



FINAL AUDIT REPORT

FOR THE YEAR 2015-16

OF

ODISHA CONSUMERS' CO.-OP. FEDERATION LTD.

BHUBANESWAR

VDIN-23057400BGWJWU9666

Audited by

MU Associates, Chartered Accountants.

Final Auditor, OCCF LTD.

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AUDITOR'S VERIFICATION CERTIFICATE

WeC.AUjirMahammad, Managing Partner of MU Associates, the Final Auditor of the Odisha Consumers' Cooperative Federation Ltd., Bhubaneswar (OCCF Ltd.) for the year 2015-16 duly authorized vide Order No.VI (4) 74/2011 / 7425 / AUDIT-1 dated 16.12.2016 of the AGCS, Odisha, to conduct the audit of accounts of the said Federation under section 62 of the OCS Act, 1962 for the period covering from 1st April 2015 to 31st March 2016 hereby certify:

1. That, we have examined and audited the attached Balance sheet of the OCCF Ltd. as on 31st March 2016, Profit & Loss Account for the year 2015-16 and Trading Account for the year 2015-16, as annexed to the Audit Report, based on the accounts relating to the Head Office and branches of the OCCF Ltd., and have separately submitted the Audit Report thereon with this Certificate.
2. That, In our opinion and to the best of our knowledge based on the information and explanation given to us on audit queries and as revealed from the books and records of the OCCF Ltd., and subject to our qualifications in the report, the Balance Sheet is full and fair one containing all necessary particulars and is properly drawn up in conformity with OCS Act & Rules, Bye-Laws and instructions of the AGCS, Odisha, Bhubaneswar, so as to exhibit a true and fair picture of the OCCF Ltd. for the year under Audit.
3. That, some of the information asked during Audit were not submitted till completion of the Audit as follows;
 - a. Information of functioning of the outside State Branch (except interim audit report)
 - b. Business Rules
 - c. Method of Costing
 - d. Information regarding training of staff
 - e. Dead stock & Furniture register and stock verification reports
 - f. Fixed Assets register
 - g. Balance confirmation certificate from the banks with respect to the bank Accounts
 - h. Banker's transaction statement
 - i. Pass Books (Bank & Post Office)
 - j. Fixed Deposit Certificates
 - k. Investment Certificates
 - l. Capacity utilization Certificate of Godowns
 - m. Status / Details of un-reconciled outstanding balances in various accounts.



Besides the above, due to want of updated consolidated GL, the balances have been arrived by consolidating the figures of interim audit reports read with essential corrections made at Head Office level after interim audit, i.e., recording the transactions during the year under audit only. Further the following information supplied by the OCCF Ltd. was found not satisfactory as most of the accounts are un-reconciled.

- a. Head office A/c with Branch A/c
- b. Inter Branch A/c
- c. Customers' A/c
- d. Suppliers' A/c
- e. Employee Advance A/c
- f. Security Deposit of Staff A/c
- g. Trade deposit Account
- h. Trade deposit of Co-operative Societies with OCCF
- i. Bank Account.
- j. Sales man liability with stock in trade A/c.
- k. Dead stock & Furniture A/c
- l. Shortage Recoverable A/c
- m. Members Share A/c
- n. EMD & SD with Customers A/c
- o. EMD & SD by Suppliers A/c
- p. All other old outstanding balances in various accounts like bank accounts, investments, fixed assets, receivable accounts, recoverable accounts, payable accounts, other sundry dues, current and other liabilities, provision accounts, etc.

4. That, the transactions which have come to our notice have been within competency of the OCCF Ltd.
5. That, the Interim Audit Reports received have been examined.
6. That, in our opinion, though the books of accounts have been kept by the Federation as required under the OCS Act, Rules and By-laws of the Federation and the instruction of the AGCS, Odisha and RCS, Odisha, the maintenance of records is very poor and incomplete in many areas like timely reconciliation and adjustments, rectification of errors, carry forward of balances, etc.
7. That, uniformity is not being maintained in preparation of records and classification of transactions at branches as well as Head Office, which is essential not only for correct and proper consolidation of accounts, but also to make a critical analysis of the data and assess the viability of the business and operational efficiency of the Federation.
8. That, the investment, loans and advances are in accordance with the provision of the OCS Act & Rules, Bye-laws and instruction of the AGCS, O and RCS, O.



9. That, the Reserves & Provisions are made in accordance with provisions of OCS Act, Rules, Bye-laws along with circular instruction of Registrar of Cooperative Societies, Odisha and Auditor General of Cooperative Societies, Odisha, Bhubaneswar.
10. That, there are design as well as operating deficiencies in the internal control mechanisms followed by the Federation, resulting in inadequate mechanism of internal control and safe guard by the OCCF Ltd. Some of the areas where internal controls are lacking are:
- Professional Tax has been deducted from the monthly salary, but same has not been deposited with appropriate authorities during the year.
 - No record relating to Physical verification of fixed assets appearing in the Balance Sheet has been made available to us.
 - The Trial Balance at the end of the year shows Suspense Account, which needs reconciliation and adjustment / transfer to appropriate natural heads of accounts.
 - CPF dues deposited timely.
11. That, the establishment & Contingent charges are correct, authorized and within the budgetary control, except as pointed above and further, significant mismatch has been found between actual and budget in respect of salary, other staff benefits and contribution to CPF.




(CA,UjirMahammad)
FCA,DISA,FAFD,CCA,SLA,VALUER
(Managing Partner,MU Associates)
Final Auditor,
OCCF Ltd., for 2015-16

Areas of Concern And Major Defects Noticed During Final Audit

1.	SUSPENSE ACCOUNT: As on 31 st March 2016, the suspense account shows net credit balance amounting to Rs.5,06,674.73. Reasons and ageing of the same could not be ascertained by us due to lack of information.
2.	INTEREST PAYABLE ON GOVT. LOAN: During the year 2015-16, interest of Rs.16,18,640.00 has been provided on outstanding Government Loan in line with the amount provided in preceding two years due to lack of complete information regarding the loan. No provision for interest has been made on outstanding balances of bank borrowings (including MTNA Loan) as the same are rolling over in accounts since long time. Further the account of Government loan for vehicles shows debit balance as on 31 st March 2016 hence needs reconciliation for correction of misclassifications, if any, in accounts.
3.	SHARE CAPITAL: There has been no transaction in Share Capital account which shows a balance of Rs.3,13,44,100.00 at the end of 2015-16. Membership and share capital accounts remain more or less stagnant due to no growth at grass root level.
4.	HOUSE RENT INCOME: House rent income of Rs.31,38,677.00 is due from tenants at Head Office level since long, recoverability of which could not be ascertained in the absence of complete information.
5.	EP & DISPUTE: As per information furnished to us, 63 dispute cases are awaiting decision and / or execution, with a financial implication of Rs.56.27 lakhs, a few of which have been decreed amounting to Rs.20.64 lakhs. There has not been any progress in the way of realization / recovery in respect of these cases which by themselves are very old, ranging from the year 1987 to 1992. Timely steps have not been taken by the Federation in this regard. In addition to the above, Ministry of Defence, Government of India, had obtained a decree amounting to Rs.1.50 Crore against OCCF in connection with non-execution of a Purchase Order by its Delhi Branch, and OSCB had filed a dispute case with RCS, Odisha, in connection with non-payment of MTNA Loan availed by OCCF. Due to non-production of records, we have not been able to ascertain the latest position in the aforesaid disputes and their resultant impact on the financial position of OCCF.
6.	BANK ACCOUNTS: (A) SBD ACCOUNTS There are 19 accounts with a net debit balance of Rs.18,78,223.14 (Credit Rs. 13,77,405.00 and debit Rs. 32,55,628.14) which have been stagnant and rolling since long. Major part of debit balance pertains to SBD A/C PNB Kolkata outstanding since 1987-88. No details are available for any of the 19 balances. The net debit balance as above has already been classified as bad and doubtful asset and fully provided as on 31 st March 2016. We have not come across any steps by the management to retrieve the amounts from respective banks. (B) CURRENT ACCOUNTS There are 88 accounts, of which 60 accounts are inoperative. Net debit balance as on 31 st March 2016 is Rs.3,53,96,088.77 (Credit Rs.25,91,056.42 and Debit Rs.3,79,87,145.19). Barring a few, almost all cases, statement of account, reconciliation and balance confirmation are not available. Due to want of information, we are unable to ascertain the amount of provision needed to take care of the bad and doubtful balances in the Current Accounts.



(C) FIXED DEPOSITS / RD ACCOUNTS (INVESTMENTS)

There are 37 accounts with a net debit balance of Rs.191.59 lakhs. In some of the cases, reconciliation and balance confirmation are not available. A provision of Rs.65.94 lakhs exists in this account, but due to want of details, it is not possible to comment on the adequacy of the provision as on 31st March 2016. *

In addition to the above, the accounts reveal Rs.13,26,194.90 as investment in other Institutions, but we could not verify the same due to want of supporting documentary evidences of the investments, and also there is no transaction relating to any income earned from these investments during last 3 years.

7. STOCK IN TRADE AND LIABILITY:

These accounts being contra accounts should have shown the same balance, but there is opening balance difference of Rs.3,985,141.59 rolling over since long, for which provision for same amount exists in accounts.

8. BORROWINGS:

Following un-reconciled loan balances are rolling over since long period and due to non-availability of information, the balances could not be verified:

S.No.	Particulars	Balance (Rs.)
1	Govt. loan for construction of Godown	1,22,09,004.15
2	Govt. Loan for Vehicles A/c	Dr.60,455.00
3	Interest payable on Govt. Loan	1,22,84,150.00
4	Govt. Loan (other) for building materials A/c	50,998.97
5	Hypothecation Cash credit Loan from OSCB, BBSR including MTNA Loan A/c	79,40,795.24
6	Overdraft cash credit loan from O.S.C.B., BBSR A/c	4,60,000.00
7	Int. Payable on Bank borrowings	1,18,34,078.66

9. BUILDING UNDER CONSTRUCTION:

As on 31st March 2016 the closing balance (2 accounts as per Fixed Assets Schedule) shows Rs.85,71,535.16. No information could be obtained as to the status of completion like date, final amount, completion certificate, arrear and current depreciation to be charged, as such impact on accounts is not ascertainable / quantifiable.

10. NON RECONCILIATION OF OPENING BALANCES:

The opening balances in the accounts in the heads of Employees advance, Sundry debtors, Trade deposit, Security deposit with other Institution, etc. do not match with the totals of corresponding subsidiary ledger balances.



HIGHLIGHTS OF THE AUDIT REPORT

The Odisha Consumers' Co-operative Federation (OCCF) Ltd., Bhubaneswar is an Apex Organization in the consumer co-operative sector which supplies consumer goods to its member Consumer Co-operative Societies for sale to consumers through its branches located throughout Odisha as well as outside the state of Odisha. The society processes and packs various food commodities which are sold through its outlets under its brand name. The products sold through its branches once attracts considerable demand for its qualitative nature and having attractive good will among the public. However due to extensive corruption and prolonged mismanagement the society become defunct and minimal operation in few branches and closed its once reputed and iconic Banjaprabha Departmental Stores.

Due to inadequate maintenance of books of accounts and unreconciled heads of accounts the audit of the society pending for the year 2015-16 conducted during the year 2022-23. The account keeping is very poor. The Federation is not having even one person with accounting knowledge to prepare the financial statements and other allied accounts work as a result the auditors are facing a lot of difficulties and ultimately hampers the progress of the Audit. The Administrative Department is also silent over the poor performances of the Federation. It appears that the audit suggestions and remarks on the functioning of the Federation have no resultant effect on its activities. Although the NCCF has prescribed detail guidelines in shape of a manual for consumer co-operatives for maintenance of their accounts, formulation of business activities from different angles to judge the viability, however the management have not made any attempt for its implementation in the Federation since inception. When data based accounting systems acts as a parameter to assess the potentiality of the business along with prudential Management of stock and funds, this aspects appears to be neglected the loop holes in the right time along with its immediate solution are not made possible for which the Federation is sustaining chronic loss. Bad & Doubtful assets are mounting the year after year.

SHARE CAPITAL: The total Paid up Share Capital counts to Rs.3,13,44,100.00 as on 31.03.2016. Out of the total paid-up Share Capital the State Govt. contribution is Rs.2,99,59,100.00 which forms 95.58% of total share capital. The Members participation is only Rs.13,85,000.00 which is 4.42% of the total Share Capital. Steps should be taken to improve the Share Capital Position by way of enrolled more members or received aids from Govt.



A. MEMBERSHIP:As on 31st March 2016, the membership stands at 189.

B. WORKING CAPITAL:As per guidelines of RCS (O), Working Capital has been arrived at Rs. 40,39,47,147.08as on 31.03.2016as against Rs. 51,53,95,059.16 for previous year.

C. OWN FUND: The Own Fund of the Federation stands at Rs. 3,13,31,715.37(calculated as paid up share capital plus reserves , other funds and undistributed profit) which is same asprevious year.

