that Kolik Village Panchayat had no fiscal autonomy as far as Revenue Receipts mobilization is taken into consideration. It heavily relied on grants for revenue receipts mobilization. Recently this has been decreased. The striking feature is that its tax and non-tax revenue sources are under exploited and utilized and they have contributed equally in Revenue Receipts collections.

#### **5. Pisatri Village Panchayat**

The growth rate of tax revenue of Pisatri Village Panchayat was 10.61%. An average of tax revenue was Rs. 21159. The minimum tax revenue was of Rs. 11331 (19.55%) in 2002-03 and maximum tax

revenue was Rs. 36300 (15.13%) in 2008-09. As well as the growth rate of non-tax revenue was 44.63%. An average of non-tax revenue was Rs. 34725. The minimum non-tax revenue was of Rs. 1515 (1.06%) in 2000-01 and maximum of non-tax revenue was of Rs. 45500 (18.97) in 2008-09. In addition, the grants increased by 27.36% during study period. An average of grants was Rs. 88544. The minimum grants were of Rs. 7644 (13.8%) in 2002-03 and maximum of grants were of Rs. 158100 (65.90%) in 2008-09.

Pisatri Village Panchayat was greatly dependent on grants for its revenue receipts collection during the period under study. However, their feature is that it has attempted to exploit its non-tax revenue sources. At the same time, it has failed in utilising its tax revenue sources.

#### **6. Salwadi Village Panchayat**

The tax revenue of Salwadi Village Panchayat increased by 16.37%. An average of tax revenue was Rs. 19222. The minimum tax revenue was of Rs. 5300 (15.70%) in 2000-01 and maximum of tax revenue was of Rs. 33200 (10.29%) in 2008-09. As well as the non-tax revenue declined by – 19.61%. An average of non-tax revenue was of Rs. 2326. The minimum of non-tax revenue was of Rs. 150 (0.05%) in 2008-09 and the maximum of non-tax revenue was of Rs. 9300 (11.51%) in 2003-04. In addition, the growth rate of grants was 49.88%. An average of grants was Rs. 99356. The minimum of grants were of Rs. 8050 (35.73%) in 2002-03 and maximum of grants were of Rs. 289200 (89.66%) in 2008-09.

Salwadi Village Panchayat was mainly dependent on grants from the government in mobilization of its revenue receipts. It is dependent of grants was more than so far. Hence, grants were a prominent determinant of Revenue Receipts of Salwadi Village Panchayat. Its attempts were considerable to exploit tax revenue

sources. However, it has significantly neglected its non-tax revenue sources.

For Kodoli Village Panchayat revenue receipts had greater variations than tax revenue, non-tax revenue and grants as shown by standard deviation (SD 28785511.60). Its correlation analysis revealed that tax revenue has a positive but higher degree association ( $r = 0.60$ ). Thus its non-tax revenue ( $r = 0.45$ ). As well as grants had a moderate positive correlation ( $r=0.68$ ) with revenue receipts.

For Wadi Ratnagiri Village Panchayat its revenue receipts had greater variations (SD = 2276777). The correlation analysis indicated that tax revenue was of higher degree and positively ( $r = 0.31$ ) correlated with revenue receipts. Likewise, non-tax revenue indicated a moderate but negative ( $r = - 0.29$ ) correlation with revenue receipts.

In the case of Panore Village Panchayat revenue receipts had greater variations (SD = 61023.06). The correlation analysis indicted that the revenue had a positive and low degree correlation with ( $r = 0.49$ ) revenue receipts. Thus, the non-tax revenue was strong and positive correlation with its revenue receipts ( $r = 0.91$ ).

For Kolik Village Panchayat the revenue receipts had greater variation (SD = 135514.24). The correlation analysis indicated that the tax revenue had a lower and positive correlation with revenue receipts ( $r = 0.05$ ) and the non-tax revenue had a positive correlation with revenue receipts.

In the case of Pisatri Village Panchayat the revenue receipts had greater variations (SD = 67209.65). The correlation analysis indicated that the tax revenue had a positive and high degree correlation with revenue receipts ( $r = 0.85$ ). Thus, non-tax revenue ( $r = 0.23$ ) was positively but insignificantly associated with revenue receipts. For the Salwadi Village Panchayat its revenue receipts had greater variations (SD 113527.55). The correlation analysis indicated that tax revenue highly and strongly and positively ( $r = 0.75$ ) correlated

with revenue receipts. The grants had a strong and positive ( $r = 0.99$ ) correlation with revenue receipts.

The application of regression technique revealed that tax revenue and grants use important factors influencing revenue receipts of Village Panchayats under study. Non-tax revenue was a meagre and insignificant component. For some Panchayats only grants was a major source of revenue receipts. This we found from the values of standard beta and t value.

### 3.7 Growth and Composition of Tax Revenue of Village Panchayats

**Table No. 3.3**  
**Growth and Composition of Tax Revenue Village of Panchayats**

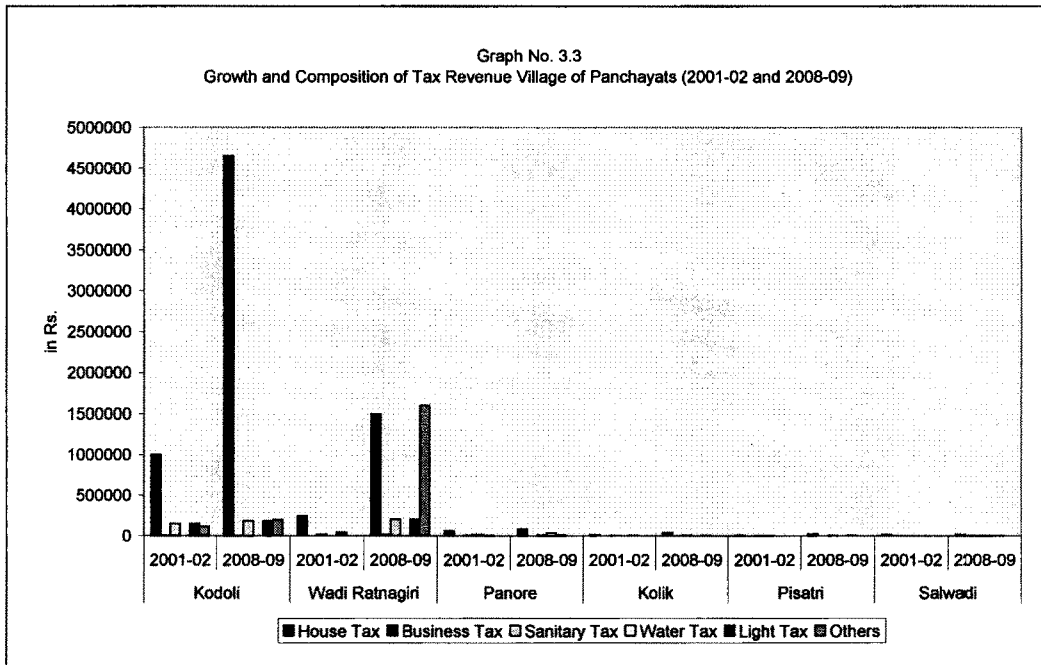
Year	House Tax	Business Tax	Sanitary Tax	Water Tax	Light Tax	Others	Tax Revenue
1) Kodoli							
2000-01	-	-	-	-	-	-	-
2001-02	1000000 (70.52)	7000 (0.49)	150000 (10.58)	--	150000 (10.58)	111000 (7.83)	1418000 (100)
2002-03	2000000 (84.71)	6000 (0.26)	100000 (4.23)	--	100000 (4.23)	155100 (6.57)	2361100 (100)
2003-04	2200000 (79.73)	9500 (0.34)	175000 (6.34)	--	175000 (6.34)	200000 (7.25)	2759500 (100)
2004-05	4500000 (89.38)	4500 (0.09)	175000 (3.48)	--	175000 (3.48)	180000 (3.57)	5034500 (100)
2005-06	--	5400 (0.10)	180500 (3.20)	--	180500 (3.20)	5273500 (93.50)	5639900 (100)
2006-07	--	5470 (0.97)	180560 (32.00)	--	180560 (32.00)	197680 (35.03)	564270 (100)
2007-08	4650790 (89.13)	5540 (0.11)	181970 (3.49)	--	181740 (3.48)	197770 (3.79)	5217810 (100)
2008-09	4650970 (89.12)	5650 (0.11)	181970 (3.49)	--	181970 (3.49)	198100 (3.79)	5218660 (100)
CGR	+ 36.66	- 3.93	- 10.99	--	5.45	15.67	10.56
2) Wadi Ratnagiri							
2000-01	--	--	--	--	--	--	--
2001-02	245026 (78.73)	150 (0.05)	20480 (6.58)	--	45579 (14.64)	--	311235 (100)
2002-03	205046 (71.77)	38628 (13.52)	4806 (1.68)	2610 (0.92)	2629 (0.92)	31980 (11.19)	285699 (100)

