

PMI, PEARL CITY CHAPTER, HYDERABAD
REGN NO.: 122(03)/12A/05-06 dt: 25/09/2006

Registered Address at:
91, Springboard, Mythri Square
Gachibowli, Hyderabad - 500084 (TG)

STATEMENT OF ACCOUNTS
& Report for the year ended
31st March, 2020.



RAVI R. CHOUDHARY & CO.
Chartered Accountants

23A, Netaji Subhas Road
7th Floor, Room No. 25
Kolkata - 700001

**To
The Members of
PMI, PEARL CITY CHAPTER, HYDERABAD**

Opinion

We have audited the accompanying financial statements of **PMI, PEARL CITY CHAPTER, HYDERABAD** ('the Chapter'), which comprise the Balance Sheet as at 31 March 2020 and Income and Expenditure account for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanation given to us, the aforesaid financial statements give a true and fair view of the financial position of the Chapter as at 31st March, 2020 and of its financial performance for the year then ended in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI).

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the rules there under, 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.

Responsibility of Management for the Financial Statements

The Management is responsible for the preparation and fair presentation of these financial statements that give a true and fair view of the financial position, financial performance of the Chapter in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Act. This responsibility also includes 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 statements 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 Chapter'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 Chapter or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Chapter'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 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 but not for the purpose of expressing an opinion on the effectiveness of the Chapter's internal control.

<> Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Chapter'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 Chapter 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.

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.

**For Ravi R. Choudhary & Co.
Chartered Accountants
(FRN No. 326281E)**

Place: Hyderabad

Date:

**[Ravi Choudhary]
Proprietor
M. No.: 062874
UDIN: 20062874AAAAA**

PMI, PEARL CITY CHAPTER, HYDERABAD

BALANCE SHEET AS AT 31ST MARCH, 2020

Particulars	Sch	31.03.2020 Amount in Rs.	31.03.2019 Amount in Rs.
<u>SOURCES OF FUNDS</u>			
Corpus Fund	1	1,35,552.00	1,35,552.00
General Fund	2	87,27,430.10	94,78,582.00
		<u>88,62,982.10</u>	<u>96,14,134.00</u>
<u>Current Liabilities</u>			
Current Liabilities	3	57,003.51	1,37,733.00
		<u>57,003.51</u>	<u>1,37,733.00</u>
TOTAL		<u>89,19,985.61</u>	<u>97,51,867.00</u>
<u>APPLICATION OF FUNDS</u>			
Fixed Assets	4	49,362.30	81,368.00
Fixed Deposits	5	57,35,698.00	49,61,251.00
		<u>57,85,060.30</u>	<u>50,42,619.00</u>
<u>Current assets</u>			
Sundry Receivables	6	2,46,310.00	17,81,625.00
Current Assets, loans & Advances	7	13,32,121.42	16,24,986.00
Cash and Bank Balances	8	15,56,493.89	13,02,637.00
		<u>31,34,925.31</u>	<u>47,09,248.00</u>
TOTAL		<u>89,19,985.61</u>	<u>97,51,867.00</u>
Notes to Accounts	13		

In terms of our report of even date attached.

For RAVI R. CHOUDHARY & CO.

Chartered Accountants

[Firm Registration No. 326281E]

For **PMI, PEARL CITY CHAPTER, HYDERABAD**

B Madhav Reddy

President

(RAVI CHOUDHARY)

Proprietor

[Membership No. 062874]

Hyderabad

Dated :

Bhaskar Reddy Gaddam

Treasurer

PMI, PEARL CITY CHAPTER, HYDERABAD

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	Notes	31.03.2020 Amount in Rs.	31.03.2019 Amount in Rs.
<u>INCOME</u>			
Income from Workshop	9	28,93,427.40	35,93,230.00
Gyan Lahri		-	7,41,438.00
Other Incomes	10	15,00,504.48	15,50,552.00
Total	(A)	43,93,931.88	58,85,220.00
<u>EXPENDITURE</u>			
Expenses for Workshop	11	20,54,064.07	24,13,415.00
Depreciation	4	32,005.70	53,027.00
Other expenses	12	15,81,180.01	17,80,606.00
Total	(B)	36,67,249.78	42,47,048.00
Surplus / (Deficit) for the year (A-B)		7,26,682.10	16,38,172.00
Notes to Accounts	13		