D. COST OF MANAGEMENT: The Cost of Management for the year 2015-16 is Rs. 2,40,88,967.57which is 5.96% of working capital as compared to previous year 3.92%,increase by 2.04%. The percentage of cost of management to working capital is more by 3.96% as compared to the limit of 2% as prescribed by R.C.S., (O), Bhubaneswar vide Circular No.22624/17.12.2004.

E. CURRENT LIABILITIES /ASSETS:Current liabilities amount Rs. 38,71,85,126.53(which includes other sundry dues, current liabilities and other liabilities) as on 31.03.2016 as against the current assets worth Rs. 37,32,41,867.18 (which includes current assets, recoverable, other assets,Cash & Bank Balances and closing stock of assets side).

F. BUSINESS: The Federation has made net purchase worth Rs. 60,63,47,029.63during the year under audit. During the year the Federation has sold goods to the tune of Rs. 61,59,96,022.00(net) after leaving a closing stock of Rs. 21,68,398.32(damaged stock 17,88,442.96 and sound stock 3,79,955.36) as certified by management as on 31.03.2016. The Federation has earned a Gross Profit of Rs. 88,45,214.31 for the year.

G. RECOVERABLES: The total recoverable shown in the balance sheet amount to Rs. 54,28,932.43 as on 31.03.2016, which stands fully provided in Accounts. This amount is rolling since long and the Federation has not maintained any record individual-wise and / or Branch-wise to monitor the realization.



H. RECONCILIATION :

The following important Accounts, besides some others, are not reconciled and up-to dated till the date of our audit.

- | | |
|--|------------------------------------|
| i) Head office with Branch A/c | ii) Security Deposits of Staff |
| iii) Inter Branch A/c | iv) Salesman liability A/c |
| v) Customers A/c | vii) Suppliers A/c |
| viii) EMD with customers/Suppliers | ix) Advances A/c |
| x) Security Deposit of Suppliers/customers | xi) Trade deposit of Societies A/c |
| xii) Fixed Deposit A/cs | |

The management has not provided us the bank pass book, bank statements and balance confirmation certificate from the respective banks, so we could not verify the transactions and balances of the bank account.

Further a lot of accounts under liability side in Schedules – IV, V and VI are rolling since long, which have not been taken up for reconciliation and settlement.

I. CAPITAL FUND: The networth of the Federation is calculated to Rs. (-) 4,05,12,291.40 as on 31.03.2016.

J. BORROWINGS: The Total deposit and borrowings of the Federation stands at Rs. 5,70,73,585.97 as on 31.3.2016. Most of the amounts in this Account are rolling over since long time. The interest payable on Govt. Loan and Bank Loan stands at Rs. 2,41,18,228.66 as on 31.03.2016 which has not been repaid since long.

K. MAINTENANCE OF RECORDS & ACCOUNTS KEEPING: The maintenance of records and accounts keeping are very poor. Due to non maintenance /improper maintenance of records most of the accounts remained un-reconciled. A number of accounts in the assets side are showing credit balances and similar case in liability side for the year under audit. Uniformity is not maintained in maintenance of records at Head Office as well as Branches.



- L. PROFIT & LOSS A/C:** The Federation has incurred a net loss amounting to Rs. 14,77,889.66 & the accumulated loss comes to Rs. 7,18,44,006.77 as on 31st March 2016.
- M. FIXED ASSETS:** The value of fixed assets as per balance sheet comes to Rs. 1,14,07,433.96 as on 31st March 2016 excluding the value for which provision has been made in earlier years. Due to non-maintenance of fixed assets register and year-wise entries therein, we could not ascertain whether the balances shown in Building under construction and Shopping Complex under construction represent completed assets and if so, since when put to use and the impact on depreciation for the year and earlier years.
- N. CAPITAL DEPLOYED:** The total capital deployed in the business as at the end of 31st March 2016 worked out Rs. 27,47,99,624.44 which is 68.02 % of the Working Capital. Hence, almost half of the capital remains undeployed for business purposes, which needs improvement.
- O. INSPECTION:** Inspection of the Federation has not been conducted during the year under audit, which is not line with the provisions of the OCS Act, related Rules and Circulars of RCS issued from time to time.
- P. INTERNAL CONTROL:** There are design as well as operating deficiencies in the internal control mechanisms followed by the Federation, resulting in inadequate mechanism of internal control and safe guard both at Head Office and Branch levels.



FINAL AUDIT REPORT OF THE
ODISHA CONSUMERS' CO-OP. FEDERATION LTD.,(OCCF LTD)-
BHUBANESWAR
FOR THE YEAR 2015-16 (01.04.2015 to 31.03.2016)

PART-I

1	Name and address of the Co-operative Society	The Odisha Consumers' Co-operative Federation Ltd., A/31, Unit - III, P.B.No.-125, Bhubaneswar-751001.
2	Registration No. & Date	No. 43 KH/03.03.1965
3	Date of Establishment	Dt. 23.04.1965
4	Area of operation	The area of operation of the Federation is confined to whole State of Odisha.
5	Year & Period of Audit	2015-16(From 01.04.2015 to 31.03.2016)
6	Name of the office bearers during the year under Audit	
	Name of the President	Sri Birendra Patel, President OCCF
	Managing Director	Sri BrahmanandaBhuc, OCS-I & DRCS from 03.09.2010 A.N vide notification No.8477/dt.20.08.2010 of Govt. of Orissa, Cooperation Dept. and till continuing.
	General Manager	Sri Bijay Kumar Patro
	Accounts Officer	Sri P N K Patro
	Establishment Officer	Sri Dillip Kumar Dash, I/c
7	Name of the present office bearers at the time of audit	
	Name of the President	SmtRosalyn Senapti, Administrator w.e.f. 01.03.2021, as per order No. XLV-III-06/2020/16633, dt. 31.07.2020 of R.C.S. (O)
	Name of the Managing Director	Sri Ratikanta Pradhan, OSD-cum-MD I/c
	Name of the General Manager	Sri Ratikanta Pradhan, OSD-cum-G.M.
	Name of the Accounts officer	Sri PravakarNayak, I/c
	Name of the Establishment officer	Sri Dillip Kumar Dash I/c



8.	Name of the Branches: The name of the branches of the O.C.C.F. Ltd. along with the name of the Branch Managers, during the period under audit and at the time of audit is given hereunder.		
Sl. No	Name of the Branch	Name of the M.D/B.M. during the period under Audit	Name of the M.D/B.M. at the time of Audit
1	Head Office	Sri BhahmanandaBhue, OCS-I & DRCS (MD)	Sri Sachindra Kumar Singh, OCS-I JRCS (MD)&Ratikanta Pradhan, OSD-G.M. & M.D I/c
2	Jeypore	Sri R. K. Pradhan	Sri Dillip Kumar Dash
3	Sahayog, Puri	Sri Bijaya Kumar Patra	Sri Ratikanta Pradhan
4	Cuttack, Malgodown	Sri PrabhakarNayak	Sri DharendraNath Jena
5	Bhanjaprabha, Cuttack	Sri K.C.Sahoo	Sri Phakir Mohan Mallik
6	Berhampur Branch	Sri SimachalPanigahi	Sri Prasant Kumar Padhi
7	Bhanjaprabha – H.O, Order Supply Branch	Sri Jayakrushna Jena	Sri DharendraNath Jena
8	Rourkela	Sri NarahariNayak	Sri PatayatBehera
9	Baripada	Sri Purusottam Gouda	Sri Phakir Mohan Mallik
10	ENB Unit(Press)	Sri SurendraNath Swain	Closed
11	Kolkata Branch	Sri Arun Kumar Agrawala	Closed
12	BP Food Processing Branch	Sri P.N. K. Patro	Closed
13	Dhenkanal Branch	Sri DinabandhuSahoo	Sri Ranjan Kumar Nath
14	B.P I.D. Mkt. Branch	Mr.Suvendu Ku Mohapatra	Ms.Gitanjalipatra
15	Phulbani Branch	Sri BaishnavaCharanSahu	Sri Ranjan Kumar Nath
16	Bhawanipatna Branch	Sri B.M. Patnaik	Sri Dillip Kumar Dash
17	Sambalpur Branch	Sri TankadharMajhi	Sri PatayatBehera

9	Name of the Statutory Auditors	a) Present : MU Associates, Chartered Accountants, Final Auditor duly authorised vide letter No..7425, dt.16.12.2016 of the AGCS, Odisha, Bhubaneswar. b)Previous : Sri Sanjay Kumar Pattnaik SAAGCS,Department of Cooperative Audit,Bhubaneswar
10	Days devoted for Audit	a) Date of Commencement : 29.12.2016 b) Date of completion : 18.11.2022
11	No. of days taken for completion of Final Audit for the year 2015-	100 man days as against 100 man-days allotted and Audit Fees has been levied on 100 days only.



(b) Bank Balances: (29.12.2016)**(i) Current Accounts:**

Sl No.	Bank Name	Account No.	Closing Bal.(Rs)
1	ICICI Bank Main Branch, Unit-3	006105000026	1025090.97
2	SBI Main Branch	10872144821	1463.33
3	Bank of Baroda, Bapuji Nagar	6880200000494	53436.00
4	UBI, Mali Sahi Branch	1404050007979	20246.00
5	Utkal Co-op Banking Society	101	4950.00
6	OSCB	001030000026	3,470.63

(ii) Verification of Fixed deposits:

STATEMENT OF FIXED DEPOSITS WITH DIFFERENT BANKS OF OCCF LTD.							
Sl no	Name of the Bank	Account Number	Date of Deposit	Deposit Amount	Date of Maturity	Matured Amount	Rate of Interest
1	SBI Main Branch	35861086252	24.06.2016	50,000.00	24.06.19	61,572.00	7.00%
2	SBI Main Branch	37053749090	01.08.2016	10,00,000.00	01.02.19	11,01,548.00	6.50%
3	SBI Main Branch	35446828982	04.01.2016	36,000.00	04.01.19	44,332.00	7.00%
4	Utkal Cooperative Banking Society	14256	02.03.2015	5,00,000.00	02.03.19	5,94,500.00	8.75%
5	Utkal Cooperative Banking Society	14192	20.02.2015	13,11,696.00	20.02.19	15,59,608.00	8.75%
6	Utkal Cooperative Banking Society	14090	07.02.2015	5,00,000.00	07.02.19	5,94,500.00	8.75%
7	Utkal Cooperative Banking Society	11746	17.07.2016	3,60,206.00	17.07.18	4,30,385.00	9.00%
8	Utkal Cooperative Banking Society	11604	31.03.2016	46,82,677.00	31.03.18	55,95,008.00	9.00%
9	Utkal Cooperative Banking Society	14369	24.03.2016	5,00,000.00	24.03.18	5,94,500.00	8.75%
10	Utkal Cooperative Banking Society	14371	24.03.2016	5,00,000.00	24.03.18	5,94,500.00	8.75%
11	OSCB, Sahid Nagar Branch	2025020046	30.09.2016	2,14,882.00	30.09.18	2,30,890.00	7.25%
12	OSCB, Main Branch	1025011569	31.03.2016	6,366.00	31.03.18	7,459.00	8.00%
13	OSCB, Main Branch	1025011567	31.03.2016	3,25,331.00	31.03.18	3,81,177.00	8.00%
14	OSCB, Main Branch	1025011570	31.03.2016	21,622.00	31.03.18	25,334.00	8.00%
15	OSCB, Main Branch	1025011568	31.03.2016	10,867.00	31.03.18	12,732.00	8.00%
16	Bank of Baroda Bapuji Nagar	6880300015143	07.01.2016	30,342.00	07.01.18	32,522.00	7.00%
17	ICICI Bank Ltd, Main Branch	6114140017	29.08.2016	4,22,885.00	29.07.18	4,48,659.00	6.50%
Total				1,04,72,874.00		1,23,09,226.00	
FOLLOWING FIXED DEPOSITS SEIZED BY VIGILANCE DEPT. CUTTACK VIDE CASE NO-72/2011							
1	Bank of Baroda Bapuji Nagar	6880300012833	21.07.14	5,22,499	21.07.17	5,73,925	9.05%
2	Bank of Baroda Bapuji Nagar	6880300012838	21.07.14	90,000	21.07.17	1,17,717	9.05%
3	Bank of Baroda Bapuji Nagar	6880300012837	21.07.14	9,60,000	21.07.17	12,55,649	9.05%
4	Bank of Baroda Bapuji Nagar	6880300013888	17.03.15	27,83,360	17.03.17	33,09,418	8.75%
Total				43,55,859		52,56,709	
Grand Total				1,48,28,733		1,75,65,935	

(c) Postage:

We have physically verified the postage A/C on 29.12.2016 for Rs.5/- (Rupees Five only) being Opening Balance on 29.12.2016 (postage $1 \times 5 = 5$ + Cash = 0) with Rajani Panda, Dairist which is tallied with Postage Register. The Federation has not maintaining the balance cash separately, amount kept with the concerned person only.



