CHAPTER — VI

SUMMARY AND SUGGESTIONS
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In addition to the central and state government there is also a level of government, which is much closer to the people living in towns and villages. This is local government. Local government means management of local affairs by the people of the locality. Local government is the machinery constituted by the people in an area or village or town or city to train the people in the management of their local affairs. Local bodies are important means to achieve decentralization of political power and promoting of democratic values. When the people live together in an area, certain civic amenities like supply of water, removal of rubbish, drainage, lighting prevention of epidemics, health facilities, and maintenance of roads become necessary. By the population growth and a consequent increase in the habitat, problems of trade and commerce, settlements education increase. Thus the function to be performed by a local government continues to increase.

Local self-government occupies a very prominent place. It is a symbol of decentralization. Local government is the backbone of democracy. Democracy requires participation of every citizen in the administrative set up and it can be possible only through the local self-government. Local government provides political awareness to the local people; local problems need local solutions such local solutions could be evolved only by the local government.

Local government provides an extensive range of services to people and performs functions of great variety and magnitude. Local government serves as an admirable training ground for the politicians to functions at the state and central levels. Local government helps in mobilizing resources for development local areas.

A number of research studies on urban government were undertaken both at macro level. In the post independence period, problem of urban government
receives less attention from the state and union authority's. But from the middle of this century the problem of urban local government and administration gradually increasing attention from scholars on urban studies.

During the Muryan period Megasthanees in his “Indica” mentions that six committees looked after the needs of each city. During the Gupta period each city was administrated by a council. During a Chola period the remarkable feature was the village administration. The village administrative work was carried out by the committees. In the Mughal period also there existed government.

The local government institutions started with the diminishing with appearance of east India Company. The present structure and form were given under the British rule in India. The word municipality is derived from the Latin word “municipium munus” which means a duty or privilege and capere to take. In 1687 for the first time a municipal corporation was set for the Madras city. Local government was evolved in India in the year 1793 on statutory basis. Lord Mayo's resolution was existed in the year 1870. In that year the policy of decentralization was adopted. There were 712 municipal boards in India in 1881. Several steps and acts were taken during the British period to develop the local bodies. The independence of the country in 1947 ushered in a new period in the history of local government in India. The local government started functioning in atmosphere of Indian independence. Many experiments were made after independence in regard to the composition, powers and functions of local government. There were 1745 municipal councils in India in 1987. The municipal councils are governed by the act of the state in India. The gradation of municipalities is done in certain states like Bihar, Kerala, Uttar Pradesh and Andhra Pradesh based upon income of municipalities. In other states like Madhya Pradesh and Maharashtra population is the sole basis of gradation of the municipalities. In Rajasthan both population and income of municipalities are taken into gradation of the municipalities.
The municipal councils make laws. It is the people assembly. The laws made are called by-laws within their frame work of their municipal act. The councilors are elected on the adult suffrage. The size of the municipality varies from municipality to municipality. The council is presided by president or chairman. The executive authority of the municipal council is vested in the president. He enjoys executive functions.

The state Andhra Pradesh was formed in 1956 with Hyderabad as its capital. When the state was formed four types of local bodies existed. They were panchayats, district borders, district municipalities and corporations. Corporations were found in Telengana region only. According to Balwant rai Mehta committee report the panchyats Raj was structure was evolved in Andhra Pradesh created Mandala Praja parishads in place of panchyathi samathies and zilla parishads in 1986. The parliamentary sub-committee (under the chairmanship of A.K Thungan in 1988) viewed that Zilla parishads as a sole agency of planning and development in the district.

The numbers of municipalities were increased in Andhra Pradesh rapidly. There were 51 municipalities in 1951. It was number raised to 110 by 2001. The potential from the municipalities is high due to urbanization trend. The important cause for urbanization is promotion of non-agrarian economy, transport, revolution. The concentration of municipalities is observed in costal Andhra region and in Telengana regions. The Rayalaseema region has the least no of municipalities in Andhra Pradesh. Municipalities in Andhra Pradesh differ markedly in terms of size and income. In terms of population most know of municipalities in Andhra Pradesh are in between 50000-100000 and least no of municipalities are in between 2 to 2.5 lakh.

