

A Study on the Revenue Generation Trend of Thiruvallur and

Dr. P. Thiagarajan

Received: 11 April 2021 Accepted: 1 May 2021 Published: 15 May 2021

Abstract

Tamilnadu is one of the economically developed states in India, which has 32 districts, taluks in hundreds and villages in thousands. But lots of studies on Tamilnadu's regional development have found a wide disparity in economic development across the state. The North part of Tamilnadu is a comparatively backward region in general and the districts like Dharmapuri, Villupuram, Tiruvannamalai and Thiruvallur in particular. As a result, it is of special importance and essential to review the rural local bodies finances with reference to backward district in general and Thiruvallur district in particular in the wake of 73rd constitutional amendment.

Index terms—

1 INTRODUCTION

Tamilnadu is one of the economically developed states in India, which has 32 districts, taluks in hundreds and villages in thousands. But lots of studies on Tamilnadu's regional development have found a wide disparity in economic development across the state. The North part of Tamilnadu is a comparatively backward region in general and the districts like Dharmapuri, Villupuram, Tiruvannamalai and Thiruvallur in particular. As a result, it is of special importance and essential to review the rural local bodies finances with reference to backward district in general and Thiruvallur district in particular in the wake of 73rd constitutional amendment.

2 II.

3 Statement of the Problem

This research pursuit has made an attempt to study the rural local finance in Tamilnadu. For that a case study of Thiruvallur District, covering Thiruttani and Thiruvallur taluk, is made. Though all the village panchayats in Tamilnadu have been functioning under the same Act prevailing in the state and as the rules and regulations applicable to them are same and the legal framework within which they manage their finance is common, the structure and trends of revenue and expenditure is different from one village panchayat to another. Hence a case study of selected village panchayats in two taluks has been under-taken. The revenue and expenditure of the selected village panchayats, which come under Thiruttani and Thiruvallur taluk, for the period of Ten years, that is from 2001-2002 to 2010-2011, have been collected. The purpose of the research pursuit is to examine the patterns, trends and composition of finances of the selected Village Panchayats situated in Thiruvallur district of Tamilnadu and it will be appropriate to know the origin and evolution of structural and functional aspects of the PRIs in Tamilnadu to provide better understanding of the existing relations between the fund flow and the functions entrusted to these bodies. This will also further provide insight into its working and performance as institutions of self-governance.

4 III.

5 Rationale of the Study

The Tamilnadu Panchayat Raj Act 1994 has given more avenues for mobilization of resources and there has been an incentive-based pattern of grants to panchayats. But, the revenues of panchayats have not radically changed for the better. This is seen from poor panchayat revenue and the limited range of service offered by panchayats.

Hence there is a need to urgently assess the status of rural local bodies finances and evaluate the efforts at revenue generation and to see whether the devolution of resources suggested by the SFC would alter the course of PRIs positively, so that they can move from being merely implementing agencies of state government departments towards achieving self-sufficiency in its true sense. As far as study on village panchayats finance is concerned, most of the states of Indian Union have already studied them in-depth and there is a need for immediate study on this matter also because the village panchayats in Tamilnadu have become a nodal body in implementing lot of central and state welfare programmes and entrusted with lot of development responsibilities. The findings of the study can be utilized to suggest policy modifications with regard to financial devolution of resources to village panchayats and it would also serve as a base for further studies on panchayats system in Tamilnadu as a whole.

IV.

6 Research Gap

The world wide trend towards decentralization in recent year was also very much evident in India. Although sporadic greater powers to rural and urban local bodies, the impetus gathered momentum only after the 73 rd and 74 th constitutional amendments. Within the ambit of these amendments, different states have experimented in varied ways. The state of Tamilnadu is not an exception to this development.

The decentralization is a complex and multifaceted phenomenon perhaps, better known than understood. The concept of decentralization has three main dimensions they are political, administrative and fiscal. These dimensions are interconnected with another and result oriented decentralization must be attained towards these dimensions together appropriate political structures and administrative capacity at the local level must be complemented with adequate functional and financial powers and autonomy. Many studies on rural decentralization have emanated from India, but most of the studies have largely concentrated on the political and administrative dimensions, fiscal issues at the local level have received scant attention either due to lack of information/data or due to lack of emphasis. This research pursuit is an attempt to correct this anomaly. It tries to understand the fiscal management at the lowest levels of local governance, namely the village panchayats, in the state of Tamilnadu.

V.

7 Objectives of the Study

The purpose of the research pursuit is to examine the patterns, trends and composition of finances of the selected Village Panchayats situated in Thiruvallur district of Tamilnadu and it will be appropriate to know the origin and evolution of structural and functional aspects of the PRIs in Tamilnadu to provide better understanding of the existing relations between the fund flow and the functions entrusted to these bodies. This will also further provide an insight into its working and performance as institutions of self governance. The overall objective of the research pursuit is to examine the revenue generation and expenditure management of selected village panchayats in Thiruvallur district of Tamilnadu. The investigation has the following specific objectives. 1. To analyse the structure, trends and composition of revenue of selected village panchayats of Thiruvallur District of Tamilnadu. 2. To suggest ways for ensuring the selected village panchayats to be financially stronger entities.

