

# **GREATER CHENNAI CORPORATION, TAMIL NADU**

## **Best Practice on Finance and Accounts Management**



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## 1. Introduction

- 1.1. The Greater Chennai Corporation (GCC), established on the 29th of September 1688, is the oldest Municipal Institution in India and the second oldest in the world.
- 1.2. With an annual budget of more than 7,000 Crores and a strength of 15,000+ staff and 17,000 Pensioners, the GCC is responsible for:
  - Maintaining 45,000+ roads.
  - Maintaining storm water drain length of more than 1200 Km.
  - Maintaining street lights 2,13,045.
  - Collection of Property Tax from 1.33 Million properties.
  - Maintaining 500 parks & 113 community halls.
  - Leasing out 153 shopping complexes with 6500 shops.
  - Handling 5,200 MT of solid waste per day.
  - Handling a fleet with 1,000+ conservancy vehicles.

## 2. Need of Project

- 2.1. Greater Chennai Corporation (GCC) is the first Corporation to adopt & practice Double Entry Accrual Based Accounting System in compliance with NMAM (National Municipal Accounts Manual).
- 2.2. GCC had a system of month-end data entry of all the Financial Transactions that generated financial reports for analysis.

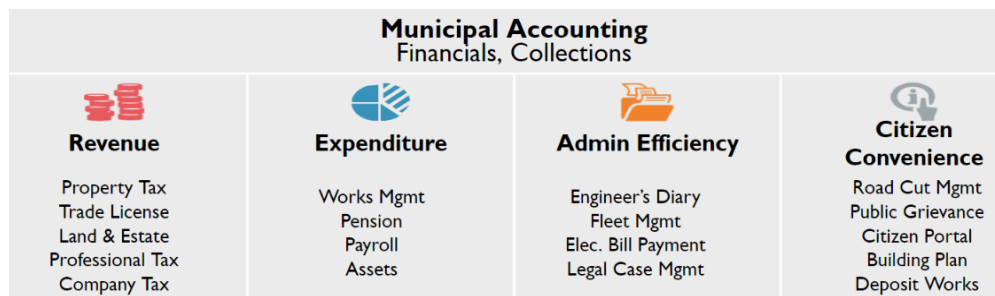


Figure 1: Objectives of the module as envisioned by GCC

### 3. Implementation Timeline

- 3.1. GCC initiated the plan to upgrade to an online system incorporating the NMAM in lieu of a 3-digit CoA in the year 2008.
- 3.2. eGovernments Foundation was engaged to implement an Integrated ERP with the Financial and Accounting module as the core and the Finance and Accounts which was given Go-live in 2012.
- 3.3. The timeline of digital governance initiatives taken by GCC is depicted in Figure 2:

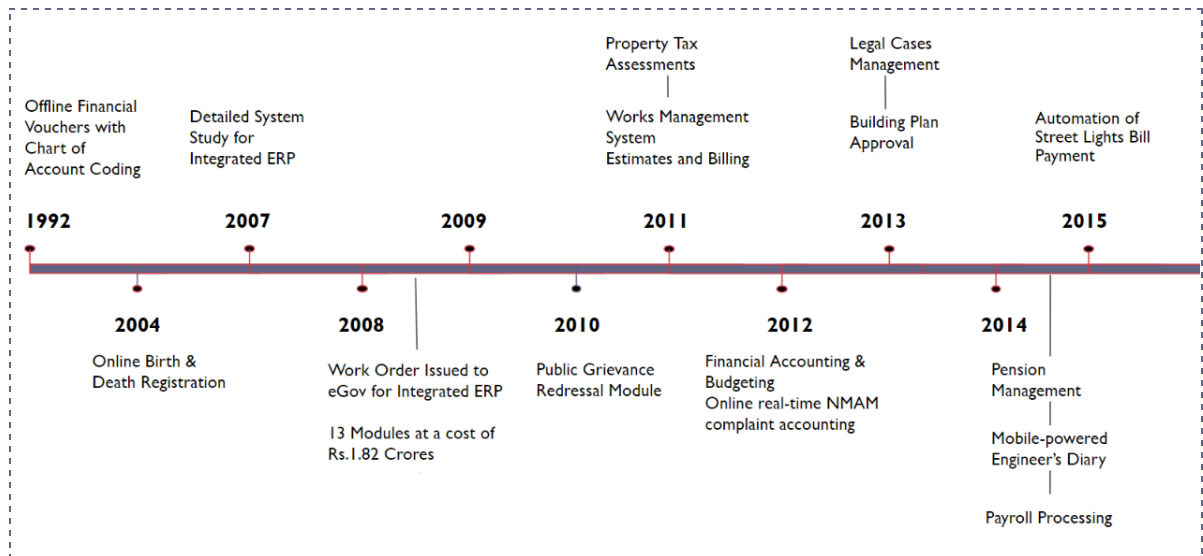


Figure 2: Implementation timeline of digital governance initiatives at GCC

### 4. Roll-out Strategy

- 4.1. A strategic roll-out plan was formulated with the following steps:
  - The non-financial modules like PGR were released initially.
  - Onsite training prior to the release and frequent refresher training with onsite support for the users was provided.
  - Orders were issued by the management to restrict manual operations from a certain cut-off date.

- The financial module and collection module were then released with 'Receipts and Challans' provisions to account for the collections.