The revenue raising powers are at best limited. The revenue constraints completely limit the municipal expenditure in the absence of financial support from the central and state governments. Any economic activity is conditioned by the
availability of finance. In Andhra Pradesh municipal finances are strictly governed by the local acts and rules made by the state government. The main sources of municipalities are classified into four categories. They are municipal own revenues, the shared taxes, grants-in-aid, and borrowings. The main sources of municipal revenue are property tax and entertainment tax in Andhra Pradesh.

Own revenues are those resources raised by municipalities themselves. The own resources could be categorized as tax revenue. Property tax, entertainment tax, taxes on animals and vehicles, profession tax, and octroi duty do contribute towards the mobilization of tax revenue. The non-tax heads of revenue comprise the receipts from municipal property and domain. The grants-in-aid is one of the important sources of revenue to the municipalities in Andhra Pradesh. To meet expenditure on capital works, the government sanctions loans to municipal authorities.

Increased services rendered by the municipal bodies to the local community account for larger municipal expenditure. Municipal expenditure is welfare oriented. Municipal expenditure is visible and verifiable. Much of municipal expenditure is current and repetitive. The municipal expenditure is highly localized. The highly localized character of this expenditure is visible and verifiable. Much of municipal expenditure is current and repetitive. The municipal expenditure is expected to give the maximum benefits to the local groups. The municipal expenditure is expected to give more out. Municipal is incurred on activities of benefit. The common benefit activities include maintenance and construction of roads, street lights, etc. The special benefit activities include expenditure on primary education, health care, etc.

Municipal spending is governed by certain principles. These principles are the Conon of essentiality, the canon of least spillover effects, the canon of least cost, the canon of budgetary balance, and the canon of sanction, approval. All expenditures need to be approved by appropriate authority to give accountability to the expenditure.
The resource of municipalities however has not been able to keep peace resulting in municipal fiscal crisis. All the municipalities in Andhra Pradesh face fiscal crises which threaten to deepen year after year. The under exploitation of own taxes the declining importance of non-tax revenue the growing administrative expenditure the deteriorating quality of municipal services have become regular features of municipalities in Andhra Pradesh.

Municipal bodies in Andhra Pradesh are under a good deal of external control. The purpose of state control should be the development of municipal authorities into efficient instruments of administration.

Hindupur municipality is one of the oldest municipalities in Andhra Pradesh. It was constituted in 1920 as third grade municipality. Hindupur municipality was upgraded into first grade municipality in 1980. Later it became special grade municipality in 1989. The additions made from time to time to the municipality expanded its area. Now it has an area of 38.16 sq Km and a population of 1,25,056.

The activities of municipality were limited to start with Education, maintaining of roads and street lighting were the initial activities. Protected water was supplied through pipes. Drainage system came into existence along with water supply. The Hindupur municipality activities have winded and depend in the recent year. The Hindupur municipality was maintained gravel roads, earthen pots, bitumen tar roads and cement roads.

At present Hindupur municipality has total road length of 170 Km. The municipality has in adequate health facilities. A well regulated water supply is basic municipality function. Hindupur municipality had been facing severe water problem. The water supply system was unequal to the task. Municipality has been maintaining nearly 30 elementary and 4 high schools. The teacher and teacher ratio has very poor. The traffic congestion is experienced along the main roads in Hindupur towns. The
problems of health, water and transport are direct consequence of population growth. The rural urban exodus has aggravated the problem. The municipal activities could not keep peace with the demand for them to financial constraints.

The deepening and widening of municipal activities call for perennial source of revenue. Over the time period the revenue of Hindupur municipality increased three-fold. There no uniform increase in revenue. Fluctuations in revenue are largely due to fluctuations in tax and non-tax revenue. Grants from the government of Andhra Pradesh have fluctuated during the period. In the sanction of grants state government use discretion, Norms should be replacing discretion.

In two years under reference, expenditure exceeded the revenue. In five years, expenditure is almost equal to the revenue. Never less in eight years expenditure is short of revenue. This means it is not well with expenditure planning. Adequate and foresight is necessary in designing expenditure methods. Underutilization of available revenue is a sad reflection on the ability of the municipality. It means social benefits which could have not been conferred.

Property tax accounts for the largest source of tax revenue. In which more striking is the fact that the percentage of property tax has went up by 66 percentages in 2008-2009 as compare to 1998-99 of 48 percent. The tax revenue during this period increased nearly three times, which the share of the animal tax has smallest source of tax revenue during the 1998-99 and it does not get any tax revenue in animal tax during the 2008-09. The share of the entertainment tax and other taxes has decreased. Tax on carriages and carts do not get any tax revenue during 1998-99 and it contributes little bit of share in 2008-09. The share of the surcharge on stamp duty has increased.

