

## **HYDERABAD MUNICIPAL CORPORATION BUDGET ESTIMATES RULES, 1968**

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## **HYDERABAD MUNICIPAL CORPORATION BUDGET ESTIMATES RULES, 1968**

In exercise of the powers conferred by Sub-section (2) of Section 585, read with Section 184 (2) (e) of the Hyderabad Municipal Corporations Act, 1955 (Act II of 1956), the Governor of Andhra Pradesh hereby makes the following rules, the same having been previously published as required by Sub-section (3) of Section 585 of the said Act.

### **1. Short title and commencement :-**

(1) These rules may be called the Hyderabad Municipal Corporation Budget Estimates Rules, 1968.

(2) They shall come into force from the date of publication in the Andhra Pradesh Gazette.

### **2. Definitions :-**

(1) In these rules, unless there is anything repugnant in the subject or context. (i.e., from 8-8-1968).

(a) 'Act' means the Hyderabad Municipal Corporations Act, 1955 (Act II of 1956;

- (b) 'Corporation' means the Municipal Corporation of Hyderabad;
  - (c) 'Council' means the general body of the Corporation;
  - (d) 'Government' means the Government of Andhra Pradesh;
  - (e) 'Section' means section of the Act;
  - (f) 'Standing Committee' means the Standing committee as constituted under Section 93 of the Act.
- (2) Words used but not defined in these rules shall have the meaning assigned to them in the Act.

### **3. Preparation of the Budget :-**

The Commissioner, shall, in each year, cause to be prepared a budget estimate of the anticipated receipts and proposed expenditure of the Corporation during the next financial year in accordance with the provisions of Section 182 of the Act in consultation with the heads of departments of the Corporation under his administrative control in respect of matters concerned in their departments. The heads of departments shall prepare the budget estimate concerning their departments for the next financial year and submit the budget estimate to the Commissioner on or before the tenth day of October, each year.

### **4. . :-**

The cash balance to be provided for in the budget at the end of the year with reference to the provisions of Clause (e) of Sub-section (2) of Section 184 of the Act shall not be less than five per cent of the estimated receipts of the year excepting those from endowments, State or Central Government grants and debt heads or such other sum, as the Government may determine from time to time.

### **5. Presentation of the Budget :-**

The budget, after detailed scrutiny, shall be approved by the Standing Committee, ordinarily not later than the tenth of December each year so as to enable the Commissioner to get the budget estimates circulated to the councillors sufficiently in advance i.e., not later than the fifteenth of December.

### **6. Sanctioning of the Budget :-**

The council shall, after satisfying itself on the following points, sanction the budget ordinarily not later than the twentieth of February, each year with such modifications, as it may deem

necessary:

(a) that the estimate of receipts is exhaustive and cautious: Provided that no part of the receipts under any fee or charge collected or recovered for performance of services such as slaughter house fees, market fees and rents, buildings permit fees, layout fees, licence fee and the like shall be utilised or expended for purposes other than those for which the fees and rents are collected. Any amount remaining surplus or unexpended shall be invested in a reserve fund;

(b) that the recommendations, if any, of the officers referred to in Rule 3 have been duly considered in preparing the budget;

(c) that due provision has been made for all obligatory charges.

(d) that provision has been made for the discharge of all liabilities in respect of loans contracted by the council and for all other commitments;

(e) that the cash balance allowed is not less than the minimum specified in Rule 4; and

(f) that provision for capital works such as construction of new buildings, roads or materially changing the existing surface of roads, is made only after making sufficient provisions for maintenance of all municipal buildings and roads as per the following standard rates:-

(i) Buildings at 2-1/2% on capital cost of the buildings.

(ii) Roads

(i) Cement concrete roads Rs.500 per K.M. per annum.

(ii) Block topped roads Rs.3,650 per K.M. per annum.

(iii) Water bound macadam road Rs.3,000 per K.M. per annum.

(iv) Un-metalled road Rs.1,500 per K.M. per annum.

## **7. General :-**

The Commissioner shall submit a copy of the budget as sanctioned by the council to the Government ordinarily not later than the first of March, each year.

## **8. . :-**

The Commissioner, shall also forward to the Examiner of Accounts,

Municipal Corporation of Hyderabad and the Auditor, if any, appointed by the Government under Section 196 of the Act, a copy of the budget so sanctioned within fifteen days of such sanction. The government may suggest modifications to any part of the budget, if they have reason to believe that adequate provision has not been made for the due discharge of all liabilities in respect of loans contracted by the council for the maintenance of cash balance and for the performance of all or any of the obligatory duties. Any modifications suggested by the Government under this rule shall be placed before the Council through other Standing Committee by the Commissioner and communicated to the Examiner and the Auditor, if any appointed under Section 196 of the Act, as soon as possible.

**9. . :-**

The council shall not authorise any item of expenditure not included in the budget or in excess of the allotment without indicating the source from which the proposed expenditure is to be met. Whenever the sanction of any authority is required for any proposed expenditure, such sanction shall be obtained before the council considers the proposal.

**10. . :-**

The Commissioner and other heads of departments of the Corporation shall pay due regard to the remarks, if any, made by the Examiner and the Auditor, if any, appointed under Section 196 of the Act in regard to the expenditure to be incurred on any item.

**11. . :-**

Subject to the provisions of Section 190 of the Act, all allotments made in the budget shall lapse at the end of the financial year and no part of an allotment remaining unexpended at the end of the financial year shall be reserved or appropriated by transfer to deposits or any other head or drawn in order to avoid lapse for disbursements after the end of the financial year.

**12. . :-**

All expenditure during the course of the financial year shall be regulated in accordance with the allotments made in the budget for that year, as sanctioned by the council and modified under Section 677 of the Act, if so required. Where an additional allotment under any head of account is found necessary such additional allotment shall be made by reappropriation from other heads with reference to the provisions of Section 191 of the Act and subject to the following conditions and limitations:

(1) All applications for reappropriation shall be made in Form 'A' appended to these rules and shall be submitted to the council in time for obtaining its sanction before the end of the financial year; and

(2) The Commissioner shall, within seven days of the date on which the council sanctions any such application, forward a copy thereof to the Examiner and the Auditor appointed if any, under Section 196 of the Act.

**13. . :-**

Where it is found necessary to find additional allotments from balances of any kind, general, endowment or other in pursuant to the provisions of Section 192 of the Act, they may be sanctioned by the council, subject to the following conditions and limitations;

(1) The cash balance to be allowed shall not be reduced below the minimum specified in Rule 4;

(2) Applications for allotments shall be made in Form 'B' appended to these rules and shall be submitted to the council by the Standing Committee in time for obtaining its sanction before the end of the year; and

(3) The Commissioner, shall within seven days of the date on which the council sanctions any such application, forward a copy thereof to the Examiner and the Auditor appointed if any, under Section 196 of the Act