



No. 12/23/COOP-DNHDD/2026-27/12

Dated: 21/04/2026
05

CIRCULAR

Subject: Introduction of Audit Classification for Co-operative Societies under the Dadra and Nagar Haveli and Daman and Diu Co-operative Societies Regulation, 2024.

In continuation of the provisions relating to audit under Section 90 of the Dadra and Nagar Haveli and Daman and Diu Co-operative Societies Regulation, 2024, and with a view to ensure **uniform assessment of** financial and operational performance of co-operative societies, it is hereby directed as under:

1. Audit Classification:

All co-operative societies shall be assigned an Audit Classification (A/B/C/D) based on the outcome of statutory audit.

2. Grading Criteria:

The classification shall be based on overall assessment of:

- Financial position
- Statutory compliance
- Audit observations
- Management efficiency

3. Grading Scale:

Total marks obtained	Audit class to be awarded
70 or more	A
50 to 69	B
36 to 49	C
35 or less	D

4. Responsibility of Auditor:

The auditor shall assign the audit classification in the audit report for each financial year.

5. Review by Registrar:

The classification shall be subject to review and approval by the Registrar, Co-operative Societies.

6. Implementation:

This Circular shall come into effect from the Audit Year 2025-26 and shall be complied with by all concerned.

7. Annexures:

The detailed marksheets and evaluation criteria for different categories of co-operative societies, including PACS/MPACS, Fisheries, Housing, and Service Co-operative Societies, are annexed herewith as Annexure A, B, C, and D, respectively.

All auditors and co-operative societies are directed to adhere strictly to the above instructions.

(Registrar, Co-operative Societies)
Dadra and Nagar Haveli and Daman and Diu

AUDIT CLASSIFICATION
PACS-M-PACS

Sr No	ITEM	Maximum Marks	Marks Obtained
1	Achievement of Objectives: (5) How far the society has achieved the social and economic objectives for which it was established, focusing on the benefits extended to its members. (5)	5	
2	<p>Management: (22)</p> <ol style="list-style-type: none"> 1. A. If election is due during the financial year under audit and the proposal for election of board of directors/Managing committee has been sent within time schedule as provided in the rules. (2) <li style="padding-left: 20px;">B. Election is not due (2) 2. A. Reservation for Women, SC/ST and OBC in the Board if there are such class of members in the society. (2) <li style="padding-left: 20px;">B. If there are no such class of members in the society. (2) 3. Inclusion of professional directors in the board. (1) 4. Meeting of Board of Directors held regularly as per bye-laws of the society. (2) 5. Attendance of Board of Directors. (1) 6. Reviews of issues like periodical review of income-expenditure, profit and loss, deposit mobilization, recovery performance, investment, purchase, sale audit report, Inspection reports and reviews of compliance etc. by the board during the meetings. (2) 7. Minutes of the Meetings written in time. (1) 8. Annual General Meeting held in time and proceeding carried out as per Regulation and Attendance of members is more than 50%. (2) 9. Compliance Report of Statutory Audit Report submitted within two months. (2) 10. Training imparted to Employees during the year. (1) 11. Submission of Annual Returns to RCS within prescribed time limit. (2) 12. Bye -Laws has been amended as per Co-operative Societies Regulation and Rules. (2) 	22	



