

MOST IMPORTANT CIRCULAR

OFFICE OF THE CONTROLLER OF DEFENCE ACCOUNTS, GUWAHATI, UDAYAN VIHAR
NARANGI, GUWAHATI-78117

FAX/SPEED POST/TTB

NO. A/IV/18/Imp.Cir/Vol-VII

Dated 20/03/2017

To

All Compiling Section of MO & Sub offices.

Subject: Annual closing of Accounts for the year 2016-2017.

Reference: HQrs. Office letter No. A/I/113311/ACA/2016-2017 dated 17/03/2017 (Accounts Important Circular No. 134 of 03/2017).

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As per guidelines by the CGA, Ministry of Finance (Department of Expenditure), the accounts of FY 2014-15, will be closed in the following phases:

- a) March (Preliminary)
- b) March (Supplementary) (March Final)

Accordingly, there will be no Manual Account. March Supplementary-I will be treated as March Final Account.

The following dates have been fixed for submission of accounts for March (Preliminary) 2017, March (Supplementary-I) (March Final) 2017 to EDP Centre/Accounts section of this office.

Month's Accounts	Date by which the last batch of PM to reach EDP Centre, Guwahati (with requisite certificate)
March (Preliminary) 2017	05/04/2017
March (supplementary-I) (March Final) 2017	21/04/2017

2. Suitable arrangements may, therefore, please be made for dispatch of P.M. on the dates as prescribed in order to avoid non-inclusion of P.M.

3. The accounts for March (Supplementary-I) (March Final) 2017 should for all intents and purposes be regarded as the final accounts for the year 2016-2017 barring a few unavoidable adjustments that may have to be included necessarily in the Accounts for March (Supplementary-I) (March Final) 2017. Every endeavour should therefore, be made to speed up adjustments by taking prompt and timely action to obtain wanting particulars and vouchers etc. wherever necessary. **Cases of delay in readjustments and misclassifications will be viewed seriously.**

4. It should be ensured that the under mentioned transactions (items) are completed before finalisation of March (Supplementary-I) (March Final) 2017

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- (i) Primary Education cess @ 2% and Secondary and Higher Education Cess @ 1% in respect of eligible Tax collections (including Surcharge) are complied in the prescribed ratio of 2:1 correctly.
- (ii) No amount remain outstanding under "Receipts Awaiting Transactions" i.e NPS transactions under code heads 016/04 and 016/05 at the close of Accounts for the F.Y 2016-2017. In case the amount remain outstanding in these code heads the same are transferred to Miscellaneous Suspense Head 020/61 in March Supplementary Accounts positively.
- (iii) Amounts pertaining to charged expenditure have been correctly accounted for and complied.
- (iv) Minus transactions are genuine.
- (v) There are no compilations under Major Heads 8342.00.117- Defined Contribution Pension Scheme for Government Employees.
- (vi) There are no adverse balances in compilation.

5. It was noticed in the past that the P.M for March (Supplementary-I) (March Final) 2017 contained errors, fictitious code heads etc. It is, therefore, essential to scrutinize the Punching Medium very carefully as laid down in Para 71 of Defence Account Code (1994 edition). **Every endeavour should be made to avoid booking in March (Supplementary Correction) (March Final) 2017 Accounts.**

In so far as sub-offices are concerned e.g. AOs GE, PAO(ORs), DPDOS, etc, which are at present authorized to send Punching Media direct to DDP/EDP Centres, their DDP/EDP may please ensure that code Head Master is updated so that erroneous/fictitious code heads are identified/got rectified/compiled immediately and compilation data is transmitted to EDP Center of HQrs. Office on a daily basis.

