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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KANYAKUMARI
DISTRICT MINERAL FOUNDATION TRUST, NAGERCOIL**

Report on the audit of the financial statements for the half year ended 31.03.2024

Opinion

We have audited the accompanying financial statements of **KANYAKUMARI DISTRICT MINERAL FOUNDATION TRUST, NAGERCOIL** which comprise the Balance Sheet as at March 31, 2024, the Income and Expenditure Account and Receipts and Payments Account for the half year ended on that date.

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 Act in the manner so required and are prepared in all material respects, in accordance with the Generally Accepted Accounting Principles, of the state of affairs of the Entity as at March 31, 2024, 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.

Responsibility of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the Financial Statements and for such internal control as management determines is necessary to enable the preparation of financial statement that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management of the entity 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 close the entity or to cease operations, or has no realistic alternative but to do so.

The Management (or Those Charged with Governance) 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.

In our opinion and to the best of our information and according to the explanations given to us the said accounts give the information required:

- i. In the case of the Balance Sheet, of the state of affairs of the Trust as at 31st March 2024.
- ii. In the case of the Income and Expenditure Account, of the Excess of Income over Expenditure for the half year ending on 31st March 2024 and
- iii. In the case of Receipts and Payment Account the total receipts and payments for the half year ending 31st March 2024.

Place : Nagercoil

Date : 26.11.2024

UDIN : 24021406BKBGHH3012

For KRISHNAN RETNA AND ASSOCIATES
CHARTERED ACCOUNTANTS
(Firm Regn. No. 0015365)


V GANAPATHY, B.Com., F.C.A.
(Membership No. 021406)
PARTNER

DISTRICT MINERAL FOUNDATION TRUST, KANYAKUMARI DISTRICT

Balance Sheet as at 31.03.2024

Liabilities	Rs. P.	Rs.P. Assets	Rs. P.	Rs. P.
<u>General Fund</u>		<u>Arrear Contribution</u>		
As per last Balance Sheet	83774138.72	As per last Balance Sheet	7192245.00	
Add: Excess of Income Over		<u>Less: Current Year Collection</u>	<u>8100.00</u>	
Expenditure	<u>9201266.28</u>			7184145.00
		92975405.00 <u>Arrear Interest Receivable</u>		
Excess Collection		456826.00 As per last Balance Sheet	6411538.00	
Audit Fee Payable		47200.00 <u>Add: Current Year Interest</u>	<u>291789.00</u>	
Amount received from		9523828.00	6703327.00	
Cuddalore District		<u>Less: Current Year Collection</u>	<u>8256.00</u>	
				6695071.00
		<u>Computer</u>		
		As per last Balance Sheet	7037.00	
		<u>Less: Depreciation @40%</u>	<u>2815.00</u>	4222.00
		Amount receivable from		
		CCTV Contractor		1286098.00
		Capital Work In Progress-		
		CCTV CAMERA		4131373.00
		<u>Cash at Bank</u>		
		State Bank of India		
		A/c No.37232889842	73964837.64	
		IOB A/C No:006301000000300	<u>9737512.36</u>	83702350.00
Total	<u>103003259.00</u>	Total	<u>103003259.00</u>	

Place: Nagercoil
Date : 26.11.2024


Convenor / AD(Mines)
District Mineral Foundation Trust
Kanniyakumari


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: 091536S)

V GANAPATHY, B.Com., F.C.A.
(Membership No. 021406)
PARTNER

DISTRICT MINERAL FOUNDATION TRUST, KANYAKUMARI DISTRICT

Income and Expenditure Account for the Half Year ended 31.03.2024

Expenditure	Rs. P.	Income	Rs. P.
To Ananth IT World, Data Entry Operator	238915.00	By 30% of Royalty from	
" Bank Charges	4.72	Major Minerals	6341588.00
" Audit Fee	11800.00	" 10% Seigniorage Fee from	
" Depreciation	2815.00	Minor Minerals	1706473.00
" Excess of Income Over Expenditure	9201266.28	" Court Penalty Collection	55000.00
		" Bank Interest SBI	930163.00
		" Bank Interest IOB Account	129788.00
		" Interest on Arrear from	
		01.10.2023 to 31.03.2024	291789.00
Total	9454801.00	Total	9454801.00

