

# Major challenges before STCCS

Para No.	Parameters	PACS/ LAMPCS/ FSCS		
3.1	<p><b>Human Resource Structure</b></p> <p>The dwindling staff strength and lack of trained banking professionals have left the cooperative banks at a disadvantage. Qualified manpower, with specialised domain knowledge, especially in the areas of credit appraisal, credit monitoring, NPA recovery etc. as well as managerial abilities is required.</p> <p>The first and foremost aspect is assessment of human resources in all the three tiers, particularly in view of the technology-driven environment. Once, the man power requirement is assessed, the process of recruitment and promotion should be strictly followed as per board approved HR policies.</p> <p>A formal process of self-assessment by each of the directors on periodical basis or peer-review on the performance of the board members may be carried out to ensure that the board is competent. A matrix may be developed to track various performance indicators.</p> <p>Management accountability, with adequate disclosures to Board, may also be fixed. Professional management on the lines of commercial banks is required to be set-up in cooperatives.</p> <p>The role of CEOs and Senior Management is extremely crucial and they must update themselves with the latest changes in the banking domain and brief the Board to enable them to take informed decision in policy matters.</p> <p>Two professional directors, having experience in the field of banking, management, finance, etc. may also be co-opted to bring professionalism.</p> <p>Knowledge gap has deleterious consequences for the financial health of the banks and therefore, continuous skill up-gradation through trainings, workshops, exposure visits etc may be pursued.</p>	2018-19	2019-20	2020-21
		Assessment of replacement of manpower	Recruitment against vacancy due to promotion and retirement.	Induction/ coption of professional directors.
		Filling up of posts of Chief Executives & other posts by way of promotion.	Inquiry against irregular appointment, misappropriation and serious financial irregularities.	Training of directors.
		Assessment of manpower for direct recruitment for Asst. Secretary & others.	Removal of staffs appointed irregularly and where financial irregularities established.	Assessment of staff strength suitable for selection in CCBs (Banking Assistant).
		Deliberation with stake holders on HR policy of PACS.	Fresh recruitment to fill up vacancy on above grounds.	Promotion and Recruitment against promotional & retirement vacancy.
		Revision of HR policy	Capacity Building of other staffs & fresh staffs.	Training
		Capacity Building of Chief Executives on credit appraisal, credit monitoring, NPA recovery etc. as well as managerial abilities	Action against management neglecting removal of staff found guilty in inquiry & recruitment.	PACS equipped with qualified staff & well trained to work in IT environment.