In terms of our report of even date attached.
For RAVI R. CHOUDHARY & CO.
Chartered Accountants
[Firm Registration No. 326281E]

For **PMI, PEARL CITY CHAPTER, HYDERABAD**

(RAVI CHOUDHARY)
Proprietor
[Membership No. 062874]
Hyderabad
Dated :

B Madhav Reddy
President

Bhaskar Reddy Gaddam
Treasurer

PMI, PEARL CITY CHAPTER, HYDERABAD

Notes to the Accounts for the year ended 31st March, 2020

1	<u>CORPUS ACCOUNT</u>	31.03.2020 Amount in Rs.	31.03.2019 Amount in Rs.
	CORPUS FUND	1,35,552.00	1,35,552.00
2	<u>GENERAL FUND</u>	31.03.2020 Amount in Rs.	31.03.2019 Amount in Rs.
	<u>General Fund</u>		
	Balance B/F	94,78,582.00	78,40,410.00
	Add: Excess of Income over Expenditure	7,26,682.10	16,38,172.00
	Less: Prior period items adjusted (as per management representation)	(14,77,834.00)	-
	TOTAL	87,27,430.10	94,78,582.00
3	<u>CURRENT LIABILITIES</u>	31.03.2020 Amount in Rs.	31.03.2019 Amount in Rs.
	Audit Fees Payable	16,000.00	12,000.00
	Duties & Taxes	25,003.51	1,25,733.00
	Other liabilities	16,000.00	-
	TOTAL	57,003.51	1,37,733.00
5	<u>FIXED DEPOSITS</u>	31.03.2020 Amount in Rs.	31.03.2019 Amount in Rs.
	<u>Fixed Deposits with Scheduled Bank</u>		
	Andhra Bank - FDR No.: 054320100213115	28,11,044.00	21,91,010.00
	State Bank of India - FDR No.: 34724963693	26,58,781.00	25,18,404.00
	State Bank of India - FDR No.: 34724966468	2,65,873.00	2,51,837.00
	TOTAL	57,35,698.00	49,61,251.00
6	<u>SUNDRY RECEIVABLES</u>	31.03.2020 Amount in Rs.	31.03.2019 Amount in Rs.
	Balmer Lawrie & Company Ltd	10,290.00	10,290.00
	Bharat Heavy Electricals Ltd	-	46,582.00
	Broadridge Financial Solutions	88,500.00	88,500.00
	B V Raju Institute of Technology	-	94,405.00
	CA (India) Technologies Pvt Ltd	-	53,100.00
	Deloitte Consulting India Pvt Ltd	1,21,500.00	8,38,390.00
	GMR Hyderabad International Airport Ltd	-	12,390.00
	Gokul Chand Koganti	-	11,800.00
	GVK Bio Sciences Pvt Ltd	-	1,94,700.00
	Tribal Welfare Engineering Dept, Telengana State	26,020.00	26,020.00
	Woxsen School of Business	-	4,05,448.00
	TOTAL	2,46,310.00	17,81,625.00

