

Appendices

Appendix 1

Region-wise/ State-wise distribution of audit sample

(Reference: Para 1.10)

State/ Region	Number of cases
Andhra Pradesh & Telangana State (AP&TS)	379
Bihar & Jharkhand	182
Delhi	243
Gujarat	829
Karnataka	669
Kerala	764
Maharashtra	2088
Madhya Pradesh & Chhattisgarh	594
North East Region ¹²⁷	134
North Western Region ¹²⁸	462
Odisha	144
Rajasthan	455
Tamil Nadu	478
Uttar Pradesh & Uttarakhand	645
West Bengal & Sikkim	404
Grand Total	8470

127 Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland and Tripura

128 Chandigarh, Haryana, Himachal Pradesh, Jammu & Kashmir and Punjab

Appendix 2

Activity-wise profile of Sample Audited

(Reference: Para 1.10)

Activity Classification of Co-operative Societies/ Co- operative Banks	No. of Cases
Agriculture	301
Banking	3038
Credit	1393
Dairy Business	259
Financial Services	634
Housing/ Civil Construction	401
Manufacturing	171
Sugar	424
Trading	710
Others	1139
Total	8470

Source: Assessment Records of ITD

Appendix 3

**LAR Paras pertaining to Co-operative Societies and Co-operative Banks
(Reference: Para 4.14)**

Sl. No.	Broad categories of Audit observations	No. of cases	Tax Effect (₹ in crore)
1	Incorrect allowance of additional depreciation	2	0.39
2	Incorrect allowance of deduction of unascertained liability i.e. provision under section 37(1) of the Act	6	1.70
3	Incorrect allowance of deduction on provision of bad and doubtful debts under section 36(1)(viia) of the Act	9	44.63
4	Incorrect allowance of deduction on special reserve under section 36(1)(viii) of the Act	1	0.08
5	Incorrect allowance of deduction under section 36(1)(vii) of the Act	1	0.74
6	Incorrect allowance of deduction under section 36(2)(v) of the Act	2	0.87
7	Incorrect allowance of depreciation under section 32(i) of the Act	1	0.01
8	Incorrect allowance of expenditure under section 36(1)(va) of the Act	2	1.71
9	Incorrect allowance of expenditure under section 40(a)(i) of the Act	3	2.22
10	Incorrect allowance of expenditure under section 43B of the Act	1	0.62
11	Incorrect computation of business income	1	1.14
12	Irregular allowance of deduction under section 80P(2)(a)(i) of the Act	7	0.95
13	Irregular allowance of deduction under section 80P(2)(a)(iii) of the Act	1	1.09
14	Irregular allowance of deduction under section 80P(2)(a)(vi) of the Act	2	0.25
15	Irregular allowance of deduction under section 80P(2)(d) of the Act	55	7.82
16	Irregular allowance/set-off of losses	1	0.06
17	Irregular carry forward due to late filing of return under section 80 of the Act	1	0.75
18	Irregular expenditure allowed under section 37(1) of the Act	9	4.39
19	Irregular set off/carry forward of losses	9	40.72
20	Non levy of surcharge and interest under section 234B of the Act	1	2.31
21	Other Irregularities	3	3.01
22	Short levy of interest under section 234A of the Act	4	12.65
23	Short levy of interest under section 234B of the Act	2	1.50
24	Short levy of interest under section 234C of the Act	1	0.03
25	Surcharge not levied	2	0.14
26	Underassessment of income	1	0.43
	Grand Total	128	130.22