Year	House Tax	Business Tax	Sanitary Tax	Water Tax	Light Tax	Others	Tax Revenue
2003-04	500000 (71.12)	13000 (1.86)	95000 (13.51)	--	95000 (13.51)	--	703000 (100)
2004-05	500000 (71.12)	13000 (1.86)	95000 (13.51)	--	95000 (13.51)	--	703000 (100)
2005-06	900000 (59.88)	13000 (0.86)	95000 (6.32)	--	95000 (6.32)	400000 (26.62)	1503000 (100)
2006-07	500000 (45.33)	13000 (1.18)	95000 (8.61)	--	95000 (8.61)	400000 (36.27)	1103000 (100)
2007-08	1540000 (82.67)	12800 (0.69)	80000 (4.29)	--	80000 (4.29)	150000 (8.06)	1862800 (100)
2008-09	1500000 (42.65)	17000 (0.48)	200000 (5.69)	--	200000 (5.69)	1600000 (45.49)	3517000 (100)
CGR	32.04	38.88	42.94	--	38.61	98.26	38.86
3) Panore							
2000-01	56879 (63.93)	560 (0.63)	6855 (7.70)	17800 (20.01)	6855 (7.70)	25 (0.03)	88974 (100)
2001-02	58804 (63.44)	370 (0.40)	7371 (7.95)	18864 (20.35)	7288 (7.86)	--	92697 (100)
2002-03	60725 (65.42)	330 (0.35)	7133 (7.68)	17594 (18.95)	7055 (7.60)	--	92837 (100)
2003-04	65000 (57.73)	600 (0.53)	8500 (7.55)	30000 (26.64)	8500 (7.55)	--	112600 (100)
2004-05	65000 (57.22)	600 (0.53)	9000 (7.92)	30000 (26.41)	9000 (7.92)	--	113600 (100)
2005-06	70000 (56.45)	1000 (0.81)	9000 (7.26)	35000 (28.22)	9000 (7.26)	--	124000 (100)
2006-07	56321 (72.34)	40 (0.05)	5032 (6.46)	11460 (14.72)	5003 (6.43)	--	77856 (100)
2007-08	86000 (59.31)	1000 (0.69)	9000 (6.21)	40000 (27.58)	9000 (6.21)	--	145000 (100)
2008-09	87500 (59.74)	1000 (0.68)	9000 (6.14)	40000 (27.30)	9000 (6.14)	--	146500 (100)
CGR	4.75	2.68	1.76	- 7.1	1.83	--	5.24
4) Kolik							
2000-01	10881 (33.95)	30 (0.09)	4110 (12.83)	13500 (42.13)	3524 (11.00)	--	32045 (100)
2001-02	13671 (58.05)	30 (0.13)	5757 (24.49)	--	4082 (17.33)	--	23540 (100)
2002-03	13817 (60.73)	--	4877 (21.43)	--	4058 (17.84)	--	22752 (100)
2003-04	19000 (59.28)	50 (0.16)	7000 (21.84)	--	6000 (18.72)	--	32050 (100)
2004-05	22000 (61.03)	50 (0.14)	7500 (20.80)	--	6500 (18.03)	--	36050 (100)
2005-06	20500 (66.99)	100 (0.33)	5500 (17.97)	--	4500 (14.71)	--	30600 (100)
2006-07	31500 (74.03)	550 (1.29)	5500 (12.93)	--	5000 (11.75)	--	42550 (100)

Year	House Tax	Business Tax	Sanitary Tax	Water Tax	Light Tax	Others	Tax Revenue
2007-08	35000 (74.31)	1100 (2.33)	6000 (12.74)	--	5000 (10.62)	--	471000 (100)
2008-09	40000 (70.55)	1700 (3.00)	8000 (14.11)	--	7000 (13.34)	--	56700 (100)
CGR	17.64	90.54	4.74	--	5.97	--	9.71
5) Pisatri							
2000-01	9198 (59.21)	35 (0.23)	2393 (15.40)	2895 (18.64)	1013 (6.52)	--	15534 (100)
2001-02	9769 (59.69)	25 (0.21)	2516 (15.37)	3225 (19.71)	821 (5.02)	--	16366 (100)
2002-03	8085 (71.35)	25 (0.22)	2143 (18.91)	--	1078 (9.52)	--	11331 (100)
2003-04	13000 (69.97)	80 (0.43)	3000 (16.15)	--	2500 (13.45)	--	18580 (100)
2004-05	15000 (69.48)	90 (0.42)	3500 (16.21)	--	3000 (13.89)	--	21590 (100)
2005-06	18000 (68.99)	90 (0.35)	4000 (15.33)	--	4000 (15.33)	--	26090 (100)
2006-07	10612 (73.99)	95 (0.66)	2585 (18.02)	--	1050 (7.33)	--	14342 (100)
2007-08	2000 (66.00)	90 (0.30)	6210 (20.50)	--	4000 (13.20)	--	30300 (100)
2008-09	25000 (68.87)	90 (0.25)	6210 (17.11)	--	5000 (13.77)	--	36300 (100)
CGR	12.40	16.95	12.72	--	21.23	--	10.61
6) Salwadi							
2000-01	3000 (56.60)	200 (3.77)	1000 (18.87)	--	1100 (20.76)	--	5300 (100)
2001-02	12000 (65.22)	400 (2.18)	3000 (16.30)	--	3000 (16.30)	--	18400 (100)
2002-03	10482 (75.48)	210 (1.51)	1610 (11.59)	--	1585 (11.42)	--	13887 (100)
2003-04	11197 (68.54)	200 (1.22)	1470 (9.00)	2025 (12.40)	1445 (8.84)	--	16337 (100)
2004-05	13000 (65.66)	400 (2.02)	3200 (16.16)	--	3200 (16.16)	--	19800 (100)
2005-06	13000 (59.03)	600 (2.72)	3200 (14.53)	2025 (9.19)	3200 (14.53)	--	22025 (100)
2006-07	13000 (59.03)	600 (2.72)	3200 (14.53)	2025 (9.19)	3200 (14.53)	--	22025 (100)
2007-08	13000 (59.03)	600 (2.72)	3200 (14.53)	2025 (9.19)	3200 (14.53)	--	22025 (100)
2008-09	19000 (57.23)	1200 (3.61)	5000 (15.06)	3000 (9.04)	5000 (15.06)	--	33200 (100)
CGR	14.65	21.29	15.76	8.17	15.12	--	16.37

Source : Official Records of Village Panchayats

Note : Figures in round brackets show percentage to Tax Revenue.



### 1. Kodoli Village Panchayat

The Village Panchayat of Kodoli shows an increase in tax revenue during the period under study. The growth rate of house tax was very higher than other tax. It was 36.66%. An average of house tax was Rs. 3166960. However, the business tax fell by – 3.93. An average of business tax was Rs. 6132. As well as sanitary tax decreased by – 10.99%. An average of sanitary tax was of Rs. 290625. A growth rate light tax was 5.45%. An average of light tax was of Rs. 165596. Other taxes increased by 15.67%.

It is revealed that for Kodoli Village Panchayat, House tax was a prominent source of revenue during the period under study. It also grew rapidly during the same period. After that light tax and others confronted to tax revenue considerably.

### 2. Wadi Ratnagiri Village Panchayat

The growth rate of house tax was 32.04%. An average of house tax was Rs. 736262. The minimum of house tax was Rs. 2505046 (71.77%) in 2002-03 and the maximum of house tax was Rs. 1540000 (82.67%) in 2007-08. As well as the growth rate of business tax was

38.88%. An average of business tax was Rs. 15072. The minimum business tax was Rs. 150 (0.05%) in 2001-02 and the maximum business tax was of Rs. 38628 (13.52%) in the 2002-03. The sanitary tax increased by 38.88%. An average of sanitary tax was of Rs. 4806 (1.68%) in 2002-02 and the maximum sanitary tax was Rs. 2000000 (5.69%) in 2008-09. The growth rate of light tax was 38.61%. An average of light tax was Rs. 88526. The minimum light tax was Rs. 2629 (0.92%) in 2002-03 and the maximum light tax was Rs. 200000 (5.69%) in 2008-09. The growth rate of other taxes was very high. It was 98.26%.

House tax was an important tax in tax revenue collection by Wadi Ratnagiri Village Panchayat. That the contribution of light tax and sanitary tax were considerable and they are increasing.

### **3. Panore Village Panchayat**

The house tax of Panore Village Panchayat increased by 4.75% during the period under study. An average of house tax was Rs. 67358. The minimum house tax was of Rs. 56321 (72.34%) in the year 2006-07 and the maximum house tax was of Rs. 87500 (59.74%) in 2008-09. The growth rate of business tax was 2.68%. An average of business tax was Rs. 611. The minimum business tax was of Rs. 40 (0.05%) in 2006-07 and the maximum of business tax was Rs. 1000 (0.68%) in 2008-09. As well as the sanitary tax increased by 1.76%. An average of sanitary tax was Rs. 7876. The minimum sanitary tax was of Rs. 5032 (6.46%) in 2006-07. In addition, the maximum sanitary tax was of Rs. 9000 (6.14%) in 2008-09. The growth rate of water tax was – 7.1% during the study period. An average of water tax was Rs. 44546. The minimum water tax was of Rs. 11460 (14.72%) in the year 2006-07 and the maximum water tax was of Rs. 40000 (27.30%) in 2008-09. In addition, the light tax increased by 1.83%. An average of light tax was of Rs. 7855. The minimum light tax was Rs. 5003 (6.43%) in 2006-07 and the maximum of light tax was of Rs. 9000 (6.14%) in the year 2008-09.

