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1st Floor, 8/6, Post Office Odal D-1 Scheme Road
(Nattathi Hospital Backside)
Theni - 625 531

INDEPENDENT AUDITOR'S REPORT**Report on the Financial Statements**

We have audited the accompanying financial statements of the **THENI DISTRICT MINERAL FOUNDATION TRUST** (hereinafter called the Trust) Theni district, which comprise the Balance Sheet as at 30th September, 2019 and the Statement of Income and Expenditure account for the six months ended on 30.9.2019 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and Receipts and Payments of the Trust in accordance with the requirements of The Tamil Nadu Mineral Foundation Rules, 2017 to the extent applicable and in the manner possible. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Branch's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes thereon give the information required, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Balance Sheet, of the state of affairs of the **THENI DISTRICT MINERAL FOUNDATION TRUST**, Theni Dt. as at 30th September, 2019 and
- (i) in the case of the Income and Expenditure Account of the excess of Income over Expenditure for the six months ended on that date

Further We report that:

Only Cash Collections register has been maintained and the Receipts and Payments Account, Income and Expenditure Account and the Balance Sheet have been compiled from the cash collection register and Bank Pass Book.

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory.

No Cash balance was maintained by the Trust and we have verified the Bank Balances from Bank pass books/ Statements and other documentary evidences.

We further report that:

- (i) The Statements of accounts are prepared as per The Tamil Nadu Mineral Foundation Rules, 2017.
- (ii) Opening balance and Closing Balance of the receipts and payments account tallies with that Cash/ Bank Book.
- (iii) Reconciliation of the Bank Account has been made up to the period of audit
- (iv) There is no diversion of funds noticed
- (v) There is no negative cash balance at any stage during the year



- (vi) No funds of the trust are placed in fixed deposit.
- (vii) All receipts/ refunds have been correctly accounted for and remitted into bank account of the Trust, **subject to that a sum of Rs.10000/- (cash) deposited on 31.5.2019 has not been given credit by the bank.**
- (viii) **Trust Funds are Kept in Current Account instead of SB account. Hence NO INTEREST HAS BEEN EARNED ON THE TRUST FUNDS. Since huge sums are kept in bank account, Efforts to be taken to convert the current account into SB Account, to avoid continued Revenue Loss.**
- (ix) Also during the six months ended 30.9.2019, the bank has charged Rs. 24,013/- towards bank charges on various dates without assigning reason. The issue has to be taken up with the bank to get credit of the bank charges.
- (x) As per HO D.O letter no. 3946/LC/2015, dt. 18.7.19, 1% of the total receipts to be transferred to State Fund. Whereas the Trust has transferred 1% of the collections net-off expenses instead of gross collection.
- (xi) Trust Funds are kept in Current Account, Hence NO INTEREST HAS BEEN EARNED ON THE TRUST FUNDS
- (xii) An Arrear of Rs.18,43,347/- (inclusive of interest) is pending recovery from various lessees pertaining to the period 12.1.15 to 20.8.17

For.M.RAJA SEKARAN & ASSOCIATES
Chartered Accountants/FRN: 011606S



M. Rajasekaran
Proprietor/M.No.203659

Place: Theni
Date : 13.2.2020

THENI DISTRICT MINERAL FOUNDATION TRUST
O/o the Deputy Director, Geology and Mining, Collectorate, Theni - 625 531.

RECEIPT AND PAYMENTS ACCOUNT FOR THE PERIOD FROM 01/04/2019 TO 30/09/2019

RECEIPTS	Rs.	PAYMENTS	Rs.
To Opening Balances:			
State Bank ,Theni, CA.No.51580	13757090.00	By Staff Salary	110000.00
To Contributions from Lessees		By Audit Fees	
of Mineral Leases for the Half year	4287253.00	FY 2017-2018	11800.00
Court Case	891000.00	FY 2018-2019	11800.00
Arrear Collection with Interest	220895.00		23600.00
Voluntary Fund Collection	1484.00	By Transfer to H.O - Chennai	
	5400632.00	1% of the collections to statefund	24926.00
		By Bank Charges	24013.00
		By Closing Balances:	
		State Bank ,Theni, CA.No.51580	18975183
	<u>19157722.00</u>		<u>19157722.00</u>
			0.00

Place: Theni
Date : 13.02.2020

Assistant Geologist/ Assistant Director(i/c)
Geology & Mining - Convener

Collector & Chairman
Theni District.

Vide our report of even date
For.M.Raja Sekaran & Associates
Chartered Accountants/FRN:011606S



CA.M.Raja Sekaran
Proprietor/M.No.203659

THENI DISTRICT MINERAL FOUNDATION TRUST
O/o the Deputy Director, Geology and Mining, Collectorate, Theni - 625 531.

INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD FROM 01/04/2019 TO 30/09/2019

EXPENDITURE	Rs.	INCOME	Rs.
To Staff Salary	110000.00	By Contributions from Lessees of Mineral Leases For the Half Year	4287253.00
To Audit Fees		Court Case	891000.00
FY 2017-2018	11800.00	Arrear Collection with Interest	220895.00
FY 2018-2019	11800.00	Voluntary Fund Collection	1484.00
To Transfer to H.O - Chennai	24926.00		5400632.00
1% of the State Level Fund for Monitoring Activities			
To Bank Charges	24013.00		
To Surplus - Excess of income over Expenditure	5218093.00		
	<u>5400632.00</u>		<u>5400632.00</u>

0.00

Vide our report of even date
For M. Raja Sekaran & Associates
Chartered Accountants/FRN:011606S

Place: Theni
Date : 13.02.2020

Assistant Geologist/ Assistant Director(i/c)
Geology & Mining - Convener

Collector & Chairman
Theni District.



CA. M. Raja Sekaran
Proprietor/M.No.203659

THENI DISTRICT MINERAL FOUNDATION TRUST
O/o the Deputy Director, Geology and Mining, Collectorate, Theni - 625 531.

BALANCE SHEET AS AT 30.09.2019

LIABILITIES	Rs.	ASSETS	Rs.
Corpus Fund	13757090.00	Closing Balances:	18975183.00
		State Bank ,Theni, CA.No.51580	
Add: Excess of Income over Expenditure	<u>5218093.00</u>		
	18975183.00		
	<u><u>18975183.00</u></u>		<u><u>18975183.00</u></u>
			0.00

Place: Theni
Date : 13.02.2020

Assistant Geologist/ Assistant Director(i/c)
Geology & Mining - Convener

Collector & Chairman
Theni District.

Vide our report of even date
For.M.Raja Sekaran & Associates
Chartered Accountants/FRN:011606S



CA.M.Raja Sekaran
Proprietor/M.No.203659

THENI DISTRICT MINERAL FOUNDATION TRUST
O/o the Deputy Director, Geology and Mining, Collectorate, Theni - 625 531.

BANK RECONCILIATION STATEMENT FOR THE PERIOD FROM APRIL 19 TO SEPTEMBER 19
State Bank ,Theni, CA.No.51580

	Rs.
Closing Balance as per Cash Book	18965183.00
Add: Cash Deposited but not credited <i>(Deposited on 31.5.19)</i>	10000.00
Closing Balance as per Bank Statement	<u>18975183.00</u>

