

No.6/1/2/RCS/Audit/(2)/2013/32.  
Cooperative Department, Government of Puducherry  
Puducherry – 605009.

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**Puducherry, dated 21-05-2013**

**Direction of the Registrar of Cooperative Societies  
under Section 81 of the Puducherry Cooperative Societies Act, 1972.**

Sub: Union territory of Puducherry – Registered cooperative societies –  
Statutory final audit under Section 72 of the P.C.S.Act, 1972 – Timely  
submission of “Outstanding Lists & Confirmations” to the Auditor –  
Direction under Section 81 of the P.C.S.Act, 1972 – Issued.

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It is known that, Chartered Accountants and Cooperative Department officials are being appointed as Auditors, under Section 74 of the Puducherry Cooperative Societies Act, 1972 (*for brevity “the Act”*), to conduct the statutory final audit of registered cooperative societies (*for brevity “the societies”*), functioning in the union territory of Puducherry, for every financial year. The said Auditors have to submit their “Final Audit Memorandums” (FAM), within the time stipulated in their appointment orders, along with necessary “Outstanding Lists” & “Confirmation Certificates”.

2) Undoubtedly, it is the duty of the management of the societies to prepare the necessary outstanding lists, such as members loan outstanding list(s), members deposit list(s), etc., at the end of each and every financial year and to submit such lists to the said Auditors for enclosing the same with their FAMs. Further, it is also the duty of the management of the societies to obtain necessary “Confirmation Certificates” from Government, Banks, Debtors, Creditors and other cooperative societies, as the case may be, and to submit such confirmation certificates to the said Auditors for enclosing the same with their FAMs. Further, as per the 97<sup>th</sup> Constitutional Amendment, it is the statutory duty of the management of societies to get their accounts audited within a period of six months from the closure of each financial year.

- 3) It is often reported by the said Auditors that, the management of most of the societies don't submit their "Outstanding Lists" & "Confirmation Certificates", which results in delay in the submission of their FAMs. Delay in the submission of FAMs creates unwarranted problem of backlog in the conduct of final audit and the audit progressive of societies.
- 4) On the above premises and with a view to clear the backlog in the conduct of statutory final audit of societies, the undersigned has decided to issue a direction, under Section 81 of the Act, to all the societies, functioning in the union territory of Puducherry, to timely prepare required outstanding lists and to obtain required confirmation certificates and to produce the same to the said Auditors as and when demanded by them.
- 5) In view of the above facts, the **management of all the societies**, functioning in the union territory of Puducherry, **are hereby directed**, under Section 81 of the Act, to **prepare the said outstanding lists at the end of every financial year and to obtain the said confirmation certificates for every financial year and to submit the same to the Auditors at the commencement of final audit itself.** Any complaint by the said Auditors, against the management of societies, either in respect of delay in the submission of outstanding lists and confirmation certificates to the Auditors or non-adherence of this direction, will be viewed seriously and suitable actions will be initiated on them as per the provisions of the Act. The receipt of this direction is to be acknowledged.

  
(P.PRIYTARSHNY)

REGISTRAR OF CO-OP. SOCIETIES

To:

The President / Administrator of all the registered cooperative societies functioning in the union territory of Puducherry.

Copy to:

- (1) The Dairy Development Officer
- (2) The Deputy Registrar (Handlooms)
- (3) The Deputy Registrar (Consumers)
- (4) The Deputy Registrar (Planning & CLC)
- (5) The Deputy Registrar (Credit & Housing)
- (6) The Deputy Registrar (Karaikal)
- (7) The Deputy Registrar (Mahe)
- (8) The Coop. Officer (Yanam)
- (9) The Web Editor

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