

64.Scope of audit, powers of the Director of Co-operative Audit and procedure for audit.-

(1) The audit shall include an examination of overdue debts, if any, the verification of the cash balance and securities and a valuation of the assets and liabilities of the society concerned and such other audit matters, as may be prescribed.

(2)For the purpose of audit, the Director of Co-operative Audit or the person authorised by him under section 63 shall have the following powers, namely:-

(a)he shall, at all reasonable times, have access to all the books, accounts, documents, papers and all other relevant records, securities, cash and other properties belonging to, or in the custody or control of the society;

(b)he may summon any person in possession of, or responsible for the custody, of any such books, accounts, documents, papers, other records, securities, cash or other properties, to produce the same at any place at the headquarters of the society or any branch thereof, where there is no working office for a society, at the office of the Director of Co-operative Audit or at the office of any of his subordinate officers, as maybe specified by him; and

©such other powers as may be prescribed.

(3)Every person who is or has been, at any time, an officer or employee of the society and every member and past member of the society, who is in possession of any information and records in regard to the transactions and working of the society, shall furnish such information in regard to the transactions and working of the society, as the Director or the person authorised by the Government under sub-section (3) of section 63 may require.

⁵⁵[(4)The financial statements and other statements as required by auditors shall be prepared by the chief executive of the society within one month from the date of close of the financial year and submit it before managing committee and the fact shall be reported to the Director of Co-operative Audit or to the persons authorized by him in this behalf.

(4A)It shall be the duty of the managing committee of every society to ensure the accuracy of financial and other statutory statements. It is the responsibility of the committee to submit the above statements for audit within one month from the date of receipt of the above statements before the auditor. Laps on the part of managing committee in this regard will be considered as disqualification to hold office and they shall cease to be a member of the committee as may be prescribed. In such cases to avoid administrative stalemate, the Registrar may suo moto or on application from the Director of Co-operative Audit or by any person authorized in this behalf, appoint an Administrator or an administrative committee consisting 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.

(4B) Within three months from the date of receipt of the audit report, the Director of Co-operative Audit shall issue an audit certificate to the concerned society with a copy of audit memorandum as may be prescribed.]

^{55b}[(5) The Auditor or auditing firms appointed as per Section 63 shall complete the audit within four months from the date of receipt of the statements and submit audit report to the Director of Co-operative Audit or to the persons authorized by him in this behalf.]

(6) The amount of fee ^{55c}[or cost] for the audit of accounts of society for each year shall be such, as may be fixed by the Director of Co-operative Audit, in accordance with the rules made in this behalf.

(7) The fee ^{55c}[or cost] shall be paid by the society concerned within thirty days of intimation thereof and in case of non-payment of the fee ^{55c}[or cost] within the period it shall be recoverable in the manner specified in section 79 ^{55b}[or can be recovered from the account maintained in the financing bank by the society, through an order issued by the Registrar upon the request from the Director of Co-operative Audit.]

(8) The procedure for payment of the fee ^{55c}[or cost] shall be such, as may be prescribed.

(9) If the result of the audit held under section 63 discloses any defects in the working of a society, the Director of Co-operative Audit may bring such defects to the notice of the society and if the society is affiliated to another society, also to the notice of that other society.

(10) If the result of the audit held under section 63 discloses any serious defect in the working of the society, the Director of Co-operative Audit or the person authorized by him shall communicate the same forthwith to the Registrar for immediate further action.

(11) The Director of Co-operative Audit may, by order in writing, direct the society or its officers to take such action, as may be specified in the order, within the time mentioned therein to rectify the defects disclosed in the audit, under intimation to the Registrar.

^{55d}(12) Notwithstanding anything contained in this Act it shall be the duty of the committee of a society,-

(a) to request the Director of Co-operative Audit to get its accounts audited every year by remitting the required fee or cost for audit in advance or as determined by the Director of Co-operative Audit and to get its books, accounts, financial statements and all other statements required by the auditor for audit, written up and completed and to submit them for audit through its Chief Executive, to the Director of Co-operative Audit or officer authorized by him for the purpose of audit within the time limit stipulated in sub-section (4), before a request for audit is made to the Director of Co-operative Audit;

(b) to place the audit certificate in full before the general body or the representative general body and to read over to the general body or Representative General body of the defects mentioned in it and also to place the rectification reports of each defects before the general body or the Representative General body.

©to rectify all the defects mentioned in the audit certificate and to submit the rectification reports on the defects mentioned in the audit certificate, to the Director of Co-operative Audit and to the Registrar with in two months of the receipt of the audit certificate.]

55, 55a substituted & 55b inserted by [Act 8/2013](#)

55c, 55d inserted by [Act 7/2010](#)