## 5. Features of the ERP 1.0 System Architecture

5.1. Figure 3 depicts Financial Accounting as the Core Functional Module with tight integration with all the functional modules.

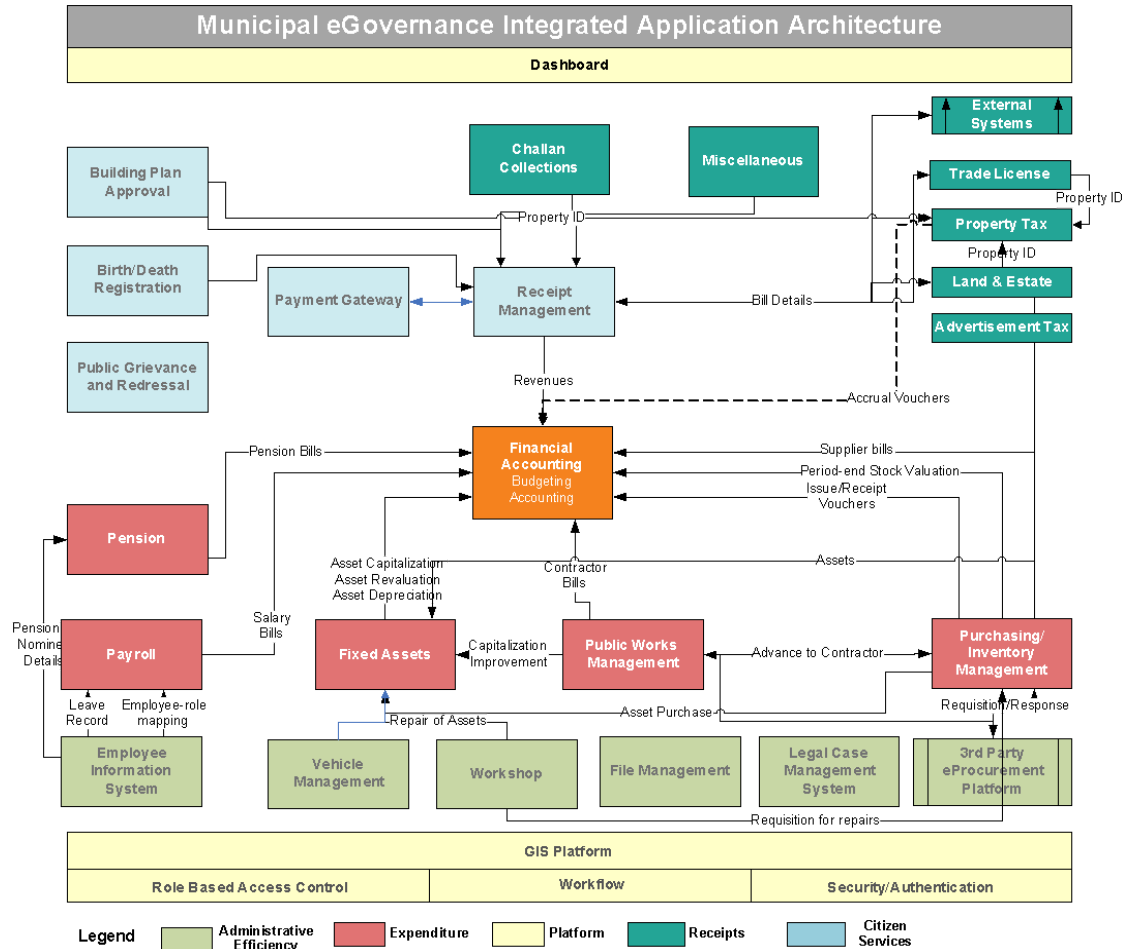


Figure 3: Municipal e-Governance Integrated Application Architecture

5.2. The module boasts of various unique features, such as:

- Tools and Reports provided to aid the Year End Account Closure.
- Sub-Ledger to get details of individual entity-level expenses.

- Drill down option in Trial Balance to analyze the records up to bills and source of bills.
- Income/Expenditure on GCC as a whole to Department Level and Function/Cost Center Level.
- Auto Journalization of all Functional Transactions.