VI.

8 Hypotheses of the Study

In order to provide sharpness to the analysis on the objective of the research problem and to fine tune the following hypotheses are evolved:

There is no significant difference between various years in respect of total tax revenue of village panchayats. 1. There is no significant difference between various years in respect of flow of funds from State Government to panchayats by way of grants in-aid. 2. There is no significant difference between various years in respect of total non-tax revenue of the village panchayats.

3. There is no significant difference between various years in respect of funds received for implementing centrally sponsored schemes by the village panchayats.

VII.

9 Scope of the Study

This is a case study of the revenue generation and expenditure management of the four village panchayats falling within Thiruttani and Thiruvallur taluks in Thiruvallur District of Tamilnadu. The scope of the study is limited to the revenue generation and expenditure management of selected village panchayats in Thiruvallur district of Tamilnadu for a ten year period that is from 2001-2002 to 2010-2011. This period had witnessed steady growth in panchayat raj system in the state of Tamilnadu. An insight into that will ultimately help to understand the effectiveness and efficiency of the village panchayats in generating revenues and managing expenditures. Thus the present study adds a new dimension to the existing field of knowledge. It will be useful for academic as well as practical purposes.

VIII. Methodology, Data base, Data Process and Presentation and Period of Study

10 a) Methodology

The present study is mainly analytical and partly descriptive. The study mainly made use of the secondary data which were collected from the selected village panchayats situated in Thiruvallur district of Tamilnadu. The analytical study is based on secondary data. Thorough review of documents pertaining to revenue generation and expenditure management of village panchayats have been attempted and extensive consultations were also had with the experts in the areas of decentralization and panchayat finance.

For the selection of samples out of 860 village panchayats situated in 11 taluks, priority is given to the village panchayats situated in hilly areas dominated by ST population and to the village panchayats situated in plain areas dominated by SC population. Thiruvallur taluk of Thiruvallur district comprise considerable village panchayats situated in hilly areas which are dominated also by ST population and therefore the selection of Thiruvallur taluk have been made first. Secondly, two village panchayats namely, Thirupassur and Siruvanoor have been randomly selected from Thiruvallur taluk. Thiruttani taluk of Thiruvallur district consists of sizeable village panchayats situated in plain regions which are dominated also by SC population and therefore Thiruttani taluk selection has been made. Two village panchayats namely Agoor and Pattabiramapuram have been randomly selected from Thiruttani.

A conspectus analysis of the revenue and expenditure of the village panchayats for ten years, i.e. from 2001-2002 to 2010-2011, is made here. Financial data from 2001-2002 to 2010-2011 were collected from the reports, records and budget accounts maintained by the offices of the concerned village panchayats. The ten year period is considered to be sufficient for knowing the pattern and trends of revenues and expenditures of the selected village panchayats and hence the latest ten year period for which data have been available is included.

11 b) Sample Design

For in depth study on the analysis of rural development programmes on beneficiaries, four village Panchayats were selected purposively under two taluks of Thiruvallur District. In the second stage, from each village Panchayats 100 sample beneficiary respondents of rural development programmes were selected. The total sample respondents are 400.

12 c) Data Base

The source and methods through which data were collected are the study of relevant literature, both published and unpublished, observation, formal and informal discussion with the officials, non-officials, people's representatives and experts in the area of local finance. The reports of the various committees appointed by Tamilnadu Government in the study period i.e. 2001-02 to 2010-11 were utilized for gathering information about the structural and functional aspects of the village panchayats. The annual financial statements of village panchayats which are maintained by the concerned panchayat offices and other materials available relating to finances of village panchayats have also been collected. The socio-economic characteristics of the district as a whole and the panchayats selected for the study were also been obtained from the annual economic reviews of Government of Tamilnadu as well as from the primary census reports. All the collected information and data were rigorously cross-checked before they were utilized for the analysis.

13 d) Data Processing and Presentation

The relevant materials obtained from secondary sources were analyzed to bring out different aspects of the main theme of the study. The collected secondary data is tabulated and processed by employing suitable statistical tools such as proportions, averages, trend analysis using the method of least squares, correlation and analysis of variance (ANOVA) by making use of computer software packages namely Excel, SPSS. Graphs and diagrams were shown for greater clarity, conclusion are arrived on the basis of these analyses.

14 e) Period of study

The study relates to a period of ten years i.e. from 2001-2002 to 2010-2011) during which panchayat system has witnessed a steady growth in Tamilnadu despite lots of political and policy level changes. During this period, the village panchayats setup has not only continued to play an increasing role in the village level economic development but also in the basic service delivery area.

15 f) Literature Review and Arriving at Research Gap

The significance of public administration and public finance lies in the fact that it provides better services to local people according to their needs (1). In the realm of public administration there is a renewed interest in decentralisation. It is called New Development Administration. It aims at ensuring and institutionalizing people's participation through the process of decentralisation. Traditionally, the erstwhile Development Administration was understood as the management of development and administrative development. It connotes the planned institutional capacity to accomplish the specific goals of development through the formulation of appropriate policies, programmes and projects and their successful implementation. But, here popular participation is

merely of asymmetric partnership with development agencies. Moreover, popular participation in Development Administration was not linked with local area politics, thus preventing allocative decision-making.

