

No. G-25020/1/2011/Circular -3 & 11/ MF-CGA/FA/TS/1287

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE
CONTROLLER GENERAL OF ACCOUNTS
4 TH FLOOR, LOK NAYAK BHAVAN,
KHAN MARKET, NEW DELHI - 110 003.**

Dated: 8th March, 2011

OFFICE MEMORANDUM

Subject: - Preparation of Statement No. 3 and 11 of Finance Accounts for 2010-11.

The detailed instructions for the preparation of Statement No. 3 and 11 of Finance Accounts for **2010-11** and the formats in which information is to be furnished are enclosed.

2. All CCAs/CAs/Dy. CAs and also Accountants General rendering accounts of Union Territories are requested to furnish material by the due dates indicated below:

Statement No.3	06.06.2011
Statement No.11	06.06.2011

3. **Two copies of each Statement may be sent simultaneously to the accredited Audit Officer.**
4. It has been observed in the past that statements received in this office very often do not contain complete information and are received in piecemeal manner. The consolidated statement prepared by this office on the basis of incomplete information not only attracts adverse comments of Audit but also delays finalization and clearance of our statements from Audit. Hence, it may be ensured that complete information in respect of all units functioning under the Ministry/Department is furnished to this office in one lot by due dates indicated above. **A NIL report may invariably be sent if there is no information to be furnished.**
5. The Statements have to be prepared strictly in accordance with enclosed instructions.
6. **A checklist for submission of material for statements no. 3 & 11 is enclosed. This may be signed by the Sr. Accounts Officer, Principal Accounts Office and countersigned by the Head of the Accounting organization (CCA, CA etc.) and forwarded to this office along with the statements.**

7. As the exercise of finalization of Finance Accounts is strictly a time bound process, it may be ensured that dates prescribed for submission of these statements are strictly adhered to.

Hindi version will follow.


(S.D. Sharma)

Asstt. Controller of Accounts

Encl: As above

To

1. All CCAs/CAs/Dy.CA s.
2. The Dy. Accountant General, O/o the Pr. Accountant General (A&E), U.T. Chandigarh, 17-Bays Building, Sector 17, Chandigarh - 160017.
3. The Accountant General, Gujarat, Ahmedabad 380 001.
4. The Controller General of Defence Accounts (Defence), Ulan Batar Road, Palam, Delhi Cant-110010
5. The Controller General of Defence Accounts (Civil), Ulan Batar Road, Palam, Delhi Cant-110010.
6. The Secretary, Ministry of Railways, Rail Bhawan, New Delhi.
7. The Director (PA-II), Dak Bhawan, Sardar Patel Chowk, Parliament Street, New Delhi.
8. The Director General, Department of Telecommunications, Sanchar Bhawan, New Delhi.
9. The Director of Accounts & Budget, O/o the Chief P.A.O., Andaman & Nicobar Admn., Port Blair - 744 101.
10. The Director of Accounts, U.T. Daman & Diu, Daman.
11. The Pay & Accounts Office, Lakshadweep, Kavaratti - 682 555.
12. AG (Audit) Delhi, I.P. Estate, New Delhi, for furnishing the consolidated information in respect of the entire Audit Department.
13. The PAO, President Secretariat, Rashtrapati Bhawan, New Delhi.
14. The PAO, Rajya Sabha, Parliamentary House Annexe, New Delhi.
15. The PAO, Lok Sabha, Parliamentary House Annexe, New Delhi.
16. The PAO, Election Commission, Nirvachan Sadan, Ashoka Road, New Delhi.

Copy to:-

1. The Comptroller and Auditor General of India, Pocket-9, Deen Dayal Upadhyay Marg, New Delhi-110124
2. The Principal Director of Audit-I, Central Revenues, AGCR Building, New Delhi.
3. The Principal Director of Audit, Economic & Service Ministries, AGCR Building, New Delhi.
4. The Principal Director of Audit, Scientific Departments, AGCR Building, New Delhi.
5. Director General of Audit Central Revenue, Finance Account Section, AGCR Building, New Delhi.
6. The Director General of Audit, Defence Services, L-II Block, Brassy Avenue, New Delhi-1.
7. Director General of Audit, P & T, Shamnath Marg, Civil Lines, Delhi -110054.
8. Director General of Audit, Railways, Room No. 564 - G, Rail Bhawan, New Delhi 110001
9. Dy. CGA (Systems Group), O/o CGA, New Delhi for placement of this circular at Web site.
10. The Manager, R.B.I., Central Accounts Section, Nagpur.
11. Accounts Officer, Government Link Cell, 1st Floor, N.S. Building, Opp. VCA Grounds, Civil Lines, Nagpur - 440001