(d) Insurance:

The Federation has made following insurance Policies with the National Insurance Company Ltd., for Stock, cash, Vehicle to cover Cash, Cash in Transit, Burglary, theft etc of H.O

Sl. No.	Coverage	Policy No.	Amount Insured (Rs)	Valid Upto
1	Money- in-transit	163700/48/15/7600000285	5200000.00	23.05.2016
2	Money- in-transit	163700/48/16/7600000336	5200000.00	23.05.2017
3	Burglary	163700/46/15/7500000089	300000.00	23.05.2016
4	Burglary	163700/46/16/7500000082	300000.00	23.05.2017
5	Building & Stock	163700/11/141/3100000130	300000.00	23.05.2016
6	Building & Stock	163700/11/16/3100000132	300000.00	23.05.2017

(e) Vehicles:

Two Ambassador cars available with Federation and same were not insured for the period under Audit.

1	OR-02-2021		Rs.....	
2	OR-02-4041		Rs.....	

14.

Books and Records:

The Federation has maintained following books and records to record the day-to-day transaction.

- | | | | |
|----|-------------------------------------|----|--------------------------|
| 1 | Day Book | 16 | T.A Register |
| 2 | Vouchers for Receipt and Payment | 17 | Advance Register |
| 3 | General Ledger | 18 | C.P.F Register |
| 4 | Money Receipts | 19 | Share Register |
| 5 | Sales Day Book | 20 | Bankers Ledger |
| 6 | Sales Bill | 21 | Cheque Books |
| 7 | Customers Ledger | 22 | Branch Challans |
| 8 | Purchase Day Book | 23 | Insurance File |
| 9 | Purchase Invoice | 24 | Vehicle Log book |
| 10 | L.R.Register | 25 | Borrowing Register |
| 11 | Invoice control Register | 26 | Investment Register |
| 12 | Suppliers Register | 27 | Bye- Laws |
| 13 | Branch consolidated R/E Register | 28 | Branch Transfer Register |
| 14 | Pay Acquittance Roll | 29 | Branch Ledger |
| 15 | Sundry debtors and Sundry Creditors | | |



15.	Physical verification of Cash, Postage, Bank Balance, Insurance etc., by Interim Auditors at the time of Commencement of Interim Audit: Physical verification of Cash, Postage , Bank Balance, Insurance etc done by the Interim Auditors at the time of commencement of interim audit reported in their report the same were reproduced hereunder.
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(A) CASH:

Sl. No.	Name of the Branch	Name of the Auditor	Date of verification	Amount verified	Custodian's name	D. Lock/ S. Lock
1	Jeypore	LaxmanSabar, SAAGCS	N.A	N.A	Ratikanta Pradhan	S. Lock
2	Sahayog, Puri	S.K Jally, SAAGCS	03.08.2018	N.A	SimanchalPanigrahi	S. Lock
3	Cuttack, Malgodown	D.P Mishra & Co. ,C.A	16.01.2017	87383.00	DharmanandaTripathy	S. Lock
4	Bhanjaprabha, Cuttack	D.P Mishra & Co. ,C.A	22.08.2017	18973.00	Phakir Mohan Mallick	S. Lock
5	Berhampur Branch	R.N Behera, SAAGCS	12.12.2016	97.59	K. Usharani	S. Lock
6	Bhanjaprabha – H.O, Order Supply Branch	D.P Mishra & Co. ,C.A	16.01.2017	8733.00	Jaya Krushna Jena	S. Lock
7	Rourkela	D.Mallick, SAAGCS	15.11.2016	N.A	PatayatBehera	S. Lock
8	Baripada	B.B Majhi, SAAGCS	25.10.2016	8222.00	PurusottamGoud	S. Lock
10	Kolkata Branch	D.P Mishra & Co. ,C.A	21.12.2019	N.A	Arun Kumar Agrawal	N.A
12	Dhenkanal Branch	K.K Rath, SAAGCS	15.09.2016	42179.00	DinabandhuSahoo	S. Lock
13	B.P I.D. Mkt. Branch	D.P Mishra & Co. ,C.A	15.02.2017	20509.00	GitanjaliPatra	S. Lock
14	Phulbani Branch	B.K Sahoo, ACS	17.01.2017	17.03.2017-	Ratikanta Pradhan	S. Lock
15	Bhawaniapatna Branch	U.N Sahoo, ACS	08.12.2016	4648.00	BrajomohanPattanaik	S. Lock
16	Sambalpur Branch	M.K Tripathy, ACS	04.01.2017	N.A	TankadharMajhi	
17	Head Office	D.P Mishra & Co. ,C.A	21.12.2016	22718.00	Sri Braja Kishore Kanungo	D. Lock



(B) POSTAGE AND BANK BALANCE (C/A & FD) as per verification of Interim Auditor

Sl. No.	Name of the Branches	Postage verification	Bank balance verification	Name of the Bank	Date of verification
1	Jeypore	N.A.	N.A	N.A.	As per Interim Audit Report 31.03.2016
2	Sahayog, Puri	N.A.	N.A	SBI, Puri	
3	Cuttack, Malgodown	N.A.	N.A	N.A.	
4	Bhanjaprabha, Cuttack	N.A.	N.A	Urban Coop. Bank,Ctc	
			N.A	IDBI Bank, Cuttack	
			N.A	SBI, Cuttack	
5	Berhampur Branch	N.A.	N.A	N.A.	
6	Bhanjaprabha – H.O, Order Supply Branch	N.A.	N.A	N.A.	
7	Rourkela	N.A.	N.A	N.A.	
8	Baripada	N.A.	53817.77	C/A with MCCB	25.10.2016
			3216139.00	Bank of India	25.10.2016
10	Kolkata Branch	N.A.	N.A	N.A	
12	Dhenkanal Branch	N.A.	N.A	N.A.	
13	B.P I.D. Mkt. Branch	N.A.	N.A	N.A.	
14	Phulbani Branch	N.A.	N.A	N.A.	
15	Bhawanipatna Branch	N.A.	N.A	N.A.	
16	Sambalpur Branch	N.A.	N.A	N.A.	



PART-II

1. INTRODUCTION:

The Odisha Consumers' Cooperative Federation Limited, (OCCF) bearing the Registration No. 43KH / dt. 03.03.1965 and acting as an apex organization for all consumers cooperatives in the State, was established under Centrally Sponsored Scheme during the year 1965. The aims and objectives of the Federation are to safeguard the interest of the member consumers after abolishing the unscrupulous middleman from the distribution as well as procurement of essential consumers goods within and outside the State for their equitable distribution in fair price through a chain of affiliated societies and own/ retail sale counters in major District head quarters.

2. AIMS & OBJECTIVES:

- (i) To make bulk procurement of consumer goods from within and outside the state for Sale and supply to affiliated societies, other co-operative societies and other to arrange for proper storage, packing, grading and transport of such goods.
- ii) To function as agents, stockist and guarantee brokers to Govt., NCCF and under takings in Public, private and cooperative sectors for distribution of controlled cloth and other consumer goods and to import consumer goods from abroad and export to other states in the country and to foreign countries, the consumer goods manufactured / procured / produced by cooperative sector.
- iii) To establish, run or take lease manufacturing and processing units for the production of consumer goods in collaboration with NCCF, other cooperative or public sector undertakings or directly by itself.
- iv) To maintain a cadre of employees for affiliated Wholesale and Central Co-operative Stores.
- v) To render technical guidance and assistance to affiliated societies in grading, packing, standardization, bulk buying, starting display, pricing and other business technologies and also to impart management methods to improve and increase their operational and managerial efficiency.
- vi) To advise and assist affiliated societies in adopting better business methods and practices and with that end in view to maintain a consultancy cell.
- vii) To supervise the working and the business of the affiliated societies.
- viii) To hold seminars, conferences, meetings and undertake publicity, propaganda and education campaign and similar other functions as may help the development of consumers co-operative movement within its area of operation.
- ix) To collect and disseminate market intelligence and other information relating to the business of consumes cooperatives.
- x) To arrange for the training of the employees of consumers co-operatives independently or in collaboration with other concerned agencies.
- xi) To assist the affiliated societies in securing financial accommodation from Govt. State Bank of India, State and Other Central Co-operative Banks, financing agencies etc.



- xii) To receive Share capital and loans from Govt. and loans from Co-operative financing agencies and from the SBI and any other scheduled banks.
- xiii) To become members of State Cooperative Bank, National and other State level Co-operative Institutions.
- xiv) To acquire and own lands and buildings, vehicles, factories / workshops and machineries, equipments and lease-out or dispose them of in the interest of business of federation.
- xv) Any member society, any time by a decision of its committee of Management requesting the OCCF Ltd to take over and manage its affairs in full or any part of its business with mutual consent for a specified period, the Federation shall take over such function on terms and conditions as agreed over such mutually between the two Managements.
- xvi) To undertake such activities as are incidental and conducive to the attainment of its objects and calculated to help the development of Consumers' Co-operative Movement.

3. BYE-LAWS:

The Bye-Laws being very old and provisions of the OCS Act and Rules not available in them, there is an urgent need to bring them in accordance with latest laws after going through the prescribed procedures in this regard.

4. BRANCHES:

There were 15 nos. branches including Head Office of the Federation functioning at present inside the State. The present status of the Federation is given below.

Sl.No	Name of the branch	Place	Area of operation	Date of starting	Present Status
1	Jeypore	Jeypore	Whole state of Odisha	22.02.1985	Working
2	Puri, Sahayog	Puri	Whole state of Odisha	01.04.1985	Working
3	Cuttack Malgodown	Cuttack	Whole state of Odisha	June 1977	Working
4	Cuttack, BhanjaprabhaSuper bazar	Cuttack	Whole state of Odisha	01.04.1998	Working
5	Berhampur	Berhampur	Whole state of Odisha	27.11.1978	Working
6	B.P.Order Supply,BBSR	BBSR	Whole state of Orissa	20.10.2008	Working
7	Rourkela	RCMS Rkl	Whole state of Odisha	28.02.1985	Working
8	Baripada	Baripada	Whole State of Orissa	24.09.1984	Working
9	Kolkata	Kolkata	N/A	01.01.1992	Closed
10	Dhenkanal	Dhenkanal	Whole state of Odisha	31.03.2008	Working
11	I.D. Market	BBSR	Whole state of Orissa	06.04.2009	Working
12	Phulbani	Phulbani	Whole state of Odisha	31.03.2008	Working
13	Bhawanipatna	Kesinga	Whole state of Odisha	N/A	Working
14	Sambalpur	Sambalpur	Whole state of Odisha	25.11.2008	Working
15	Head Office	BBSR	Whole state of Odisha	23.04.1965	Working



5. **Committee of Management & Meetings:**

As informed by the Federation, SriBirendra Patel, President OCCF Ltd. During period under Audit, there are 5 nos. resolutions passed by the Management on different date. The details are given below:

09.09.2015 - Approval of Budget for the year 2015-16.

09.09.2015- Enhancement of sitting fees and D A to Directors.

09.09.2015- Allowing of monthly telephone charges of Rs.1500/- per month to President,

09.09.2015 - Bonus to the employees of OCCF for the year 2014-15.

09.09.2015- Discussion for renovation and construction of new administrative building of OCCF Ltd.

6. **ANNUAL GENERAL BODY MEETING:**

29.4.16
40703
As informed by the Federation, the Annual General Body Meeting of OCCF was held on dt.28.04.2016 under the Chairmanship of Sri Birendra Patel, President of OCCF Ltd. 38 nos. Members Societies were attended meeting. The major resolution passed by the AGB are given below;

Agenda No. -1 :

Confirmation of last Proceeding of AGB meeting held on 23.07.2014.

Agenda No.-2 :

Approval of Final Audit & Interim audit.

Agenda No.-3 :

Approval of Annual Budget for the year 2015-16 & 2016-17.

Agenda No.4 :

Approval of Supplementary budget for the year 2014-15 & 2015-16.

Agenda No.5:

Approval of Annual report for the year 2016-17.

Agenda No.6 :

Approval of any other matter as per direction of president.

7. **BUDGET :**

The Budget for the year 2015-16 was prepared and placed before the meeting of Board of Management held on 09.09.2015. It was approved.

The Supplementary Budget for the excess expenditure incurred during the year 2015-16 was placed and approved in the Annual General Body meeting held on 29.04.2016. The approved copy of the Budget for the year 2015-16 and the copy of the Supplementary Budget for the year 2015-16 has been annexed as Annexure - 23 & 24 with the Report.

Observation:

The Budget for the year 2015-16 and Supplementary budget for the year 2015-16 has been approved by the Board as well as AGB meeting of OCCF.

8. **MEMBERSHIP:**

The total membership of the Federation during the year under audit stands at 189, same as during the previous year. There is no growth in membership since long period, except that membership amount collected from 110 nos. of general public during 2007-08 and lying in Suspense Account has been converted into share capital during 2011-12 and accordingly said 110 nos. of members were added to the membership strength during 2011-12 and thereafter no change. A comparative position of membership of the last 3 years is given below.