The public finance focused heavily on identifying the sources of local government revenue, assessing the equity and strength of these revenue sources, dependence of local government on central government transfers, revenue generation and financial management, and examining mechanisms to stimulate greater local resource mobilisation. The public finance theoriate have not doubt with the organisations or private firms ect. The public finances and public administration approach is concerned mainly with macroeconomic issues. It analyses organisational arrangements and financial instruments.

There are four major theories which advocate decentralisation for better and responsive Governance. They are a) fiscal federal b) public choice c) public administration and public finance and d) political economy. Fiscal federal approach spells out that local level planning system provides cost effective public services, because it considers local preferences more carefully than the central government (Oates, 2). Public choice theory is useful in analysing the benefits and costs of decentralizing the provision of delivery services. Public choice theory assumes that the voter is a customer and the politician is a businessman. Public choice school holds the view that the people are aware of their needs, and therefore people's involvement in planning and implementing will be more effective and efficient (3).

Hence, the theory proposes to allow them to make choices about services, taxes and other policies. Again, the problem is public choice theorist is not much concerned effective services which may not be achieved by market mechanism. Public choice approach can be useful in understanding the nature of goods and services. It analyses the cost and benefits of decentralisation. The main limitation of public choice approach is that it is too much rationalistic and suggests narrow prescriptions (4). Further, rational voters do not vote, and that when rational candidates compete for the votes of rational voters, there is no equilibrium outcome (5). This is because the behavior of people is different from one another. The prediction of rational behaviour always may not be authentic.

Political economy perspective is a greater model theory, which has, experienced that institutional and financial arrangements have an impact on the cost efficiency of efficiency of delivery of services (6). It includes significant factors like political, administrative, financial, social, organisational, local resources, technical assistance and so on. In decision making process political conditions (creative and systematic thinking of leaders and political stability) are considered very significant which affect the implementation of decentralised governance. Political economy implies that useful relationships among the interest groups are necessary for policy making and implementation. Even in non-democratic countries decision are made not only by rational calculation but also by political bargaining and negotiation.

It also shares revenues and public expenditure between richer areas and poorer areas. Although there has been drawback that it makes macroeconomic policies more difficult. The analysis of fiscal federalism is used only to understand the system of sharing tax revenues and the commitment of public expenditure between central and subnational government (7). It accommodates pressure of regional autonomy, and sustains heterogeneous society. The economic rationale for decentralised governance is to improve the 'competitiveness' of governments by satisfying the wishes of citizens and cost efficiency in delivery services (8). The most common political rationale for decentralised governance is that it is assumed as good governance which is very much closer to the people (9). It analyses the system of sharing tax revenues and public expenditure commitments between central and sub national government. Under decentralised fiscal system, the local jurisdiction collects all taxes from various local sources and according to these collections it undertakes developmental programmes for the people (10). Nevertheless, it is not very clear whether political economy can identify local needs and satisfy people in a society where society is based on a certain hierarchy.

Again, there is debate as to whether politics and economics will go together or economy will go simply.

All the above theories are based on macro level study. These theories have not only not explained micro phenomenon but also have not identified the causal mechanisms and processes of grassroots level in the valuable areas.

16 Research Gap:

The above are scholarly research work carried out researchers throughout the globe on the devolution and decentralization of financial powers for participation from the grass root level for effective stake holder participation in planning and economic development. These studies reviewed above throw light on decentralization of financial powers to the lower rung of the administrative system for effective people's participation. The attention paid in these studies was not micro in nature and, moreover, the studies did not consider intricate fiscal process of the village panchayat where socially and economically weaker sections are the majority habitants. Further, not much work has been done so far to analyze the various sources of funds and items of expenditure in the post 73rd amendment to the constitution and the devolution of state plan funds to the village panchayats in Tamilnadu in order to address this anomalous situation the present research work has been undertaken.

17 IX.

18 Panchayat Raj in Tamilnadu an Historical Perspective

The history of the local self-governance in Tamil Nadu can be traced back to the stone edicts and carvings in Sri Vaikunda Perumal Temple of Uthiramerur in Kancheepuram district, which bear evidence to the well established local self-governance during the period of Chola Empire. It is inscribed on the walls of the temple in granite slabs that the village had a perfect electoral system and a written constitution prescribing the mode of election. This inscription can be dated around 920 AD in the reign of Parantaka Chola, which demonstrates the perfect electoral system that existed in ancient Tamil Nadu (11).

It was a system of democracy in monarchy where the members of the Village Council were elected through a process of secret ballot called 'Kuda Olai Murai' and these Councils functioned as self-contained economic and administrative entities. This system of secret ballot is the forerunner for today's electoral system. A huge mud pot (Kudam) was placed at an important location of the village, which served as a ballot box. The voters had to write the name of the desired candidate on the palm leaf (Panai olai) and drop it in the pot. At the end of the process, the leaves were taken out of the pot and counted candidate-wise and whoever got the highest number of votes was selected as the member of the Village Council. It is also interesting to note that eligibility criteria and norms for disqualification had been prescribed for those who contested for the Village Council (12).

