

6.7 SURCHARGE ON OUTSTANDING DUES

6.7.1 This represents the amount of penalty levied on the uncleared balances of the members by the management at the rate of 20% on outstanding dues if these were cleared up to March 31, 2001, otherwise an additional surcharge of 2% per month would be levied from January 01, 2001.

It was also decided in the 10<sup>th</sup> Annual General Body Meeting that those members who had not paid 2<sup>nd</sup> additional charges levied in 8<sup>th</sup> AGM would pay a further surcharge @ 1% per month on the outstanding amount from April 2003 until the date of clearance.

6.7.2 The movement under this head of account is as follows:

	<u>2005</u> <u>Rupees</u>	<u>2004</u> <u>Rupees</u>
Balance at July 01,	1,322,400	-
Add: Received during the year	1,071,365	1,322,400
Balance at June 30,	<u>2,393,765</u>	<u>1,322,400</u>

6.7.3 A lot of the vouchers for deposit received during the year were found unsigned. Further there were combined vouchers out of which a specific receipt was difficult to identify / locate. However the deposit slips of the banks were found to be in order.

6.7.4 The basis of calculation of above amount received during the year is not in accordance with the prescribed criteria, in fact no exact basis is used to calculate and collect this amount.

6.7.5 Further we have not been provided with any approval or extract of general body meeting for such kind of levy.

6.7.6 Since this is a type of penalty and does not amount to be the members deposit, so this should be treated as income rather members deposit as per previous year practice where such amounts were charged to income and expenditure account.

GS  
15-11-02

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Cooperative  
was of born bet

Can be done