



No.CSB-30 [1] / 2016 - 17 / Accts.

Dated : 21/03/2017

C I R C U L A R

Sub : Submission of Annual Accounts for the year **2016 - 17** -
Guidelines - regarding.

Reference is invited to this Office **Circular No.CSB-30(1) 2012 - 13/Accts., dated 15/01/2013** forwarding therewith the Annual Accounts formats along with a **Computer Disk [CD]** containing the guidelines regarding preparation of Annual Accounts Statements and its related Annexures and the subsequent **Circular No.CSB-5(1)/2013-14/Accts., dated 10/12/2013** regarding furnishing of expenditure under the sub heads of "Wages" & "Pension & Gratuity" consequent on shifting of Statutory Audit from AG, Karnataka to PDC, MAB, Hyderabad. **It may be ensured that the Consolidated Annual Accounts Statements for the year 2016 - 17 are prepared as per the guidelines / formats issued by Central Office vide Circulars under reference and duly attested by the In-charge Officer of the unit, and submitted to Central Office latest by 30th April 2017.**

Depreciation on the value of Fixed Assets procured during the financial year **2016 - 17** is required to be provided as per the guidelines issued vide Central Office letter **No.CSB-3(1)/2013-14/Accts., dated 13.10.2014**, which may be kept in mind at the time of preparation & finalisation of Annual Accounts Statements for 2016 - 17. **The Date of Disposal of Assets along with the value of Assets should be furnished invariably in the relevant Annexure to the Annual Accounts without fail.**

The guidelines issued vide **Central Office letter No.CSB-3(1)/2013-14/Accts., dated 05.12.2014** have to be observed for providing the Depreciation on the value of Assets under the head "**Electronic Data Processor**" [Computers/Printers/Scanners], at the time of finalization and forwardal of Annual Accounts Statements for 2016 - 17 to Central Office.

Further, the instructions issued vide Central Office **Circular No.CSB-3(1)/2014-15/Accts., dated 19.11.2015**, as given under, have to be strictly observed at the time of finalization and forwardal of Annual Accounts Statements for the financial year 2016 - 17 to Central Office :

- a. **Classification & Accounting of Software items under the Asset head "Electronic Data Processors" [EDP] and providing Depreciation Reserve thereon in the Books / Annual Accounts for the financial year 2016 - 17 & onwards.**
- b. The Closing Stock of Cocoons, Pierced Cocoons, DFLs, Raw Silk, Silk Fabrics, etc., generated during Research activities as on 31.03.2017 including sub-units under the control of the Main Institute/Unit have to be accounted as per directions of audit by PDC, MAB, Hyderabad recently. Accordingly, the **Opening Stock as on 01.04.2016 and the Stock generated during the year 2016 - 17, Stock Disposed off during**

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the year 2016-17 & the Closing balance of Stock as on 31.03.2017 have to be accounted / furnished as a separate Annexure [Format given below] to the Accounts /Annual Accounts Statements for the year 2016-17. It is advised to hold the minimum stock as on 31.03.2017 by disposing off the accumulated stock by following the relevant rules there under.

[Qty: Nos. / Kgs. / Length in Mts. as applicable]

Sl. No.	Particulars	Opening Stock As on 01.04.2016	Stock Generated during 2016-17	Stock Disposed- Off during 2016 - 17	Closing Stock As on 31.03.2017
1	Cocoons				
2	Pierced Cocoons				
3	DFLs				
4	Raw Silk				
5	Silk Fabrics				
6	Flimsy Cocoons				
7	Others				

It may also be ensured that long pending Outstanding DCB dues are realised and remitted to Central Office. In this connection, instructions issued vide Central Office DO letter No.CSB-3(1)/2015-16/Accts., dated 24.10.2016/26.10.2016 and subsequent reminders dated 16.11.2016 & 25.01.2017 may be adhered to strictly and the outstanding Sundry Debtors shall be NIL except the Sales of the current year. Age-wise Analysis of outstanding Sundry Debtors need to be furnished in the prescribed format without fail.

The Main Accounting Units are advised to obtain the Annual Accounts Statements from their sub-units timely for Compilation and Consolidation of Annual Accounts Statements for the year 2016 - 17, at the Head Quarters, as per the guidelines issued vide Circulars referred above. Proper care should be exercised at the Main Institute / Unit in verifying the Annual Accounts statements received from the Sub-Units so as to ensure that the Consolidated Annual Accounts Statements submitted to Central Office by the respective Main unit are Error free and the principle of accounts are adhered to.