With the advent of the British rule, the system of local self-governance slowly disintegrated and the industrialization that followed resulted in massive unemployment. This eventually shattered the basic structure of the local self-governance. However, the British presented a modified concept of local selfgovernance to suit the British colonial rule X. The Committee was required to study the duties, functions and powers already entrusted to the PRIs and ULBs and make recommendations for further devolution of the same in order to make them more effective.

19 Village Panchayats in Tamil Nadu

The committee presented its report to Government in December 2007 and submitted a total of 99 recommendations, categorized under 39 subjects. Several new initiatives have been undertaken to strengthen the functioning of PRIs such as provision of separate vehicles for Panchayat Union Chairpersons. Making the implementation of Mahatma Gandhi National Rural Employment Guarantee Scheme (MNREGS) work a mandatory duty for the Village Panchayat Presidents and devolution of powers in respect of Social Welfare Education and Revenue Departments and amendments made in the Town Panchayats Act, 1994 reconstituting the appointment committee of Panchayat Union, increased devolution of SFC grant to PRIs (15).

20 a) State Finance Commission (SFC)

As per the provisions of the 73 rd

21 (Table-4). d) Non-Tax Revenue

Non-tax revenue consists of license fees, registration fee, service/user charges, income from property, and income from property other than rent, permit fees, fines and penalties. It constitutes a very small portion of the total revenue of panchayats. ?? indicates that there exists an increasing trend in case of average non-tax revenue.

22 e) Grant-In-Aid

Grant-in-aid includes both plan fund and non-plan fund received from the State Government by the village panchayats. There is much variation in the grant-in-aid received by the village panchayats from year to year. It could be noted from the Table-7 that there has been substantial increase in the amount of grant-in-aid received by Agoor village panchayat from the year 2002-03, Thirupurasar village panchayat from the year 2004-05 and Siruvanoor village panchayat from the year 2006-07.

Analysing the average grant-in-aid received by all the four village panchayats over the period of study, it was observed that there was a sharp increase in the grant-in-aid from Rs. 2,13,529.75 in 2007-08 to Rs. 2,80,709.50 in 2008-09. In 2009-10, the funds devolved to four village panchayats averaged to Rs. 3,28,158.50 and in 2010-11, it averaged to Rs. 4,56,701.25. However, in 2007-08 a slight decrease in the average grant-in-aid was recorded. The year wise and village panchayat wise analysis shows that Agoor Panchayat received the highest annual amount of grant-in-aid of Rs. 5,55,841 in 2010-11, followed by Thirupurasar village panchayat (Rs. 4,88,634) during the same year.

The consistent and substantial increase of grant-in-aid received by all the four village panchayats clearly indicates the state governments' interest and commitment towards strengthening developmental activities in the backward villages. The average grant-in-aid received by the four village panchayats shows an increasing trend over the period of study (Figure 4). The trend value was 54661.08 in 2001-02 and 376078.96 in 2010-11 (Table 8). f) Fund for Central Government Sponsored Schemes Village panchayats have been receiving funds for the implementation of certain schemes of Central Government. The average fund for the central government sponsored schemes does not show a clear pattern of change over the period. In some years it increased while in other years it decreased. The fund which was Rs. 6,15,356 in 2001-02 increased to Rs. 8,41,115 in 2002-03 and

deeply declined to Rs. 6,46,157 in 2003-04 and to Rs. 5,30,510 in 2005-06. However, from 2006-07 onwards, the fund moves in the upward direction and reaches at Rs. 12,84,789 in 2010-11 (Table 9). Among the four village panchayats, Agoor village panchayat received the highest fund revenue.

In the case of Thiruppasur village panchayat, the fund for central government sponsored scheme was not allotted for the first five years that is from 2001-02 to 2005-06. Similarly, in Siruvanoor village panchayat also, from 2003-04 to 2006-07, that is for four years, and in 2008-09, fund for central government sponsored scheme was not allotted. The administrative and procedural delays on the part of respective village panchayats only led to this financially and development wise uncomfortable position. The funds allotted for the implementation of central government sponsored schemes are the major source of revenue through which the development activities can be activated at the village level and the benefits could have been catered down to the needy section. This is miserably missed by the above mentioned village panchayats.

XII. Hypothesis Results and Discussion

Keeping in mind the objectives of the study, the researcher framed null hypotheses. Proposed hypotheses are the depicted explanation for the certain phenomena which might occur or vise versa under defined situation. The decisions are here made on the basis of data collected from controlled or observed method. On the basis of results discussed above, the outcome of the test would result either rejection or acceptance of null-hypothesis for a pre-specified level of significance. Statistical data therefore is based upon assumptions which state that "if null hypothesis is true, what will be the probability (p value) of observing the value for test statistics which is extreme as the actual observed value". The explanation for proposed hypothesis related to revenue aspects of village pachayats with respect to their acceptance or rejection. The table 11 illustrates the results of ANOVA test conducted to establish the hypothesis that there is no significant difference between various years in respect of total tax revenue of Thiruppasur, Siruvanoor, Agoor and Pattabiramapuram Village Panchayats in the reference period. All the panchayats p value is less than 0.01. Therefore the null hypothesis is rejected at 1% level of significance. It is concluded that there is significant difference between various years in respect of total tax revenue of Thiruppasur, Siruvanoor, Agoor and Null Hypothesis: 4 The Table 14 reveals the results of ANOVA test conducted to establish the hypothesis that there is no significant difference between various years in respect of funds received for implementing centrally sponsored schemes by the village panchayats in the reference period. Since the p value of all the panchayats except Siruvanoor is less than 0.001 the null hypothesis is rejected at 1% level of significance. Therefore, it is concluded that there is significant difference between various years in respect of funds received for implementing centrally sponsored schemes by the village panchayats from 2001-02 to 2010-11. As far as Siruvanoor village panchayat is concerned, p value is greater than 0.05. Therefore, the null hypothesis is accepted at 5% level of significance. It concluded that there is no significant difference between various years in respect of funds received for implementing centrally sponsored schemes by Siruvanoor Village Panchayat.

