

**Proceedings at the Regional Workshop on
Municipal Accounting Reforms**
October 21, 2005, Hotel Hilton Towers, Mumbai

A regional Workshop on Municipal Accounting Reforms was organized jointly by Ministry of Urban Development, GOI, (MoUD), Department of Urban Development, Government of Maharashtra, National Institute of Urban Affairs (NIUA) and Financial Institutions Reforms & Expansion Project, FIRE (D), USAID on October 21, 2005, at Hotel Hilton Towers, Nariman Point, Mumbai.

Pilot Project launched in Bombay on Accounting Manual in some of the divisions. It will help in developing the National Manual and thereafter, state can also prepare their own manuals according to their specific requirements. It was enumerated that the Manual provided the policies/registers/formats, unique coding structure, flexibility for fund accounting, period-end requirements including the audit reports; the budget and MIS reports; the guidelines of preparing the opening Balance Sheet; and also provided the flexibility of states to amend and make it as per their requirements.

Members thanked the joint efforts of MoUD and C&AG for bringing out the National Municipal Accounts Manual (NMAM) and the committee constituted in this regard by the Comptroller & Auditor General (C&AG).

This Regional Workshop focused on:

- Salient Features of National Municipal Accounts Manual
- Road map for implementing financial management reforms
- State's & city' Response to the national Accounts manual
- Policy decision by state governments on adoption of the Task Force report on accrual system of accounting by ULBs
- The key benefit of having a uniform accounting manual was to promote good governance at the ULB level.

Only those ULBs, which show accountability and transparency and have good accounting system, can have access to various sources of funds of the government. Multilateral agencies are willing to support and it is for ULB's to deliver and become self-sufficient.

It was also stressed that next agenda are development of account software and a training manual. FIRE project in the current phase will support on target states. FIRE will provide support in customizing NMAM according to the states requirement.