

F. No. 12(12)-B(SD)/2022
Government of India
Ministry of Finance
Department of Economic Affairs
(Budget Division)

Room No. 221A,
North Block, New Delhi
Date: 01st April, 2022

OFFICE MEMORANDUM

Subject: Review of Government Guarantees as per GFRs for the Financial Year 2021-22- reg.

Rule 281 of GFRs provides that Financial Advisers should review Govt. guarantee issued by the Ministries/Departments annually and furnish review report & data on guarantees in GFR 25 format to this Department **positively by 30th April, 2022**. The review which needs to be undertaken by the respective Financial Advisers should address the following aspects:

- i. **The review should cover the period from 01.04.2021 to 31.03.2022.** For the purpose of examining correctness of guarantee fee payment, outstanding payment of principal and interest as on 31.03.2021 should be reckoned to apply the admissible rate of guarantee fee. The amount of guarantee fee so calculated should be paid on 01.04.2021 in advance for the period of review i.e. 01.04.2021 to 31.03.2022.
 - ii. Review should be conducted at the level of Financial Adviser of the respective Ministry/Department
 - iii. Review should be conducted for all guarantees given by the Ministry/Department and a consolidated report should be furnished to Budget Division (Ministry of Finance).
 - iv. Report should state whether the borrower is discharging repayment and interest obligations as per terms of loan. If not, corrective measures taken/being taken by the Ministry/Department are to be indicated in the review report.
 - v. Whether all covenants and conditions of loan and guarantee are being followed by the borrower.
 - vi. Whether the borrower has paid correct amount of guarantee fee to the Govt. (to be assessed with reference to the approval of guarantee fee rate given by the Govt.).
 - vii. Whether the guarantee fee has been paid on time. Guarantee fee is to be paid initially before giving guarantee and thereafter on 1st April every year in advance. Delayed payment attracts penal guarantee fee i.e. double the normal guarantee fee for the period of delay/default.
 - viii. Whether the Ministry/Department is maintaining the register and records of guarantees.
2. Annual Review reports submitted by Ministries/Departments should address the above aspects and **must include information as per Form GFR 25 (copy enclosed) indicating outstanding guarantees as on 31.03.2022**. It must be ensured that all the

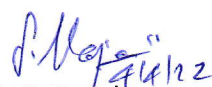
columns of Form GFR25 need to be religiously filled against each individual guarantee taken by the Ministry/Department.

3. **Ministries/Departments are also requested to ensure that information provided by them as per GFR 25 (indicating outstanding guarantees as on 31.03.2022) should tally with the information which would be provided to Office of Controller General of Accounts (CGA) in relation to Statement No. 4 for preparation of Union Government Finance Accounts.**

4. **A copy of Statement No. 4 of Union Government Finance Account (which will be sent to O/o CGA) may also be provided to Budget Division.**

5. Ministries/Departments are, therefore, requested to conduct annual review of guarantees covering the points highlighted above and submit the review reports along with Form GFR 25 latest by 30.04. 2022 positively.

6. **It is further requested that soft copy of data as per GFR 25 (in excel format) may also be submitted via email at raja.sr@nic.in/nikesh.mudgal@nic.in.**


(S. R. Raja)

Under Secretary to the Government of India
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Encl: Format of GFR25

To

1. The Financial Advisers,

- i. Ministry of Agriculture, Cooperation and Farmer's Welfare, Krishi Bhawan, New Delhi.
- ii. Ministry of Chemical & Fertilizers, D/o Pharmaceuticals, Shastri Bhawan, New Delhi.
- iii. Ministry of Civil Aviation, B Wing, Rajiv Gandhi Bhawan, New Delhi.
- iv. Ministry of Coal, Shastri Bhawan, New Delhi.
- v. Department of Commerce, Udyog Bhawan, New Delhi.
- vi. Department of Economic Affairs, North Block, New Delhi.
- vii. Ministry of External Affairs, South Block, New Delhi.
- viii. Department of Financial Services, Jeevandeep Building, Parliament Street, New Delhi.
- ix. Department of Food & Public Distribution, Krishi Bhawan, New Delhi.
- x. Ministry of Housing and Urban Affairs, Nirman Bhawan, New Delhi.
- xi. Ministry of Micro, Small & Medium Enterprises, Udyog Bhawan, New Delhi.
- xii. Ministry of New and Renewable Energy, Block No. 14, CGO Complex, Lodhi Road, New Delhi.
- xiii. Ministry of Power, Shram Shakti Bhawan, Rafi Marg, New Delhi.

xiv. Ministry of Road Transport & Highways, Parivahan Bhawan, Parliament Street, New Delhi.

xv. Department of Revenue, North Block, New Delhi.

xvi. Ministry of Railways, L&F Division, Railway Board, Rail Bhawan, New Delhi.

xvii. Ministry of Steel, Udyog Bhawan, New Delhi.

xviii. Department of Telecommunications, Ministry of Communications & Information Technology, Sanchar Bhawan, 20, Ashoka Road, New Delhi.

2. JS (BC), DEA (in respect of counter guarantee issued to MMRDA, Maharashtra).

3. US (IF-I), DEA (in respect of guarantees given by various credit Divisions of DEA).



FORM GFR 25

[See Rule 28 (2) & (3)]

GOVERNMENT GUARANTEES

Name of Ministry /
Department

[Rs. In crore]

Sl. No.	Beneficiary [Name of the PSU etc in whose favour guarantee is given]	Loan Holder / Entity giving Loan	Authority for Guarantee [MoF approval No. & Date]	Period of validity [MOF ID No., & date through which the guarantee was last extended]	Purpose of Loan	Class	Sector	Details of Reschedule	Details of Securities pledged	Amount of Loan
1	2	3	4	5	6	7	8	9	10	11

Extent of Guarantee			Additions	Deletions	Invoked		Outstanding Principal, interest etc at the end of the period	Rate of Guarantee Fee/ Commission	Guarantee Fee/ Commission		Other conditions & compliance
Principal	Interest	Total			Dis-charged	Not dis-charged			Receivable	Received	
12	13	14	15	16	17	18	19	20	21	22	23

NOTES - 1 : For the purpose of Column - 8 the sectors are as under :-

- (i) Power (ii) Cooperative (iii) Irrigation (iv) Roads & Transport (v) Urban Development & Housing (vi) Other Infrastructure (vii) Any other. 2 : For the purpose of Column - 7 the classification is indicated in Rule 28 (4).