



**GOVERNMENT OF KERALA**  
**Finance (Public Undertakings-A) Department**

**CIRCULAR**

No. 64/2018/Fin

Dated, Thiruvananthapuram, 17.07.2018.

**Sub: Finalization of Annual Accounts of PSUs – Further  
Instructions Issued**

**Ref : 1. Circular No. 83/15/Fin dated 22.09.2015**

**2. Note No. PAD-B3/103/2018-PAD dated 11.06.2018 from  
the Secretary, Parliamentary Affairs Department.**

The Companies Act, 2013 in section 137 provides that the Annual Reports along with the Audited Accounts of Companies shall be placed before the Annual General Meeting of the Company by 30<sup>th</sup> September of the subsequent year. In sub section 3 it further provides that if the Company fails to file the copy of the Annual Financial Statements before 30<sup>th</sup> September of the subsequent year, the Company shall be punishable with fine of Rs 1000 for every day which shall not exceed Rs 10 lakh and the Managing Director and the Chief Financial Officer of the Company shall be punishable with imprisonment for a term which may extend to 6 months or with fine which shall not be less than Rs 1 lakh but which may extend to Rs 5 lakh, or with both.

2. Section 394 of the Companies Act 2013 stipulates the Annual Reports on the works and affairs of Government Companies shall be made before the State Legislature within 3 months of the Annual General Meeting. Rule 236(6) of the Rules of Procedure and Conduct of Business in the Kerala Legislature Assembly stipulates to place the Annual Performance Report on the expenditure of the budget allocation of a year on the table of the House not later than 4 months and after the completion of the financial year.

3. All Secretaries of the Administrative Departments should take necessary steps for early finalization of Annual Accounts of the Government Companies, their audit, approval of Annual General Meeting and placing them before the Legislative Assembly.

4. A large number of Public Sector Undertakings have been found not to comply with the above requirements. Each Public Sector Undertaking should give a schedule of approval of accounts for each pending year by 31<sup>st</sup> July 2018 to Finance Department. Government would closely monitor compliance of the above schedule for completion and submission of Annual Accounts by the Public Sector Undertakings. Further release of Government grants to such Public Sector Undertakings would be contingent upon timely completion of Annual Accounts, their audit and submission and adherence to this schedule.

**MANOJ JOSHI IAS**  
Principal Secretary (Finance)

To:

The Principal Accountant General (Civil & Commercial Audit) Kerala,  
Thiruvananthapuram

The Principal Accountant General (Audit & Entitlement) Kerala,  
Thiruvananthapuram

All Principal Secretaries / Secretaries / Special Secretaries to Government  
The Chief Executive Officers / Managing Director of all Public Sector  
Undertakings

The Planning and Economic Affairs (BPE) Department

The Parliamentary Affairs Department

The Nodal Officer, [www.finance.kerala.gov.in](http://www.finance.kerala.gov.in)

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Forwarded / By Order

  
Section Officer