

**OFFICE OF THE REGISTRAR COOPERATIVE SOCIETIES
GOVT. OF NCT OF DELHI, OLD COURT BUILDING
PARLIAMENT STREET, NEW DELHI-110001
(Audit Branch)**

CIRCULAR

F.NO.AR(Audit)/e-SLA/2019-20/

Dated:

Applications for Appointment of Chartered Accountants by the respective Co-operative Societies for conduct of Audit for the financial year i.e. 2019-20 are submitted between the period 01.04.2020 to 28.08.2020 as per the provisions of DCS Act, 2003. After receipt of these applications, the applications are scrutinised and Appointments of Auditors is made out of the panel of Auditors maintained and approved by this office.

Due to lockdown ordered on account of outspread of pandemic (COVID-19), the RCS office as well as the offices of Co-operatives societies registered with RCS office were not operational w.e.f. 24.03.2020 as per the directions of Government of NCT of Delhi and Government of India. Hence, the applications for appointment of Auditors could not be submitted/disposed off during the lockdown period which has now been partially relaxed w.e.f. 04.05.2020 allowing the Govt. Offices to commence functioning with limited staff strength.

As the process of Appointment of Auditors for the current financial year could not be taken up so far, a large number of such applications are now likely to be received shortly. Representatives of many societies have already approached this office. With the limited availability of the staff in the office now, the receipt and disposal of these application would be a cumbersome procedure keeping in view the requirements of safeguards including the social distancing to be followed in view of the worsening COVID-19 situation. Accordingly, the matter was examined to work out a strategy which would minimise the public representatives coming to this office and would ensure that their request for appointment of Auditors are disposed off expeditiously and without any hassles. Accordingly, it is suggested that the following procedure may be adopted in public interest till further orders:-

- (a) The President/Secretary of the respective Societies may consider appointing the same Auditor who had carried out the Audit of the Society for the previous financial year i.e. 2018-19 subject to the condition that the said Auditor has not Audited the Accounts of the Society for immediately preceding 3 consecutive years. In such cases, since the approval for appointment of the said Auditor has already been granted, the society may simply inform the RCS office of their decision for the record.
- (b) Where the society intends to appoint a new Auditor or the previous year Auditor has already conducted the Audit of the Society for three consecutive years, the President/Secretary may select another Auditor from the Panel of

Auditors empanelled by RCS office for the period 2018-19 to 2020-21. The President/Secretary of the Societies in all such cases shall obtain a certificate from the prospective Chartered Accountant/CA firm to the effect that the said CA or CA firm has not conducted the Audit of the Society for immediately preceding 3 consecutive years and further the CA or CA firm is not conducting the Audit of more than 5 cooperative societies and shall conduct audit of at least 3 cooperative societies whose turnover is less than Rs.5 lakhs for the financial year 2019-20 in the prescribed format (copy of the same is added at Annexure-I. In all such cases, the society shall submit their request through email in the prescribed form (copy attached at Annexure-II) to the RCS for appointment of said Auditor alongwith the certificate obtained from the Auditor. All such requests would be received at auditor.rcs.delhi2020@gmail.com so that these requests get attended to immediately. The disposal/approval in respect of these applications shall be intimated by RCS office to the society within 07 working days at the same email Id through which its request for appointment of the Auditor is received.

(c) In case the Audit of the society has not been completed in all respects upto the financial year 2018-19 and the non-completion of the audit is not beyond 03 previous consecutive years, the societies are required to submit a detailed proposal in Annexure-II and giving complete justification for non-completion of the audit in the society (if need be a separate sheet may be added) and would submit such proposals at the mail id auditor.rcs.delhi2020@gmail.com alongwith a copy of the approved check list for the last conducted Audit. Such detailed proposals will also be accompanied by the certificate in Annexure-I to the affect that the auditor proposed to be engaged from the empanelled list of auditors is not conducting audit of societies more than that limited in the enclosed certificate proforma. All such cases would be considered and disposed off within 03 weeks of the receipt of such request from the society and the society would be intimated at the same mail id from which its request was received.

(d) In case non completion of the audit is for a period of more than 03 years and not beyond 05 consecutive previous years, the societies are required to submit a detailed proposal giving complete justification for non-completion of the audit in the society alongwith copy of minutes of last AGM, annual Return, approved check list and election report of Returning Officer (election result) and would submit all such proposals at the mail id rcoop@nic.in. All such cases would be considered and disposed off within 04 weeks of the receipt of such request from the society and the society would be intimated at the same mail id from which its request was received.

