

19.10.2020

Ret. : .....

Date: .....

## **INDEPENDENT AUDITORS' REPORT**

### **Report on the audit of the financial statements**

#### **Opinion**

We have audited the accompanying financial statements of **KANYAKUMARI DISTRICT MINERAL FOUNDATION TRUST**, which comprise the Balance Sheet as at March 31, 2020, the Statement of Income and Expenditure and Receipts and Payments Account for the half year then ended.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the applicable laws and regulations to the entity in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Entity as at March 31, 2020, and its surplus for the half year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the standards on auditing issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Entity in accordance with the code of ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Emphasis of Matter**

The entity has made a detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property, plant and equipment, investments, inventory and trade receivables. Based on current indicators of future



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Thiruvananthapuram - 695023. Phone: 2476356

economic conditions, the entity expects to recover the carrying amount of these assets. The entity continues to evaluate them as highly probable considering the financial position in hand. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 pandemic which may be different from that estimated as at the date of approval of the financial results. The entity will continue to closely monitor any material changes arising of future economic conditions and impact on its business.

Our opinion is not modified in respect of this matter.

#### **Management's responsibility for the financial statements**

The management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Entity in accordance with the accounting principles generally accepted in India, including the accounting standards specified by ICAI. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Entity and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

The management is also responsible for overseeing the Entity's financial reporting process.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud



or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.


Place : Nagercoil  
Date : 19.10.2020

For KRISHNAN RETNA AND ASSOCIATES  
CHARTERED ACCOUNTANTS  
(Firm Regn. No: 001536S)  
  
R. KRISHNAN, B.A., F.C.A.,  
(Membership No: 006051)  
PARTNER

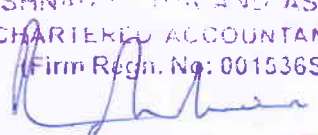
**DISTRICT MINERAL FOUNDATION TRUST, KANYAKUMARI DISTRICT**

**Balance Sheet as at 31.03.2020**

Liabilities	Rs. P.	Assets	Rs. P.
<u>General Fund</u>		<u>Arrear contribution</u>	
As per last Balance sheet	33160905.50	Receivable as per DCB	7745660.00
<u>Add: Excess of Income over</u>		<u>Arrear Interest Receivable</u>	
Expenditure	<u>8153581.50</u>	As per DCB	3294169.00
	41314487.00	<u>Add: Current year Interest</u>	673212.00
Excess Collection	436646.00	<u>Less: Transfer to demand</u>	<u>322575.00</u>
Audit Fee Payable	11800.00		3644806.00
		Deputy Director of Health Services	
		Balance Receivable	1547.00
		Munchirai Block Road Development	
		Balance Receivable	2118466.00
		(-) Received During the year	<u>2118466.00</u>
			0.00
		<u>Computer</u>	
		As per last Balance sheet	32580.00
		(-) Depn @ 40%	<u>13032.00</u>
			19548.00
		<u>Closing Balances</u>	
		State Bank of India	
		A/c No.37232889842	30351372.00
<b>Total</b>	<b><u>41762933.00</u></b>	<b>Total</b>	<b><u>41762933.00</u></b>

  
Assistant Director (I/c)  
Geology and Mining  
Kanyakumari District

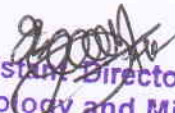
  
Chair Person / District Collector  
District Mineral Foundation Trust  
Kanniyakumari.

AS PER OUR REPORT SEPARATELY GIVEN  
For KRISHNAN PETERNA AND ASSOCIATES  
CHARTERED ACCOUNTANTS  
(Firm Regn. No: 0015365)  
  
R. KRISHNAN, B.A., F.C.A.,  
(Membership No: 006051)  
PARTNER



**DISTRICT MINERAL FOUNDATION TRUST, KANYAKUMARI DISTRICT**  
**Income and Expenditure Account for the Half year ended 31.03.2020**

Expenditure	Rs. P.	Income	Rs. P.
To Bank Charges	12832.50	By Regular Collection	3832182.00
" Audit Fees	11800.00	" Direct Deposit to Bank	1262247.00
" ELCOT, Purchase of IPAD for Officers of Geology and Mining	84028.00	" Bank Interest	366570.00
" ELCOT, Purchase of Microsoft office 365 Planner App for DMF Officers	413292.00	" Arrear Interest Current Year (as per DCB)	673212.00
" Director of Geology and Mining, Chennai 1% of Monthly Receipts	65497.00	" Challan available but not credited Dt. 29.10.2020	1770.00
" Ananth IT world, Data entry operator	71750.00	" Interest on amount receivable on Munchirai block road development	203357.00
" Depreciation on Computer	13032.00	" Mobile Paddy Dryer Refund	2500000.00
" Reversal of Challan available but not Credited for the period 2018-19	13525.00		
" Excess of Income Over Expenditure	8153581.50		
<b>Total</b>	<b>8839338.00</b>	<b>Total</b>	<b>8839338.00</b>