3.2	<p><b>Capital Adequacy</b></p> <p>As against 9% stipulation of CRAR, all the DCCBs had CRAR of above 10% as on 31 March 2017. However, CRAR of the Odisha State Cooperative Bank was little higher than 9%. All the banks, while ensuring comfortable capital base are required to diversify and augment their business portfolio, so as to remain themselves competitive. CRAR position of the banks as on 31 March <b>2017</b> is as below.</p> <table border="1" data-bbox="277 410 871 1153"> <thead> <tr> <th>Sr No.</th> <th>Name of DCCB / StCB</th> <th>CRAR</th> </tr> </thead> <tbody> <tr><td>1</td><td>Cuttack CCB</td><td>12.55</td></tr> <tr><td>2</td><td>Keonjhar CCB</td><td>10.92</td></tr> <tr><td>3</td><td>Nayagarh CCB</td><td>12.42</td></tr> <tr><td>4</td><td>Angul CCB</td><td>13.00</td></tr> <tr><td>5</td><td>Aska CCB</td><td>12.94</td></tr> <tr><td>6</td><td>Balasore CCB</td><td>17.90</td></tr> <tr><td>7</td><td>Banki CCB</td><td>10.34</td></tr> <tr><td>8</td><td>Berhampur CCB</td><td>12.08</td></tr> <tr><td>9</td><td>Bhawanipatna CCB</td><td>14.42</td></tr> <tr><td>10</td><td>Bolangir CCB</td><td>11.76</td></tr> <tr><td>11</td><td>Boudh CCB</td><td>11.47</td></tr> <tr><td>12</td><td>Khurda CCB</td><td>11.36</td></tr> <tr><td>13</td><td>Koraput CCB</td><td>11.59</td></tr> <tr><td>14</td><td>Mayurbhanj CCB</td><td>10.68</td></tr> <tr><td>15</td><td>Sambalpur CCB</td><td>11.83</td></tr> <tr><td>16</td><td>Sundargarh CCB</td><td>10.21</td></tr> <tr><td>17</td><td>Puri Nimapada CCB</td><td>12.87</td></tr> <tr><td>18</td><td>Odisha StCB</td><td>9.21</td></tr> </tbody> </table>	Sr No.	Name of DCCB / StCB	CRAR	1	Cuttack CCB	12.55	2	Keonjhar CCB	10.92	3	Nayagarh CCB	12.42	4	Angul CCB	13.00	5	Aska CCB	12.94	6	Balasore CCB	17.90	7	Banki CCB	10.34	8	Berhampur CCB	12.08	9	Bhawanipatna CCB	14.42	10	Bolangir CCB	11.76	11	Boudh CCB	11.47	12	Khurda CCB	11.36	13	Koraput CCB	11.59	14	Mayurbhanj CCB	10.68	15	Sambalpur CCB	11.83	16	Sundargarh CCB	10.21	17	Puri Nimapada CCB	12.87	18	Odisha StCB	9.21	<table border="1"> <thead> <tr> <th>2018-19</th> <th>2019-20</th> <th>2020-21</th> </tr> </thead> <tbody> <tr> <td>Revision of viability norms of PACS.</td> <td>Liquidation &amp; amalgamation of non-viable PACS/LAMPCS</td> <td>Assessment of CRAR of each PACS</td> </tr> <tr> <td>Issue of revised circular &amp; guidelines on viability.</td> <td>Mobilisation of share capital 1. Enhancing share value. 2. Enrolment of new members including groups. 3. JLGs &amp; Pani Panchayats to be made members of PACS</td> <td>Maintaining CRAR @ 10%</td> </tr> <tr> <td>Assessment of viability PACS wise.</td> <td>Strict enforcement of IRAC norms</td> <td>Maintaining NPA @ 5 %.</td> </tr> <tr> <td>Identification and classification of PACS according to their viability.</td> <td>Increase in investment of Term &amp; Secured loans.</td> <td></td> </tr> <tr> <td>Preparation of DAP/BDP of PACS to make viable PACS viable &amp; sustainable.</td> <td></td> <td></td> </tr> <tr> <td>Adoption &amp; implementation of DAP/BDP</td> <td></td> <td></td> </tr> </tbody> </table>	2018-19	2019-20	2020-21	Revision of viability norms of PACS.	Liquidation & amalgamation of non-viable PACS/LAMPCS	Assessment of CRAR of each PACS	Issue of revised circular & guidelines on viability.	Mobilisation of share capital 1. Enhancing share value. 2. Enrolment of new members including groups. 3. JLGs & Pani Panchayats to be made members of PACS	Maintaining CRAR @ 10%	Assessment of viability PACS wise.	Strict enforcement of IRAC norms	Maintaining NPA @ 5 %.	Identification and classification of PACS according to their viability.	Increase in investment of Term & Secured loans.		Preparation of DAP/BDP of PACS to make viable PACS viable & sustainable.			Adoption & implementation of DAP/BDP		
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3.3	<p><b>Non-Performing Assets</b></p> <p>The menace of rising NPAs poses a threat to the capital base of the cooperative banks. Efforts for recovery in stressed assets, effective credit appraisal and post-sanction monitoring and follow-up, prevention of fresh slippages and quick mortality loans will help arrest the growth of bad loans.</p>	<table border="1"> <thead> <tr> <th>2018-19</th> <th>2019-20</th> <th>2020-21</th> </tr> </thead> <tbody> <tr> <td>Computerisation of accounts with DCB, NPA modules.</td> <td>Incentivising PACS staff with recovery of principal &amp; interest more than 80%</td> <td>NPA not above 5%</td> </tr> <tr> <td>Online transaction</td> <td>Recovery drives</td> <td>Service of demand notice to all loanees</td> </tr> <tr> <td>Weekly review of NPAs</td> <td>Coverage of high value NPAs under legal action</td> <td>Service of Legal notice to all defaulters.</td> </tr> </tbody> </table>	2018-19	2019-20	2020-21	Computerisation of accounts with DCB, NPA modules.	Incentivising PACS staff with recovery of principal & interest more than 80%	NPA not above 5%	Online transaction	Recovery drives	Service of demand notice to all loanees	Weekly review of NPAs	Coverage of high value NPAs under legal action	Service of Legal notice to all defaulters.																																																																		
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The following table depicts DCCB wise Gross NPA position as on 31 March 2017.