Place: Nagercoil

Date : 26.11.2024


Convenor / AD (Mines)
District Mineral Foundation Trust
Kanniyakumari

AS PER OUR REPORT SEPARATELY GIVEN

For: KRISHNAN RETNA AND ASSOCIATES
CHARTERED ACCOUNTANTS
(Firm Regn. No: 081536S)


V. GANAPATHY, B.Com., F.C.A.
(Membership No. 021406)
PARTNER


Chair Person / District Collector
District Mineral Foundation Trust
Kanniyakumari.

DISTRICT MINERAL FOUNDATION TRUST, KANYAKUMARI DISTRICT
Schedule to Income and Expenditure account for the period ended 31.03.2024

DIRECTLY DEPOSITED TO BANK

	30% Royalty Major Minerals from IRE	10% SEIGNIORAGE FEE	COURT PENALTY	ARREAR DEMAND FEER ECEIVED	ARREAR INTEREST RECEIVED
Oct-23	902772.00	310778.00			
Nov-23	903960.00	253623.00			
Dec-23	1355940.00	372916.00			
Jan-24	748386.00	359767.00	30000.00		
Feb-24	1185624.00	193471.00			
Mar-24	1244906.00	215918.00	25000.00	8100.00	8256.00
	6341588.00	1706473.00	55000.00	8100.00	8256.00

IOB Interest Received

06-11-2023	63964.00
05-02-2024	65824.00
	129788.00

SBI SB Interest

25-12-2023	451076.00
25-03-2024	479087.00
	930163.00
	238915.00

Ananth IT world, Data entry operator

BANK CHARGES

" IOB Bank Charges	4.72
	4.72

EXCESS COLLECTION

G O No	AMOUNT
368-G&M 2008 M MOHAMED SHERIF	8792.00
245-G&M 2013 JOSEPH JACOB	29.00
226-G&M 2011 M VALSALAKUMARI	4163.00
130-G&M 2012 P KISHORE	49558.00
406-G&M 2008 M S SREEMA	13672.00
49-G&M 2011 R GEORGE ANTONY	161941.00



87-G&M 2009	R SANKAR	29292.00
400-G&M 2008	A VIYAKULAMUTHU	37890.00
822-G&M 2011	M VARGHESE RAJKUMAR	34867.00
730-G&M 2010	T JEGAN	62079.00
30-G&M 2012	N KRISHNAVARMAN	5739.00
345-G&M 2015	R SANKAR	23357.00
615-G&M 2014	N MATHIAS	5267.00
108- G&M 2012	C SURESH	6326.00
100-G&M-2012	V JEBA DHAS	1797.00
245-G&M 2013	JOSEPH JACOB	12057.00
TOTAL		<u>456826.00</u>

gout/2012
Convenor / AD (Mines)
District Mineral Foundation Trust
Kanniyakumari

Rb 30/11/24
Chair Person / District Collector
District Mineral Foundation Trust
Kanniyakumari.



DISTRICT MINERAL FOUNDATION TRUST, KANYAKUMARI DISTRICT

Receipts and Payments Account for the period from 01.10.2023 to 31.03.2024

Receipts	Rs. P.	Payments	Rs. P.
To <u>Opening Balances</u>		By Ananth IT World	238915.00
State Bank of India		" Bank Charges	4.72
A/c No:37232889842	65579339.64	" <u>Closing Balances</u>	
IOB A/C No:006301000000300	9182562.08	State Bank of India A/c No:37232889842	73964837.64
" 30% of Royalty from Major Minerals	6341588.00	IOB A/C No:006301000000300	9737512.36
" 10% Seigniorage fee from			
Minor Minerals	1706473.00		
" Bank Interest SBI	930163.00		
" Court Penalty Collection	55000.00		
" Arrear Demand Received	8100.00		
" Arrear Interest amount received	8256.00		
" Bank Interest IOB account	129788.00		
Total	<u>83941269.72</u>	Total	<u>83941269.72</u>

Place: Nagercoil

Date : 26.11.2024

AS PER OUR REPORT SEPARATELY GIVEN

For KRISHNAN RETNA AND ASSOCIATES
CHARTERED ACCOUNTANTS
(Firm Regn. No. 0015365)

V GANAPATHY, B.Com., F.C.A.
(Membership No. 021406)
PARTNER


Convenor / AD (Mines)
District Mineral Foundation Trust
Kanniyakumari


Chair Person / District Collector
District Mineral Foundation Trust
Kanniyakumari.

