

CIN : U65992TN1979PLC007717



**KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD**

**42<sup>nd</sup>**

**ANNUAL REPORT  
2020-21**



**KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD**

President	: Shri. <b>G. Ashokapathy</b>
Chief Executive	: Shri. <b>D.L. Thulasi Ram</b>
Directors	: Shri. <b>J. Venkata Prasad</b> <b>Sri. G. Sankaran</b> <b>Sri. C. Venkatesam</b> <b>Sri. N.Chakravarthy</b>
Bankers	: <b>Karur Vysya Bank,</b> <b>Purasawalkam &amp; Periyar Nagar Branch</b> <b>IDBI Bank, Periyar Nagar</b>
Auditor	: <b>A.G.Muthu Kumaran .,</b> Chartered Accountants
CIN	: U65992TN1979PLC007717
Registered Office	: <b>“Kandan Bhavan”,</b> No.7, Menod Street, Purasawalkam, Chennai-600 007. Tel: 044-26428929
Branch Office	: <b>“Kandan Bhavan”,</b> No.25, Lakshmanan Nagar, Paper Mills Road, Chennai 600 082. Tel: 044-26711669
E-mail	: <a href="mailto:info@kandanfund.com">info@kandanfund.com</a>



## Notice to the Share Holders

Notice is hereby given that the Forty-Second Annual General Meeting of the Share Holders of the “Kandan Mutual Benefit Saswatha Nidhi Limited” will be held on Thursday the 23<sup>rd</sup> September 2021 at 4.00 P.M. at the Regd., Office No.7, Menod Street, Purasawalkam, Chennai-7, to transact the following business:

**All Share Holders are requested to attend.**

### Agenda – Ordinary Business

1. To receive, consider and adopt Audited financial statements of Accounts for the year ended 31<sup>st</sup> March 2021 including Profit and Loss Accounts for the year ending 31<sup>st</sup> March 2021 and the Report of Directors and Auditors thereon.,
2. To Declare a Dividend at 15 % on Equity Shares.
3. To Elect a Director in the place of Shri.G.Ashokapathy (DIN:02620569 ) who retires by rotation and is eligible for re-election.
4. To Elect a Director in the place of Shri.G.Sankaran (DIN:06400134) who retires by rotation and is eligible for re-election.

Place: Chennai - 600 007

Date : 18<sup>th</sup> Aug 2021

(By order of the Board)

(sd) **D.L. Thulasi Ram** Din No:01009521

Director - Chief Executive

### Note:

- ✍ The Share Transfer Register will be remain closed from 16<sup>th</sup> Sep 2021 to 23<sup>rd</sup> Sep 2021 both days inclusive.
- ✍ Shareholders intending to ask for information at the Annual General Meeting regarding Balance Sheet or Profit and Loss Account or Director's Report are requested to give notice of the particulars of information required to the Chief Executive at least SEVEN DAYS before the date of the General Meeting.

**KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD**

✍ Shareholders are requested to intimate Fund's office any change in their address.

The Notice and Annual Report is also be uploaded on the Nidhi's website: [www.kandanfund.com](http://www.kandanfund.com).

**Update Bank Details for Dividend Payment:**

Shareholders who have not updated / registered their bank account details are requested to do so under a covering letter, duly signed mentioning

1. Name
2. Member\_id
3. Bank account details
4. Self-attested copy of PAN card
5. Cancelled Cheque leaf with name of the account holder.

In case the cancelled Cheque leaf does not bear the shareholder's name, please attach a copy of the bank passbook statement, duly self-attested.

Your requisition may be forwarded either by post or on Nidhi's email.

Our Email id is [be info@kandanfund.com](mailto:info@kandanfund.com)

**Payment of Dividend –Deduction of Tax.**

Shareholders are also informed that in terms of the provisions of the Income Tax Act, 1961, as amended by the Finance Act, 2020, dividend paid or distributed by a Nidhi on or after 1st April, 2021 will be taxable in the hands of the shareholders.

Under the Income Tax Act 1961 and the subsequent amendment of the Finance Act 2020, the deduction of TDS on dividend is mandatory if the quantum of dividend payable exceeds, 5,000/- and above. The Nidhi is expected to deduct Income Tax @10% on the dividend payout and remit it to Central Government.

**KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD**

For Non-deduction of TDS the shareholders are to submit either Form 15G or Form 15H whichever is applicable in their case to the Nidhi on or before 23/09/2021.

Kindly note if there is no communication and non-receipt of either Form 15G or 15H before the said due date the Nidhi is empowered to deduct TDS at 10% on the dividend payout and remit it to the Central Government.

**Attention share holders**

Since our 42<sup>nd</sup> AGM is being held in the midst of COVID-19 Pandemic the Shareholders are advised to adhere to the following guidelines issued by the Government for any large assembly of people.

1. All the shareholders, who wish to participate in the meeting should wear Face Mask compulsorily. It is informed that without face mask members are not allowed to enter and sit inside the meeting hall to participate.
2. Hand sanitizer are being provided on the main entrance to the meeting hall and all are requested to clean their hands before entering the meeting hall.
3. Considering the Pandemic, the meeting should be concluded at the earliest to avoid large gathering of shareholders for a longer duration.



## KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD

### DIRECTOR'S REPORT

To the Members,

Your Directors have pleasure in presenting the 42nd Annual Report together with the auditor statement accounts of your company for the financial year ended 31<sup>st</sup> March, 2021.

#### 1. FINANCIAL RESULTS

The Company's summarised financial results for the year ended 31.03.2021 are given here under.

Particulars	2020-2021 (Rs)	2019-2020 (Rs)
Equity - Share Capital	12,02,904	11,94,254
Deposits	16,53,49,797	16,45,02,020
Loans	13,96,59,557	12,42,64,295
Total Income	2,01,79,626	2,04,88,281
Total Expenditure before Depreciation	1,82,89,292	1,82,77,805
Profit before Depreciation and Taxation	18,90,334	22,10,476
Less : Depreciation	10,45,525	4,66,448
Provision for Taxation	2,00,000	3,70,000
Tax Liability under Vivad Se vishwas	2,09,405	-
NET PROFIT	4,35,404	13,74,028
Profit brought forward	1,15,122	82,495
Appropriation Made of		
General Reserve	3,00,000	11,00,000
Charity Reserve	6,500	14,000
Proposed Dividend	NIL	1,78,674
Dividend Tax & Income Tax	NIL	48,727
Balance Carried Over	2,44,026	1,15,122

The net owned Funds of the Company as on 31.03.2021 amounted to Rs.102.6 Lakhs as against Rs.98.24 lakhs in the previous year.

#### 2. STATE OF COMPANY'S AFFAIRS :

Despite tough market condition and Covid-19 situations, the Company was able to ensure a moderate growth in deposits and significant increase in the advances of loans in particular Jewel loans, due to the fact the rate of interest on jewel loans has been considerably reduced.

#### 3. MATERIAL CHANGES EFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments in the business of Company, affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report

#### 4. NO. OF BOARD MEETINGS

The Company had 6 Board meetings during the financial year and the details are enclosed in annexure –II.



## 5. DETAILS OF DIRECTORS KEY MANAGERIAL PERSONNEL

There has been no change in the constitution of Board during the year under review i.e. the Structure of the Board remains the same.

### Election of Directors:

- a) Shri.G.Ashokapathy (DIN:02620569 )and Shri.G.Sankaran (DIN:06400134) are the Directors of the Company who retire at this Annual General Meeting and who are being eligible offer themselves for re-election.
- b) We deeply mourn the sad and sudden demise of Our President Mr.V.Gajapathy on 3<sup>rd</sup> May 2021. Mr.V.Gajapathy was an expert in giving legal opinion on Properties and by virtue of his knowledge and experience in legal and other matters added value to our Company. We place on record our appreciation and gratitude for the services rendered by him during his time on our Board.

We convey our condolences on behalf of the company to the bereaved family and pray to the God that soul rests in peace.

## 6. DIRECTORS RESPONSIBILITY STATEMENTS

In accordance with the provision of section 134(5) of the companies Act, 2013 the Board hereby submit its responsibility statements.

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) The Directors have selected appropriate accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and the profit and loss of the company for the period.
- (c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The Directors have prepared the annual accounts on a going concern basis; and
- (e) There is no report required on the adequacy of internal financial controls as your company is not a listed Company; and
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 7. WEB LINK OF ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules 2014 is furnished in Annexure-I and attached to this Report. The Company's having website [WWW.KANDANFUND.COM](http://WWW.KANDANFUND.COM) and annual return of company has been published in the website.

## 8. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL

No significant material orders were passed by the regulators or courts or tribunal which impact the going concern status and company's operations in future.


**9. EXPLANATION OR COMMENTS MADE BY THE AUDITORS.**

There are no adverse remarks/qualifications/reservations in the auditors' report.