Panore Village Panchayat has attempted to diversify its tax revenue during the period into consideration. House tax was a major source of tax revenue. However, water tax, light tax also subscribed considerably in its tax revenue.

#### **4. Kolik Village Panchayat**

The growth rate of Kolik Village Panchayat of house tax was 17.64%. An average house tax was Rs. 22929. The minimum house tax was of Rs. 10881 (33.95%) in the year 2000-01 and the maximum of house tax was of Rs. 40000 (70.55%) in 2008-09. The growth rate of business tax was rapid 90.54%. An average of business tax was of Rs. 451. The minimum business tax was of Rs. 30 (0.09%) in the year 2000-01. And the maximum business tax was of Rs. 1700 (3.00%) in 2008-09. The growth rate of sanitary tax was 4.74%. An average of sanitary tax was Rs. 6028. The minimum sanitary tax was of Rs. 4110 (12.83%) in 2000-01 and maximum sanitary tax was of Rs. 8000 (14.11%) in the year. The growth rate of light tax was 5.97%. An average of light tax was Rs. 5073. The minimum light tax was of Rs. 3524 (11.00%) in 2000-01. Moreover, the maximum light tax was of Rs. 7000 (12.34) in the year 2008-09.

Kolik Village Panchayat did not rely on a single tax for its tax revenue mobilization. Hence, tax contributed significantly to the tax revenue of the Panchayat. However, role of sanitary tax and light tax in tax revenue collection of the Panchayat was not significant but considerable.

#### **5. Pisatri Village Panchayat**

The house tax of Pisatri Village Panchayat increased by 12.40% during the study period. An average of house tax was of Rs. 14296. The minimum house tax was of Rs. 8085 (71.35%) in 2002-03 and the maximum house tax was of Rs. 25000 (68.87%) in the year 2008-09. As well as the growth rate of business tax was 12.40% during the period under study. An average of business tax was of Rs. 70.

The minimum business tax was of Rs. 25 (0.22%) in the year 2000-01 and the maximum of business tax was of Rs. 95 (0.66%) in 2006-07. The growth rate of sanitary tax was 12.72%. The minimum sanitary tax was of Rs. 2143 (18.19%) in 2002-03. Moreover, maximum sanitary tax was of Rs. 6210 (17.11%) in the year 2008-09. The growth rate of light tax was 21.33%. An average of light tax was Rs. 2495. The minimum light tax was of Rs. 821 (5.02%) in the year 2001-02 and the maximum light tax was of Rs. 5000 (13.77%) in 2008-09.

Pisatri Village Panchayat mainly relied on house tax for its tax revenue collection. However, the taxes like sanitary tax, other taxes also have subscribed considerably. Business tax was a insignificant source.

#### **6. Salwadi Village Panchayat**

The growth of Salwadi Village Panchayat of house tax was increased by 14.65% during the study period. An average of house tax was of Rs. 11964. The minimum house tax was Rs. 3000 (56.60%) in the year 2000-01 and maximum house tax was Rs. 19000 (57.23%) in 2008-09. As well as the growth rate of business tax was 21.29%. The minimum business tax was Rs. 200 (3.77%) in the year 2000-01 and the maximum business tax was Rs. 1200 (3.61%) in 2008-09. The sanitary tax increased by 15.76%. An average of sanitary tax was Rs. 2764. The minimum of sanitary tax was Rs. 1000 (18.87%) in 2000-01 and the maximum of sanitary tax was Rs. 5000 (15.06%) in the year 2008-09. The growth rate of water tax was 8.17%. An average of water tax was Rs. 1233. The minimum water tax was Rs. 2025 (12.39%) in the year 2003-04 and maximum water tax was Rs. 3000 (9.04%) in 2008-09. The growth rate of light tax was 15.12%. An average of light tax was Rs. 2770. The minimum light tax was Rs. 1100 (20.76%) in the year 2000-01 and the maximum light tax was Rs. 5000 (15.06%) in 2008-09.

Salwadi Village Panchayat had a good tax system compared to all others under our study. Even though house tax was a prominent source of tax revenue. The contributions of all other taxes was also considerable. The striking feature is that it is a Panchayat, which has exploited and used all the taxes for its tax revenue collection.

For the Village Panchayat Kodoli, its other taxes had greater variations (SD = 63309) in the tax revenue. The correlation analysis indicated house tax, light tax and other taxes were positively related with tax revenue. Moreover, business tax and sanitary tax had negative relation with the tax revenue.

For the Wadi Ratnagiri Village Panchayat its other taxes had greater variations (SD = 626337) in the tax revenue. The correlation analysis indicated that house tax, sanitary tax, water tax, light tax and other taxes had positive association with the tax revenue. Only business tax has the negative relationship with the tax revenue.

In the case of Panore Village Panchayat the light tax had greater variations (SD = 510046.86) in the tax revenue. The correlation analysis indicated all items were positively associated with the tax revenue.

For the Kolik Village Panchayat the house tax had greater variations (SD = 10287.63) in the tax revenue. The correlation analysis indicted that all items of tax revenue had negative association with tax revenue.

In case of Pisatri Village Panchayat, its house tax had greater variations (SD = 5718.80) in the tax revenue. The correlation analysis indicated that some items (house tax, business tax, sanitary tax, light tax and other taxes) had negative relationship with total revenue. However, water tax had a high degree positive correlation with the tax revenue.

For the Salwadi Village Panchayat house tax had greater variations (SD = 4137.29) in the tax revenue. The correlation analysis indicated that all items of tax revenue had a positive relationship with the tax revenue.

The use of regression tool revealed that property tax, light tax, other taxes, water tax influenced tax revenue mobilization of Panchayats under study. Hence, tax was a dominant tax that influenced tax revenue of all Panchayats under study.

### 3.8 Growth and Composition of Non-tax Revenue of Village Panchayat

The non-tax revenue was an important source of revenue receipts.

**Table No. 3.4**

**Growth and Composition of Non-tax Revenue of Village Panchayats**

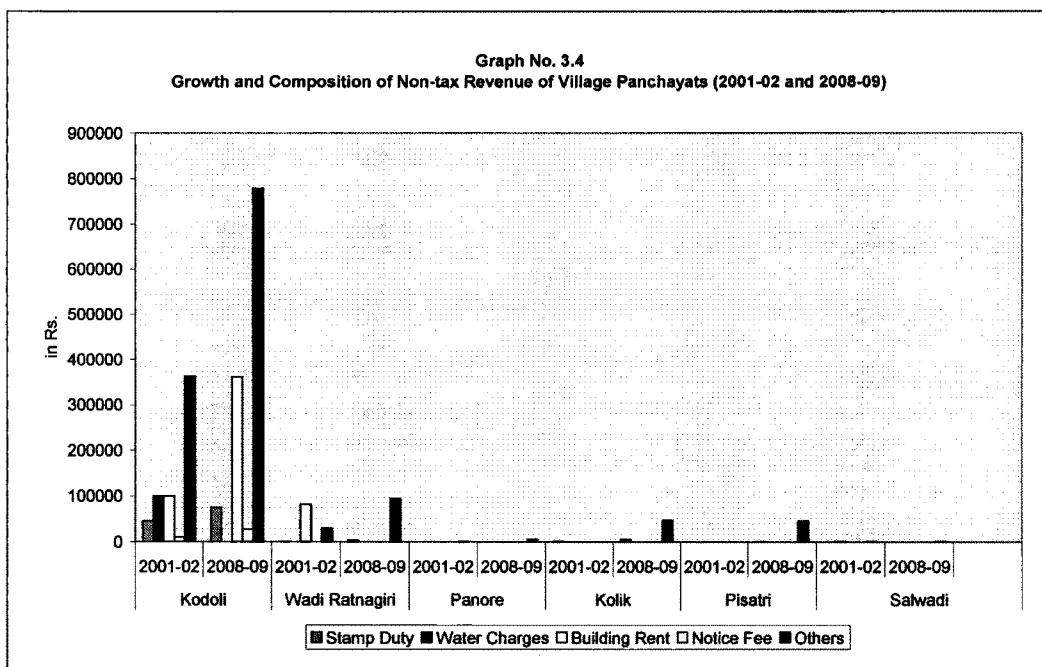
Year	Stamp Duty	Water Charges	Building Rent	Notice Fees	Others	Non-tax Revenue
1) Kodoli						
2000-01	--	--	--	--	--	--
2001-02	45000 (7.29)	100000 (16.19)	100000 (16.19)	10000 (1.62)	362500 (58.71)	617500 (100)
2002-03	50000 (7.94)	--	200000 (31.75)	25000 (3.97)	355000 (56.34)	630000 (100)
2003-04	50000 (6.45)	--	250000 (32.26)	15000 (1.94)	460000 (59.35)	775000 (100)
2004-05	50000 (6.05)	--	450000 (54.48)	15000 (1.82)	311000 (37.65)	826000 (100)
Year	Stamp Duty	Water Charges	Building Rent	Notice Fees	Others	Non-tax Revenue
2005-06	50000 (5.62)	--	500500 (56.30)	27000 (3.04)	311500 (35.04)	889000 (100)
2006-07	50000 (5.50)	--	505555 (55.60)	27580 (3.03)	326210 (35.87)	909345 (100)
2007-08	75000 (6.09)	--	350555 (28.47)	27580 (2.24)	778220 (63.20)	1231355 (100)
2008-09	75000 (6.03)	--	361040 (29.05)	27580 (2.22)	779270 (62.70)	1242890 (100)
CGR	4.34	--	18.15	12.65	10.32	11.04
2) Wadi Ratnagiri						
2000-01	--	--	--	--	--	--
2001-02	1200 (1.07)	--	81852 (72.73)	--	29496 (26.20)	112548 (100)
2002-03	90000 (75.47)	--	1420 (1.19)	--	27839 (23.34)	119259 (100)