(Amount in Rs Crore)

S No.	DCCB	Total Loans	Gross NPA	G NPA %
1	Banki	18578.38	3149.54	16.95
2	Bolangir	78284.39	9158.86	11.7
3	Mayurbanj	37129.52	3883.84	10.46
4	Khordha	53149.07	5223.65	9.83
5	Bhawani-patna	32127.11	3118.04	9.71
6	Boudh	31020.13	2621.89	8.45
7	Balasore	144927.70	11147.1	7.69
8	Sambalpur	171907.60	12839.87	7.47
9	Keonjhar	33152.40	2381.93	7.18
10	Anugul	61117.98	4224.46	6.91
11	Berhampur	36191.88	2486.57	6.87
12	Sundergarh	64272.98	3677.86	5.72
13	Koraput	68621.39	3438.47	5.01
14	Nayagarh	34030.95	1644.69	4.83
15	Aska	31566.07	1294.24	4.1
16	Cuttack	146121.90	5533.14	3.79
17	Puri	20383.20	729.49	3.58
	<b>Total</b>	<b>1062583.00</b>	<b>76553.6</b>	<b>7.2</b>

Average NPA per DCCB in the State stands at 7.2%, which is on a higher side. Of the 17 CCBs, except in case of 4 CCBs, all other CCBs are having NPA above 5%. Further, 2 CCBs have NPA above 10% also. Proper NPA management of all the Cooperative Banks still remain a grey area.

Implemetation of recovery strategy, persuasive & legal, categorising defaulters willful & non-willful	Execution of cases.	Compulsry coverage of Top 100 defaulters under legal action
Classification of Societies on recovery performance	Realisation of audit recoveries.	
PACS with recovery performance less than 80% should not be financed.		

3.4

**Accumulated Losses**

Accumulated losses offset the profits of the cooperatives. There needs to be an action plan for business, resources and profit planning for the banks with accumulated losses, so that sustainable viability can be established within a short period of time. These banks need to diversify their loan portfolio and introduce various non-fund based business, so as to earn revenues. The following table explains the incidence of accumulated losses in the DCCBs.

(Amount in Rs Crore)

Sr No.	DCCB	Acc. Loss
1	Bolangir CCB	39.88
2	Sambalpur CCB	14.56
3	Banki CCB	8.37
4	Puri CCB	3.30
5	Mayurbhanj CCB	2.11
6	Aska CCB	1.75
	<b>Total</b>	<b>69.97</b>

2018-19	2019-20	2020-21
Identification of Societies incurring losses for consecutive three years.	Firming up of Audit to identify causes of loss.	Identification of loss: realisable and non-recoverable by special exercise and placed before COM to take decision on each category..
Enforcement of Section 32 (1-a) against identified loss making societies.	.Loss making business to be closed.	Realizable loss assets to be covered under legal action.
	Imbalances with CCBs to be sorted out.	Waive out of non realizable loss quantum following due procedure

**3.5 Profitability**

Cooperatives primarily focus on extending production credit as compared to **MT/LT** loans. Since the margins in crop loan portfolio are often low, cooperatives may diversify their loan portfolio and extend more MT/LT loans. In addition, they need to optimise the transaction costs. They should also focus on increase of their miscellaneous income by taking up various fund based and non-fund based activities. Details of the profitability during last 5 years of the DCCBs are furnished in the following table.

