

# INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, IT & MANAGEMENT

I  
J  
R  
C  
M



A Monthly Double-Blind Peer Reviewed (Refereed/Juried) Open Access International e-Journal - Included in the International Serial Directories

*Indexed & Listed at:*

Ulrich's Periodicals Directory ©, ProQuest, U.S.A., EBSCO Publishing, U.S.A., Cabell's Directories of Publishing Opportunities, U.S.A., Google Scholar,

Open J-Gate, India [link of the same is duly available at Infilbnet of University Grants Commission (U.G.C.)],

Index Copernicus Publishers Panel, Poland with IC Value of 5.09 & number of libraries all around the world.

Circulated all over the world & Google has verified that scholars of more than 5220 Cities in 187 countries/territories are visiting our journal on regular basis.

Ground Floor, Building No. 1041-C-1, Devi Bhawan Bazar, JAGADHRI – 135 003, Yamunanagar, Haryana, INDIA

<http://ijrcm.org.in/>

# CONTENTS

<b>Sr. No.</b>	<b>TITLE &amp; NAME OF THE AUTHOR (S)</b>	<b>Page No.</b>
1.	<b>FINANCIAL PERFORMANCE OF URBAN LOCAL BODIES OF CHHATTISGARH: A STUDY OF BILASPUR MUNICIPAL CORPORATION</b> <i>RAGINI TIWARI, S.S. KHANUJA &amp; O.P. CHANDRAKAR</i>	1
2.	<b>A STUDY ON RECENT TRENDS AND GROWTH PERSPECTIVE OF STEEL INDUSTRY</b> <i>KHATIBUR RUB &amp; BADIUDDIN AHMED</i>	7
3.	<b>RISK MANAGEMENT STRATEGIES BY INDIAN FARMERS: A CASE STUDY</b> <i>K. KISHORE KUMAR &amp; DR. B. RADHA</i>	10
4.	<b>THE IMPACT OF IFRS ON FINANCIAL STATEMENTS WITH SPECIAL REFERENCE TO WIPRO LTD.</b> <i>MOHAN KUMAR M.S., VIJO JOSE VELLAKOTTIL &amp; SEEMA JOSEPH</i>	15
5.	<b>A STUDY ON THE FACTORS MOTIVATING WOMEN TO BECOME ENTREPRENEURS IN THE SELECTED TALUKS OF RAMANATHAPURAM DISTRICT</b> <i>ARABATH ALI S</i>	22
6.	<b>AN ANALYSIS OF NABARD IN PROMOTING AGRICULTURE AND RURAL INFRASTRUCTURE IN THE STATE OF J &amp; K</b> <i>RIZWAN QAYOOM &amp; DR. C. K. CHOUKSEY</i>	25
7.	<b>THE INFLUENCE OF ADVERTISING CREATIVITY, GENDER, AND PRODUCT CATEGORY TOWARD CONSUMER ATTITUDES ON ADVERTISING, CONSUMER ATTITUDES ON BRAND TO THE PURCHASE INTENTION</b> <i>AV RAHAJENG WIDYARSIH</i>	28
8.	<b>INDIAN PLASTIC INDUSTRY: PAST, PRESENT AND FUTURE</b> <i>SHAHID IQBAL</i>	35
9.	<b>STUDY THE POSSIBILITY OF THE APPLICATION OF QUALITY MANAGEMENT IN BUSINESS ACCOUNTING AT THE MINISTRY OF INDUSTRY AND TRADE OF JORDAN</b> <i>MADDALLAH SALEEM MUSALAM ALKAAIDI</i>	38
10.	<b>FINANCIAL INTEGRATION IN INDIA: AN ANALYSIS OF POST REFORMS PERIOD</b> <i>MUMTAZ AHMED &amp; MOHD. FAYAZ</i>	42
	<b>REQUEST FOR FEEDBACK &amp; DISCLAIMER</b>	47

**CHIEF PATRON****PROF. K. K. AGGARWAL**

Chairman, Malaviya National Institute of Technology, Jaipur  
(An institute of National Importance & fully funded by Ministry of Human Resource Development, Government of India)  
Chancellor, K. R. Mangalam University, Gurgaon  
Chancellor, Lingaya's University, Faridabad  
Founder Vice-Chancellor (1998-2008), Guru Gobind Singh Indraprastha University, Delhi  
Ex. Pro Vice-Chancellor, Guru Jambheshwar University, Hisar

**FOUNDER PATRON****LATE SH. RAM BHAJAN AGGARWAL**

Former State Minister for Home & Tourism, Government of Haryana  
Former Vice-President, Dadri Education Society, Charkhi Dadri  
Former President, Chinara Syntex Ltd. (Textile Mills), Bhiwani

**FORMER CO-ORDINATOR****DR. S. GARG**

Faculty, Shree Ram Institute of Business & Management, Urjani

**ADVISOR****PROF. S. L. MAHANDRU**

Principal (Retd.), Maharaja Agrasen College, Jagadhri

**EDITOR****PROF. R. K. SHARMA**

Professor & Dean, Bharti Vidyapeeth University Institute of Management & Research, New Delhi

**CO-EDITOR****DR. BHAVET**

Faculty, Shree Ram Institute of Engineering & Technology, Urjani

**EDITORIAL ADVISORY BOARD****PROF. S. P. TIWARI**

Head, Department of Economics & Rural Development, Dr. Ram Manohar Lohia Avadh University, Faizabad

**DR. CHRISTIAN EHIOBUCHIE**

Professor of Global Business/Management, Larry L. Luong School of Business, Berkeley College, Woodland Park NJ 07424, USA

**PROF. SIKANDER KUMAR**

Chairman, Department of Economics, Himachal Pradesh University, Shimla, Himachal Pradesh

**DR. JOSÉ G. VARGAS-HERNÁNDEZ**

Research Professor, University Center for Economic & Managerial Sciences, University of Guadalajara, Guadalajara, Mexico

**PROF. M. N. SHARMA**

Chairman, M.B.A., Haryana College of Technology & Management, Kaithal

**DR. TEGUH WIDODO**

Dean, Faculty of Applied Science, Telkom University, Bandung Technoplex, Jl. Telekomunikasi, Terusan Buah Batu, Kabupaten Bandung, Indonesia

**PROF. M. S. SENAM RAJU**

Director A. C. D., School of Management Studies, I.G.N.O.U., New Delhi

**DR. CLIFFORD OBIYO OFURUM**

Director, Department of Accounting, University of Port Harcourt, Rivers State, Nigeria

**DR. KAUP MOHAMED**

Dean &amp; Managing Director, London American City College/ICBEST, United Arab Emirates

