



## A STUDY ON EXPENDITURE PATTERN OF THANJAVUR MUNICIPAL CORPORATION FROM 2009-2014



**I.Menaga<sup>1</sup>**

<sup>1</sup>Ph.D Research Scholar,  
PG & Research Department of  
Economics,  
Rajah Serfoji Govt College,  
Thanjavur, Tamil Nadu,  
India

**Dr.C.Sunitha<sup>2</sup>**

<sup>2</sup>Head & Associate Professor,  
PG & Research Department of  
Economics,  
Rajah Serfoji Govt College,  
Thanjavur, Tamil Nadu,  
India

### ABSTRACT

**P**ublic finance is the study of the role of the government in an economy. It is the branch of Economics which assesses the Government and Government Expenditure of the public authorities and the adjustment of one or the other to achieve desirable effects and avoid undesirable ones. The purview of public finance is considered to be threefold: governmental effects on efficient allocation of resources, distribution of income, and macroeconomic stabilization. Public Finance Management (PFM) basically deals with all aspects of resource mobilization and expenditure management in Government. Public finance management includes resource mobilization, prioritization of programmes, the budgetary process, efficient management of resources and exercising controls. Rising aspirations of people are placing more demands on financial resources. The following subdivisions form the subject matter of public finance. Public expenditure, Public revenue, Public debt, financial administration and Federal finance.

**KEYWORDS:** Public finance, Government Expenditure, Public Revenue, Public Debt, Financial Administration And Federal Finance.

### INTRODUCTION

Local Government is a form of public administration which, in a majority of contexts, exists as the lowest tier of administration within a given state. The term is used to contrast with offices at state level, which are referred to as the central government, national government, or federal government and also to supranational government which deals with governing institutions between states. Local governments generally act within powers delegated to them by legislation or directives of the higher level of government. In federal states, local government generally comprises the third or sometimes fourth tier of government, whereas in unitary states, local government usually occupies the second or third tier of government, often with greater powers than higher-level administrative divisions. The question of

municipal autonomy is a key question of public administration and governance. The urban local bodies act as platform between the people in the urban areas and the administration. According to 2011 census of India, Tamil Nadu has about 48.45% of total population living in urbanized areas. Depending on the population and income of the urban local bodies, they are further classified into three categories. City Municipal Corporations, Municipalities and Town Panchayath.

### THANJAVUR MUNICIPAL CORPORATION

Government of Tamil Nadu announced for upgrade of Thanjavur Special Grade Municipality to City Municipal Corporation of Thanjavur. Thanjavur City Municipal Corporation is a civic body that governs Thanjavur city. These corporations consist of 51 wards



and the legislative body is headed by an elected Chairperson assisted by a Deputy Chairperson and 49 councilors who represent each wards in the city.

The district is located at 10.08°N 79.16°E in Central Tamil Nadu bounded on the northeast by Nagapattinam District, on the east by Tiruvarur District, on the south by the Palk Strait, of Bay of Bengal on the west by Pudukkottai District, and on the north by the river Kollidam, across which lie Tiruchirappalli and Perambalur districts. Public Expenditure is spending made by the government of a country on collective needs and wants such as pension, provision, infrastructure, etc. Until the 19th century, public expenditure was limited as laissez faire philosophies believed that money left in private hands could bring better returns.

**OBJECTIVES**

1. To Study about the local government finance to meet out the expenditure incurred by the Thanjavur Corporation from 2009 to 2014.
2. To analyze the composition of the different expenses like staff salary and allowance, operating expenditure, project expenditure and other financial Expenditure of Municipal corporation.

**METHODOLOGY**

The present study is based on secondary data which is collected from Thanjavur Corporation records. These data include the Expenditure under different heads like salary & other allowances of staff members, pension & gratuity, operating expenditure, Repairing & maintenances, project expenditure, administration and financial expenditure.