Members	2013-14	2014-15	2015-16
(1) Govt. of Odisha	1	1	1
(2) Wholesale Co-op. Store	35	35	35
(3) RCMS	40	40	40
(4) Consumers Co-op. Store	1	1	1
(5) Orissa State Civil Supplies Corporation	1	1	1
(6) LAMPS	1	1	1
(7) General Public (Without Voting Power)	110	110	110
Total	189	189	189

Observation:

It may be seen from the above table that the membership position of the Federation has remained more or less stagnant since long, except for addition of a small number of general public. No effective steps have been taken by the Board of Management for the enrollment of new members.

9. SHARE CAPITAL:

As per the clause No. 7 of the Regd. Bye-laws of the Federation, the Authorized Share Capital of the Federation shall be Rs. 7.00 crores made up of 70000 shares of Rs. 1000.00 each (amended vide Letter No. 13701/ 04.07.96 of the R.C.S. (O)) subscribed by the Govt. and other members. The total Paid-up Share capital of the Federation amounts to Rs. 3,13,44,100.00 as on 31.03.2015 (same as in the previous year). During the year under audit no share contribution is received by the organization from any shareholders. The Govt. contribution to the above share capital counts to Rs. 95.58% as on 31.03.2016. The Govt. participation forms 95.58% of the total Paid-up share capital.

The comparative position of paid-up Share capital for the last 3 years is given below:

Members	2013-14	2014-15	2015-16	
(a) State Government	29,959,100.00	29,959,100.00	29,959,100.00	2
(b) Others	1,275,000.00	1,275,000.00	1,275,000.00	
(c) General Public (without voting power)	110,000.00	110,000.00	110,000.00	
Total	3,13,44,100.00	3,13,44,100.00	3,13,44,100.00	3
Percentage of Govt. Share to total paid up Share capital	95.58%	95.53%	95.58%	
% of Members Share to Share-Capital	4.07%	4.07%	4.07%	
Growth of Share over Previous year	0.35%	0.35%	0.35%	

Observation:

From the above, it is observed that the Federation is only depending on the Govt. Share Capital which constitutes a substantial part of its Own Fund. Contribution from non-Govtmembers is only Rs. 13,85,000.00.

10 WORKING CAPITAL:

As per guidelines of RCS (O), Working Capital has been arrived at Rs.40,39,47,147.08 as on 31.03.2016 as against Rs. 51,53,95,059.16 for previous year, as follows:-

Total of liability side	Rs. 47,57,91,153.85
Less: accumulated loss	Rs. 7,18,44,006.77
Working Capital	Rs. 40,39,47,147.08



Comparative position of last 3 years is as follows:

2013-14- Rs. 42,11,37,479.40 (Increase by 28.92% over previous year)

2014-15- Rs. 51,53,95,059.16 (Increase by 22.38% over previous year)

2015-16- Rs. 40,39,47,147.08 (Decreased by 21.62% over previous year)

11 RESERVE FUND AND OTHER FUNDS:

As the Federation has huge accumulated loss for last several years, no Reserve has been created and no addition made towards its statutory Reserve Fund and other funds. So the statutory Reserve Fund and other funds of the federation remained unchanged. The details of different reserves are given below.

(a) Statutory Reserve-	Rs.41,758.90
(b) Building Fund-	Rs.39,395.62
(c) Loan Payable Fund-	Rs. 1,026.02
(d) Inventory Loss Fund-	Rs.15,843.05
(e) Price Fluctuation Fund-	Rs.18,971.01
(f) Reserve Fund Govt. subsidies -	Rs.46,700.00
(g) Bad debt/Assets Fund-	Rs.12,793.75
(h) Capital Reserve	Rs.11,853.00
(i) Undistributed Profit	Rs.16,460.85

TOTAL - Rs.2,04,802.20

12 SOURCES & UTILIZATION OF FUNDS:

As per the provision under regd. Bye-laws of the OCCF Ltd., following sources of funds are available for the Federation:

- By receiving Trade Deposits.
- By accepting Shares.
- Through loans and advances.
- By receiving donations, grants and subsidies.
- By accepting deposits from members and non-members.
- By accumulation of profit (out of business etc.).

However, actual position as on 31st March 2016 is as follows:

<u>Details of Sources of Funds</u>	<u>Amount in Rs.</u>
Paid-up Share Capital	3,13,44,100.00
Reserve and other reserves	2,04,802.20
Deposits and borrowings	5,70,73,585.97
Suppliers A/c	26,90,14,544.65
Advance from Customer	414,032.35
TOTAL	<u>35,80,51,065.17</u>

<u>Details of Application of Funds</u>	<u>Amount in Rs.</u>
Investment	1,91,59,378.16
Customers Account	25,05,72,829.04
Salesman Liability	1,58,19,336.52
Damaged Stock	16,34,222.22
Closing Stock	5,35,891.19
Total	<u>28,77,21,657.13</u>

The difference between sources & application of funds worked out to Rs. 7,03,29,408.04 which works out to 80.36% fund utilization.



13 CAPITAL DEPLOYED IN THE BUSINESS:

The amount of capital deployed in the business of the Federation from different sources is as follows:

<u>Details of Sources of Funds</u>	<u>Amount in Rs.</u>
Paid-up Share Capital	3,13,44,100.00
Reserve and other reserves	2,04,802.20
Deposits and borrowings	5,70,73,585.97
Suppliers A/c	26,90,14,544.65
Advance from Customer	414,032.35
Sub-total	<u>35,80,51,065.17</u>
Less:	
(a) Fixed Assets	1,14,07,433.96
(b) Accumulated Loss	<u>7,18,44,006.77</u>
Capital deployed	<u>27,47,99,624.44</u>

Capital deployed is 68.02% of Working Capital.

14 ANALYSIS OF CAPITAL:

The information is as follows:

Sl. No	Particulars	Amount (Rs.)	% as on 31.03.2015
1	Share Capital to Working Capital		7.76 %
	Share Capital	3,13,44,100.00	
	Working Capital	40,39,47,147.08	
2	Own Fund to Working Capital		7.76%
	Own Fund	3,13,31,715.37	
	Working Capital	40,39,47,147.08	
3	Reserves & Other Funds to Working Capital		0.05%
	Reserves & Other Funds	2,04,802.20	
	Working Capital	40,39,47,147.08	
4	Govt. Share Capital to Paid up Share Capital		95.58%
	Govt. Share Capital	2,99,59,100.00	
	Paid up Share Capital	3,13,44,100.00	

15 GOVT. ASSISTANCE

As on 31.03.2016, the OCCF has the following Govt. Assistance/Loans under different heads to its credit:

Share Capital (Rs.)	2,99,59,100.00
Govt. loan for building materials (Rs.)	50,998.97
Govt. Loan for const. of Godown A/c (Rs.)	1,22,09,004.15

During the year under audit, the Institution has not received any assistance from the Government.

16 COST OF MANAGEMENT:

The cost of management for the year 2015-16 is Rs. 2,40,88,967.57 as worked out below:

Particulars	Amount (Rs.)
Total of loss side	2,57,07,607.57
Less Adhoc Provisions	



Interest paid	16,18,640.00	
Bad debts written off		
Profit earned		
Bad & Doubtful Assets Provision		
Cost of Management		2,40,88,967.57

This is 5.96% of working capital as compared to previous year 3.92%, increase by 2.04%. The percentage of cost of management to working capital is more by 3.96% as compared to the limit of 2% as prescribed by R.C.S., (O), Bhubaneswar vide Circular No.22624/17.12.2004.

17 NET WORTH:

Net worth of the Federation as on 31st March 2016 is negative as calculated below:

Own Capital	<u>Amount In Rs.</u>
a. Share Capital	3,12,34,100.00
b. Reserves and other funds with U.D.P	97,615.37
	<u>3,13,31,715.37</u>
Less: Accumulated Losses up to 31.03.2016	<u>7,18,44,006.77</u>
Capital Fund	<u>(-) 4,05,12,291.40</u>

18 BUSINESS:

The Branches of the Federation have dealt with Fertilizer, pesticides both for agriculture and horticulture, seeds, nursery plantation, grocery items, office stationary bio-fertilizer and other control commodities in the market through at different places of the State and outside the State.

19 SHORATAGES AND PILFERAGE:

Shortage recoverable account shows a net balance of Rs. 54,28,932.43. After recovery of a negligible amount of Rs. 1,47,679.00 during the year. Individual-wise register is not maintained at Head Office level to reconcile the shortages occurred and recovered from time to time.

20 BONUS TO STAFF:

The Federation has not paid bonus to staff for this period.

21 PROFITABILITY

The Federation has incurred a net loss of Rs.14,77,889.66 during the financial year 2015-16 as compared to net profit of Rs. 55,74,600.84 of the previous year.

22 MAINTENANCE OF RECORDS

Due to non-maintenance of the accounts in proper form with periodic reconciliation between GL and Subsidiary Ledgers, the reconciliation of various accounts is in arrears. As a result, the accounts do not facilitate the precise ascertainment of financial position of the Federation. This has been pointed out during current audit including comments by interim auditors, but no satisfactory result could emerge. However, the account relating to CPF liability and gratuity paid / payable have been reconciled and necessary rectification vouchers have been passed during the year.



23 INTERNAL CONTROL AND RECONCILIATION OF ACCOUNTS

There are design as well as operating deficiencies in the internal control mechanisms followed by the Federation, resulting in inadequate mechanism of internal control and safe guard of various assets and their accounts both at Branch and Head Office level. Due to inadequate internal control, numerous un-reconciled balances have cropped up and are rolling over the years.

24 COMMENTS OF INTERIM AUDITORS

Following defects were pointed out by the interim auditors in their reports on various Branches of the Federation:

1. *Bhanjaprabha Super Bazar, Cuttack:*

- (a) The defects pointed out during the last audit have not been complied yet. It is instructed to submit the compliance to the proper quarters soon.
- (b) OCCF does not have any Accounts Manual or Financial Guidelines to be followed by the officials and staff members.
- (c) It is observed that despite of previous audit remarks, the branch has not invited quotations while purchasing from the suppliers, due to this the rightfulness of the purchase price is doubtful. It is advised to follow the quotation procedure as soon as possible.
- (d) The branch failed to produce the indents obtained from the customers against all the sale bills/ Invoices issued during the year 2015-16.
- (e) It is seen that there is no such criteria for enrolling the new customers and suppliers. It is advised that the branch should fix criteria for above enrolment.
- (f) The branch has failed to produce any norms as regards to fixation of profit margin of goods/materials transacted through the branch.
- (g) The branch has failed to produce the contracts / agreements as regards to supply of and purchase of materials, i.e. the contracts with customers and contracts with Suppliers. It is advised to keep these records at branch in up to date manner.
- (h) It is observed that no such measures have been there at branch level to ensure Whether the right quality of materials supplied to the customers or not. There must be a system or technique to ensure about the right quality and quantity of goods supply. The HO must adopt an effective monitoring mechanism in this regard.
- (i) In many cases the money Receipt numbers have not been posted/ found in the day Book. As the office copies of money receipt have not been produced before audit, Hence it becomes very difficult to ascertain the correctness.
- (j) It is observed that many dues from customers rolling since long without collection. No steps have been taken by the branch officials to collect the same.
- (k) It is observed that the suppliers are supplying the various needed items to difficult

Govt. Organizations on their own way along with expenditures pertaining to business transactions borne by their available capacity. Since long the Branch is acting as commission agent. The prevailing practice needed to be stopped.

It is observed that the Branch has no measure to ensure the delivery of goods supplied to the customers, the only proof is that the payments have been received from the customers. In many cases name of the customer also not visible in the money receipts. The sale bill numbers not mentioned in the money receipts issued to the customers. The quality & quantity of the supplied goods are also not certified. The challan containing the acknowledgement of goods have not been produced before audit, it is felt that the branch has not obtained the same from all the customers which is irregular.

In many cases cash payments made to the suppliers instead of cheque which is objectionable.

The branch has not prepared reconciliation statement of inter-branch transactions/balances the year under audit.

2. Bhanjaprabha Super Bazar, Berhampur

The following defects and irregularities are found during the course of audit for the year 2015-2016:

(i) The Defects and irregularities pointed out by the previous Auditor have not been complied by the Branch as yet.

(ii) It is very essential for supply business to maintain orders received Register. But the Branch has not maintained the same and in most cases the Branch has supplied the different supply items to govt. and semi-Govt. organization without orders. For more transparency in supply business the Branch should maintain the orders received register in which the name of the customer, date of delivery, supply items, amount etc. are found place.

(iii) During the year the Branch has purchased the different supply item without observing the procedure of inviting quotation. Hence it is not possible to examine the genuineness of purchases.