**SUNIL KUMAR KARWASRA**

Principal, Aakash College of Education, ChanderKalan, Tohana, Fatehabad

**DR. MIKE AMUHAYA IRAVO**

Principal, Jomo Kenyatta University of Agriculture and Technology, Westlands Campus, Nairobi-Kenya

**DR. S. TABASSUM SULTANA**

Principal, Matrusri Institute of P.G. Studies, Hyderabad

**DR. NEPOMUCENO TIU**

Chief Librarian &amp; Professor, Lyceum of the Philippines University, Laguna, Philippines

**PROF. SANJIV MITTAL**

Professor, University School of Management Studies, Guru Gobind Singh I. P. University, Delhi

**DR. ANA ŠTAMBUK**

Head of Department in Statistics, Faculty of Economics, University of Rijeka, Rijeka, Croatia

**PROF. RAJENDER GUPTA**

Convener, Board of Studies in Economics, University of Jammu, Jammu

**DR. SHIB SHANKAR ROY**

Professor, Department of Marketing, University of Rajshahi, Rajshahi, Bangladesh

**PROF. ANIL K. SAINI**

Chairperson (CRC), Guru Gobind Singh I. P. University, Delhi

**DR. SRINIVAS MADISHETTI**

Professor, School of Business, Mzumbe University, Tanzania

**PROF. NAWAB ALI KHAN**

Professor, Department of Commerce, Aligarh Muslim University, Aligarh, U.P.

**MUDENDA COLLINS**

Head of the Department of Operations &amp; Supply Chain, The Copperbelt University, Zambia

**DR. EGWAKHE A. JOHNSON**

Professor, Babcock University, Ilishan-Remo, Ogun State, Nigeria

**Dr. A. SURYANARAYANA**

Professor, Department of Business Management, Osmania University, Hyderabad

**Dr. MURAT DARÇIN**

Associate Dean, Gendarmerie and Coast Guard Academy, Ankara, Turkey

**PROF. ABHAY BANSAL**

Head, Department of I.T., Amity School of Engineering &amp; Technology, Amity University, Noida

**DR. YOUNOS VAKIL ALROAIA**

Head of International Center, DOS in Management, Semnan Branch, Islamic Azad University, Semnan, Iran

**WILLIAM NKOMO**

Asst. Head of the Department, Faculty of Computing, Botho University, Francistown, Botswana

**SHASHI KHURANA**

Associate Professor, S. M. S. Khalsa Lubana Girls College, Barara, Ambala

**DR. SEOW TA WEEA**

Associate Professor, Universiti Tun Hussein Onn Malaysia, Parit Raja, Malaysia

**DR. OKAN VELİ ŞAFKLI**

Associate Professor, European University of Lefke, Lefke, Cyprus

**DR. MOHENDER KUMAR GUPTA**

Associate Professor, Government College, Hodal

**DR. BORIS MILOVIC**

Associate Professor, Faculty of Sport, Union Nikola Tesla University, Belgrade, Serbia

**DR. MOHAMMAD TALHA**

Associate Professor, Department of Accounting & MIS, College of Industrial Management, King Fahd University of Petroleum & Minerals, Dhahran, Saudi Arabia

**DR. V. SELVAM**

Associate Professor, SSL, VIT University, Vellore

**DR. IQBAL THONSE HAWALDAR**

Associate Professor, College of Business Administration, Kingdom University, Bahrain

**DR. PARDEEP AHLAWAT**

Associate Professor, Institute of Management Studies & Research, Maharshi Dayanand University, Rohtak

**DR. ALEXANDER MOSESOV**

Associate Professor, Kazakh-British Technical University (KBUTU), Almaty, Kazakhstan

**DR. ASHOK KUMAR CHAUHAN**

Reader, Department of Economics, Kurukshetra University, Kurukshetra

**YU-BING WANG**

Faculty, department of Marketing, Feng Chia University, Taichung, Taiwan

**SURJEET SINGH**

Faculty, Department of Computer Science, G. M. N. (P.G.) College, Ambala Cantt.

**DR. MELAKE TEWOLDE TECLEGHIOGIS**

Faculty, College of Business & Economics, Department of Economics, Asmara, Eritrea

**DR. RAJESH MODI**

Faculty, Yanbu Industrial College, Kingdom of Saudi Arabia

**DR. SAMBHAVNA**

Faculty, I.I.T.M., Delhi

**DR. THAMPOE MANAGALESWARAN**

Faculty, Vavuniya Campus, University of Jaffna, Sri Lanka

**DR. SHIVAKUMAR DEENE**

Faculty, Dept. of Commerce, School of Business Studies, Central University of Karnataka, Gulbarga

**SURAJ GAUDEL**

BBA Program Coordinator, LA GRANDEE International College, Simalchaur - 8, Pokhara, Nepal

**FORMER TECHNICAL ADVISOR****AMITA**

Faculty, Government M. S., Mohali

**FINANCIAL ADVISORS****DICKIN GOYAL**

Advocate & Tax Adviser, Panchkula

**NEENA**

Investment Consultant, Chambaghat, Solan, Himachal Pradesh

**LEGAL ADVISORS****JITENDER S. CHAHAL**

Advocate, Punjab & Haryana High Court, Chandigarh U.T.

