

GOVERNMENT OF INDIA
MINISTRY OF COOPERATION

RAJYA SABHA
UNSTARRED QUESTION NO. 2097
ANSWERED ON 11.03.2026

Role of CAs in cooperative societies

2097: Shri Satnam Singh Sandhu

Will the Minister of Cooperation be pleased to state:

- (a) whether Government recognises the role of Chartered Accountants (CAs) in strengthening governance, financial transparency and internal controls in cooperative societies across the country;
- (b) the details of any initiative undertaken or proposed in collaboration with the Institute of Chartered Accountants of India (ICAI) to professionalize accounting, auditing and compliance systems in cooperatives, particularly at the grassroots level;
- (c) how such interventions are expected to promote financial and digital literacy among cooperative members and office-bearers; and
- (d) the impact envisaged of these measures on improving efficiency, accountability and the economic contribution of the cooperative sector to India's growth?

ANSWER

THE MINISTER OF COOPERATION
(SHRI AMIT SHAH)

(a) Yes, Sir.

(b) to (d) The Multi-State Co-operative Societies (MSCS) Act, 2002, inter alia, provides for mandatory statutory audit of every Multi-State Co-operative Society (MSCS) on annual basis by a qualified Chartered Accountant. It also provides for concurrent audit of MSCS having annual turnover or deposits of more than ₹500 crore by auditors. The Act assigns adequate powers and responsibilities to auditors under Sections 73 to 76, including access to records, submission of audit reports to the General Body, and participation in general meetings. The Ministry has undertaken measures to strengthen professional accounting and auditing systems in Multi-State Co-operative Societies (MSCS). Section 73(6) of the Multi-State Co-operative Societies Act, 2002 provides that Multi-State Co-operative Societies shall adopt such auditing and accounting standards as may be specified by the Central Government and, until such standards are notified, the standards prescribed by the Institute of Chartered Accountants of India (ICAI) under the Chartered Accountants Act, 1949 are deemed to be applicable. Such measures are expected to enhance financial transparency, strengthen internal controls and promote better understanding of accounting and compliance requirements among members and office-bearers of Multi-State Co-operative Societies. These initiatives are envisaged to improve governance, accountability and operational efficiency in Multi-State Co-operative Societies, thereby strengthening stakeholder's confidence and promoting contribution of the cooperative sector to inclusive economic growth.