6. In respect of Railways/Department of Post/MEA etc only inescapable and important transactions of large magnitude (say Rs 1,00,000 and above) should be proposed for proforma adjustment outside the books of RBI in accordance with provisions contained **Para 109 of Defence Account Code, 2014**. An expeditious action is required to be taken to forward the vouchers/Schedules in respect of individual transaction of Rs 1,00,000/- and above gross debits/credits which have not been advised to the RBI before close of their books for the current year 2016--2017 and which are likely to affect the appropriations of the year or may remain outstanding under the Remittance Heads in the Defence Books, to the Civil Accounts Officers concerned and their acceptance for the debits/credits involved obtained well in time by pursuing the matter vigorously. On receipt of acceptance from the parties concerned the details of the transactions should be reported to this office (in duplicate) latest by **10/05/2017** in the proforma appended as Annexure 'C' to this circular to enable the HQrs. Office to obtain the approval of CGA Ministry of Finance (Department of Expenditure) for inclusion in the current years accounts. NIL report are also required.

7. The **Annual review of Balances (AROB) for March Supplementary-I along-with statements 5 & 13 for the year 2016-17** may please be furnished by name to **Shri S.C. Adhikari, Sr.Accounts officer**, Accounts Section of M.O. so as to reach this office **not later than 05/06/2017**.

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8. It should be ensured that all category code heads prefixed to Service/ RD&R Heads are correct. All transaction transferred to suspense head (Code Head 020/61) due to wrong operation of code head / unbalanced PM may be cleared in the accounts of 2016 -2017 itself.

9. The outstanding balances under various Minor Heads below Major Head "8659-Suspense Account (Defence)", "8787-Adjusting Account with Railways" at the end of 2016-2017 may be reviewed and suitable action taken to clear all outstanding items to bring down the outstanding balances.

10. If there are adverse balances in any of the heads, a brief description of action initiated to rectify the error/correction of accounts/steps taken for proper maintenance of accounts should be indicated.

11. There should normally be no minus transactions excepting suspense heads during the year. If there are any, full reasons thereof, may please be indicated in 'Action Taken Note' in the AROB.

12. As a result of change in the procedure for closing of accounts from the current year, interest on accumulations in various Provident Fund Accounts for the year 2016-2017 may please be compiled in the March (Supplementary-I) (March Final) 2017 positively. For this purpose, all fund transactions taking place during 2016-2017 should be booked within March Preliminary and any rectification required should be carried out in March (Supplementary-I) (March Final) 2017 Accounts.

13. After closing March (Supplementary-I) Accounts, 2017 i.e. (March Final), if a rectification/readjustment is necessary, the same will be carried out with the approval of CGA, Ministry of Finance(Department of Expenditure)/CGDA in exceptional cases subject to the following:-

- a) A PM for Journal Entry is initiated for rectification of a misclassification/readjustment, and send to this office by 05/06/2017.
- b) The rectification/readjustment proposed is not less than Rs one Crore of amount in a single transaction unless rectification/readjustment is otherwise necessary for closing of annual accounts.
- c) Reasons for not detecting the error during month review and within the supplementary accounts are adequately explained with the recommendations.

14. The contents of this circular may please be brought to the notice of all concerned and acted upon promptly/accordingly.

The receipt of this circular may please be acknowledged by name to Shri S.C. Adhikari, Sr.Accounts officer, Accounts Section of M.O.

CDA has seen.



(J. K. Das)
Dy. Controller (A/Cs)

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N.O.O.

Copy to:-

- (I) The O/iC,
Accounts Gp-I& II, Local.
- (II) The O/iC,
Accounts Gp-III, Local.
- (III) The O/iC,
Accounts Gp-VI & VIII, Local
- (IV) The O/iC,
Accounts Gp-V & VII, Local.

Encl:- 12 Sheets.

- (V) The O/iC,
EDP, Local

For information and suitable action with reference to the above, along with a copy of HQrs. Office circular No. 134 of 03/2017 bearing No. A/I/113311/ACA/2016-2017 dated 17/03/2017.

For Accounts Gp-V & VII: Besides above, specific action as stated under Para 3 & 5 (iii), (iv), (vi) of 'Annexure - A' enclosed with HQrs. Office letter ibid may please be ensured.

With a request to upload the important circular in CDA Guwahati website.


Sr. Accounts Officer (A/Cs)