

CHAPTER - 6

CONCLUSIONS AND SUGGESTIONS

(A) Conclusions :

(B) Suggestions :

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(A) CONCLUSIONS:

Present study deals with critical analysis of revenue and expenditure side of Gadhinglaj Municipality. The municipality had celebrated its centenary in 1987.

The main thrust of the data collection is annual reports of the municipality. In addition to this, some information has been collected through official records of the municipality.

Some important findings of the present study are summarised below:

(1) Municipal Finance is an important aspect in overall study of public finance. Through the Municipal finance satisfaction of social wants of the local people becomes possible. Municipal finance is bound to make a profound impact on the life of local people.

(2) Municipality is a form of local government. In the federal character of the Indian constitution, the local government is of utmost importance. In the post-independence period, in India, local government has made a state subject. In all the states Municipal Acts have been enacted in India.

(3) The present study has thrown the light on some important aspects of revenue and expenditure side of Gadhinglaj Municipality. The study pertains to period of ten years i.e. 1979-80 to 1988-89.

a) Total revenue of Gadhinglaj Municipality has been increased from Rs.26.37 lakhs in 1979-80 to Rs.89.73 lakhs in 1988-89. Due to the increased revenue it has become possible to the Municipality to increase its expenditure on some important items to satisfy the local wants.

b) The break-up of total revenue of the municipality on the basis of non tax revenue and tax revenue shows that non tax revenue is the prime source of total revenue.

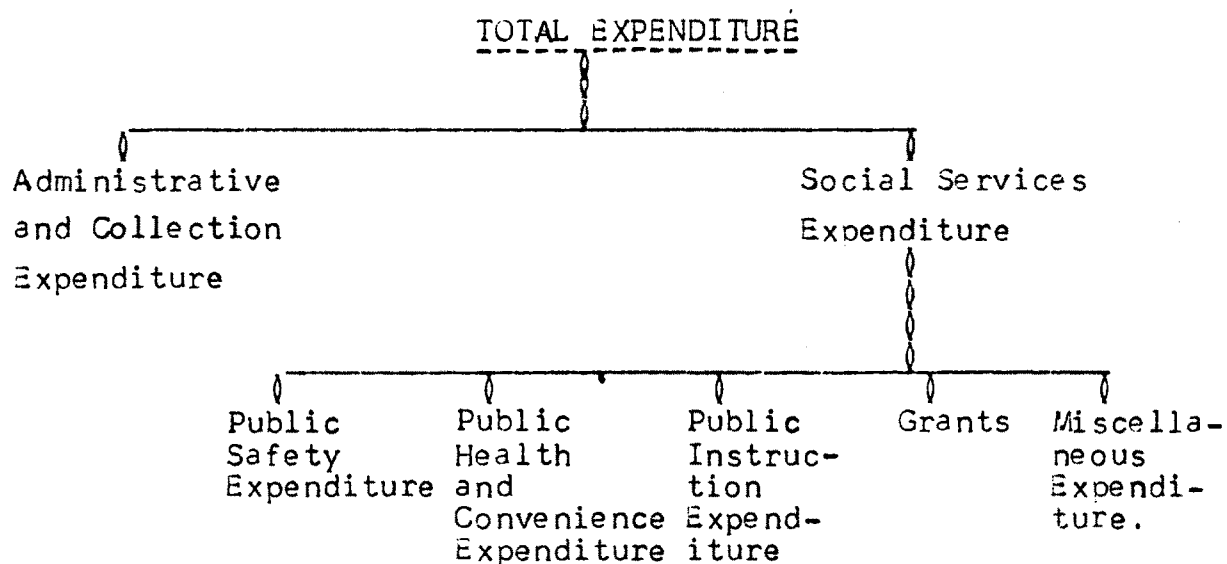
c) The revenue side of the municipality studied on the basis of own sources and other sources of revenue denotes that increase in own sources is more compare to increase in other sources.

d) The major sources of revenue are municipal rates and taxes, revenue derived from municipal property, utility services and grants and contribution from the state of Maharashtra. Out of these four sources the percentage share of grants and contributions is the highest, followed by municipal rates and taxes.

e) The analysis of tax revenue shows it very clearly that Octroi has remained the main source of tax revenue throughout the period of study. The contribution of 'octroi' in total tax revenue has varied within the range of 68 to 72 percent.

f) The tax revenue side of municipality also has been studied on the basis of direct and indirect taxes. The share of indirect taxes in total tax revenue of the municipality is within the range of 67.86 to 74.28 percent. Thus indirect taxes dominate the scene.

(4) The expenditure side of the Municipality has been studied on the following frame work.



The important findings of the expenditure side are :-

a) Like total revenue the total expenditure of the municipality has been expanded. Increase in population in its jurisdiction, inflationary situation and increase in revenue are the probable reasons of this increase.

b) Increase in per capita expenditure is less compare to increase in total expenditure. The total expenditure

has been increased by 195.74 percent whereas increase in per capita expenditure by 139.53 percent.

c) The highest share in total social services expenditure has gone to the public health and convenience expenditure, followed by public instruction.

d) The average growth rate of administrative and collection expenditure is 28.59 percent. For the total revenue the growth rate is 24.03 percent.

e) The suggested satisfactory standards laid down by the Zakaria Committee have been applied to various items of the municipality. The standards are applied to see whether the expenditure on various items is satisfactory or not. It is find out that -

- i) expenditure on general administration is ~~not~~ satisfactory level.
- ii) expenditure on water supply, drainage and public health is below the satisfactory level.
- iii) Expenditure on medical facilities is above the satisfactory level.

5) The actual conditions, inspite of the increase in total expenditure, in Gadhinglaj town are far from satisfactory.

- a) The roads are not in good conditions.
- b) Pure drinking water, and adequate quantity is not supplied by the municipality even though it has celebrated its centenary.

c) There are electric poles but without light, maintenance of road lights is not proper.

d) Municipal dispensary is closed within the two years of its establishments.

e) Hygienic conditions are not proper. Under ground drainage system is not in existence.

(B) SUGGESTIONS:

1) To earn more income from tax revenue the Gadhinglaj Municipality should impose the toll tax on vehicles and a tax on dogs.

2) The vehicle tax rates and special sanitation tax rates should be revised because the rates are not revised from its inception as well as the rates are below maximum limit specified in the Maharashtra Municipalities Act.

3) A systematic classification of advertisement exhibit and their taxation is essential. It will bring assured income to Gadhinglaj Municipality.

4) The Gadhinglaj Municipality should try to increase the own non-tax revenue through constructing and letting municipal shops.

5) The Gadhinglaj Municipality should reopen the municipal dispensary by solving the dispute of pay scale of doctors.

6) The amenities and playing instruments for children at public garden should be expanded by the Municipality.

7) The acquired play-ground should be well developed.

8) To provide market facilities to the citizen the Gadhinglaj Municipality should construct the vegetable market at the acquired place.

9) The Municipality should supply adequate electricity to its Navin Vasahat.

10) Burned tubes and bulbs should be replaced regularly.

11) The municipality should keep the public toilets, gutters clean. Necessary chemicals and pesticides should be used to destroy the mosquitos' and flies.

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