	<p>13. Updated member's Register. (1)</p> <p>14. Periodic verification of cash and stock on hand. (1)</p>		
3	<p>Internal Controls and Accounting Standards:(10)</p> <ol style="list-style-type: none"> 1. Proper delegation of authority and distribution of work and responsibility-accountability amongst the staff. (1) 2. Provision of checks and balances at every accounting point to prevent collusion and also to ensure prompt detection of frauds and errors. (2) 3. Satisfactory arrangements for safeguarding of the cash, securities, stock in trade and other property of the society. (1) 4. Maintenance of correct and up-to-date accounts and records and arrangements for internal audit and compliance to Internal Auditor's report. (3) 5. Preparation and submission of monthly/quarterly statements of accounts and reports for consideration at Board meetings. (2) 6. Adherence to sound business principles and standard accounting practices. (1) 	10	
4	<p>Financial Performance: (14)</p> <ol style="list-style-type: none"> 1. Own fund mobilisation-(4). Owned resources of the society in relation to its total need's no outside borrowings. Proper balance between its own funds and its borrowings and satisfactory increase in its own funds. 2. BUSINESS TURNOVER (5) <ol style="list-style-type: none"> 1.Increase in Net Sales more than 15% of preceding year. (5) 2.Increase in Net Sales more than 10% of preceding year. (3) 3.Increase in Net Sales more than 5% of preceding year. (2) 4.Increase in Net Sales less than 5% of preceding year. (0) 3. Profit. (5) <ol style="list-style-type: none"> A. Profit is earned after making provisions for all the items and has contributed to various reserves as per Act, Rules & Bye-laws and eligible to declare dividend/dividend already declared. (5) B. As at above but not eligible to declare dividend. (3) C. Profit earned is adequate to make provisions. (2) D. Society earns only operating profit. (1) E. Society does not earn any profit. (0) 	14	
5	<p>Staff. (5)</p> <ol style="list-style-type: none"> 1. Adequate, competent, properly qualified and trained staff able to discharge its functions satisfactorily. (2) 	5	



	<p>2. Staff Schedule approved by the Registrar. (1)</p> <p>3. Staff Cost to Working Capital within limit. (1)</p> <p>4. Staff Cost to Income within limit. (1)</p>		
6	<p>Violation of Co-operative Societies Regulation, Rules and Bye-Laws (8)</p> <p>A. Violation of Co-operative Societies Regulation 2024 and Rules 2025-(5)</p> <p>1. No violation (5)</p> <p>2. One violation not of serious nature (3)</p> <p>3. More than one violation (0)</p> <p>B. Violation of Approved Bye-Laws of the Society-(3)</p> <p>1. No violation. (3)</p> <p>2. Two violations not of serious nature. (2)</p> <p>3. More than two violations. (0)</p>	8	
7	<p>Computerization:(3)</p> <p>1. All branches and Head office. (3)</p> <p>2. 75% of branches and Head office. (2)</p> <p>3. 50% of branches and Head offices (1)</p> <p>4. Less than 50%. (0)</p>	3	
8	<p>Operational efficiency. (5)</p> <p>1. Reconciliation of inter society & inter-branch accounts. (1)</p> <p>2. Balancing of books properly. (1)</p> <p>3. No default in maintaining SLR/CRR. (1)</p> <p>4. CRAR within prescribed limit. (1)</p> <p>5. Audit committee formed & meeting held regularly. (1)</p>	5	
9	<p>Deposit Mobilisation:(4)</p> <p>1. Increase in deposit more than 15% of preceding year. (4)</p> <p>2. Increase in deposit more than 10% of preceding year. (3)</p> <p>3. Increase in deposit more than 5% of preceding year. (2)</p> <p>4. Increase in deposit less than 5% of preceding year. (1)</p> <p>Note: No marks to be awarded if society is not taking deposit.</p>	4	
10	<p>Loan and Advances:(5)</p> <p>1. Increase in Loan and Advances more than 15% of preceding year. (5)</p> <p>2. Increase in deposit more than 10% of preceding year. (4)</p> <p>3. Increase in deposit more than 5% of preceding year. (3)</p> <p>4. Increase in deposit less than 5% of preceding year. (2)</p> <p>Note: No marks to be awarded if society is not giving loan/advances.</p>	5	
11	<p>Recovery of Loan/Advance :(4)</p> <p>1. 90% Recovery of Outstanding dues. (4)</p> <p>2. 75% Recovery of Outstanding dues. (3)</p> <p>3. 50% Recovery of Outstanding dues. (1)</p> <p>4. Less than 50% Recovery of Outstanding dues. (0)</p> <p>Note: No marks to be awarded if society is not giving loan/advances</p>	4	
12	<p>Level of NPA: :(6)</p> <p>1. Gross NPA less than 10%. (4)</p> <p>2. Gross NPA more than 10% but less than 20%. (2)</p> <p>3. Gross NPA more than 20%. (0)</p>	6	