**CHANDER BHUSHAN SHARMA**

Advocate & Consultant, District Courts, Yamunanagar at Jagadhri

**SUPERINTENDENT****SURENDER KUMAR POONIA**

## **CALL FOR MANUSCRIPTS**

We invite unpublished novel, original, empirical and high quality research work pertaining to the recent developments & practices in the areas of Computer Science & Applications; Commerce; Business; Finance; Marketing; Human Resource Management; General Management; Banking; Economics; Tourism Administration & Management; Education; Law; Library & Information Science; Defence & Strategic Studies; Electronic Science; Corporate Governance; Industrial Relations; and emerging paradigms in allied subjects like Accounting; Accounting Information Systems; Accounting Theory & Practice; Auditing; Behavioral Accounting; Behavioral Economics; Corporate Finance; Cost Accounting; Econometrics; Economic Development; Economic History; Financial Institutions & Markets; Financial Services; Fiscal Policy; Government & Non Profit Accounting; Industrial Organization; International Economics & Trade; International Finance; Macro Economics; Micro Economics; Rural Economics; Co-operation; Demography; Development Planning; Development Studies; Applied Economics; Development Economics; Business Economics; Monetary Policy; Public Policy Economics; Real Estate; Regional Economics; Political Science; Continuing Education; Labour Welfare; Philosophy; Psychology; Sociology; Tax Accounting; Advertising & Promotion Management; Management Information Systems (MIS); Business Law; Public Responsibility & Ethics; Communication; Direct Marketing; E-Commerce; Global Business; Health Care Administration; Labour Relations & Human Resource Management; Marketing Research; Marketing Theory & Applications; Non-Profit Organizations; Office Administration/Management; Operations Research/Statistics; Organizational Behavior & Theory; Organizational Development; Production/Operations; International Relations; Human Rights & Duties; Public Administration; Population Studies; Purchasing/Materials Management; Retailing; Sales/Selling; Services; Small Business Entrepreneurship; Strategic Management Policy; Technology/Innovation; Tourism & Hospitality; Transportation Distribution; Algorithms; Artificial Intelligence; Compilers & Translation; Computer Aided Design (CAD); Computer Aided Manufacturing; Computer Graphics; Computer Organization & Architecture; Database Structures & Systems; Discrete Structures; Internet; Management Information Systems; Modeling & Simulation; Neural Systems/Neural Networks; Numerical Analysis/Scientific Computing; Object Oriented Programming; Operating Systems; Programming Languages; Robotics; Symbolic & Formal Logic; Web Design and emerging paradigms in allied subjects.

Anybody can submit the **soft copy** of unpublished novel; original; empirical and high quality **research work/manuscript** **anytime** in **M.S. Word format** after preparing the same as per our **GUIDELINES FOR SUBMISSION**; at our email address i.e. [infoijrcm@gmail.com](mailto:infoijrcm@gmail.com) or online by clicking the link **online submission** as given on our website (**[FOR ONLINE SUBMISSION, CLICK HERE](#)**).

## **GUIDELINES FOR SUBMISSION OF MANUSCRIPT**

### 1. **COVERING LETTER FOR SUBMISSION:**

DATED: \_\_\_\_\_

**THE EDITOR**

IJRCM

**Subject:** SUBMISSION OF MANUSCRIPT IN THE AREA OF \_\_\_\_\_.

(e.g. Finance/Mkt./HRM/General Mgt./Engineering/Economics/Computer/IT/ Education/Psychology/Law/Math/other, please specify)

**DEAR SIR/MADAM**

Please find my submission of manuscript titled ' \_\_\_\_\_ ' for likely publication in one of your journals.

I hereby affirm that the contents of this manuscript are original. Furthermore, it has neither been published anywhere in any language fully or partly, nor it is under review for publication elsewhere.

I affirm that all the co-authors of this manuscript have seen the submitted version of the manuscript and have agreed to inclusion of their names as co-authors.

Also, if my/our manuscript is accepted, I agree to comply with the formalities as given on the website of the journal. The Journal has discretion to publish our contribution in any of its journals.

**NAME OF CORRESPONDING AUTHOR**

Designation/Post\*

Institution/College/University with full address & Pin Code

Residential address with Pin Code

Mobile Number (s) with country ISD code

Is WhatsApp or Viber active on your above noted Mobile Number (Yes/No)

Landline Number (s) with country ISD code

E-mail Address

Alternate E-mail Address

Nationality

\* i.e. Alumnus (Male Alumni), Alumna (Female Alumni), Student, Research Scholar (M. Phil), Research Scholar (Ph. D.), JRF, Research Assistant, Assistant Lecturer, Lecturer, Senior Lecturer, Junior Assistant Professor, Assistant Professor, Senior Assistant Professor, Co-ordinator, Reader, Associate Professor, Professor, Head, Vice-Principal, Dy. Director, Principal, Director, Dean, President, Vice Chancellor, Industry Designation etc. **The qualification of author is not acceptable for the purpose.**

**NOTES:**

- a) The whole manuscript has to be in **ONE MS WORD FILE** only, which will start from the covering letter, inside the manuscript. **pdf. version is liable to be rejected without any consideration.**
  - b) The sender is required to mention the following in the **SUBJECT COLUMN of the mail**:  
**New Manuscript for Review in the area of** (e.g. Finance/Marketing/HRM/General Mgt./Engineering/Economics/Computer/IT/ Education/Psychology/Law/Math/other, please specify)
  - c) There is no need to give any text in the body of the mail, except the cases where the author wishes to give any **specific message** w.r.t. to the manuscript.
  - d) The total size of the file containing the manuscript is expected to be below **1000 KB**.
  - e) Only the **Abstract will not be considered for review** and the author is required to submit the **complete manuscript** in the first instance.
  - f) **The journal gives acknowledgement w.r.t. the receipt of every email within twenty-four hours** and in case of non-receipt of acknowledgment from the journal, w.r.t. the submission of the manuscript, within two days of its submission, the corresponding author is required to demand for the same by sending a separate mail to the journal.
  - g) The author (s) name or details should not appear anywhere on the body of the manuscript, except on the covering letter and the cover page of the manuscript, in the manner as mentioned in the guidelines.
2. **MANUSCRIPT TITLE:** The title of the paper should be typed in **bold letters, centered and fully capitalised**.
  3. **AUTHOR NAME (S) & AFFILIATIONS:** Author (s) **name, designation, affiliation (s), address, mobile/landline number (s), and email/alternate email address** should be given underneath the title.
  4. **ACKNOWLEDGMENTS:** Acknowledgements can be given to reviewers, guides, funding institutions, etc., if any.
  5. **ABSTRACT:** Abstract should be in **fully italic printing**, ranging between **150 to 300 words**. The abstract must be informative and elucidating the background, aims, methods, results & conclusion in a **SINGLE PARA**. **Abbreviations must be mentioned in full**.
  6. **KEYWORDS:** Abstract must be followed by a list of keywords, subject to the maximum of **five**. These should be arranged in alphabetic order separated by commas and full stop at the end. All words of the keywords, including the first one should be in small letters, except special words e.g. name of the Countries, abbreviations etc.
  7. **JEL CODE:** Provide the appropriate Journal of Economic Literature Classification System code (s). JEL codes are available at [www.aea-web.org/econlit/jelCodes.php](http://www.aea-web.org/econlit/jelCodes.php). However, mentioning of JEL Code is not mandatory.
  8. **MANUSCRIPT:** Manuscript must be in **BRITISH ENGLISH** prepared on a standard A4 size **PORTRAIT SETTING PAPER**. **It should be free from any errors i.e. grammatical, spelling or punctuation. It must be thoroughly edited at your end.**
  9. **HEADINGS:** All the headings must be bold-faced, aligned left and fully capitalised. Leave a blank line before each heading.
  10. **SUB-HEADINGS:** All the sub-headings must be bold-faced, aligned left and fully capitalised.
  11. **MAIN TEXT:**

