IR016/2020-21

No of paras pending - 15

- **PART – II : AUDIT FINDINGS**
  - **PART-II A :** Nil
  - **PART-II B :** Gist of observation of the following paras are mentioned below :

| Para No. | Gist of observation |
|---|---|
| 1. | Non achievement of the intended objective, mission and vision of the department even after a release of grant to the Pondicherry Fair Price Shop Employees Co-Operative Society Limited - Rs. 11.10 Crore |
| 2. | Diversion of grants released for setting up of ITI at Embalam under SCP towards payment of salaries by - Rs. 2.70 crore |
| 3. | Indiscriminate release of share Capital Assistance to the persistent on loss incurring Co-operative Industries-SPINCO accumulated financial loss – Rs. 123.33 crore. |
| 4. | Non-release of grant towards rebate subsidy extended on the Govt. orders aggravating financial position of the PONTEX and PONFAB-4.91 cr. |
| 5. | Non recovery of pending loan amount from the societies along with the interest - Rs.4.37 Crore . |
| 6. | Non-obtaining of Utilization certificates from various co-operatives unions – Rs. 5.40 cr. |
| 7. | Pending collection of Audit fees from the Puducherry Co-operative Societies-Rs. 10.84 Lakh |
| 8. | Non- remittance of declared dividend to be paid to Share Holders- Rs. 33,01,840/- |
| 9. | Non-conduct of competitive examination for direct recruitment to the post of Junior Inspector of Co-operative societies led to unfruitful expenditure to the tune of Rs.-2.21 lakh besides non-filling up of the posts. |
| 10. | Non-apportionment of Net Profit by the Primary Agricultural Cooperative Societies in time resulted in non recoverable position of those societies after a lapse of six years |
| 11. | Non disposal of damaged and condemned articles of furniture by the CONFED for the past five years - Rs. 25,00,197/-. |
| 12. | Misappropriation and fictitious sale made in a liquidated society not set right even after a lapse of five years. |
| 13. | Dormant Societies- Delay in finalization of Liquidation proceedings. |
| 14. | Audit of Registered Societies pending for a long period |
| 15. | Non-formation of Co-operative Advisory Council for more than five years |

## 1.6 SCOPE OF AUDIT

The audit focused mainly on the regular functioning of the Office of the Registrar of Co-operative Societies, Puducherry and its adherence to Financial Rules and Service Regulations in establishment matters or various Guidelines issued by Government from time to time. For the purpose, relevant records/registers were scrutinized.

## 1.7 AUDIT METHODOLOGY

The audit has been conducted in accordance with the applicable Audit procedures and Auditing Standards of CAG of India.