Year	Stamp Duty	Water Charges	Building Rent	Notice Fees	Others	Non-tax Revenue
2003-04	5000 (6.12)	--	20000 (24.46)	--	56750 (69.42)	81750 (100)
2004-05	30000 (8.41)	--	20000 (5.61)	--	306500 (85.98)	356500 (100)
2005-06	30000 (22.77)	--	20000 (15.18)	--	81750 (62.05)	131750 (100)
2006-07	3000 (15.38)	--	20000 (10.26)	--	145000 (74.36)	195000 (100)
2007-08	30000 (46.87)	--	--	--	34000 (53.13)	64000 (100)
2008-09	30000 (24.00)	--	--	--	95000 (76.00)	125000 (100)
CGR	30.58	--	2.57	--	13.65	0.28
3) Panore						
2000-01	--	--	--	--	--	--
2001-02	--	--	--	--	395 (100)	395 (100)
2002-03	--	--	--	--	3254 (100)	3254 (100)
2003-04	--	--	100000 (96.24)	--	3906 (3.76)	103906 (100)
2004-05	--	--	100000 (95.24)	--	5000 (4.76)	105000 (100)
2005-06	--	--	150000 (96.77)	--	5000 (3.23)	155000 (100)
2006-07	--	--	--	--	8010 (100)	8010 (100)
2007-08	--	--	--	--	10000 (100)	10000 (100)
2008-09	--	--	--	--	5800 (100)	5800 (100)
CGR	--	--	22.47	--	37.21	27.17
4) Kolik						
2000-01	--	83204 (97.32)	2080 (2.43)	--	210 (0.25)	85494 (100)
2001-02	780 (100)	--	--	--	--	780 (100)
2002-03	--	--	1920 (100)	--	--	1920 (100)
2003-04	250 (0.56)	--	4000 (9.04)	--	40000 (90.40)	44250 (100)
2004-05	250 (0.56)	--	4000 (9.04)	--	40000 (90.40)	44250 (100)
2005-06	5000 (11.11)	--	--	--	40000 (88.89)	45000 (100)
2006-07	5000 (11.11)	--	--	--	40000 (88.89)	45000 (100)
2007-08	5000 (10.64)	--	--	--	42000 (89.36)	47000 (100)
2008-09	5000 (9.62)	--	--	--	47000 (90.38)	52000 (100)
CGR	68.2	--	30.94	--	78.55	31.94

Year	Stamp Duty	Water Charges	Building Rent	Notice Fees	Others	Non-tax Revenue
5) Pisatri						
2000-01	--	1370 (90.43)	--	--	145 (9.57)	1515 (100)
2001-02	--	--	--	--	--	--
2002-03	--	--	--	--	39000 (100)	39000 (100)
2003-04	500 (1.30)	--	--	--	38000 (98.70)	38500 (100)
2004-05	500 (1.30)	--	--	--	38000 (98.70)	38500 (100)
2005-06	500 (1.30)	--	--	--	38000 (98.70)	38500 (100)
2006-07	--	--	--	--	--	--
2007-08	500 (1.20)	--	--	--	41060 (98.80)	41560 (100)
2008-09	500 (1.10)	--	--	--	45000 (98.90)	45500 (100)
CGR	--	--	--	--	85.60	44.63
6) Salwadi						
2000-01	200 (10.53)	1000 (52.63)	--	--	700 (36.84)	1900 (100)
2001-02	500 (14.29)	2000 (57.14)	--	--	1000 (28.57)	3500 (100)
2002-03	590 (100)	--	--	--	--	590 (100)
2003-04	9300 (100)	--	--	--	--	9300 (100)
2004-05	500 (50.0)	--	--	--	500 (50.0)	1000 (100)
2005-06	500 (33.33)	--	--	--	1000 (66.67)	1500 (100)
2006-07	500 (33.33)	--	--	--	1000 (66.67)	1500 (100)
2007-08	500 (33.33)	--	--	--	1000 (66.67)	1500 (100)
2008-09	500 (33.33)	--	--	--	1000 (66.67)	1500 (100)
CGR	0.68	0.69	--	--	6.49	- 19.61

Source : Official Records of Village Panchayats

Note : Figures in round brackets show percentages to Non-tax Revenue.



### 1. Kodoli Village Panchayat

The stamp duty increase was by 4.34%. An average of stamp duty was Rs. 52500. The minimum stamp duty was Rs. 45000 (7.29%) in 2001-02 and the maximum stamp duty was Rs. 75000 (6.03%) in 2008-09. As well as the growth rate of building rent was 18.15%. An average of building rent was Rs. 339706. The minimum building rent was Rs. 100000 (16.19%) in the year 2001-02 and maximum building rent was Rs. 505655 (55.60%) in 2006-07. The notice fees increased by 12.65% during the period under study. An average of notice fees was Rs. 21842. The minimum of notice fees was Rs. 10000 (1.62%) in 2001-02 and the maximum notice fees were Rs. 27580 (2.22%) in the year 2008-09. The growth rate of other non-tax revenue was 10.32%. The minimum other non-tax revenue was Rs. 311500 (35.04%) in the year 2005-06. An average of other non-tax revenue was Rs. 460462.

Other non-tax revenue and building rent were important sources of non-tax revenue for the Kodoli Village Panchayat, which was followed by stamp duty and notice fees.

## **2. Wadi Ratnagiri Village Panchayat**

The growth rate of stamp duty was 30.58%. An average of stamp duty was Rs. 30775. The minimum stamp duty was Rs. 1200 (1.07%) in 2000-01 and the maximum stamp duty was Rs. 90000 (75.47%) in the year 2002-03. As well as the building rent increased by 2.57%. The minimum of building rent was Rs. 1420 (1.19%) in the year 2002-03 and maximum of building rent was Rs. 81852 (72.73%) in 2001-02. An average of building rent was Rs. 27212 and the growth rate of other non-tax revenue was 13.65%. An average of other non-tax revenue was Rs. 97041. The minimum of other non-tax revenue was Rs. 27839 (23.34%) in 2002-03 and the maximum non-tax revenue was Rs. 306500 (85.98%) in the year 2004-05.

Other non-tax revenue was a major source of non-tax revenue for Wadi Ratnagiri Village Panchayat, which was followed by building rent. All other sources have not contributed any revenue to the non-tax revenue of this Village Panchayat during the period into consideration.

## **3. Panore Village Panchayat**

The growth rate of building rent was 22.47%. An average of building rent was Rs. 70000. The minimum building rent was Rs. 100000 (96.24%) in 2003-04 and the maximum building rent was Rs. 150000 (96.77%) in the year 2005-06. As well as other non-tax revenue increased by 37.21%. An average of non-tax revenue was Rs. 5170. The minimum other non-tax revenue was Rs. 395 (100%) in the year 2001-02 and maximum non-tax revenue was Rs. 10000 (100%) in the year 2007-08.

For Panore Village Panchayat other sources and building rent were only the sources of non-tax revenue. This Village Panchayat could not exploit and use other sources of its non-tax revenue.

#### **4. Kolik Village Panchayat**

The stamp duty of Kolik Village Panchayat increased by 68.20%. An average of stamp duty was Rs. 3040. The minimum stamp duty was Rs. 250 (0.56%) in 2003-04 and the maximum of stamp duty was Rs. 5000 (9.62%) in the year 2008-09. As well as the growth rate of building rent was 30.94%. The minimum building rent was Rs. 1920 (100%) in 2002-03 and the maximum of building rent was Rs. 4000 (9.04%) in the year 2004-05. In addition, the growth rate of other non-tax revenue was very high. It was 78.55%. An average of other non-tax revenue was Rs. 35315. The minimum other non-tax revenue was Rs. 210 (0.25%) in 2000-01 and the maximum of other non-tax revenue was Rs. 47000 (90.38%) in the year 2008-09.

