



ABSTRACT

Tamil Nadu Urban Development Project III - Capacity Building Component - Appointment of Consultancy Services for the preparation / updation of Manuals, organizing workshop and providing training etc – Administrative Sanction – Orders – Issued.

MUNICIPAL ADMINISTRATION AND WATER SUPPLY (MA2) DEPARTMENT

G.O.(D).No. 546

Dated: 24.12.2009

Read:

1. From the Director of Municipal Administration Lr.No.SFC/48693/2009/WB4, dated 7.12.2009.
2. Agenda item No. 10 placed before the 7th meeting of the SLPSC held on 17/11/2009

ORDER:

In the letter first read above, the Director of Municipal Administration has informed that with a view to keep in line with the emerging National Accounting Standards and Policies and the constraints faced by the ULBs in implementing the Accrual Based Accounting System (ABAS) and to identify the areas for improvement, a consultancy firm by name M/s. Infrastructure Professional Enterprises (P) Ltd, New Delhi was appointed under the TNUDP-III. This consultancy firm submitted its final report on 19.01.09. A few major gaps in the existing Accounting System (ABAS) have been identified by the consultancy firm and recommended certain reforms. The consultant has interalia suggested the following major reforms which need immediate attention.

1. Updation of Municipal Accounting Manual
2. Preparation of Municipal Budget Manual and
3. Preparation of Outcome Budget

Apart from the above the following is also proposed:

4. Updation of Municipal Engineering Manual.

2. The Director of Municipal Administration has also stated that the total expenditure involved in the above proposals will be as follows.

- a) Updation of Municipal Accounting Manual for ULBs and Training to the Officials at an estimated cost of Rs.0.25 crores.
- b) Preparation of Budget Manual for ULBs and Training of Officials at an estimated cost of Rs.0.20 crore.

- c) Preparation Outcome Budget for Tiruchirappalli, Salem, Tirunelveli, Erode, Tiruppus, Vellore and Thoothukudi Municipal Corporations and Ambattur and Pollachi Special Grade Municipalities and Imparting Training of Officials at an estimated cost of Rs.0.47 crore.
- d) Updation of Engineering Manual and Conduct of Workshops at an estimated cost Rs.0.26 crore.

The total estimated cost for all the above proposals will be Rs. 1.18 crore. These proposals have been approved by the State Level Project Sanctioning Committee (SLPSC) in its 7th meeting held on 17.11.2009 and have been recommended to the Government for according Administrative Sanction in Agenda No.15.

3 The Director of Municipal Administration has requested the Government to accord Administrative Sanction for the implementation of the above three Projects mentioned in para 2 above approved by the SLPSC in its 7th meeting held on 17/11/2009 at an estimated cost of Rs. 1.18 crore. This expenditure will be met from the ICT component of TNUDP-III. The SLPSC has also observed that the updation of the Accounting Manual shall be need based and shall not be done merely to align with the provisions of the National Municipal Accounting Manual.

4. The Government have carefully examined the recommendation of Seventh State Level Project Sanctioning Committee in its meeting held on 17.11.2009 in Agenda No.15. and hereby accord administrative approval for the appointment of Consultant for the preparation of Municipal Budget Manual and preparation of Out come budget (for 9 ULBs) and updation of Municipal Accounting Manual and Municipal Engineering Manual, organizing workshops and providing training etc at an estimated cost of Rs.1.18 crores.

(BY ORDER OF THE GOVERNOR)

**NIRANJAN MARDI,
SECRETARY TO GOVERNMENT.**

To

The Director of Municipal Administration, Chennai – 5.

The Managing Director and Chief Executive Officer,

Tamil Nadu Urban Financial Services Limited, Chennai- 17.

The Director of Town and Country Planning, Chennai – 2.

The National Informatic Centre, Chennai – 113.

The Institute of Remote Sensing, Anna University,
Chennai – 24.

The State Planning Commission, Chennai – 5.

The Pay and Accounts Officer, Chennai – 5.

The Accountant General, Chennai – 18.

The Accountant General, Chennai -9.

The Finance (Municipal Administration and Water Supply Department) Department,
Chennai – 9.

The Municipal Administration and Water Supply Department (OP.II) Department,
Chennai – 9.

/ Forwarded by Order/

SECTION OFFICER