(Amount in Rs lakh)

Particular	2012-13	2013-14	2014-15	2015-16	2016-17
No. in Profit	15	17	17	16	17
Profit Amt	24.3	734 <sup>2</sup>	3041.7	6553.3	8931
No. in loss	2	0	0	1	0
Loss amount	90.64	0	0	39.98	0

2018-19	2019-20	2020-21
Business wise trading acct & P/L	Increasing business turnover through more MT/LT loan	Loss making business to be closed
Diversification of business to include fund & non fund business	Specific planning for phasing out losses	
Achievement of BEP by each PACS	Achievement of BEP by each PACS	

**3.6 Imbalance in STCCS**  
 The imbalance position is increasing every year. DCCBs are required to make necessary provisions for the same in their books of account. Affirmative actions are required to be taken to reduce imbalance. Position of imbalance at the DCCB as well as the PACS level as on 31 March 2017 is furnished in the following table.

(Amount in Rs Lakh)

DCCB	Bank Level	PACS Level	Imbalance
AngulCCB	56862.40	52303.40	-4559.00
AskaCCB	30217.16	25121.01	-5096.15
BankiCCB	14655.82	13271.20	-1384.62
BalasoreCCB	112192.000	101809.80	-10382.21
BerhamporeCCB	33131.44	28692.02	-4439.42
BhawanipatnaCC	15834.28	14034.57	-1799.71
BolangirCCB	NA	NA	-7047.35
BoudhCCB	29804.11	26711.67	-3092.44
CuttackCCB	141239.50	126075.20	-15164.23
KeonjharCCB	31044.02	30610.98	-433.04
KhordhaCCB	8869.87	8492.83	-377.04
KoraputCCB	47413.28	42899.08	-4514.20
MayurbanjCCB	33862.78	29385.09	-4477.69
NayagarhCCB	22983.17	20929.68	-2053.49
PuriCCB	19383.62	17312.05	-2071.57
SambalpurCCB	157467.20	153137.20	-4329.95
SundergarhCCB	53936.19	50892.64	-3043.55

2018-19	2019-20	2020-21
Identification of Societies having imbalance	Remedial measures to prevent imbalances	Direct payment of loans by loanees in Bank
To trace out the reasons for such imbalance	Distribution of interest on collection of current demands between PACS & DCCBs before remittance to DCCBs	Maintenance of individual loan account at DCCB level
Monitoring of Borrowing by the PACS	Scrutiny of credit limit sanctioned by PACS	Reduction in imbalance
Interest subvention to be released in advance.		

**3.7 Productivity parameters**  
 Per-employee and Per-branch business of the Odisha State Cooperative Bank and all the 17 DCCBs as on 31 March 2017 are furnished in the following table.

(Amount in Rs Crore)

Sr No.	StCB/CCBs	Per Employee Business	Per Branch Business
1	Odisha StCB	83.91	1168.70
2	Cuttack CCB	12.72	70.64

2018-19	2019-20	2020-21
Standardised job chart for employees of PACS	Training on Common Accounting System, Suvikash package, Management of business	Exposure visit to learn & adopt best practices in cooperatives.
Job description of employees of PACS	Career progression policy	Skill upgradation training to staff.
Guideline & formats for	Exit of non-	

3	Keonjhar CCB	7.40	47.33
4	Nayagarh CCB	5.44	44.88
5	Angul CCB	11.0	78.37
6	Aska CCB	6.57	35.91
7	Balasore-Bhadrak CCB	11.89	98.69
8	Banki CCB	4.13	31.31
9	Berhampur CCB	5.04	31.93
10	Bhawanipatna CCB	3.07	31.55
11	Bolangir CCB	7.43	64.48
12	Boudh CCB	5.71	45.12
13	Khurda CCB	6.41	46.89
14	Koraput CCB	6.30	67.81
15	Mayurbhanj CCB	5.89	40.21
16	Sambalpur CCB	13.56	86.97
17	Sundargarh CCB	10.62	76.86
18	Puri-Nimapada CCB	3.87	18.88