Kolik Village Panchayat mainly relied on other sources so as to collect its non-tax revenue, which was followed by stamp duty. Building rent contributed meagerly and rarely.

#### **5. Pisatri Village Panchayat**

The growth rate of other non-tax revenue was 85.60%. An average of other non-tax revenue was Rs. 34172. The minimum other non-tax revenue was Rs. 145 (9.57%) in 2000-01 and the maximum other non-tax revenue was Rs. 45000 (98.90%) in the year 2008-09.

Pisatri Village Panchayat mainly relied on other sources for the collection of its non-tax revenue. After that stamp duty subscribed some revenue, which was meagre. Its all other sources were unutilized.

#### **6. Salwadi Village Panchayat**

The stamp duty increased by 0.68%. The minimum of stamp duty was Rs. 200 (10.53%) in 2000-01 and maximum of stamp duty was Rs. 9300 (100%) in 2003-04. The growth rate of water charges was 0.69%. An average of water charges was Rs. 1500.

For Salwadi Village Panchayat other sources and stamp duty were the sources of its non-tax revenue. Water charges were an irregular revenue source. Other sources did not use by this Panchayat.

For the Village Panchayat Kodoli its other non-tax revenue had greater variations (SD = 202089.03) in the non-tax revenue. The correlation analysis indicated that all items of non-tax revenue had positive relations with non-tax revenue.

For the Wadi Ratnagiri Village Panchayat its other non-tax revenue had greater variations (SD = 93625) than non-tax revenue. The correlation analysis indicted that some items had positive relationship with non-tax revenue. However, building rent had weak and negative relationship with non-tax revenue ( $r = - 0.17$ ).

In case of Panore Village Panchayat its building rend had greater variations (SD = 67082.03) than non-tax revenue. The correlation analysis indicated that building rent had positive and high degree ( $r = 0.60$ ) association. Moreover, other non-tax revenue had weak and negative relationship with non-tax revenue ( $r = - 0.22$ ).

For Kolik Village Panchayat its other non-tax revenue had greater variations (SD = 15698.44) in the non-tax revenue. The correlation analysis indicated that some items of non-tax revenue had a positive relationship with non-tax revenue. However, other non-tax revenue had negative but high degree association with non-tax revenue.

In the case of Pisatri Village Panchayat its other non-tax revenue had greater variations (SD = 15219.48) in the non-tax revenue.

For the Salwadi Village Panchayat its stamp duty had greater variations (SD = 2944.04) than non-tax revenue. The correlation analysis indicated that stamp duty and other non-tax revenue had positive relationship with non-tax revenue. However, water charges

had positive and high degree ( $r = 0.60$ ) association with the non-tax revenue.

The regression analysis revealed that non-tax revenue sources are under exploited and under utilized sources of revenue by the Village Panchayats under study. In all non-tax revenue sources, other sources, building rent, stamp duty influenced non-tax revenue of the Village Panchayats under our study.

### **3.9 Growth and Composition of Grants of Village Panchayats**

**Table No. 3.5**  
**Growth and Composition of Grants of Village Panchayats**

Year	Land Revenue	Per Capita Grants	Grants for Backward Class People	Grants for Cess	Grants for Equalization	Grants for Lump Sump	Grants for Others	Others	Total Grants
1) Kodoli									
2000-01	--	--	--	--	--	--	--	--	--
2001-02	58000 (3.38)	--	--	10000 (0.58)	--	1500000 (87.31)	10000 (0.58)	140000 (8.15)	1718000 (100)
2002-03	45000 (2.59)	150000 (8.65)	500000 (28.82)	--	--	1000000 (57.64)	5000 (0.29)	34900 (2.01)	1734900 (100)
2003-04	58000 (14.99)	--	100000 (51.69)	--	--	100000 (25.85)	--	28900 (7.47)	388900 (100)
2004-05	58000 (4.14)	45000 (3.21)	200000 (14.27)	--	--	1070000 (76.32)	--	28900 (2.06)	1401900 (100)
2005-06	58000 (0.95)	45000 (0.74)	250000 (4.10)	--	--	1070000 (17.53)	--	4678900 (76.68)	6101900 (100)
2006-07	58000 (0.95)	45000 (0.74)	240000 (3.94)	--	--	1070000 (17.56)	--	4679680 (76.81)	6092680 (100)
2007-08	58000 (3.99)	45000 (3.10)	250000 (17.22)	--	--	1070000 (73.70)	--	28900 (1.99)	1451900 (100)
2008-09	58000 (7.86)	45000 (6.10)	45000 (6.10)	--	--	561000 (76.02)	--	28900 (3.92)	737900 (100)
CGR	1.52	-15.8	1.12	--	--	15.46	--	10.46	3.55

Year	Land Revenue	Per Capita Grants	Grants for Backward Class People	Grants for Cess	Grants for Equalization	Grants for Lump Sump	Grants for Others	Others	Total Grants
2) Wadi Ratnagiri									
2000-01	--	--	--	--	--	--	--	--	--
2001-02	29451 (41.89)	--	--	--	1966 (2.80)	--	--	38881 (55.31)	70298 (100)
2002-03	--	--	--	--	12438 (22.15)	--	--	43716 (77.85)	56154 (100)
2003-04	7000 (6.04)	--	--	3000 (2.59)	6000 (5.17)	--	--	100000 (86.20)	116000 (100)
2004-05	7000 (4.43)	--	--	3000 (1.90)	6000 (3.80)	--	--	142000 (89.87)	158000 (100)
2005-06	7000 (4.30)	--	--	3000 (1.84)	6000 (3.68)	--	--	147000 (90.18)	163000 (100)
2006-07	7000 (4.43)	--	--	3000 (1.90)	6000 (3.80)	--	--	142000 (89.87)	158000 (100)
2007-08	7000 (3.94)	--	--	3000 (1.69)	6000 (3.37)	--	--	161900 (91.00)	177900 (100)
2008-09	20000 (6.42)	--	--	3000 (9.64)	1000 (3.21)	--	--	251300 (80.73)	311300 (100)
CGR	- 4.06	--	--	27.98	9.65	--	--	24.81	6.91

Year	Land Revenue	Per Capita Grants	Grants for Backward Class People	Grants for Cess	Grants for Equalization	Grants for Lump Sump	Grants for Others	Others	Total Grants
3) Panore									
2000-01	537 (1.31)	--	--	--	--	--	--	40351 (98.69)	40888 (100)
2001-02	239 (1.42)	12770 (76.05)	--	712 (4.24)	--	--	--	3072. (18.29)	16793 (100)
2002-03	110 (0.72)	--	--	--	94 (0.62)	--	1500 (9.81)	13578 (88.85)	15282 (100)
2003-04	2250 (7.96)	15000 (53.10)	--	1000 (3.54)	--	--	--	10000 (35.40)	28250 (100)
2004-05	2250 (6.77)	15000 (45.12)	--	2000 (6.01)	2000 (6.01)	--	2000 (6.01)	1000 (30.08)	33250 (100)
2005-06	2000 (6.45)	15000 (48.39)	--	2000 (6.45)	2000 (6.45)	--	--	1000 (32.26)	31000 (100)
2006-07	670 (0.85)	--	--	650. (0.83)	436 (0.55)	--	--	77080 (97.77)	78836 (100)
2007-08	3000 (9.46)	15000 (47.32)	--	2000 (6.31)	2000 (6.31)	--	--	9700 (30.60)	31700 (100)
2008-09	2000 (6.80)	--	--	2000 (6.80)	2000 (6.80)	--	--	23400 (79.60)	29400 (100)
CGR	31.31	3.27	--	12.75	48.18	--	33.33	8.22	6.82

