

Financial Allocation for Rural Development Programmes to Panchayat Raj Institutions in Kanyakumart District

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Abstract - Panchayat raj is a democracy decentralisation of economic, political, administrative and financial power in essential because few centres of power cannot realize or fulfill the needs of the vast multitude of people. It was accorded constitutional recognition and judiciously integrated into the five year plans of the country in 1950. It is objective to assess the finances of village panchayats under Tamil Nadu and Kanyakumari district. To suggested is need for the merger of Union, State and Local Government Schemes to ensure economy and efficiency and flexibility to meet local needs and demands.

Index Terms - Economic, Financial, Rural, Political and Schemes.

INTRODUCTION

This paper attempts to analyse the trends and growth of financial allocation for rural development programmes to panchayat Raj Institutions in Kanyakumari district. The panchayats are entrusted with the responsibilities of implementing a lot of development programmes besides performing regulatory functions such as providing basic facilities to the local people. It was accorded constitutional recognition and judiciously integrated into the five-year plans of the country in 1950. Its contribution towards the growth of rural India has been so phenomenal that it has turned out be veritable avenue for in depth studies.

REVIEW OF LITERATURE

Celine Rani, A. in her book "Emerging Pattern of Rural Women Leadership in India" is a study of the process by which the woman leaders are emerging to the political front to manage the Panchayat system. By evolving a framework suitable to this study, the

process of emergence of the leaders has been analyzed. In this work, it has been established that the socio-economic status is a significant factor in determining the emergence of rural woman leaders. Different kinds of categories of leaders have been identified. This reflects the conditions in Tamil Nadu.

Palanithurai, G., has written an article titled "Impediments to Empowerment of Women: Experience of Elected Women Representatives in Panchayats in Tamil Nadu". In this article, the author has investigated the problems faced by the elected woman representatives as they manage the local body institutions. He has classified the nature and intensity of the obstacles and hurdles in the process of governance and explained how these problems are being tackled by them, and with whose support. The article has brought to light the ways and means by which the problems can be met by external agencies.

OBJECTIVES

1. To assess the finances of village panchayats under Tamil Nadu and Kanyakumari district.
2. To offer suitable suggestions based on the findings of the study.

METHODOLOGY

In order to analyse the average and stability over the period under study of Funds allotted under plan and non-plan schemes, welfare programmes Like Indira Awaas Yojana (IAY), Mahama Gandhi National, Rural Employment Guarantee Scheme (MGNREGS), Swarna Jayanthi Gram Swarozegen Yojana (SJGSY) and the like, the arithmetic mean (X) and the co-efficient of variation (C.V) were computed by using the formula.

To analyse the trend and growth of Funds allotted under plan, non-plan schemes and welfare programmes, the semi log trend equation was fitted. The above semi-log trend equations was estimated by the method of least squares. The formula was used to compute compound growth rate (CGR).

For this, the secondary data for 10 years from 2009-10 to 2018-19 at the Tamil Nadu level and the district state level were obtained and used.

RESULTS AND DISCUSSION

The details relating to the rural development, budget estimates and revised estimates from 2009-10 to 2018-19 in Tamil Nadu. The budget estimate for rural development has been increase from Rs.943236.21 lakhs during 2009-10 to Rs.367241.48 lakhs during 2018-19. The revised estimate has also been increasing from Rs.102741.36 lakhs during 2009-10 to Rs.384747.12 lakhs during 2018-19. But the actual spent on rural development has been increased more than that of budget estimate as well as revised estimate. The actuals were Rs.143271.38 lakhs during 2009-10 and Rs.407212.76 lakhs during 2018-19. The analysis infers that the government has spent more amounts than estimate to Panchayat Raj institutions for its development for various programmes. The average amount spent during the years was Rs.264683.20 lakhs. As indicated by the co-efficient of variation (C.V), the high fluctuation was observed in budget estimate during the period under study. A Steady and stable was found in actual amount spent of rural development compared to budget estimate and revised budget.

The trend and growth of budget estimate revised estimate and actuals are given in Table 1.

