

Karnataka State Co-operative Federation Ltd., Bengaluru



KARNATAKA INSTITUTE OF CO-OPERATIVE MANAGEMENT

PROSPECTUS

Diploma in Co-operative Audit (DCA)

Karnataka State Co-operative Federation Ltd.

Sahakara Bhavana, No. 32, D. Devaraj Urs Road (Race Course Road), Bengaluru – 560001.

Phone: 080-22268018 / 19 E-mail: kscfltd@gmail.com

Karnataka State Co-operative Federation Ltd., Bengaluru

Introduction

The Karnataka State Co-operative Federation Ltd. (KSCF), Bengaluru, an apex-level organisation with 102 years of dedicated service to the co-operative movement. The Federation has plays a significant role in the development of the co-operative movement in Karnataka. The Karnataka State Co-operative Federation Ltd. came into existence in **1987** through the amalgamation of four organisations, continuing a longstanding legacy of strengthening co-operative institutions and promoting Co-operative development through effective **Co-operative education, training, and publicity.**

The Karnataka State Co-operative Federation Ltd. operates eight Karnataka Institutes of Co-operative Management (KICMs) to provide professional education and training to officers and staff of the Department of Co-operation, the Department of Co-operative Audit, Co-operative institutions, and private candidates. These institutes are located in **Dharwad, Madikeri, Mysuru, Kalaburagi, Bengaluru, Shivamogga, Moodbidri, and Belagavi.** Through these institutes, the Federation offers six-month Diploma in Co-operative Management programmes through both regular and distance education modes. It also conducts various short-term training programmes to strengthen the professional knowledge, practical skills, and administrative efficiency of personnel working in the Co-operative sector. The KICMs are equipped with computer facilities and adopt modern teaching methodologies and technology-enabled training systems to ensure quality education, practical learning, and the overall development of Co-operative professionals.

The Karnataka State Co-operative Federation promotes Co-operative education, training, and awareness programmes through District Co-operative Unions across Karnataka. These initiatives aim to strengthen the Co-operative movement by educating members about Co-operative principles, practices, achievements, and emerging developments in the sector.

The Karnataka State Co-operative Federation publishes **Sahakara**, a weekly magazine that promotes Co-operative awareness, disseminates knowledge, and highlights significant developments, achievements, and best practices in the Co-operative sector. It serves as a valuable platform for knowledge sharing, information exchange, and the advancement of Co-operative education and development across Karnataka.

Vision

To emerge as a globally recognised centre of excellence in Co-operative education, professional training, and institutional development, driving transformative change and sustainable growth in the Co-operative sector.

Mission

To advance the Co-operative movement through excellence in Co-operative education, professional training, research, and knowledge dissemination, thereby strengthening Co-operative institutions and promoting their sustainable growth and development.

Diploma in Co-operative Audit (DCA)

Co-operative audit plays a vital role in ensuring transparency, accountability and sound financial management in co-operative societies and institutions. An audit report provides an objective assessment of an institution's financial position, accounting practices and operational performance. As co-operative auditing involves specialised technical knowledge and practical skills, systematic education and professional training are essential for developing competent audit personnel.

With this objective, the **Diploma in Cooperative Audit (DCA)**, a six-month diploma course, has been introduced to strengthen professional expertise in co-operative auditing. The course provides comprehensive training in Co-operative accounting, financial management, and verification of financial records, compliance with applicable laws and regulations, identification of accounting errors and irregularities, and preparation of audit reports. It also equips learners with the practical skills required to assess financial records, promote sound governance and support effective decision-making in cooperative institutions.

The Diploma in Cooperative Audit (DCA), course aims to equip learners with the essential knowledge, technical skills, and professional competence required to conduct effective audits of Co-operative societies. With a strong emphasis on practical learning and contemporary auditing practices, the course prepares participants to meet the evolving needs of the Co-operative sector and contribute to greater financial transparency, accountability, and good governance in Co-operative institutions.

Objectives of the Diploma in Co-operative Audit (DCA)

- To provide knowledge of the structure, administration, and functioning of Co-operative societies.
- To familiarise students with the procedures for examining and verifying the accounting records and financial documents of Co-operative societies.
- To create awareness of the co-operative laws, rules, regulations, and statutory obligations applicable to Co-operative institutions.
- To provide practical training in the preparation of audit reports and the application of Co-operative audit procedures.
- To enhance the ability to identify accounting errors, irregularities, and discrepancies and to ensure transparency and accountability in Co-operative institutions.
- To develop professional skills and competencies in Co-operative auditing and financial record verification.