**THE MAIN TEXT SHOULD FOLLOW THE FOLLOWING SEQUENCE:****INTRODUCTION****REVIEW OF LITERATURE****NEED/IMPORTANCE OF THE STUDY****STATEMENT OF THE PROBLEM****OBJECTIVES****HYPOTHESIS (ES)****RESEARCH METHODOLOGY****RESULTS & DISCUSSION****FINDINGS****RECOMMENDATIONS/SUGGESTIONS****CONCLUSIONS****LIMITATIONS****SCOPE FOR FURTHER RESEARCH****REFERENCES****APPENDIX/ANNEXURE****The manuscript should preferably be in 2000 to 5000 WORDS, But the limits can vary depending on the nature of the manuscript.**



12. **FIGURES & TABLES:** These should be simple, crystal **CLEAR, centered, separately numbered** & self-explained, and the **titles must be above the table/figure. Sources of data should be mentioned below the table/figure. It should be ensured that the tables/figures are referred to from the main text.**
13. **EQUATIONS/FORMULAE:** These should be consecutively numbered in parenthesis, left aligned with equation/formulae number placed at the right. The equation editor provided with standard versions of Microsoft Word may be utilised. If any other equation editor is utilised, author must confirm that these equations may be viewed and edited in versions of Microsoft Office that does not have the editor.
14. **ACRONYMS:** These should not be used in the abstract. The use of acronyms is elsewhere is acceptable. Acronyms should be defined on its first use in each section e.g. Reserve Bank of India (RBI). Acronyms should be redefined on first use in subsequent sections.
15. **REFERENCES:** The list of all references should be alphabetically arranged. **The author (s) should mention only the actually utilised references in the preparation of manuscript** and they may follow Harvard Style of Referencing. **Also check to ensure that everything that you are including in the reference section is duly cited in the paper.** The author (s) are supposed to follow the references as per the following:
  - All works cited in the text (including sources for tables and figures) should be listed alphabetically.
  - Use (ed.) for one editor, and (ed.s) for multiple editors.
  - When listing two or more works by one author, use --- (20xx), such as after Kohl (1997), use --- (2001), etc., in chronologically ascending order.
  - Indicate (opening and closing) page numbers for articles in journals and for chapters in books.
  - The title of books and journals should be in italic printing. Double quotation marks are used for titles of journal articles, book chapters, dissertations, reports, working papers, unpublished material, etc.
  - For titles in a language other than English, provide an English translation in parenthesis.
  - **Headers, footers, endnotes and footnotes should not be used in the document.** However, **you can mention short notes to elucidate some specific point**, which may be placed in number orders before the references.

**PLEASE USE THE FOLLOWING FOR STYLE AND PUNCTUATION IN REFERENCES:**

**BOOKS**

- Bowersox, Donald J., Closs, David J., (1996), "Logistical Management." Tata McGraw, Hill, New Delhi.
- Hunker, H.L. and A.J. Wright (1963), "Factors of Industrial Location in Ohio" Ohio State University, Nigeria.

**CONTRIBUTIONS TO BOOKS**

- Sharma T., Kwatra, G. (2008) Effectiveness of Social Advertising: A Study of Selected Campaigns, Corporate Social Responsibility, Edited by David Crowther & Nicholas Capaldi, Ashgate Research Companion to Corporate Social Responsibility, Chapter 15, pp 287-303.

**JOURNAL AND OTHER ARTICLES**

- Schemenner, R.W., Huber, J.C. and Cook, R.L. (1987), "Geographic Differences and the Location of New Manufacturing Facilities," Journal of Urban Economics, Vol. 21, No. 1, pp. 83-104.

**CONFERENCE PAPERS**

- Garg, Sambhav (2011): "Business Ethics" Paper presented at the Annual International Conference for the All India Management Association, New Delhi, India, 19-23

**UNPUBLISHED DISSERTATIONS**

- Kumar S. (2011): "Customer Value: A Comparative Study of Rural and Urban Customers," Thesis, Kurukshetra University, Kurukshetra.

**ONLINE RESOURCES**

- Always indicate the date that the source was accessed, as online resources are frequently updated or removed.

**WEBSITES**

- Garg, Bhavet (2011): Towards a New Gas Policy, Political Weekly, Viewed on January 01, 2012 <http://epw.in/user/viewabstract.jsp>



# FINANCIAL PERFORMANCE OF URBAN LOCAL BODIES OF CHHATTISGARH: A STUDY OF BILASPUR MUNICIPAL CORPORATION

**RAGINI TIWARI**  
**RESEARCH SCHOLAR**

**PT. RAVISHANKAR SHUKLA UNIVERSITY**  
**RAIPUR**

**S.S. KHANUJA**  
**PRINCIPAL**  
**DURGA COLLEGE**  
**RAIPUR**

**O.P. CHANDRAKAR**  
**PRINCIPAL**  
**GOVERNMENT SATGURU GHASIDAS P.G. COLLEGE**  
**KURUD**

## ABSTRACT

*Growing urbanization is emerging as the most challenging issue faced by any developing country like India. Given the impetus towards urbanization the future of Indian cities will depend mostly on how successfully the urban local bodies are functioning with effective governance. Equity, efficiency, transparency, accountability, safety & security of people, civic engagement are the features of good urban governance. Rapid urbanization is creating a number of problems in the path of development as every infrastructural development works needs heavy investment. But it has been noticed that urban local bodies are facing shortage of funds because of heavy expenditures & inadequate revenues. The present scenario demands a proper check & management of finances of the urban local bodies, so that the revenues can be utilized efficiently towards the betterment of people & society. The present study throws light on the financial performance of Bilaspur Municipal Corporation. Various financial indicators were used to show the performance during a period of 4 years i.e. 2010-11 to 2013-14.*

## KEYWORDS

finance, municipal corporation, revenues, urbanisation.

