

**GOVERNMENT OF INDIA
URBAN DEVELOPMENT AND POVERTY ALLEVIATION
LOK SABHA**

UNSTARRED QUESTION NO:1145
ANSWERED ON:09.12.2003
MODEL MUNICIPAL LAW
NANDIPAKU VENKATASWAMY

Will the Minister of URBAN DEVELOPMENT AND POVERTY ALLEVIATION be pleased to state:

- (a) whether the Union Government propose to bring forward a legislation for enactment of a `Model Municipal Law` for facilitating accounting reforms etc.;
- (b) if so, the details thereof;
- (c) whether the State Governments have been consulted in this regard; and
- (d) if so, the response of the State Governments thereon?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF URBAN DEVELOPMENT AND POVERTY ALLEVIATION
(SHRI BANDARU DATTATRAYA)

(a) to (d): At present there is no such proposal under consideration of the Government. However, to facilitate State Governments to bring needed reforms in the municipal accounting system of Urban Local Bodies, a Task Force was set up under the Chairmanship of Comptroller & Auditor General of India. In its report the Task Force has suggested Municipal Accounting and Budget Formats for Urban Local Bodies with appropriate codification and classification of Budget and Accounts Heads. As per Entry 5 of the State List of Seventh Schedule of the Constitution, local government is a State subject. Hence, the report of the Task Force has been circulated to all States for taking necessary action so as to bring needed municipal accounting reforms at the local body level. Ministry of Urban Development & Poverty Alleviation have also brought out a Model Municipal Law, which, inter-alia, contain provisions for municipal accounting reforms. While framing the Model Municipal Law, the States were duly consulted and they have appreciated the efforts of the Government in drafting the Model Municipal Law.