

## INTERNAL CONTROL

We checked the internal controls of the society and found that the internal controls ~~were not properly~~ implemented in accordance with Model Bye-Laws of the society. Following discrepancies were observed by us:

- 16.01** "Under Model Bye-Laws 34 (Sub-clause-32), it is the responsibility of the Managing Committee to internally audit the accounts, sanctions miscellaneous expenditure and supervise the prescribed registers". However, managing committee has not conducted any internal audit in last few years. Furthermore, no internal audit department is working due to which society is unable to send its internal audit report to the registrar.

## FILES & DATA MANAGEMENT

Management has not properly maintained files and it is really difficult to find vouchers, as arrangement and maintenance of vouchers are not quite upto the standard. Some vouchers were not signed and stamped. Furthermore, the society has no arrangements for proper back up of data.

## BYE LAWS

Bye laws are in accordance with the model bye laws recommended by the Cooperative Department.

### **18.01 Copy of approved By Laws is attached with the report. (Annexure-T)**

Following areas have been covered in the bye laws:-

- (i) Area of operations
- (ii) Objects
- (iii) Membership
- (iv) Liability
- (v) Capital & Finance
- (vi) General Meeting
- (vii) Managing committee
- (viii) Secretary
- (ix) Registers
- (x) Treasurer
- (xi) Use of Capital
- (xii) Business Rules
- (xiii) Profits
- (xiv) Disputes
- (xv) General
- (xvi) Audit
- (xvii) Liquidation