## 6. Blocks and Components of the Financial Management Product

6.1. The product is built around three fundamental blocks, as depicted in Figure 4.

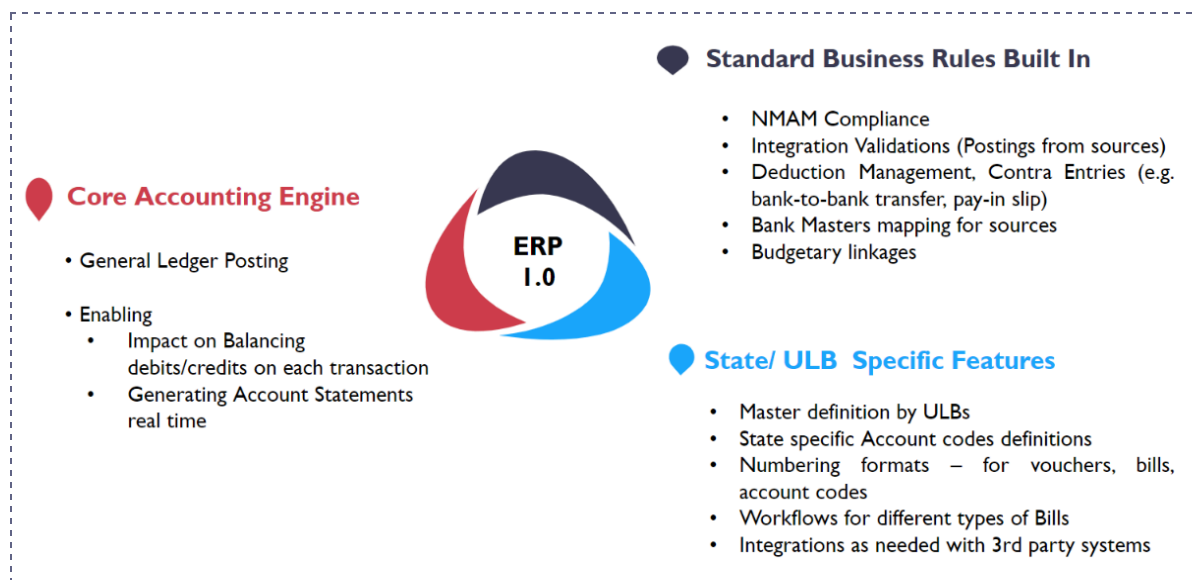


Figure 4: Three Fundamental Blocks

6.2. The key components of the product are mentioned below:

### 6.2.1. General:

- NMAM Compliant - CoA, Transaction Attributes, and Reports.
- Flexible - Definition of Financial years and Closure periods.
- Ready API for easy Integrations.

#### 6.2.2. **Processing of Payments:**

- Bill processing - Generation of bills for varied items such as purchases, works, and salaries.
- Payment Processing - Payments are processed based on the type of expense types including Salary, Contingent expense, Purchase, and Works (including those from 3rd party systems).

#### 6.2.3. **Processing of Payments:**

- Receipts Processing - from other eGov modules or from 3rd party apps.
- Configurable - Service Wise, Bank Mapping.
- Remittances - Configurable individual-wise.

#### 6.2.4. **Budgeting:**

- Uploadable Budgets - Along Accounts & Account Groups.
- Budgetary Controls - for Planning & Transactions. Flexible & Configurable.
- Budget Enforcement - at transaction level at any stage during the expense processing lifecycle.
- Budget Re-appropriations - made Easy.

#### 6.2.5. **Asset Management:**

- Asset Categorizations.
- Asset Depreciation - Straight-line & Written down value.
- Asset Capitalization, Improvement, Revaluation, Sale, and Disposal.

#### 6.2.6. **Contra Entry:**

- Pay-in Slip - Deposit of cheques to a bank account.
- Bank Transfer - One Bank Account to Another account across banks but within the same fund.

- Inter Fund Transfer - Transfer from one fund to another (2 Inter fund-related Vouchers generation).
- Cash Deposit - Transfer from a Cash Account to Bank Account is done quickly.

6.2.7. **Others:**

- Bank reconciliation - Easy reconciliations with Bank.
- Deduction Management - Deduction of recovery at the time of bill creation and Configuration - based recoveries & its remittance.
- Period End Activities - Closure of a Period, Transfer of Closing Balances, Opening Balances updates.

## 7. Compliance with National Municipal Accounts Manual (NMAM)

7.1. The module provides NMAM-compliant end-to-end financial management, as shown in Figure 5.

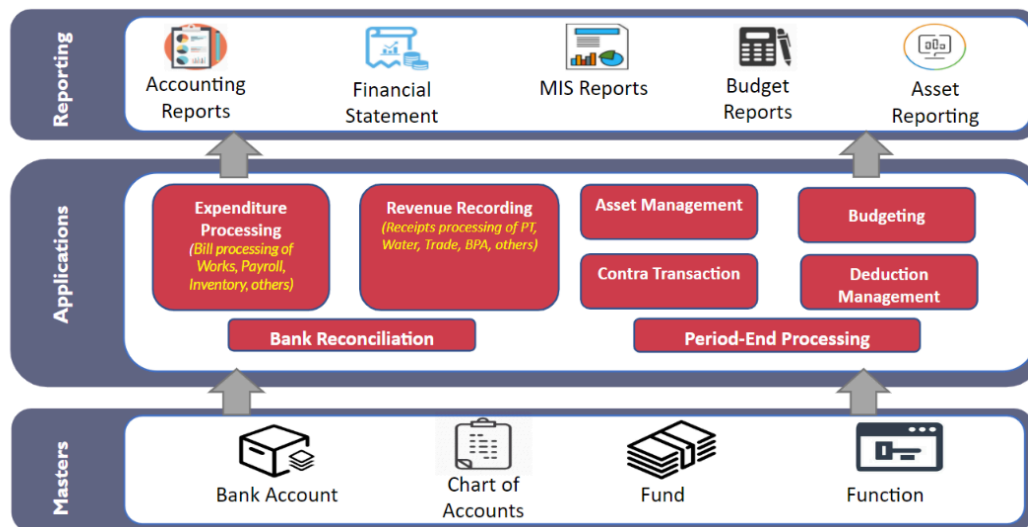


Figure 5: End-to-end compliance with NMAM

7.2. Various reports can be generated for easy use and easy reconciliations with NMAM, as required. Some important reports are shown in Figure 6.

