

**No.41256/F2/A3/2015**  
**GOVERNMENT OF PUDUCHERRY**  
**FINANCE DEPARTMENT**  
**CHIEF SECRETARIAT**

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Puducherry dated, 01/06/2015,

**CIRCULAR**

**Sub:** Finance Department - Grants-in-Aid Submission  
of Annual Audit Report of Accounts –  
Instructions – Reg.

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On scrutiny of proposals received in Finance Department, Puducherry, for release of Grants-in-Aid for various purposes to the PSUs/Corporation/Societies/Boards etc., it has been noticed that many institutions do not furnish the Annual reports and Audited Accounts for the previous years, due to non-completion of the Audit Compliance report in time. Last year, Finance Department has issued the circular in this regard, even after that many Departments have not fulfilled the requirement of General Financial Rules in connection with sanction of Grants-in-Aid.

2. As per Rule 212(1) of General Financial Rules, the release of the Grants-in-aid in excess of 75% of the total amount sanctioned for the subsequent financial year shall be done only after the Utilization Certificate and the Annual Audited Statement relating to grants-in-aid released in the preceding year, are submitted to the satisfaction of the Department concerned.

3. Also, as per the Rule 212 (2)(i) of General Financial Rules, the annual reports and accounts of Private and Voluntary Organizations receiving recurring grants-in-aid to the tune of Rupees Twenty Five Lakhs and above should be laid on the Table of the House within nine months of the close of the succeeding Financial year of the Grantee Organization.

4. Hence, it is reiterated that all PSUs/Corporation/Societies/Boards etc., should follow the above said General Financial Rules provisions and the Annual Accounts of the Institution should be completed within the prescribed time limit. Any proposal submitted to this Department for approval of grants-in-aid for first or next instalments without the compliance report of Annual Accounts of the previous years, will not be considered for concurrence/approval

5. Therefore, while presenting the proposals for sanction of grants-in-aid to Finance Department, the following should be placed in the file for perusal.

- 1) **Audit Report for the Annual Accounts of Previous year(s).**
- 2) **Utilization Certificates, of the previous due period in the prescribed formats duly Countersigned.**
- 3) **Check – list for the release of grant-in-aid .**
- 4) **Salary statement in detail for the staff of the institutions and month wise requirement of funds**
- 5) **Expenditure Statement in detail for office Contingencies.**
- 6) **Revenue accrued / Collected by the grantee Institution.**

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6. It is therefore, instructed that **necessary advance action should be taken to complete the Annual Audit Statement for 2014-15, in time.**

7. The above said instructions/rules should scrupulously be followed in future.

-// BY ORDER//-

  
(P.AUGUSTIN LUCIEN DIAGOU)  
UNDER SECRETARY TO GOVT.(FINANCE)

TO

1. All PSUs/Corporation/Societies/Boards,(As per mailing list).
2. All Heads of Departments Concerned.
3. SAOs/JAOs of all Departments/Institutions – for strict compliance.

Copy to

1. The Secretary to Government Concerned, Puducherry.
2. The Secretariat Department Concerned

"with a request to thoroughly scrutinize the proposals of grants-in-aid and ensure that the proposals are in complete shape, as per the guidelines issued above".

3. Budget Officer/D.D (Way and Means)/All Section head of Finance Department.