## I. INTRODUCTION

India being a developing country is experiencing extensive & fast growth in the last few decades'. With growth & development urbanization is also increasing day by day. In India we have a democratic set up at all the 3 levels i.e. central, state & the local level. The local government plays a very important role in the development and well-being of local people. The Government, at the center & state level has its own set of responsibilities and area of performance, it is only the local Govt. which is in direct contact with the local people providing basic services & infrastructure to the society. Local Self Govt. is considered as the backbone of the very democratic setup because it implies active & direct participation of citizens in the administration of the affairs of the community. The growing population has posed a number of challenges to the urban local bodies. Local self-Government, in big cities are called corporations. Municipal Corporations has a large number of functions to be performed. They are responsible for providing essential services like water supply, electricity, cleaning & lighting of the street, maintain parks & museum, record of births & death, transport facilities, health & hygiene of the city etc. All these activities need money or funds and a proper financial management of the revenue & expenditure. Municipal Governance in India has been in existence since the year 1687 with formation of Madras Municipal Corporation and then Calcutta & Bombay Municipal Corporation in 1726. In 1882 the viceroy of India, Lord Ripon's resolution of Local Self Government laid the democratic forms of Municipal Governance in India. The main objective of municipal governance & urban planning in a country is to create responsive, democratic & transparent & accountable Local governance that initiates and promotes development of Cities with greater participation of Local Citizen. Acc.to V. Vankata.Rao "Local govt. is that part of the govt. which deals mainly with local affairs, administered by authorities' subordinate to the state govt. but elected independently of the state authority by the qualified residents" According to the 74 Amendment of the Govt. of India. Urban Local Bodies in India are classified into three major categories.

1. Municipal Corporation (Mahanagar Nigam)
2. Municipality (Nagar Palika)
3. Notified Area Council (Nagar Panchayat)

### MUNICIPAL CORPORATION

Municipal Corporation is a local government in India that administers urban areas with a population of more than one million. A Municipal Corporation works in co-ordination with the state government for the proper execution of the plans & programs. They work for providing necessary community services like public health, public welfare, public safety, infrastructural works & other development activities. The function, powers & responsibilities can be divided in to categories. (1) Obligatory Functions (2) Discretionary Functions.

Obligatory Functions includes supply of pure water, construction & maintenance of public streets, cleaning of public places, maintenance of public hospitals & primary schools, registration of births & deaths. Discretionary Functions include maintenance of public parks, garden, museum & libraries. Promotion of welfare of municipal employees, conducting surveys etc.

## II. A BRIEF INTRODUCTION ABOUT BILASPUR MUNICIPAL CORPORATION

Bilaspur is one of the major cities of Chhattisgarh State. It is second largest city after Raipur-Bhilai-Durg, the tricity metro of the state. The city runs under the administration of the Bilaspur Municipal Corporation In the year 1867 Bilaspur municipality was established and later on upgraded to Bilaspur Municipal Corporation (BMC) in 1981. The first election conducted in Bilaspur in 1995, wherein citizen elected the ward councilor and mayor. A Mayor, elected by voters of the city, heads the Bilaspur Municipal Corporation (BMC). The corporation comprises of 55 wards and one councilor is elected from each ward.

Bilaspur Municipal Corporation (BMC) plays a significant role & is taking initiatives to function efficiently & improve the citizen service delivery.

### III. OBJECTIVES OF THE STUDY

1. To study the financial performance of Bilaspur Municipal Corporation during the period of the study (2010-11 to 2013-14)
2. To examine the trends in major revenue sources and the expenditures of Bilaspur Municipal Corporation

### IV. MATERIALS & METHODS

The study is based to find out the financial health & performance of the Bilaspur Municipal Corporation. For the fulfillment of the objectives various financial ratios has been used. The whole data have been analyzed with the help of charts, graphs & tables. For examining the financial performance, the study was restricted to financial indicators. The present study is based on the secondary data. The data was collected from the various books, articles & statistical records of Bilaspur Municipal Corporation. Publications from the center & state govt. have also been reviewed. The period taken for study is from 2010-11 to 2013-14. The records of the 4 years were analyzed to assess the financial status of the corporation.

### V. ANALYSIS & INTERPRETATION OF DATA

#### 1. STATUS OF MUNICIPAL FINANCE

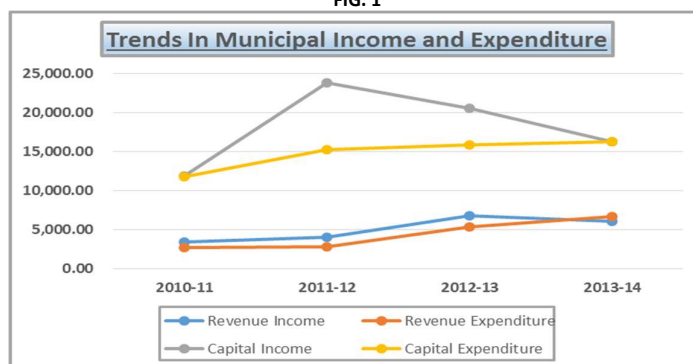
Analysis of Municipal Finance After examining & analyzing the data (Table-1) we can interpret that the corporation has shown a surplus balance in 3 out of 4 years in both revenue & capital account, which depicts operating efficiency. Also The Corporation is able to maintain a healthy opening balance. And lastly the operating surplus is a good sign in spite of developmental activities (as visible from the increasing trend in Capital Expenditure)

TABLE-1: SUMMARY OF MUNICIPAL FINANCE

S.No	Items	2010-11	2011-12	2012-13	2013-14
		Amount in Rs. Lakhs			
	Opening Balance	5,384.58	5,671.66	15,026.78	21,245.44
I	Revenue Account				
1	Revenue Income	3,383.15	3,989.34	6,762.93	6,060.40
2	Revenue Expenditure	3,163.65	3,176.47	5,307.98	6,666.79
	Surplus/ Deficit	219.50	812.87	1,454.95	(606.39)
II	Capital Account				
1	Capital Income	11,844.61	23,775.18	20,603.76	16,293.97
2	Capital Expenditure	11,777.03	15,232.93	15,840.05	16,314.06
	Surplus/ Deficit	67.58	8,542.25	4,763.71	(20.09)

Source: Budget of Bilaspur Municipal Corporation

FIG. 1



**Revenue Account:** Revenue account is comprised of the operating expenditure & income of the Bilaspur Municipal Corporation. They are basically recurring in nature and includes items like Tax revenue, Non-tax revenue, Income from municipal properties, Establishment, Administrative, Repairs & Maintenance Expenditure etc.

**Revenue Income:** The sources of revenue income of the corporation can be categorized as income from sources & Grants and Subsidies. The Income from own sources consist of Tax Revenue which includes property tax, water tax etc. The Non-Tax Revenue Sources includes rental income from properties, fees & charges, collection from public places.

It has been observed (Table-2) that Property Tax & Assigned revenues & compensation shares the major part of revenue income. In 2010-11 & 2011-12 income from property tax was the maximum but in 2012-13 & 2013-14 assigned revenues & compensation share was the maximum.

