

DIRECTORATE OF COOPERATIVE AUDIT: ODISHA: BHUBANESWAR.

Letter No.VI (9) 55/2016 5252 /Audit-6

Dated. 26/8/16

To

All the Assistant Auditor General of Cooperative Societies of Circles.

Sub: Guidelines and instructions for the Credit Societies.

Ref: Memo No-14704, dt.25.07.2016 of the R.C.S, (O) to your address.

Madam/Sir,

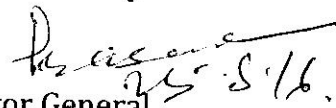
Please refer to the memo on the subject cited above, wherein the R.C.S, Odisha has issued the following guidelines and instructions for the Credit Societies vide their letter No.14700, dt.25.07.2016 to follow till formulation of Prudential norms to be applicable to the Credit C.S.

1. Tapping of deposits from the nominal members be stopped forthwith.
2. Daily deposit collection should be discontinued.
3. The Societies may provide/ charge interest on deposit/ loan as per rate prescribed by Reserve Bank of India.
4. Depositor protection fund of 5% of the deposit mobilized and outstanding as at the end of the financial year shall be created.
5. The societies shall maintain Cash Reserve Ratio (CRR) at 4% of their Demand and Time liabilities with any scheduled Bank and also maintain Statutory Liquidity Ratio (SLR) at 20% of the total Demand & Time Liabilities in shape of Term Deposits in any scheduled Banks.
6. The societies may take up the matter with Reserve Bank of India for its licensing.

In view of the above context, you are requested to circulate the aforesaid guidelines amongst all auditors of your circle with instruction to examine all the above points in course of audit and reflect the defects and deficiencies if any with fixation of responsibility in the Audit Report on the officials/ officers of the C.S in each case. The auditors shall be held responsible for any concealment of facts on this score in audit report.

Please treat this as URGENT & IMPORTANT.

Yours faithfully


Auditor General

Cooperative Societies, Odisha.

Memo No. 5253 /

Dated. 26/8/16

Copy forwarded to Audit seat No-8 for information and to keep in circular file for future reference.


25/8/2016

Deputy Auditor General of
Cooperative Societies, Odisha.

10 Spare copies for office records.

AKS.25.08.2016.