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**Role of Public Expenditure in the Development of Mandesh with
Special Reference to Khatav Taluka****Dr. A. K. Wavare*¹ Dr. S. V. Dhonde ²**¹Associate professor & Head, Department of Economics,
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Amdar Shashikant Shinde Mahavidyalaya, Medha**Introduction:**

Public expenditure is an important element in the process of socio-economic development of country. Government requires expenditure to perform various functions. In the absence of incurring expenditure government cannot perform functions and achieve predetermined socio-economic objectives. Public expenditure refers to the expenditure made by the public authorities' i.e., central state and local governments. Hence an expenditure which is made by the government at all levels is called public expenditure.

Local Rural Bodies are the government organizations close the rural population in India. Decentralization of political power and decision making makes the rural local bodies' nodal agencies to undertake rural infrastructure development provide basic amenities in rural areas and create to the social and economic welfare to the rural poor. Local leadership plays a significant role in decision making in rural local bodies and can care to the local developmental and welfare needs in the most efficient manner. Hence the expenditure pattern of local rural bodies can play a significant role in rural development.

The present study is concerned with the rural local government i.e. Village Panchayats. In this paper we have tried to study the role of public expenditure in the development of Mandesh, with special reference to the select Village Panchayats in Khatav Taluka.

Objectives of the Study:

Following are the main objectives of the present study.

- i) To study the various heads of expenditure of village panchayats.
- ii) To analyze the composition of total expenditure of Village Panchayats.
- iii) To study the role of village panchayats expenditure in economic development.

Research Methodology:

The present study is based on the secondary data gathered from the office records of the village panchayats under study. For this study we have selected seven village panchayats from Khatav Taluka in Satara District. The expected and important secondary data have been collected majorly from the official records of concern village panchayats of Khatav Taluka for the period 2001-02 to 2013-14. The collected secondary data is tabulated and interpreted with the help of necessary statistical tools such as Compound Growth Rate (CGR), Ratio Analysis, Mean, and Coefficient of Variation.

Heads of expenditure of village Panchayats:

The total expenditure of village panchayats is divided into the major heads. The division is useful to study the various constituents and their relative share in aggregate total expenditure. The total expenditure of the village panchayats during the period under study is divided into the following major heads.

- A. Expenditure on General Administration.
- B. Expenditure on Water Supply.
- C. Expenditure on Public Transport & Constructions.
- D. Expenditure on Public Health.
- E. Expenditure on Maintenance of Lighting, Street lighting.
- F. Expenditure on Welfare.
- G. Expenditure on Miscellaneous Items. (Other expenditure)

A) Expenditure on General Administration

This expenditure is necessary to provide administrative services. This expenditure of village Panchayats includes expenditure on official management expenditure on salary and allowances of peons as well as expenditure on stationery, expenditure on honorarium of panchayats Members etc.

B) Expenditure on Water Supply.

Expenditure on water supply is an important major head of expenditure of all village Panchayats. This expenditure of village Panchayats includes expenditure on the minor heads such as water supply electricity bills peons' salary T.C .L as well as expenditure on instruments of water supply etc.

C) Expenditure on Transport & Construction and Transportation.

Under this head of expenditure, the village panchayats undertake expenditure on Transport & Construction on school buildings, Transport & Construction of roads, Transport & Construction of small dams, wall compound, Transport& Construction of Meeting Hall, etc.

D) Expenditure on Street Lighting.

Expenditure on street light and rural electrification is also very important aspect of village Panchayats function. This expenditure of village Panchayats includes expenditure for instruments of lighting, electricity bills, official electricity bills etc.

E) Expenditure on Public Health.

To provide the health facilities for people is a duty of every village Panchayats. Therefore this expenditure is necessary to provide health facilities for people. Expenditure on public health of village Panchayats includes expenditure on various heads such as, public cleaning, development and maintenance of gutter and roads, drainage as well as expenditure on repairing of roads and gutters etc.

F) Expenditure on Welfare.

Expenditure on backward class and economically backward people, it may be called expenditure on public welfare. Under this head of expenditure, the villages Panchayats undertake expenditure to provide welfare services to overall welfare. This includes the expenditure of Panchayats on the major heads. Such as, primary education of children, nutritious food of children as well as pregnant women, various preventive immunization programmes, various medical and health facilities for woman and children.

G) Expenditure on Miscellaneous

Expenditure on the miscellaneous items of these village Panchayats includes following items.

- a) Expenditure on interest payments.
- b) Expenditure on dead stock.
- c) Expenditure on court expenses.
- d) Expenditure on advertisement.
- e) Expenditure on National programme like 15th August, 26th January.
- f) Expenditure on District Rural Development Fund etc.