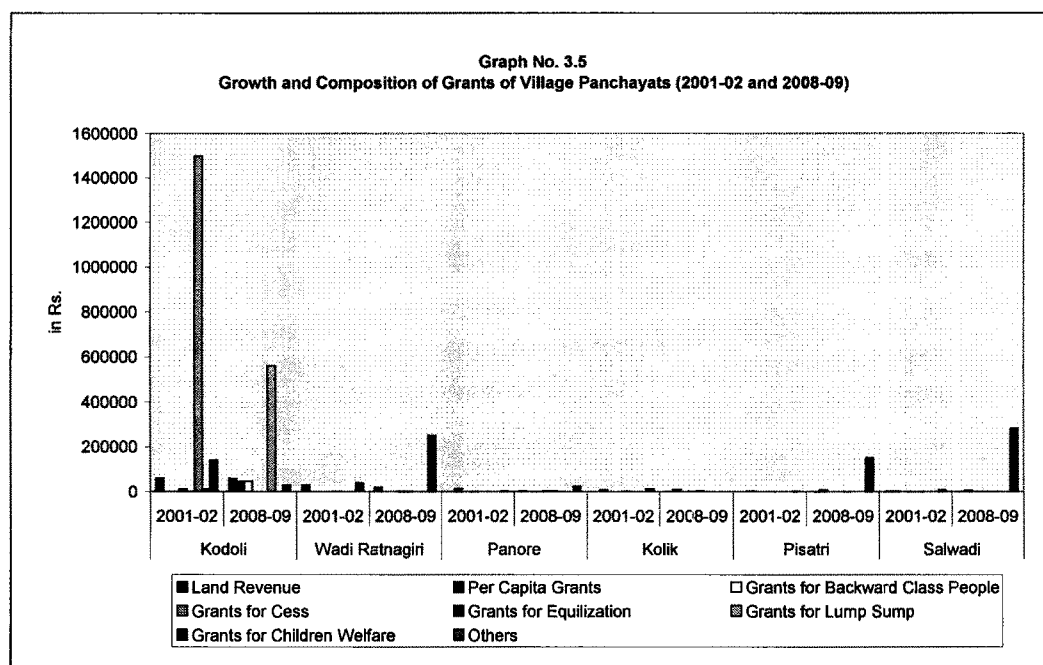
Year	Land Revenue	Per Capita Grants	Grants for Backward Class People	Grants for Cess	Grants for Equalization	Grants for Lump Sump	Grants for Others	Others	Total Grants
4) Kollik									
2000-01	151 (0.04)	--	151669 (39.33)	--	--	--	--	273820 (60.63)	385640 (100)
2001-02	--	7833 (36.35)	--	--	1405 (6.52)	--	--	12311 (57.13)	21549 (100)
2002-03	31 (0.04)	--	--	--	235 (0.26)	--	--	88242 (99.70)	88508 (100)
2003-04	720 (2.74)	7800 (29.66)	--	--	1089 (4.14)	--	--	16690 (63.40)	26299 (100)
2004-05	720 (0.70)	7800 (7.55)	--	--	1089 (1.05)	--	--	93690 (90.70)	103299 (100)
2005-06	600 (0.29)	6000 (2.91)	--	200 (0.10)	4000 (1.94)	--	--	195140 (94.76)	205940 (100)
2006-07	600 (0.47)	6000 (4.65)	--	200 (0.16)	4000 (3.10)	--	--	118140 (91.62)	128940 (100)
2007-08	600 (0.46)	6000 (4.64)	--	200 (0.16)	4000 (3.09)	--	--	118640 (91.65)	129440 (100)
2008-09	600 (4.15)	9000 (62.33)	--	2000 (13.85)	2840 (19.67)	--	--	--	14440 (100)
CGR	32.66	- 1.31	--	99.52	45.34	--	--	12.93	- 7.57

Year	Land Revenue	Per Capita Grants	Grants for Backward Class People	Grants for Cess	Grants for Equalization	Grants for Lump Sump	Grants for Others	Others	Total Grants
5) Pisatri									
2000-01	114 (0.09)	--	--	--	--	--	--	126102 (99.91)	126216 (100)
2001-02	51 (0.63)	4025 (49.94)	--	202 (2.50)	763 (9.47)	--	--	3019 (37.46)	8060 (100)
2002-03	23 (0.30)	--	--	--	71 (0.93)	--	--	7550 (98.77)	7644 (100)
2003-04	600 (0.69)	4025 (4.65)	--	300 (0.35)	400 (0.46)	--	--	81309 (93.85)	86634 (100)
2004-05	600 (0.68)	4000 (4.56)	--	300 (0.35)	400 (0.45)	--	--	82440 (93.96)	87740 (100)
2005-06	600 (0.68)	4000 (4.55)	--	300 (0.35)	500 (0.57)	--	--	82440 (93.85)	87840 (100)
2006-07	--	--	--	--	--	--	--	95627 100	95627 100
2007-08	600 (0.43)	4000 (2.88)	--	300 (0.21)	500 (0.36)	--	--	133640 (96.12)	139040 (100)
2008-09	600 (0.38)	7000 (4.43)	--	300 (0.19)	500 (0.32)	--	--	149700 (94.68)	158100 (100)
CGR	49.42	8.16	--	4.32	- 3.42	--	--	34.38	27.36

Year	Land Revenue	Per Capita Grants	Grants for Backward Class People	Grants for Cess	Grants for Equalization	Grants for Lump Sump	Grants for Others	Others	Total Grants
6) Salwadi									
2000-01	1000 (3.77)	--	--	250 (0.94)	300 (1.13)	--	--	25000 (94.16)	26550 (100)
2001-02	1500 (12.55)	2000 (16.75)	--	500 (4.18)	500 (4.18)	--	--	7450 (62.34)	11950 (100)
2002-03	--	--	--	--	--	--	--	8050 100	8050 100
2003-04	2000 (3.63)	2400 (4.35)	--	--	--	--	--	50762 (92.02)	55162 (100)
2004-05	500 (0.99)	5000 (9.88)	--	500 (0.99)	500 (0.99)	--	--	44100 (87.15)	50600 (100)
2005-06	1000 (1.26)	5000 (6.28)	--	1000 (1.26)	1000 (1.26)	--	--	71600 (89.94)	79600 (100)
2006-07	1000 (1.07)	5000 (5.35)	--	1000 (1.07)	1000 (1.07)	--	--	85500 (91.44)	93500 (100)
2007-08	1000 (0.36)	5000 (1.79)	--	1000 (0.36)	1000 (0.36)	--	--	271600 (97.13)	279600 (100)
2008-09	1000 (0.35)	5000 (1.73)	--	1000 (0.35)	1000 (0.35)	--	--	281200 (97.22)	289200 (100)
CGR	- 3.98	16.25	--	24.95	22.53	--	--	50.05	49.88

Source : Official Records of Village Panchayats

Note : Figures in round brackets show percentages to Total Grants.



Grants are another important source of revenue receipts of Village Panchayats. In general, the Village Panchayats impose following grants 1) Land Revenue, 2) Per Capital Grants, 3) Cess, 4) Equalization Grants, 5) Lump Sum Grants, 6) Grants for backward People, 7) Grants for Children Welfare, 8) Other Grants.

### 1. Kodoli Village Panchayat

The grants for land revenue increased by 1.52%. An average of this grants was Rs. 56375. The minimum amount of this grants was Rs. 45000 (2.59%) in the year 2002-03. Moreover, the maximum amount of this grants was Rs. 58000 (5.07%) in 2008-09. The per capita grants fell by – 15.8%. An average of this grants was Rs. 62500. The minimum of this grants was Rs. 45000 (3.21%) in 2004-05 and the maximum of these grants was Rs. 150000 (8.65%) in the year 2002-03. For grants for backward classes growth rate was 1.12%. The minimum of this grants was Rs. 100000 (51.69%) in the year 2003-04 and the maximum of these grants was Rs. 500000 (28.82%) in 2002-03. An average of this grants was Rs. 298511. As well as, the growth rate of lump sum grants was 15.46%. An average of this grants

was Rs. 817625. The minimum of this grants was Rs. 100000 (57.64%) in 2002-03 and the maximum of this grants was Rs. 1500000 (87.31%) in the year 2001-02. The growth rate of other grants was 10.46%.

Even though there are various categories of grants, which Village Panchayats receive. For Kodoli Village Panchayat other grants, lump sum grants, grants for development of children were important. Grants for land revenue were consistent but not significant.

## **2. Wadi Ratnagiri Village Panchayat**

Grants for land revenue declined by – 4.00% during the period under study. As well as grants for cess increased by 27.98% during the period under study. The growth rate of grants for equalization was 9.65% and other grants increased by 24.81%.

Wadi Ratnagiri Village Panchayat was mainly dependent on other grants followed by grants for land revenue and development of backward classes. All other categories of grants were either meagre or unexploited.

## **3. Panore Village Panchayat**

The growth rate of land revenue was very high. It was 31.31% during the period under study. The per capita grants increased by 3.27% as well as the growth rate of grants for cess was 12.25% and other grants increased by 8.22%.

Panore Village Panchayat has received various categories of grants but inconsistent and insignificant.

## **4. Kolik Village Panchayat**

The growth rate of land revenue was 32.66%. An average of these grants was Rs. 502. The minimum of these grants were Rs. 31 (0.04%) in 2002-03 and the maximum of these grants were Rs. 720 (0.70%) in 2004-05. As well as grants for per capita growth rate was – 1.31%. An average of these grants was Rs. 7204. The minimum of these grants were Rs. 6000 (4.64%) in the year

2007-08 and the maximum of this grants were Rs. 9000 (62.33%) in 2008-09. The growth rate of grants for cess was 99.52%. An average of grants for cess was Rs. 650. The minimum of these grants were Rs. 200 (0.10) in 2005-0 and the maximum of these grants were Rs. 2000 (13.85%) in 2008-09. The growth rate of grants for equalization was 45.34%. An average of these grants was Rs. 3105. The minimum of this grants were Rs. 235 (0.26%) in 2002-03 and the maximum of these grants were Rs. 4000 (3.09%) in the year 2007-08. The growth rate of other grants was 12.93%.

Kolik Village Panchayat has received different types of grants. However, they were inconsistent and meagre. Only other grants were important, which was followed by lump sum grants and grants for land revenue.