	<p>4. Net NPA less than 5%. (2)</p> <p>5. Net NPA more than 5% but less than 10%. (1)</p> <p>6. Net NPA more than 10%. (0)</p> <p>Note: No marks to be awarded if society is not giving loan/advances</p>		
13	<p>Return on average total assets. (4)</p> <p>1. Above 1%. (4)</p> <p>2. Above 0.80%, up to 1%. (3)</p> <p>3. Above 0.50%, up to 0.80% (2)</p> <p>4. Less than 0.50%. (1)</p>	4	
14	<p>Net interest Margin. (2)</p> <p>1. Above 2.0%. (2)</p> <p>2. Above 1.0 %, up to 2.0%. (1)</p> <p>3. Less than 1.0% (0)</p>	2	
15	<p>Repayment of Government's dues. /Dues from any other institution. (3)</p> <p>1. Timely repayment of due amount without default. (3)</p> <p>2. Repayment of due amount with delay of three months. (2)</p> <p>3. Repayment of due amount with delay of more than three months. (1)</p> <p>4. No repayment of due amount. (0)</p> <p>Note: -If society has not any Government or any intuitional dues full marks to be awarded, if the society is functional. In case of non-functional society, no marks to be awarded.</p>	3	
		100	

Classification on the basis of marks obtained by the society

Total marks obtained	Audit class to be awarded
70 or more	A
50 to 69	B
36 to 49	C
35 or less	D



**AUDIT CLASSIFICATION
M-PACS(FISHERIES)**

Sr No	ITEM	Maximum Marks	Marks Secured
1	Achievement of Objectives: (5) How far the society has achieved the social and economic objectives for which it was established, focusing on the benefits extended to its members.	5	
2	<p>Management: (22)</p> <ol style="list-style-type: none"> 1. A. If election is due during the financial year under audit and the proposal for election of board of directors/Managing committee has been sent within time schedule as provided in the rules. (2) B. Election is not due (2) 2. A. Reservation for Women, SC/ST and OBC in the Board if there are such class of members in the society. (2) B. If there are no such class of members in the society. (2) 3. Inclusion of professional directors in the board. (1) 4. Meeting of Board of Directors held regularly as per bye-laws of the society. (2) 5. Attendance of Board of Directors. (1) 6. Reviews of issues like periodical review of income-expenditure, profit and loss, deposit mobilization, recovery performance, investment, purchase, sale audit report, Inspection reports and reviews of compliance etc. by the board during the meetings. (2) 7. Minutes of the Meetings written in time. (1) 8. Annual General Meeting held in time and proceeding carried out as per Regulation and Attendance of members is more than 50%. (2) 9. Compliance Report of Statutory Audit Report submitted within two months. (2) 10. Training imparted to Employees during the year. (1) 11. Submission of Annual Returns to RCS within prescribed time limit. (2) 12. Bye -Laws has been amended as per Co-operative Societies 	24	



	<p>Regulation and Rules. (2)</p> <p>13. Updated member's Register. (1)</p> <p>14. Periodic verification of cash and stock on hand. (1)</p> <p>15. Society has its own Ice Plant facility (1)</p> <p>16. Society has its own Cold Storage facility (1)</p>		
3	<p>Internal Controls and Accounting Standards:(10)</p> <ol style="list-style-type: none"> 1. Proper delegation of authority and distribution of work and responsibility-accountability amongst the staff. (1) 2. Provision of checks and balances at every accounting point to prevent collusion and also to ensure prompt detection of frauds and errors. (1) 3. Satisfactory arrangements for safeguarding of the cash, securities, stock in trade and other property of the society. (1) 4. Maintenance of correct and up-to-date accounts and records and arrangements for internal audit and compliance to Internal Auditor's report. (3) 5. Preparation and submission of monthly/quarterly statements of accounts and reports for consideration at Board meetings. (1) 6. Adherence to sound business principles and standard accounting practices. (1) 	08	
4	<p>Financial Performance: (14)</p> <ol style="list-style-type: none"> 1. Own fund mobilisation-(4). Owned resources of the society in relation to its total need's no outside borrowings. Proper balance between its own funds and its borrowings and satisfactory increase in its own funds. 2. BUSINESS TURNOVER (5) <ol style="list-style-type: none"> 1.Increase in Net Sales more than 15% of preceding year. (5) 2.Increase in Net Sales more than 10% of preceding year. (3) 3.Increase in Net Sales more than 5% of preceding year. (2) 4.Increase in Net Sales less than 5% of preceding year. (0) 3. Profit. (5) <ol style="list-style-type: none"> A. Profit is earned after making provisions for all the items and has contributed to various reserves as per Act, Rules & Bye-laws and eligible to declare dividend/dividend already declared. (5) B. As at above but not eligible to declare dividend. (3) 	14	