(iv) In spite of repeated remarks in the previous audit report the Branch has used its own printed vouchers for payment supplies dues which is illegal. The suppliers should give their own printed receipts for acknowledgement of their dues. Further the suppliers dues should be paid by cheque instead of cash. For more transparency and genuineness of supply business, the branch should avoid the above irregularities.

(v) The inter Branch A/c. are need to reconciled in monthly basis instead of yearly.

(vi) The branch has failed to produce the Budget for the year 2015-2016, approved by the Head Office. The expenditures without sanction of approved Budget are treated as unauthorized expenditures. As per Head Office Letter No.567 dtd.31.07.2015, the Branch has shifted its office and godown from upstairs of Marella Clinic, Fire station Road Berhampur to OSCARD bank campus for which about Rs.21000/-expenditure has been made and the office



maintenance expenditure comes to Rs.30284/-.

(vii)The Branch has not maintained the stock register only reference of sale Bills and quantity of stocks sold are maintained in the purchase vouchers. One purchase voucher has the reference of several sale bills. As such it is not possible to ascertain which stocks are left to supply. The Branch Manager will be held responsible if any such stocks are left for supply.

The Branch has charged flexible profit margin of 1% to 2% on supply of different goods, which violates the circular instruction of Head Office. The Head Office in its circular No.923 dtd.02.08.2007 has issued instructions to maintain profit margin of 4%. In its subsequent letter No.394, dt.15.04.2008, the Head Office issued instructions of selling goods at less possible lower price with quality which is vague, unclear and not superseded the previous circular. During the year the branch has earned gross profit of Rs.3,49,913.50 as against Rs.2,63,564.41 of previous year. The percentage of profit margin for the year has increased.

(viii)On verification of suppliers A/C AS ON 31.03.2016, It is observed that the amount on said account is amounting year after year. The Branch Manager has not watch over it and allows credit suppliers without collecting the previous dues and release the current dues leaving the previous dues which are still rolling in the said account. Some outstanding receivables on customer account are rolling for the years together and the Branch has not made any correspondence and persuasion to release the same.

3. Rourkela Branch

The following defects and gross irregularities detected during the course of audit for the year 2015-16

(I)The Branch has violated the circular No.6079/VI(I)-62/99-part-2-Audit-8 DT-29.10.2002 of AGCS (O) BBSR by not rectifying the defects pointed out in last, audits as well as failed to submit compliance report to proper quarters within a month of receipt of Audit report.

(ii)The quantum of business is found to be insufficient for an unit. Maintenance of Account is Very poor.

(iii)There found no legal initiative taken against the long outstanding recoveries as well as Sundry Debtor's.

(iv)There found no action taken against the damage stock of the Rs.2,713.75 as that are rolling on since 1990-91 as reported by the Branch Manager.

(V)The difference found in customer's A/c Rs.1, 341.74 since long. It should be reconciled in Branch level.

(vi)During the course of audit it is observed goods supplied to different agencies with heavy amount but not recovered during the financial year, and the past records also there whereon the amount is kept as receivable but not received. Hence it is suggested to make liable to the branch manager for such



non realizable amount during the next year if the amount is not fully recovered.

(vii) As per previous report Advance with employees Rs 6,421.75 but statement is found Rs 500.00. Hence the details of rest amount Rs 5,921.75 be furnished to next audit.

(viii) During the year under audit on customers account the branch manager could not furnish the details of Dr (MSW 17, 28, 719.00) AND Cr. amount of Rs 32, 03, 101.00, Rs.2.58, 208.00 in ADH account and Rs.1, 20, 912.00 in online deposit. Hence all accounts are kept as suspense. The Branch Manager will be held responsible for any missappropriation on such account.

(ix) It is observed on many occasion transactions are made on cash which is contrary to the transparency of account management which should be avoided.

(x) The BM is instructed to mentioned the name of parties in the day book while the Bank account is credited through RTGS. In many cases the BM is unable to know the name of parties according to bank statement.

4. Bhawanipatna Branch

(i) The Branch has not rectified the defects pointed out in the previous year audit.

(ii) The Branch is working at kesinga instead of Bhawanipatana town though it is named as Bhawanipatana Branch. However it has gained net profit of Rs.2,70, 251.37 during 2015-16 and advised to maintain the tempo for all times.

(iii) Business performance of the branch is satisfactory. However it has gained net profit of Rs.2,70,251.37 during 2015-16 and advised to maintain the tempo for all times.

5. Sambalpur Branch

During the course of audit for the year 2015-16 following defects and irregularities has been noticed:

(i) There is on separate TIN number under VAT system. The VAT is deposited by Rourkela branch.

(ii) During the year under audit the branch has purchased the different supplied items without observing the procedure of inviting quotations. Hence it is not possible to examine the geniuses of purchase.

(iii) The branch has not maintained the costing register for fixation of sale price. There is no uniform procedure in fixation of sale price.

(iv) The branch has not maintained the stock register for stock purchased. Only reference of sale bill and quantity of stock sold are maintained in the branch purchase vouchers. One purchase voucher has several sales bills. As such it is not possible to ascertain which stock are left to supply. The branch manager will be held responsible if any such stock are left for supply.

(v) The branch has charged flexible profit margin of 1% to 2% on supply of different goods, which violates the circular instruction of head office. The Head Office in its circular No.923 dt.02.08.2007 has issued instructions to maintain profit margin of



4%. During the year the branch has earned gross profit of Rs.216238.21.

(vi)The branch has no funds of its own. So the branch has to depend completely on the suppliers for its business.

(vii)No action has been taken for collection of outstanding dues and payment of outstanding dues. Necessary enquiry should be made regarding purchase and supply of different items.

(viii)Reconciliation of suppliers account must be done immediately.

(ix)Rs.724954.00 has been deposited on different dates from customers and credited to the current account of the society. The society has failed to identify the customers. The branch manager should reconcile the account immediately.

6. Baripada Branch

Following defects and irregularities are noticed during the course of the Interim Audit of the Branch.

(i)The defects pointed out by the last year interim Auditor are not complied yet.

(ii)The first and foremost duty of the branch manager is to reconcile the account. Non-up-to-date/Half hazard maintenance of the customer ledger shows his negligence, whether it is manmade or by the computerization online payment by the customer. So in this regard the B.M should give stress on his duties and responsibilities.

(iii)Reconciliation of bank account in each and every month is to be done to confirm the transactions with the bank.

(iv)Prompt steps should be taken for realization of old outstanding against the defaulted debtors by initiating legal action against them.

(v)Head office account statement should be furnished before next audit.

(vi)During the year, the branch manager Sri Gauda, has advanced an amount of Rs.10, 60, 000/-on trade advance to one private supplier on agreement done in the stamp paper to return Rs.10,000/-P.M as commission by the said supplier to branch apart from principal amount, B.M of branch has done it irregularly without obtaining prior approval from H.O, However he had requested for H.O permission vide Branch letter No.30/18.03.16.

7. Bhanjaprabha Order Supply Branch, Bhubaneswar

(a) Despite of repeated Instructions and comments by the statutory audit the last year defects state In the Audit report have not been compiled . It needs sincere attention and regular supervision of the Chief Executive for compliance to be submitted to the concerned quarter.

(b) A project report Is to be prepared by the branch to the enhancement of the financial and proper management of the human resources available in this unit.



- (c) It is also detected that in some case cash payment have been made by the branch this practice need to be stopped.
- (d) Establishment expenditure is gradually increasing year to year without having any guidelines. As the sales turnover is less than the previous year curtailment of expenditure need to maintain strictly.
- (e) The branch did not produce any information norms and yard sticks on regarding to fixation of profits margin of all types of goods transported.
- (f) There is no such system by which enrolment of suppliers are approved by the Head office it needs to be adhered to.
- (g) Steps need to be taken of transfer the absolute /damage items to other unit of the Federation for utilization or dispose of it immediately to avoid any further loss by write off these item at concerned administrative quarter.
- (h) Branch should take steps for invitation of quotation from the suppliers at the time of purchase of different items with due recommendation of purchase committee.
- (i) The branch have produce the budget 2015-16 before the audit to ascertain about the budgetary Income and Expenditure of this unit.
- (j) To ascertain the financial position of a unit, it is prepared by Trading Accounts, P.L Accounts & Trail Balance to assess the financial of the organization.

8. Phulbani Branch

The following defects and irregularities have been noticed during the year 2015-2016.

- (i) The branch has failed to achieve its aims and objectives
- (ii) The branch has not maintained stock register for recording of purchase.
- (iii) Stock verification report on trading goods as on 31.03.2015 was not produce before audit.
- (iv) Customer account & supplier account remained unreconciled since last year as detailed below.
- (v) During the year under audit it is noticed that occfphulbani branch has been under taken fertiliser and seeds business which is deviated the principles of O.C.C.F if any complicity arises for such type of business in future, the branch manager is held responsible.

9. Indradhanu Market Branch

- (i) Defects pointed out by previous Auditors are not being complied with. Hence it



is suggested that the Managing Director takes necessary steps at his end to ensure compliance of the audit defects pointed out in audit reports.

(ii) OCCF does not have any accounts manual or financial guidelines to be followed by the officials and staff members.

(iii) Cash payments there are number of cash payments to the supplier which should have been avoided. It is also defect that in some case cash payment has been made by the branch this practice need to be stopped.

(iv) There is no system of empanelment/enrolment of suppliers, duly approved by the Head office who is called upon to supply merchandise at the time of need.

(v) There is no system of calling for quotations from suppliers at the time of purchase of different materials to ensure that the best quality of materials is available at the lowest price.

(vi) No budget for the year 2015-16 could be produced before the audit.

(vii) No telephone log book has been maintained at the branch even if it was reported in the last audit report. The Branch management should maintain the log book hence forth and produce the same before next audit.

(VIII) It is suggested that financial statements (Balance sheet & profit & loss Account) are prepared at the year end to assess the performance and financial position of the Branch.

(ix) Management should take necessary steps to dispose the obsolete and damaged stocks so that the value does not decline further.

(x) No guidelines/norms are in place for fixation of profit margins of all types of goods/materials traded by the branch.

(xi) Steps need to be taken to transfer the absolute/damage items to other unit of the federation for utilization or dispose of it immediately to avoid any further loss or by write off it these items at concerned administration quarter.

(xii) Balances with Ho and with different branches (inter-branch) are not reconciled. Steps need to be taken to reconcile the same and submit before the final audit.

10. Malgodown Branch, Cuttack

(a) Defects pointed out by previous Auditors are not being complied with. Hence it is suggested that the Managing Director takes necessary steps at his end to ensure compliance of the audit defects pointed out in audit reports.

(b) OCCF does not have any accounts manual or financial Guidelines to be followed by the officials and staff members.

(c) There are overwriting and corrections in the books of account which should be



avoided.

(d) Cash payments the practice of making cash payments by the branch should be discontinued to ensure better financial control. For petty expenses an imprest can be given to any staff member.

(e) There is no system of empanelment/enrolment of suppliers, duly approved by the Head Office who is called upon to supply merchandise at the time of need.

(f) There is no system of calling for quotations from suppliers at the time of purchase of different materials to ensure that the best quality of material is available at the lowest price.

(g) No budget for the year 2015-16 could be produced before the audit.

(h) No telephone log book has been maintained at the branch even if it was reported in the last audit report. The branch management should maintain the log book hence forth and produce the same before the next audit.

(i) Management should take necessary steps to dispose the obsolete the damaged stocks so that the value does not decline further.

(j) Opening Balance as per GL in the BRS in case of SB account with SBI for the year does not tally with the closing balance as per GL for the previous year as reported in the BRS of the that year. Instead closing balance as per bank statement for the year 2014-15 is taken as opening balance as per the GL for the year 2015-16.

(k) Head Office/Branch Reconciliation the balances with head office and different produce the same before the final audit.

(l) Establishment Expenditure is increasing over the years even though the scale of operations in terms of sales and purchases is decreasing.

(m) It is suggested that financial statements (Balance sheet & profit & loss account) are prepared at the year end to assess the performance and financial position of the branch.

11. Jeypore Branch

During the course of audit it is found that huge amount has not been collected from the customers. Most of the customer are Govt. Organisations and Cooperative societies. Apart from this huge amount under suppliers account are also not settled. The final auditor is to obtain age wise outstanding of unrealised assets to make NPA provision. The Jeypore units of federation earned a net profit of Rs.21068.57. The said net profit is much lesser than the profit last year. The society is functioning in a rental building at Bikram Nagar, Jeypore The account keeping is fair and clean.



12. Head Office

In course of checking of Accounts of OCCF "(Head Office) certain inconsistency & anomalies were noticed for which following suggestion is propounded for immediate implementation.

(i) The Federation does not have any accounting policy/Guidelines to be followed by the officials/staff members.

(ii) Overwriting cuttings and correction with the use of white fluids have been noticed in the books and records. Steps should be taken to maintain books and records neatly.

