

DIRECTORATE OF COOPERATIVE AUDIT:ORISSA:BHUBANESWAR.

No. VI(I) 44/09 9657 (16) / Audit-8/Dated: 11.12.09.

To

The Asst. Auditor General of
Circles.

Sub:-

Expenditure norms prescribed by
NABARD-Guidance for auditors.

Sir/Madam,

This has a reference to this office Circular
No.8285 dt.8.10.2009 on the subject cited above.

In the aforesaid circular, it was stipulated
that the cost of Management and cost of establishment of
PACS should be restricted within the range of 40% to
50% and 20% to 30 % of the total income (Net interest
income+ other income) respectively. Subsequently, NABARD
have clarified that the range for the Management cost and
establishment cost indicated in the guidelines are the
maximum permissible and as such the cost of Management
and the cost of Establishment of the PACS should not cross
the prudent limit of 50% and 30% of the total income
respectively.

It is needless to reiterate that the
instructions and guidelines communicated to you in the
said circular are based on the guidelines/directives of
NABARD and have to be followed scrupulously to
ascertain adherence of the same by the PACS.

In view of the facts stated above, you are
requested to instruct the auditors under your administ-
rative control to strictly follow the referred instructions/
guidelines carefully at the time of audit of PACS.

Yours faithfully,

Auditor General of C.S., Orissa.

P.T.O.

1232
Memo No. 9658 (3) -2- /Dated:- 4.12.09.

Copy forwarded to the Registrar of C.S.(O)/
Managing Director OSCB Ltd/C.G.M. NABARD(RO), BBSR
for information and with reference to this Directorate
Memo No.8288 dt.8.10.2009.

23/11/09
Memo No. 9659 (30) /Dated:- 4.12.09.
Auditor General of CS(O).

Copy forwarded to the D.R.C.S., of Divisions/
Secretaries of all C.C.Bs for information and necessary
action with reference to this Directorate Memo No.8289
dt.8.10.2009. They are requested to transmit a copy of the
letter to all Circle office/PAC3 under their jurisdiction
for their guidance.

23/11/09
Memo No. 9660 /Dated:- 4.12.09.
Auditor General of C.S.(O).
Copy submitted to the Commissioner-Cum-Secretary to
Govt. of Orissa, Cooperation Department for favour of kind
information.

23/11/09
Auditor General of C.S.(O).

SIC