	<p>C. Profit earned is adequate to make provisions. (2)</p> <p>D. Society earns only operating profit. (1)</p> <p>E. Society does not earn any profit. (0)</p>		
5	<p>Staff. (5)</p> <ol style="list-style-type: none"> 1. Adequate, competent, properly qualified and trained staff able to discharge its functions satisfactorily. (2) 2. Staff Schedule approved by the Registrar. (1) 3. Staff Cost to Working Capital within limit. (1) 4. Staff Cost to Income within limit. (1) 	5	
6	<p>Violation of Co-operative Societies Regulation, Rules and Bye-Laws (8)</p> <p>A. Violation of Co-operative Societies Regulation 2024 and Rules 2025-(5)</p> <ol style="list-style-type: none"> 1. No violation (5) 2. One violation not of serious nature (3) 3. More than one violation (0) <p>B. Violation of Approved Bye-Laws of the Society-(3)</p> <ol style="list-style-type: none"> 1. No violation. (3) 2. Two violations not of serious nature. (2) 3. More than two violations. (0) 	8	
7	<p>Computerization:(3)</p> <ol style="list-style-type: none"> 1. All branches and Head office. (3) 2. 75% of branches and Head office. (2) 3. 50% of branches and Head offices (1) 4. Less than 50%. (0) 	3	
8	<p>Operational efficiency. (5)</p> <ol style="list-style-type: none"> 1. Reconciliation of inter society & inter-branch accounts. (1) 2. Balancing of books properly. (1) 3. No default in maintaining SLR/CRR. (1) 4. CRAR within prescribed limit. (1) 5. Audit committee formed & meeting held regularly. (1) 	5	
9	<p>Purchase from members:(4)</p> <ol style="list-style-type: none"> 1. Increase in purchase from members more than 15% of preceding year. (4) 2. Increase in purchase from members more than 10% of preceding year. (3) 3. Increase in purchase from members more than 5% of preceding year. (2) 4. Increase in purchase from members less than 5% of preceding year. (1) 	4	
10	<p>Loan and Advances:(5)</p> <ol style="list-style-type: none"> 1. Increase in Loan and Advances more than 15% of preceding year. (5) 2. Increase in deposit more than 10% of preceding year. (4) 3. Increase in deposit more than 5% of preceding year. (3) 	5	



	4. Increase in deposit less than 5% of preceding year. (2)		
11	Recovery of Loan/Advance :(4) 1. 90% Recovery of Outstanding dues. (4) 2. 75% Recovery of Outstanding dues. (3) 3. 50% Recovery of Outstanding dues. (1) 4. Less than 50% Recovery of Outstanding dues. (0)	4	
12	Level of NPA: :(6) 1. Gross NPA less than 10%. (4) 2. Gross NPA more than 10% but less than 20%. (2) 3. Gross NPA more than 20%. (0) 4. Net NPA less than 5%. (2) 5. Net NPA more than 5% but less than 10%. (1) 6. Net NPA more than 10%. (0)	6	
13	Return on average total assets. (4) 1. Above 1%. (4) 2. Above 0.80%, up to 1%. (3) 3. Above 0.50%, up to 0.80% (2) 4. Less than 0.50%. (1)	4	
14	Net interest Margin. (2) 1. Above 2.0%. (2) 2. Above 1.0 %, up to 2.0%. (1) 3. Less than 1.0% (0)	2	
15	Repayment of Government's dues. /Dues from any other intuition. (3) 1. Timely repayment of due amount without default. (3) 2. Repayment of due amount with delay of three months. (2) 3. Repayment of due amount with delay of more than three months. (1) 4. No repayment of due amount. (0) Note: -If society has not any Government or any intuitional dues full marks to be awarded, if the society is functional. In case of non-functional society, no marks to be awarded.	3	
		100	

Classification on the basis of marks obtained by the society

Total marks secured	Audit class to be awarded
70 or more	A
50 to 69	B
36 to 49	C
35 or less	D