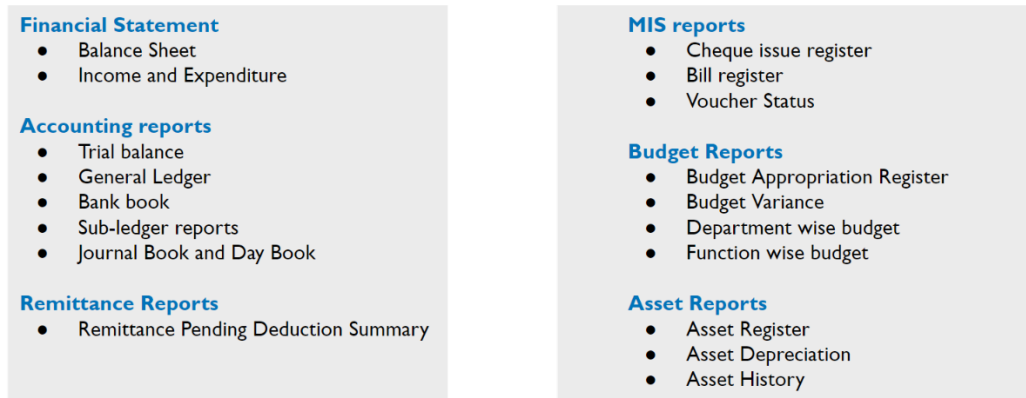


Figure 6: Important lists that can be generated

## 8. Process Flow

8.1. The process flow for collections is depicted in Figure 7.

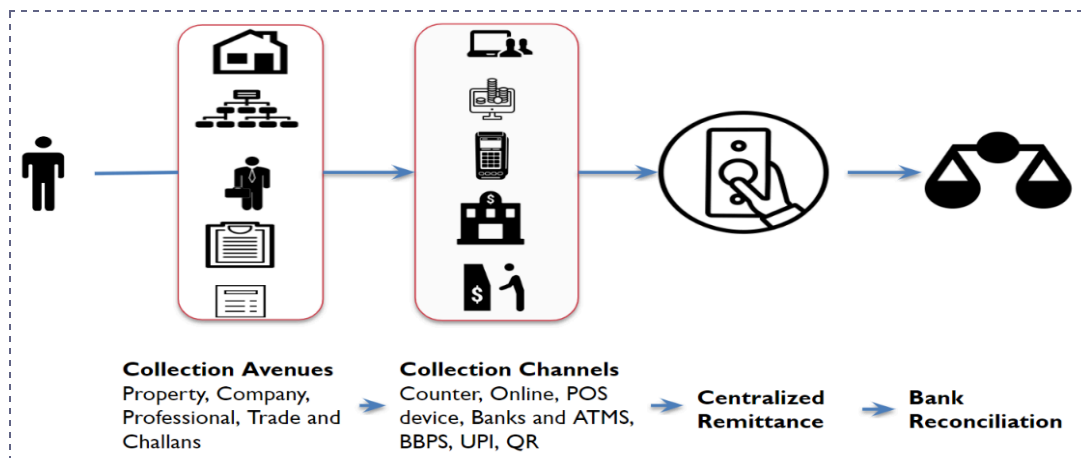


Figure 7: Process flow for collections

8.2. The process flow for revenue applications is depicted in Figure 8.

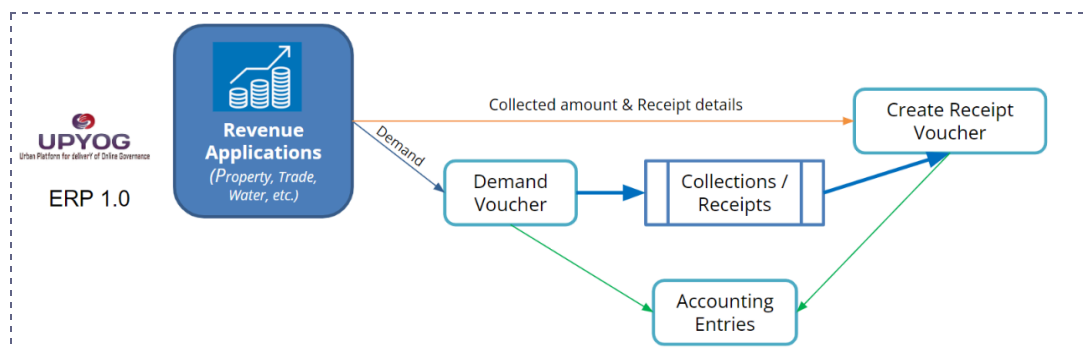


Figure 8: Process flow for Revenue applications

8.3. The process flow for expenditure management is depicted in Figure 9.

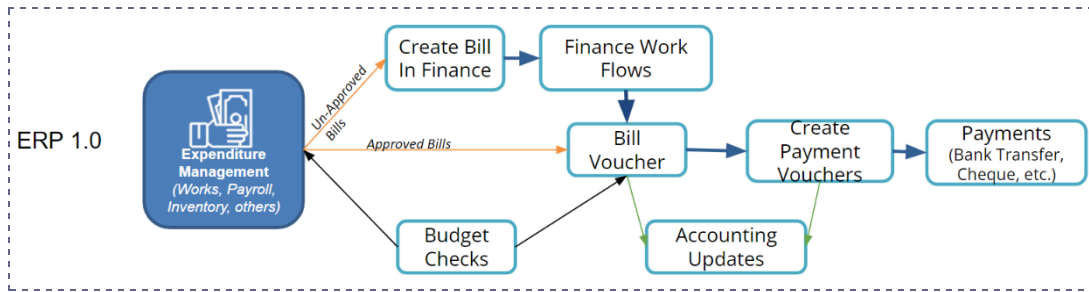


Figure 9: Process flow for Expenditure management

## 9. Application Screens

9.1. The trial balance screen is depicted in Figure 10. Clicking on the voucher gives the details of the source which is used in creating the voucher.