DISTRICT MINERAL FOUNDATION TRUST, KANYAKUMARI DISTRICT
DEMAND COLLECTION BALANCE FOR THE PERIOD FROM 01.10.2023 TO 31.03.2024

G O No	Sl. No.	Name	DEMAND			INTEREST			Closing outstanding 31.03.2024	Total Arrear Demand and Interest outstanding
			01.10.2023 Opening Balance	Current Year Collection	Closing Balance 31.03.2024	Interest outstanding 01.10.2023	Current Year Demand	Current Year Collection		
			Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
		ROUGHSTONE								
291- G&M 2008	1	L CHARLES	486000		486000	551450	36550		588000	1074000
28-G&M 2010, 301-G&M 2014	2	S DHAS	368153		368153	372935	27687		400622	768775
107-G&M 2007, 299-G&M 2014	3	S DHAS	64800		64800	77270	4873		82143	148943
679/G&M/2010, 307/G&M/2014	4	T N RAJAKUMARAN	293628		293628	268778	0		268778	562406
178-G&M 2011, 306-G&M 2014	5	A BELLARMINE JOSE	2150550		2150550	1593006	0		1593006	3743556
222-G&M 2011, 315-G&M 2014	6	S DHARMARAJ	155925		155925	114828	11726		126554	282479
402-G&M 2006, 297-G&M 2014	7	A JOSEPH WALTER	289575		289575	311377	21777		333154	622729
652-G&M 2005, 298-G&M 2014	8	C SURESH	103275		103275	122188	7766		129954	233229
214-G&M 2009, 302-G&M 2014	9	M RADHA KRISHNAN	318943	8100	310843	347030	21365	8256	360139	670982
741-G&M 2009, 300-G&M 2014	10	A BABU THOMAS	731475		731475	767040	55010		822050	1553525
34-G&M 2010, 313-G&M 2014	11	Y EZHIL	77200		77200	72745	5806		78551	155751
926-G&M 2010, 303-G&M 2014	12	A B S ANTOW	35378		35378	28249	2661		30910	66288
124-G&M 2006, 305-G&M 2014	13	D HARRIS	6483		6483	7649	488		8137	14620
472-G&M 2010, 311-1G&M 2014	14	V CHRISTUDHAS	300000		300000	358274	22562		380836	680836
673-G&M-2009, 295/G&M -2014	15	N MATHIYAS	28350		28350	33777	2132		35909	64259
292-G&M 2008	16	L CHARLES	270830		270830	220709	20368		241077	511907
365-G&M 2008	17	ARUN VARGHEES	20338		20338	19939	1530		21469	41807
366-G&M 2008	18	ARUN VARGHEES	32490		32490	32520	2443		34963	67453
226-G&M 2011	19	M D REMADEVI	110025		110025	91957	0		91957	201982
233-G&M 2008	20	G JASPER	154575		154575	79021	0		79021	233596
707-G&M 2015	21	V CHRISTUDHAS	301050		301050	186014	0		186014	487064
735-G&M 2008	22	T KUMARESAN	111713		111713	119620	0		119620	231333
216-G&M 2015	23	J GODWIN MOSES	69189		69189	73647	5203		78850	148039
691-G&M 2015	24	S DHAS	195484		195484	167259	14701		181960	377444
576-G&M 2012	25	R KARTHIKEYAN	254998		254998	195648	19177		214825	469823
190-G&M 2015	26	K P HARICHANDRAN	155925		155925	103935	0		103935	259860
478-G&M 2015	27	S VAITHIYANATHAN	53238		53238	42511	4004		46515	99753
768-G&M 2015	28	V JUNAR	34089		34089	37337	2564		39901	73990
636-G&M 2011	29	Tvi.Cape Blue Stone Pvt Ltd	18566		18566	14825	1396		16221	34787
TOTAL			7192245	8100	7184145	6411538	291789	8256	6695071	13873216

Chair
Convenor / AD (Minerals)
District Mineral Foundation Trust
Kanniyakumari

Chair
Chair Person / District Collector
District Mineral Foundation Trust
Kanniyakumari



Date:26.11.2024.....