(iii) The balance of tax Deducted at source (TDS) as disclosed in form 26AS(Rs.11,43,892.25) does not match with the balance of General Ledger(Rs.10,93,388.00) and no reconciliation could be produced for the difference. It appears that entire income including interest from fixed deposits credited/paid by different banks/agencies as disclosed in form 26AS issued by income tax Department have not been taken in to account. Necessary reconciliation may be made and all such income should be accounted for under appropriate ledger heads.

(iv) Opening balance of each items of assets and liabilities are not brought to general ledger. The inconsistency should be corrected to ensure ease of reconciliation.

(v) Watch & Ward expenses should not be (paid to outsourced security staff) should not be clubbed with salary account but should be disclosed separately.

(vi) Each item of stock (Dead stock, furniture and fixtures, saleable forms & stationery) should be verified at least once in a year, especially at the year end.

(vii) Running and repair and maintenance expenses of vehicles should be disclosed separately.

(viii) As appears from the scrutiny of accounts, the revenue and capital expenditures are not rationally distinguished. For example expenditure on spare for repairing of vehicle is being capitalized. The expenditure should have been debited to repair and maintenance of vehicle. Similarly expenditures on repair of building is debited to building account instead of repair & maintenance of building.

(xi) House rent A/C and maintenance receipt A/C should be separately disclosed and should not be clubbed under other income A/C. rent receipt register should be kept updated to that those tenants who do not pay regularly can be followed up.

(X) The rent receipt from different tenants as disclosed under other income do not tally with the payment of rent as disclosed in form 26AS of OCCF. Nor there is any reconciliation available for differences.



13. Dhenkanal Branch

No observations of Interim Auditor found in the Report.

14. Sahayog, Puri Branch

(i) The last year audit defects have not yet been complied. The audit defects pointed out by the last year auditor as well as in the current year audit need be complied and compliance report be submitted to proper quarters immediately.

(ii) Business transactions of the branch has been decreasing day by day. The management/Branch Manager should take necessary steps for development of the branch's business activities.

(iii) The branch has a telephone (landline), which is of no use at all. It should be disconnected immediately to avoid unnecessary expenditure. The branch Manager should take immediate steps in this regard.

(iv) Some old outstanding and old dues are in the customers A/C and suppliers A/c of the branch which are rolling since long. Both the accounts need reconciliation in order to ascertain the exact financial position of the branch.

(v) In consultation with head office the branch should prepare project report for development and business activities of the branch as well as for proper utilization of human resources of the branch unit.

(vi) It is matter of great regret that the branch unit could not produce copy of approved budget before audit. Only the branch manager said the budget for the year 2015-16 has been prepared and sent to the H.O. for the approval. But no such prepared budget could be produced. The branch manager should take necessary take steps for production of approved budget copy before next audit.

(vii) The office room as well as the business counter/stock room etc. of the branch requires repairing. The Branch manager should take steps in this regard as early as possible in consultation with head office as well as the Administrative Authority.

25 RECONCILIATION OF BANK ACCOUNTS:

1. During the course of audit, it is revealed that the OCCF was operating 87 Current Accounts, 20 SBD Accounts, 31 F.D. Accounts and 4 R.D. Accounts with different banks both inside and outside the State. Out of these 142 bank accounts, 60 Current Accounts, 20 SBD Accounts, 29 F.D accounts and 3 R.D. accounts remain inoperative. The banker's ledger, which is maintained at Head Office level, was not maintained up-to-date. Despite repeated reminders, we could not obtain or verify the passbooks or certified balance as on 31.03.2013 of branches and transactions for the year 2015-16, however, some records of operative bank accounts held at HO were provided. So, in absence of complete documents, it was not possible to verify reconciled bank accounts for the year 2015-16 including Branches. The bank accounts at Head Office level are not reconciled since long.



2. It is also observed that the Federation has opened Bank accounts at different places, but there are no transactions in most of the accounts as revealed during audit. Latest balance confirmation certificates from concerned Bankers are not available in most cases to ascertain the accuracy of the balances as exhibited in the financial statements. The Bankers ledger is not reconciled.
3. We could not verify the bank balances shown in the balance sheet, as the management has not provided us the balance confirmation certificate from the respective banks or Bank statements or pass book of the bank accounts other than Head Office.
4. We could not verify the Fixed Deposit certificates and other investments shown in the Balance Sheet under Investments, as the management has not provided us the FD receipts and investment certificates for our verification other than latest FD accounts of Head Office.
5. It is to further report that an SBD Account with PNB, Kolkata, had been opened in the year 1987-88 and the closing balance as on 31.03.1988 was of Rs.25,62,683.98. Since then same balance is appearing till the time of our audit, which could not be verified too for present status of the account in absence of bank statement, pass book or balance confirmation certificate.

26 STAFF POSITION

There were altogether 61 nos. staff working in the Federation during the year under audit as detailed in Annexure-1. There were no deputationists in the Organization as on 31st March 2016. One Govt. Officer SriBrahmanandaBhue, JRCS O/o RCS (O) was working as Managing Director. No Job Chart for the employees could be made available to the audit. We are of the opinion that there is need for rationalization and job-orientation of the staff strength for a cost-effective performance of the human resources.

27 BRANCH INSPECTION

Neither any inspection report nor any visit note was made available to Audit by the Federation. It was not clear whether or not the Federation has conducted any inspection / visit of its branches in line with the provisions of OCS Act & Rules.

28 AUDIT FEES

1. The audit of accounts of OCCF is complete upto 2015-16 including interim audit. However, the Concurrent Audit of OCCF Ltd. has been stopped.
2. The levy of audit fee for the year 2015-16 is calculated on the basis of time spent for completion of Interim audit and final audit, @800 per day for Govt Audit and CA Firm, as follows:

Sl. No.	Particulars	Total Days	Rate Per Day	Total Amount
1	Interim Audit by C.A. Firm	215	800.00	172000
2	Interim Audit by Govt. Auditor	85	800.00	68000
3	Final Audit by Govt. Auditor C.A. Firm	100	800.00	80000
				320000
	25% of CA Audit Fees to Govt.			63000
	Audit Fees by Govt. Auditor			68000
	Total Audit Fees paid to Govt.			131000
	Total Audit Fees paid to CA Firm			189000
	Grand Total			320000



3. Rs. 3,20,000.00 is charged to Profit & Loss Account and shown in Balance Sheet.
4. Total amount of audit fees payable by the Federation to Govt. and C.A firms as on 31.03.2016 stands at Rs. 43,38,737.01 (net balance) and the year wise break up is given below:

Year	Debit Rs.	Credit Rs.	Remarks
1981-82 to 1984-85		34,236.26	To Govt. & C.A. Firms, details not available.
1985-86		23,000.00	To C.A. Firm
1986-87		23,000.00	To CA Firm
1987-88		33,000.00	To CA Firm
1988-89		1,54,921.00	To Govt.
1988-89		4,000.00	Tax Audit
1989-90		1,19,178.00	To Govt.
1990-91		8,000.00	To CA firm
1991-92	17,935.90	1,55,845.00	To Govt.
1992-93		3,05,849.75	To CA Firm
1993-94	13,012.00	1,59,868.00	To Govt.
1994-95	16,500.00	1,99,361.00	To Govt.
1995-96	13,500.00	2,89,949.00	To Govt.
1996-97	50,500.10	2,97,519.00	To Govt.
1997-98	33,000.00	2,03,182.00	To Govt.
1997-98		71,557.00	
1998-99		4,81,998.00	
1999-2000		2,82,485.00	
Year	Debit Rs.	Credit Rs.	Remarks
2000-2001		1,20,430.00	To Govt.
2000-2001		62,998.00	To C.A. Firm
2001-2002		24,000.00	
2002-2003		37,600.00	
2003-04		1,97,200.00	
2004-05	1,23,374.00	71,000.00	To Govt.
2005-06	1,18,000.00	38,400.00	To Govt.
2006-07	15,000.00	47,200.00	To Govt.
2007-08	20,000.00	1,94,800.00	To Govt.
2008-09	25,000.00	2,58,000.00	To Govt.
2009-10	2,10,000.00	2,85,600.00	To Govt.
2010-11		66,000.00	To CA Firm
2010-11		2,39,600.00	To Govt.
2011-12	60,000.00	2,69,200.00	To Govt.
2011-12		60,000.00	To CA Firm
2012-13	60,000.00		Rectification of excess provision of audit fees payable to CA Firm @ 30,000 for 2010-11 and 30,000 for 2011-12
2012-13	20,000.00		Rectification of excess provision of audit fees payable to Govt. @ 10,000 for 2010-11 and 10,000 for 2011-12
2012-13		48,000.00	To CA Firm for Final Audit ((80*800-16000 to Govt.)



2012-13		30,000.00	To CA Firm for Interim Audit (HO) 50*800-10000 to Govt.
2012-13		225,600.00	To Govt. for Interim Audit (499*400+16000+10000)
2013-14	3,60,000.00	4,11,200.00	Payable to Govt. for Final & Interim Audit
		60,000.00	Payable to C.A. Firm
2014-15	4,10,925.00	3,26,400.00	Payable to Govt.
2015-16	3,31,693.00	3,20,000.00	Payable to Govt.
	19,01,440.00	62,40,177.01	
Net		43,38,737.01	

- The Federation is advised to deposit the audit fees, which is Govt. revenue, in local Govt. treasury, under the head of account "0425-Cooperation-101-Audit fees" immediately. Above outstanding amount need to be reconciled as per letter no 1307/VI(9)D dated.23.02.17
- The OCCF has failed to take any step for rectification of audit defects pointed out in the previous Audit Reports and also in the Interim Audit Report, which is not in line with provisions under rule 58(A) of the OCS Act & Rules.

29 MANAGEMENT EFFICIENCY

- From the performance of the Federation during the year under audit it is observed that Management has failed considerably in discharging the responsibilities. The deficiencies are enumerated below.
- During the year under audit there is no rise in membership position as well as paid up share capital.
- Due to poor account keeping and improper maintenance of records, the accounts are in a mess. Most of the accounts including Bank accounts remain un-reconciled.
- Being an apex consumer, no sincere steps have been taken for its revival. The margin in business has taken a downward trend, which indicates the lack of adequate consumer knowledge of the management.
- Although NCCF has issued detailed guidelines on accounting system, business policy and budgetary control of a Consumers Cooperatives, same have not been implemented in true letter and spirit.
- Shortage and pilferage accounts are mounting year after year and its recovery position in very remote and not precisely ascertainable.
- As regards to the recoverable amount and other non-performing assets, no visible measures have been initiated during the year for reconciliation / recovery / adjustments after following proper approval processes.
- The turnover of the institution has drastically decreased on Year-over-Year basis, which together with provision requirements and significant amount of non-performing assets, has impacted its profitability. However, as the accounts are not maintained properly, the various performance parameters such as sales per man-day, sales per sq.ft. stock turnover, average stock and daily consumer data could not be calculated to assess the viability of each unit.

30. SUMMARY OF DEFECTS:

- There is no uniformity in maintenance of Accounts of the Branches and Head Office. The transaction between the Head Office and Braches as well as among Branches is not reconciled since long.
- OCCF has been maintaining the consolidated ledger without taking the opening balance and closing balances. It only shows the transactions during the year only.



The management has not taken initiative to prepare the ledgers by taking opening balances and closing balances to ascertain the actual balances of a particular ledger as on any date.

3. Following important accounts are not reconciled and up-dated as per accounting requirements, making the impact on correctness of accounts unable to ascertain during final audit:-

Head office with branches

Inter Branch Account

Customers Account

Suppliers Account

Advance Account

Share Capital of members Account

Trade Deposit Account

Salesman's Liability Account with Stock-in-Trade A/c

Shortage recoverable Account

Security Deposit with other Institutions.

Staff Security Deposit Account

All Bank accounts

Fixed Deposits

Other investments

Rent receivable accounts

Loan and interest accounts

Capital work in progress accounts

4. Adverse balances in some asset or liability accounts at the end of the year are not transferred to natural heads.
5. Timely inspection of the branches is not done.
6. Compliance / rectification of audit defects pointed out in earlier interim / final audit reports is not ensured / monitored timely.
7. No steps have been taken for the realization of recovery amount. *cf. Rs. 54,49,000/-*
8. Internal control procedures at Head Office as well as Branch levels are grossly inadequate.
9. Efforts should be made in accordance with the provisions of the bye-laws of the organization for clearing sale / discount sale of the old and obsolete slow moving / non-moving stocks and for damaged stocks appropriate procedure should be followed to dispose off those for fetching some amount and save the organization from further loss.
10. In most of the cases the name of the person from whom the amount to be recovered are not available in the recovery schedule as annexed in Schedule-XIII.
11. Old cash, postage and SBD balances are rolling over since long, which are awaiting reconciliation / rectification / adjustment.
12. Huge advance are due as on 31.03.2016 from different employees and ex-employees without realization since long. The management should take prompt action for realization of the advance as most of the personnel are either retired or staying outside. *amounting to Rs. 13,87,084/-*
13. More or less stagnant amounts are rolling over in all loan and interest payable accounts (except estimated provision being made for interest) since very long time.
14. Computers and Printers available with the Federation as on 31st March 2016 are not separately shown in Accounts and as such possibility of



misclassification with corresponding impact on depreciation could not be ruled out.