PMI, PEARL CITY CHAPTER, HYDERABAD

Notes to the Accounts for the year ended 31st March, 2020

	31.03.2020 Amount in Rs.	31.03.2019 Amount in Rs.
7 <u>LOANS & ADVANCES</u>		
TDS [Earlier Years]	8,83,644.00	13,40,836.00
TDS [AY 2019-20]	1,84,158.00	1,84,158.00
TDS [AY 2020-21]	2,58,310.00	-
Input GST	-	99,992.00
Springboard Business Hub (P) Ltd	6,009.42	-
TOTAL	13,32,121.42	16,24,986.00
8 <u>CASH & CASH EQUIVALENTS</u>		
Axis Bank A/c No.: 515010100013536	4,36,335.61	11,84,819.00
Axis Bank A/c No.: 030010100304092	10,60,723.01	25,372.00
Axis Bank A/c No.: 909010035708772	34,928.00	33,729.00
State Bank of India a/c	24,461.00	58,671.00
Cash in Hand [As certified]	46.27	46.00
TOTAL	15,56,493.89	13,02,637.00
9 <u>INCOME FROM WORKSHOP</u>		
Gyan Lahari	-	7,41,438.00
Corporate Workshop	24,03,790.00	27,27,029.00
Public Workshop	4,89,637.40	8,66,201.00
TOTAL	28,93,427.40	43,34,668.00
10 <u>OTHER INCOMES</u>		
Annual Membership Fees	10,15,951.48	11,57,110.00
Bank Interest	50,848.00	23,106.00
Book Sale	50,000.00	-
Donation	3,500.00	-
Interest on FDR	3,72,098.00	3,36,719.00
Interest on IT Refund	8,107.00	33,617.00
TOTAL	15,00,504.48	15,50,552.00

PMI, PEARL CITY CHAPTER, HYDERABAD

Notes to the Accounts for the year ended 31st March, 2020

	31.03.2020 Amount in Rs.	31.03.2019 Amount in Rs.
11 <u>WORKSHOP EXPENSES</u>		
Banquet Charges	9,18,162.07	7,77,139.00
Faculty Honararium	10,56,222.00	10,79,070.00
Network Meeting	79,680.00	28,570.00
GYAN Lahari Expenses	-	5,28,636.00
TOTAL	20,54,064.07	24,13,415.00
12 <u>OTHER EXPENSES</u>		
Audit Fees	16,000.00	12,000.00
Accounting Charges	16,000.00	10,000.00
AGM Expenses	72,506.00	73,182.00
Bank Charges	200.60	15,286.00
Conveyance Expenses	15,819.25	58,009.00
Hotel, Boarding & Lodging Exp	1,64,589.09	2,90,080.00
Late Fees & Interest	2,11,303.00	48,362.00
Office Maintainence	59,356.00	58,817.00
Printing & Stationery	1,50,002.61	1,21,857.00
Professional Fees	47,466.00	73,720.00
Rent	1,36,414.72	2,34,482.00
Salary	2,22,000.00	1,87,000.00
Telephone Expenses	26,156.20	44,365.00
Travelling Exp	2,50,446.54	4,98,148.00
Volunteer Welfare Exp (GST)	95,000.00	
Website Expenses	97,920.00	-
Fixed Assets w/off	-	55,298.00
TOTAL	15,81,180.01	17,80,606.00

Notes to the Accounts for the year ended 31st March, 2020

13 **NOTES TO ACCOUNTS**

I. **GENERAL**

The Notes are prepared in the historical cost basis and on the accounting principles of a going concern

Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

II. **REVENUE RECOGNITION**

Incomes and Expenses are accounted for on accrual Basis as per historical cost convention.

Annual Membership Fees are recognised as Income of the Chapter

Interest on Cumulative Fixed deposit has been accounted for on accrual basis as and when bank has credited the interest.

III. Depreciation on fixed assets is provided on written down value method and at the rate mentioned in the schedule of fixed assets.

IV. Certain Receipts and payments were being shown under one miscellaneous head in earlier years but the same have been shown under various head during the year. The change in presentation does not have any effect on the surplus for the year.

V. Previous year figures have been regrouped/rearranged, wherever considered necessary including items in respect of which "Gross" value was appearing in earlier years.

