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DIRECTORATE OF COOPERATIVE AUDIT:ORISSA:BHUBANESWAR.

No. VI(1)62/99 2601(16)/Audit-8/Dated: 5.5.2004

To

All Asst. Auditor General of
Cooperative Societies of Circles.

Sub: Convening of bi-monthly Triangular
Committee meetings.

Sir,

The Directorate of Cooperative Audit has been vested with responsibility of conducting timely audit of all Coops. in the State monitoring collection of audit fees and most importantly, ensuring timely and proper compliance of audit objections. For successful discharge of these responsibilities, adequate powers under O.C.S. Act and Rules have been given to the functionaries of the Directorate. Basing on these provisions various circular instructions have also been issued from time to time. But it needs no emphasis that despite conferment of powers under statute, there should be close coordination of Asst. A.G.C.S. of Circles and their Auditors with field level functionaries of all others concerned administrative Directorates for successfully carrying out these tasks.

Keeping this in view, circular instructions No. 46033 dt. 26.11.80 and No. 22636 dt. 16.8.83 had been issued by R.C.S.(O) in which the R.C.S., Orissa constituted Triangular committees to meet bi-monthly under the Chairmanship of D.R.C.S. of Divisions. It was stipulated in the said circulars that the A.O.C.S. (Now Asst. A.G.C.S.) is to convene this meeting bi-monthly by fixing date in consultation with the D.R.C.S. of the Division. The meeting was to be attended by local officers of all concerned Directorates like R.C.S., Textiles, Fisheries, A.H.&V.S., Industries, Handicrafts and Cottage Industries, representative of District milk Union etc., whose audit requirements are met by this Directorate and the Asst. A.G.C.S. in case of Circles.

But it is observed with much displeasure that over the years due importance has not been given to these circular instructions. In most of the circles, xxxxxxxxx

P.T.O.

T.C. meetings are not being convened and where the meetings are held occasionally, the decisions are not carried out sincerely. As a result, the purpose of the Circular is defeated, since it is the only forum for Asst.A.G.C.S. to coordinate with the field officers of different Directorates for successful discharging their responsibilities, the A.A.G.C.S. should take keen interest in convening meetings intime and ensuring transactions of business meeting in a fruitful and purposive manner.

As per the new provisions of O.C.S. Act and Rules, the agenda of the meeting as mentioned in the referred circulars of R.C.S., Orissa needs certain changes. Accordingly the discussion of the T.C. meetings should be limited to the following matters.

1. Review on audit report and analysis of audit of priority Societies and equal weightage to be accorded to different Directorates.
2. Non-availability of records of audit. Steps for records, damaged records search and seizure of missing records etc., to be discussed with the representatives of different Directorates.
3. Non-maintenance and non-production of records for audit.
4. Special audit where misappropriation is suspected.
5. Receipt of Inspection and enquiry reports of Societies from administrative authorities for initiation and of surcharge proceedings.
6. Collection of audit fees.
7. Receipt of compliance reports on audit findings under the meaning of Rule 58A of the O.C.S. Rules 1965 as amended in 1997)-
-No. of audit report send to Societies No. of compliance reports received during the period between two meetings progress position from beginning of the year.

P.T.O.

8.A Any other matter relating to audit.

On point-7 it should be noted that the Tringular committee has no power to drop audit findings on misappropriation/ misutilisation of funds etc, as it is done in some cases in sundargarh Division. As per provisions under Rule 58 A of O.C.S.Rules, the societies are to submit compliance to the Audit findings to the AGCS/Asst.A.G.C.S. within onemonth from date of receipt of audit report which can be extended upto 3 months under special circumstance by the A.G.C.S.(O) failing which the A.G.C.S. may ~~please~~ place a requisitation with the R.C.S. for taking action against concerned society under Act, Rule and Bye-laws, as he may deem proper. Since this is exclusively within the legal jurisodiction of A.G.C.S./Asst.A.G.C.S., the ~~under~~ nature of compliance, their deficiencies etc., are only to be examined by the office of A.A.G.C.S. The meeting is to only review the position of audit reports issued and compliance reports received the satisfactoriness of compliance received is to be judged by the Asst.A.G.C.S. concerned seperately and decided by him for further action if the compliances are not satisfactory. Also audit should check this aspect at the initial stage itself.

Now it is once again impressed upon all Asst.A.G.C.S. of Circles to convene be-monthly Tringular Committee meetings regularly intime in consultation with the Divisional D.R.C.S. of Divisions. The notice of ~~meeting~~ meetings should be sent to the local Administrative Officers of different Directorates and G.M. of Dist.Milk Unions sufficiently ahead for enabling then to participate. Agenda-wise position papers should be prepared by the Asst.AGCS of Circles on which the meeting ~~is~~ is to transact it's business. The discussion should take into account the decisions made on each point in the last meeting and their followup action. The progeedings of the meeting should be communicated by the Asst.A.G.C.S. after approval of chairman to all concerned including this Directorate ~~within~~ within a week of the meeting positively.

P.T.O.

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This instruction should be strictly followed.

Yours faithfully,

T. R. Dash
4/5/04
Auditor General of C.S., Orissa.

Memo No. 2602 (13) / Dated:- 5.5.2004

Copy forwarded to the Deputy Registrar of C.S., of all Division for information and necessary action.

A. S. 2004
Joint Auditor General of C.S.(O)

Memo No. 2603 (8) / Dated:- 5.5.2004

Copy forwarded to the Registrar of C.S., Orissa/ Director of Textiles Orissa/ Directorate of A.H. & V.S.(O)/ Directorate of Industries, Orissa/ Directorate of Handicraft and Cottage Industries, Orissa/ Director of Fisheries, Orissa/ Secretary O.K. and V.I. Board/ M.D. OMFED for information and necessary action. He is requested to please instruct his field officers to participate in the T.C. meeting unfailingly.

A. S. 2004
Joint Auditor General of C.S.(O).

Copy to G.F./20S.C.

Dash. 1.5.2004.