DETAILED INSTRUCTIONS FOR PREPARATION OF STATEMENTS NO: - 3 & 11

STATEMENT NO.3:-

1. Information for compilation of Paras 4, 5(a), 5(b) and 5(c) of Statement No.3 may be furnished **in lakhs of rupees** as per proforma enclosed.
2. It may please be ensured that in paragraph 4, the "earliest period to which the loans relate" and in paragraphs 5 (a) and 5 (c) the "earliest period to which the arrears relate" are not changed without a valid reason. In case this becomes necessary, proper explanation may be furnished to avoid comments from Audit. The total of Paras 4, 5(a) and 5(c) should invariably be struck.
3. It has been seen from information furnished in the past that in Para 4, the terms and conditions of loans given to Government owned companies/ corporations, non-Government institutions, local funds, etc. have not been finalized for many years. **The reasons for non-finalization of terms and conditions in this regard may please be furnished. The non-finalization of the terms & conditions in this regard has been brought to the notice of P.A.C. through C&AG's report. As such, special attention should be given by the CCAs/CAs in such cases.**

STATEMENT NO.11:-

The Pr. Accounts Offices are required to maintain "Register of Investments" in accordance with the instructions contained in Para 10.11 of Civil Accounts Manual. These may be produced to Audit while conducting local audit of the material pertaining to Finance Accounts.

1. The statement should be furnished strictly in the proforma enclosed.
2. All the investments made during **2010-11** should invariably be shown in the statement giving reference to Major Head, Minor Head and also the Grant No.
3. A certificate to the effect that all the investments shown during **2010-11** have been reconciled with those appearing in Appropriation Accounts may be furnished along with the statement. This certificate should be given after due verification. It has been seen in the past that some investments were not included in the statement which were subsequently taken up for inclusion through correspondence. Material for the statement should be sent only after ensuring that complete information is included therein.
4. Number of shares and face value of shares (col. 5 and 6) are to be recorded and in cases where the amount of investment does not tally with the value of total shares the reasons for the difference may be indicated in the statement. All disinvestments of shares should be reflected in the relevant columns duly indicating the fact in a footnote. Similarly, if loans are converted into equity these should be suitably indicated in a footnote.
5. The reasons for non-declaration of dividend may be intimated. If the concern has been incurring losses, the cumulative loss to the end of **31.03.2011** may be intimated. **During past, it has been noticed that complete information of cumulative loss/amount of dividend declared is not furnished. It is, therefore, impressed upon that necessary correspondence may be made in advance with the PSU, Societies etc. So that full particulars are furnished while submitting the statement to this office by the due date.**

6. Percentage of Government's investment to the total paid up capital (col.8) and information in column 9 regarding amount of dividend/ interest etc., should invariably be indicated. In case Col.9 is nil, the reason for the same may be indicated in the statement.
7. The location of the companies/ corporations may invariably be shown.
8. The name of the companies/corporations should be shown in full and not in abbreviations.
9. **Information about operative units and projects under construction is to be shown separately.**
10. In case of Government Departments subsequently converted into companies/ corporations, your attention is invited to Para 5.15.2 of Civil Accounts Manual. It has been laid down therein that the progressive expenditure under various capital expenditure heads pertaining to such Departmental undertaking incurred prior to conversion needs to be reclassified under the appropriate heads in the light of the change in the status of the Undertaking. Also, it may be ensured that the capital expenditure incurred prior to conversion is included in the accounts of investments of the company/corporation.
11. Figures relating to Companies /Corporations should invariably match with those depicted in their annual accounts.
12. All disinvestment of shares should be reflected in the relevant column duly indicating the fact in a footnote. Capital Head in which the effect of disinvestment is to be given in Statement No.10 of Finance Account may also be indicated in the remarks column. It may be ensured that the effect of disinvestment is actually given in relevant Capital Head of account in Statement No.10.
13. If loans are converted into equity these should be indicated in a footnote. The relevant Loan and Capital Major, Minor Heads of account may be indicated in remarks column. It may be ensured that effects of conversion are actually given in Statement No.10 & 13.
14. In the statement the Investments/disinvestment/conversion of loan into equity during the year be shown distinctly.