The above analysis reveals that the village panchayat is the base level rural local government. They perform a number of activities as to achieve the development of villages on the one hand and on the other improve the living condition of the citizens. To discharge their responsibilities, they spend on the

different major heads. The major heads of total expenditure like water supply, public health, Transport & Construction, welfare of people, light facility indicate their economic and social importance. Thus in India Rural Local Government works as an engine of rural development and social welfare. All the more it is important to note that at rural grassroots level it is the Village Panchayat that acts as agency for development of funds, revenue raising and implementation. Hence, their role is crucial in rural development and social welfare.

Composition of Total Expenditure of Village Panchayats.

The village Panchayats have been playing a vital role at village levels in improving the living conditions and standards of the people. Similarly village Panchayats at village level have been playing expected and vital role for the people. The functions of the village Panchayats have increased which resulted into increased expenditure. In other words the expenditure of the village Panchayats has been increasing due to increasing functions.

The data regarding the composition of the total expenditure of Khatav taluka village Panchayats during the period under study is depicted in the table.

Table No.1
Composition of Total Expenditure of Khatav Taluka Village Panchayats

Year	Admin	Water Supply	Construction	Public Health	Light Maintained	Welfare	Miscellaneous
2001-02	312138 (11.77)	901812 (34.01)	392862 (14.82)	223046 (8.41)	142812 (5.39)	301911 (11.39)	376694 (14.21)
2002-03	346050 (15.99)	388472 (17.95)	349858 (16.17)	230116 (10.63)	126765 (5.86)	422242 (19.51)	300447 (13.88)
2003-04	502140 (22.79)	404697 (18.37)	415195 (18.85)	181378 (8.23)	91728 (4.16)	321904 (14.61)	285923 (12.98)
2004-05	482165 (18.39)	823186 (31.40)	523667 (19.97)	161501 (6.16)	99914 (3.81)	248822 (9.49)	282496 (10.78)
2005-06	690656 (19.77)	800179 (22.90)	815329 (23.33)	258730 (7.40)	161888 (4.63)	377115 (10.79)	390322 (11.17)
2006-07	638357 (17.30)	1065644 (28.88)	883014 (23.93)	258989 (7.02)	249171 (6.75)	414038 (11.22)	180793 (4.90)
2007-08	685358 (20.08)	1287565 (37.72)	616568 (18.06)	279229 (8.18)	132114 (3.87)	165687 (4.85)	247027 (7.24)
2008-09	648993 (18.43)	949397 (26.97)	954639 (27.12)	296179 (8.41)	118519 (3.37)	332678 (9.45)	220246 (6.26)
2009-10	730799 (15.49)	1063490 (22.55)	741702 (15.72)	1363552 (28.91)	125212 (2.65)	483652 (10.25)	208608 (4.42)
2010-11	869816 (20.06)	1283677 (29.60)	461238 (10.64)	720962 (16.63)	168758 (3.89)	491627 (11.34)	340136 (7.84)
2011-12	998138 (27.00)	751073 (20.32)	946719 (25.61)	229327 (6.20)	161323 (4.36)	367748 (9.95)	241853 (6.54)
2012-13	1014722 (25.25)	860091 (21.40)	1108125 (27.57)	248888 (6.19)	177265 (4.41)	353065 (8.78)	256807 (6.39)
2013-14	1054415 (25.60)	648769 (15.75)	1216003 (29.52)	272709 (6.62)	172018 (4.18)	442657 (10.75)	312895 (7.60)
CGR	9.99	3.5	8.8	5.93	2.99	2.37	-1.67
CV	0.35	0.33	0.40	0.91	0.28	0.25	0.23

Source: Annual Budget Reports of Village Panchayats 2001-02 to 2013

The data regarding the composition of the total expenditure of Khatav Taluka village Panchayats during the period under study is depicted in Table No. 1. General Administration expenditure of Khatav Taluka village Panchayats was Rs.312138 in 2001-02 which increased to Rs. 690656 in 2005-06 and Rs.869816 for 2010-11. In the year 2013-14, it increased to Rs.1054415. Its percentage share to the total expenditure shows increasing trends, it was 11.77 percent in 2001-02, it increased to 19.77 percent for 2005-06, 20.06 percent for 2010-11 and 25.60 percent in 2013-14.

Expenditure on Water Supply of Khatav Taluka village panchayats was Rs.901812 in 2001-02 which decreased to Rs.404697 for 2003-04 and increased to 1287565 in 2007-08. However it was Rs.949397 in 2008-09 which increased to Rs.1283677 2010-11 and again declined to Rs.648769. Its percentage share to the total expenditure shows wide fluctuations, which fluctuating between 15.75 percent and 37.72 percent during the period under review.

