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DIRECTORATE OF COOPERATIVE AUDIT: ODISHA: BHUBANESWAR.

Circular No.VI (I) 62/1999(Part-II) 1000 /Audit-8 Dated. 09/02/15

Subject:- Communication of defects and irregularities pointed out in the Audit reports of different Cooperative Societies in the state to administrative heads of different Directorates.

Very often it is found that gross irregularities such as misappropriation of funds, fraud, major omission, unauthorised appointments, maintenance of accounts, flagrant violation of provisions of Act, Rules & Bye-laws, circular instructions of Auditor General of Cooperative Societies, Registrar of Cooperative Societies and other financing agencies etc are detected in course of audit of accounts of Cooperative institutions in the state and reflected in the audit reports of the concerned institutions. But it is seen that no tangible action is taken on such audit findings even though the copies of Audit reports are communicated to the concerned administrative authorities as well as the institutions in pursuance of the provisions of section 63 and Rule-58(A)(2) of OCS Act & Rules. It should be kept in mind that quick follow up action on audit findings is one of the main objective for creation of Audit Directorate. Audit becomes meaningless, if defects and irregularities pointed out in the Audit Reports are not complied timely and properly to the satisfaction of audit. As such, it is felt necessary to bring this matter specifically to the notice of administrative heads of different Directorates for taking appropriate action in the matter.

Keeping the above objectives in view, it is impressed upon all Assistant A.G.C.S of circles to forward the copies of defects sheets/ statement containing defects and irregularities as extracted from the Audit reports of different cooperative institutions to the Registrar of Cooperative Societies, Odisha and other Directorates as the case may be separately henceforth, apart from sending copies of the Audit reports to the proper quarter for taking follow up action on such findings. The above procedure should be made applicable in respect of all the cooperative institutions including primary level societies in the state. The letter number and date of communication of such defects and irregularities as pointed out in the Audit reports need be mentioned in a separate register for verification by the undersigned and officers of this Directorate as and when deemed necessary.

As an instant measure, copies of outstanding para of the latest audit reports of all working societies be sent to Registrar of Cooperative Societies, Odisha within fifteen days with a copy to DRCS/ARCS and the society concerned for further compliance. A copy of the same be furnished to this office for information.

198
The circular instructions need be followed meticulously and compliance reported.

Prasanna
9.2.15
Auditor General

Cooperative Societies, Odisha.

Memo No.

1001

Dated.

09/02/15

Copy forwarded to the Assistant A.G.C.S of circles for information and necessary action.

Deputy Auditor General of
Cooperative Societies, Odisha.

Memo No.

1002

Dated.

09/02/15

Copy to Audit-1/ Audit-2/ Audit-4/ for information and necessary follow up action.

Deputy Auditor General of
Cooperative Societies, Odisha.

Copy to Guard file/ 10 S.C.

AKS.07.02.2015.