AUDIT CLASSIFICATION
Credit Cooperative Societies including Employees Credit

Sr No	ITEM	Maximum Marks	Marks Obtained
1	Achievement of Objectives: (5) How far the society has achieved the social and economic objectives for which it was established, focusing on the benefits extended to its members. (5)	5	
2	<p>Management: (22)</p> <ol style="list-style-type: none"> 1. A. If election is due during the financial year under audit and the proposal for election of board of directors/Managing committee has been sent within time schedule as provided in the rules. (2) B. Election is not due (2) 2. A. Reservation for Women, SC/ST and OBC in the Board if there are such class of members in the society. (2) B. If there are no such class of members in the society. (2) 3. Inclusion of professional directors in the board. (1) 4. Meeting of Board of Directors held regularly as per bye-laws of the society. (2) 5. Attendance of Board of Directors. (1) 6. Reviews of issues like periodical review of income-expenditure, profit and loss, deposit mobilization, recovery performance, investment, audit report, Inspection reports and reviews of compliance etc. by the board during the meetings. (2) 7. Minutes of the Meetings written in time. (1) 8. Annual General Meeting held in time and proceeding carried out as per Regulation and Attendance of members is more than 50%. (2) 9. Compliance Report of Statutory Audit Report submitted within two months. (2) 10. Training imparted to Employees during the year. (1) 11. Submission of Annual Returns to RCS within prescribed time limit. (2) 12. Bye -Laws has been amended as per Co-operative Societies Regulation and Rules. (2) 	22	



	<p>13. Updated member's Register. (1)</p> <p>14. Periodic verification of cash and stock on hand. (1)</p>		
3	<p>Internal Controls and Accounting Standards:(10)</p> <ol style="list-style-type: none"> 1. Proper delegation of authority and distribution of work and responsibility-accountability amongst the staff. (2) 2. Provision of checks and balances at every accounting point to prevent collusion and also to ensure prompt detection of frauds and errors. (2) 3. Satisfactory arrangements for safeguarding of the cash, securities, stock in trade and other property of the society. (1) 4. Maintenance of correct and up-to-date accounts and records and arrangements for internal audit. (2) 5. Preparation and submission of monthly/quarterly statements of accounts and reports for consideration at Board meetings. (2) 6. Adherence to sound business principles and standard accounting practices. (1) 	10	
4	<p>Financial Performance: (12)</p> <ol style="list-style-type: none"> 1. Own fund mobilisation-(4). Owned resources of the society in relation to its total need's no outside borrowings. Proper balance between its own funds and its borrowings and satisfactory increase in its own funds. 2. Credit-Deposit Ratio. (3) <ol style="list-style-type: none"> A. 65% to 70%. (3) B. 50% to less than 65%. (2) C. Less than 50%. (1) 3. Profit. (5) <ol style="list-style-type: none"> A. Profit is earned after making provisions for all the items and has contributed to various reserves as per Act, Rules & Bye-laws and eligible to declare dividend/dividend already declared. (5) B. As at above but not eligible to declare dividend. (3) C. Profit earned is adequate to make provisions. (2) D. Society earns only operating profit. (1) E. Society does not earn any profit. (0) 	12	
5	<p>Staff. (5)</p> <ol style="list-style-type: none"> 1. Adequate, competent, properly qualified and trained staff able to discharge its functions satisfactorily. (2) 	5	