**10. DIVIDEND**

In View of the sustained working results during the year under review. The Board of Directors are pleased to recommend a dividend of Rs.1.50 per share same as last year. The dividend if approved in the forthcoming Annual General Meeting could result a total dividend out flow of Rs.1,79,971.50/-

**11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 185 OF THE COMPANIES ACT, 2013.**

As per Govt Notification Dated 5<sup>th</sup> June 2015 the Provisions of Section 185 do not apply provided the same is disclosed in the annual accounts by a note.

**12. RELATED PARTY DISCLOSURES:**

No Loan is outstanding against any Director during the year except that a sum of Rs.22,38,502 (Rs.7,09,000 for the previous year ) is outstanding against Deposits Loan in respect of Related Parties. No concession of any kind is provided. These Loans are granted in their capacity Members. The same has been provided in Note 17 Item No.12.

**13. DEPOSIT**

The total sum of the Deposits under various schemes as on 31<sup>st</sup> March 2021 amounted to Rs.1653.49 lakhs as against Rs.1645.02 Lakhs in the previous year. The Company has Deposits liabilities (unsecured) of Rs.112.39 lakhs (previous year 103.06lakhs) accepted from Directors of the Company. These Deposits are accepted in their capacity as Members.

**14. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION COMPANY**

The company has transferred unclaimed Dividend/Deposits amounting to Rs.5,078/- to the investor Education and Protection Fund as per the provisions of the Act. This pertains to unclaimed Dividend/Deposits for the financial year 2012-13.

**15. DEPOSITS ACCEPTANCE :**

The provisions of Acceptance of Deposits by the Company under companies Act 2013 are not applicable to the Company, since our Company is a "NIDHI" Company accepting deposits only from Members not from Public.

**16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Particulars as required under provision of Section 134 (3)(M) of the Companies act 2013 in respect of Conservation of Energy and Technology, Absorption do not apply to our Company. There was no Foreign Exchange inflow or outflow during the year under review.




**17. INTERNAL FINANCIAL CONTROL**

The Company has in place adequate internal financial controls with reference to financial statements during the year, such controls tested and no reportable material was observed.

**18. DISCLOSURES UNDER SEXUAL HARRASMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION, AND REDRESSAL), ACT 2013.**

The Company committed to provide a safe and conducive work environment to its employees. Your Directors further state during the year under review there were no cases filed pursuant to the sexual harassment of women at work place (Prevention, Prohibition, Redressal Act 2013)

**19. PARTICULARS OF CONTRACT WITH ARRANGEMENT MADE WITH RELATED PARTIES.**

No Contracts/Arrangements/Transaction have entered by the Company during the financial year with related parties under section 188(1) of the companies' act 2013.

**20. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM**

The provisions of Section 177 of the Companies Act.2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is not applicable to the Fund.

**21. RISK MANAGEMENT POLICY**

The Company is following all the guidelines of MCA as applicable to Nidhi Companies and entire lending are secured by either immovable Properties or Jewels or own deposits. Hence there is no elements of risk threatening the Company's existence.

**22. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

**23. CHANGE IN SHARE CAPITAL**
**a. BUYBACK SECURITIES**

The Company has not bought back any of its securities during the year under review.

b. During financial year 2020-2021 the Share Capital of Company has been increased from Rs.11,94,254, to Rs.12,02,904 pursuant to allotment of 865 Equity Shares of Rs.10 each amounting to Rs.8,650/-

**c. BONUS SHARES**

No Bonus Shares were issued during the year under review.


**24. STATUTORY AUDITORS**

AGMK & Associates Prop.A.G.MuthuKumaran B.Com, F.C.A., Chartered Accountants, were appointed as Statutory Auditors for a period of 5 years at the Forty-First Annual General Meeting. The Company has received certificate from the above auditors to the effect that Appointed, it would be in accordance with the provisions of Sec 141 of the Companies Act 2013.

**COMPLIANCE CERTIFICATE:**

- a) Your Company is exempted under the New Companies Act, 2013 from the requirement of seeking a Secretarial Compliance Certificate from a Company Secretary in practice from the financial year 2014-2015.
- b) Compliance certificate dated 18.08.2021 for the Financial Year 2020-2021 received from Statutory Auditor with regard to Compliance by the Company to the provisions of Nidhi Rules and Notification(s) issued by Ministry of Corporate Affairs from time to time is attached herewith and forms part of this Report.

**25. PARTICULARS OF LOANS AND INVESTMENTS**

The total loans on Deposits, Jewels, Immovable Properties and advances as on 31.03.2021 amounted to Rs.1396.59 lakhs as against Rs.1242.64 lakhs in the previous year.

**BANK INVESTMENTS TO BE MENTION**

Every Nidhi is required to hold 10% of the total Deposits amount with a Schedule commercial Bank as an unencumbered Deposits as per Nidhi Rules 2014. Our Nidhi has a total unencumbered Deposits amounting to Rs.1,98,22,432/- with KVB Puraswalkam and Periyar Nagar Branch which is excess by Rs.32,87,000/- as on 31.03.2021

**26. INSPECTION AND REPORTS :**

The Commissioners appointed for the inspection of Jewels, documents and other securities duly carried out their work and their reports express satisfaction.

**27. FUND'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OR REMUNERATION AND DISCHARGE OF THEIR DUTIES.**

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

**28. DETAILS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES COMPANIES**

The Company does not have any subsidiary, joint venture, associate.

**29. DECLARATION OF INDEPENDENT DIRECTORS**

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company.

**30. CONSOLIDATED FINANCIAL STATEMENTS**

The Company does not have any Subsidiaries. So there is no need to prepare consolidated financial statement for the financial year 2020-2021.

**31. EMPLOYEES :**

None of the employees fall under the purview of the provisions of Section 134 of the Companies Act 2013, read with the Companies (Particulars of Employee) Rules, 1975.

**32. ACKNOWLEDGEMENTS.**

Your Directors place on record their sincere appreciation, gratitude and thanks to all the staffs, bankers, business associates, consultants, and various Government Authorities for their continued support extended to your companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders from their support and confidence reposed on your Company for all these years.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Date: 18<sup>th</sup> Aug 2021  
Place: Chennai – 7.

Shri.G.Ashokapathy (DIN:02620569)  
Chairman

**KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD****FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN**

as on financial year ended on 31.03.2021

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management &amp; Administration) Rules, 2014.

**I REGISTRATION & OTHER DETAILS:**

1	CIN	U65992TN1979PLC007717
2	Registration Date	08/02/1979
3	Name of the Company	KANDAN MUTUAL BENEFIT SASWATHA NIDHI LIMITED
4	Category/Sub-category of the Company	PUBLIC LIMITED COMPANY
5	Address of the Registered office & contact details	KANDAN BHAVAN 7 MENOD STREET, PURASAWALKAM
6	Whether listed company	NO
7	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sl No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Accepting Deposits	99711210	100
2	Lending on Jewels, Property and Loan on Deposits	99711352	100

**III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	NOT APPLICABLE				
2					
3					

**IV SHARE HOLDING PATTERN**

Category of Shareholders	Demat	No. of Shares held at the beginning of the year as on 31-March-2020			No. of Shares held at the beginning of the year as on 31-March-2021			% Change during the year	
		Physical	Total	% of Total Shares	Demat	Physical	Total		% of Total Shares
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF		6,001	6,001	4.91%		6,001	6,001	4.88%	0.03%
b) Central Govt.or				0.00%				0.00%	0.00%
c) State Govt.				0.00%				0.00%	0.00%
d) Bodies Corporates				0.00%				0.00%	0.00%
E) Bank/FI				0.00%				0.00%	0.00%
F) Any other				0.00%				0.00%	0.00%
<b>SUB TOTAL:(A) (1)</b>		6,001	6,001	4.91%		6,001	6,001	4.88%	0.03%
<b>(2) Foreign</b>									
a) NRI- Individuals				0.00%				4.88%	0.00%
b) Other Individuals				0.00%				0.00%	0.00%
c) Bodies Corp.				0.00%				0.00%	0.00%
e) any other...				0.00%				0.00%	0.00%
<b>SUB TOTAL (A) (2)</b>				0.00%				0.00%	0.00%
<b>Total (A)</b>		6,001	6,001	4.91%		6,001	6,001	4.88%	0


**KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD**

<b>B. PUBLIC SHAREHOLDING</b>							
<b>(1) Institutions</b>							
a) Mutual Funds			0.00%			0.00%	0.00%
b) Banks/Fl			0.00%			0.00%	0.00%
c) Cenntral govt			0.00%			0.00%	0.00%
d) State Govt.			0.00%			0.00%	0.00%
e) Venture Capital Fund			0.00%			0.00%	0.00%
f) Insurance Companies			0.00%			0.00%	0.00%
g) FIIS			0.00%			0.00%	0.00%
h) Foreign Venture Capital Funds			0.00%			0.00%	0.00%
i) Others (specify)						0.00%	0.00%
						0.00%	0.00%
<b>SUB TOTAL (B)(1):</b>						0.00%	0.00%
<b>(2) Non Institutions</b>							
a) Bodies corp.			0.00%			0.00%	0.00%
i) Indian			0.00%			0.00%	0.00%
ii) Overseas			0.00%			0.00%	0.00%
b) Individuals							
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	84,478	84,478	69.13%	85,343	85,343	69.34%	-0.22%
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	31,731	31,731	25.96%	31,731	31,731	25.78%	0.18%
c) Others (specify)							
Non Resident Indians			0.00%			0.00%	0.00%
Overseas Corp. Bodies			0.00%			0.00%	0.00%
Foreign National			0.00%			0.00%	0.00%
Clearing Members			0.00%			0.00%	0.00%
Trusts			0.00%			0.00%	0.00%
Foreign Bodies - D R			0.00%			0.00%	0.00%
Sub-Total (B) (2):-	1,16,209	1,16,209	95.09%	1,17,074	1,17,074	95.12%	0.03%
<b>Total Public (B)</b>	<b>1,16,209</b>	<b>1,16,209</b>	<b>95.09%</b>	<b>1,17,074</b>	<b>1,17,074</b>	<b>95.12%</b>	<b>0.03%</b>
C.Shares held by Custodian for ADRs			0.00%			0.00%	0.00%
	1,22,210	1,22,210	100.00%	1,23,075	1,23,075	100.00%	0.00%

**(II) SHARE HOLDING OF PROMOTERS**

Sl No	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Mr.V.Gajapathy	6,001	4.91%		6,001	4.88%		0.03%
			0.00%			0.00%		0.00%
	<b>Total</b>	<b>6,001</b>	<b>4.91%</b>		<b>6,001</b>	<b>4.88%</b>		<b>0.03%</b>

**(III) CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)**

Sl. No.	PARTICULARS	Date	Reason	Shareholding at the begining of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total Shares	No. of Shares	% of total Shares
	All the end of the year				0.00%		0.00%
	Changes during the year		NIL		0.00%		0.00%
					0.00%		0.00%
					0.00%		0.00%
	All the end of the year				0.00%		0.00%



## KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD

### (IV) Shareholding Pattern of top ten Shareholders

(other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No	For Each of the Top 10 Shareholders	Date	Shareholding at the beginning of the year 01.04.2020		Cumulative Shareholding at the end of the year 03.03.2021	
			No. of shares	% of total shares	No of shares	% of total shares of the
1	D.L. Thulasi ram		21,523	17.61%	21,523	17.49%
2	Mr. Kalyana Raman R		7,404	6.06%	7,404	6.02%
3	Mr. Venkatesam C		3,404	2.79%	3,404	2.77%
4	Mrs. Prasanna D		10,208	8.35%	10,208	8.29%
5	Mrs. Sujatha C		1,852	1.52%	1,854	1.51%
6	Mrs. Lakshmi Kumari B		1,500	1.23%	1,501	1.22%
7	Mr. Gajapathy V		6,001	4.91%	6,001	4.88%
8	Mr. Ashokapathy G		2,601	2.13%	2,602	2.11%
9	Mr. N. Chakravarthy		1,851	1.51%	1,852	1.50%
10	Ms. Monika D T		8,124	6.65%	8,124	6.60%

### (v) Shareholding of Directors & KMP

Sl. No	Shareholding of each Directors and each key managerial Personnel	Shareholding at the beginning of the year 01-04-2020		Cumulative Shareholding at the end of the year 31-03-2021	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Mr. V. Gajapathy	6,001	4.91%	6,001	4.88%
2	Mr. D.L.Thulasiram	21,523	17.61%	21,523	17.49%
3	Mr. Venkatesan C	3,404	2.79%	3,404	2.77%
4	Mr. G. Ashokapathy	2,601	2.13%	2,602	2.11%
5	Mr. venkata Prasad	1,406	1.15%	1,407	1.14%
6	Mr. Chakravarthy.N	1,851	5.51%	1,852	5.50%
7	Mr.G.Sankaran	1,001	0.82%	1,002	0.81%

### (V) INDEBTEDNESS

Amount in Rs

PARTICULARS	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebted ness
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	3,14,740.00	1,645,02,020.42		1,648,16,760.42
ii) Interest due but not paid		1,60,250.00		1,60,250.00
iii) Interest accrued but not due		68,04,123.91		68,04,123.91
<b>Total (i+ii+iii)</b>	<b>3,14,740.00</b>	<b>1,714,66,394.33</b>		<b>1,717,81,134.33</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	128,57,504.23	10,88,008.51		139,45,512.74
Reduction				
<b>Net Change</b>	<b>128,57,504.23</b>	<b>10,88,008.51</b>		<b>139,45,512.74</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	131,72,244.23	1,725,54,402.84		1,785,22,041.65
ii) Interest due but not paid				91,408.00
iii) Interest accrued but not due				71,13,197.42
<b>Total (i+ii+iii)</b>	<b>131,72,244.23</b>	<b>1,725,54,402.84</b>		<b>1,857,26,647.07</b>



## KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD

### VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager		Total Amount Lakhs
	Name	THULASI RAM		
	Designation	Chief Executive		
	Gross salary			15.33
	(a) Salary as per provisions contained in section 17 (1) of the Incometax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act. 1961			-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			-
	Stock Option			
	Sweat Equity			
	Commission			-
	- as % of Profit			-
	- others, please specify			
	Total (A)			15.33
	Ceiling as per the Act			

#### B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Fee for attending board Committee meetings	Total Amount
1	Independent Directors	NIL	Rs
2	Other Non Executive Directors		
	Mr. V. Gajapathy		15,000.00
	Mr. D.L.Thulasi Ram		30,000.00
	Mr. Ashokapathy G		30,000.00
	Mr. Venkata Prasad .J		25,000.00
	Mr.N.Chakaravarthy		30,000.00
	Mr.Venkatesam C		30,000.00
	Mr. G. Sankaran		30,000.00
		Total	1,90,000.00

#### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
	Name				(Rs/Lac)
	Designation	CEO	CFO	CS	
1	<b>Gross Salary</b>				
	(a) Salary as per provisions contained in section 17(1) of				
	(b) Value of perquisites u/s 17(2) of the Income Tax Act,				
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	as % of profit				
	others, specify				
5	Others, please specify				
	<b>Total</b>				



## KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD

### VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty Punishment Compounding			NIL		
<b>B. DIRECTORS</b>					
Penalty Punishment Compounding			NIL		
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty Punishment Compounding			NIL		

### ANNEXURE - II

6 Meetings held with a Board of Strength of 7 Directors in all Meeting.

S. NO.	DIN NO.	NAME OF DIRECTORS							Total No. of Meeting	PRESENT	Percentage
			03/08.2020	16/11/2020	15/12/2020	12/01/2021	09/02/2021	23/03/2021			
1	01009381	GAJAPATHY.V	✓	Absent	Absent	✓	Absent	✓	6	3	50%
2	01009521	THULASI RAM.D.L	✓	✓	✓	✓	✓	✓	6	6	100%
3	0129596	CHAKARAVARTHY.N	✓	✓	✓	✓	✓	✓	6	6	100%
4	01288532	VENKATESAM.C	✓	✓	✓	✓	✓	✓	6	6	100%
5	01838717	VENKATAPRASAD.J	✓	Absent	✓	✓	✓	✓	6	5	83%
6	02620569	ASHOKAPATHY.G	✓	✓	✓	✓	✓	✓	6	6	100%
7	06400134	SANKARAN.G	✓	✓	✓	✓	✓	✓	6	6	100%



**AGMK & ASSOCIATES**

Chartered Accountants  
Membership No. 211203  
Firm Regn. No. 010938S

New No. 4, (Old No.22), Second Floor, V.P. Colony,  
3rd Cross Street, Ayanavaram, Chennai - 600 023.  
Phone : 044-43515923/43575923  
Email : agmkca@gmail.com

**Independent Auditor's Report****To the Members of Kandan Mutual Benefit Saswatha Nidhi Ltd.,****Report on the Audit of the Standalone Financial Statements.****Opinion**

We have audited the standalone financial statements of Kandan Mutual Benefit Saswatha Nidhi Ltd., which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss, and statement of cash flows 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 explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 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 Company as at march 31, 2021, and Profit and change in Equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standard on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibility under those Standard are further described in the Auditor's Responsibilities for the Audit of the Financial Statements of our report.

We are independent of the Company in accordance with the Code of Ethics issues 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 provisions of the Companies Act, 2013 and the Rules thereunder, 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.



## **Responsibilities of Management and Those charged with Governance for the Standalone Financial Statements.**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these standalone financial statements that give a true and fair view of the financial positions, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Companies (Accounts) Rules, 2014. This responsibility also included maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company'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 misstatements, 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 judgement 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. Under section 143(3)(If the Companies Act, 2013 we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of managements use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the Company'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 Company 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 standalone financial statements that, individually or aggregate, make it probable that economic decisions of a reasonably knowledgeable user of the financial statement 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 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.

