



FORTY-FIRST ANNUAL REPORT
2019 - 2020

CIN : U65992TN1979PLC007717

KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,

President : Shri. **V.Gajapathy** B.Sc.,B.L.,
Chief Executive : Shri. **D.L. Thulasi Ram**, B.A., D.P.M.,
Directors : Shri. **G. Ashokapathy**
Shri. **J. Venkata Prasad**
Sri. **G. Sankaran**
Sri. **C. Venkatesam**
Sri. **N.Chakravarthy**

Bankers : **Karur Vysya Bank,**
Purasawalkam & Periyar Nagar Branch
IDBI Bank, Periyar Nagar

Auditor : **V.Jagannadham & Co.,** Chartered Accountants

CIN : U65992TN1979PLC007717

Registered Office : **"Kandan Bhavan",** No.7, Menod Street,
Purasawalkam, Chennai-600 007.
Tel: 26428929 / 45526433

Branch Office : **"Kandan Bhavan",** No.25, Lakshmanan Nagar,
Paper Mills Road, Chennai 600 082.
Tel: 044-4856 6433

E-mail : info@kandanfund.com

KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,

Notice to the Share Holders :

Notice is hereby given that the Forty-First Annual General Meeting of the Share Holders of the “Kandan Mutual Benefit Sasawatha Nidhi Limited” will be held on Thursday the 17th September 2020 at 10.00 a.m. at the Regd., Office No.7, Menod Street, Purasawalkam, Chennai-7, via Video Conference to transact the following business:

All Share Holders are requested to attend.

Agenda

1. To receive, consider and adopt Audited financial statements of Accounts for the year ended 31st March 2020 including Profit and Loss Accounts for the year ending 31st March 2020 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.N.Chakravarthy (DIN:01259596) who retires by rotation and is eligible for re-election.
4. To Elect a Director in the place of Shri.C.Venkatesam (DIN:0128853) who retires by rotation and is eligible for re-election.
5. To appoint Auditor and to fix their remuneration :
Resolved that AGMK & Associates Prop. A.G.Muthu Kumaran B.Com., F.C.A., Chartered Accountants be and are hereby appointed as the Auditors of the Fund, to hold office from the conclusion of this 40th Annual General Meeting (AGM) till the conclusion of the next Annual Meeting and to fix his remuneration.

Place: Chennai - 600 007.
Date : 3rd Aug 2020.

(By order of the Board)
(sd) D.L. Thulasi Ram, BA.,D.P.M.
Director - Chief Executive

Note:

- ✍ The Share Transfer Register will be remain closed from 10th Sep 2020 to 17th Sep 2020 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.(by email:info@kandanfund.com)
- ✍ Shareholders are requested to intimate Fund's office any change in their address.
- ✍ All Shareholders are requested to Update their Mobile Number and email id immediately, in order to participate in the AGM via Video Conference.

✍ Nidhi intends to convene the Annual General Meeting through Video Conference in compliance with the provisions of the Act read with the General Circular Nos. 14/2020 dated 8th April, 2020, No.17/2020 dated 13th April, 2020, 20/2020 dated 5th May 2020 issued by the Ministry of Corporate Affairs, Government of India ("MCA") and for the said purpose it is proposed to send notices to all the members of the company by email.

The Notice and Annual Report will also be uploaded on the Nidhi's website : 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 the name, Member_id, bank account details, self attested copy of PAN card and cancelled cheque leaf.

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

✍ 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, 2020 will be taxable in the hands of the shareholders.

KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,
DIRECTOR'S REPORT

To the Members,

Your Directors have pleasure in submitting their Forty-First Annual Report of the Fund together with the Audited Statements of Accounts for the year ended 31st March, 2020.

1. FINANCIAL RESULTS

The Fund's financial performance for the year under review along the previous year figures are given hereunder:

The Net owned Funds of the Fund as on 31st March 2020 amounted to Rs.98.24 lakhs as against Rs.86.86 Lakhs in the Previous Year on the same date.

	2019-2020	2018-2019
Profit before Depreciation and Taxation	22,10,476	19,05,658
Less : Depreciation	4,66,448	4,70,822
Provision for Taxation	<u>3,70,000</u>	<u>3,37,000</u>
NET PROFIT	13,74,028	10,97,836
Profit brought forward	82,495	69,584
Appropriation Made of		
General Reserve	11,00,000	8,00,000
Charity Reserve	14,000	11,540
Proposed Dividend	1,78,674	2,37,052
Dividend Tax & Income Tax	<u>48,727</u>	<u>36,332</u>
Balance Carried Over	1,15,122	82,495

2. DIVIDEND

Your Directors are pleased to recommend a dividend of Rs.1.50 per share for the current financial year. The dividend if approved and declared in the forthcoming Annual General Meeting would result a total Dividend outflow of Rs.1,78,674.00/-

3. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

A Sum of Rs. 5074.15 is due for the current year for remittance. No other amount is due for the Current year for remittance.

4. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

Your Directors wish to present the details of Business operations done during the year under review:

- a. Deposits:** The Total sum of the Deposits under Various Schemes including Interest Accrued thereon as on 31st March 2020 amounted to Rs.1645.02 Lakhs as against Rs.1,585.61 Lakhs in the previous year on the same date.

AS on 31st March 2020, deposits amounting to Rs.1,78,316/- remained unclaimed on Deposits regarding which the Fund has not received any instruction. No other Deposits remain unpaid.

a. Loans:As on 31st March 2020 a total sum of Loans outstanding in respect of advances made against security of Gold Jewels, House Properties and Deposits amount to Rs.1242.64 Lakhs as against RS.1115.70 lakhs in the previous year.

5. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE FUND OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Fund occurred between the end of the financial year to which this financial statements relate on the date of this report.

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

The provisions of Section 134(m) of the Companies Act, 2013 do not apply to our Fund. There was no foreign exchange inflow or outflow during the year under review.

7. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE FUND

The Fund does not have any Risk Management Policy as the elements of risk threatening the Fund's existence in very minimal.

8. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE FUND ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

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

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

As per Govt Notification Dated 5th June 2015 the Provisions of Section 185 do not apply.

10. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

11. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING FUND SECRETARY IN THEIR REPORTS

There were no qualifications, reservations or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report in not applicable to the Fund.

12. 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 Fund and hence the Fund 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.

13. 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 is attached to this Report.

14. NUMBER OF MEETINGS OF THE BOARD

The Fund has 11 Board meetings during the financial year under review.

15. 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 Fund at the end of the financial year and of the profit and loss of the Fund for that 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 Fund and for preventing and detecting fraud and other irregularities;

(d) The Directors have prepared the annual accounts on a going concern basis; and

(e) 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.

16. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES COMPANIES

The Fund does not have any subsidiary, Joint venture or Associated Fund.

17. DEPOSITS

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

18. DIRECTORS

Shri.N.Chakravarthy (DIN:01259596) and Shri.C.Venkatesam (DIN:01288532) Directors of the Fund retires at this Annual General Meeting and being eligible offer themselves for re-election.

19. DECLARATION OF INDEPENDENT DIRECTORS

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

20. STATUTORY AUDITORS

M/S V. Jaganadham & co., Chartered Accountants, were appointed as Statutory Auditors of the Nidhi from 35th Annual General Meeting held on 27st Sep 2014. As per the Nidhi rules the Present Auditors cannot continue as Auditors due to the fact they are holding the office of auditor for continuous period of 5 years. The Board of Directors place on record the valuable Services rendered by him. As such the shareholders are requested to appoint AGMK & Associates Prop. A.G.Muthu Kumaran B.Com., F.C.A., Chartered Accountants as Auditors of the Nidhi to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting. The Nidhi has received a certificate from the above Auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

21. RISK MANAGEMENT POLICY

Do not have any Risk Management Policy.

22. 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.

23. SHARES

a. BUYBACK OF SECURITIES

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

b. SWEAT EQUITY

The Fund has not issued any Sweat Equity Shares during the year under review, however the Fund has issued 690 Equity Shares of Rs.10/- each to 113 Persons, Who have opened New transactions with the Fund.

c. BONUS SHARES

No Bonus Shares were issued during the year under review.

24. ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to all the staff, 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 for their support and confidence reposed on your fund.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

V. GAJAPATHY
DIRECTOR

C. VENKATESAM
DIRECTOR

DATE : 3rd August 2020.

PLACE : Chennai

KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,
Annexure - I

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As an Financial year ended on 31.03.2020
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & 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	Wether 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 the company shall be stated

S.No.	Name & Description of main products / Service	NIC Code of the Product / Service	% to total turnover of the company
1	Accepting Deposits	99711210	100
2	Lending on Jewells, Property and Loan on Deposits	99711352	100

III. Particulars of Holding, Subsidiary & Associate Company

	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	NOT APPLICABLE				

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as Percentage of the Total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoters										
(1) Indian										
a) Individual/HUF		6,001	6,001	4.93%		6,001	6,001	4.91%	0.03%	
b) Central Govt			-	0.00%			-	0.00%	0.00%	
c) State Govt (s)			-	0.00%			-	0.00%	0.00%	
d) Bodies Corp.			-	0.00%			-	0.00%	0.00%	
e) Banks / FI			-	0.00%			-	0.00%	0.00%	
f) Any Other			-	0.00%			-	0.00%	0.00%	
SUB TOTAL : (A) (1)		-	6,001	6,001	4.93%		6,001	6,001	4.91%	0.03%

(2) Foreign									
a) NRI - Individuals			-	0.00%			-	0.00%	0.00%
b) Other Individuals			-	0.00%			-	0.00%	0.00%
c) Bodies Corp.			-	0.00%			-	0.00%	0.00%
d) Any other			-	0.00%			-	0.00%	0.00%
SUB TOTAL : (A) (2)			-	0.00%			-	0.00%	0.00%
Total (A)	-	6,001	6,001	4.93%		6,001	6,001	4.91%	0%
B. Public Shareholding									
l) Institutions									
a) Mutual Funds			-	0.00%			-	0.00%	0.00%
b) Banks / FI			-	0.00%			-	0.00%	0.00%
c) Central Govt.			-	0.00%			-	0.00%	0.00%
d) State Govt.(s)			-	0.00%			-	0.00%	0.00%
e) Venture Capital Funds			-	0.00%			-	0.00%	0.00%
f) Insurance Companies			-	0.00%			-	0.00%	0.00%
g) Fils			-	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%
SUB TOTAL : (B) (1)	-	-	-	0.00%	-	-	-	0.00%	0.00%
(2) Non - Institutions									
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. 1lakh		94,287	94,287	77.41%		94,686	94,686	77.48%	-0.07%
ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 lakh		21,512	21,512	17.66%		21,523	21,523	17.61%	0.05%
c) Others (specify)									
Non Resident Indians			-	0.00%			-	0.00%	0.00%
Overseas Corporate Bodies			-	0.00%			-	0.00%	0.00%
Foreign Nationals			-	0.00%			-	0.00%	0.00%
Clearing Members			-	0.00%			-	0.00%	0.00%
Trusts			-	0.00%			-	0.00%	0.00%
Foreign Bodies - DR			-	0.00%			-	0.00%	0.00%
SUB TOTAL : (B) (2)	-	115,799	115,799	95.07%	-	116,209	116,209	95.09%	-0.03%
Total Public (B)	-	115,799	115,799	95.07%	-	116,209	116,209	95.09%	-0.03%
C. Shares held by Custodian for GDRs & ADRs									
	-	121,800	121,800	100.00%	-	122,210	122,210	100.00%	0.00%

II) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the beginning of the year			% Change 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	4.93%		6,001	4.91%		0.03%
1			0.00%			0.00%		0.00%
	Total	6,001	4.93%		6,001	4.91%		0.03%

III. Change in Promoters' Shareholding (Please specify, if there is no change)

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total Shares	No. of Shares	% of total Shares
	At the beginning of the year				0.00%		0.00%
	Changes during the year		NIL		0.00%		0.00%
					0.00%		0.00%
					0.00%		0.00%
	At the end of the year				0.00%		0.00%

IV. Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs)

SN	For each of the Top 10 Shareholders	Date	Shareholding at the beginning of the year 01.04.2019		Cumulative Shareholding at the end of the year 31.03.2020	
			No. of shares	% of total	No. of Shares	% of total Shares
1	Mr. D.L. Thulasi Ram		21,512	17.66%	21,523	17.61%
2.	Kalayana Raman .R		7,402	6.08%	7,402	6.06%
3.	Venkatesan .C		3,404	2.79%	3,404	2.79%
4.	Mrs. D. Prasanna		10,208	8.38%	10,208	8.35%
5.	Sujatha .C		1,852	1.52%	1,852	1.52%
6.	Lakshmi Kumari .B		1,500	1.23%	1,500	1.23%
7.	Mr. V. Gajapathy		6,001	4.93%	6,001	4.91%
8.	MR. G. Ashokapathy		2,601	2.14%	2,601	2.13%
9.	Mr. N. Chakaravathy		1,851	1.52%	1,851	1.51%
10.	Ms. D.T. Monika		7,116	5.84%	8,124	6.65%

V. Shareholding of Directors and Key Managerial Personnel :

SN	Shareholding of each Director and each Key Managerial Personnel	Shareholding at the beginning of the year 01.04.2019		Cumulative Shareholding at the end of the year 31.03.2020	
		No. of shares	% of total Shares	No. of Shares	% of total Shares
	Name				
1.	Mr. V. Gajapathy	6,001	4.93%	6,001	4.91%
2.	Mr. D.L. Thulasi Ram	21,512	17.66%	21,523	17.61%
3.	Venkatesan .C	3,404	2.79%	3,404	2.79%
4.	MR. G. Ashokapathy	2,601	2.14%	2,601	2.13%
5.	Mr. Venkata Prasad	1,406	1.15%	1,406	1.15%
6.	Ms. D.T. Monika	7,116	5.84%	8,124	6.65%
7.	Mr. G. Sankaran	1,001	0.82%	1,001	0.82%

VI. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Amount

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	314,740.00	158,560,824.28	-	158,875,564.28
ii) Interest due but not paid				-
iii) Interest accrued but not due				-
Total (i+ii+iii)	314,740.00	158,560,824.28	-	158,875,564.28
Change in Indebtedness during the financial year				
Additions	-	13,060,060.05	-	13,060,060.05
Reduction				
Net Change	-	13,060,060.05	-	13,060,060.05
Indebtedness at the end of the financial year				
i) Principal Amount	314,740.00	171,620,884.33	-	171,935,624.33
ii) Interest due but not paid				-
iii) Interest accrued but not due				-
Total (i+ii+iii)	314,740.00	171,620,884.33	-	171,935,624.33

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

SN	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount (Rs/Lac)
	Name	THULASI RAM	
	Designation	CHIEF - EXECUTIVE	
1.	Gross Salary	NIL	15.73
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income Act, 1961		-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-
2.	Stock Option		-
3.	Sweat Equity		-
4.	Commission		-
	- as % of Profit		-
	- others, specify		-
5.	Others, please specify		-
	Total (A)		15.73
	Celling as per the Act		

B. Remuneration to other Directors

SN	Particulars of Remuneration	Fee for attending board Committee meetings	Total Amount
I	Independent Directors	NIL	(Rs.)
II	Other Non-Executive Directors		
1.	Mr. V. Gajapathy		45,000
2.	Mr. D.L. Thulasi Ram		45,000
3.	Mr. G. Ashokapathy		40,000
4.	Mr. Venkata Prasad		45,000
5.	Mr. N. Chakaravathy		45,000
6.	Mr. Venkatesan .C		40,000
7.	Mr. G. Sankaran		45,000

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rs/Lac)
		CEO	CFO	CS	
	Name Designation				
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) f the Income-tax Act, 1961	NIL			-
	(b) Value of perquisites u/s 17(2) Income Act, 1961				-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				-
2.	Stock Option				-
3.	Sweat Equity				-
4.	Commission				-
	- as % of Profit - others, specify				-
5.	Others, please specify				-
	Total	-	-	-	-

VIII 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)
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,

V. Jagannatha, & Co

Chartered Accounts

Independent Auditors' Report on Financial Statements

To The Members of M/S. KANDAN MUTUAL BENEFIT SASWATHA NIDHI LIMITED.,

Report on the Standalone Financial Statements:

1. Opinion

- (A) We have audited the accompanying standalone financial statements of M/S. KANDAN MUTUAL BENEFIT SASWATHA NIDHI LIMITED., (“the Company”), Which comprise the Balance Sheets as at 31st March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the Year ended on that date, and a Summary of significant accounting policies and other explanatory information (hereinafter referred to as “the Standalone Financial Statements”)
- (B) 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 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the Standalone Financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgements, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters, were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

4. Information Other than the Standalone Financial Statements and Auditor's Report Thereon

- (A) The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business responsibility Report, corporate Governance and shareholder's information, but does not include the Standalone Financial statement and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,

(B) In connection with our audit of the financial statements, our responsibilities is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we concluded that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

5. Management's Responsibility for the Standalone Financial Statements

(A) The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud 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 standalone financial statements that give a true and fair view and free from material misstatement, whether due to fraud or error.