During period 1998-99 to 2008-09 the share of tax revenue in total revenue receipts of municipality was declined. The aggregate tax revenue of the municipality constituted 25.5 percent of average total revenue (Total receipts).
Among the various revenue sources, non-tax revenue assumes greater importance in terms of both size and share. The aggregate non-tax revenue of municipality constituted 70 per cent. The non-tax revenue increased four-fold during the period under consideration of the different non-tax sources, the government grants contribute to one-third of the non-tax revenue. Grants are received for specific purpose like education, public health, donations. The share of plan grants has increased from 37.07 percent in 1998-99 to 58.67 percent to non-tax revenue of 2008-09. Grants percent to total revenue has increased 28.22 per cent in 19981999 to 42.85 percent by 2009. The percentage of non-plan grants to total revenue was decrease from 30.28 percent in 1998-99 to 15.28 percent in 2008-09.

The percentage increased in non-tax revenue is not uniform. The Hindupur Municipality does not see to possess any well designed tax policy. Fall in tax revenue, even assuming tax rates remain the same due to inadequate tax collection. The Municipality needs to gear up its tax collection machinery to prevent for in tax revenue compared to previous years. Usually tax rates shows upward trend. The percentage increase in non-tax revenue was also not conforming to a pattern. The range is as wide as from – 4.32 percentages to 48.68 percentages. The major share of non-tax revenue comes from the government grants. The Government of Andhra Pradesh is not prompt in the disbursement of grants. Grants to the municipalities are treated as a residue item. Hence the governments apply rules of thumb rather than specific norms.

However the increasing in tax revenue is not uniform. Below 10 percentages change in tax revenue was occurred 4 years out 10 years of observation and above 40 percent in tax change in tax revenue take place 3 years in same period. The range of percentage change in tax revenue is very wide. From the initial years of per capita revenue of the municipality increased. Over the time period the per capita revenue has increased, this accounts rise in per capita revenue. However in the years 2006-07, 2007-2008 and 2008-09 we observed decline in per capita revenue
compared to previous years. The revenue mobilization efforts, however, is not uniform and does not conform to any pattern. The increasing in per capita revenue was not significant. The civic needs of the people keep increasing with increase in civic wants over a period of time. The larger revenue mobilization effort should have been put into it, than the one that went into it. The percentage change in per capita revenue fluctuated widely. This percentage has decreased very speedily, from 38.88 percentage in 1998-99 to less than 3.04 percent in 2006-07.

While designing tax structure ability to pay is kept in mind. The ability to pay doctrine demands sharing of tax burden among tax payers to conform to the principals of justice and equity. The equity criterion is satisfied if the tax burden is sharing according to the relative ability to pay. Tax able capacity is intimately connected with the ability to pay. It refers to maximum tax which could be collected from a particular tax payers or a group of tax payers in a region. Local bodies like municipalities could keep in mind the taxable capacity of people while designing the tax structure. People under each municipality could be sufficiently taxed to mobilize adequate tax revenue. To large mobilization of financial resources the municipality depends on state government grants in aids. It appears that the taxable capacity of the people under the Hindupur Municipality is not fully reached. Per capita tax revenue fell in as many as three out of eleven years. Increase in per capita tax revenue, when they occur not uniform. Hence, rationalization of tax structure is called for. In the process of rationalization tax on water could be raised. Rent based property tax could be made progressive in Hindupur Municipality.

The two averages of non-tax revenue and total revenue are more or less similar. It means the average percentage change in Non-tax Revenue and total revenue seems to move along the same path. But Average Percentage change in tax revenue and average percentage change in per capita revenue has wide differences.
As far as tax revenue realization is concerned it is a more than hundred percent of collection in the years 2002-03, 2004-05 and 2007-08 annual budget years. The average percentage realization was by 92.07.

The performance of Non-tax revenue better compared to tax revenue. As far as Non-tax revenue realization is concerned it is a more than hundred percent of collection in two years out of eleven years. The average percentage of collection to the demand for non tax revenue has 94.28. The tax payers were not properly paying their due taxes to municipality due this leads bad reflection on tax revenue of municipality.