  
**Assistant Director (I/c)**  
**Geology and Mining**  
**Kanyakumari District**



  
**Chair Person / District Collector**  
**District Mineral Foundation Trust**  
**Kanniyakumari.**

**AS PER OUR REPORT SEPARATELY GIVEN**

**For KRISHNAN RETNA AND ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**(Firm Regn No: 001536S)**

  
**R. KRISHNAN, B.A., F.C.A.,**  
**(Membership No: 006051)**  
**PARTNER**

**KANNIYAKUMARI DISTRICT MINERAL FOUNDATION TRUST, NAGERCOIL**  
**Schedule to Income and Expenditure account for the period ended 31.03.2020**

**DIRECTLY DEPOSITED TO BANK THROUGH CASH**

	Rs.P.
Oct-19	126230.00
Nov-19	110130.00
Dec-19	412145.00
Jan-20	255047.00
Feb-20	234825.00
Mar-20	123870.00
	<u>1262247.00</u>

**Bank Interest Received**

25.12.2019	162608.00
25.03.2020	203962.00
	<u>366570.00</u>

BANK CHARGES	12832.50
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ELCOT, purchase of IPAD for officers of Geology and Mining	<u>84028.00</u>
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ELCOT, purchase of Microsoft office 365 Planner App for DMF officers	<u>413292.00</u>
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**Director of Geology and Mining Chennai**

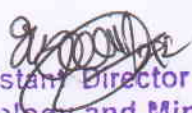
1% of the total month receipts-Oct'19	20106.00
1% of the total month receipts-Nov'19	8077.00
1% of the total month receipts-Dec'19	7916.00
1% of the total month receipts-Jan'20	10870.00
1% of the total month receipts-Feb'20	9365.00
1% of the total month receipts-Mar'20	9163.00
	<u>65497.00</u>

Ananth IT world, Data entry operator	<u>71750.00</u>
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Audit fee payable paid	<u>35400</u>
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**Bank Reconciliation**

Bank balance as per Bank statement	30349602.00
Add: Challan available but not credited	
29.10.2019	1770.00
	<u>30351372.00</u>

  
**Assistant Director (I/c)**  
**Geology and Mining**  
**Kanyakumari District**

  
**Chair Person / District Collector**  
**District Mineral Foundation Trust**  
**Kanniyakumari.**

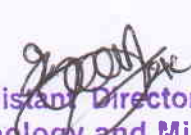


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**DISTRICT MINERAL FOUNDATION TRUST, KANYAKUMARI DISTRICT**

**Receipts and Payments Account for the period from 01.10.2019 to 31.03.2020**

Receipts	Rs. P.	Payments	Rs. P.
To <u>Opening Balances</u>		By Bank Charges	12832 50
State Bank of India		" ELCOT, purchase of IPAD for officers of	
A/c No.37232889842	20763104.50	Geology and Mining	84028 00
" Regular Collection	3832182	" ELCOT, purchase of Microsoft office 365	
" Direct Deposit to Bank	1262247.00	Planner App for DMF officers	413292 00
" Bank Interest	366570.00	" Audit fee	35400 00
" Refund of unutilized amount of		" Director of Geology and Mining, Chennai	
Munchirai Block Road Development	2118466.00	1% of Monthly Receipts	65497 00
Grant Refunded- Mobile Paddy dryer	2500000.00	" Ananth IT world, Data entry operator	71750 00
Interest on above	203357.00	" Reversal of Challan available but not Credited	
" Challan available but not credited		for the period 2018-19	13525 00
Dt. 29.10.2020	1770.00	" Closing Balances	
		State Bank of India A/c No.37232889842	30351372 00
<b>Total</b>	<b><u>31047696.50</u></b>	<b>Total</b>	<b><u>31047696.50</u></b>

  
**Assistant Director (I/c)**  
**Geology and Mining**  
**Kanyakumari District**

  
**Chair Person / District Collector**  
**District Mineral Foundation Trust**  
**Kanniyakumari.**

**AS PER OUR REPORT SEPARATELY GIVEN**

**For KRISHNAN RETNA AND ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**(Firm Regn.No: 001536S)**

  
**R-KRISHNAN, B.A., F.C.A.,**  
**(Membership No: 006051)**  
**PARTNER**