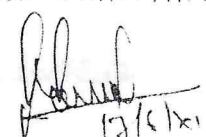


NEW DELHI MUNICIPAL COUNCIL
COUNCIL SECRETARIAT

Sub : New Delhi Municipal Council (Maintenance of Accounts) Regulations, 2010.

The aforementioned Regulations were published in Delhi Gazette Extraordinary (Part-IV) vide F.No.13/47/2010/UD/MB/1632 dt.15.02.2011 (copy enclosed) and placed before each House of Parliament as per letter received from Ministry of Home Affairs vide F.No.14011/25/2008-Delhi-II dt.27th May, 2011. A copy of the same is sent herewith for record, guidance, further necessary action and notifying on the official website of NDMC under the concerned Department head.


(S.P. SANWAL)
Director (GA/CS)

Encl : As Above.

To

1. Director (Accounts)
2. P.S. to Financial Advisor

No. A(25)/1/CS/9/2011/D-253 Dt: 20.06.11

Handwritten notes:
T. 98/1/CS (A/C) 11
20.6.11
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Jt. CAO - II

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Jt. CAO - II
21.6.11
Jt. CAO - II
AO (ABAS)
21.6.11

Handwritten note:
The (ABAS) may also take action for
these regulations on
the website

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8/7/11

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A. (Jt. CAO)

Handwritten note:
This pertains to
AO (ABAS) as the file
relating Accounting Regulation
is being dealt there.

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(124) (164) (181) D/S (SAP) K

GOVERNMENT OF NATIONAL CAPITAL TERRITORY OF DELHI
DEPARTMENT OF URBAN DEVELOPMENT
10TH LEVEL, DELHI SECRETARIAT
I.P. ESTATE, NEW DELHI

F.No.13/47/2010/UD/MB/1632

Dated 15/2/2011

To

Santosh D. Vaidya
Secretary
New Delhi Municipal Council
Palika Kendra, Sansad Marg,
New Delhi - 110 001.

Sub : Gazette Notification of New Delhi Municipal Council
(Maintenance of Accounts) Regulations, 2010.

Sir,

With reference to the letter No.F.No.13/47/2010/UD/MB/334-335 dt.10.01.2011 vide which we have sent two copies of the New Delhi Municipal Council (Maintenance of Accounts) Regulations, 2010 (Hindi & English Version) for publication in Delhi Gazette (Part-IV) Extraordinary.

In this regard, it is stated that the New Delhi Municipal Council (Maintenance of Accounts) Regulations, 2010 has now been notified in Delhi Gazette vide registration No. D.L.-33002/99, hence we are sending you a copy of the same for your record please.

Jou
(Jyoti Seth)
Dy. Secretary (MB)

Copy to :-

✓ L.Sh. S.P. Sanwal, Director (GA/CS), NDMC, Council Secretariat, Palika Kendra, Sansad Margi, New Delhi.

3/25/CA-B
18/2/11

18/2/11

DD (CS)
Sr. J. S. Jindal
18/2/11

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F.No.14011/25/2008-Delhi-II
Government of India
Ministry of Home Affairs

North Block, New Delhi
Dated the 27th May, 2011

To

The Secretary,
New Delhi Municipal Council,
Palika Kendra, Sansad Marg,
New Delhi.

Sub.: Laying of Regulations made under the NDMC Act, 1994 on the table to the Parliament.

Sir,

I am directed to refer to your letters No.F.25(1)/CMC/9/2011/D-216 and No.F.25(1)/CMC/9/2011/D-217 dated 26th May, 2011 on the subject cited above and to say that the New Delhi Municipal Council (Maintenance of Accounts) Regulations, 2010 was laid on the table of the Lok Sabha on 15.3.2011 and on the table of Rajya Sabha on 09.03.2011. The New Delhi Municipal Council (Budget Estimates) Regulations, 2010 was laid on the table of the Lok Sabha on 08.03.2011 and on the table of the Rajya Sabha on 09.03.2011.

Yours faithfully,

(Rajeev Kumar)
Section Officer (Delhi-II)

2098

30/5/11

12/Dir(GA)
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31/5/11

DS (GA/CS) + FA
Jm

DD (CD)

DEPARTMENT OF UNBAN DEVELOPMENT
NOTIFICATION

Delhi, the 10th January, 2011

No. 13/47/2010/UD/MB/334-335.—In exercise of the powers conferred by section 58 read with sub-section (2) of section 387 of the New Delhi Municipal Council Act, 1994 (Act No. 44 of 1994), the New Delhi Municipal Council, with the approval of the Central Government, hereby makes the following Regulations, namely:—