To
The Chairman
Kanyakumari District Mineral Foundation Trust,
Nagercoil.

Dear Sir,

Sub: Audit of accounts of Kanyakumari District Mineral Foundation Trust, for the half year ended 31.03.2024

Further to our statutory audit report dated 26.11.2024 we would like to bring to your kind notice the following information for your consideration.

1) Books of Accounts

a) As per the provisions of the sub-clause (iii) of the Clause 16 of Trust Deed, The Managing Committee is responsible to maintain or cause to be maintained proper Books of accounts, documents and records of the Trust Fund. The following Books and records are maintained

- Daily Chitta Register
- Minutes
- Cheque issue register
- Project Register
- Fixed Asset Register
- DCB

As per DCB the balance receivable is Rs.1,38,79,216/- as on 31.03.2024.



2) Application of Income


The Trust has approved projects scheme framed in line with order of Government of India No.16/7/2015-M VI (Part) dated 16th September 2015 and followed by The Tamilnadu District Mineral Foundation Rules, 2017, which is mandating the application of Trust Fund not less than 60% to the welfare of mine affected people and areas.

- 3) No meeting was conducted during the period 01.10.2023 to 31.03.2024.
- 4) They have not conducted Governing Council meeting for the half year ended 31.03.2024.
- 5) In the Balance Sheet as at 31.03.2024 a sum of Rs.4,56,826/- is shown as excess collection refundable. Details of parties to whom such amount is refundable is available. It may be decided as to whether such excesses have to be refunded and if so steps may be taken to refund the same.
- 6) The Balance sheet as on 31.03.2024 shows a State Bank of India bank balance of Rs.7,39,64,837.64/-. Saving Bank account has earned an Interest of Rs.9,30,163/- during the reporting period.
- 7) As per DO letter Rc.No.3946/LC/2020, dated 17.03.2020, a separate bank account was created for the usage of administrative, supervisory and overhead costs, in Indian Overseas Bank. The balance of said account on 31.03.2024 is Rs.97,37,512.36/-and its interest Rs.1,29,788/-
- 8) As per our report dated 26.04.2022 we are bringing to your notice that in the High of Judicature at Madras order under writ petition W.P. No. 1256 of 2018 dated 16.09.2019 held that the Tamilnadu District Mineral Foundation rules 2017 applies prospectively from 19.05.2017. The impact of judgement in your case is how far effective, we are unable to arrive at any opinion. Please obtain a



legal opinion with regard to the fall out of the judgement, whether it calls for any disclosure of the nature of the contingency that may affect the Trust accounts.

- 9) During the earlier period you have received a sum of Rs.95,23,828/- from Cuddalore District and out of this Rs.54,17,471/- has been paid as advance to a contractor for installation of CC TV Cameras. Both the amounts- Receipt and Advance payment are shown in the Balance Sheet. Proceedings of the District Collector Cuddalore Rc.No.487/Mines/2016 dated 05/04/2021
- 10) Out of the total income for the half year ended 31.03.2024 amounting to Rs.90,49,580/- an appropriation of Rs.6,64,082/- is made District Mineral Foundation Nagercoil IOB account.
- 11) Kanyakumari District Mineral Foundation Trust has been charging interest on the Royalty collection dues. Originally the collection was adjusted under FIFO Method (First in First out Method). But after Judgement in WP No.1256 of 2018 dated 16/09/2019 by High Court Madras, the DMF is adjusting the collection only against the demands of seigniorage fee and interest due after 19.05.2017.

Yours faithfully

V. Ganapathy
(Partner)