CHECK LIST FOR SUBMISSION OF STATEMENT NO. 3 & 11.

- (1) Two copies of material for statement no. 3 & 11 are enclosed.
- (2) **Detailed instructions for the preparation of Statements No. 3 and 11** contained in this O.M. No. **G-25020/1/2011/Circular -3 & 11/ MF-CGA/FA/TS/** dated **March, 2011** has been strictly followed in preparing statements 3 & 11.

STATEMENT NO. 3

- (i) Amounts have been furnished in **lakhs of rupees** with two decimals.
- (ii) Total loans outstanding as on **31.03.2011** is not less than principal amount of arrears as on **31.03.2010**.
- (iii) Reasons for showing fewer amounts of arrears in principal and interest as compared to previous year have been furnished.
- (iv) The earliest period to which the loans relate in Para 4 and the earliest period to which this arrears relate in Para 5(a) & Para 5(c) have been verified from previous year statement. If the period is changed, reasons for same are furnished in the forwarding letter/ foot note of the statement.

STATEMENT NO. 11

- (i) Amount in column in 7 & 9 have been furnished in **thousands of rupees**.
- (ii) **Total dividend shown against the companies tally with the dividend shown in SCT.**
- (iii) **Investments during the year tally with the amount booked in SCT as well as in the material for statement No.10.**
- (iv) The reason for "NIL" dividend has been furnished and if the companies/societies are incurring loss, the cumulative loss up to **March,2011** has been furnished.
- (v) A certificate to the effect that investment made during **2010-11** as furnished in statement No. 11 have been reconciled with the figures appearing in App. A/C.

(Signature)
Sr. Accounts Officer
Pr. Accounts Office

Counter signature
Chief / Controller of Accounts

Statement No. 3

Para 4.

The terms and conditions of the following loans to Government owned companies/ corporations, non-Government institutions, local funds etc. have not been settled.

(In lakhs of rupees)

Name of the concern to which loan was paid	Number of loans	Total amount of loans	Earliest period to which the loans relate
1	2	3	4
Total			

Para 5(a).

Details of loans and advances other than rehabilitation loans to State Governments and Union Territory Governments in which recovery of principal and interest remained in arrears along with total loans outstanding at the end of **2010-11** are shown below: -

(In lakhs of rupees)

Name of the State/ Union Territory Government	Amount of arrears As on 31st March, 2011 .		Earliest period to which arrears relate	Total loans Outstanding as on 31.3.2011
	Principal	Interest		
1	2	3	4	5
Total				

Para 5(b)

Details of fresh loans sanctioned by the various Ministries/Departments during the year **2010-11** for payment of arrears of principal and interest are shown below: -

(In lakhs of rupees)

To whom loan was paid	Year in which the amount of principal and interest were due	Amount of earlier outstanding for Which fresh loans were granted?		Amount of fresh loans	Purpose
		Principal	Interest		
1	2	3	4	5	6
Total					

Contd/

Para 5(c).

Details of loans and advances granted to Government corporations/ companies, non-Government institutions, local funds, etc., other than State Governments and Union Territory Governments, in which the amounts of principal and interest remained in arrears along with total loans outstanding at the end of **2010-11** are shown below: -

(In lakhs of rupees)

To whom loan was paid	Amount of arrears as on 31st March, 2011.		Earliest period to which the arrears relate	Total loans outstanding as on 31.3.2011
	Principal	Interest		
1	2	3	4	5
Total				

	Corporations								
(b)	Other Companies								
II	International								
I	Bodies								
IV	State Co-operative								
	Banks/Other Banks								
V	Co-operative								
	Societies								
	TOTAL								