| Create Bank to Bank Transfer   |   |                  |   |
|--|---|------------------|---|
| Voucher Number   | 203L00000019042023-24                           | Voucher Date     | 29/04/2023                                |
| Transfer From  |   |                  |   |
| Fund *   | 02-Capital Fund                                 | Scheme           | ---                                       |
| Sub scheme   | ---   | Fund Source      | ---                                       |
| Department **  | A-Accounts Central Cell                         |                  |   |
| Function   | 000000-Accounts Central Cell                    |                  |   |
| Bank *   | ICICI BANK NUNUGAMBANKAM BRANCH                 | Account No *     | 00000113884   ICICI BANK - Improvement of |
| Balance (Rs.) *  | 123344000.00                                    |                  |   |
| Transfer To  |   |                  |   |
| Fund   | 01-Municipal Fund                               | Department *     | A-Accounts Central Cell                   |
| Bank *   | INDIAN OVERSEAS BANK CHENNAI CORPORATION BRANCH | Account No *     | 13110200000700   IOB - REVENUE PAYMENT A  |
| Balance (Rs.) *  | 1151701.00                                      |                  |   |
| Source Fund  | 31110100-CAPITAL FUND - REVENUE ACCOUNT         | Destination Fund | * 31110100-REVENUE FUND - CAPITAL ACCOUNT |
| Mode of Transaction *  | cheque  |                  |   |
| Cheque Number *  | FAC.No B11080/2023-24                           | Cheque Date      | 29/04/2023                                |
| Amount (Rs.) *   | 91000000.00                                     |                  |   |
| Narration<br>BEING THE JOURNAL ENTRY FOR TRANSFER OF FUNDS FROM ICICI (NUNUGAMBANKAM) TO IOB (100) THROUGH RTGS VIDE FAC.NO. B11080/2023-2024, DATED: 29/04/2023 |   |                  |   |

Figure 10: Application screen for Trial Balance

9.2. Figure 11 depicts the Balance Sheet screen with account codes, heads, schedule numbers, and figures.

| Greater Chennai Corporation  |  |             |                |                 |
|--|--|-------------|----------------|-----------------|
| Balance Sheet Report for the year 2023-24 in D-Storm Water Drains for 02-Capital Fund for 202500-Storm Water Drain in 016-STORM WATER DRAINS |  |             |                |                 |
| Report Run Date:30/05/2023   |  |             |                |                 |
| Account Code   | Head Of Account                            | Schedule No | 31-Mar-2024    | 31-Mar-2023     |
| <b>LIABILITIES</b>   |  |             |                |                 |
| <b>Reserves and Surplus</b>  |  |             |                |                 |
| 310  | Fund Balance                               | B-01        | 0.0            | 0.0             |
| 311  | EARMARKED FUNDS                            | B-02        | 0.0            | 0.0             |
| 312  | RESERVE                                    | B-03        | 0.0            | 0.0             |
|  | <b>Total</b>                               |             | <b>0.0</b>     | <b>0.0</b>      |
| <b>Grants Contributions for Specific Purposes</b>  |  |             |                |                 |
| 320  | GRANTS, CONTRIBUTION FOR SPECIFIC PURPOSES | B-04        | 0.0            | 0.0             |
|  | <b>Total</b>                               |             | <b>0.0</b>     | <b>0.0</b>      |
| <b>Loans</b>   |  |             |                |                 |
| 330  | SECURED LOANS                              | B-05        | 0.0            | 0.0             |
| 331  | UNSECURED LOANS                            | B-06        | 0.0            | 0.0             |
|  | <b>Total</b>                               |             | <b>0.0</b>     | <b>0.0</b>      |
| <b>Current Liabilities and Provisions</b>  |  |             |                |                 |
| 340  | DEPOSITS RECEIVED                          | B-07        | 366.70         | 568.29          |
| 341  | DEPOSIT WORKS                              | B-08        | 0.0            | 0.0             |
| 350  | OTHER LIABILITIES                          | B-09        | 293.36         | 454.63          |
| 360  | PROVISIONS                                 | B-10        | 0.0            | 0.0             |
|  | <b>Total</b>                               |             | <b>660.06</b>  | <b>1022.92</b>  |
|  | <b>Total LIABILITIES</b>                   |             | <b>660.06</b>  | <b>1022.92</b>  |
| <b>ASSETS</b>  |  |             |                |                 |
| <b>Fixed Assets</b>  |  |             |                |                 |
| 410  | FIXED ASSETS                               | B-11        | 0.0            | 0.0             |
| 411  | ACCUMULATED DEPRECIATION                   | B-12        | 0.0            | 0.0             |
| 412  | CAPITAL WORK IN PROGRESS                   | B-13        | 8654.01        | 13132.97        |
|  | <b>Total</b>                               |             | <b>8654.01</b> | <b>13132.97</b> |