Diploma in Co-operative Audit (DCA) course Details and Curriculum

Name and Duration of the Course

Diploma in Co-operative Audit (DCA) .The Diploma in Co-operative Audit (DCA) is a six-month training course.

Medium of Instruction

The medium of instruction for the Diploma in Co-operative Audit (DCA) course shall be in Kannada and English.

Intake Capacity

Each Karnataka Institute of Co-operative Management (KICM) is permitted to admit 30 candidates for the training course.

Eligibility for Admission

The Candidates who have obtained a degree from a recognised university, such as **B.Com., B.B.M.**, or any other degree that includes Accounting as one of the subjects in the curriculum, are eligible to apply for admission to the Diploma in Co-operative Audit (DCA) Course.

Fee Structure:

Sl. No.	Particulars	Fee Structure (₹)
1	Admission Fee	1,000
2	Training Fee	2,500
3	Library Deposit	500
4	Hostel Deposit	500
5	Examination Fee	1,000
6	Mark Sheet and Certificate Fee	1,000
7	Basic Amenities Fee	1,000
8	Study Materials	2,000
9	Miscellaneous Expenses	500
	Total	₹10,000

The membership share amount and fees payable to the Co-operative society affiliated with the training institute shall be paid in accordance with the provisions of the respective society's bye-laws.

The deposits collected under Sl. Nos. 3 and 4, namely the library deposit and hostel deposit, shall be refunded to the candidates in accordance with the applicable rules. The Candidates belonging to the Scheduled Castes (SC), Scheduled Tribes (ST), and Below Poverty Line (BPL) category who possess a valid BPL card shall be eligible for a full exemption from the prescribed fees. However, such candidates shall be required to pay the **examination fee, marks card fee, and certificate fee.**

Application Procedure

Application forms are available at all Karnataka Institutes of Co-operative Management (KICMs) and the 30 District Co-operative Unions across Karnataka. The application form costs **₹200.**

Study Materials

The Study materials shall be provided in **Kannada and English** to candidates admitted to the Diploma in Co-operative Audit (DCA) course.

Attendance Requirements

Candidates must maintain a minimum attendance of **80%** during the prescribed training period. Candidates who fail to meet this attendance requirement shall not be permitted to appear for the final examination.

Subjects and Pattern of Examination

Diploma in Co-operative Audit (DCA) Training course subjects and the marks allocated to each subject are as follows:

Subject No	Name of the subject	Internal Assessment		External Examination	Total Marks
		Assignment	Internal Exam		
I	Accounts and Financial Management	10	10	80	100
II	Co-operative Auditing	10	10	80	100
III	Co-operative Eco-system	10	10	80	100
IV	Legal aspects of co-operative Societies	10	10	80	100
V	Tally and recent digital platform	10	10	80	100
VI	Practical Co-operative Audit (20 Days)	-	-	80	100
	Presentation and Viva	-	-	20	
	Total				600

Practical Co-operative Audit

Every candidate must compulsorily participate in the 20-day Practical Co-operative Audit training and submit an audit report. Candidates who fail to participate in the practical audit training or fail to submit the required audit report shall not be permitted to appear for the final examination.

Examination and Results

The final examination and declaration of results shall be conducted under the supervision and control of the Karnataka State Co-operative Federation Ltd. The classification of results shall be based on the percentage of marks obtained by candidates, as follows:

Percentage of Marks Obtained	Classification
80% and above	‘A’ Grade
70% and above	‘B’ Grade
60% and above	‘C’ Grade
50%	Pass
Below 50%	Fail

Supplementary Examinations and Revaluation

- **Supplementary Examinations:** Candidates who fail in any subject shall be permitted to appear for the re-examination in the failed subject(s) only. A maximum of three attempts within three years from the date of admission shall be permitted. The supplementary examinations fee shall be ₹300 per subject.
- **Retotaling and Revaluation:** Candidates may apply for retotaling or revaluation of answer scripts by paying the prescribed fee of ₹600 per subject for retotaling and ₹1,000 per subject for revaluation. Applications for re-totalling and revaluation must be submitted within one month from the date of declaration of results.
- **Attendance for Internal Examinations:** Candidates must attend all internal examinations without fail. They are also required to comply with the circulars and instructions issued by the Karnataka State Co-operative Federation Ltd. from time to time.

Marks Card and Certificate

Candidates who successfully complete the training course shall be awarded the Diploma in Co-operative Audit (DCA) marks Card and certificate. Candidates may obtain duplicate mark Card and certificates by paying a fee of ₹1,000 each. They must also submit an undertaking duly certified by a Notary Public on ₹50 stamp paper.