(B) In preparing the Standalone 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.

The Board of Directors are responsible for overseeing the company's financial reporting process.

6. Auditor's Responsibilities for the Audit of the Standalone Financial Statements

(A) Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statement 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 materials if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,

- (B) As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- (i) identify and assess the risks of material misstatement of the standalone 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 detect inga material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the over ride of internal control.
 - (ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - (iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusion sare based on the audit evidence obtained u p 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.
 - (v) Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (C) Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statement may be influenced. We consider quantitative materiality and qualitative factor in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,

- (D) 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 controls that we identify during our audit.
- (E) 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 safe guards.
- (F) From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

II Report on Other Legal and Regulatory Requirements

- 1. As required by section 143(3) of the Act, based on our audit 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 purpose 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.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS 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 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020, 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 the adequacy of the internal financial controls with reference to financial statements of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with requirements of section 197(16) of the Act, as amended:

In our opinion and of the best of our information and according to the explanations given to us, no remuneration has been paid by the Company to its directors during the year.

(h) 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, as amended, 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 in its Standalone Financial Statements.
- ii. The Company does not have any long-term contracts including derivatives contracts for which there were any materials fore seeable losses:
- iii. There were no amounts which required to be transferred; to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016("the Order") issued by the central Government in terms of section 143(11) of the Act, we give in "Annexure-B" a statement on the matters specified in paragraphs 3 and 4 and of the Order.

Place:Chennai,
Date:03.08.2020
UDIN:20202693AAAAAZ6435

For V. Jagannadham & Co.,
Chartered Accountants
Ashok Gandhi, B.Com., F.C.A.,
Partner
M.M. No. 202693
F.R.N. : 0012153

ANNEXURE - A

"Annexure A" Referred to in Paragraph (F) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Report on the Internal Financial Controls Under Clauses (i) of Sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the financial controls over financial reporting of M/S.KANDAN MUTUAL BENEFIT SASWATHA NIDHI LIMITED., COMPANY Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone 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 controls over financial reporting criteria established by the company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 (the "Guidance Note") 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, both applicable to an audit of internal Financial Controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require 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 maintained 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 and understanding of internal financial controls over financial reports, 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 risk 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 system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial controls 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 controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) 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 authorisation of management and directors of the company; and (3) provide reasonable assurance regarding Prevention or timely detection of an authorised 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 limitation 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 controls 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 control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal controls over financial reporting criteria established by the company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Chennai,
Date: 03.08.2020
UDIN: 20202693AAAAAZ6435

ANNEXURE - B

**“Annexure B” to the Independent Auditor's Report of even date on the
Standalone Financial Statements of
M/S. KANDAN MUTUAL BENEFIT SASWATHA NIDHI LIMITED**

Re: M/S.KANDAN MUTUAL BENEFIT SASWATHA NIDHI LIMITED. (“the Company”)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets were physically verified by the management during the year and we are informed that no material discrepancies were noticed on such verification.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the company.
- (iii) According to the information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a) and (b) of the Order are not applicable to the company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of fixed assets and for the sale of services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of the seareas.
- (v) The Company has not accepted any deposits from the public. Being a Nidhi Company, the Company accepts deposits only from its Shareholders. The Directives issued by the Reserve Bank of India and orders issued by the Company Law Board has been complied with.
- (vi) To the best of our knowledge and as explained, the central government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the products/Services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, ,service tax, material statutory dues applicable to it.

(b) Service tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they become payable.

- (c) According to the records of the Company, the dues outstanding income-tax, sales-tax, wealth tax, service tax, customs duty excise duty, value added tax, cess on account of any dispute are NIL.
- (d) According to the information and explanations given to us, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions and rule made thereunder are NIL.
- (viii) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial period.
- (ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loan taken by others from bank or financial institutions.
- (xi) The company did not have any term loans outstanding during the year.
- (xii) We report that based on the audit procedures performed and the information and explanations given to us, I report that no fraud by the company or any fraud on the company has been noticed or reported during the year, not have we been informed of such case by the management.
- (vi) Provision of special statute pertaining to Nidhis has been duly complied with:
- a. The ratio of Net-owned funds to deposits is less than 1:20 as on the date of the Balance Sheet.
 - b. The company has complied with the prudential norms on income recognition and provisioning against sub-standard/default/loss assets.
 - c. The company has adequate procedures for appraisal of credit proposals/requests, assessment of credit needs and repayment capacity of the borrowers.
 - d. There payment schedule of various loans granted by the nidhi is conducive to the borrowers.