Figure 11: Application screen for Balance Sheet

9.3. Figure 12 depicts the Income & Expenditure screen with details of I&E statements.

| Account Code | Head Of Account                            | Schedule No | Revised Estimated 2023-24 | Totals As On 30-May-2023 | Totals As On 30-May-2022 | Totals As On 30-May-2023 | Totals As On 30-May-2022 | Totals As On 30-May-2023 | Totals As On 30-May-2022 | Totals As On 30-May-2023 | Totals As On 30-May-2022 |
|--------------|--|-------------|---------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 110          | TAX REVENUE                                | 1-01        |                           | 3536.60                  | 4113.79                  |                          |                          |                          |                          |                          |                          |
| 120          | ASSIGNED REVENUE AND COMPENSATIONS         | 1-02        |                           | 7506.63                  | 5952.24                  |                          |                          |                          |                          |                          |                          |
| 130          | RENTAL INCOME FROM MUNICIPAL PROPERTIES    | 1-03        |                           | 376.86                   | 1160.52                  |                          |                          |                          |                          |                          |                          |
| 140          | FEES AND USER CHARGES                      | 1-04        |                           | 2694.18                  | 2199.44                  | 16.33                    | 15.38                    | 0.04                     |                          |                          |                          |
| 150          | SALE AND HIRE CHARGES                      | 1-05        |                           | 111.86                   | 11.92                    |                          | 0.00                     | 0.03                     |                          |                          |                          |
| 160          | Revenue Grants, Contribution and Subsidies | 1-06        |                           | 26150.09                 | 28104.76                 | 300.00                   |                          |                          |                          |                          |                          |

Figure 12: Application screen for I&E

9.4. The fund flow analysis for both capital and revenue accounts can be generated. Figure 13 shows the application screen for fund flow analysis of capital account.

| Bank                       | Fund Name       | COA       | Account Number  | Opening Balance | Current Receipt | CSL Transfer To Payment/Receipt Banks | CSL Transfer From Payment/Receipt Banks | Funds Available | Concurrence Done For The Day | Closing Balance | OutStanding BPVs |
|----------------------------|-----------------|-----------|-----------------|-----------------|-----------------|---------------------------------------|---|-----------------|------------------------------|-----------------|------------------|
| CAN                        | 02-Capital Fund | 450210903 | 0979101404202   | 2.33            | 0.00            | 0.00                                  | 0.00                                    | 2.33            | 0.00                         | 2.33            | 0.00             |
| PNB                        | 02-Capital Fund | 450211700 | 25110200019693  | 2.71            | 0.00            | 0.00                                  | 0.00                                    | 2.71            | 0.00                         | -360.46         | 363.17           |
| IOB                        | 02-Capital Fund | 450212700 | 17110200001000  | 3.13            | 0.00            | 0.00                                  | 0.00                                    | 3.13            | 0.00                         | -233.04         | 236.87           |
| ICICI                      | 02-Capital Fund | 450320000 | 000901125440    | 435.20          | 0.00            | 0.00                                  | 0.00                                    | 435.20          | 0.00                         | 435.20          | 0.00             |
| ICICI                      | 02-Capital Fund | 450320002 | 000901125830    | 88.11           | 0.00            | 0.00                                  | 0.00                                    | 88.11           | 0.00                         | 88.11           | 0.00             |
| ICICI                      | 02-Capital Fund | 450320003 | 000901125480    | 9.87            | 0.00            | 0.00                                  | 0.00                                    | 9.87            | 0.00                         | 9.87            | 0.00             |
| ICICI                      | 02-Capital Fund | 450320004 | 000901127991    | 312.78          | 0.00            | 0.00                                  | 0.00                                    | 312.58          | 0.18                         | 312.58          | 0.00             |
| ICICI                      | 02-Capital Fund | 450320005 | 000901128905    | 213.91          | 0.00            | 0.00                                  | 0.00                                    | 213.91          | 0.00                         | 213.91          | 0.00             |
| BOI                        | 02-Capital Fund | 450320100 | 80121010004993  | 117.06          | 0.00            | 0.00                                  | 0.00                                    | 117.06          | 0.00                         | 117.06          | 0.00             |
| ABL                        | 02-Capital Fund | 450320200 | 92201000008294  | 356.30          | 0.00            | 0.00                                  | 0.00                                    | 329.00          | 31.24                        | 321.18          | 6.90             |
| ICICI                      | 02-Capital Fund | 450320203 | 000901139979    | 0.00            | 0.00            | 0.00                                  | 0.00                                    | 0.00            | 0.00                         | 0.00            | 0.00             |
| SBI                        | 02-Capital Fund | 450320204 | 40740091491     | 6027.07         | 0.00            | 0.00                                  | 0.00                                    | 6029.95         | 0.42                         | 3107.63         | 1919.02          |
| SBI                        | 02-Capital Fund | 450320209 | 40827748893     | 2.98            | 0.00            | 0.00                                  | 0.00                                    | 2.98            | 0.00                         | 2.98            | 0.00             |
| SBI                        | 02-Capital Fund | 450320206 | 40788678874     | 90.97           | 0.00            | 0.00                                  | 0.00                                    | 90.98           | 0.49                         | 90.98           | 0.00             |
| SBI                        | 02-Capital Fund | 450320207 | 40810424395     | 0.44            | 0.00            | 0.00                                  | 0.00                                    | 0.44            | 0.00                         | -664.30         | 664.83           |
| ABL                        | 02-Capital Fund | 450320208 | 922010031545774 | 2509.18         | 0.00            | 0.00                                  | 0.00                                    | 2509.18         | 0.00                         | 2509.18         | 0.00             |
| ABL                        | 02-Capital Fund | 450320209 | 922010031556807 | 43.15           | 0.00            | 0.00                                  | 0.00                                    | 43.15           | 0.00                         | 43.15           | 0.00             |
| SBI                        | 02-Capital Fund | 450320210 | 4135788572      | 662.27          | 0.00            | 0.00                                  | 0.00                                    | 672.31          | 0.66                         | 664.80          | 7.42             |
| ABL                        | 02-Capital Fund | 450320211 | 92202001650209  | 79.36           | 0.00            | 0.00                                  | 0.00                                    | 79.28           | 1.11                         | 78.10           | 0.18             |
| ICICI                      | 02-Capital Fund | 450320212 | 000901130854    | 12333.44        | 0.00            | 0.00                                  | 0.00                                    | 12333.44        | 0.00                         | 12333.44        | 0.00             |
| IOB                        | 02-Capital Fund | 450412500 | 17110100004943  | 397.22          | 0.00            | 0.00                                  | 0.00                                    | 397.22          | 0.00                         | 397.22          | 0.00             |
| IB                         | 02-Capital Fund | 450413800 | 6375403216      | 2064.28         | 0.00            | 0.00                                  | 0.00                                    | 2064.28         | 0.00                         | 2064.28         | 0.00             |
| CAN                        | 02-Capital Fund | 450413801 | 0979101404690   | 52.73           | 0.00            | 0.00                                  | 0.00                                    | 52.73           | 0.00                         | 52.73           | 0.00             |
| CAN                        | 02-Capital Fund | 450413802 | 0979101405651   | 17.91           | 0.00            | 0.00                                  | 0.00                                    | 17.91           | 0.00                         | 17.91           | 0.00             |
| FED                        | 02-Capital Fund | 450414000 | 12820100134387  | 886.36          | 0.00            | 0.00                                  | 0.00                                    | 886.36          | 0.00                         | 886.36          | 0.00             |
| ICICI                      | 02-Capital Fund | 450414001 | 000901135494    | 0.00            | 0.00            | 0.00                                  | 0.00                                    | 0.00            | 0.00                         | -2039.93        | 2039.93          |
| HDFC                       | 02-Capital Fund | 450414002 | 50100397588908  | 179.95          | 0.00            | 0.00                                  | 0.00                                    | 179.95          | 0.00                         | 179.95          | 0.00             |
| <b>Total (B)</b>           |                 |           |                 | <b>28211.80</b> | <b>0.00</b>     | <b>0.00</b>                           | <b>0.00</b>                             | <b>26168.40</b> | <b>43.40</b>                 | <b>20134.50</b> | <b>6033.81</b>   |
| <b>Grand Total (A + B)</b> |                 |           |                 | <b>28212.32</b> | <b>0.00</b>     | <b>0.00</b>                           | <b>0.00</b>                             | <b>26168.40</b> | <b>43.40</b>                 | <b>20135.11</b> | <b>6033.81</b>   |