Hostel Facilities and Rules

- Hostel accommodation will be provided to candidates at the training institutes, subject to availability. Candidates shall bear their own expenses for food, refreshments, and other personal needs. Each candidate residing in the hostel must pay ₹500 towards miscellaneous hostel expenses.
- All candidates are required to maintain discipline and decorum within the training institute and hostel premises. In cases of misconduct or indiscipline, the Principal shall have the authority to take appropriate disciplinary action against the candidate concerned.

Library and Reading Room

Library and reading room facilities are available at the Karnataka Institutes of Co-operative Management (KICMs). Candidates may make use of these facilities to support their studies, improve their subject knowledge, and enhance their professional skills

Subjects Offered in the Diploma in Co-operative Audit (DCA) Programme

Subject I: Accounting and Financial Management

Unit I: Fundamentals of accounts and accounting concepts and conventions-double entry system of book-keeping – book of original entry – ledger – subsidiary books, receipt and disbursement statement and trial balance;

Unit II: Accounting errors and their rectification – preparation of bank reconciliation statement – depreciation - capital and revenue expenditure.

Unit III: Preparation of final accounts –Trading, profit and loss and balance sheet.

Unit IV: Financial management- meaning–definition–objectives– functions –working capital management – Fund management, Providing, Budget and budget control.

Unit V: Analysis and interpretation of financial statement as an important tool - important RBI and NABARD parameters to judge the financial health of the credit cooperatives.

Subject II: Co-operative Auditing

Unit I: Auditing – meaning –definition – objectives –types of audit, salient features of co-operative audit and the difference between Co-operative audit and company audit.

Unit II: Internal control- objective of internal control and internal checks – internal audit and internal control – voucher and vouching of various receipts and payments –routine checking, examination and scrutiny of financial statement, identifying mis-appropriation, embezzlement and defalcation.

Unit III: Valuation of closing stock - verification and valuation of various assets and liabilities, Duties and responsibilities of co-operative auditor pertaining to Section 63 of the KCS Act, 1959 and KCS Rules 1960 - Rules 22,23,28,29,29A to 29G, 30, and 30A.

Unit IV: Audit in a computerized environment (EDP audit- Electronic Data Processing) – Audit objection and compliance-system involved in audit of various types of Co-operative societies.

Unit V: Preparation of Audit Memorandum – Audit objectives, preparation and submission of audit report – procedures involved in preparing of audit report and compliance, difference between recovery, mis-appropriation and Audit objections.

Subject III: Co-operative Eco- system

Unit I: Fundamentals of co-operation: Meaning-definition – characteristic feature – significance of Co-operative – Co-operative values and principles and role of the

cooperatives in promoting socio –economic development. Origin and evolution and growth and development of Co-operative movement India – Co-operative legislation – Co-operative Credit Societies Act 1904, Co-operative Societies Act, 1912 and important Committees - MacLagan Committee 1915- Royal Commission on Agriculture 1928 – Co-operative Planning Committee 1945- All India Rural Credit Survey Committee 1951 – report of the High Powered Committee and 97th Constitutional Amendment Act 2011.

Unit-II: Co-operative Movement in Karnataka – First Co-operative societies in Karnataka- Structure and function of the cooperatives – Structure and function of Department of cooperation – Structure and functions of Department of Co-operative audit.

Unit-III: Important Co-operative Sectors in Karnataka - features – Agriculture credit; Non Agriculture credit; Dairy; Credit; Housing etc.

Unit-IV: Guidelines for Auditors pertaining to various types of co-operative societies. Concurrent Circulars

Unit V: Government of Karnataka department of cooperation schemes – budget provisions – Computerisation of PACS – Computerisation of RCS office and development of digital portal – computerisation of ARDBs – Interest subsidy for crop loan, pledge loan and Self Help Groups – Establishment of Marketing infrastructure for LAMPS – Enforcement of SC, ST, BC, minorities, women, Physically challenged and BPL persons as members of all type of Co-operative societies – subsidy provisions – Proposed schemes and programmes budget outlay for Special Development Plan (SDP), Special Component Plan (SCP), Tribal Sub-plan (TSP), Women Component Plan (WCP) – Karnataka State Co-operative Policy.

Subject IV: Legal Aspects of Co-operative Societies

Unit-I - Important provisions of Karnataka Co-operative Societies Act 1959 and rules 1960- Karnataka Souharda co-operative Act 1997 and rules, 2004 and Multi- State Co-operative Societies Act 2002.

Unit II- Registration and bye-law – Amendment of bye-laws. Members of Co-operative Societies and their rights and liabilities and privileges.