15. Legal provisions relating to professional tax have not been complied within time.
16. No segregation has been done with regard to EMD and SD relating to customers, suppliers, house-owners, tenants, etc., at each Branch and HO level and as such audit trail is not possible to check the correctness of the classification based on the nature of deposit.
17. There is opening difference of Rs.9540/- (Rupees Nine Thousand Five Hundred Forty) in the opening stock of Bhanjaprabha Cuttack branch between interim Audit and Final Audit 2015-16. In closing stock of Rs.28749/- as per interim Audit it is of Rs.38289/-.

32. SOLVENCY

The parameters relating to solvency of the Federation are summarized below:

Sl. No	Particulars	Amount (Rs.)	% as on 31.03.2016
1	Gross Profit to Sales:		
	Gross Profit	88,45,214.41	1.44% against
	Total Sales	61,59,96,022.00	1.4% of Last Year
2	Net Loss to Sales		
	Net loss	14,77,889.66	0.24
	Total Sales	61,59,96,022.00	
3	Total Expenses to Sales		
	Total Expenses	63,37,55,798.86	102.88% against
	Total Sales	61,59,96,022.00	101.49% of Last Year
4	Operational Expenses to Total Sales		
	Operational Expenses	2,38,38,647.55	3.87% against
	Total Sales	61,59,96,022.00	2.43% of Last Year
5	Operational Expenses to Total Expenses		
	Operational Expenses	2,38,38,647.55	3.76% against
	Total Expenses	63,37,55,798.86	2.39% of Last Year
6	Non Operational Expenses to Total Expenses		
	Non Operational Expenses	33,46,849.68	0.53% against
	Total Expenses	63,37,55,798.86	0.45% of Last Year
7	Non Operational Expenses to Total Sale		
	Non Operational Expenses	33,46,849.68	0.54% against
	Total Sales	61,59,96,022.00	0.46% of Last Year
8	Cost of Management to Total Sales		
	Cost of Management	2,40,88,967.57	3.91% against
	Total Sales	61,59,96,022.00	2.61% of Last Year
9	Cost of Management to Gross Profit		



	Cost of Management	2,40,88,967.57	272.34% against 187.28% of Last Year
	Gross Profit	88,45,214.31	
10	Interest Paid to Sales		
	Interest Paid	16,18,640.00	0.26% against
	Total Sales	61,59,96,022.00	0.25% of Last Year
11	Total Assets to Outside Liabilities		
	Total Assets	40,39,47,147.08	92.99% against
	Outside Liabilities	44,42,58,712.50	92.99% of Last Year
12	Misc. Income to Gross Profit		
	Misc. Income		0.00% against of Last Year
	Gross Profit	88,45,214.31	
13	Fixed Assets to Long term Loans		
	Fixed Assets	1,14,07,433.96	55.21% against
	Long Term Loans	2,06,60,798.36	56.17% of Last Year
14	Total Liabilities to Own fund		
	Total Liabilities	47,57,91,153.85	1508.93% against
	Own Fund	3,15,31,715.37	1858.34% of Last Year

33. E.P. & DISPUTE CASES

1. As per information furnished to us, 63 dispute cases are awaiting decision and / or execution, with a financial implication of Rs.56.27 lakhs, a few of which have been decreed amounting to Rs.20.64 lakhs. There has not been any progress in the way of realization / recovery in respect of these cases, which by themselves are very old, ranging from the year 1987 to 1992. Timely steps have not been taken by the Federation in this regard.
2. In addition to the above, Ministry of Defence, Government of India, had obtained a decree amounting to Rs.1.50 Crore against OCCF in connection with non-execution of a Purchase Order by its Delhi Branch, and OSCB had filed a dispute case with RCS, Odisha, in connection with non-payment of MTNA Loan availed by OCCF. Due to non-production of records, we have not been able to ascertain the latest position in the aforesaid disputes and their resultant impact on the financial position of OCCF.

34. GENERAL REMARKS

3. The Accounts of the Federation, if properly and timely prepared and finalized, can provide useful information to the management for timely decisions by providing vital financial information. Basically because there is no uniformity in maintenance of accounts of the branches as well as Head Office of the Federation. This has also hampered the smooth conduct of audit in line with professional requirements, besides creating insurmountable difficulties in analyzing the various important business activities of the Federation.
4. There is no system in place at any level in the Federation to prepare monthly accounts to analyze periodically its various business parameters and performance / liquidity / turnover / profitability ratios to improve upon the efficiency of staff as well as the profitability of the Federation. Head Office along with all Branch Office should be computerized and all accounts should



be done through computer instead of Manual.

5. To improve the liquidity of the branches / H.O. the following points need be kept in mind and suitable steps be taken: (a) Collect more share capital by participation of new member and (b) Improve profitability.
6. Damaged and slow moving and obsolete stocks are to be identified at regular intervals and reported to higher authorities for appropriate course of action.
7. Internal control and supervision procedures need to be strengthened.
8. The branches should be inspected at regular intervals.
9. Head Office should initiate action on the findings of Audit Reports of the branches soon after its receipt.
10. Consolidated G.L. should be maintained by showing opening and closing balance instead of transaction during the year only.
11. To increase the financial base of the institution the management should start action for collection of shortage recoverable amounts.
12. The outside liabilities are more than the total assets. This indicates the unhealthy state of financial affairs of the Federation.
13. No steps have been taken for Physical Verification of Fixed Assets of OCCF in order to have detail and actual position in this regard.
14. From the net worth, it is observed that the Share Value of members is not at all protected, which is due to the erosion of asset base and capital losses accumulated over the years.
15. There is no system to reconcile and close all inter-Branch accounts as per accounting requirements by exchange of signed debit and credit Notes/Advices at least on annual basis for a financial year before commencement of audit.
16. Separate accounts should be maintained for CPF payable, Gratuity payable, Professional Tax payable, loan installments deducted from the salary of employees for loans availed by them from OSCB, Contribution to CPF and Gratuity received from LIC, instead of clubbing all these accounts under heads like Other Staff Benefits and Salary Deduction Accounts.
17. Huge amounts are rolling in capital work in progress. No information is available as to the requirement of capitalization, since when the assets have been put to use and current and arrear depreciation required to be provided.
18. There is very scant monitoring of EP and Dispute Cases.



19. The federation has not taken up any step for assessment of its bad & doubtful debt/assets as on 31.03.2016, despite repeated audit remark.

A sum of Rs.6,37,60,840.88 under the head of account "**Current liabilities & provision**"(Sch-V)has been provisioned and the same amount stands as on 31.03.2016.How ever no provision has beenmade during the year under audit.

It has also found that there is a provision amounting to Rs. 9,43,097.86 included in the liability side under the head of account "**Other Liabilities**"(Sch-VI), the same is being carried forward for the current year under the following heads .

Provision already made	Outstanding as on 31.03.2016	Out of which provision made
For Shortage -I(Sch-IV)	1,21,661.07	1,21,661.07
For Shortage -II(Sch-IV)	1,54,812.92	1,54,812.92
For deficit of stock(Sch-IV)	1,01,167.97	1,01,167.97
For shortage of Stock(BP,Berhampur)	2,20,314.55	2,20,314.55
For shortage of Stock(Bolangir)	214.30	214.30
For shortage of Stock(Textile branch)	1,60,886.84	1,60,886.84
For Shortage 2000-01	4,026.82	4,026.82
For Shortage 2002-03	63,172.57	63,172.57
Deficit stock 1984-95	1,16,840.82	1,16,840.82
Total	9,43,097.86	9,43,097.86

On the above provision we have not supplement any information by the entity , so we are of the opinion that the further investigation may to be incited to ascertain the fact as the Financial Statement is over started to that extent and the same may be given effect in the next financial statement .




 (CA. Ujir Mahammad)
 Chartered Accountant,
 Final Auditor, OCCF Ltd – 2015-16

AUDIT CLASSIFICATION:

Form for Audit Classification O.C.C.F. LTD., BHUBANESWAR – 2015-16

Sl. No.	Subject	Marks	
		Earmarked	awarded

1. CAPITAL STRUCTURE & FUND MANAGEMENT (36 Marks)

a) Marks to be given for increase in Share Capital excluding Government Share Capital Contribution. If increase over previous year is:

: (3 Marks)

i) 5% & more : 3 Marks

ii) 2.5% & more : 2 Marks

iii) Less than 2.5% : 1 Mark

iv) No increase : No Marks

b) Percentage of owned funds to working capital: : (6 Marks)

If the own fund is:

i) 35% & more : 6 Marks

ii) 30% & more : 5 Marks

iii) 25% & more : 4 Marks

iv) 20% & more : 3 Marks

v) 15% & more : 2 Marks

vi) 10% & more : 1 Marks

vii) Less than 10% : No Marks

Observation:

Own Fund - Rs.3,13,31,715.37
Working Capital- Rs.40,39,47,147.08
% of Own Fund to Working Capital -7.75%

c) Proportion of current assets to current liabilities : (2 Marks)

If the total amount of investments, stocks, cash and bank Balance taken together is more than the total Current Liabilities of the Society

: (2 Marks)

Observation: Current Assets - Rs.37,32,41,867.18
Current Liabilities-Rs.38,71,85,126.53



d) Investment of funds in Trading activities:

(5 Marks)

0

If 80% of working capital is invested in Trade, give 1 mark. For every five percent rise over 80%, give 1 more mark.

Observation:

Total Fund invested in Business - Rs.27,47,83,163.59

Working Capital - Rs.40,39,47,147.08

Total Fund invested in business is 68.02% of the working capital

e) Profit

If the society earned profit and able to pay dividends:

(5 Marks)

i) 9% & more

5 Marks

ii) 6% & more

4 Marks

iii) 3% & more

3 Marks

0

Observation:

The Federation has incurred a net loss of Rs.14,77,889.66 for the year 2015-16.

f) Coverage of bad and doubtful debts/Assets: 84.49%

(5 Marks)

i) 100% provision

5 Marks

5

ii) Above 80% provision

4 Marks

iii) Above 60% provision

3 Marks

iv) Above 40% provision

2 Marks

v) Above 20% provision

1 Marks

vi) Up to 20% provision

No Marks

Observation: 100% provision has been made on estimated bad & doubtful assets / debts.

g) Repayment of loans and Cash Credit:

(2 Marks)

0

(i) If repayments are punctual

2 Marks

(ii) If the OD is less than 50%

No Marks

(iii) If the OD is more than 50%

No Marks

Observation: OD is more than 50%

0



h) Recovery of outstanding advances:

(3 Marks)

0

(i) If the entire outstanding advance is recovered within allowable time,
3 Marks (ii) For every 20% less, 1 Mark, (iii) Less than 60%, No marks

0

Observation: Less than 60%

i) Cost of Management:

(5 Marks)

If cost of management in comparison to working capital is: (8.56%)

(i) Within 2.5%

5 Marks

(ii) Above 2.5%, to 4%

3 Marks

(iii) Above 4%

No Marks

0

Observation: Cost of Management is 3.91% of Working Capital

2. BUSINESS & OPERATIONAL EFFICIENCY (22 Marks)

(a) Purchase to Working Capital

(5 Marks)

More than 3 times

5 Marks

More than 2 times

3 Marks

More than 1 time

1 Marks

Less than 1 time

No Marks

0

Observation:

Working Capital -	Rs.	40,39,47,147.08
Purchase -	Rs.	60,63,47,029.63

b) Sales turnover (Average stock holding to sales)

(5 Marks)

More than 4 times of average stock holding

5 Marks

5

More than 3 times

4 Marks

More than 2 times

3 Marks

More than 1 time

2 Marks

Less than 1 time

No Marks

Observation:

Sale	:	Rs. 61,59,96,022.00
Closing Stock	:	Rs. 21,70,131.41
Ratio	:	(More than 3 times)



c) If the Society has got trade deposit schemes	:	(2 marks)	0
d) If the Society has fully utilized its godown capacity	:	(2 marks)	0
e) If the Society has undertaken P.D.S. business	:	(2 marks)	0
f) If the Society has undertaken any indent supply business	:	(2 marks)	0
g) Business in essential commodities	:	(4 marks)	
50% or more	:	4 Marks	
40% or more	:	3 Marks	
30% or more	:	2 Marks	
20% or more	:	1 Mark	1
Less than 20%	:	No Marks	

3. MANAGEMENT AND WORKING EFFICIENCY (42 Marks):

(a) If membership during the year increased over last year	:	(3 Marks)	
(i) 5% or more	:	3 Marks	
(ii) 3% or more	:	2 Marks	
(iii) Less than 3%	:	1 Mark	
(iv) No increase			0

Observation: No increase in membership position over last year.