Figure 13: Application screen for Fund flow analysis of Capital a/c

9.5. Various other screens such as Bulk payment, RTGS assignment, Concurrence reports, Budget variance reports and Budget appropriation reports are also available.

## 10. Impacts & Benefits

10.1. The implementation of the module led to a multi-fold impact, as explained below.

### 10.1.1. In Collections:

- Centralized Collection across all modes due to a large number of channels, i.e. Online, Counter, POS, ATM, Banks, UPI, and QR Code.
- Constant increase in revenue, i.e. from 350 cr in 2012 to 1500 cr in 2022-23 in Property Tax.
- Faster and Convenient Challan payments.
- Citizen wait time reduced from 4-6 hours to 15 minutes.
- Real-time visibility into the revenues of the corporation.
- Help to the corporation in planning its expenditure and payments.

- Faster Bank Reconciliation (Both Remittance and cheques).

#### 10.1.2. **In Engineering Works:**

- Complete budgetary control in the system as 1800 manual budget books to track budget were replaced by a Budget Appropriation Register and a Planning Budget Appropriation Register.
- Complete visibility into the progress of all public works.
- Ease of reviewing Works as per Region/Zone/Ward/ Department/Type of Work/Contractor.
- Easy generation of Work Reports.

#### 10.1.3. **In Payments:**

- 7000 Crore of payments with over 1.5 lakh BPVs handled by the system.
- Bills approved by the line department are posted to Financials for payments.
- Real-time visibility into the expenditure of the corporation.
- Centralized Concurrence and payments based on the fund availability.
- Payments as RTGS Advice; Manual cheques for IT and GST Remittance only.

#### 10.1.4. **In Citizen Services:**

- Property Tax - Payment, Receipts, Service Requests, Dues.
- Grievance Redressal - Raise, Track, Re-open, Feedback.
- Professional Tax - Registration, Renewal, and Payment.
- Company Tax - Registration, Renewal, and Payment.
- Shop Rent - Payment.

- Building License - Registration, Plan Scrutiny, Fee Payment.
- Road Cut Requests - Registration and Payment.
- Trade License - Renewal and Payment.

10.1.5. **In Citizen Empowerment:**

- Analysis of GIS computed Property Area Vs User declared Area and Resurvey of Properties to improve Property Demand.
- Budget Allocated for capital works in their Regions.
- QR Code for all the Properties including Public Properties and enabling property owners as well as Tenants to request Services.
- Ongoing works with work value, contractor, payments made, expected date of completion, and defect liability period.
- Actual Spend/Progress in Ward Vs Estimated Projects.
- Participatory Forum – For taking up Capital Works.
- Property Tax Demand Vs Collection Vs Spend in their Ward.