Unit-III: Management of co-operative societies vest with board.

Unit-IV- Properties and funds of co-operative societies – Net profit and their disposal. Inquiry by the Registrar – Inspection books of co-operative societies –Order by the Registrar under Section-68 – Surcharge under Section-69 – Offences and Penalties

Unit-V: Allied Acts - KATP, RTI, Income tax as applicable to co-operative sector.

Subject V: Tally and recent digital platform

Unit-I: Fundamentals of Tally Software

Introduction to Tally, Tally configuration and feature settings, Working with Tally prime, Tally interface gateway of Tally and Navigation, Master creating – Ledger and groups, Practical assignments

Practical Learning: Create Company with different credentials, Setup chart of accounts, Ledger creation using different groups, Ledger creation with opening balance, Ledger creation with applicable taxes. Exercises on Company Creation, ledger creation.

UNIT-II: Voucher Entry and Inventory Management

Understanding Vouchers and its types, Recording day-to-day transactions and posting and Voucher entry, Debit notes and Credit notes, Voucher modifications, Stock items, Categories and groups, Godowns and Warehouses.

UNIT-III: Advanced Accounting, Taxation and Payroll

Enabling GST in Tally, Enabling TDS in Tally, Bank reconciliation statement, Cost centres, Multi currency transaction and basic payroll management, Practical assignments on GST and TDS.

Practical Learning: Generating GST-compliant sales and purchase invoices, performing automated BRS with bank statements, tracking expenses by department using cost centres, Configuring payroll setup, pay heads, and employee groups, Recording attendance vouchers and generating employee pay slips. Exercises on creating GST/TDS enabled ledgers, generating payroll slips.

UNIT- IV: Financial Statements, Reports and Data Management

Generating reports, Review of Inventory reports, GST-R1-GST R-3B and performing reconciliation, Data security, Audit and maintenance, Tally Vault and audit features, Data backup and restoration.

Practical Learning: Extracting key financial statements, setting up multi-user permissions, performing full data backups and audits. Prepare a end-of-month financial audit report including GST liabilities and closing statements. Exercises on Report generation and analysis.

UNIT- V: Advanced tools and technologies for accounting

Concepts and features and applications of AI in Accounting, Working with different AI tools for report generation, Cloud accounting and system set up, Digital invoicing and inventory tracking.

Practical Learning: Working with different AI tools for report generating, Exercises on cloud accounting, automation of bank feeds and receipt scanning, building digital workflow and settings up payment gateways, tracking vendor bills, monitor purchase orders and automatically update the real time inventory counts.

Addresses of Karnataka Institute of Co-operative Management

1. The Principal,
Karnataka Institute of Co-operative Management,
Dr. G. S. Shetty Educational Society (R), Near KMF, Lakkammanahalli, Dharwad – 580008.
Phone: 0836-2773349
E-mail: kicm.dharwad@gmail.com
2. The Principal,
Karnataka Institute of Co-operative Management,
Abbi Falls Road, Madikeri – 571201.
Phone: 0827-2228437
E-mail: kicmmadikeri@gmail.com
3. The Principal,
Karnataka Institute of Co-operative Management,
Sri Narasimharaja Sahakara Bhavana, Chamaraja Double Road, Mysuru – 570004.
Phone: 0821-2520563
E-mail: kicmsahakarabhavana@gmail.com
4. The Principal,
Karnataka Institute of Co-operative Management,
Adarshanagar, Near Toll Gate, Sedam Road, Kalaburagi – 585105.
Phone: 0847-2245340
E-mail: kicmgulbarga@gmail.com
5. The Principal,
Karnataka Institute of Co-operative Management,
Sahakara Bhavana, Bengaluru Urban District Co-operative Union Building,
No. 1/3, 2nd Floor, 3rd Main Road, Chamarajpet, Bengaluru – 560018.
Phone: 080-26602046
E-mail: kicmprinci@gmail.com
6. The Principal,
Karnataka Institute of Co-operative Management,
2nd Stage, Vinobanagar, Shivamogga – 577204.
Phone: 0818-2248873
E-mail: kicmshimoga@gmail.com
7. The Principal,
Karnataka Institute of Co-operative Management,
Ladi, Moodbidri – 574227.
Phone: 08258-236561
E-mail: moodbidrikicm@gmail.com
8. The Principal,
Karnataka Institute of Co-operative Management,
CTS No. 4371, Ramateerthanagar, Kanabargi Road, 2nd Cross, Behind Karnataka Cricket Stadium, Belagavi – 590016.
Phone: 0831-2950026
E-mail: kicmbelagavi@gmail.com

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