24 Null Hypothesis: 1

XIII.

26 Conclusion

It is evident from the analysis that the revenue composition of the four village panchayats during the study period provides a mixed picture. All items of revenue have been showing an increasing trend over the ten year period. There has been substantial and consistent increase in the amount of grant-in-aid received by the village panchayats in the ten year study period. In 2010-11 period, all the four village panchayats had seen quantum jump in grant-in-aid which strikingly establishes the interest and commitment of the state government to support the development initiatives of backward village panchayats. However, the flip side of the story is the direct tax revenue of the four village panchayats has not increased significantly during .the study period. The main factors responsible for the poor tax revenue are poor tax base, lack of sophisticated and adequate tax collection machinery, undervaluation of properties and indifference in imposing taxes. Non-tax revenue, although showing an increasing trend like the tax revenue, did not increase substantially. This is due to the low rates of fees charged by all the four village panchayats. There is immense potential exist in mobilising this resource in all the four village panchayats which has been observed by the researcher during the field visits. The fund for central government sponsored schemes also did not show a remarkable increase. Thus the entire four village panchayats of Thiruvallur and Thiruttani Taluks were largely depend on grants-in-aid. Besides the researchers observe the following trends during the study period: ? Grant-in-aid continuously dominated the total revenue of village panchayats in the study period. Grant in aid revenue has shown the highest rate of increase every year. ? House tax and stamp paper tax revenue constitutes major share in the tax revenue of village panchayats in the study period. ? Although an increasing long term trend is observed in the funds for central government sponsored schemes, no consistent increase has taken place in this item of revenue over the period. The proportion of this item to the total revenue also has not in stable condition during the study period. ? It is observed that professional tax has contributed substantially to the total tax revenue of village panchayats in the study period.

? A drastic change has taken place in the revenue composition of village panchayats during the study period. This is mainly because of the fact which has already been referred, i.e., increase in grant-in-aid.

? The main concentration of allotted fund through MPLADS was making infrastructure facilities in rural areas for rural development. The scheme benefits the local community by meeting its various developmental roads, like construction of bridges, lying of cement concrete roads and installation of solar streetlight, provision of additional burial grounds, and compound wall or fencing to the burial grounds and for slab culvert. ? The Government of India has revised its guidelines for the rural water supply scheme to provide for a 10 percent weight age in allocation of funds to States. This weight age is given for the rural population managing their water supply schemes. In this study area, under the NRDWP total number of 94 works has taken and the amount sanctioned for Rs.

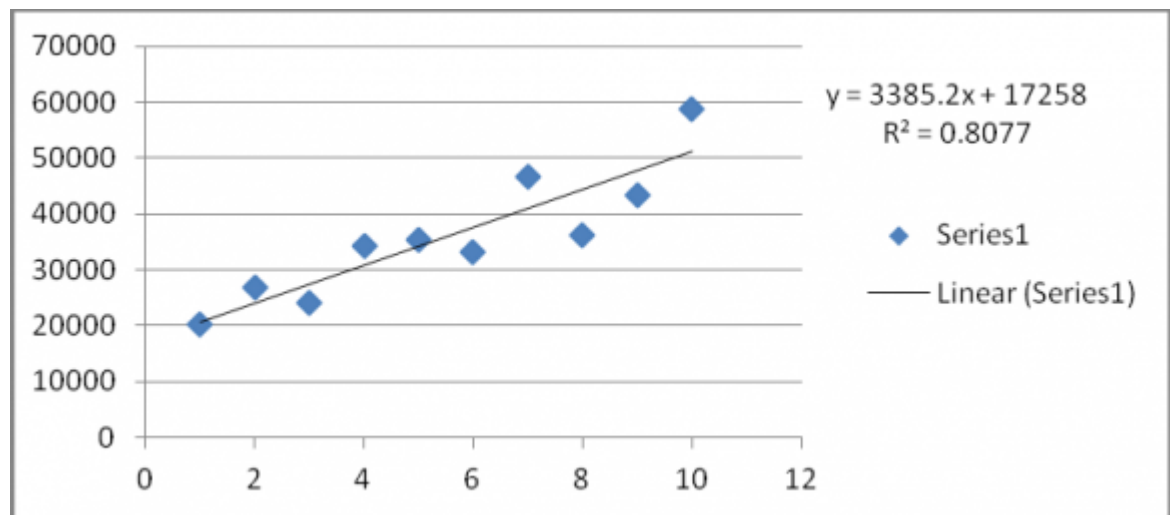


Figure 1:

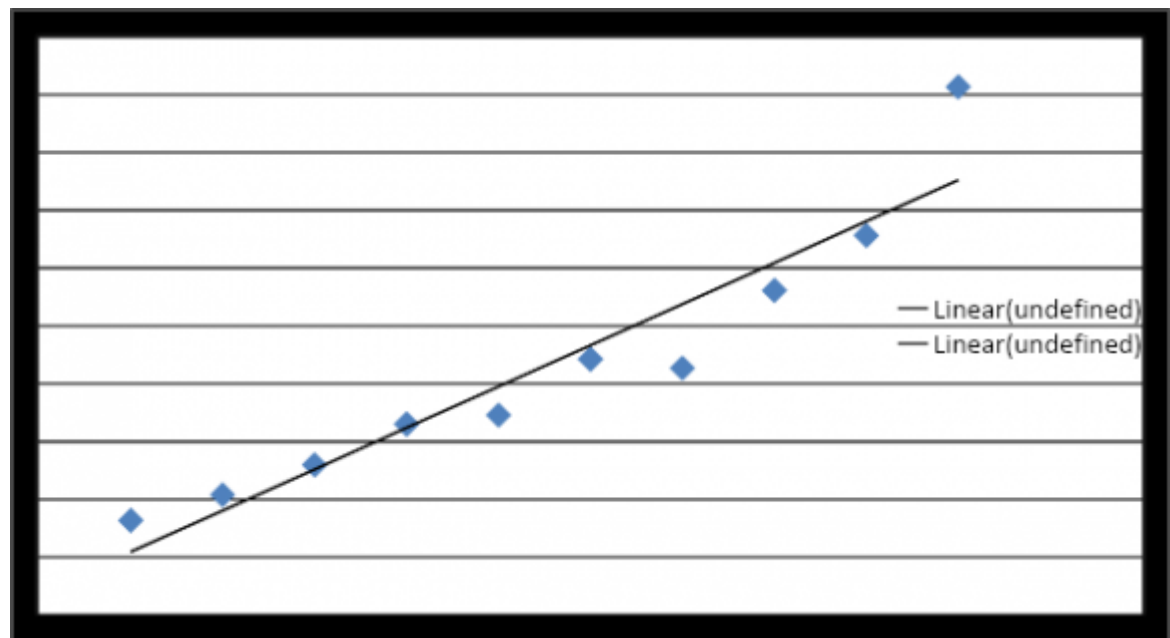


Figure 2:

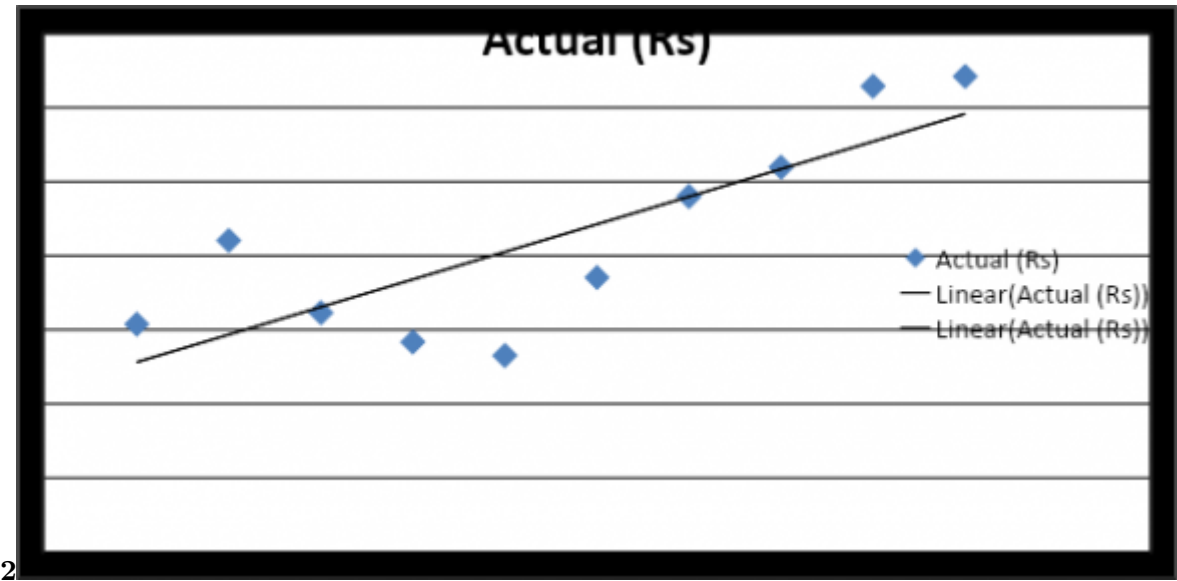


Figure 3: Figure 2 :

11

Name of the State	Name of the District	Name of the Taluks	Name of the Village Panchayats
Tamilnadu	Thiruvallur	Thiruvallur Thiruttani	Selected for the Study
			1. Thirupassur Agoor 2. Pattabiramapuram
			2. Siruvanoor 1.

