

⁵³[CHAPTER VIII

PART - A

AUDIT

63. Director of Co-operative Audit.-(1)The Government shall by notification in the official gazette, appoint a person to be the Director of Co-operative Audit with jurisdiction over the whole of the State.

(2)The qualification and the terms and conditions of the person to be appointed as the Director of Co-operative Audit shall be such, as may be prescribed.

^{54e}[(3)The Government may by general or special order, delegate all or any of the powers of the Director of Co-operative Audit, in the Act to his subordinate officers] ⁵⁴[or to the subordinate officers of the Registrar.]

^{54b}[(4)It shall be the duty of the managing committee cause to audit the accounts of every society at least once every year:

Provided that the accounts of every society shall be audited within sixmonths of the close of the financial year to which such accounts relate.]

^{54g}^{54c}[(5)The procedure to be adopted in auditing the accounts of different types of co-operative societies should be in the manner specified in the audit manual approved by Director of Co-operative Audit or guidelines, directions as may be issued, from time to time, by the Registrar, the National Bank for Agricultural and Rural Development or Reserve Bank of India, as the case may be, from time to time.

(5A) It shall be the duty of the Director of Co-operative Audit in consultation with the Registrar to revise, amend or update audit manual in every five years, as may be prescribed.]

(6)Notwithstanding anything contained in any other law for the time being in force, the Audit Certificate issued by the Director of Co-operative Audit or by any officer authorized by him shall be valid for all purposes required to be filed before the State Government and non-Governmental authorities.]

^{54f}[(7)The Director of Co-operative Audit shall be under the control of the Registrar of Co-operative Societies.]

^{54d}[(8)The minimum qualification and experience of auditors for auditing accounts of the Co-operative society may be such, as may be prescribed.

(9)Every Co-operative Society shall cause to be audited by an auditor or auditors or team of auditors referred to in sub-section (8) appointed by the general body or special general body from among the panel of auditors approved by the Director of Co-operative Audit:

Provided that if there are no auditors available from the above panel, the general body of a society may appoint auditing firms from among a panel approved by the Director of co-operative Audit.

(10)The financial accounts of all apex societies shall be audited by auditing firms from among the panel approved by the Director of Co-operative Audit and the administrative matters and related accounts of assisted apex societies shall be audited by the departmental auditors from among the panel approved by the Director of Co-operative Audit as may be prescribed and submit the audit reports to the Director of Co-operative Audit.

(11)The audit report of the accounts of an apex co-operative society which includes the report on administrative matters, shall be laid by the Government before the Legislative Assembly, in the manner prescribed.

(12)It is the responsibility of the managing committee to convene general body meeting or special general body meeting in order to appoint auditors or auditing firms within the stipulated time from among the panel approved by the Director of Co-operative Audit, failing which, the members of the managing committee shall cease to hold their office. In such cases to avoid administrative stalemate, the Registrar may *suo moto* or on application from the Director of Co-operative Audit or from any person authorized in this behalf, appoint an Administrator or an Administrative Committee consist of not more than three persons, who need not be members of the society, one among them as convener, to manage the affairs of the society, for a period not exceeding six months as may be specified in the order:

Provided that Administrator or Administrative Committee shall arrange for the constitution of a new committee or for entering upon office of the new committee, as the case may be.]

^{54a}[(13)The Government may issue notification, either prospectively or retrospectively, by publishing the same in the Gazette, to carry out the purposes of this section.]

53 substituted by [Act 1/2000](#)

54, 54a inserted by [Act 22/2013](#)

54b, 54c substituted & 54d inserted by [Act 8/2013](#)

54e substituted & 54f inserted by [Act 7/2010](#)

54g inserted by [Act 9/2009](#)