Among the CCBs, per-employee business varies from Rs.13.56 crore (Sambalpur CCB) to Rs.3.07 crore (Bhawanipatna CCB). Likewise, per-branch business among DCCBs also vary from Rs.98.69 crore (Balasore Bhadrak CCB) to Rs.18.88 crore (Puri Nimapada CCB). Such variance in the productivity level of the DCCBs is mainly on account of faulty recruitment and branch expansion policies. A course correction with definite timeline can improve the productivity and create a competitive environment among the Cooperative Banks.

performance evaluation of employees.	productive staff	
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<p>3.8</p>	<p><b>Democratic Governance and Professional Management</b></p> <p>The deteriorating democratic governance in cooperatives needs to be restored by ensuring member awareness and education. Diminished external control, greater functional autonomy and professional management will help in better functioning of the cooperative banks. Fit &amp; Proper Criteria prescribed by RBI while appointing CEOs of DCCBs and Board of Directors of the cooperative banks should be adhered to.</p> <p>For better focus and strategy, sub-committees of the Board of Directors (such as ALCO, Loan, Audit, Investment Committee, etc.) may meet periodically. It is often observed that even though such committees exist, they are not functioning properly.</p>	<table border="1"> <thead> <tr> <th data-bbox="1050 142 1407 175">2018-19</th> <th data-bbox="1407 142 1717 175">2019-20</th> <th data-bbox="1717 142 2016 175">2020-21</th> </tr> </thead> <tbody> <tr> <td data-bbox="1050 175 1407 345">SOP for Board meeting, recording of proceeding &amp; implementation of resolution.</td> <td data-bbox="1407 175 1717 345">Exposure visit to identified institutions/ places for learning &amp; adopting successful model.</td> <td data-bbox="1717 175 2016 345">Removal of defaulters and disqualified directors from committee of Mgt.</td> </tr> <tr> <td data-bbox="1050 345 1407 516">Induction/ co-option of professional directors</td> <td data-bbox="1407 345 1717 516">Modified do's &amp; don'ts for Board of Directors.</td> <td data-bbox="1717 345 2016 516">Revisiting election Rule to eliminate possibility of defaulters being elected.</td> </tr> <tr> <td data-bbox="1050 516 1407 589">Capacity building training of directors.</td> <td data-bbox="1407 516 1717 589"></td> <td data-bbox="1717 516 2016 589"></td> </tr> <tr> <td data-bbox="1050 589 1407 621"></td> <td data-bbox="1407 589 1717 621"></td> <td data-bbox="1717 589 2016 621"></td> </tr> </tbody> </table>			2018-19	2019-20	2020-21	SOP for Board meeting, recording of proceeding & implementation of resolution.	Exposure visit to identified institutions/ places for learning & adopting successful model.	Removal of defaulters and disqualified directors from committee of Mgt.	Induction/ co-option of professional directors	Modified do's & don'ts for Board of Directors.	Revisiting election Rule to eliminate possibility of defaulters being elected.	Capacity building training of directors.					