#### **5. Pisatri Village Panchayat**

The growth rate of grants for land revenue was 49.42%. An average of this grants was Rs. 398. The minimum of these grants were Rs. 23 (0.30) in 2002-03 and the maximum of these grants were Rs. 600 (0.69%) in 2003-04. Per capita grants growth rate was 8.16%. An average of these grants was Rs. 4508. The minimum of these grants were Rs. 4000 (4.56) in 2004-05 and the maximum grants were Rs. 7000 (4.43%) in 2008-09. The growth rate of grants for cess was 4.32%. An average of these grants was Rs. 510. The minimum of these grants was 71 (0.93%) in 2002-03 and the maximum of these grants were Rs. 763 (9.47%) in 2001-02. The grants for equalization fell by – 3.42%. An average of these grants was Rs. 510. The minimum of these grants were Rs. 400 (0.46%) in the year 2003-04 and the maximum of these grants were Rs. 500 (0.32%) in the year 2008-09. The growth rate of other grants was 34.38%.

Pisatri Village Panchayat received only other grants. All other categories of grants were inconsistent as well as meagre.

## 6. Salwadi Village Panchayat

Grants for land revenue decreased by – 3.98%. An average of these grants was 1125. The minimum of these grants were Rs. 500 (0.99%) in 2004-05 and the maximum of these grants were Rs. 2000 (3.63%) in the year 2003-04. The growth rate of grants for per capita was 16.25%. An average of these grants was Rs. 42000. The minimum of these grants were Rs. 2000 (16.75%) in 2001-02 and the maximum of these grants were Rs. 5000 (1.73%) in the year 2008-09. The grant for cess increased by 24.95%. An average of these grants was Rs. 750. The minimum of these grants were Rs. 250 (0.94%) in 2000-01 and the maximum of these grants were Rs. 1000 (0.35%) in the year 2008-09. The growth rate of other grants was very high. It was 50.05%.

It is revealed that Salwadi Village Panchayat has received all categories of grants. However, only other grants were prominent. The grants like grants for land revenue, grants for development of backward classes and lump sum grants insignificantly contributed revenue from total grants.

For the Village Panchayat Kodoli its other grants had greater variations (SD = 2144014.12) than total grants. The correlation analysis indicated that some items had a positive and some had negative correlation with total grants.

For the Wadi Ratnagiri Village Panchayat its other grants had greater variations (SD = 71727) in the total grants. The correlation analysis indicated that all items had positive relationship with total grants.

In the case of Panore Village Panchayat its grants for children welfare had greater variations (SD = 23411.91) than other types of grants. The correlation analysis indicated that some items had a negative and some items had a positive relationship with total grants.

For the Kolik Village Panchayat its other grants had greater variations (SD = 72361.68) in the total grants. The correlation analysis indicated that some items had a negative and some items had a positive association with other categories of grants.

In the case of Pisatri Village Panchayat its other grants had greater variations (SD = 53023.12) in the total grants.

For the Salwadi Village Panchayat its other grants had greater variations (SD = 106746.42) in the total grants.

### **3.10 Growth and Composition of Capital Receipts of Village Panchayat**

Capital receipts is an important source of Village Panchayat for development. In general, the Village Panchayats collect capital receipts from following sources. 1) Loans, 2) Grants, 3) Donations, 4) Advances, 5) Deposits, 6) Other Capital Receipts.

**Table No. 3.6**  
**Growth and Composition of Capital Receipts of Village Panchayats**

Year	Loans	Grants	Donations	Advances	Deposits	Others	Capital Receipts
1) Kodoli							
2000-01	700000 (100)	--	--	--	--	--	700000 (100)
2001-02	500000 (62.71)	50250 (6.30)	50000 (6.27)	175000 (21.95)	20000 (2.51)	2000 (0.26)	797250 (100)
2002-03	--	250 (0.01)	100000 4.22)	2165000 (91.34)	100000 (4.22)	5000 (0.21)	2370250 (100)
2003-04	--	250 (0.10)	--	200000 (79.92)	50000 (19.98)	--	250250 (100)
2004-05	--	250 (0.08)	--	200000 (66.61)	100000 (33.31)	--	300250 (100)
2005-06	--	250 (0.02)	--	105000 (9.50)	1000000 (90.48)	--	1105250 (100)
2006-07	--	250 (0.01)	--	2468250 (96.10)	100000 (3.89)	--	2568500 (100)
2007-08	200000 (55.48)	500 (0.14)	--	160000 (44.38)	--	--	360500 (100)
2008-09	200000 (55.48)	500 (0.14)	--	160000 (44.38)	--	--	360500 (100)
CGR	- 37.34	- 29.03	--	- 7.72	36.37	--	- 5.49

Year	Loans	Grants	Donations	Advances	Deposits	Others	Capital Receipts
2) Wadi Ratnagiri							
2000-01	--	--	--	--	46391 (100)	--	46391 (100)
2001-02	--	30696 44.00)	500 (0.72)	4722 (6.77)	32240 (46.22)	1600 (2.29)	69758 (100)
2002-03	--	255000 (96.26)	4900 (1.85)	--	5000 (1.89)	--	264900 (100)
2003-04	--	310250 (76.56)	50000 (12.34)	5000 (1.23)	25000 (6.17)	15000 (3.70)	405250 (100)
2004-05	--	110250 (53.71)	50000 (24.36)	5000 (2.44)	25000 (12.18)	15000 (7.31)	205250 (100)
2005-06	--	110230 (27.21)	250000 (61.69)	5000 (1.23)	25000 (6.17)	15000 (3.70)	405250 (100)
2006-07	--	110230 (27.21)	250000 (61.69)	5000 (1.23)	25000 (6.17)	15000 (3.70)	405250 (100)
2007-08	--	110250 (32.40)	205000 (60.25)	--	25000 (7.35)	--	340250 (100)
2008-09	--	150500 (14.95)	855000 (85.05)	--	--	--	1005500 (100)
CGR	--	4.65	15.73	1.15	-2.65	56.45	29.70

Year	Loans	Grants	Donations	Advances	Deposits	Others	Capital Receipts
3) Panore							
2000-01	--	--	--	--	200 (100)	--	200 (100)
2001-02	--	--	--	1800 (100)	--	--	1800 (100)
2002-03	--	--	--	2500 (100)	--	--	2500 (100)
2003-04	--	250 (2.44)	--	5000 (48.78)	5000 (48.78)	--	10250 (100)
2004-05	--	500 (4.76)	--	5000 (47.62)	5000 (47.62)	--	10500 (100)
2005-06	--	500 (4.76)	--	5000 (47.62)	5000 (47.62)	--	10500 (100)
2006-07	--	250 (100)	--	--	--	--	250 (100)
2007-08	--	500 (3.22)	5000 (32.26)	--	5000 (32.26)	5000 (32.26)	15500 (100)
2008-09	--	--	--	--	--	5000 (100)	5000 (100)
CGR	--	7.17	--	31.47	90.36	--	4.72

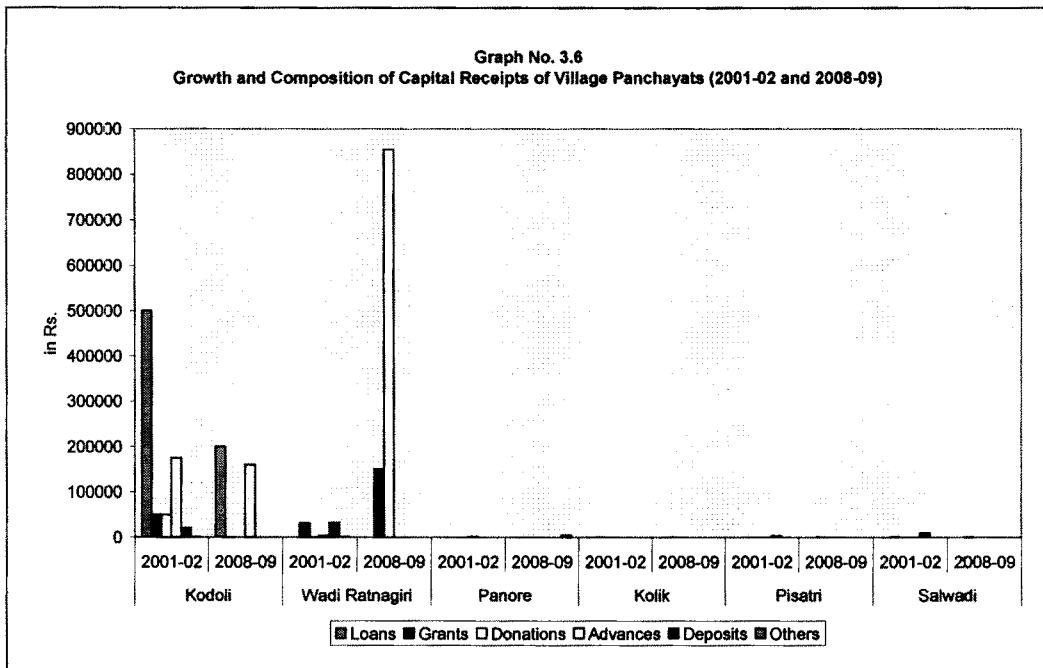
Year	Loans	Grants	Donations	Advances	Deposits	Others	Capital Receipts
4) Kolik							
2000-01	--	--	--	--	--	--	--
2001-02	--	250 (100)	--	--	--	--	250 (100)
2002-03	--	250 (100)	--	--	--	--	250 (100)
2003-04	--	250 (100)	--	--	--	--	250 (100)
2004-05	--	200 (100)	--	--	--	--	200 (100)
2005-06	--	250 (100)	--	--	--	--	250 (100)
2006-07	--	250 (100)	--	--	--	--	250 (100)
2007-08	--	250 (100)	--	--	--	--	250 (100)
2008-09	--	500 (100)	--	--	--	--	500 (100)
CGR	--	4.22	--	--	--	--	4.72