**Table: 1.1 Municipal Expenditure in 2009-2010**

S.No	Details	Public Finance Rs...	Water Fund Rs...	Primary Education Fund Rs...	Total Rs...	%
1	Staff salary & other Allowance	11,00,65,14	57,19,182	-	11,57,84,346	34.42%
2	Pension & Gratuity	6,38,69,513	2,72,457	-	6,41,41,970	19.07%
3	Operating & Expenses	73,28,347	3,54,312	-	76,82,659	2.28%
4	Repair & Maintenance	1,25,86,398	21,06,760	8,19,896	1,55,13,054	4.61%
5	Project Expenses	2,38,30,125	5,06,50,555	17,25,785	7,62,06,465	22.65%
6	Administration Expenditure	24,01,124	1,87,692	-	25,88,816	0.77%
7	Financial Expenditure	3,96,00,240	1,48,55,861	6000	5,44,62,101	16.19%
	Total	25,96,80,911	7,41,46,819	25,51,681	33,63,79,411	

Sources: Secondary data Collected from Thanjavur Corporation.

The table 1.1 shows that Municipal Expenditure of Thanjavur Corporation. Salary is a fixed amount of money or compensation paid to an employee by an employer in return for work performed. The amount of something that is permitted, especially within a set of regulations or for a specified purpose is called as allowance. The staff salary and other allowance was 34.42%. which

was followed by Project Expenses 22.65%.The other expenses like pension and gratuity amount was contributed 19.07%,Financial Expenditure was 16.19%, Operating expenses was contributed to 2.28% Repair & Maintenance was 4.61% and Administration Expenditure was Contributed 0.77%.

**Table: 1.2 Municipal Expenditure in 2010-2011**

S.No	Details	Public Finance Rs...	Water Fund Rs...	Primary Education Fund Rs...	Total Rs...	%
1	Staff salary & other allowance	12,44,68,285	59,97,552	-	13,04,65,837	24.02%
2	Pension & gratuity	5,86,57,290	3,49,897	-	59,00,7,187	10.86%
3	Operating & Expenditure	80,61,181	3,89,743	-	84,50,924	1.56%
4	Repairing & Maintenances	15,10,3,676	25,28,112	9,83,888	1,86,15,676	3.43%
5	Project Expenditure	3,62,13,137	7,33,13,139	20,70,942	11,15,97,218	20.55%
6	Administration Expenditure	26,89,250	2,10,215	-	28,99,465	0.53%
7	Financial expenditure	19,42,36,780	1,78,27,033	7,200	21,20,71,013	39.05%
	Total	43,94,29,599	10,06,15,691	30,62,030	54,31,07,320	

Sources: Secondary data Collected from Thanjavur Corporation

The table 1.2 shows that Financial Expenditure ranked first among the Municipal Expenditure of Thanjavur Corporation which was 39.05%, the other expenses like staff salary and other allowance was 24.02%. Which was followed by Project Expenses as 20.55%

Where as the pension and gratuity contributed 10.86%, Year wise Expenditure for Repair & Maintenance was 3.43 %, operating expenses was 1.56% and the very minimal share was by Administration Expenditure which was 0.53 %.

**Table: 1.3 Municipal Expenditure in 2011-2012**

S.No	Details	Public Finance Rs...	Water Fund Rs...	Primary Education Fund Rs...	Total Rs...	%
1	Staff salary & other allowance	15,87,68,371	86,42,944	-	16,74,11,315	37.35%
2	Pension & gratuity	56,94,2,825	-	-	5,69,42,825	12.70%
3	Operating & expenditure	1,20,15,089	2,01,30,706	-	3,21,45,795	7.17%
4	Repair & maintenances	1,26,53,575	1,80,52,927	-	3,07,06,502	6.85%
5	Project expenditure	3,09,07,869	2,18,86,178	6,87,38,339	5,96,67,886	13.31%
6	Administration expenditure	83,01,328	4,75,939	-	8,77,7,267	1.96%
7	Financial expenditure	21,84,119	1,99,73,741	-	2,21,57,860	4.94%
8	Bragadeshwara Temple	7,04,65,203	-	-	7,04,65,203	15.72%
	Total	35,22,38,379	8,91,62,435	68,73,839	44,82,74,653	

Sources: Secondary data Collected from Thanjavur Corporation.

The table 1.3 shows that Salary and other allowance of the staff was 37.35 %. A Bragadeshwara temple expense was 15.72% which was followed by Municipal project Expenditure which was 13.31%. Pension

and gratuity amount of the staff members was 12.07% operating expenses was contributed to 7.17%. The lowest expenses incurred was the Financial Expenditure which was 4.94 %, and Administration Expenditure was 1.96 %.