	<ul style="list-style-type: none"> 2. Staff Schedule approved by the Registrar. (1) 3. Staff Cost to Working Capital within limit. (1) 4. Staff Cost to Income within limit. (1) 		
6	<p>Violation of Co-operative Societies Regulation, Rules and Bye-Laws (8)</p> <p>A. Violation of Co-operative Societies Regulation 2024 and Rules 2025-(5)</p> <ul style="list-style-type: none"> 1. No violation (5) 2. One violation not of serious nature (3) 3. More than one violation (0) <p>B. Violation of Approved Bye-Laws of the Society-(3)</p> <ul style="list-style-type: none"> 1. No violation. (3) 2. Two violations not of serious nature. (2) 3. More than two violations. (0) 	8	
7	<p>Computerization:(3)</p> <ul style="list-style-type: none"> 1. All branches and Head office. (3) 2. 75% of branches and Head office. (2) 3. 50% of branches and Head offices (1) 4. Less than 50%. (0) 	3	
8	<p>Operational efficiency. (5)</p> <ul style="list-style-type: none"> 1. Reconciliation of inter society & inter-branch accounts. (1) 2. Balancing of books properly. (1) 3. No default in maintaining SLR/CRR. (1) 4. CRAR within prescribed limit. (1) 5. Audit committee formed & meeting held regularly. (1) 	5	
9	<p>Deposit Mobilisation:(4)</p> <ul style="list-style-type: none"> 1. Increase in deposit more than 15% of preceding year. (4) 2. Increase in deposit more than 10% of preceding year. (3) 3. Increase in deposit more than 5% of preceding year. (2) 4. Increase in deposit less than 5% of preceding year. (1) 	4	
10	<p>Loan and Advances:(5)</p> <ul style="list-style-type: none"> 1. Increase in Loan and Advances more than 15% of preceding year. (5) 2. Increase in deposit more than 10% of preceding year. (4) 3. Increase in deposit more than 5% of preceding year. (3) 4. Increase in deposit less than 5% of preceding year. (2) 	5	
11	<p>Recovery of Loan/Advance :(4)</p> <ul style="list-style-type: none"> 1. 90% Recovery of Outstanding dues. (4) 2. 75% Recovery of Outstanding dues. (3) 3. 50% Recovery of Outstanding dues. (1) 4. Less than 50% Recovery of Outstanding dues. (0) 	4	
12	<p>Level of NPA: :(8)</p> <ul style="list-style-type: none"> 1. Gross NPA less than 10%. (4) 2. Gross NPA more than 10% but less than 20%. (2) 	6	



	3. Gross NPA more than 20%. (0) 4. Net NPA less than 5%. (4) 5. Net NPA more than 5% but less than 10%. (2) 6. Net NPA more than 10%. (0)		
13	Return on average total assets. (4) 1. Above 1%. (4) 2. Above 0.80%, up to 1%. (3) 3. Above 0.50%, up to 0.80% (2) 4. Less than 0.50%. (1)	4	
14	Net interest Margin. (4) 1. Above 3.5%. (4) 2. Above 2.5 %, up to 3.5%. (3) 3. Above 1.5 %, up to 2.5 %. (2) 4. Less than 1.5%	4	
15	Per employee business. (3) 1. More than Rs.100/-lakhs. (3) 2. More than Rs.50/-Lakhs but less than Rs.100/- Lakhs. (2) 3. Less than Rs.50/-Lakhs. (1)	3	
		100	

Classification on the basis of marks obtained by the society

Total marks obtained	Audit class to be awarded
70 or more	A
50 to 69	B
36 to 49	C
35 or less	D



AUDIT CLASSIFICATION
Housing/Housing Service/Maintenance Co-operative Societies

Sr No	ITEM	Maximum Marks	Marks Obtained
1	Achievement of Objectives: (5) How far the society has achieved the objectives for which it was established, focusing on the benefits extended to its members.	5	
2	<p>Management: (26)</p> <ol style="list-style-type: none"> 1. A. If election is due during the financial year under audit and the proposal for election of board of directors/Managing committee has been sent within time schedule as provided in the rules. (2) <li style="padding-left: 20px;">B. Election is not due (2) 2. A. Reservation for Women, SC/ST and OBC in the Board if there are such class of members in the society. (2) <li style="padding-left: 20px;">B. If there are no such class of members in the society. (2) 3. Inclusion of two professional directors in the board. (1) 4. Meeting of Board of Directors held regularly as per bye-laws of the society. (2) 5. Attendance of Board of Directors. (1) 6. Reviews of issues like periodical review of income-expenditure, recovery of maintenance fees/charges, other charges investment, audit report, inspection reports and reviews of compliance etc. by the board during the meetings. (2) 7. Minutes of the Meetings written in time. (1) 8. Annual General Meeting held in time and proceeding carried out as per Regulation and Attendance of members is more than 50%. (2) 9. Compliance Report of Statutory Audit Report submitted within two months. (2) 10. Training imparted to Employees during the year. (1) 11. Submission of Annual Returns to RCS within prescribed time limit. (2) 12. Bye -Laws has been amended as per Co-operative Societies 	26	