Figure 4: Table 1 . 1 :

2

(Finance	Commission Department, dated IV)
01.12.2009,	constituted North State Finance
Commission to review the financial position of the rural and urban local bodies namely Village Panchayats, Panchayat Union Councils, District Panchayats, Town Panchayats, Municipalities Corporations (16).	

Figure 5: Table 2 :

3

Year	Thirup-pasur	Siruvanoor	Agoor	Pattabira-mapuram	Average in Rs.)
2001-02	35907	11754	21918	1106820161.75	
2002-03	59674	12421	23075	1218726839.25	
2003-04	47514	22938	13741	1231024125.75	
2004-05	58423	35539	29285	1358934209.00	
2005-06	44216	53515	23382	2008435299.25	
2006-07	40443	51951	24025	1592333085.5	
2007-08	78189	46183	42334	1997546670.25	
2008-09	42432	59970	21028	2182036312.50	
2009-10	56457	44645	40103	3235143389.00	
2010-11	80728	65550	55936	3248358674.25	

Source: Data compiled from the Annual budget reports of the village panchayat.

The average tax revenue received by the four village panchayats has increased from Rs. 20,161.75 in 2001-02 to Rs. 58,674.25 in 2010-11 (Table 3.). The average tax revenue which was Rs. 26,839.25 in 2002-03 declined to Rs. 24,125.75 in 2003-04 after registering an increase to Rs. 34,209.00 in 2004-05. On an average, this item of revenue shows a sharp increase over the previous year except during 2003-04, 2006-07 and 2008-09. From the inter-panchayat analysis of direct taxes, it is found that Thiruppasur village panchayat received the highest revenue (i.e., Rs. 80,728) from the source in 2010-11 and Pattabiramapuram village panchayat received the lowest revenue (i.e., Rs. 11,068) in 2001-02.

Figure 6: Table 3 :

4

Year 2021

54

Volume XXI Issue VI Version I

E)

(

Global Journal of Human Social Science -

Year

Actual

Trend

2001-2002

20161.750

20643.07273

2002-2003

26839.250

24028.31212

2003-2004

24125.750

27413.55152

2004-2005

34209.000

30798.79091

2005-2006

35299.250

34184.03030

© 2021 Global Journals

Figure 7: Table 4 :

5

Year	Thirup-pasur	Siruvanoor	Agoor	Pattabira-mapuram	Average
2001-2002	5742.00	3526.00	4736.00	3352.00	4339.00
2002-2003	3096.00	5382.00	8136.00	3800.00	5103.50
2003-2004	3956.85	6179.00	8130.00	2548.00	5203.46
2004-2005	4498.56	8759.51	7637.00	1381.00	5569.02
2005-2006	6073.00	9207.13	9414.00	2540.00	6808.53
2006-2007	7243.49	10440.21	11007.00	3670.00	8090.18
2007-2008	9254.00	11048.00	13349.00	2270.00	8980.25
2008-2009	11621.00	13929.00	17426.00	6522.00	12374.50
2009-2010	14048.00	16217.00	19783.00	9117.00	14791.25
2010-2011	18493.00	21772.00	20112.00	10479.00	17714.00

Source: Data compiled and computed from the Annual budget reports of the village panchayats.

The average non-tax revenue received by the four village panchayats increased from Rs.4,339 in 2001-02 to Rs. 17,714 in 2010-11 (

Figure 8: Table 5 :

5

panchayat received the highest revenue (i.e., Rs. 21,772) and Puliya village panchayat received the lowest revenue (i.e., Rs. 10479) from this source in 2010-11.

Figure 9: Table 5)

6

Year	Actual	Trend
2001-2002	4339.00	2473.01
2002-2003	5103.50	3900.64
2003-2004	5203.46	5328.28
2004-2005	5569.01	6755.91
2005-2006	6808.53	8183.55
2006-2007	8090.18	9611.18
2007-2008	8980.25	11038.82
2008-2009	12374.50	12466.45
2009-2010	14791.25	13894.09
2010-2011	17714.00	15321.72

(in Rs.)

Figure 3: Trend of Non-Tax Revenue

Table 6 indicates that the trend value for the year 2001-02 is 2473.01 and 15321.72 in 2010-11. The

Figure

Figure 10: Table 6 :

7

Year	Thirup-pasur	Siruvanoor	Agoor	Pattabira-mapuram	Average
2001-2002	49422.00	58435.00	74281.00	144960.00	81774.50
2002-2003	60120.00	59985.00	121224.00	174161.00	103872.50
2003-2004	65450.00	67932.00	209462.00	176280.00	129781.00
2004-2005	155217.00	64589.00	241793.00	198830.00	165107.25
2005-2006	181021.00	80742.00	229692.00	199860.00	172828.75
2006-2007	293137.00	119497.00	258405.00	213910.00	221237.25
2007-2008	240420.00	105022.00	269542.00	239135.00	213529.75

Figure 11: Table 7 :

8

Year	Actual	Trend
2001-2002	81774.50	54661.08
2002-2003	103872.50	90374.18
2003-2004	129781.00	126087.27
2004-2005	165107.25	161800.37
2005-2006	172828.75	197513.47
2006-2007	221237.25	233226.57
2007-2008	213529.75	268939.67
2008-2009	280709.50	304652.77
2009-2010	328158.50	340365.86
2010-2011	456701.25	376078.96

Figure 12: Table 8 :

9

(in Rs.)