VI. As per management representation letter received dated: 23.09.2020 from the Board of Trustees regarding certain anomalies in the audited Books of accounts for FY 2018-19, our observations were based on true and fair view and on a best case basis scenario:

a) The face value of FDR with Andha Bank has been inadvertently understated as on 31.03.2019, which has been rectified and has been stated as per its value as on 31.03.2020.

b) There are certain items in receivables which has been inadvertently reflecting in the books as on 31.03.2019, there were certain errors/ misrepresentation of figures during the statutory audit of FY 2018-19, which lead to reflection of these figures in Closing Balance Sheet as on 31.03.2019, the management has requested the Statutory Auditor for FY 2019-20 to make necessary adjustment entry in the books to nullify the effects of these figures and to make necessary changes/ adjustments in Current Year i.e. FY 2019-20 accounts, so that these figures are rectified:

<i>Particulars</i>	<i>Details</i>	<i>Amounts (Rs.)</i>
Sundry Receivables	Bharat Heavy Electricals Ltd	6,757.00
	CA (India) Technologies Pvt Ltd	53,100.00
	Deloitte Consulting India Pvt Ltd	8,38,390.00
	GMR Hyderabad International Airport Ltd	12,390.00
	Gokul Chand Koganti	11,800.00
	GVK Bio Sciences Pvt Ltd	1,94,700.00
	Woxsen School of Business	4,05,448.00

PMI, PEARL CITY CHAPTER, HYDERABAD

Notes to the Accounts for the year ended 31st March, 2020

<i>Particulars</i>	<i>Details</i>	<i>Amounts (Rs.)</i>
TDS Receivables	TDS Others	4,79,281.00

There were two (2) FDRs with State Bank of India, PBB Film Nagar, Hyderabad Branch, the TDS were duly deducted on interest credited on them @20% due to non-updation of KYC and non - submission of PAN and that TDS was not credited into 26AS of the Chapter.

c) The balance of State Bank of India Savings account is infact, TDS deducted by SBI, PBB Film Nagar, Hyderabad Branch on Interest on 2 (Two) FDRs which were maintained with said branch. The account number mentioned in the books of Previous year was infact the account of SBI branch, where TDS amount was transferred and not the PMI- PCC account. We have rectified above and transferred the TDS amount on to TDS Receivables others account, the balance of SBI account is another account maintained at other branch of SBI and shown in books as per audited accounts of FY 2017-18.

d) In the previous year's books some of the liabilities were not booked and neither they were provided in the books of accounts, so those liabilities were booked in current year on date of credit/payment.

In terms of our report of even date attached.
For Ravi R. Choudhary & Co.
Chartered Accountants
[Firm Regn No. 326281E]

For PMI, PEARL CITY CHAPTER, HYDERABAD

[Ravi Choudhary]
Proprietor
[Membership No. 062874]
Place: Hyderabad
Dated :

B Madhav Reddy
President

Bhaskar Reddy Gaddam
Treasurer

PMI, PEARL CITY CHAPTER, HYDERABAD

Notes to accounts forming part of the Financial Statements for the year ended 31st March, 2020

NOTE " 4 " - Fixed Assets

DESCRIPTION	RATE (%)	GROSS VALUE					Depreciation	Write offs	WRITTEN DOWN VALUE	
		01.04.2019	Additions		Deductions	31.03.2020			31.03.2020	31.03.2019
			More than 180 days	Less than 180 days						
Camera	15	2,486.00	-	-	-	2,486.00	372.90	-	2,113.10	2,486.00
Laptop	40	4,752.00	-	-	-	4,752.00	1,980.80	-	2,771.20	4,752.00
Library Books	40	74,130.00	-	-	-	74,130.00	29,652.00	-	44,478.00	74,130.00
Current Year		81,368.00	-	-	-	81,368.00	32,005.70	-	49,362.30	81,368.00
Previous Year		1,89,633.00	-	-	-	1,89,633.00	53,027.00	55,238.00	81,368.00	-