Place: Chennai,
Date: 03.08.2020
UDIN: 20202693AAAAAZ6435

KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,

Part I - Form of Balance Sheet

Particulars	Note No	31.03.2020	31.03.2019
I Equality and Liabilities			
1. Share Holders Funds			
(a) Share Capital	1	11,94,254.00	11,88,534.00
(b) Reserves & Surplus	2	86,58,863.18	75,31,036.25
2. Share Application money pending allotment		3,150.00	0.00
3. Non Current Liabilities			
(a) Long Term Borrowings	3	16,83,16,050.91	15,58,00,528.80
(b) Other Long Term Liabilities	4	5,59,347.10	3,54,804.67
4. Current Liabilities			
(a) Short Term Borrowings	5	34,65,083.42	29,21,669.48
(b) Other Current Liabilities	6	6,20,811.00	4,39,890.00
(c) Short Term Provisions	7	5,49,446.00	5,77,140.00
Total		18,33,67,005.61	16,88,13,603.20
II ASSETS			
1. Non Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	8	72,80,026.46	57,28,888.76
(b) Non Current investments	9	4,56,81,717.00	4,47,33,685.08
(c) Long Term Loans & Advances	10	12,85,65,231.95	11,52,02,048.50
2. Current Assets			
(a) Cash & Cash Equivalents	11	7,29,021.75	17,11,756.41
(b) Short Term Loans and Advances	12	11,11,008.45	14,37,224.45
(c) Other Current Assets		0.00	0.00
Total		18,33,67,005.61	16,88,13,603.20
Notes	19		

Chennai : 600 007
Dated : 03.08.2020

As Per Our Report Attached
For V. Jagannadham & Co.,
Chartered Accountants
Ashok Gandhi, B.Com., F.C.A.,
Partner
M.M. No. 202693
F.R.N. : 0012153

KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,

Part I - Form of Statement of Profit & Loss

Profit and loss statement for the year ended

Particulars	Note No	31.03.2020	31.03.2019
I Revenue from Operations	13	1,60,83,658.00	1,50,42,073.00
II Other Income	14	44,04,622.92	39,29,275.69
III Total Revenue (I+II)		<u>2,04,88,280.92</u>	<u>1,89,71,348.69</u>
IV Expenses			
Employee Benefits Expenses	15	32,33,169.00	31,43,356.00
Finance Costs	16	1,34,05,858.00	1,29,04,637.02
Depreciation and Amortization expenses		4,66,448.00	4,70,822.00
Other Expenses	17	16,38,777.99	10,17,698.31
Total Expenses		<u>1,87,44,252.99</u>	<u>1,75,36,513.33</u>
V Profit before exceptional and extraordinary items and tax (III - IV)		17,44,027.93	14,34,835.36
VI Exceptional		0.00	0.00
VII Profit before extraordinary items and tax (V - VI)		17,44,027.93	14,34,835.36
VIII Extraordinary Items		0.00	0.00
IX Profit before Tax (VII - VIII)		17,44,027.93	14,34,835.36
X Tax Expenses			
1 Current Tax		3,70,000.00	3,37,000.00
XI Profit for the period from Continuing operations		13,74,027.93	10,97,835.36
XII Earnings per Equity Share			
1 Basic		11.51	9.23

Chennai : 600 007
Dated : 03.08.2020

As Per Our Report Attached
For V. Jagannadham & Co.,
Chartered Accountants
Ashok Gandhi, B.Com., F.C.A.,
Partner
M.M. No. 202693
F.R.N. : 0012153

KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,

Note :	Y.E. 31.03.2020	Y.E.31.03.2019
Details of Share Capital		
Authorised Capital		
Equity Shares		
1,421500 Shares of Rs. 10/- Each	14,25,000.00	14,25,000.00
15% Non Cumulative Redemmmable Preference Shares		
75000 Shares of Re. 1/- each	75,000.00	75,000.00
Total	<u>15,00,000.00</u>	<u>15,00,000.00</u>
1 Issued & Subscribed and Fully Paid Up		
Equity Shares		
122210 Equity Shares Rs. 10/- Each	12,22,100.00	
121800 Equity Shares Rs. 10/- Each		12,18,000.00
Less :- Calls in arrears 3094 Shares @9/- Each	27,864.00	29,466.00
	<u>11,94,254.00</u>	<u>11,88,534.00</u>
2 Details of Reserves & Surplus		
A Profit & Loss Account		
Opening Balance	82,495.52	69,584.16
Profit of the year	17,44,027.93	14,34,835.36
(Total - (a))	<u>18,26,523.45</u>	<u>15,04,419.52</u>
Less:- Appropriations for :-		
Provision for Income Tax	3,70,000.00	3,37,000.00
General Reserve	11,00,000.00	8,00,000.00
Charity Reserve @ 1%	14,000.00	11,540.00
Proposed Dividend - 15% on Equity Shares	1,78,674.00	2,37,052.00
Dividend Tax	48,727.00	36,332.00
(Total - (b))	<u>17,11,401.00</u>	<u>14,21,924.00</u>
Closing Balance (a) - (b) [Total - A]	<u>1,15,122.45</u>	<u>82,495.52</u>
B General Reserve		
Balance as per last B/s	66,03,021.87	58,03,021.87
Add : Appropriations for the year	11,00,000.00	8,00,000.00
Total (B)	<u>77,03,021.87</u>	<u>66,03,021.87</u>
C Reserve For Share Premium		
Total (D)	<u>5,01,390.00</u>	<u>5,01,390.00</u>
D Reserve For Capital Redemption		
Total (E)	<u>3,10,296.00</u>	<u>3,10,296.00</u>
E Charity Reserve		
Opening Balance	33,832.86	34,692.86
Add:- Appropriation for the year	14,000.00	11,540.00
	47,832.86	46,232.86
Less:- Spent during the year	18,800.00	12,400.00
Total (F)	<u>29,032.86</u>	<u>33,832.86</u>
Grand Total (A+B+C+D+E+F)	<u>86,58,863.18</u>	<u>75,31,036.25</u>

KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,

Note :	Y.E. 31.03.2020	Y.E.31.03.2019
3. Details of Long Term Borrowings		
Secured Loans		
Karur Vysya Bank, Chennai - 7	3,14,740.00	0.00
Total (A)	<u>3,14,740.00</u>	<u>0.00</u>
Unsecured Loans		
Fixed Deposits	6,07,78,371.00	5,73,62,722.00
Reinvestment Deposits	98,158,384.00	9,05,35,688.00
Recurring Deposits	2,100,182.00	20,11,060.00
Interest Accrued on Reinvestment Deposit & RD	68,04,123.91	57,29,684.80
Total (B)	<u>16,78,41,060.91</u>	<u>15,56,39,154.80</u>
Others		
Interest accrued On Fixed Deposits	1,60,250.00	1,61,374.00
Total (C)	<u>1,60,250.00</u>	<u>1,61,374.00</u>
Grand Total (A+B+C)	<u>16,83,16,050.91</u>	<u>15,58,00,528.80</u>
4 Details of Other Long Term Liabilities		
Unclaimed Deposits	178,316.00	1,37,921.32
Unclaimed Dividend	116,031.10	1,16,883.35
Rental Advance	265,000.00	1,00,000.00
Total	<u>5,59,347.10</u>	<u>3,54,804.67</u>
5. Details of Short Term Borrowings		
Savings Deposits	34,65,083.42	29,21,669.48
Total	<u>34,65,083.42</u>	<u>29,21,669.48</u>
6. Details of Other Current Liabilities		
Outstanding Expenses	54,000.00	73,858.00
T D S - Payable	5,66,811.00	366,032.00
Total	<u>6,20,811.00</u>	<u>4,39,890.00</u>
7. Details of Short Term Provisions		
a) For Taxation		
Balance as per Last B/s	3,40,088.00	1,90,000.00
Add:- Provision For the year	<u>3,70,000.00</u>	<u>3,37,000.00</u>
	7,10,088.00	5,27,000.00
Less:- Adjusted	<u>3,39,316.00</u>	<u>1,86,912.00</u>
Total (A)	<u>3,70,772.00</u>	<u>3,40,088.00</u>
b) Proposed Dividend	1,78,674.00	2,37,052.00
Total (B)	<u>1,78,674.00</u>	<u>2,37,052.00</u>
Grand Total (A+B)	<u>5,49,446.00</u>	<u>5,77,140.00</u>

Notes 8 Notes - Assets & Depreciation

Depn % WDV	Gross Block			Opening WDV	Depreciation				Closing WDV	
	Opening Cost	Additions During the Year	Sold During the Year		Closing Cost	Operating Dep.	For the year	On Asset sold		Closing Dep.
Furniture & Fittings 25.89	5,75,700.00	0.00	0.00	5,75,700.00	98,112.80	4,77,587.20	25,911.00	0.00	5,03,498.20	72,201.80
Electrical Installation 25.89	2,10,222.00	26,000.00	16,865.00	2,19,357.00	34,790.76	1,75,431.24	10,975.00	13,457.00	1,72,949.24	46,407.76
Plant & Machinery 18.10	7,23,056.81	0.00	0.00	7,23,056.81	2,57,717.70	4,65,339.11	46,788.00	0.00	5,12,127.11	2,10,929.70
Computers 63.16	2,92,597.00	28,451.00	0.00	3,21,048.00	50,036.96	2,42,560.04	35,527.00	0.00	2,78,087.04	42,960.96
Buildings 4.87	71,67,281.65	1,22,973.00	0.00	72,90,254.65	46,38,417.24	25,28,864.41	2,30,506.00	0.00	27,59,370.41	45,30,884.24
Two Wheeler 25.89	64,000.00	0.00	0.00	64,000.00	46,253.00	17,747.00	12,006.00	0.00	29,753.00	34,247.00
Motor Car 31.23	11,23,460.00	19,19,653.00	11,23,460.00	19,19,653.00	1,05,264.30	10,18,195.70	1,04,735.00	10,47,376.70	75,554.00	18,44,099.00
Land 0.00	4,98,296.00	0.00	0.00	4,98,296.00	4,98,296.00	0.00	0.00	0.00	0.00	4,98,296.00
	1,06,54,613.46	20,97,077.00	11,40,325.00	1,16,11,365.46	57,28,888.76	49,25,724.70	4,66,448.00	10,60,833.70	43,31,339.00	72,80,026.46

KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,

Note :	Y.E. 31.03.2020	Y.E.31.03.2019
9 Non Current Investments		
Term Deposits with		
Karur Vysya Bank	4,52,32,679.00	4,40,00,000.00
Interest Accured on Term Deposits	4,49,038.00	7,33,685.08
Total	<u>4,56,81,717.00</u>	<u>4,47,33,685.08</u>
10 Loans on Mortgages, Pledges Etc		
(Loans Considered Good and Fully Secured)		
Jewels	10,40,19,001.00	9,43,28,209.00
House Properties	1,92,46,776.00	1,62,88,230.50
Deposits	9,98,518.00	9,53,108.00
Total (A)	<u>12,42,64,295.00</u>	<u>11,15,69,547.50</u>
Interest Accured on loans of		
Jewels	37,35,901.95	32,67,997.00
House Properties	388,839.00	2,76,837.00
Deposits	1,76,196.00	87,667.00
Total (B)	<u>43,00,936.95</u>	<u>36,32,501.00</u>
Grand Total (A+B)	<u>12,85,65,231.95</u>	<u>11,52,02,048.50</u>
11 Details of Cash and Cash Equivalentents		
a. Cash and Cheques on Hand	6,75,834.90	7,29,570.87
Total (A)	<u>6,75,834.90</u>	<u>7,29,570.87</u>
b. Balances In Current Account with		
Karur Vysya Bank Current A/c	28,638.77	8,15,274.72
IDBI Bank	24,548.08	1,66,910.82
Total (B)	<u>53,186.85</u>	<u>9,82,185.54</u>
Grand Total (A+B)	<u>7,29,021.75</u>	<u>17,11,756.41</u>

KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,

Note : Y.E. 31.03.2020 Y.E.31.03.2019

12. Details of Loans & Advances

(Advances and Deposits Recoverable in cash or kind for the value to be Received and considered good)

Chennai Telephones	7,200.00	7,200.00
Income Tax Refund	1,592.00	1,16,712.00
Electricity Deposits	19,898.00	19,898.00
Court Recoverable	36,000.00	36,000.00
Tax Deducted at Source	3,74,946.00	3,29,349.00
Advance Income Tax	75,000.00	93,600.00
Rent Recoverable	0.00	28,619.00
Staff Advance	5,96,372.45	8,05,846.45
	11,11,008.45	14,37,224.45

Profit & Loss A/c.