The New Delhi Municipal Council
(Maintenance of Accounts) Regulations, 2010

1. **Short title and commencement:** — (1) These Regulations may be called the New Delhi Municipal Council (Maintenance of Accounts) Regulations, 2010.
(2) They shall come into force from such date as the Council may appoint:
Provided that different dates may be appointed for different provisions of these regulations.
2. **Definitions.**— (1) In these regulations, unless the context otherwise requires,—
 - (a) "Act" means the New Delhi Municipal Council Act, 1994 (Act No. 44 of 1994);
 - (b) "Chairperson" means the Chairperson of the Council and includes any municipal officer or other municipal employee specified, by order, by him in this behalf;
 - (c) "Financial Advisor" means the Financial Advisor of the Council appointed by the Chairperson and includes an officer subordinate to the Financial Advisor authorized by the Chairperson in this behalf;
 - (d) "Manual" means a Manual approved by the Council, which shall, among others, include—
 - (A) a chart of Accounts and Accounts Codification structure;
 - (B) books of account and other records which are required to be maintained and the manner of their maintenance;
 - (C) general procedure for —
 - (i) accounting of income and expenditure;
 - (ii) accounting of receipts, payments, assets and liabilities;
 - (iii) reconciliations of bank and cash accounts, inter-unit accounts as well as their balances, etc.;

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- (D) maintenance of demand, collection and balance registers;
- (e) "section" means a section of the Act.
- (f) words and expressions used herein and not defined but defined in the Act or the Manual, as the case may be, shall have the meanings respectively assigned to them.

3. **Accounting System.**- (1) With the exception of such adjustments as may be authorized by these regulations or by any general or special order issued in this behalf by the Chairperson in consultation with the Financial Advisor, all the transactions in the General Account referred to in sub-section (2) of section 44 and the special fund or funds referred to in section 54 shall be on accrual basis, using the double entry system of book-keeping:

Provided that segments (including sub-segment) may be created under the said General Account and the special funds and the transactions of the Council may be identified to a specific segment or sub-segment, unless otherwise mentioned in the regulations made in respect of constitution of special fund or funds:

Provided further that while preparing the accounts of the Council in the above manner, the Council shall, as far as practicable, follow consistently a set of accounting policies and norms to be prescribed by the Chairperson on the recommendation of Financial Advisor for valuation of different types of assets. Any change in such policies and norms be clearly disclosed in the notes appended to the accounts along with the financial impact of such a change to the extent it is reasonably measurable.

- (2) The General Account of all receipts and expenditures of the Council and of special funds shall be in the format appended to the Manual.
- (3) All individual transactions shall be rounded off as prescribed by the Chairperson from time to time for easy accounting. Fractional receipts and expenditures resulting from such rounding off shall be adjusted against New Delhi Municipal Fund through Income and Expenditure Account.
- (4) The cash balance in hand with the cashier shall be verified by an officer, designated by Financial Advisor, with the cash book balance at intervals prescribed by the Financial Advisor and a certificate to that effect recorded in the cash

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book, by such officer. The Chairperson through Financial Advisor shall cause to be examined the entries and the closing balance in the cashbook, at the closing of the financial year, and have necessary certificate recorded.

- (5) The cashier shall not be given responsibility of compiling of account, unless the Chairperson by order otherwise directs in any specific case.

4. **Chart of Accounts.-** A "Chart of Accounts and Accounts Codification Structure", as amended, from time to time, in accordance with the procedure prescribed in the Manual, shall be maintained identifying the heads of accounts of income, expenditure, assets and liabilities under which all transactions of the Council are to be accounted for.

5. **Correction of misclassified items.-** After the accounts for a month or year have been compiled and audited, no change in figures shall be carried out except through journal entries duly approved by the officers authorized by the Financial Advisor. The reasons and the authority for making the change shall be recorded on those vouchers and a record of all such changes maintained in a journal. This may also be done by recording necessary change against original entries in the "Remarks" column of the relevant account forms, giving references to the entries in the journal:

Provided that where expenditure classified in the accounts of the previous year is required to be reclassified or where any expenditure incurred in the current year relates to the expenditure of the previous years and cannot be booked as expenditure of the current year, such expenditure may be booked under the head "prior period item".

6. **Refund of Income.-** Refund of income shall, as a general rule, be taken in reduction of the income under the concerned head:

Provided that if the refund of income pertains to any year other than the current year, it shall be reckoned as expenditure in the accounts of the current year under the head "prior period item".

7. **Monthly Account.-** (1) At the end of each month, a monthly abstract of all ledger balances under the General

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Account and special fund or funds, if any, shall be drawn up under the supervision of the Financial Advisor by the 15th of the second month following the month to which the accounts relate and shall be approved by the Chairperson.