10.2. Table 1 summarizes the overall impact of various digital governance modules.

| Module                         | Usage  | Impact   |
|--------------------------------|--|--|
| <b>Public Works Management</b> | <ul style="list-style-type: none"> <li>• 80,000 work orders amounting to 10,000 crore.</li> <li>• Over 60,000 contractor payments.</li> </ul>                              | <ul style="list-style-type: none"> <li>• Efficiency gains of 400 man years.</li> <li>• Improved decision-making as the entire data is available for analysis.</li> <li>• Improved utilization of Municipal expenses.</li> </ul>                                      |
| <b>Financial Accounting</b>    | <ul style="list-style-type: none"> <li>• Over 40 lakh financial vouchers passed in the system.</li> <li>• More than 10 lakh payments amounting to 25,000 crore.</li> </ul> | <ul style="list-style-type: none"> <li>• Real-time accounting.</li> <li>• Centralized Financial Concurrence for 100% of the payments with auto consolidation First of its kind in the country.</li> <li>• Accounts of FY 2010-11 to 2014-15 in 12 months.</li> </ul> |

|                               |   |  |
|-------------------------------|---|--|
| <b>Grievance Redressal</b>    | <ul style="list-style-type: none"> <li>Over 1.5 lakh complaints registered.</li> <li>Over 90% of complaints redressed.</li> </ul> | <ul style="list-style-type: none"> <li>Over 25 man years saved for Public.</li> <li>Over 500 man-years saved for Govt.</li> <li>Improved analysis – Proactive action.</li> </ul> |
| <b>Property Tax</b>           | <ul style="list-style-type: none"> <li>Tracking 13.5 lakh properties.</li> <li>Collected 1,500 crores in last FY.</li> </ul>      | <ul style="list-style-type: none"> <li>Payment through payment gateway, banks, handhelds, and ATMs.</li> <li>Online assessment.</li> </ul>                                       |
| <b>Building Plan Approval</b> | <ul style="list-style-type: none"> <li>Over 20,000 building plans created; 10,000 plans approved.</li> </ul>                      | <ul style="list-style-type: none"> <li>Contactless service delivery with SMS/alerts at each step of the process.</li> </ul>  |

*Table 1: Overall impact of various digital governance modules implemented by GCC*

## 11. Best Practices

### 11.1. Automating Financial Practices:

11.1.1. GCC has implemented a number of automated financial processes, such as:

- Consolidation of Contractor Payments
- Day end Bank wise, Service Type wise Remittance Reports
- Consolidated BRV for the day for Revenue Collections Service Wise
- GPF/CPS Ledgers updated on Pay Bill Process
- Consolidated Bank Wise Pay Advice for both Payroll and Pension
- Centralised Cheque Bounce Marking and tracking of Collections against it.

11.1.2. This has helped in improving efficiency and reducing costs.

### 11.2. Implementing a Strong Internal Control System:

11.2.1. The need for a Strong Internal Control System was recognized by GCC, which leads to a robust system and prevents fraud and errors.

11.2.2. Built-in System validations are one such feature which:

- Validates Budget Control automatically for CoA which needs budget check.
- The system validates zero difference between Cr and Dr while creating any voucher.
- Validates a single Cost center in a Voucher/Journal. Enables Cost center-wise I&E.
- Capital work payments are enabled only through RTGS mode.
- Workflows are dynamic and system defined - based on service type, scheme, and value of the bill.
- Sub-ledger selection is mandatory for all CoA for the payment process.
- Recovery remittance report for all deductions.

11.2.3. This includes a number of measures, such as segregation of duties, independent checks, and reconciliations.

### 11.3. **Conducting Regular Audits:**

11.3.1. GCC regularly conducts the following audits:

- Pre-Audit by the Unit Account Cell in every Department.
- Audits of its financial statements by Local Fund Audit.
- Performance Audit conducted by AG's Office.

11.3.2. These audits help to ensure that the financial statements are accurate and reliable.

### 11.4. **Providing Timely Financial Information:**

11.4.1. GCC provides timely financial information to its stakeholders, such as the government, the public, and investors.

11.4.2. Centralized Concurrence which provides the Bank Balances in a single page view along with the upcoming payments. (GCC operates more than 150 Bank accounts).

- 11.4.3. I&E upto the level of ULB, Department, and Function.
- 11.4.4. Real-time Budget Appropriation Report and Planning Budget Appropriation for Works.
- 11.4.5. Collection Performance reports based on:
  - Compared to the previous year.
  - Against the Set Target (Weekly/Monthly/Half Yearly/Annual).
  - Collections against Filters like (Jurisdiction / Type of Property / Demand Range/ Arrear).
- 11.4.6. Data-Driven Decisions - e.g. Payment Prioritisation for certain types of Works.

## **12. Key Takeaways for States/UTs**

- 12.1. Implementation of the finance & accounting module can enable ULBs to comply with provisions of NMAM, fostering standardization, transparency, credibility, and effective resource utilization.
- 12.2. To facilitate smooth change management, it is crucial for States/UTs to prioritize providing employees with hands-on training before the release of the module, as well as regular refresher training sessions.
- 12.3. The implementation of the module should be supported by practices such as conducting frequent internal audits, incorporating built-in system validations, and ensuring prompt financial reporting.