Expenditure on Construction was Rs.392862 in 2001-02 which increased to Rs.883014 in 2006-07, and it decreased to Rs.616568 in 2007-08. However it was increased to Rs.954639 in 2008-09, but again it was declined to Rs.461238 in 2010-11. As well as it is increased from Rs.946719 in 2011-12 to Rs.1216003 in 2013-14. As far as its percentage share to the total expenditure shows fluctuating trends, it is fluctuating between 10.64 and 29.52 percent. It was minimum 10.64 percent in 2010-11 and maximum 29.52 percent in 2013-14.

Public Health expenditure of Khatav Taluka village panchayats was Rs. 223046 in 2001-02 which decreased to Rs.161501 in 2004-05, and increased from Rs. 258730 in 2005-06 to Rs. 1363552 in 2009-10. However it was Rs.720962 in 2010-11 which increased to Rs. 272709 in 2013-14. Its percentage to the total expenditure was indicating wide fluctuations. It was percent 8.41 in 2001-02, 28.91 percent for 2009-10, and in the year 2013-14 i.e. 5.93 percent.

Expenditure on Light Maintenance was Rs.142812 in 2001-02 which declined to Rs.99914 in 2004-05, and increased to Rs.249171 in 2006-07. However it was Rs.132114 in 2007-08 which decreased to Rs.125212 for 2009-10 and increased to Rs.172018 in 2013-14. Its percentage share to the total expenditure shows very less proportion, It is fluctuating between 2.65 and 6.75 percent. It was minimum 2.65 percent in 2009-10 and maximum 6.75 percent in 2006-07.

Expenditure on Welfare was declined from Rs.301911 to Rs.248822 in 2004-05 and it increased to Rs.414038 for the year 2006-07. However it was Rs.165687 in 2007-08, which increased to Rs.491627 by the year 2010-11, and declined to Rs.442657 for 2013-14. As far as its percentage to the total expenditure was 11.39 percent in 2001-02, 14.61 percent for 2003-04, 4.85 percent for 2007-08. In the year 2010-11 i.e. 11.34 percent and 10.75 in 2013-14 indicating fluctuating trends.

Miscellaneous expenditure was Rs.376694 in 2001-02, which declined to Rs.180793 in 2006-07. In 2007-08 it was Rs.247027 which decreased to Rs.208608 for 2009-10 and increased to Rs.340136 for 2010-11. However in 2013-14 it is again declined to Rs.312895. Its percentage share to the total expenditure was indicating fluctuating trends. It was fluctuated between 4.90 and 14.21 percent.

The foregoing analysis reveals that composition of total expenditure of Khatav Taluka Village Panchayats in Satara District under our consideration shows a considerable growth during period under study. It shows that expenditure on Water supply and Construction are the prominent heads of Khatav Taluka Village panchayats, on which panchayats have spent huge amount. On the other hand panchayats have not spent sufficient amount on Public Health, Welfare as well as Electricity heads, its percentage share to the total expenditure shows less proportion. However expenditure on Administration of this Taluka village Panchayat shows increasing trends.

Major Findings:

1. The functions of village panchayats have increased resulting into increased expenditure. The expenditure of village panchayats has been increasing due to increasing number of functions performed by them.

2. The growth of total expenditure is due to the increasing number of functions performed by the Panchayats on the one hand and on the other their extensive efforts to provide civic services for the rural people.
3. It shows that expenditure on Water supply, Transport & Construction and Public Health is the prominent heads of Khatav taluka village panchayats, on which panchayats have spent huge amount.
4. Village panchayats have made efforts to provide water to rural people and for this they have incurred expenditure on water supply. They have spent significant amount and percentage share of expenditure on water supply.
5. Village panchayats of Khatav taluka have made efforts for construction activities like, roads, school buildings, wall compound, meeting hall, lavatory, gutters etc. Therefore they have incurred expenditure on constructions.
6. Khatav taluka village panchayats have given attention to health activities. It is revealed that the expenditure on public health of concerned village panchayats has increased with fluctuations indicating their efforts to provide health services for the people.

Conclusion:

The above analysis reveals that the village panchayat is the base level rural local government. They perform a number of activities as to achieve the development of villages on the one hand and on the other improve the living condition of the citizens. To discharge their responsibilities they spend on the different major heads. The major heads of total expenditure like water supply, public health, Transport & Construction, welfare of people, light facility indicate their economic and social importance. Thus in India Rural Local Government works as an engine of rural development and social welfare. All the more it is important to note that at rural grassroots level it is the Village Panchayat that acts as agency for development of funds, revenue raising and implementation. Hence, their role is crucial in rural development and social welfare.

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