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<p>3.9</p>	<p><b>Technology Adoption and Integration</b></p> <p>Technical integration of STCCS tiers will facilitate transparency, ease of accounting and better monitoring of financial parameters across the STCCS ecosystem, leading to cost optimization and improvement in profitability. With the availability of latest technology and integration with upper tiers through CBS, PACS may also diversify their business portfolio, leverage economies of scale and improve profit margins.</p> <p>In our State, PACS computerisation is underway and Odisha StCB and all 17 DCCBs are already on CBS. The issues of human interference in CBS system, non-generation of important MIS (like NPA report, SMA report etc.) from the CBS system, as well Migration and IS Audit needs to be addressed.</p>	<table border="1"> <thead> <tr> <th data-bbox="1050 738 1407 771">2018-19</th> <th data-bbox="1407 738 1717 771">2019-20</th> <th data-bbox="1717 738 2016 771">2020-21</th> </tr> </thead> <tbody> <tr> <td data-bbox="1050 771 1407 876">Completion of computerisation of 2600 PACS</td> <td data-bbox="1407 771 1717 876">Upgradation of software and hardware package</td> <td data-bbox="1717 771 2016 876">ERP implementation across all PACS</td> </tr> <tr> <td data-bbox="1050 876 1407 1047">Net connectivity &amp; back up connectivity</td> <td data-bbox="1407 876 1717 1047">On site training of staff.</td> <td data-bbox="1717 876 2016 1047">Dedicated IT professional in PACS having turn over more than Rs.5.00 crore</td> </tr> <tr> <td data-bbox="1050 1047 1407 1177">Policy of engagement, remuneration &amp; utilisation of DEOs in PACS.</td> <td data-bbox="1407 1047 1717 1177">Adoption &amp; implementation of EDP audit.</td> <td data-bbox="1717 1047 2016 1177">Integration of land records with Bhulekh</td> </tr> </tbody> </table>			2018-19	2019-20	2020-21	Completion of computerisation of 2600 PACS	Upgradation of software and hardware package	ERP implementation across all PACS	Net connectivity & back up connectivity	On site training of staff.	Dedicated IT professional in PACS having turn over more than Rs.5.00 crore	Policy of engagement, remuneration & utilisation of DEOs in PACS.	Adoption & implementation of EDP audit.	Integration of land records with Bhulekh			
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3.10	<p><b>Internal Systems and Controls</b></p> <p>The internal systems and control structure in cooperative banks needs to be strengthened. The long-standing unreconciled entries in transit accounts (sundry, suspense etc.) need to be reconciled at the earliest, since this is a fraud-prone area and directly impacts the profitability, net-worth and CRAR. Special Reconciliation Cell may be set up to undertake reconciliation of such outstanding entries, alongwith concurrent reconciliation on daily basis in CBS. Cooperative banks should put in place an effective system of internal controls and vigilance mechanism, with prime thrust on Internal Audit. Internal Audit reports must be reviewed by the Audit Committee of the Board.</p>			
		2018-19	2019-20	2020-21
		Updating audit of all PACS	Revised format for audit & inspection	Internal/concurrent Audit for PACS having transaction of more than Rs.5.00 crore.
		Inspection of all PACS	Training of Inspecting Officers & Auditors.	Cell for detection & action on misappropriation, fraud, embezzlement of society fund under the chaimanship of DRCS & comprising AAGCS, ARCS, CEO of Bank to evaluate the findings of audit, inspection, enquiry & take action for recovery and punishment of culprits.
		SOP for compliance of audit & inspection.	Computerised record keeping along with hard copies	
		Quarterly inspection of deposit counters.	Half yearly inspection of acoounts transaction between PACS & CCB	
		Test checking of KCC Accounts by DRCS/ARCS & Secys, BMs, Supervisors of Banks as per calendar of testing programme.	Auding of PACS in computerised environment.	