### **Report on Other Legal And Regulatory Requirements.**

As required by the Companies ( Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" a statement on the matters specified in paragraph 3 and 4 of the order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- a). We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b). In our opinion. Proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
- c). The Balance Sheet, the statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d). In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e). On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

**KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD**

f). With respect to adequacy of internal Financial Controls over financial reporting of the company and operating effectiveness of such controls, refer to our separate Report in “Annexure B”.

g). With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company does not have any pending litigations which would impact its financial position.

ii) The Company does not have any long term contracts, including derivative contracts. Accordingly, no provision for material foreseeable losses have been made: and

iii) Amounts which were required to be transferred to the Investor Education and Protection Fund by the Company have been transferred.

As per our report attached

For **AGMK & ASSOCIATES**  
Chartered Accountants  
Firm Regn. No. 010938S

**Mr. A.G. Muthu Kumaran**  
Proprietor  
Membership No. 211203  
UDIN : 21211203AAAADX7600

Place : Chennai - 600 023.  
Date : 18.08.2021


**AGMK & ASSOCIATES**

Chartered Accountants  
 Membership No. 211203  
 Firm Regn. No. 010938S

New No. 4, (Old No.22), Second Floor, V.P. Colony,  
 3rd Cross Street, Ayanavaram, Chennai - 600 023.  
 Phone : 044-43515923/43575923  
 Email : agmkca@gmail.com

**ANNEXURE "A" TO THE INDEPENDENT AUDITORS REPORT**

as of and for the year ended March 31, 2021  
 (Referred to in our report of even date)

- I.
  - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b) A major portion of the assets has been physically verified by the Management in accordance with a phased program of verification adopted by the Company. In our opinion, frequency of verification is reasonably. To the best of our knowledge, no material discrepancies have been noticed on such verification.
  - c) We have inspected the original title deed of the immovable properties of the company held as fixed assets which are in the custody of the company. Based on our audit procedures and the information and the explanations received by us, we report that all the title deeds of immovable properties of the company held as fixed assets are held in the name of the company. However we express no opinion of the validity of the title of the company to these properties.
- II. The company has no Inventory and hence Para 3(ii) of the order is not applicable.

As informed to us, the company has not granted any loans, secured or unsecured to/from Companies, Firms or other parties covered in the registered maintained under Section 189 of the Companies' Act, 2013

- a) According to the records of the Company all transactions need to be entered into a Register in pursuance of Sec. 189 of the Companies Act, 2013 have been so entered.
- b) The Company has accepted Fixed Deposits and other deposits (unsecured) from Seven Directors amounting to Rs.112.39 Lakhs/- (previous year Rs. 103.06 Lakhs/-)
- c) In our opinion and according to the records of the company, the rate of interest and other terms and condition of the fixed deposits (unsecured) taken by the company from the directors, are prima facie not prejudicial to the interest of the company.
- d) In our opinion and according to the information and explanations given to us, the rate of interest on Fixed Deposits from Directors are at the rates applicable to other members of the Company at the relevant time and also reasonable having regard to the prevailing rates elsewhere.

**KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD**

- iv. In our opinion and according to the information and explanations given to us, the Company has complied to the provisions of section 185 and 186 of the Companies Act, 2013.
- v. In our opinion and according to the information and explanations given to us, the Company has accepted Deposits from its shareholders and has complied with the directives issued by Reserve bank of India and Ministry of Corporate Affairs. Since the company is a Nidhi Company, section 73 of Companies Act, 2013 are not applicable.
- vi. We have been informed by the Management, that Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the Company.
- vii. a) As per records produced before us, the company is generally regular in depositing undisputed statutory dues like Provident Fund, Employees State Insurance, Income tax, Goods & Service Tax, Customs Duty, Excise Duty, Cess, and any other material Statutory dues to the extent applicable to it with the appropriate authorities and there were no arrears of such dues at the year end which have remained outstanding for a period of more than six months from the date they became payable.  
b) According to the information and explanations given to us, there are no disputed dues of Provident Fund, Employees State Insurance, Income-Tax, Custom Duty, Excise Duty or Cess, Goods and Service Tax.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institutions, bankers, and government or debenture holders during the year.
- ix. The Company has neither raised any term loans during the year nor was any unutilized amount left on this account, as at the beginning of the year. Therefore, the provisions of Clause 3 (ix) of Companies (Auditors Report) order, 2016, are not applicable to the Company.
- x. To the best of our knowledge and belief, an according to the information and explanations given to us, and the records of the Company examined by us, no fraud on or by the Company was noticed or reported during the year.
- xi. In our opinion and according to the information and explanation given to us, the Company has not paid any managerial remuneration except sitting fees and hence, the provision of section 197 read with Schedule V to the Companies Act, 2013 are not applicable.

**KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD**

- xii. The Company is a Nidhi Company. The Net owned funds to Deposits ratio as on 31st March 2021 is worked out to 1:16.82 which is within the prescribed ratio of 1:20. The company is required to maintain 10% of Fixed Deposits with the Scheduled Commercial Banks which is worked out to Rs.165.35 Lakhs/-. The total Term deposits held by the Company with scheduled commercial Banks as on 31st March 2021 was at Rs.198.22 Lakhs/-. Hence the maintenance of 10% of unencumbered term deposits as specified in Nidhi Rules 2014 is complied with.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 and the details of such transactions have been disclosed in the financial statements of the Company as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph (xiv) of the Order is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with Directors or persons connected with them. Accordingly paragraph (xv) of the Order is not applicable.
- xvi. As per the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

As per our report attached

**For AGMK & ASSOCIATES**  
Chartered Accountants  
Firm Regn. No. 010938S

**Mr. A.G. Muthu Kumaran**  
Proprietor  
Membership No. 211203

Place : Chennai - 600 023.  
Date : 18.08.2021



**AGMK & ASSOCIATES**

Chartered Accountants  
Membership No. 211203  
Firm Regn. No. 010938S

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**ANNEXURE "B" TO THE INDEPENDENT AUDITORS REPORT**

as of and for the year ended March 31, 2021  
(Referred to in our report of even date)

Report on the Internal Financial Controls Under Clause (i) of Sub-section 3 of section 143 of the companies Act, 2013.

We have audited the internal financial controls over financial reporting of **Kandan Mutual Benefit Saswatha Nidhi Limited**, as of March 31, 2021 in conjunction with our audit of the financial statements of the company for the year ended on that date.

**Management's responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company. Considering the essential Components of internal control stated in the guidance note on audit of internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's Policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the guidance note on audit of internal financial controls over financial reporting and the standards on auditing issued by ICAI and deemed to be prescribed under section 143 (10) of the companies Act, 2013, to the extent applicable to an audit of internal financial controls,



Those Standards and the guidance Note required that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintain and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the guidance note on audit of internal financial controls over financial reporting issued by The Institute of Chartered Accounts of India.

As per our report attached

For **AGMK & ASSOCIATES**  
Chartered Accountants  
Firm Regn. No. 010938S

**Mr. A.G. Muthu Kumaran**  
Proprietor  
Membership No. 211203

Place : Chennai - 600 023.  
Date : 18.08.2021



CIN : U65992TN1979PLC007717

**KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD**

**AGMK & ASSOCIATES**

Chartered Accountants

Membership No. 211203

Firm Regn. No. 010938S

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3rd Cross Street, Ayanavaram, Chennai - 600 023.

Phone : 044-43515923/43575923

Email : agmkca@gmail.com

**COMPLIANCE CERTIFICATE OF STATUTORY AUDITORS**

This is to Certify that we have audited the accounts for the year ending 31st March 2021 of Kandan Mutual Benefit Saswatha Nidhi Limited, Chennai ( the Company) and that the Company has followed the instructions issued by the Ministry of Law justice and Company Affairs ( Department of Company Affairs ) vide their notifications No. GSR 258(E) dated 31st March 2014 as amended from time to time and there is no violation of any of the conditions mentioned therein. They have also maintained proper books of accounts according to the recognised principles of accounting.

As per our report attached

For **AGMK & ASSOCIATES**

Chartered Accountants

Firm Regn. No. 010938S

**Mr. A.G. Muthu Kumaran**

Proprietor

Membership No. 211203

Place : Chennai - 600 023.