The average share of entertainment tax to total tax revenue for the period of study stood at 2.03 percent. Fluctuations however, are observed in the proceeds of entertainment tax. In six years the revenue from entertainment tax declined . compares to previous year.

The average share of property tax to total tax revenue has 47.2 percent. Annual percentage change in property taxation fluctuated widely. It was as high as 38.05% in 2007-2008 and as low as -7.71 percentages in 2005-2006.

In addition to own revenues, shared revenues, user charges and fees and surcharge on stamp duty constitute an important source of revenue to Hindupur Municipality. Between the years 1998-99 to 2008-2009 percentage of stamp duty to tax revenue was grown up 26.32 % to 27.39 % average percent of stamp duty to tax revenue is 21.16 percentage.

The Municipality levied water tax after providing for the supply of protected water to its citizens, but revenue from the tax was not high. From 1920 it was levied at 7.50 percent on the rental value of the buildings. It was increased to 8 % in the same year. Later it was reduced, and in 1952 it was fixed at 18.8 % and the same rates continued till 1970. In 2008-2009 the water charges tax was received by the Municipality was 91.40 lakhs that is 6.49 % in total revenue of the year.
The municipality constituted buildings for the vegetables stalls and meat-markets, Fish markets, Slaughter houses and so on. The rooms and stocks in these buildings were rented out to vendors. The income from this source was 10.12%. Out of the 49.33% of the total Percent of fees, Donations and licenses fee to non-tax revenue in 1998-99. The Income from this source was raised as 12.2 percent in 2007-08 and in 2008-09 it received 14 percent amount forms the market fees.

The amount received from the shop room rents by Hindupur municipality in 1998-99 was 12.10 percent in 2008-09 it received 16.10 percent out of 31.17 percentage of Donations, Fees, Licenses, Rents etc., to Non-tax Revenue in 2008-09.

The amount received from the encroachment license fees by Hindupur Municipality in 1998-99 was 3.50 percent in 2008-09 it received 6.50 percent amount out of 31.17 percent of total Donations, Fees, License, Rents etc., to the Non-tax Revenue in 2008-09. The amount received from the betterment contribution by Hindupur Municipality in 2008-09 was received 4.45 percent amount from the betterment contribution. The amount received from the D & O trade license bees by the municipality in 19998-99 was received 2.85 percent; in 2008-09 it received 3.99 percent. The amount received from the building license fees by Hindupur Municipality in 1998-99 was 4.10%, in 2008-09 it received 4.50 percent amount from building license fees.

The functions of grants-in-aid especially of the general purpose grants should be only marginal to remedy the inequalities among municipal bodies in their capacity to utilize the available resources. The municipalities receive specific grants from state government s to help them in solving their special problems and should be matched with a specified minimum expenditure by the municipalities concerned. Adequate grants-in-aid to facilitate services introduction and standardization of services do not appear to have been well recognized, the inadequate relationship
between the state governments and local bodies. State government own financial problems have led to inadequate appreciation of the need for grants.

Government grants are high, because of excessive dependence of local authorities on state governments. Profession tax is taken over by Andhra Pradesh Government. This further increased the dependence of municipality on government grants. Property tax, water charges, surcharge on stamp duty, entertainment tax donations, fees and charges and other receipts in the same order contribute to the revenue of Hindupur Municipality.

The main objectives of municipal expenditure are to reduce the disparities and providing civic amenities. Municipal expenditure is that it is larger controlled and determined by the state government. Current and capital expenditure together constitute total expenditure. Current expenditure includes expenditure on education, public health, lighting, water supply, drainage, administration and allied activities. Current expenditure is meant for maintenance. Capital expenditure includes expenditure on construction of roads, buildings, markets and other remunerative enterprises. Capital expenditure is intended to development.