The observations made during the previous years and the Circulars issued from time to time on preparation of Annual Accounts may also be kept in mind at the time of compilation of the Accounts statements at the Institutes / Main Unit, so as to avoid repetitive observations and avoidable correspondences thereon. This will ensure the timely submission of the Consolidated Annual Accounts of CSB to Statutory Auditors for taking up of the Audit.

The following expenditure sub heads are required to be updated under the main heads "Wages" & Pension & Gratuity" in the Annual Expenditure Statements [both in Manual Accounts Statements as well as FAS Accounts Statements], as already circulated vide Central Office Circular No.CSB-5(1)/2013-14/Accts., dated 10/12/2013, which may be ensured before forwardal of Annual Accounts Statements for the financial year 2016-17:

WAGES HEAD		
FAS Schedule No.	Particulars	GL Codes
77 - Wages	Wages	A-741, A-744, A-747, A-855 to A-856
	EPF Contribution	A-857 - EPF Contribution
	Bonus to Farm Workers	A-859 - Bonus to Farm Workers
	Special Allowance - SFW	A-860 - Special Allowances to Farm Workers
	Gratuity to SFWs	A-742 - Gratuity to SFWs.

PENSION HEAD		
FAS Schedule No.	Particulars	GL Codes
81 - Pension & Gratuity.	Pension	A-902 - Pension Payment - Officers, A-904 - Pension Payment - Estt. A-908 & A-909 - Pension - PC Arrears
	Retirement / Death Gratuity	A-905 - Gratuity payment - Officers. A-906 - Gratuity payment - Estt.
	Commutation of Pension	A-907 - Commutation of Pension.
	Leave Encashment on Retirement	A-901 - Leave Encashment - Officers. A-903 - Leave Encashment - Estt.
	Defined Pension Contribution [Employers Contribution]	A-788 - Employer - Pension Contribution.

Expenditure on Leave Encashment on LTC [GL A-910 - Leave Encashment on LTC] which was hitherto booked under the Schedule-81 "Pension & Gratuity needs to be shifted & booked under the Schedule-73 - "Salary & Allowances" only from the financial year 2016 - 17 onwards, as instructed by the Statutory Auditors.

Further, the R&D / Seed Sector Schemes / Component-wise expenditure details for the year 2016-17 has to be furnished along with the Annual Accounts Statements for 2016-17 as per the XII Plan Scheme codes and format of XII Plan Scheme/Component-wise expenditure statement as already circulated vide Central Office letter No.CSB-5(1)/2013-14/Accts., dated 18-12-2013, without fail. The said expenditure statement has to be tallied with the respective Funds such as PL-G/PL-C/NE-G/NE-C, etc.,

All the relevant Annexures to the Annual Receipt & Payment Account and Statements A, B, C, D & E should invariably be enclosed without fail along with the Annual Accounts for the year. The amounts reflected in the relevant Annexure should agree with the amount appearing in the Main Statements, which may be ensured.

It may please be ensured that the amount of Grants received from Central Office during the year tallies with the Expenditure figures under Non Plan, Plan-General [31], Plan-Capital [35], NE-Plan - General [31], NE-Plan - Capital [35] and CBT & Central Sector Schemes respectively.

Amount of Gross Grants-in-Aid received during the financial year under Non-Plan, Plan-General [31], Plan-Capital [35], NE-Plan- General [31], & NE - Plan - Capital [35] and CBT & Central Sector Schemes should be reflected separately under the head - "Grants received from HQ" on Receipt side of the R & P Account and Un-spent Grants for the year surrendered to Central Office during the year, if any, need to be shown separately under respective Grants head on Payment side of R & P Account under the head "Surrender of Un-spent Grants".

The following Expenditure Details / Statements for 2016 - 17 need to be prepared and submitted along-with Annual Accounts Statements, which may please be ensured.