**Table 1.4 Municipal Expenditure in 2012-2013**

S.No	Details	Revenue Fund Rs...	Water Fund Rs...	Primary Education Fund Rs...	Total Rs....	%
1	Staff salary & other allowance	1945.75	56.24	-	2001.99	46.61%
2	Pension & gratuity	744.54	2.00	-	746.54	17.38%
3	Operating & Expenditure	239.00	409.50	10.00	658.50	15.33%
4	Repairing & maintenances	203.00	21.00	145.55	369.55	8.60%
5	Project expenditure	63.05	115.00	-	178.05	4.14%
6	Administration expenditure	81.36	8.15	-	89.51	2.08%
7	Financial expenditure	181.41	70.00		251.41	5.85%
	<b>TOTAL</b>	<b>3458.11</b>	<b>681.89</b>	<b>155.55</b>	<b>4295.55</b>	

Sources: Secondary data Collected from Thanjavur Corporation.

The table 1.4 shows that staff salary and other allowance was contributed 46.61 % of the total Municipal Expenditure of Thanjavur Corporation. The second main expenditure was pension and gratuity of 17.38% .The share of Operating expenses was 15.33%, Repair &

Maintenance took the share of 8.60 %.The Financial Expenditure contributed was 5.85 %, project Expenditure was contributed to 4.14% .The administration Expenditure was contributed to a very minimal of 2.08%. Of total expenditure.

**Table 1.5 Municipal Expenditure in 2013-2014**

S.No	Details	Revenue Fund Rs...	Water Fund Rs...	Primary Education Fund Rs...	Total Rs....	%
1	Staff salary & other allowance	257.23	97.29	-	354.52	18.75%
2	Pension & gratuity	75.35	2.48	-	77.83	4.12%
3	Operating & expenditure	281.60	391.45	3.22	676.27	35.77%
4	Repairing & maintenances	223.92	-	67.81	291.73	15.43%
5	Project expenditure	66.46	64.07	19.02	149.55	7.91%
6	Administration expenditure	75.37	-	-	75.37	3.99%
7	Financial expenditure	50.44	-	-	50.44	2.67%
8	Other expenditure	209.42	-	-	209.42	11.08%
9	Election Expenditure	5.25	-	-	5.25	0.28%
	<b>Total</b>	<b>1245.04</b>	<b>555.29</b>	<b>90.05</b>	<b>1890.38</b>	

Sources: Secondary data Collected from Thanjavur Corporation.

The table 1.5 shows that the highest share of expenditure in Municipal Expenditure of Thanjavur Corporation is operating Expenditure which was 35.77%. It was followed by staff salary and other allowance which was 18.75%. The other expenses incurred was Repair & Maintenance which was 15.43%, 5.85% of Financial Expenditure, 11.08% of other Expenditure, 7.91% of project Expenditure. The lowest share of expenditure was made for state government election expenditure which was 0.28%.

## CONCLUSION

Municipal Corporations, as institutions of local government, plays an important role in economic development. This paper thus analysed the role of local government finance in economic development especially the expenditure sides of municipal finance are analyzed. To conclude, the appropriate public expenditures can also be effective in fostering the economic development of an economy.

## REFERENCES

1. *Thanjavur Corporation Records*
2. [india.gov.in/knowindia/local\\_govt](http://india.gov.in/knowindia/local_govt)
3. <http://tools.wmflabs.org>
4. <http://india.gov.in/official-website-thanjavur-municipality-tamil-nadu>
5. [www.oxforddictionaries.com](http://www.oxforddictionaries.com)
6. [Humanresources.about.com](http://Humanresources.about.com)
7. [Shodhganga.inflibnet.ac.in](http://Shodhganga.inflibnet.ac.in)
8. *Thanjavur to be upgraded as city municipal corporation* [deccanchronicle.com](http://deccanchronicle.com). 2013. Retrieved 2013-04-11.
9. *Akrani, Gaurav. "Meaning of Public Expenditure". Retrieved 15 February 2012.*