

No. 33039/F2/A3//2014  
GOVERNMENT OF PUDUCHERRY  
FINANCE DEPARTMENT  
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Puducherry, dt. 30-9-2015

CIRCULAR

Sub.: FD – Grants-in-Aid to PSUs/ Autonomous institutions – Submission of Finalization of Audit of the Annual accounts- Instructions-Reg.

Ref.: This Department's Circular No. 41256/F2/A3/2015, dt. 01.06.2015.

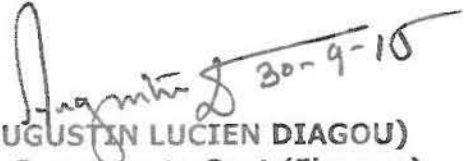
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Section 139 (2)(a) & (b) of the amended Companies Act, 2013, states that the Comptroller and Auditor General (CAG) of India appoints a statutory auditor/ audit firm for one/ two term(s) respectively to a maximum of five consecutive years to the Govt., companies viz., PSUs/ Autonomous institutions. If the PSUs/ Autonomous institutions of Govt., of Puducherry, co-operate and complete the auditing with the audit firms appointed by the CAG of India within the stipulated time limit, then the CAG will appoint the statutory auditor/ audit firm to the PSUs/ Autonomous institutions for the subsequent financial years periodically/ regularly without any delay. This will obviate the requirement of approaching CAG every year for appointment of statutory auditor and hence will save considerable time.

2. Moreover, it is pertinent to reiterate that, as per the instructions laid down in the Circular No. 41256/F2/A3/2015, dt. 01.06.2015 of the Finance Department, which is in accordance with Rule No. 212(2) of the General Financial Rules, 2005, the annual accounts of the organization receiving grants-in-aid should be completed and report is laid in the Parliament/ Legislature within nine months of the close of the succeeding financial year of the grantee institutions. As the time limit fixed for the Public Sector Undertakings (PSUs)/ Autonomous institutions for completion of the audit of the annual accounts is just around the corner (ie., December, 2015), Administrative Secretaries/ Chairmen/ Managing Director of the Govt., Companies of Govt., of Puducherry viz., PSUs/ Autonomous institutions concerned are requested again to take urgent action for finalization of accounts on priority basis instead of simply giving statement that the appointment of Statutory Auditor is pending with the O/o. the Comptroller & Auditor General of India (CAG). The Administrative Secretaries of all PSUs/ Autonomous institutions are also requested to monitor the progress so as to ensure finalization of the audit of annual accounts of the PSUs/ Autonomous institutions, receiving grants-in-aid, is completed within nine months of the close of the succeeding financial year of the grantee institutions and that the audit report is laid on the table of legislature.

3. Hence, it is recapitulated that all the PSUs/ Autonomous institutions viz., Societies/ Corporations/ Boards etc., under the control of Govt., of Puducherry, should take advance action to the aforesaid instructions to complete Annual Audited statements in time. The Grants-in-aid proposal submitted henceforth for approval of the Finance Department without compliance of the finalization of the audit of annual accounts for the preceding financial years, ie., upto 2014-15 alongwith upto date Utilisation Certificate, will not be considered for concurrence/ approval.

// By Order//

  
(P. AUGUSTIN LUCIEN DIAGOU)  
Under Secretary to Govt.(Finance)

To

1. All Heads of Departments of PSUs/ Autonomous Institutions concerned.
2. All PSUs/ Autonomous institutions viz., Corporations/ Societies/ Boards etc., (as per mailing list).
3. The SAOs/ JAOs of all Departments/ Institutions.- for strict compliance. (By Group mail also)

Copy to :

The Secretaries to Govt., of all PSUs/ Autonomous institutions of Govt., of Puducherry.

*The finance Department (F3 Section) - for uploading in official website of the Finance Dept, and for sending Group mail to SAOs / JAOs.*