Date : 18.08.2021


**KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD**
**BALANCE SHEET AS AT 31st MARCH 2021**

	Particulars	Note No.	As at 31.03.2021 ₹	As at 31.03.2020 ₹
<b>I</b>	<b>EQUITY AND LIABILITIES</b>			
1.	<b>Share Holders Funds</b>			
	a) Share Capital	1	12,02,904.00	11,94,254.00
	b) Reserves & Surplus	2	90,71,014.63	86,58,863.18
2.	<b>Share Application money pending allotment</b>		200.00	3,150.00
3.	<b>Non Current Liabilities</b>	3	3,29,99,020.00	4,52,75,826.00
	a) Long Term Borrowings	4	65,13,065.42	55,53,894.91
	b) Other Long Term Liabilities			
4.	<b>Current Liabilities</b>	5	14,55,23,021.65	11,95,40,934.42
	a) Short Term Borrowings	6	18,08,226.10	25,90,637.10
	b) Other Current Liabilities	7	2,03,488.00	5,49,446.00
	c) Short Term Provisions			
	<b>TOTAL</b>		<b>19,73,20,939.80</b>	<b>18,33,67,005.61</b>
<b>II</b>	<b>ASSETS</b>			
1.	<b>Non Current Assets</b>			
	a) Fixed Assets	8	66,44,271.46	72,80,026.46
	b) Long Term Loans & Advances	9	1,78,61,154.41	2,03,08,392.00
2.	<b>Current Assets</b>			
	a) Cash & Cash Equivalents	10	4,66,67,460.19	4,59,61,700.75
	b) Short Term Loans and Advances	11	12,61,48,053.74	10,98,16,886.40
	<b>TOTAL</b>		<b>19,73,20,939.80</b>	<b>18,33,67,005.61</b>
Notes Forming part of the financial Statements 1 to 17				

As per our report attached

For **AGMK & ASSOCIATES**

Chartered Accountants

Firm Regn. No. 010938S

**Mr. A.G. Muthu Kumaran**

Proprietor

Membership No. 211203

Place : Chennai - 600 023.

Date : 18.08.2021

Shri. **G.Ashokapathy** (DIN:02620569)  
 Shri. **C.Venkatesam** (DIN:01288532)  
 Shri. **D.L. Thulasi Ram** (Din :01009521)  
 Directors


**KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD**
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2021**

No.	Particulars	Note No.	As at 31.03.2021 ₹	As at 31.03.2020 ₹
I.	Revenue from Operations	12	1,64,11,159.00	1,60,83,658.00
II.	Other Income	13	37,68,467.30	44,04,622.92
III.	Total Revenue (I+II)		<b>2,01,79,626.30</b>	<b>2,04,88,280.92</b>
IV.	Expenses			
	Employee Benefits Expenses	14	30,39,419.00	32,33,169.00
	Finance Costs	15	1,37,17,562.11	1,34,05,858.00
	Depreciation and Amortization expenses		10,45,525.00	4,66,448.00
	Other Expenses	16	15,32,310.74	16,38,777.99
	<b>Total Expenses</b>		<b>1,93,34,816.85</b>	<b>1,87,44,252.99</b>
V	Profit before exceptional and extraordinary Items and tax (III - IV)		8,44,809.45	17,44,027.93
VI	Exceptional Items		2,09,405.00	0.00
VI	Profit before extraordinary Items and tax (V-VI)		6,35,404.45	17,44,027.93
VI	extraordinary Items		0.00	0.00
IX	Profit before Tax (VII - VIII)		6,35,404.45	17,44,027.93
X	Tax Expenses 1 Current Tax		2,00,000.00	3,70,000.00
XI	Profit for the period from continuing operations		4,35,404.45	13,74,027.93
XI	Earnings per Equity Share 1 Basic		3.62	11.51
<b>Notes Forming part of the financial Statements 1 to 17</b>				

For **AGMK & ASSOCIATES** As per our report attached

Chartered Accountants  
Firm Regn. No. 010938S

**Mr. A.G. Muthu Kumaran**  
Proprietor  
Membership No. 211203

Place : Chennai - 600 023.  
Date : 18.08.2021

Shri. **G.Ashokapathy** (DIN:02620569)  
Shri. **C.Venkatesam** (DIN:01288532)  
Shri. **D.L. Thulasi Ram** (Din :01009521)  
Directors



## Cash Flow Statement 2021

	31.03.2021	31.03.2020	
<b>A. Cash flow operating activities</b>			
Net profit/(loss) before extra-ordinary items and tax	6,35,404.45	17,44,027.93	
Adjustment for :			
Depreciation and amortisation	10,45,525.00	4,66,448.00	
(Profit) / Loss on sale/write off of assets	-	7,291.30	
Finance Costs	2,51,197.00	59,238.00	
Rental Income from operating leases	(3,38,400.00)	(2,14,781.00)	
<b>Operating profit / (loss) before working capital charges</b>	<b>9,58,322.00</b>	<b>3,18,196.30</b>	
Changes in working capital:			
Adjustment for (increase) / decrease in operating assets:			
Short term loans and advances	(1,63,32,814.60)	2,38,093.00	
Long term loans and advances	24,47,237.59	(1,33,63,183.45)	
Adjustment for increase / (decrease) in operating liabilities:			
Other current liabilities	(7,82,411.00)	1,80,921.00	
Other long term liabilities	9,59,170.51	2,05,394.68	
Short term provisions	(3,45,958.00)	30,684.00	
Cash generated from operations	<b>(140,54,775.50)</b>	<b>(1,27,08,090.77)</b>	
Net income tax (paid) / refunds	(1,98,352.74)	(2,81,877.00)	
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>(126,59,401.79)</b>	<b>(1,09,27,743.54)</b>	
<b>B. Cash flow investing activities</b>			
Capital expenditure on fixed assets	(4,09,770.00)	(20,97,007.00)	
Proceeds from sale of fixed assets	-	72,200.00	
Rental income from operating leases	3,38,400.00	2,14,781.00	
<b>Net cash flow from / (used in) investment activities (B)</b>	<b>(71,370.00)</b>	<b>18,10,096.00)</b>	



## KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD

C. Cash flow financing activities (c)			
Proceeds from issue of equity shares			
Net increase/(decrease) in long term borrowings	5,700.00		8,870.00
Net increase/(decrease) in short term borrowings	(1,22,76,806.00)		1,25,15,522.11
Finance Cost	2,59,82,087.23		5,43,413.94
Charity Paid	(2,51,197.00)		(59,238.00)
Dividend paid (including dividend tax)	(23,253.00)		(18,800.00)
			(2,86,631.25)
Cash flow from extraordinary items			
<b>Net cash flow from / (used in) financing activities (c)</b>		<b>(1,34,36,531.23)</b>	<b>1,27,03,136.80</b>
<b>Net increase/(decrease) in cash &amp; cash equivalents (A+B+C)</b>		<b>7,05,759.44</b>	<b>(34,702.74)</b>
Cash & cash equivalents at the beginning of the year		4,59,61,700.75	4,59,96,403.49
<b>Cash and cash equivalents at the end of the year</b>		<b>4,66,67,460.19</b>	<b>4,59,61,700.75</b>

(a) Cash on hand		2,93,842.77	6,75,834.90
(b) Balances with banks		4,63,22,432.00	4,52,32,679.00
(i) in current accounts		51,185.42	53,186.85
<b>Total</b>		<b>4,66,67,460.19</b>	<b>4,59,61,700.75</b>





## KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD

### NOTE : 1

No.	Particulars	Y.E.31.03.2021 ₹	Y.E. 31.03.2020 ₹
1.	<b>Details of Share Capital Authorised Capital</b>		
	Equity Shares		
	1,50,000 Shares of Rs. 10/- Each	15,00,000.00	15,00,000.00
	<b>Total</b>	<b>15,00,000.00</b>	<b>15,00,000.00</b>
1.	<b>Issued &amp; Subscribed and Fully paid</b>		
	Equity Shares		
	123075 Equity Shares Rs.10/- Each	12,30,750.00	12,22,100.00
	122210 Equity Shares Rs. 10/- Each		
	Less:- Calls in arrears 3094 Shares @9/- Each	27,846.00	27,846.00
	<b>Total</b>	<b>12,02,904.00</b>	<b>11,94,254.00</b>

Particulars	As at 31st March 2021		As at 31st March 2020	
	No, of Shares	Amount (Rs)	No, of Shares	Amount (Rs)
Opening Balance	1,22,210	11,94,254.00	1,21,800	11,88,534.00
Additions During the Year	865	8,650.00	410	5,720.00
Closing Balance	<b>1,23,075</b>	<b>12,02,904.00</b>	<b>1,22,210</b>	<b>11,94,254.00</b>

#### Right attached to Equity Shares :

The Company has issued only one class of shares having a face value of Rs.10 per share. Each holder of Equity shares is entitled to one vote per share, subject to the limit that no member shall exercise voting rights in excess of 5% of total voting rights of equity shareholders vide notification no, G.S.R. 465(E) dated 05th June 2015 of ministry of corporate affairs. Divident will be restricted to 25% maximum it declared.