3.11	<p><b>Audit of PACS</b></p> <p>As on 31 March 2017, the audit of 133 PACS in the State is in arrears. It may be completed by qualified auditors at the earliest. Since PACS are the primary lending units in the STCCS structure, ensuring their financial soundness is of utmost importance. There is also a need to curtail the audit time of Odisha StCB and DCCBs to a period of 3 months, so as to enable them to finalise their balance sheets before 30 June of the succeeding financial year.</p>	<table border="1"> <thead> <tr> <th data-bbox="1050 142 1407 175">2018-19</th> <th data-bbox="1407 142 1717 175">2019-20</th> <th data-bbox="1717 142 2016 175">2020-21</th> </tr> </thead> <tbody> <tr> <td data-bbox="1050 175 1407 313">Increase in no. of Auditors (Departmental &amp; empanelled)</td> <td data-bbox="1407 175 1717 313">Training of Auditors to work in computerised environment.</td> <td data-bbox="1717 175 2016 313">Data analytics of audit of accounts.</td> </tr> <tr> <td data-bbox="1050 313 1407 548">Completion of pending audit</td> <td data-bbox="1407 313 1717 548">Revising audit formats to assess viability, profitability, income, productivity of staff &amp; management efficiency.</td> <td data-bbox="1717 313 2016 548">Training of auditors</td> </tr> <tr> <td data-bbox="1050 548 1407 654">Review of status of audit of each PACS every month.</td> <td data-bbox="1407 548 1717 654">Computerisation of audit process &amp; software for audit.</td> <td data-bbox="1717 548 2016 654"></td> </tr> <tr> <td data-bbox="1050 654 1407 784"></td> <td data-bbox="1407 654 1717 784">Monthly review of surcharge proceedings &amp; time line for disposal.</td> <td data-bbox="1717 654 2016 784"></td> </tr> <tr> <td data-bbox="1050 784 1407 922"></td> <td data-bbox="1407 784 1717 922">Review of implementation of surcharge orders &amp; audit recoveries.</td> <td data-bbox="1717 784 2016 922"></td> </tr> </tbody> </table>			2018-19	2019-20	2020-21	Increase in no. of Auditors (Departmental & empanelled)	Training of Auditors to work in computerised environment.	Data analytics of audit of accounts.	Completion of pending audit	Revising audit formats to assess viability, profitability, income, productivity of staff & management efficiency.	Training of auditors	Review of status of audit of each PACS every month.	Computerisation of audit process & software for audit.			Monthly review of surcharge proceedings & time line for disposal.			Review of implementation of surcharge orders & audit recoveries.	
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3.12	<p><b>Board-approved Policies and Compliance</b></p> <p>The adoption and enforcement of Board-approved policies in key functional areas will help streamline operations, ensure consistency and transparency as well as improve regulatory compliance.</p> <p>Along with the systems in place, compliance is one important area which can help in transparent and effective functioning. Constitution of various committees, sub committees and devising necessary MIS can enable the cooperatives to monitor their functional areas in a regular manner.</p>	<table border="1"> <thead> <tr> <th data-bbox="1050 954 1407 987">2018-19</th> <th data-bbox="1407 954 1717 987">2019-20</th> <th data-bbox="1717 954 2016 987">2020-21</th> </tr> </thead> <tbody> <tr> <td data-bbox="1050 987 1407 1393">SOP for Board meeting, recording of proceeding &amp; implementation of resolution.</td> <td data-bbox="1407 987 1717 1393">Revising &amp; updating bye-laws.</td> <td data-bbox="1717 987 2016 1393">Implementing compulsory decision making -NPA -Loss of society -Fraud &amp; misappropriation -Audit recoveries Disciplinary action against staff -Recovery &amp; investment</td> </tr> <tr> <td data-bbox="1050 1393 1407 1529">Placement of statutory reports for decision in COM</td> <td data-bbox="1407 1393 1717 1529">Rule of business for conducting Board meetings, recording of resolution,</td> <td data-bbox="1717 1393 2016 1529">Conducting board meetings every month</td> </tr> </tbody> </table>			2018-19	2019-20	2020-21	SOP for Board meeting, recording of proceeding & implementation of resolution.	Revising & updating bye-laws.	Implementing compulsory decision making -NPA -Loss of society -Fraud & misappropriation -Audit recoveries Disciplinary action against staff -Recovery & investment	Placement of statutory reports for decision in COM	Rule of business for conducting Board meetings, recording of resolution,	Conducting board meetings every month									
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		Placement of Financial Report.	implementation. All decisions & implemetation of resolutions to be submitted to ARCS	Policies regarding sitting fees, conveyance allowance, etc. should be taken to AGB.
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