TABLE 1-TREND AND GROWTH OF BUDGET ESTIMATE, REVISED BUDGET AND ACTUALS

Particulars	Trend Co-efficients		R ²	(CGR %)
	a	b		
Budget Estimate	11.3409	0.1537* (14.188)	0.95	16.614
Revised Budget	11.4956	0.1427* (17.791)	0.97	15.338
Actuals	11.7630	0.1207* (30.413)	0.99	12.828

Source: Computed data

CGR: Compound Growth Rate

* Indicates that the trend co-efficients are statistically significant at 5 percent Level.

Table 1 reveals that the trend co-efficients of budget estimate, revised budget and actuals were found statistically significant at 5 per cent level and positive. It implies that on an average, budget estimate, revised budget and actuals were found to be increasing at the rate of 0.1537 per cent, 0.1427 per cent and 0.1207 per cent per annum respectively. The growth rate was found to be high in budget estimate (16.614 per cent) followed by revised budget (15.338 per cent) and actuals (12.828 per cent). It is understood that the growth in amount was found low for actuals compared to budget estimate and revised budget during the study period.

The fund allocated under plan schemes and non-plan schemes in Tamil Nadu and Kanyakumari district during 2009-10 to 2018-19. It reveals that the funds allocated under plan schemes and non-plan schemes have increased year after year in Tamil Nadu. The fund allocated under plan schemes has been increased from Rs.93871.41 lakhs during 2009-10 to Rs.268841.86 lakhs during 2018-19. In the same way the funds allocated under non-plan schemes during 2009-10 was Rs.49399.97 lakhs and it has been increased to Rs.138370.90 in Tamil Nadu. In the care of Kanyakumari district, the amounts allocated under plan schemes and non-plan schemes have increased enormously during period under study. The funds allotted under plan schemes and non-plan schemes have been increased from Rs.3089.45 lakhs and Rs.4736.24 lakhs during 2009-10 to Rs.4590.99 lakhs and Rs.13135.89 lakhs respectively during 2018-19.

The high fluctuation was found in funds allotted under plan schemes in the Tamil Nadu and non-plan schemes in the Tamil Nadu and non-plan schemes in the district as evidenced through co-efficient of variation.

The trend and co-efficients of funds allocated to state and the district are given in Table 2.

TABLE 2- TREND AND GROWTH OF FUNDS ALLOCATED UNDER PLAN AND NON-PLAN SCHEMES IN TAMIL NADU AND KANYAKUMARI DISTRICT

Particulars	Trend Co-efficients		R ²	CGR (%)
	a	B		
Tamil Nadu				
Plan	11.3344	0.1215* (33.766)	0.99	12.918
Non-Plan	10.7090	0.1190* (24.435)	0.98	12.636
Overall	11.7630	0.1206* (30.413)	0.99	12.817

Kanyakumari District				
Plan	7.9057	0.1202* (28.349)	0.99	12.772
Non-Plan	7.2850	0.1207* (28.310)	0.98	12.828
Overall	8.3371	0.1204* (28.356)	0.98	12.794

Source: Computed data

CGR: Compound Growth Rate

*Indicates that the trend coefficients are statistically significant at 5 per cent level.

It is inferred from table 2 that the trend co-efficients of funds allocated under plan and non-plan schemes in Tamil Nadu were statistically significant at 5 per cent level. It shows that on an average, the funds allocated under plan schemes and non-plan schemes were increasing at the rate of 0.1215 per cent and 0.1190 per cent respectively per annum. The compound growth rate was found high in plan schemes compared to non-plan schemes during the period under study.