- a. Consolidated Head-wise Expenditure Statements under Non Plan, Plan-Gen[31] / Plan-Capital[35] and NE-Plan-Gen[31]/ NE-Plan - Capital [35] and CBT & Central Sector Schemes.
- b. Unit-wise / Delegated Unit-wise / Head-wise Expenditure Statements under Non Plan, Plan-Gen[31] / Plan-Capital[35] and NE-Plan-Gen[31]/ NE-Plan - Capital [35] and CBT & Central Sector Schemes.
- c. State-wise / Unit-wise & Sector-wise Expenditure Statements under Non Plan, Plan-Gen[31] / Plan-Capital[35] and NE-Plan-Gen[31]/ NE-Plan - Capital [35] and CBT & Central Sector Schemes.

A commitment is given to the Statutory Auditors stating that the ARD funds will be fully utilized during the financial year 2016 - 17 and NIL Balance as on 31.03.2017 and hence it is the bounden duty of every unit to utilize the ARD amount in full.

Hence, no balance of funds under the ARD head is left as un-utilised as on 31.03.2017 as instructed vide Central Office DO letter No.CSB-3(1)/2015-16/Accts., dated 24/25.10.2016 and subsequent reminders dated 21.12.2016 & 13.03.2017. Any deviation in this regard will be seriously viewed by the Competent Authority.

Copies of Fixed Deposit Receipts, if any, along with the statement showing the calculation of Interest on Fixed Deposit Receipts as obtained from the Banks should be submitted to Central Office along with Annual Accounts Statements for the financial year 2016 - 17 in the prescribed format - Statement -6.

Bank Reconciliation Statements [BRS] as on 31-03-2017 need to be prepared in respect of the Main Unit and its Delegated Units and the same submitted to Central Office along with the confirmation of Bank Balances obtained from the respective Bank Authorities, without fail.

Further, confirmation regarding Cash/Bank balances, balances of Civil / Other Miscellaneous Deposits as on 31-03-2017 may be obtained from the respective agencies and forwarded to Central Office as requested vide Central Office Circular No.CSB-3(1)/2008-09/Accts., dated 20-01-2009 and subsequent Circular issued by Central Office from time to time. This is the requirement of the Statutory Auditors.

Utilisation Certificates / Completion Reports / Status of Works in respect of Civil / Construction Works need to be collected from the respective Construction agencies and copies of the same may be forwarded to Central Office along with the Annual Accounts Statements for the year 2016 - 17.

In this connection, instructions issued vide Central Office Circular No.CSB-3(1)/2015-16/Accts, dated 07.09.2016 regarding the capitalization of Civil Deposits / Capital-Work-in-Progress may be referred to for compliance.

Efforts should be taken for getting the refund of unspent amount lying with the Construction agencies before the closure of the financial year. It should be ensured that the Civil works which have been completed and occupied needs to be Capitalised / Adjusted in the Books of Accounts and start providing Depreciation in case of New Constructions. Based on the expenditure incurred & as per Form 65 as on 31.03.2017, the amount of Advance Deposit of Capital nature needs to be shifted to "Work in Progress".

Efforts should also be made to ensure that the Outstanding Advance Deposits which are very old & pending with the concerned agencies for a long time are settled at an early date so as to avoid unnecessary Audit Objections.

The Status of the Advance Deposits made with the CPWD/Other Constructions agencies for Civil / Constructions works and outstanding as on 31.03.2017 have to be clearly indicated under the "Remarks column" of the Schedule of Civil Deposits [Annexure-Adv.Dep.-1] submitted along with the Annual Accounts Statements for 2016-17.

The details of Salaries & Allowances paid in March, 2016 and March, 2017 as per the Format circulated to units vide Central Office Circular No.CSB-30(1)/2011-12/Accts., dated 25-10-2012 may be furnished.

The Contingent bills pertaining to 2016 - 17 but paid during the period between 01-04-2017 to 15-05-2017 as per the formats as called for vide Central Office Circular No.CSB-30(1)/2011-12/Accts., dated 25-10-2012, may be furnished.

It may please be ensured that all the relevant Statements / Annexure, FAS Trial Balance, FAS Ledger Print outs, R & P Account, I & E Account and Balance Sheet in respect of Other Funds / Revolving Fund Accounts are furnished along-with the Annual Accounts for the year 2016 - 17 with the clear, readable and legible Printing are submitted well within the time prescribed thereon along-with soft copy without fail.


[CA MANOHARAN. A]
JOINT DIRECTOR [FINANCE]

TO :