TABLE 2: SUMMARY OF REVENUE INCOME

Sr No	Items	2010-11	2011-12	2012-13	2013-14
		Amount in Rs. Lakhs			
1	Tax Revenue	1,015.37	1,504.64	1,562.53	1,690.42
2	Rental Income - Properties	169.87	189.24	193.01	200.10
3	Fees & Charges	390.82	418.75	427.60	446.49
4	Sales & Hire Charges	46.90	28.09	62.50	87.61
5	Assigned Revenues & Compensation	862.05	937.83	2,747.68	2,351.69
6	Interest Received	136.48	342.58	636.15	932.11
7	Others	263.12	115.39	61.52	168.72
8	Revenue Grants & Subsidies	498.54	452.82	1,071.94	115.37
	<b>TOTAL REVENUE INCOME (A)</b>	<b>3,383.15</b>	<b>3,989.34</b>	<b>6,762.93</b>	<b>6,060.40</b>

Source: Budget of Bilaspur Municipal Corporation

FIG. 2

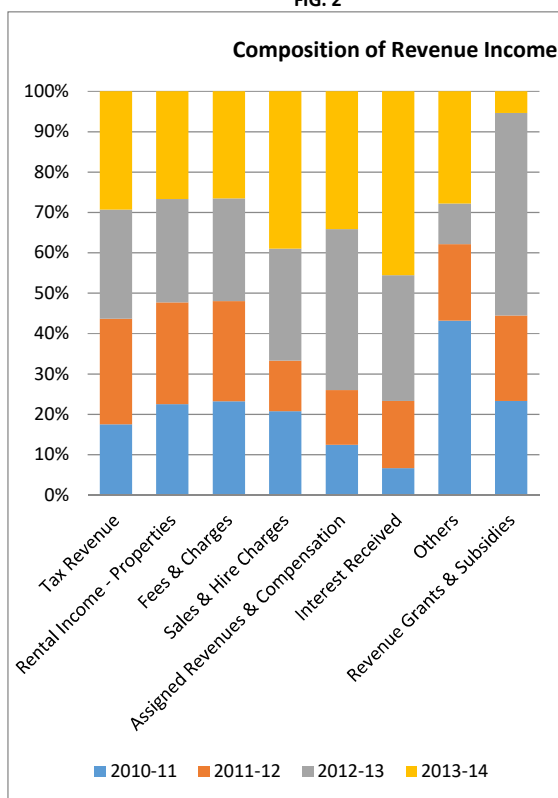
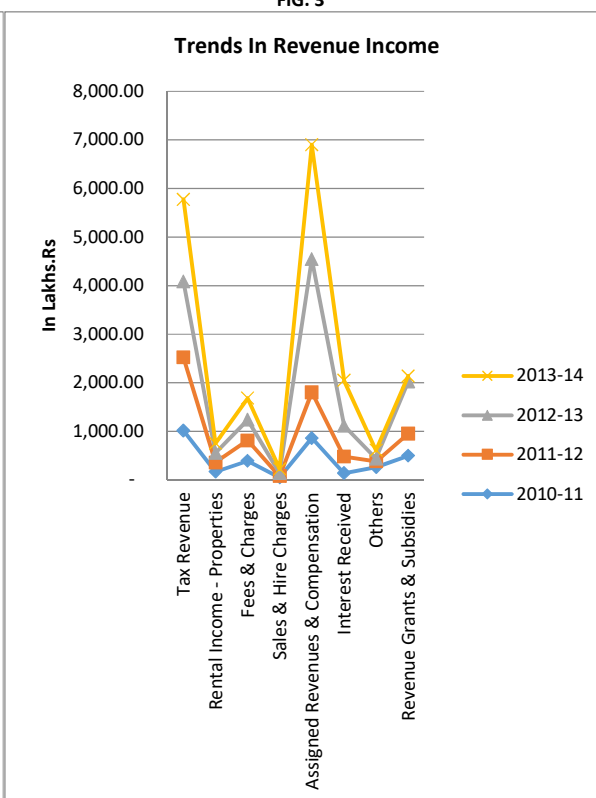


FIG. 3



**Revenue Expenditure:** The areas where the revenue expenditures are done includes establishment expenses, Operations & Maintenance, Program Expenses, Administrative Expenditure, Debt Servicing etc. It has been observed (Table-3) that major expenditure was on account of establishment expenditure which includes salary & wages, allowances, incentives, employee welfare, pension etc. In 2010-11 it was Rs 1735.58 which increased to Rs 3012.41 in the year 2013-14. The other major expenditure has been made on administrative & General Expenditure. It has also been seen that the corporation is paying its debt on regular basis. Except one-year debt payment has shown an increasing trend.

TABLE 3: SUMMARY OF REVENUE EXPENDITURE (Amount in Rs. Lakhs)

S. No	Items	2010-11	2011-12	2012-13	2013-14
	<b>Revenue Expenditure</b>				
1	Establishment Expenditure	1735.58	2083.04	2586.41	3012.41
2	Administration & General Exp	865.09	530.92	1712.24	2197.18
3	Repairs & Maintenance	40.99	8.21	205.09	464.62
4	Programme Expenditure	3.64	3.42	3.22	9.22
5	Other Expenses	17.58	7.54	19.22	24
6	Revenue grants & subsidies	59.8	109.84	135.91	224.04
7	Debt servicing	440.97	433.5	645.89	735.32
	<b>TOTAL REVENUE EXPENDITURE</b>	<b>3,163.65</b>	<b>3,176.47</b>	<b>5,307.98</b>	<b>6,666.79</b>