#### Details of shareholders holding more than 5% shares in the company

Name	As at 31st March 2021		As at 31st March 2020	
	No of Shares	Percentage of shares	No of Shares	Percentage of shares
1. Kalyanaraman .R	7,404	6.02	7,404	6.06
2. Monika D.T	8,124	6.60	8,124	6.65
3. Prasanna D	10,208	8.29	10,208	8.35
4. Thulasiram D.L	21,523	17.49	21,523	17.61


**KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD**
**NOTE : 2**

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Details of Reserves &amp; Surplus</b>		
<b>a) Profit &amp; Loss Account</b>		
Opening Balance	1,15,122.45	82,495.52
Add :- Profit of the year	6,35,404.45	17,44,027.93
<b>(Total - (a))</b>	<b>7,50,526.90</b>	<b>18,26,523.45</b>
<b>Appropriations for :-</b>		
Provision for Income Tax	2,00,000.00	3,70,000.00
General Reserve	3,00,000.00	11,00,000.00
Charity Reserve @ 1%	6,500.00	14,000.00
Proposed Dividend :- 15% on Equity Shares		1,78,674.00
Dividend Tax		48,727.00
<b>Total - (b))</b>	<b>5,06,500.00</b>	<b>17,11,401.00</b>
<b>Closing Balance (a) - (b)</b>		
<b>[TOTAL - A]</b>	<b>2,44,026.90</b>	<b>1,15,122.45</b>
<b>B) General Reserve</b>		
Balance as per last B/s	77,03,021.87	66,03,021.87
Add :- Appropriation for the year	3,00,000.00	11,00,000.00
<b>Total (B)</b>	<b>80,03,021.87</b>	<b>77,03,021.87</b>
C) Reserve For Share Premium	5,01,300.00	5,01,390.00
<b>Total (C)</b>	<b>5,01,390.00</b>	<b>5,01,390.00</b>
D) Reserve For Capital Redemption	3,10,296.00	3,10,296.00
<b>Total (D)</b>	<b>3,10,296.00</b>	<b>3,10,296.00</b>
E) Charity Reserve		
Opening Balance	29,032.86	33,832.86
Add. Appropriation for the year	6,500.00	14,000.00
	35,532.86	47,832.86
Less :- Spent during the Year	23,253.00	18,800.00
<b>Total (E)</b>	<b>12,279.86</b>	<b>29,032.86</b>
<b>Grand Total (A+B+C+D+E)</b>	<b>90,71,014.63</b>	<b>86,58,863.18</b>


**KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD**
**NOTE :**

<b>3. Details of Long Term Borrowings</b>	<b>As at 31.03.2021</b> ₹	<b>As at 31.03.2020</b> ₹
<b>Unsecured Loans</b>		
Fixed Deposits	1,35,92,074.00	1,86,56,035.00
Reinvestment Deposits	1,83,05,951.00	2,61,29,431.00
Recurring Deposits	11,00,995.00	4,90,360.00
<b>Total</b>	<b>3,29,99,020.00</b>	<b>4,52,75,826.00</b>
<b>4. Details of Other Long Term Liabilities</b>		
Interest Accrued on Reinvestment Deposits	60,10,208.42	50,36,405.91
Interest Accrued on Recuring Deposits	81,252.00	74,173.00
Unclaimed Deposits	1,56,605.00	1,78,316.00
Rental Advance	2,65,000.00	2,65,000.00
<b>Total</b>	<b>65,13,065.42</b>	<b>55,53,894.91</b>
<b>5. Details of Short Term Borrowings</b>		
<b>Secured Loans</b>		
Karur Vysya Bank, Chennai - 7	1,31,72,244.23	3,14,740.00
<b>Total (A)</b>	<b>1,31,72,244.23</b>	<b>3,14,740.00</b>
<b>Unsecured Loans</b>		
Fixed Deposits	4,70,02,832.00	4,21,22,336.00
Reinvestment Deposits	8,10,44,554.00	7,20,28,953.00
Recurring Deposits	11,66,400.00	16,09,822.00
Savings Deposits	31,36,991.42	34,65,083.42
<b>Total (B)</b>	<b>13,23,50,777.42</b>	<b>11,92,26,194.42</b>
<b>Total A+B</b>	<b>14,55,23,021.65</b>	<b>11,95,40,934.42</b>



## KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD

### NOTE :

6. Details of Other Current Liabilities	As at 31.03.2021 ₹	As at 31.03.2020 ₹
Interest Accured on Fixed Deposits	91,408.00	1,60,250.00
Interest Accured on Reinvestment Deposits	9,76,589.00	16,73,544.00
Interest Accured on Recurring Deposits	45,148.00	20,001.00
Unpaid Dividends	1,52,239.10	1,16,031.10
Outstanding Expenses	1,13,683.00	54,000.00
T D S - Payable	4,29,159.00	5,66,811.00
<b>Total</b>	<b>18,08,226.10</b>	<b>25,90,637.10</b>

### TERMS AND CONDITIONS OF ACCEPTANCE OF DEPOSITS REGARDING

#### NOTE NO 3 & 6:

1. All the above Loans are Unsecured
2. Deposits will not be repaid within 3 months from the date of its acceptance
3. No interest will be paid in the event of repaying the deposit after 3 months but before 6 months from the date of Deposits
4. In the event of foreclosure of Deposits before the date of maturity, Interest will be paid at 2% less than the contracted rate of interest for the period for which the deposit held by the member
5. Deposits are accepted for a period of 6 months, 12 months & 24 months.

7. Details of Short Term Provisions	₹	₹
For Taxation		
Balance as per Last B/s	3,70,772.00	3,40,088.00
Add:- Provision For the Year	2,00,000.00	3,70,000.00
	5,70,772.00	7,10,088.00
Less :- Adjusted	3,67,284.00	3,39,316.00
<b>Total (A)</b>	<b>2,03,488.00</b>	<b>3,70,772.00</b>
Proposed Dividend	0.00	1,78,674.00
<b>Total (B)</b>	<b>0.00</b>	<b>1,78,674.00</b>
<b>Grand Total (A+B)</b>	<b>2,03,488.00</b>	<b>5,49,446.00</b>



## KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD

### FIXED ASSETS

NOTE : 8

Particulars	Gross Block			Opening W D V	Depreciation			Closing W D V.
	Opening Cost	Additions during the year	Sold during the year		Closing Cost	Opening Dep.	for the year	
Furniture & Fittings	5,75,700.00	0.00		72,201.80	5,03,498.20	18,705.00	0.00	53,496.80
Electrical Installation	2,19,357.00	0.00		46,407.76	1,72,949.24	11,994.00	0.00	34,413.76
Plant & Machinery	7,23,056.81	8,000.00		2,10,929.70	5,12,127.11	38,483.00	0.00	1,80,446.70
Computers	3,21,048.00	4,01,770.00		42,960.96	2,78,087.04	1,70,915.00	0.00	2,73,815.96
Buildings	72,90,254.65	0.00	0.00	45,30,884.24	27,59,370.41	2,20,650.00	0.00	43,10,234.24
Two Wheeler	64,000.00	0.00	0.00	34,247.00	29,753.00	8,867.00	0.00	25,380.00
Motor Car	19,19,653.00	0.00	0.00	18,44,099.00	75,554.00	5,75,911.00	0.00	12,68,188.00
Land	4,98,296.00	0.00	0.00	4,98,296.00	0.00	0.00	0.00	4,98,296.00
	<b>1,16,11,365.46</b>	<b>4,09,770.00</b>	<b>0.00</b>	<b>72,80,026.46</b>	<b>43,31,339.00</b>	<b>10,45,525.00</b>	<b>0.00</b>	<b>66,44,271.46</b>


**KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD**
**NOTE :**

9.	<b>Long Term Loans &amp; Advances</b>	<b>Y.E.31.03.2021</b> ₹	<b>Y.E. 31.03.2020</b> ₹
	(loans Considered Good and Fully Secured)		
	House Properites	1,71,15,970.41	1,92,46,776.00
	Deposits	6,82,086.00	9,98,518.00
	<b>Total(A)</b>	<b>1,77,98,056.41</b>	<b>2,02,45,294.00</b>
	<b>Other Advances</b>		
	Chennai Telephones	7,200.00	7,200.00
	Electricity Deposit	19,898.00	19,898.00
	Court Recoverable	36,000.00	36,000.00
	<b>Total(B)</b>	<b>63,098.00</b>	<b>63,098.00</b>
	<b>Grand Total (A+B)</b>	<b>1,78,61,154.41</b>	<b>2,03,08,392.00</b>
10.	<b>Details of Cash and Cash Equivalent</b>		
	<b>Cash and Cheques on Hand</b>		
		2,93,842.77	6,75,834.90
	<b>Total (A)</b>	<b>2,93,842.77</b>	<b>6,75,834.90</b>
	<b>Balance in Current with</b>		
	Karur Vysya Bank, Current A/c	38,648.14	28,638.77
	IDBI Bank	12,537.28	24,548.08
	<b>Total (B)</b>	<b>51,185.42</b>	<b>53,186.85</b>
	Fixed Deposits with Banks (Long Term)	2,10,00,000.00	2,10,00,000.00
	Fixed Deposits with Banks (Short Term)	2,53,22,432.00	2,42,32,679.00
	<b>Total (C)</b>	<b>4,63,22,432.00</b>	<b>4,52,32,679.00</b>
	<b>Grand Total (A+B+C)</b>	<b>4,66,67,460.19</b>	<b>4,59,61,700.75</b>


**KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD**
**NOTE :**

11.	<b>Details of short Term Loans &amp; Advances</b>	<b>As at 31.03.2021</b> ₹	<b>As at 31.03.2020</b> ₹
	<b>(Advances and Deposits Recoverable in cash or kind for the value to be received and</b>		
	Loans against on Fixed Deposits *	23,25,802.00	0.00
	Jewel Loans - Secured and Good	11,93,84,481.00	10,40,19,001.00
	Loans against Mortgage of House Property	61,218.00	0.00
	Income Tax Refund	82,662.00	1,592.00
	Interest Accured on jewel Loans	30,31,504.00	37,35,901.95
	Interest Accured on Term Deposits	3,91,099.00	4,49,038.00
	Interest Accured on House Properties	6,28,474.00	3,88,839.00
	Provision for NPA	(-3,50,578.00)	0.00
	Interest Accured on Deposits	1,36,163.00	1,76,196.00
	Tax Deducted at Tax	2,37,228.74	3,74,946.00
	Advance Income Tax	1,30,000.00	75,000.00
	Staff Advance	90,000.00	5,96,372.45
	<b>Total</b>	<b>12,61,48,053.74</b>	<b>10,98,16,886.40</b>
	<b>*Note :</b> No Loan is outstanding against any Director, except that a sum of Rs.22,38,502/- is outstanding against Deposit Loan in respect of Related Parties. No concession of any kind is provided.		
	<b>Profit &amp; Loss A/c.</b>		
12.	<b>Interest Income on Deposits &amp; Loans</b>		
	Jewels	128,59,038.00	1,31,48,812.00
	Houses Properties	29,95,757.00	26,95,959.00
	Deposits	5,56,364.00	2,38,887.00
	<b>Total</b>	<b>1,64,11,159.00</b>	<b>1,60,83,658.00</b>


**KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD**
**NOTE :**

<b>13. Other Income</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
	<b>₹</b>	<b>₹</b>
ML Administrative Fees	1,640.00	1,14,630.00
Interest on IT Refund	0.00	11,407.00
Sale of Pass Books	64,475.00	72,575.00
Notice Charges	1,23,600.00	1,27,450.00
Misc. Fees	343.30	7,643.00
Interest on Bank Deposits	28,49,453.00	33,08,460.92
Apprasier Fees	3,90,556.00	5,47,676.00
Rental Income	3,38,400.00	2,14,781.00
<b>Total</b>	<b>37,68,467.30</b>	<b>44,04,622.92</b>
<b>14. Employee Benefit Expenses</b>		
Salaries and Bonus	30,39,419.00	32,33,169.00
<b>Total</b>	<b>30,39,419.00</b>	<b>32,33,169.00</b>
<b>15. Interest Paid On Deposits &amp; Loans</b>		
Fixed Deposits	48,82,846.11	49,76,327.00
Reinvestment Deposits	83,02,054.00	80,66,737.00
Recurring Deposits	1,79,585.00	1,85,200.00
Savings Deposits	1,01,880.00	1,18,356.00
Bank Overdraft	2,51,197.00	59,238.00
<b>Total</b>	<b>1,37,17,562.11</b>	<b>1,34,05,858.00</b>




**KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD**
**NOTE :**

16. Other Expenses	As at 31.03.2021 ₹	As at 31.03.2020 ₹
Tax on Property	41,471.00	35,712.00
Printing and Stationary	38,456.00	63,030.00
Sub Chamber of Nidhi	5,000.00	5,000.00
Postage	17,848.00	22,740.00
Telephone	45,246.53	41,815.00
Conveyance	13,393.00	60,513.00
Electricity Charges	94,618.00	1,45,263.00
Remuneration to Auditors	81,600.00	66,000.00
Software Maintenance	1,19,600.00	76,319.00
Jewel Loan Loss	0.00	4,812.00
Insurance	89,511.00	1,28,026.00
Office Expenses	190.00	5,936.00
Meeting Expenses	53,599.50	79,633.00
Sitting Fees to Directors	1,90,000.00	3,05,000.00
Filling Fees	14,200.00	36,060.00
Company Secretary Fees	23,000.00	41,260.00
Book and Periodicals	749.00	920.00
Misc. Expenses	88,924.44	78,999.50
Bank Charges	2,747.27	9,758.19
Repairs and Maintenance	1,10,077.00	1,88,889.00
Auction Charges & Expenses	4,500.00	19,209.00
Provision for NPA	3,50,578.00	0.00
Fees on Service Tax	24,241.00	7,291.30
Vehicle Maintenance	35,589.00	46,600.00
Service Tax	87,172.00	1,69,992.00
<b>Total</b>	<b>15,32,310.74</b>	<b>16,38,777.99</b>



**Notes :17**

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31<sup>ST</sup> MARCH 2021.**

**Corporate Information:**

Kandan Mutual Benefit Saswatha Nidhi Limited ("the Company") is a public limited company incorporated on 8<sup>th</sup> Feb 1979 under the Companies Act 1956 and notified as a Nidhi Company under 620A of the companies Act, 1956. The Main Objectives of the company is to encourage thrift, saving habits and to render all financial assistance to its members by receiving long and short term deposits and in particular Savings, Recurring , Fixed and other deposits from members and to lend or advance monies only to its members with security as are allowed by law. The Company is governed by the Notifications issued from time to time by the Ministry of Corporate Affairs.

1. Summary of Significant Accounting Policies
1. AS 1 – Disclosure of Accounting Policies:

The financial Statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (India GAAP), issued by The Institute of Chartered Accountants of India. The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared under the historical cost convention on an accrual basis.

The financial statements are prepared and presented in the form set out in Part I and Part II of the Schedule III of the Companies Act, 2013 as far as they are applicable thereto. The previous year figures are regrouped whenever necessary.

These financial statements are presented in Indian rupees .The accounting Policies adopted in the preparation of financial statements are consistent with those of Previous year.

2. Use of Estimates:

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts of assets and liabilities reported and disclosure of contingent liabilities on the date of the financial statements and reported amounts of income and expenses during the reporting period.

Although such estimates are made on a reasonable and prudent basis taking into account all available information, actual results could differ from estimates and such differences are recognized in the year in which the results are ascertained.



3. AS – 2 Valuation of Inventories : Since the Company is a Nidhi company, there is no stock of raw materials, finished goods, etc. Hence the question of inventory and its valuation does not arise.

4. AS – 3 Cash Flow Statements :

Cash flow are reported using the indirect method, whereby profit before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts and payments. The Cash Flows from Operating, investing & financing Activities of the company are segregated on the available information.

Cash and Cash Equivalents:

Cash and cash equivalents comprise of cash on hand, balance in current accounts. Cash equivalents are short term liquid investments that are readily convertible into known amounts of cash. Fixed deposits having maturity period of more than 12 Months are considered as Cash Equivalents.

5. AS -5 – Events Occurring After the Balance Sheet Date :

There are no substantial events occurring after the date of Balance Sheet.

6. AS-9 – Revenue Recognition :

a. Income of the Company is derived from interest on loans and advances made. Interest income from all loans and advances other than Non-performing Assets (As per Nidhi Rules 2014 – Jewel Loans Accounts which are more than 15 Month and in respect of Mortgage Loans EMI outstanding more than 12 Months and less the 24 Months) is recognized on accrual basis.

b. Interest Income on Bank Investments is recognized up to 31<sup>st</sup> March 2021 on time proportion basis taking into account the amount outstanding and the rate as deposit rate applicable.

c. Rental Income due to the Company is accounted for on Actual and realised basis, due to COVID-19 situation.

7. AS10 – Plant Property & Equipment:

a. Fixed Assets are stated at historical cost, less accumulated depreciation.

b. The cost of fixed assets comprises its purchase price and all directly attributable expenses including apportioned expenses incurred during the construction period in bringing the asset to its present location and condition or for its intended use.

c. Any trade discounts and rebates are deducted in arriving at the purchase price.



## KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD

- d. Subsequent Expenditure relating to an item of existing fixed assets, including day to day repair and maintenance expenditure and cost of replacing parts, are charged to the statements of profit and loss for the period during which such expenditure is incurred.
- e. Gains or losses arising from derecognized fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.
- f. Depreciation on tangible assets are provided on the Written down Value (WDV) method as per the useful life's of the assets as prescribed in Schedule II of Companies Act, 2013 at the following rates.