The President/Secretary of all the Cooperative Societies are accordingly requested to follow the above procedure for effecting the appointment of the auditors for conduct of the Audit.

These instructions shall be applicable till further orders.

This issues with the approval of Competent Authority.



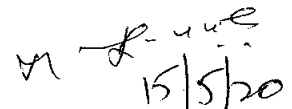
(M.G. SATHYA)
ASSISTANT REGISTRAR (AUDIT)/
LINK OFFICER

F.NO.AR(Audit)/e-SLA/2019-20/ 4

Dated: 15/05/2020

Copy to:-

1. All Presidents/Secretaries of Housing Cooperative Societies, Govt. Of NCT of Delhi.
2. ICAI for wide publicity among CAs. It is further requested that this circular may also be displayed at a prominent place on the website of the Institute.
3. All empanelled CAs. You are also requested to apprise the President/Secretary of your client Housing Cooperative societies accordingly.
- ✓ 4. Incharge, Computer Cell, office of RCS with the direction to place this circular on the website of the office.
5. Federations/Apex Organisations of Cooperative Housing Societies (As per list) with the request that this Circular may be given wide publicity among all member societies.



(M.G. SATHYA)
ASSISTANT REGISTRAR (AUDIT)/
LINK OFFICER

CERTIFICATE

This is to certify that my/our CA firm namely M/s _____
_____ placed at S.No. _____ under Category ____ in the empanelled list
of Chartered Accountants of Registrar Cooperative Societies, Government of NCT of
Delhi has not conducted the audit of _____ Cooperative
Society for the last 3 consecutive years. Further, it is also certified that during the
financial year 2019-20, my/our firm is not conducting audit for more than the prescribed
limit i.e. 5 Cooperative Societies whose turnover is more than rupees five lakhs and
shall conduct audit of at least 3 cooperative societies whose turnover is less than rupees
five lakhs .

Name / Seal of CA/CA Firm

Dated _____

OFFICE OF THE REGISTRAR COOPERATIVE SOCIETIES, GOVT. OF NCT OF DELHI OLD COURTS
BUILDING, PARLIAMENT STREET, NEW DELHI- 110001

S. No. Date:-
Option-Cum-appointment letter for conducting statutory audit for 2019-2020/concurrent audit for 2020-2021

(To be filled in block letters)

- 1. Name of the Society
- 2. Address of the Society with Tel No.
.....Pin code.....
- 3. Registration No. & Date /Zone
- 4. Year upto which the audit has been completed
and name of Chartered Accountant/AUDITOR
- 5. Yearwise turnover since last audit up to 31.03.2009
- 6. (i) In case the audit is pending prior to 01.04.2008
reasons for not conducting the Audit
- (ii) Whether any Chartered Accountants was appointed
by Department ? If yes, name & address.
- 7. (i) Name & address of the Chartered Accountant opted.
- (ii) Category & Panel No. of the Chartered Accountant
- (iii) Audit by the same auditor/CA Continuously
Ist, IInd, IIIRD etc.
- 8. Status of the Society: Whether under liquidation? Yes/No
If yes, name of the liquidator.
- 9. Number & Date of last Audit report submitted
along with photocopy of previous year approved checklist

Declaration:

I/We do hereby certify and declare that the above mentioned facts are correct to the best of my/our Knowledge and belief & the CA selected/opted is neither a member/employee of the society nor directly/ Indirectly concerted with the society.

Signature of Secretary/President
of Society with SEAL

Acceptance Certificate by the CA/Auditor

I/We do hereby give my/our consent for conducting the audit of your above-mentioned society. Our consent is subject to approval by the office of Registrar Cooperative Societies, Delhi.

I/We certify that my/our firm does not suffer from any disqualification mentioned in section 226 of the Companies Act, 1956.

Place Authorised Signatory
Date Name & address of the firm with SEAL

APPROVAL OF REGISTRAR COOPERATIVE SOCIETIES

No. F.AR/Audit 2009/ Dated:-.....
Option exercised by the society has been approved for the year _____ to _____ and properly recorded.

Date..... Assistant Registrar (Audit)

ACKNOWLEDGEMENT RECEIPT

S. No.....
Received the option cum appointment from the _____ Coop. Society Ltd.
on _____ . Approved From may be collected on _____

Date: _____ Signature of Receipt Clerk