In the case of Kanyakumari district, the trend co-efficients plan schemes, non-plan schemes and overall were statistically significant at 5 per cent level and positive. It implies that on an average, the funds allotted under plan schemes, non-plan schemes an overall allocation were increasing at the rate of 0.1202 per cent, 0.1207 per cent, 0.1204 per cent respectively per annum. The growth rate (12.828 per cent) was found high in funds allotted under non-plan schemes compared to plan schemes and overall in the district. Funds allocated to the village panchayats and special village panchayats under plan schemes and non-plan schemes during 2009-10 to 2018-19. The details relating to Funds allocated under plan schemes and non-plan schemes to village panchayats and special village panchayats in kanyakumari districts during 2009-10 to 2018-19 infer that the funds allocated under the plan and non-plan schemes have increased remarkable in both village panchayats and special village panchayats. The average amount spent under plan schemes for village as well as special village panchayats was found to be high compared to non-plan schemes. The average amount spent was Rs.3439.33 lakhs and Rs.3152.91 lakhs respectively for village panchayats. The average amount allotted under non-plan schemes for village panchayats and special village panchayats was Rs.1918.90 lakhs and Rs.1161.88 lakhs respectively.

As evidenced through co-efficient of co-efficient of variations, a high fluctuation was found in allocation

funds under plan schemes than non-pan schemes for both village panchayats and special village panchayats in the district under study.

Trend and growth of funds allocated under plan and non-plan schemes to village panchayats and special village panchayats are given in Table 3.

TABLE 3 TREND AND GROWTH OF FUNDS ALLOCATED UNDER PLAN AND NON-PLAN SCHEMES TO VILLAGE PANCHAYATS AND SPECIAL VILLAGE PANCHAYATS AT KANYAKUMARI DISTRICT

Particulars	Trend Co-efficients		R ²	CGR (%)
	a	b		
Village panchayats				
Plan	7.4032	0.1230* (21.544)	0.98	13.088
Non-Plan	6.8804	0.1138* (38.354)	0.99	12.052
Total	7.8688	0.1074* (4.434)	0.67	11.337
Special Village panchayats				
Plan	6.8827	0.1254* (19.089)	0.98	13.360
Non-Plan	6.3678	0.1153* (15.367)	0.96	12.221
Total	7.3529	0.1215* (23.809)	0.98	12.918

Source: Computed data

CGR: Compound Growth Rate

* Indicates that the trend coefficients are statistically significant at 5 per cent level.

It is understood from Table 3 that the trend co-efficients of funds allocated plan and non-plan schemes to village panchayats were statistically significant at 5 per cent level. It indicates that on an average, funds allocated under plan schemes and non-plan schemes were increasing at the rate of 0.1230 per cent and 0.1138 per cent respectively. The trend value of the overall total of plan and non-plan schemes was also found significant and positive. The higher than growth rate was found in funds allocated under plan schemes (13.088 per cent) followed by non-plan schemes.

In the case of the special village panchayats, the trend co-efficients of funds allocated plan and non-plan schemes were statistically significant at 5 per cent level and positive. It indicates that on an average, the funds allocated under plan and non-plan schemes have been increased at the rate of 0.1254 per cent and 0.1153 per cent respectively. High growth rate was found in funds allocated under plan and non-plan schemes respectively.

FINDINGS AND SUGGESTIONS

The trend is financial allocation and number of beneficiaries in SJGSY scheme was found to be increasing trend during the period under study. A high growth rate was observed in number of beneficiaries for village Panchayats and special village Panchayats. In the case of total sanitation campaign trend was found positive and significant financial and physical achievements for both village Panchayats and special village panchayats. A high fluctuation was found in physical performance in village panchayats and financial allocation in special village panchayats in Kanyakumari district.

Centrally Sponsored Schemes create problems for Panchayati Raj Institutions as they have to maintain a separate identity of these Programmes. The Panchayati Raj Institutions are also running such Programmes sponsored by the State Government as well as their own Programmes. This results in too much clerical work, complicated accounting and auditing, corruption and pilferage, lack of expertise at local levels and unnecessary expenditure on travel and inspection from far-off places. Therefore, there is need for the merger of Union, State and Local Government Schemes to ensure economy and efficiency and flexibility to meet local needs and demands.

Discussions held with the officials reveal that most of the laws enacted by the State Government are not exhaustive, causing many problems. There is a need for enactment of laws which are more clear, specific, simple and relevant and can create harmony between State Governments and Panchayati Raj Institutions.

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