Figure 13: Table 9 :

10

Year	Actual	Trend
------	--------	-------

Figure 14: Table 10 :

11

Place		ANOVA			
		Sum	of	F	Sig.
		Squares	df		
		Mean Square			
Thiruppasur	Regression	30690160740.782	1	30690160740.782	
	Residual	10426633392.218	9	1158514821.358	
	Total			26.491	0.001**
		41116794133.000			
		10			
Siruvanoor	Regression	8389357608.439	1	8389357608.439	
	Residual	1598443053.561	9	177604783.729	
	Total			47.236	0.000**
		9987800662.000			
		10			
Agoor	Regression	19676299936.623	1	19676299936.623	13.982 0.005**
	Residual	12665610312.377	9	1407290034.709	
	Total				
		32341910249.000			
		10			
Pattabiramapuram	Regression	5484112632.727	1	5484112632.727	25.136 0.001**
	Residual	1963582481.273	9	218175831.253	
	Total				
		7447695114.000			
		10			

** represents significant at 1% level source: computed Data

Figure 15: Table 11 :

14

Place				ANOVA Sum of Squares df Mean Square	F	Sig.
Thiruppasur	Regression	6071006782243.075	1	6071006782243.075		
	Residual	1253375951004.534	9	139263994556.059	43.594	0.000**
	Total			7324382733247.609	10	
Siruvanoor	Regression	2318368288009.351	1	2318368288009.351		
	Residual	3526118133201.649	9	391790903689.072	5.917	.038
	Total			5844486421211.000	10	
Agoor	Regression	5843731309307.439	1	5843731309307.439		
	Residual	375426713256.561	9	41714079250.729	140.090	0.000**
	Total			6219158022564.000	10	
Pattabiramapuram	Regression	6161169853740.261	1	6161169853740.261		
	Residual	1601494071570.741	9	177943785730.082	34.624	0.000**
	Total			7762663925311.001	10	

**represents at 1% level of significance

Figure 16: Table 14 :

.1 Null Hypothesis: 2

The Table ??2 demonstrates the results of ANOVA test conducted to test the hypothesis that there is no significant difference between various years in respect of Grant-in-Aid of Thirupurasur, Siruvanoor, Agoor and Pattabiramapuram Village Panchayats in the reference period. All the panchayats p value is less than 0.01. Therefore, the null hypothesis is rejected at 1% level of significance. It is concluded that there is significant difference between various years in respect of Grant-in-Aid of Thirupurasur, Siruvanoor, Agoor and Pattabiramapuram panchayats from the year 2001-02 to 2010-11. The Table ??3 shows the results related to the testing of hypothesis that there is no significant difference between various years in respect of total Non-Tax revenue of Thirupurasur, Siruvanoor, Agoor and Pattabiramapuram Village Panchayats in the reference period. All the panchayats p value is less than 0.01 except Siruvanoor village panchayat. Therefore, the null hypothesis is rejected at 1% level of significance. It is concluded that there is significant difference between various years in respect of Total Non-Tax revenue. The Siruvanoor Village Panchayat's p value is less than 0.05. However, the null hypothesis is rejected at 5% level of significance.

.2 Null Hypothesis: 3

- [Oates ()] , Wallace Oates , E . *Fiscal Federalism* 1972. Brace and Jovanovich.
- [Rondinelli et al. ()] *Analyzing decentralization politics in developing countries: Analyzing political Economy Framework Development and Change*, Dannis Rondinelli , James S Mccullough D Ronald , . W Jonald . 1989. 20 p. .
- [Breton ()] *Competitive Government: An Economic Theory of Politics and Public Finance*, Albert Breton . 1996. New York: Cambridge University Press.
- [Maddick ()] *Democracy, Decentralisation, and Development*, Maddick . 1963. Asia Publishing House. Mumbai.
- [Oppenheimer ()] 'Does the Route to Development Pass through Public Choice'. Joe Oppenheimer . *Public Choice and Rural Development*, C S Russel, N K Nicholson (ed.) (Washington DC) 1981. Resources.
- [Bank ()] *Expanding the Measure of Wealth: Indicators for Environmentally Sustainable Development*, World Bank . 1997. Washington DC: World Bank.
- [Rao and Govinda ()] 'Fiscal Decentralisation in Indian Federalism'. M Rao , Govinda . *Managing Fiscal Decentralisation*, Ahmed Ehtisham (ed.) (London) 2002. Routledge.
- [Mueller ()] *Public Choice*, Denis C Mueller . 1979. London: Cambridge University Press.
- [References Références Referencias] *References Références Referencias*,
- [Prud'homme ()] 'The Dangers of Decentralisation'. Remy Prud'homme . *The World Bank Research Observer* 1995. 10 (2) p. .
- [Ledyard ()] 'The Pure Theory of Large two Candidate Elections'. J C Ledyard . *Public Choice* 1984. 44 (1) p. .