Source: Budget of Bilaspur Municipal Corporation

FIG. 4

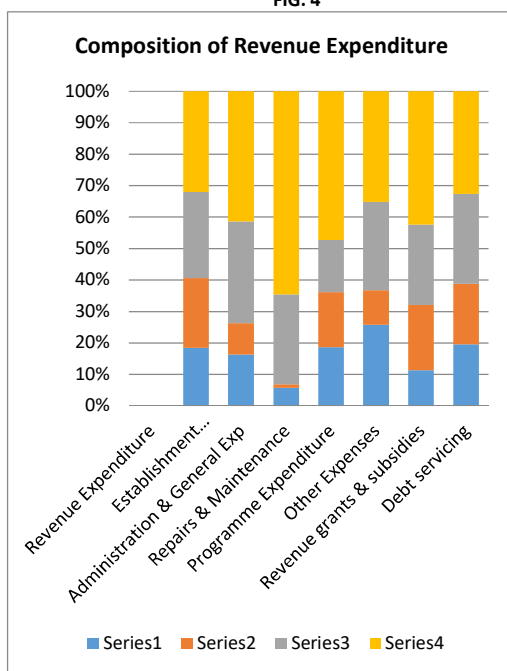
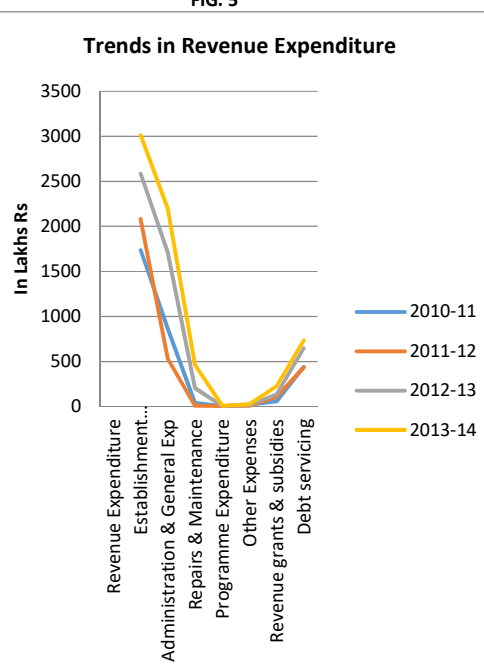


FIG. 5



- Capital Account**

Bilaspur Municipal Corporation spends a huge amount on the infrastructural development works like water supply, drainage works, roads & bridges, purchase of fixed assets etc. The funds available to the corporation for the capital expenditure is a mix of loans, grants, subsidies & their own sources.

- Capital Income**

Capital income sources of the corporation consists of Grants & contribution, capital Profit from Sale of fixed assets, loan & borrowings, subsidies & other income. The share of loans & borrowings is around 16% and of grants & subsidies is maximum with 62.5%.

- Capital Expenditure**

The capital expenditure includes all the expenditure incurred on acquisition & creation of capital like construction of building, roads, water supply pipelines, drainage lines, purchase of fixed assets like plant & machinery, vehicles, equipment's etc. It has been observed that the major expenditure of the corporation was toward grants for specific and capital work-in-progress.

TABLE 4: SUMMARY OF CAPITAL INCOME (Amount in Rs. Lakhs)

Sr No	Items	2010-11	2011-12	2012-13	2013-14
	<b>Capital Income</b>				
1	Grants & Subsidies	7,037.24	14,642.89	16,222.19	8,178.93
2	Loans	1,750.00	5,529.90	-	4,277.00
3	Others	3,057.37	3,602.39	4,381.57	3,838.04
	<b>TOTAL CAPITAL INCOME</b>	<b>11,844.61</b>	<b>23,775.18</b>	<b>20,603.76</b>	<b>16,293.97</b>

Source: Budget of Bilaspur Municipal Corporation

TABLE 5: SUMMARY OF CAPITAL EXPENDITURE (Amount in Rs. Lakhs)

S.No	Items	2010-11	2011-12	2012-13	2013-14
	<b>Capital Account</b>				
1	Grants & Contribution for Specific Purposes	9,490.85	10,800.88	11,451.95	7,426.46
2	Capital Work-In Progress	617.01	1,844.73	2,040.30	5,856.31
3	Purchase of Fixed Assets	24.36	573.76	1,118.93	971.07
4	Others	1,644.81	2,013.56	1,228.87	2,060.22
	<b>Total Capital Expenditure</b>	<b>11,777.03</b>	<b>15,232.93</b>	<b>15,840.05</b>	<b>16,314.06</b>

Source: Budget of Bilaspur Municipal Corporation

FIG. 6

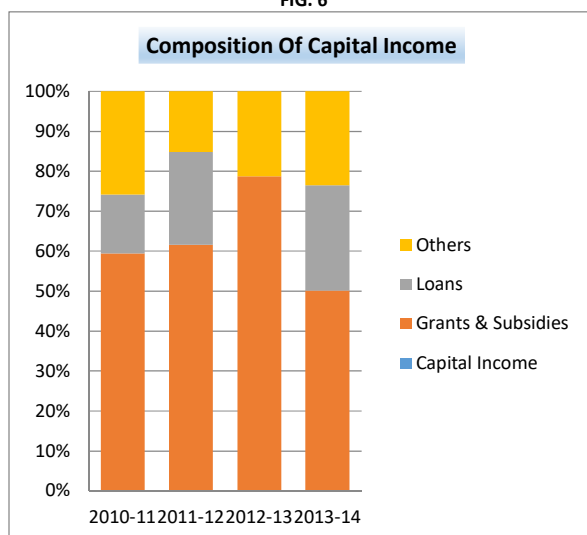
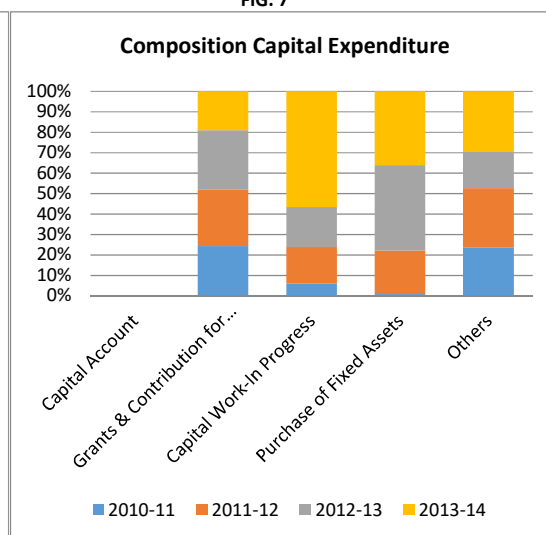


FIG. 7



## VI. RESULT & DISCUSSION

### • Operating Ratio

Operating Ratio Indicates the financial status of the operations of the local bodies. It shows the profitability & sound financial position. It is the ratio of revenue expenditure to revenue income.

A sound financial management demands that the operating ratio should be less than unity. The average Operating ratio of Bilaspur Municipal Corporation works out to 0.06, which is below 1. It indicates that Bilaspur Municipal Corporation had a surplus revenue account over the last 4 years.

### • Debt servicing Ratio

Debt servicing Ratio indicates the implication of debt on the local body finances. It is expressed as a % of debt payment to total revenue income. It has been observed that Bilaspur municipal corporation serves their debt on regular basis. The analysis of 4 years indicates the average debt servicing ratio Bilaspur Municipal Corporation with respect to revenue income is 12 %.