The total expenditure increased from Rs. 595.70 lakes to Rs.1069.83 lakes during the period of 1998-99 to 2008-2009, it registered expenditure as a percentage of revenue was 100.28 in 1998-1999 and 76.07 percent in 2008-2009. The average expenditure as a percentage of revenue was by 84.39 percentage. In the year 1998-1999 revenue fell short of the expenditure while it exceeded expenditure in ten years of the whole period. It is difficult to draw a line of demarcation between expedient expenditure and profligacy comes when expenditure exceeds. We observe a four-fold increase in total expenditure during the time period. This increase is not commensurate with the increase in civic demands. The expenditure falls short on required expenditure for the up keep of Hindupur municipality on sound lines. The current expenditure and its increase do not reveal any pattern.
Among all the components of municipal expenditure, the current expenditures on administration, education, public health, water supply and drainages assume importance. The total current expenditure grew from Rs. 44.09 lakhs it average percentage is 74.04 percent in 1998-99 to Rs. 840.72 lakhs, registered as average percentage of 78.61. Most of the years the current expenditure is greater than the capital expenditure of municipality but some of the years that is 2007-08 annual budget the capital expenditure as higher than that of capital expenditure, in this particular year the high capital works has done by the municipality the average current expenditure of over the time of 1998-99 to 2008-09 has record 62.84 percentage and the capital expenditure in the same period is 37.14 percent.

The Relative proportions of certain items of Expenditure have changed over the time period. The percentage of Expenditure on administration states highest over the time period. This is one of the remarkable items of expenditure in the Hindupur Municipality. Inefficiency in administration is brought in the form of higher expenditure. Never less the decreased percentage of expenditure on public-health is deserves the attention.

The percentage of expenditure on Lighting is more than doubled during the time period. The percentage of expenditure on water supply and drainage is highly increased compared to the period 1998-99 to 2008-2009. But larger demands are placed on water supply and drainage systems according to the population increase, the expenditure should have increased.

The percentage change in current expenditure was in the class interval of 0-10 percent for maximum number of years. The percentage change in capital expenditure was in the class interval 0-10 and above for Five years. In the case of total expenditure the percentage change is in the class interval 0-10 for 7 years.

The percentage change in per capita expenditure is in the range of below-10 per cent for 7 years out of ten years. 10-20 class interval is 2 years in the same
duration and 30 and above percent has registered in 3 years in the duration of 1998-99 to 2008-09.

Among all components of municipal expenditure, the expenditure on Administration, Education, Roads & Buildings, Public health, Water supply, Drainage and Maintenance assume importance. The administration, Education and Maintenance expenditure constituted 55.95 percent to aggregate total expenditure during 1998-1999; in terms of percentage to current expenditure it has constituted 72 percent during the same period. During 2008-2009 above mentioned expenditure components constitute 48.09 percentage to total expenditure it constituted nearly 60 percent in the same period, remaining expenditure items of Roads, Building, Public Health, Lighting are registered as 1.75, 20.12, 0.37 percentages to total expenditure in 1998-99 and 29.19, 14.03 percentages respectively.

The total expenditure on all public works of the municipality accounted for more than 80 percent of the total expenditure, an average of during 1998-99 to 2008-09. Among the components expenditure on administration education, water supply, health and sanitation have grown the fastest, following by expenditures on roads and management expenditure. The growth in expenditures incurred on town planning and lighting relatively modest.

The municipality has been assigned some of the essential service delivery functions have defined under the respective municipal legislation. It was laid down that they shall give primary attention to providing essential services like water supply, street lights, solid waste management and public (only primary) health. A disproportionately high spending on non-discretionary items like secondary education or secondary health care may not be desirable, unless the municipality has already attained satisfactory level of services on essential services.

The composition of expenditure on various public services in the municipality clearly indicates that expenditure incurred on essential municipal
functions (obligatory / non-discretionary items) like provision of water supply, drainage, health and sanitation has been comparatively lower than the expenditure incurred on non-essential functions like (discretionary items) provision of education and gardens. This calls for rationalizing the discretionary spending by municipality through suitable guidelines, and to improve public accountability of expenditure through citizen’s charters and social audit.

The Hindupur municipality supplies water to 7031 houses service connections and 1582 public taps. The capital expenditure on water supply and drainage constitute one and half times over the time period. The per capita expenditure on roads and buildings has double over the period. The allocations to this item do not appear to be meaningful. The capital expenditure on water supply is 28.85% to capital expenditure and nearly 2.5% is total expenditure of the Municipality. The per capita expenditure on water supply has increased over the period.

Compared to the year 1998-99 in the year 2008-2009 the absolute and relative shares of expenditure on roads and buildings was increased. The per capita expenditure on roads and buildings had doubled. The allocations to this item do not appear to be meaningful.

Expenditure on Loans repayment under Hindupur Municipality is shown in the table 5.21. Percentage of loans repayments to total capital expenditure was 12.67 in 1998-99 further it was raised 19.55 percent in 2003-04; it was decreased in the year of 2008-2009 by 6.41 per centage.