(b) If the society held GB Meeting as per Bye-laws	:	(2 Marks)	2
(c) If the Board Meetings are quarterly held to discuss important matters (1 meeting held)	:	(2 Marks)	2
(d) If the decisions of GB Meeting and Board Meetings properly carried out	:	(2 Marks)	0
(e) Are all the staff qualified for their job	:	(2 Marks)	0
(f) Whether the Institution prepared its Annual Budget in time	:	(3 Marks)	3
(g) If the revenue expenditure were within Budgetary limit	:	(2 Marks)	0
(h) If the books and registers are maintained properly, systematically and upto date as per accounting procedure, Bye-laws, Act and rules and Circulars of RCS and accounts reconciled	:	5 Marks	0



Observation :

Maintained but not properly, systematically and upto date.

(i) Timely submission of reports and returns to proper quarters	:	(2 Marks)	2
(j) Proper and periodical verification and valuation of stock	:	(3 Marks)	0
(k) Timely compliance of audit / inspection objections		(5 Marks)	0
(l) Preparation of Financial Statement and timely production for audit	:	(3 Marks)	0
(m) Legal action taken for cases of shortage of stocks, defalcation and other recoveries in pursuance of audit / inspection or stock verification finding.	:	(8 Marks)	0
i) In all cases	:	8 Marks	
ii) In 80% or more cases	:	7 Marks	
iii) In 60% or more cases	:	6 Marks	
iv) In 50% or more cases	:	5 Marks	
v) In 40% or more cases	:	4 Marks	
vi) In 30% or more cases	:	3 Marks	
vii) In 20% or more cases		2 Marks	
viii) In 10% or more cases		1 Marks	
(ix) Less than 10% cases		No Marks	0
Total Marks		100	20

Marks secured – 20 out of 100 full marks, Classified as 'D' Class.



LOM
 (CA. Ujir Mahammad)
 Chartered Accountant,
 Final Auditor, OCCF Ltd – 2015-16

**STATEMENT OF RECEIPT & EXPENDITURE STATEMENT OF
ODISHA CONSUMERS' COOPERATIVE FEDERATION LTD., BHUBANESWAR
FOR THE YEAR 2015-16 (1.04.2015 TO 31.03.2016)**

Sl. No.	Heads of Accounts	A/cs Code	Debit	Credit
1	Cash in Hand (CB & OB)	010	4,57,088.25	4,89,266.71
2	Cheques and draft in Hand	010A	2,57,060.00	17,162.00
3	C/A with Cooperative Banks	013		
	(a) C/A OSCB Main Branch		43,000.00	91,659.00
	(b) C/A with Ulak Coop. Banks			50.00
	(c) C/A with Urban Bank, Cuttack		92,240.00	91,069.00
	(d) C/A with BCCB Ltd., B.Pur			
	(e) C/A with KCC Bank Ltd, Jeypore		3,33,592.00	2,70,830.00
	(f) C/A with MCCB, Baripada		50,591.00	
4	C/A with Commercial Banks	014		
	(a) C/A with ICICI Bank		1,71,56,259.59	1,80,18,213.25
	(b) C/A with SBI Main Branch		49,44,509.00	55,10,828.00
	(c) C/A with Bank of Baroda-494		5,000.00	28,890.00
	(d) C/A with Bank of Baroda-686		4,000.00	215.00
	(e) C/A State Bank of India, Mal		12,28,37,201.00	11,95,83,825.25
	(f) C/A with Andhra Bank, Mal		2,02,34,970.00	1,94,37,333.00
	(g) C/A with Bank of India, Mal		-	-
	(h) C/A with Bank of India, BPD		14,34,16,411.28	13,93,86,048.08
	(i) C/A with SBI, RKL		67,85,875.00	69,36,357.83
	(j) C/A with UBI, Mali Sahi(H.O)		2,19,71,162.00	2,17,28,278.00
	(k) C/A with UBI, Jeypore		29,25,824.00	24,50,027.00
	(l) C/A with SBI, Jeypore		11,11,01,449.00	11,09,04,541.44
	(m) C/A with SBI, Bhawanipatna		7,21,85,312.37	7,17,28,587.00
	(n) C/A with Andra Bank, Kesinga		54,92,765.00	54,20,874.00
	(o) C/A with Andra Bank, B.Pur		5,16,57,824.00	5,17,10,970.50
	(p) C/A with SBI, Khetarajpur		3,60,91,433.00	3,51,37,265.42
	(q) C/A with UBI, Phulbani		2,74,64,401.40	2,69,82,725.50
	(r) C/A with SBI, Dhenkanal		7,39,66,698.00	7,35,34,971.26
	(s) C/A with Syndicate Bank, BPID		5,62,70,993.41	5,68,26,117.00
	(t) C/A with SBI, Goabagan, Kol		43,91,932.70	68,68,655.50
	(u) C/A with Commercial Bank IDBI		2,84,28,972.00	2,76,70,402.00
	(v) C/A with SBI, Puri		1,15,12,554.00	1,15,10,062.60
	(w) C/A with SBI, BP CTC		37,76,531.00	40,10,129.00
	(x) C/A with commercial Bank ISBI			
5	(a) F/D with SBI, Kolkata	019	1,11,50,892.00	92,00,000.00
	(b) F.D. with Syndicate Bank, I.D market		5,00,000.00	5,00,000.00
6	F/D with Co-operative Bank	019A		
7	Fixed Assets			
	(a) Staff Car			1,075.01
	(b) Vehicle Commercial			1,140.14
	(c) Motor Van			21.37



Sl. No.	Heads of Accounts	A/cs Code	Debit	Credit
	(d) Dead Stock & Furniture			65,685.30
	(e) Books & Library			12.58
	(f) Electrical Fittings			5.35
	(g) Plant & Machinery			1,190.79
	(h) Manufacturing Unit			23.83
	(i) Land & building		1,14,972.00	2,68,672.10
	(j) Spare Parts and Vehicle			6,506.72
	(k) Mini Truck - 407			79.79
	(l) Manufacturing equipments			1,280.13
	(l) Computer			2,229.72
8	Accommodation to President		7,200.00	
9	Advertisement A/c		12,720.00	
10	Audit Fees (Final Audit)		3,20,000.00	
11	Audit Fees Payable A/c		3,34,693.00	3,20,000.00
12	Bank Commission A/c	805	36,141.21	8,070.37
13	Bonus Payable A/c	121		
14	Books & Forms A/c	760	83,268.00	720.00
15	Branch A/c	021A	11,20,89,452.13	11,61,71,658.24
16	Building Maintenance A/c		2,24,032.00	-
17	Building Maintenance Payable A/c			27,976.00
18	Celebration A/c		5,645.00	-
19	Cash Mistake A/c		2.00	
20	Capital reserve (sale of Vehicle)			11,853.00
21	Cooperative Union Membership fees		1,500.00	
22	Cooperative Education fund paid		15,000.00	
23	Cooperative Education fund payable		15,000.00	15,000.00
24	Co Operative Election fees Refund		1,29,852.00	-
25	CPF payable A/c	715	34,26,652.00	35,24,632.00
26	Customers A/c	021	61,12,28,593.00	72,61,39,435.33
27	Dead Stock & Furnitures A/c	072	34,685.00	
28	Rebate / Discount on Sales A/c		167.91	337.00
29	Donation A/c	865	15,204.00	1,000.00
30	Depreciation on Dead Stock A/c		3,47,922.84	
31	Electricity & Water Payable A/c	128	1,796.00	617.00
32	Employees Advance A/c	023	12,91,127.00	15,83,625.55
33	Gratuity paid A/c		8,48,959.00	
34	Head Office A/c	110A	55,18,562.24	55,31,893.00
35	House Rent A/c	810	5,35,322.00	
36	House rent Payable A/c	130	77,672.00	99,872.00
37	House rent Receivable A/c		10,20,308.00	
38	Insurance A/c		27,235.00	
39	Income Tax A/c		28,163.00	28,163.00
40	Interest Received A/c	610	11,38,359.00	20,50,203.91
41	Interest Paid on Govt. Loan A/c	800	16,18,640.00	
42	Interest on Govt. Loan payable			16,18,640.00
43	Legal Expenses A/c	862	1,01,900.00	15,000.00
44	Liability A/c	390	1,24,84,283.37	1,29,36,879.87
45	Licence & Renewal A/c		9,738.00	

Sl. No.	Heads of Accounts	A/c's Code	Debit	Credit
46	Local Conveyance A/c		4,080.00	
47	Meeting Expenses A/c		73,230.00	
48	Maintenance & Repair		2,314.00	
49	NSC in hand		4,000.00	4,000.00
50	News Paper & Periodicals A/c	864	23,693.00	
51	Office Maintenance A/c	750	2,16,973.00	
52	Office Stationary A/c	761	64,052.00	
53	Other Income A/c	690	23,200.00	1,59,73,748.35
54	Other Misc. Expenses A/c	890	9,89,268.00	9,91,422.00
55	OST & TOT receivable A/c		10,83,094.00	6,89,993.00
56	Other Security Deposite		30,000.00	
57	Other Staff Benefit A/c	714	52,31,843.00	
58	Packing & Forwarding Charges A/c	720	53,764.00	
59	Postage & Telegram A/c	771	14,235.00	
60	Purchase A/c	200	60,63,48,753.63	1,724.00
61	Salary Deduction (OSCB) A/c		10,85,076.00	10,83,973.00
62	Salary Paid A/c	700	1,72,44,774.00	57,316.00
63	Salary Payable A/c	120	14,15,127.00	14,63,512.00
64	Sales A/c	300	9,000.00	61,60,05,022.00
65	Sales Promotion A/c	730	1,12,728.00	1,650.00
66	Security deposite to Customers A/c		7,49,083.00	40,46,078.00
67	Security Deposits from Supplier A/c	111	44,00,000.00	13,76,270.00
68	Security Deposits with lease		1,00,000.00	8,95,164.00
69	Stock Deficit A/c			1,546.00
70	Stock in Trade A/c	340	1,29,36,879.87	1,24,84,283.37
71	Stock Shortage Recovery A/c	024	142.00	1,47,679.00
72	Sundry Creditor A/c		30,000.00	1,00,000.00
73	Suppliers A/c	110	71,90,94,287.76	61,03,54,033.34
74	Suspence payable to S. Panigrahi			10,000.00
75	T.A Advance paid to President		1,08,000.00	
76	T.A paid to President & Director		20,000.00	
77	T.A. to Staff A/c	710	22,380.00	
78	Taxes & Fees A/c	851	1,01,544.00	78,173.00
79	TDS A/c		11,04,897.00	11,509.00
80	Telephone & Telex A/c	770	94,236.00	-
81	Trade Charges Payable A/c		21,580.00	9,280.00
82	Trade Charges A/c	201	2,23,272.00	
83	Vehicle Hire Charges A/c		74,568.00	
84	Vehicle Insurance A/c		7,146.00	
85	Vehicle Maintenance A/c	780	3,61,787.55	5,930.00
86	Water & Electricity A/c	740	1,42,943.00	2,100.00
	Grand Total		2,96,22,73,258.51	2,96,22,73,258.51

Accounts Officer
Odisha Cons. Co.op. Fed. Ltd
Bhubaneswar

Managing Director
Odisha Cons. Co.op. Fed. Ltd.
Bhubaneswar

Final Auditor



TRADING A/C OF
ODISHA CONSUMERS' CO-OP. FEDERATION LTD., BHUBANESWAR
For the Year 31.03.2016

Sl. No.	Heads of A/c	Amount	Sl. No.	Heads of A/c	Amount
1	Opening Stock	27,50,619.47	1	Sales	61,59,96,022.00
2	Net Purchases	60,63,47,029.63	2	Damage Stock	17,88,442.96
3	Trading Charges	2,23,272.00	3	Slow moving stock	
			4	Rebate on sales	169.09
			5	Stock Deficit Account	1,546.00
			6	Closing Stock sound	3,79,955.36
	Total	60,93,20,921.10			
5	Gross Profit	88,45,214.31		sub total	21,70,113.41
	Grand Total	61,81,66,135.41		Grand Total	61,81,66,135.41

PROFIT & LOSS A/C OF
ODISHA CONSUMERS' CO-OP. FEDERATION LTD., BHUBANESWAR
For the Year 31.03.2016

Sl. No.	Heads of A/c	Amount	Sl. No.	Heads of A/c	Amount
1	Operational Exp.	2,38,38,647.55	1	Gross Profit	88,45,214.31
2	Non-Opt. Exp.	33,46,849.68	2	Other Income	1,59,50,548.35
	Total Exp.	2,71,85,497.23	3	Interst received	9,11,844.91
			4		
3	Net Loss (2015-16)	(14,77,889.66)			
	Grand Total	2,57,07,607.57		Grand Total	2,57,07,607.57


Accounts Officer
 Odisha Cons. Co.op. Fed. Ltd.
 Bhubaneswar


Managing Director
 Odisha Cons. Co.op. Fed. Ltd.
 Bhubaneswar


Final Auditor