### • Capital Utilization Ratio

Capital Utilization Ratio is the ratio which indicates the performance of the local bodies in terms of effective utilization of capital income. It shows the capacity of the local bodies to utilize capital resources. It is expressed as a ratio of capital expenditure to the capital income. A greater than unity capital utilization ratio indicates that revenue account surplus have been utilized for capital works which represents a positive feature. And if capital utilization ratio is below unity it indicates that either capital income is utilized for revenue expenditure or that part of capital income is not spent during the financial which is under consideration. The years in which the capital utilization of Bilaspur Municipal Corporation is high indicates too much of non-plan expenditure. Hence there is a need to improve the plan or program of capital utilization.

The average capital utilization ratio is 0.85 which means the capital income received has been diverted towards revenue expenditure or capital income is unspent that is not utilized.

### • Share of establishment expenditure to total revenue income

Establishment expenditure is one of the major items of revenue expenditure other heads where the revenue income has been used are administration & general expenditure, repairs & maintenance, Power & fuel charges, services & program related expenses

The average establishment expenditure of the 4 years has been accounted for 47.87% of the total revenue income.

### • Key Financial Performance Indicators

TABLE 6

Head / Financial Indicators		Average Value of 4 years
<b>Resource Mobilization(General)</b>		
1	Share of own resources in Revenue Income	30%
2	Growth in Revenue Income	17%
3	Growth in own resources of revenue income	15.25%
<b>Resource Mobilization (Property Tax)</b>		
1	Share of Property Tax in Revenue Income	9%
<b>Expenditure Management</b>		
1	Share of Establishment expenditure in total revenue expenditure	47.87%
2	Share of Establishment expenditure in total revenue income	58.4%
<b>Performance Ratio</b>		
1	Operating Ratio	0.59
2	Capital Utilization Ratio	0.85
3	Debt Servicing Ratio	12%

## VII. CONCLUSION

Bilaspur Municipal Corporation has performed well as far as revenue account is concerned.

The operating ratio of an average of 4 years was below unity. The average debt servicing ratio has been around 12% during the period of study. It was 13% in the year 2010-11 & gone down to 10% & 9% in 2011-12 & 2012-13 respectively but again the percentage increase to 12% in 2013-14. The debt servicing is towards payment of long term borrowings from state Government, LIC, HUDCO & other financial institutions. Where revenue expenditure is concerned major share is of establishment expenditure about 58.04% followed by administration & General expenditure which is about 29.7% of total Revenue expenditure. Where as in revenue income assigned revenues & compensation contributes 32.15% of the total revenue income whereas property tax contributes 30% of the revenue income being the second major contributor.

Capital Expenditure has been mainly done for public works like construction of roads, bridges, and water supply, sewerage & drainage lines. Revenue account showed a surplus from 2010-11 to 2012-13 and deficit in the year 2013-14. In the same way capital also had a surplus in 3 years & deficit in the year 2013-14.

Income from own sources is quite high. The status of the revenue account showed a net surplus in 3 years out of 4. To conclude we can say that the Bilaspur Municipal Corporation performance with respect to resource mobilization & expenditure has been reasonably good during the recent past and the corporation has been able to maintain a positive closing balance each year. But a proper & efficient management of Capital Income & Expenditure is required.

## REFERENCES

1. Asharaf, A. (1977). Government & Politics of Big Cities (An Indian Case Study).
2. B. P. Tyagi (1975). Public Finance.
3. G. C., B. (2005). Business Statistics. New Delhi: Tata McGraw-Hill.
4. Jaitli, H. (February 2004). Municipal Finance Series 2 Urban Local Bodies. Published By PRIA.
5. Katyal Hitesh, K. R. (March (2014)). Financial Analysis of Urban Local Bodies of India-A Study of selected Municipal Corporations of Punjab. Galaxy International Interdisciplinary Research Journal, 139-146.
6. Maheshwari, S. (1976). Local Government in India. New Delhi: Orient Longman.
7. Municipal Book of Bilaspur. (2010-2014).
8. Neena, M. (2008). Local Government Administration. Pratapgarh, UP: Pratap Publications.
9. R.N., G. (2005). Accountability of Local Government-CAG'S Initiatives & the challenges Ahead. Research Paper.
10. Shrivastava, O. P. (1980). Municipal Government & Administration in India. Allahabad: Chugh Publication.
11. Venkata Rao V. (n.d.). Hundred Year of Local Self Govt. in Andhra. Madras.

## **REQUEST FOR FEEDBACK**

**Dear Readers**

At the very outset, International Journal of Research in Commerce, IT & Management (IJRCM) acknowledges & appreciates your efforts in showing interest in our present issue under your kind perusal.

I would like to request you to supply your critical comments and suggestions about the material published in this issue, as well as on the journal as a whole, on our e-mail [infoijrcm@gmail.com](mailto:infoijrcm@gmail.com) for further improvements in the interest of research.

If you have any queries, please feel free to contact us on our e-mail [infoijrcm@gmail.com](mailto:infoijrcm@gmail.com).

I am sure that your feedback and deliberations would make future issues better – a result of our joint effort.

Looking forward to an appropriate consideration.

With sincere regards

Thanking you profoundly

**Academically yours**

Sd/-

**Co-ordinator**

## **DISCLAIMER**

The information and opinions presented in the Journal reflect the views of the authors and not of the Journal or its Editorial Board or the Publishers/Editors. Publication does not constitute endorsement by the journal. Neither the Journal nor its publishers/Editors/Editorial Board nor anyone else involved in creating, producing or delivering the journal or the materials contained therein, assumes any liability or responsibility for the accuracy, completeness, or usefulness of any information provided in the journal, nor shall they be liable for any direct, indirect, incidental, special, consequential or punitive damages arising out of the use of information/material contained in the journal. The journal, neither its publishers/Editors/ Editorial Board, nor any other party involved in the preparation of material contained in the journal represents or warrants that the information contained herein is in every respect accurate or complete, and they are not responsible for any errors or omissions or for the results obtained from the use of such material. Readers are encouraged to confirm the information contained herein with other sources. The responsibility of the contents and the opinions expressed in this journal are exclusively of the author (s) concerned.



## ABOUT THE JOURNAL

In this age of Commerce, Economics, Computer, I.T. & Management and cut throat competition, a group of intellectuals felt the need to have some platform, where young and budding managers and academicians could express their views and discuss the problems among their peers. This journal was conceived with this noble intention in view. This journal has been introduced to give an opportunity for expressing refined and innovative ideas in this field. It is our humble endeavour to provide a springboard to the upcoming specialists and give a chance to know about the latest in the sphere of research and knowledge. We have taken a small step and we hope that with the active co-operation of like-minded scholars, we shall be able to serve the society with our humble efforts.

## *Our Other Journals*