13 Interest Income on Deposits & Loan

Jewel	1,31,48,812.00	1,22,37,566.00
House Properties	26,95,959.00	25,17,206.00
Deposits	2,38,887.00	2,87,301.00
Total	1,60,83,668.00	1,50,42,073.00

14 Other Income

ML Administrative Fees	1,14,630.00	86,780.00
Interest on IT Refund	11,407.00	27,886.34
Sale of Pass Books	72,575.00	56,850.00
Notice Charges	1,27,450.00	84,665.00
Misc. Fees	7,643.00	16,391.00
Interest on Bank Deposits	33,08,460.92	31,29,631.00
Apprasier Fees	5,47,676.00	1,86,944.00
Rental Income	2,14,781.00	3,40,128.00
Total	44,04,622.92	39,29,275.69

15 Employee Benefit Expenses

Salaries and Bonus	32,33,169.00	31,43,356.00
Total	32,33,169.00	31,43,356.00

16 Interest Paid on Deposits & Loans

Fixed Deposits	49,76,327.00	47,58,609.00
Reinvestment Deposits	80,66,737.00	77,38,263.00
Recurring Deposits	1,85,200.00	2,06,172.00
Savings Deposits	1,18,356.00	1,24,604.00
Bank Overdraft	59,238.00	76,989.02
Total	1,34,05,858.00	1,29,04,637.02

KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,

Note :	Y.E. 31.03.2020	Y.E.31.03.2019
17 Other Expenses		
Auction Charges & Expenses	19,209.00	16,812.00
Bank Charges	9,758.19	618.74
Books and Periodicals	920.00	4,012.00
Company Secretary Fees	20,000.00	20,900.00
Conveyance	60,513.00	35,838.00
Electricity Charges	1,45,263.00	1,55,455.00
Fees, Rates and Taxes	35,712.00	80,363.00
Filling Fees	36,060.00	11,050.00
Insurance	1,28,026.00	59,892.00
Jewel Loan Loss	4,812.00	26,395.00
Loss on Sale of Assets	7,291.30	0.00
Meeting Expenses	79,633.00	13,346.07
Misc. Expenses	78,999.50	66,971.50
Office Expenses	5,936.00	70,349.00
Other Professional charges	21,260.00	0.00
Postage	22,740.00	18,806.00
Printing and Stationary	63,030.00	55,703.00
Remuneration to Auditors	66,000.00	61,500.00
Repairs and Maintenance	1,88,889.00	1,29,722.00
Service Tax	1,69,992.00	0.00
Sitting Fees to Directors	3,05,000.00	0.00
Software Maintenance	76,319.00	69,720.00
Sub Chamber of Nidhi	5,000.00	5,000.00
Telephone	41,815.00	47,326.00
Vehicle Maintenance	46,600.00	67,919.00
Total	<u>16,38,777.99</u>	<u>10,17,698.31</u>

KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,
Cash Flow Statement 2020

	31.03.2020	31.03.2019
A. Cashflow from operating activities		
Net Profit/(loss) before extra-ordinary items and tax	17,440,27.93	14,34,835.36
Adjustments for:		
Depreciation and amortisation	4,66,448.00	4,70,822.00
(Profit)/Loss on sale/write off of assets	7,291.30	0.00
Finance Costs	59,238.00	76,989.02
Rental Income from Operating leases	-2,14,781.00	-3,40,128.00
Operating Profit/(loss) before working capital changes	3,18,196.30	2,07,683.02
Changes in working capital:		
Adjustment for (increase)/decrease in operating assets:		
Short term loans and advances	2,38,093.00	1,64,819.50
Long term loans and advances	-1,33,63,183.45	-93,59,642.00
Bank deposits not considered as cash equivalents	-9,48,031.92	-18,93,390.00
Other Current assets	0.00	18,740.00
Adjustment for increase/(decrease) in operating liabilities:		
Other Current liabilities	1,80,921.00	-263.00
Other long term liabilities	2,05,394.68	26,953.00
Short term provisions	30,684.00	1,50,088.00
Cash generated from operations	-1,36,56,122.69	1,08,92,694.50
Net income tax (paid)/refunds	-2,81,877.00	-2,47,303.34
Net Cashflow from/(used in) operating activities (A)	-1,18,75,775.46	-94,97,479.46
B. Cashflow from investing activities		
Capital expenditure on fixed assets	-20,97,077.00	-31,737.00
Capital advances	0.00	0.00
Proceeds from sale of fixed assets	72,200.00	0.00
Rental income from operating leases	2,14,781.00	3,40,128.00
Net cashflow from/(used in) investment activities (B)	-18,10,096.00	3,08,391.00
C. Cashflow financing activities		
Proceeds from issue of equity shares	8,870.00	6,700.00
Redemption of Preference Shares	0.00	0.00
Net increase/(decrease) in long term borrowings	1,25,15,522.11	94,74,429.00
Net increase/(decrease) in short term borrowings	5,43,413.94	-10,08,735.10
Finance Cost	-59,238.00	-76,989.02
Charity Paid	-18,800.00	-12,400.00
Dividend Paid (including dividend tax)	-2,86,631.25	-1,80,700.40
Cashflow from extraordinary items	0.00	0.00
Net cashflow from/(used in) financing activities (C)	1,27,03,136.80	82,02,304.48
Net increase/(decrease) in cash & cash equivalents (A+B+C)	-9,82,734.66	-9,86,783.98
Cash and cash equivalents at the beginning of the year	17,11,756.41	26,98,540.39
	<u>7,29,021.75</u>	<u>17,11,756.41</u>
Cash and cash equivalents at the end of the year		
(a) Cash on hand	6,75,834.90	7,29,570.87
(b) Balance with banks		
(i) in current accounts	53,186.85	9,82,185.54
Total	7,29,021.75	17,11,756.41

KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FOR THE YEAR ENDED 31-st March 2020

Background

M/s. KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD ("the Company") was incorporated in the state of Tamil Nadu, India. The Company is a Nidhi Company mainly engaged in the business of accepting deposits, granting of loan on its deposits, jewels and house properties. It deals only with its Share Holders.

SIGNIFICANT ACCOUNTING POLICIES

a) **Basis of preparation of accounts**

The financial statements have been prepared in accordance with the Indian Generally Accepted Accounting Principles ('GAAP') issued by The Institute of Chartered Accountants of India. The Company has prepared these financial statements to comply in all 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 accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

b) **Use of estimates**

The preparation of financial statements in conformity with generally accepted accounting principles 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 the results of operations 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.

c) **Revenue recognition**

Revenue from services is recognised on an accrual basis as per the terms of the contract entered into by the Company.

d) **Fixed assets**

Fixed Assets are stated at cost less accumulated depreciation. 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. Borrowing costs related to the acquisition or construction of qualifying fixed assets for the period up to the completion of their acquisition or construction are capitalised.

e) **Depreciation**

Depreciation on assets is provided on the Written down Value (WDV) method as per the useful lives of the assets as prescribed in Schedule II of Companies Act, 2013, at the following rates:

Description	Rate of depreciation
Building	4.87%
Plant & Machinery	18.10%
Furniture & Fittings	25.89%
Computers	63.16%
Vehicles	31.23%

Depreciable value has been arrived at after considering the 5% of the residual value for furniture fitting, electrical fittings, computers and office equipments. For all other categories of assets, the gross book value has been considered as depreciable value in view of residual value being insignificant.

Depreciation is charged on pro-rata basis on all additions / deletions and on the assets put on use.

f) **Intangible assets and amortisation**

The Company does not have any intangible assets.

g) **Inventories**

The Company is not a trading concern, hence the question of inventory and its valuation does not arise.

h) **Foreign currency transactions and balances**

The Company has no Foreign Currency Transactions.

i) **Retirement and other employee benefits**

i. Provident Fund and Pension

Contribution to provident fund and pension funds are met by the company and there is no recovery from the staff.

ii. Gratuity

No provision for gratuity is made. The same will be payable as and when arises.

j) **Provisions and contingent liabilities**

Provisions are created when reliable estimates can be made of present obligations arising out of past events.

Contingent liabilities are disclosed by way of notes to the financial statements after evaluation by the management of the facts and legal aspects of the issue involved.

KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,

Note :

Y.E. 31.03.2020 Y.E.31.03.2019

Working of Earnings Per Share

Calculation of Net Profit after tax & preference dividend

Net Profit before Tax	17,44,028.00
Less : Provision for Taxation	3,70,000.00
Less : Dividend on Preference Share	13,74,028.00
	0.00
Net Profit after tax - preference dividend (I)	<u>13,74,028.00</u>

Calculation of No of Shares (Fully Paid Up)

Total Paid Up Share Value	11,94,254.00
Less : Calls in Arrears	0.00
	<u>11,94,254.00</u>
Face Value	10.00
Number Of Shares - (II)	1,19,425.40
E P S (in Rs) {I/II}	11.51

Chennai : 600 007
Dated : 03.08.2020

As Per Our Report Attached
For V. Jagannadham & Co.,
Chartered Accountants
Ashok Gandhi, B.Com., F.C.A.,
Partner
M.M. No. 202693 - F.R.N. : 0012153

KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,

10 Years Performance at a Glance (in Lakhs)

CIN : U65992TN1979PLC007717

Particulars	2010 - 2011	2011 - 2012	2012 - 2013	2013 - 2014	2014 - 2015	2015 - 2016	2016 - 2017	2017 - 2018	2018 - 2019	2019-2020
Share Capital	6.23	11.28	11.4	11.52	11.61	11.70	11.76	11.81	11.88	11.94
Reserve & Surplus	29.26	38.69	43.27	50.7	54.86	58.51	61.77	66.84	74.98	86.30
Net Owned Funds	35.49	49.97	54.67	62.2	66.47	70.21	73.53	78.65	86.86	98.24
Deposits	609.72	789.66	1038.31	1087.79	1243.36	1328.16	1359.45	1446.24	1528.31	1645.02
Loans	554.13	693.33	878.15	963.07	1000.59	993.44	1014.08	1035.05	1115.70	1242.64
Gross Fixed Assets	34.5	29	104.27	105.79	107.27	108.38	110.16	106.23	106.54	1116.11
Profit after Tax	7.52	6.52	7.59	8.3	6.26	5.22	4.74	7.15	10.97	13.74
Dividend %	25%	25%	25%	15%	15%	10%	10%	15%	20%	15%

KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD

(Declared as "Nidhi")

Accepts Deposits and Grants Loans on Jewels & House Properties

Registered & Head 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

A "NIDHI" COMPANY WITH FORTY - FIRST YEAR OF TRADITION