- (2) The accounts so approved by the Chairperson shall be forwarded to the Chief Auditor who shall conduct a monthly examination and audit of the accounts of the Council and shall report thereon to the Chairperson, who shall place them before the Council for approval. The Chairperson shall thereafter publish monthly an abstract of the receipt and expenditure of the month last preceding signed by him and the Chief Auditor.
- (3) The Chairperson may, by order, direct, if he considers it necessary, the preparation of similar accounts on a quarterly and half-yearly basis.
- (4) If the Chairperson is satisfied that there is sufficient cause for not adhering to the date, referred to in sub-regulation (1), he may, for reasons to be recorded in writing, by order, extend the date for a further period not exceeding thirty days at a time:

Provided that every such extension shall be reported forthwith by the Chairperson to the Council and the Chairperson shall give effect to any order that may be passed by the Council in relation thereto.

8. **Annual Account.**- As soon as may be at the end of each year, an annual abstract shall be prepared by 30th June and submitted to the Chairperson and the Council in the manner set out in regulation 7:

Provided that if the Chairperson is satisfied that there is sufficient cause for not adhering to the above date, he may, for reasons to be recorded in writing, by order, extend the date for a further period not exceeding three months at a time:

Provided further that every such extension shall be reported forthwith by the Chairperson to the Council and the Chairperson shall give effect to any order that may be passed by the Council in relation thereto.

9. **Annual Financial Statements.**- (1) The Financial Advisor shall cause the annual financial statements for the preceding year in respect of General Accounts and special

fund or funds, if any, to be prepared by 30th June each year which shall be placed for approval of the Chairperson.

- (2) The annual financial statements shall include the following statements in the forms prescribed in the Manual:
- (a) Receipts and Payments Account for the year;
 - (b) Balance Sheet as on 31st March of the year;
 - (c) Income and Expenditure Statement for the year;
 - (d) Cash Flow Statement for the year;
 - (e) Significant accounting policies adopted by the Council in presentation of the financial statements; and
 - (f) Notes to Accounts which shall disclose contingent liabilities, and such other information as may be necessary.
- (3) Comparative amounts shall be entered on the financial statements for the preceding year except, in the case of the first year to which these regulations apply.
- (4) The annual financial statements duly approved by the Chairperson, referred to in sub-regulation (1), shall be forwarded to the Chief Auditor for examination and audit, which shall be completed within six months from the close of the financial year. The Chief Auditor shall thereafter, as soon as may be, deliver to the Chairperson a report of the entire accounts of the Council for the previous year for placing it before the Council for approval and adoption.
- (5) The Council shall approve and adopt the audited annual financial statements within nine months from the close of the financial year.
- (6) If the Chairperson is satisfied that there is sufficient cause for not adhering to the above date or period, as the case may be, referred to in sub-regulations (1), (4) and (5), he may, for reasons to be recorded in writing, by order, extend the date or period for a further period not exceeding three months, at a time:

Provided that every such extension shall be reported forthwith by the Chairperson to the Council and the Chairperson shall give effect to any order that may be passed by the Council in relation thereto.

10. **Temporary allocation to Control Account under Assets and Liabilities Heads.** - Items of payment, which cannot at once be taken to final head owing to lack of information as to their nature or for any other reason, may be held

temporarily under the head "Control Account". An item of income of which full particulars are not given may also similarly be taken to the head "Control Account". The "Control Account" shall have nil balance at the end of the year.

11. **Income under more than one head.**- For the sake of convenience or for other special reasons, income or expenditure pertaining to more than one head may be booked in the first instance under one of the heads concerned, but the portion creditable or debitable to the other head or heads involved shall be transferred from the former to the latter before the accounts of the year are closed. No alteration of figures shall be allowed to be made except in the manner stated in regulation 5.
12. **Record of the capital expenditure in accounts.**- Expenditure of a capital nature shall be maintained in such manner as may be prescribed in the Manual to meet the requirements of accrual based double entry system of accounts.
13. **Period of Accounts.**- The annual accounts of the Council which the Financial Advisor is required to render, shall record all transactions which take place during the year.
14. **Financial Advisor as Technical Advisor.**- Subject to the superintendence, direction and control of the Chairperson, the Financial Advisor shall be responsible for the proper maintenance of all accounts and for their internal check and examination of all the transactions in the manner and form as specified by these regulations or the Manual. For this purpose, he and his subordinates shall have access to all documents and records relating to any transaction.
15. **Physical Verification of Assets.**- The Chairperson shall cause to devise ways and means for the regular physical verification of various assets of the Council or under its control such as land, buildings, stores, plant, machinery, etc.
16. **Asset Register.**- The Chairperson shall cause to be maintained category-wise registers of all assets in the formats and manner specified in the Manual.

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17. Computerized accounting.- The accounting records required to be maintained under these regulations may be kept wholly or partly in a computer based system as and when the Chairperson deems it appropriate.

By Order and in the Name of the Lt. Governor of
the National Capital Territory of Delhi,

B. V. SELVARAJ, Principal Secy.