	<p>Regulation and Rules. (2)</p> <p>13. Updated member's Register. (1)</p> <p>14. Periodic verification of cash and stock on hand. (1)</p> <p>15. No dispute among members of the society. (4)</p> <p>i. If there is no dispute. (4)</p> <p>ii. Less than three disputes. (3)</p> <p>iii. Three disputes. (2)</p> <p>iv. More than three disputes. (0)</p>		
3	<p>Internal Controls and Accounting Standards:(10)</p> <p>1. Proper delegation of authority and distribution of work and responsibility-accountability amongst the staff. (2)</p> <p>2. Provision of checks and balances at every accounting point to prevent collusion and also to ensure prompt detection of frauds and errors. (2)</p> <p>3. Satisfactory arrangements for safeguarding of the cash, securities, stock and other property of the society. (1)</p> <p>4. Maintenance of correct and up-to-date accounts and records and arrangements for internal audit. (2)</p> <p>5. Preparation and submission of monthly/quarterly statements of accounts and reports for consideration at Board meetings. (2)</p> <p>6. Adherence to standard accounting practices. (1)</p>	10	
4	<p>Financial Performance: (10)</p> <p>1. A. Own fund mobilisation- owned resources of the society in relation to its total need's no outside borrowings. Proper balance between its own funds and its borrowings and satisfactory increase in its own funds. (2)</p> <p>2. A. Profit is earned after making provisions for all the items and has contributed to various reserves as per Act, Rules & Bye-laws and eligible to declare dividend/dividend already declared. (3)</p> <p>B. As at above but not eligible to declare dividend. (2)</p> <p>C. Profit earned is adequate to make provisions. (1)</p> <p>D. Society does not earn any profit. (0)</p>	05	
5	<p>Staff. (5)</p> <p>Adequate, competent, properly qualified and trained staff able to discharge its functions satisfactorily.</p>	05	
6	<p>Violation of Co-operative Societies Regulation, Rules and Bye-Laws</p>	08	



	<p>(8)</p> <p>A. Violation of Co-operative Societies Regulation 2024 and Rules 2025-(5)</p> <ol style="list-style-type: none"> 1. No violation (5) 2. One violation not of serious nature (3) 3. More than one violation (0) <p>B. Violation of Approved Bye-Laws of the Society-(3)</p> <ol style="list-style-type: none"> 1. No violation. (3) 2. Two violations not of serious nature. (2) 3. More than two violations. (0) 		
7	Computerization: Accounts of the societies are fully computerised.	3	
8	Building is as per the construction layout of the society approved by the competent authority and building usage permission from the competent authority for entire building is on the record. (6)	6	
9	<p>Amenities in the Society and proper maintenance of amenities. (20)</p> <ol style="list-style-type: none"> 1. Internal roads. (1) 2. Compound wall. (1) 3. Pure drinking water facilities. (2) 4. Water storage tanks. (1) 5. Drainage lines. (1) 6. Common lights and Street lights. (1) 7. Lifts. (1) 8. Security appliances (CCTV, Intercom, Siren Bell etc.). (2) 9. Playing space for children -Common Plot – Garden. (2) 10. Common Parking facilities. (2) 11. Solar and alternate energy devices. (2) 12. Fire safety. (2) 13. Proper Exit facility in case of emergency. (1) 14. Facility for door-to-door waste collection. (1) 	20	
10	<p>Maintenance Charges and Transfer Fees. (5)</p> <ol style="list-style-type: none"> 1. Maintenance Charges are reasonable and fixed on the basis of expenditure on maintenance of the society and services offered by the society. (2) 2. Transfer fees are reasonable and no other charges collected 	5	



	for transfer. (2) 3. Reasonable penal charges for not paying Maintenance Charges. (1)		
11	Recovery of Maintenance Charges. 1. 90% Recovery of Outstanding dues. (5) 2. 75% Recovery of Outstanding dues. (3) 3. 50% Recovery of Outstanding dues. (1) 4. Less than 50% Recovery of Outstanding dues. (0)	05	
12	The Society is free from child labour practice and no member of the society/person has employed child. (2)	02	
		100	

Classification on the basis of marks obtained by the society

Total marks obtained	Audit class to be awarded
70 or more	A
50 to 69	B
36 to 49	C
35 or less	D