To maintain any kinds of records the municipality requites stationery, Drinking etc., the amount that is spent on stationery, printing and other miscellaneous works by the Hindupur municipality was 57.8 lakhs that 37.38% on miscellaneous expenditure, further it was decreased to 8.20 percent on other expenditure in 2008-09. The above expenditure pattern indicates that the municipality spending on capital
works has been significantly low which is critical for building civic infrastructure for planned urban development.

Among all the components of municipal expenditure, the expenditure on capital works assumes importance. It constituted less than 10 percent of the total expenditure, during the period of 1998-99 to 2008-09. The under-investment in public works is reflected in inadequate availability of civic amenities such as water supply, sewerage, transportation networks and storm drainage system.

The present study offered the following suggestions for the further improvement of Hindupur Municipality:

1. The traditional practices of collection of amount through bill collector are not dated and efficient. To overcome this it is suggested that the computerization should be introduced fully. Further collection centers should be opened in the concerned wards for efficient collection of taxes.

2. Hindupur Municipality is facing the problem of severe revenue loss and it is due to improper assessment of taxes and by under assesses and un-assessed delay in serving demand notices. It is due to manual collections of taxes by the bill collectors. To overcome this, assessments should be rationalized: and random checks by senior officers or elders committee should be organized. Even basing on the demand for an assessment available in computers, bank can receive tax payment.

3. For various reasons, nearly 70 percent people of Municipality has not been paying house tax properly which resulted into huge loss of revenue to Municipality. To correct this, Municipal authority should stick on the tax amount to be paid, at what date, all other details etc.

4. Voluntary Tax Assessment, based on unit area method depending on location, nature of usage built up area, year/period of constriction and range of municipal
services available, may be introduced in large number municipalities. This will reduce the corruption and enhance municipal revenues to urban local bodies.

5. Almost 1200 unauthorized tap connections exploited the tax revenue of Municipality’s a permanent supervision staff needed to be put in place to check this illegal enjoyment of water.

6. Hitherto untaxed assigned and under-assigned constructions should bring under tax purview.

7. Steep fall of tax revenue over a period of time, put a huge burden on municipality which found a difficult even in payment of salaries to its staff.

8. For the past ten years, Hindupur Municipality had been due nearly 71 lakhs towards electrical charges to the Transco. Another important thing involved in the above due is the reason i.e., malfunction of electrical meter reading resulted into excess bills. That is the reason why the municipal authorities immediately install well equipped current recording meters instead of out-dated meters.

9. Expenditure on Energy is the important factor for growth in maintenance expenditure. In order to control the growth of maintenance expenditure the government/Municipal council may fix the maximum ceiling on the consumption of petrol or diesel for municipal vehicle for month in order to reduce the maintenance expenditure.

10 Privatization of maintenance and operation works of certain civic amenities may be useful in improving the coverage and quality of urban services.

11. Expenditure on repayment of loans to the banks and other financial institution by municipality are important factor for the growth of non-plan expenditure on capital account during the period of study.
12. Expenditure on interest payment, pensions and other retirement benefits and fiscal services are the major contribution factors for the growth of non-development expenditure during the period of study.

13. Transfer of certain funds to ward committee to undertake maintenance and repair works in their respective area may ensure decentralization and devolution of function.

14. Due to inadequate financial resources manual sweeping of roads, collection in dust bins and from these lifting to dumping yards by tractors has been paralyzed. So to tackle this problem mechanization of sweeping, collection and transport of garbage should be introduced.

15. Due to insufficient finances the old and worn out pipelines are not being replaced. So in order to overcome this problem the old pipelines should be replaced to prevent the wastage of water.

16. The extension of colonies is the frequent trend in the Hindupur Municipality. But due to limited resources new roads are not being constructed. So to overcome this problem additional resources should be mobilized.

17. The traditional practices of collection of amount through bill collector are not dated and efficient. To overcome this it is suggested that computerization should be introduced fully. Further collection centers should be opened in the concerned wards for efficient collection of taxes.

18. Corruption in Municipality also caused to the loss of revenue as well as improper services to people. Improper administration is the real reason for all these impediments in Hindupur Municipality.

19. Inefficiency in management is due to lack of regular authorities such as Municipal Commissioners etc.