Year	Loans	Grants	Donations	Advances	Deposits	Others	Capital Receipts
5) Pisatri							
2000-01	--	--	--	--	--	120 (100)	120 (100)
2001-02	--	--	--	--	4025 (100)	--	4025 (100)
2002-03	--	--	--	--	--	--	--
2003-04	--	500 (100)	--	--	--	--	500 (100)
2004-05	--	500 (100)	--	--	--	--	500 (100)
2005-06	--	500 (100)	--	--	--	--	500 (100)
2006-07	--	--	--	--	8152 (100)	--	8152 (100)
2007-08	--	500 (100)	--	--	--	--	500 (100)
2008-09	--	500 (100)	--	--	--	--	500 (100)
CGR	--	--	--	--	120.53	--	9.90

Year	Loans	Grants	Donations	Advances	Deposits	Others	Capital Receipts
6) Salwadi							
2000-01	--	500 (9.09)	--	--	5000 (90.91)	--	5500 (100)
2001-02	--	500 (4.76)	--	--	10000 (95.24)	--	10500 (100)
2002-03	--	200 (100)	--	--	--	--	200 (100)
2003-04	--	250 (100)	--	--	--	--	250 (100)
2004-05	5500 (84.62)	500 (7.69)	--	--	--	500 (7.69)	6500 (100)
2005-06	6000 (85.72)	500 (7.14)	--	--	--	500 (7.14)	7000 (100)
2006-07	100000 (98.53)	500 (0.49)	--	--	--	1000 (0.98)	101500 (100)
2007-08	--	500 (33.33)	--	--	--	1000 (66.67)	1500 (100)
2008-09	--	500 (100)	--	--	--	--	500 (100)
CGR	32.64	4.29	--	--	--	31.95	0.7

Source : Official Records of Village Panchayats

Note : Figures in round brackets show percentage to Capital Receipts.



**1. Kodoli Village Panchayat**

The loan declined by – 37.34%. An average of loan was Rs. 400000. The minimum loans were Rs. 200000 (55.48%) in the year 2008-09 and the maximum loan were Rs. 700000 (100%) in the year 2000-01. Again the grants declined by – 29.03%. An average of grants was Rs. 6562. The minimum grants were Rs. 250 (0.01%) in 2006-07 and the maximum of grants were Rs. 50250 (6.30%) in the year 2001-02. As well as, the growth rate of advances was – 7.72%. An average of advances was Rs. 704156. The minimum advances were Rs. 105000 (9.50) in 2005-06 and maximum advances were of Rs. 2468250 (96.10%) in the year 2006-07. The deposits increased by 36.37%. An average of deposits was Rs. 228333. The minimum deposits were of Rs. 20000 (2.51%) in 2001-02 and the maximum deposits were of Rs. 2000000 (10.48%) in 2005-06.

Kodoli Village Panchayat has raised its capital receipts through loans, deposits, advances and grants. It is an indicator of its efforts for rural development.

## **2. Wadi Ratnagiri Village Panchayat**

The growth rate of grants was 4.65%. An average of grants was Rs. 148399. The minimum of grants were of Rs. 30696 (44.00%) in 2001-02 and the maximum grants were of Rs. 310250 (76.56%) in the year 2003-04. The donations increased by 15.73%. An average of donations was Rs. 208175. The minimum of donations were Rs. 500 (0.72%) in 2001-02 and the maximum donations were of Rs. 855000 (85.05%) in the year 2008-09. As well as, the growth rate of advances was 1.15%. An average of advances was Rs. 4944. The minimum advances were Rs. 4722 (6.77%) in 2001-02. The maximum advances were Rs. 5000 (1.23%) in 2006-07. The deposit declined by – 2.65%. An average of deposit was Rs. 26233. The minimum deposits were of Rs. 5000 (1.89%) in 2003-03 and the maximum deposits were Rs. 25000 (7.35%) in the year 2007-08. The growth rate of other capital receipts was 56.45%.

Wadi Ratnagiri Village Panchayat being a religious place it has mobilized its capital receipts through grants, donations. It has not raised loans. However, capital receipts indicated its attempts to achieve development of the area under its jurisdiction.

## **3. Panore Village Panchayat**

The grants increased by 7.17% during study period. An average of grants was Rs. 400. The minimum of grants was of Rs. 250 (2.44%) in 2003-04. The maximum grants were of Rs. 500 (3.22%) in the year 2007-08. The growth rate of advances was 31.47%. The minimum of advances were of Rs. 1800 (100%) in 2001-02 and the maximum of advances were of Rs. 5000 (47.62%) in the year 2005-06. As well as the growth rate of deposits was 90.36%. An average of deposits was Rs. 4040. The minimum deposits were Rs. 200 (100%) in 2000-01 and the maximum deposits were of Rs. 5000 (32.26%) in the year 2007-08.

Panore Village Panchayat has collected capital receipts in meagre amount. It has not raised loans at all. Its sources of debt finance were mainly advances, grants and deposits. This Village Panchayat was inactive in speeding up its rural development.

#### **4. Kolik Village Panchayat**

The growth rate of grants was 4.72%. An average of grants was Rs. 275. The minimum grants were of Rs. 200 (100%) in 2004-05 and the maximum of grants were of Rs. 500 (100%) in 2008-09.

Kolik Village Panchayat did not undertake much efforts to collect capital receipts and thereby rural development through capital expenditure. Grants were single source of capital receipts, which was very insignificant.

#### **5. Pisatri Village Panchayat**

The growth rate of deposits was 102.53%. An average of deposits was Rs. 6088. The minimum deposits were Rs. 4025 (100%) in 2001-02 and the maximum of deposits were Rs. 8152 (100%) in 2006-07.

Pisatri Village Panchayat was very passive in collection of capital receipts and their spending was necessary for rural development. It has collected its capital receipts through grants only, which were insignificant.

#### **6. Salwadi Village Panchayat**

An average of loans was Rs. 37166. The minimum of loans were of Rs. 5500 (84.62%) in 2004-05 and the maximum of loans were of Rs. 100000 (98.53%) in 2006-07. The growth rate of grants was 4.29%. An average grants were of Rs. 200 (100%) in 2002-03. The maximum grants were of Rs. 500 (100%) in 2008-09. The growth rate of other capital receipts was 31.95%.

Salwadi Village Panchayat has not attempted much to speed up rural development through capital receipts and their spending. Its major sources of capital receipts were others, loans and grants.

For Village Panchayat of Kodoli its advances had greater variations (SD = 998974.10) than capital receipts. The correlation analysis indicated that some items of capital receipts had positive and some had negative associations with capital receipts.

For the Wadi Ratnagiri Village Panchayat its donations had greater variations (SD = 281926.94) in the capital receipts. The correlation analysis indicated that all items of capital receipt had positive relationship with total capital receipts.

In the case of Panore Village Panchayat its other capital receipts had greater variations (SD = 2886.75) in the total capital receipts. The correlation analysis indicated that all items had positive relationship with capital receipts.

For the Kolik Village Panchayat, its grants had greater variations (SD = 92.58) in the total capital receipts.

In the case of Pisatri Village Panchayat the deposits had greater variations (SD = 2918.22) in the total capital receipts.

For the Salwadi Village Panchayat its loan had greater variations in total capital receipts.

### **3.11 Concluding Remarks**

Raising of more public revenue implies creating disutility for the tax payer. The process thus tends to affect the welfare adversely. However, its immediate reverse effect is more than compensated by the favourable effect of appropriate public expenditure policy. Public authorities function for the common benefit and to carry out their duties well, adequate public revenue becomes inevitable. Thus, the norm that government which taxes least and spends least is not very sound in the modern times. A welfare government is perfectly justified in rising

a large revenue from its people. Its services as an essential fiscal measure for achieving social justice and economic equality. By taxing the richer section of community more heavily the state can subdue the pressure of excessive purchasing power from the economy thus helping in curbing the inflationary forces and by an appropriate public spending can transfer this purchasing power for the benefit of poor thereby increasing the general economic welfare. <sup>10</sup>

### 3.12 References

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