<b>Description</b>	<b>Rate of depreciation</b>
<b>Building</b>	<b>4.87%</b>
<b>Plant &amp; Machinery</b>	<b>18.10%</b>
<b>Furniture &amp; Fittings and Electrical Installations</b>	<b>25.89%</b>
<b>Computers</b>	<b>63.16%</b>
<b>Vehicles (car)</b>	<b>31.23%</b>
<b>Vechicle(Two wheller)</b>	<b>25.89%</b>

- g. All fixed Assets individually costing Rs.5000/- or less are fully depreciated in the year of installation. Depreciation on assets acquired /sold during the year is recognized on prorata basis in the statements of profit and loss from the date of acquisitions or till the date of sale.
- h. The company does not have any intangible assets.
8. AS13 – Investments:  
The company does not hold any investment in Securities.
9. AS15 –Retirement and other employee benefits :  
Since the number of employees is less than 10, Provident Fund and Miscellaneous Provisions Act 1952, Employees' State Insurance Act, 1948 does not apply. Gratuity as and when arises is paid and no provision for gratuity is made.
10. AS -16 Borrowing Costs:  
Borrowing costs relate to revenue items only and hence are charged to statement of profit and loss in the year in which they are incurred.
11. AS 17 -Segment Reporting :  
The company operates in single reportable segment. Therefore the segment wise reporting has not been given.



12. AS -18 Related Party Disclosures :

No Loan is outstanding against any Director during the year. A sum of Rs.22,38,502 /- (Rs.7,09,000 for the previous year ) is outstanding against Deposits Loan in respect of Related Parties. No concession of any kind is provided. These Loans are granted in their capacity as Members.

13. AS – 19 – Leases:

There are no finance leases or operating leases.

14. AS – 20 Earning per Share(EPS) :

Basic earnings per share is calculated by dividing the net profit for the year to equity shareholders by the weighted average number of equity shares outstanding during the year.

Workings of Earnings per Share

<b>Particulars</b>	<b>2020-2021</b>	<b>2019-2020</b>
Net Profit	4,35,404	13,74,028
No.of Shares	1,20,290	1,19,425
Weighted Average No.of Shares	1,19,857	1,19,139
Basic Earnings per Shares	3.62	11.51
Diluted Earnings per share	3.63	11.53

15. AS -22 Provisions for current and deferred Tax :

- a. Provision for current tax is made after taking into consideration benefits admissible under the provisions of the income tax Act 1961.

16. AS -26- Intangible assets:

There is no intangible assets

17. AS-28 –Impairment of Assets :

There are no indication of any potential impairment of any of the fixed assets of the company.



18. AS – 29- Provisions ,contingent Liabilities

- a. A provision is recognized when the company has a present obligation as result of past event. It is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.
- b. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events, which are beyond the control of the company. A contingent liability also includes a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises where a liability cannot be measured reliably. The company does not recognize a contingent liability in the accounts but discloses its existence in the financial statements

No provision has been made in respect of VDS Scheme amounting to Rs. 2,09,405/-

19. During the year ,485 Equity Shares of Rs.10/- were allotted by the Board of Directors (230 Shares on 15<sup>th</sup> Dec 2020 & 255 Shares on 23<sup>rd</sup> March 2021) for which PAS – 3 uploading is pending due to pending approval of NDH-4 by the Ministry of Corporate Affairs.
20. Debts due by the Directors or other Staff of the Company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any Director is a partner or Director or a members.

<b>DEBTS DUE BY</b>	<b>31-03-2021</b>	<b>31-03-2020</b>
DIRECTORS	0.00	4354.00
Staff	90,000.00	5,96,372.45
Firm/Companies	0.00	0.00



## KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD

21. Capital Advance

The company has not made any material capital advance during the year.

22. Overdue Deposits

Over Due deposits are classified as long – term liabilities.

Deposits amounting to Rs.1,56,605/- remained Unclaimed on Deposits regarding which the company has not received any instruction. No other deposits remain unclaimed.

23. Provisions for assets :

There are no Jewel Loans accounts, for more than 15 Months from the date of loan granted as on date since all Jewel Loan accounts have been closed/renewed/sold. Hence no provision for NPA is provided in respect of Jewel Loans.

In Respect of House Mortgage Loans:

There are 7 Mortgage Loan accounts where the Monthly EMI is defaulted for more than 12 months but less than 24 Months amounting to Rs.11,72,278/-

Out of which the Income recognition amounting to Rs.2,59,278 has been fully provided and an amount of Rs.91,300/- being the 10 % of the total EMI asset is also provided as Provision for NPA in respect of Assets. The Total Provision for NPA provided amounted to Rs.3,50,578/-.The Balance amount to be provided is Rs.8,21,700/-

24. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

Any Liability to such companies are discharged then and there, without any credit being availed from them.

As per our report attached

**For AGMK & ASSOCIATES**

Chartered Accountants  
Firm Regn. No. 010938S

**Mr. A.G. Muthu Kumaran**

Proprietor  
Membership No. 211203

Shri.**G.Ashokapathy** (DIN:02620569)  
Shri. **C.Venkatesam** (DIN:01288532)  
Shri. **D.L. Thulasi Ram** (Din :01009521)  
Directors

Place : Chennai - 600 023.

Date : 18.08.2021



## KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD

### FORM NO. MGT -11 PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: U65992TN1979PLC007717

Name of the Company: **KANDAN MUTUAL BENEFIT SASWATHA NIDHI LIMITED** Registered Office: NO.7, Menod Street, Purasawalkam, Chennai – 60007.  
Phone: 044-26428939

Name of the Member(s) :

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID:

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name & Address .....

E-mail Id: .....

Signature:..... or failing him

1. Name & Address .....

E-mail Id:.....

Signature:..... or failing him

1. Name & Address: .....

E-mail Id: .....

Signature:..... or failing him

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 42<sup>nd</sup> Annual General Meeting of the Company, to be held on the Thursday, September 23<sup>rd</sup> 2021, at 4.00 pm., at the Regd., Office at No.7, Menod Street, Purasawalkam Chennai – 600 007 and at any adjournment thereof in respect of such resolutions as are indicated below:




**KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD**

Resolution No	Resolutions.
1.	To receive, consider and adopt Audited financial statements of Accounts for the year ended 31 <sup>st</sup> March 2021 including Profit and Loss Accounts for the year ending 31 <sup>st</sup> March 2021 and the Report of Directors and Auditors thereon.,
2.	To Declare a Dividend at 15 % on Equity Shares
3.	To Elect a Director in the place of Shri.G.Ashokapathy (DIN:02620569 ) who retires by rotation and is eligible for re-election.
4.	To Elect a Director in the place of Shri.G.Sankaran (DIN:06400134) who retires by rotation and is eligible for re-election.

Signed this..... day of..... 20.....

Signature of shareholder

Affix  
Revenue  
Stamp

Signature of Proxy holder(s)

**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



CIN : U65992TN1979PLC007717

Registered Office : No. 7, Menod Street, Purasawalkam, Chennai - 7. Phone : 26428929

Email-id : info@kandanfund.com ; Website : www.kandanfund.com

**ATTENDANCE SLIP**  
**FORTY-SECOND ANNUAL GENERAL MEETING**

Registered Folio No.	
Name and address of Members :	
No of Shares :	

I hereby record my presence at the forty second Annual General Meeting of the Company at 4.00 pm at Regd. Office No. 7, Menod Street, Purasawalkam, Chennai - 7 on Thursday, September 23rd 2021.

\_\_\_\_\_  
Member's / Proxy's name in Block Letters

\_\_\_\_\_  
Member's / Proxy's Signature

Note : Member who are attending the meeting in person or by proxy are requested to complete the Attendance Slip and hand it over at the entrance of the meeting room.

### 10 Years Performance at a Glance (in Lakhs)

Particulars	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Share Capital	11.28	11.4	11.52	11.61	11.7	11.76	11.81	11.88	11.94	12.03
Reserve & Surplus	38.69	43.27	50.7	54.86	58.51	61.77	66.84	74.98	86.39	90.58
Net Owned Funds	49.97	54.67	62.2	66.47	70.21	73.53	78.65	86.86	8.24	102.61
Deposits	789.66	1038.31	1087.79	1243.36	1328.16	1359.45	1446.24	1528.31	1645.02	1653.49
Loans	693.33	878.15	963.07	1000.59	993.44	1014.08	1035.05	1115.7	1242.64	1396.59
Gross Fixed Assets	29	104.27	105.79	107.2	108.38	110.16	106.23	106.54	1116.11	1202.11
Profit after Tax	6.52	7.59	8.3	76.26	5.22	4.74	7.15	10.97	13.74	8.45
Dividend%	25%	25%	15%	15%	10%	10%	15%	20%	15%	15%



# KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD

**(Declared as "Nidhi")**  
**Accepts Deposits and Grants Loans on Jewels &  
House Properties**

## **Registered Office**

"Kandan Bhavan", No.7, Menod Street, Purasawalkam,  
Chennai - 600 007.

## **Branch Office :**

"Kandan Bhavan", No.25, Lakshmana Nagar,  
Paper Mills Road, Chennai - 600 082.

Transaction Hours : 9.00 a.m. to 3.30 p.m.

On Sundays : 9.00 a.m. to 12.00 Noon

Weekly Holidays : Friday and Other Public Holidays