

THE STATE TRADING CORPORATION OF INDIA LTD: NEW DELHI
(INTERNAL AUDIT DIVISION)

CIRCULAR

No. STC/IAD/CIRCULARS/2016-17

17th October, 2016

Sub: Compliance to the directions of MAC and replies to Audit queries.

Ref: Internal Audit Division Circular dated 14/06/2016.

As per extant practice in place, directions received from Management Audit Committee (MAC), Audit Committee of Directors (ACD) / GAP /IAAD and MOC are immediately forwarded to the concerned HODs/Branches for compliances.

It has been observed that replies and subsequent follow-up actions to the directions of the MAC are not forthcoming appropriately and timely from HODs/Branches to IAD of CO resulting in delay in holding meetings of MAC as per statutory requirements.

In addition, there are various Audit Requisitions, Half Margins, Audit Paras, Inspection Reports of GAP/IAAD and MOC lying pending for long for replies by concerned Divisions/Branches resulting delay in closing /dropping of paras and/or queries raised by various Audit Agencies.


In spite of vigorous follow up by IAD, not only submission of replies are inordinately delayed, the comments/status in many cases are found to be not precise and relevant to the query. Instructions issued by IAD from time to time are not being followed in letter and spirit. Timely responses are not forthcoming from HODs/Branches wherever specific issues of serious nature are brought to their notice. Such a state of affairs is a matter of serious concern, which compromises the effectiveness of above reporting system to Internal Audit/MAC/ACD/GAP/MOC.

The matter has been viewed very seriously by the Management. Against the above backdrop It has now been directed that precise replies/compliance to directions of Internal Audit/MAC/ACD/GAP/MOC be submitted to IAD **duly approved by concerned Functional Director/Branch Director** in the first place, as the case may be, within the stipulated time frame already specified in the above referred circular of IAD i.e. **within 5 working days** of the submitting the query.

It has now been decided by the Management that in case of delay/non receipt of replies from Concerned HODs/Branches within stipulated time or without approval of concerned Functional Director/Branch Director, the same shall be viewed as individual responsibility and same shall be reported to the Management for appropriate action.

The above be strictly adhered to by all concerned.

This issues with the approval of Competent Authority.


(Ritu Arora)
GM(IA)

TO ALL CONCERNED
CC: CMD
ALL DIRECTORS/CVO