

**No. R-11017/92/2016-L&M**  
**Ministry of Agriculture and Farmers' Welfare**  
**Department of Agriculture, Cooperation and Farmers' Welfare**  
**(Office of Central Registrar of Cooperative Societies)**

**Krishi Bhawan, New Delhi**  
**Dated 28<sup>th</sup> July, 2017**

To

The Registrar of Cooperative Societies of all States/UTs  
(As per list annexed)

Subject: Timely conduct of statutory audit and election to the Board of Directors of the cooperative societies – Advisory thereof - reg.

Sir/Madam,

I am directed to refer to above mentioned subject and to say that timely conduct of audit of the cooperative societies every year as well as conduct of election to the management of the cooperative societies in time is required for the proper growth of cooperative movement in the country.

2. It has been observed that in many cooperative societies, audit as well as elections to the Board of Directors are not conducted in time which is hampering the growth of cooperative development in the country and therefore, it is advised that the following provisions may be included in the concerned Cooperative Societies Act/Rules if already not exist:-

a) **Conduct of audit** :-

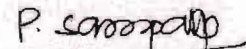
Conduct of statutory audit, laying of the same before the General Body of the society and furnishing of returns in this regard to the Registrars of Cooperative Societies (RCSs) of all States/UTs to be done within the period of six months from the date of closure of cooperative year/financial year.

b) **Conduct of election to the management** :-

Provision has to be made in the State Cooperative Societies Act/Rules that election to the BoD to be conducted in a time bound manner before the expiry of the term of the existing Board to function cooperative societies in a democratic manner.

3. This issues with the approval of Competent Authority.

Yours faithfully,

  
(P. Sampath)

Additional Commissioner (Cooperation)