



**FORTIETH ANNUAL REPORT**  
*2018 - 2019*

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**  
Miss. **D.T. Monika** (up to 28th May 2019)  
Sri. **G. Sankaran**  
Sri. **C. Venkatesam**  
Sri. **N.Chakravarthy** (from 28th May 2019)

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](mailto:info@kandanfund.com)

## **KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,**

### **Notice to the Share Holders :**

Notice is hereby given that the Fortieth Annual General Meeting of the Share Holders of the “Kandan Mutual Benefit Saswatha Nidhi Limited” will be held on Thursday the 26th September 2019 at 9.00 a.m. at the Regd. Office No.7, Menod Street, Purasawalkam, Chennai-7, to transact the following business:

#### **Agenda**

1. To receive ,consider and adopt Audited financial statements of Accounts for the year ended 31<sup>st</sup> March 2019 including Profit and Loss Accounts for the year ending 31<sup>st</sup> March 2019 and the Report of Directors and Auditors thereon.
2. To Declare a Dividend at 20 % on Equity Shares.
3. To Elect a Director in the place of Shri. D. L. Thulasi Ram (DIN:01009521 ) who retires by rotation and is eligible for re-election.
4. To Elect a Director in the place of Shri. V. Gajapathy (DIN:01009381 ) who retires by rotation and is eligible for re-election.
5. To appoint Auditor and to fix their remuneration :

“RESOLVED that M/s.V.Jagannadham & Co., Chartered Accountants be and are hereby appointed as the Auditors of the Fund, to hold office from the conclusion of this 40<sup>th</sup> Annual General Meeting (AGM) till the conclusion of the next Annual Meeting and to fix his remuneration.”

#### **Special Business-Ordinary Resolution**

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and Articles Of Association of the company, Mr. N. Chakravarthy (holding DIN: 01259596) who was appointed as an Additional Director at the meeting of the Board of Directors of the Company held on 28th May 2019 and who holds office up to the date of ensuing Annual General Meeting of the Company and in respect of whom a notice has been received from the member in writing, under section 160 of the Companies Act, 2013 along with requisite deposit proposing his candidature for the office of director be and is hereby appointed as Director of the Company liable to retire by rotation.”

“RESOLVED FURTHER THAT any one of the Directors of the Company, be and is hereby severally authorized to sign and file such forms or documents as may be required with the Registrar of Companies, Chennai or such other authority as may be required and to do all such acts, deeds, matters and things as may be necessary to give effect to this resolution.”

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **Item No.6**

Mr. N. Chakravarthy (holding DIN: 01259596) who has been appointed as an Additional Director of the Company pursuant to the provision of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company effective from 28th May 2019 holds office upto the date of this Annual General Meeting and is eligible for appointment as a Director. Mr. N. Chakravarthy is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has given his consent to act as Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. N. Chakravarthy as a Director, for the approval by the shareholders of the Company.

Brief profile of Mr. N. Chakravarthy is given below for reference of the member:

Mr. N. Chakravarthy has over 12 years of experience in the field of lending business and other financial services sector. He is a Inspector of Quality Control – Tools in automobiles Industry. He is designated as Tools Inspector in Ashok Leyland for a period of 35 years He is also Director of our Nidhi from Nov 2006 to Nov 2016 and held several key Posts.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. N. Chakravarthy concerned or interested, financial or otherwise, in the resolution.

The Board recommends the resolution set forth in Item no.5 for the approval of the members.

Place: Chennai - 600 007.

Date : 18<sup>th</sup> July 2019.

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

### **Note:**

- ✍ Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, forms part of this Notice.
- ✍ A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Fund.
- ✍ The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
- ✍ The Share Transfer Register will be remain closed from 19th Sep 2019 to 26<sup>th</sup> Sep 2019 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.
- ✍ Shareholders are requested to intimate Fund's office any change in their address.

# **KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,**

## **DIRECTOR'S REPORT**

To the Members

Your Directors have pleasure in submitting their 40<sup>th</sup> Annual Report of the Fund together with the Audited Statements of Accounts for the year ended 31<sup>st</sup> March 2019.

### **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 31<sup>st</sup> March 2019 amounted to Rs.86.86 lakhs as against Rs.78.66 Lakhs in the Previous Year on the same date.

	<b>2018-2019</b>	<b>2017-2018</b>
Profit before Depreciation and Taxation	19,05,658	14,17,878
Less : Depreciation	4,70,822	5,18,775
Provision for Taxation	3,37,000	1,84,425
<b>NET PROFIT</b>	<u>10,97,836</u>	<u>7,14,678</u>
Profit brought forward	69,584	65,135
Appropriation Made of		
General Reserve	8,00,000	5,00,000
Charity Reserve	11,540	7,135
Proposed Dividend	2,37,052	1,76,754
Dividend Tax & Income Tax	<u>36,332</u>	<u>23,894</u>
Balance Carried Over	82,495	<b>69,584</b>

### **2. DIVIDEND**

Your Directors are pleased to recommend a dividend of Rs.2.00 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.2,85,779.00/-

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

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 31<sup>st</sup> March 2019 amounted to Rs.1,585.61 Lakhs as against Rs.1,501.52 Lakhs in the previous year on the same date.

AS on 31<sup>st</sup> March 2019, deposits amounting to Rs.1,37,921/- remained unclaimed on Deposits regarding which the Fund has not received any instruction. No other Deposits remain unpaid.

**a. Loans:** As on 31<sup>st</sup> March 2019 a total sum of Loans outstanding in respect of advances made against security of Gold Jewels, House Properties and Deposits amount to Rs.1115.70 Lakhs as against RS.1025.62 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 INITIATIVE**

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 5<sup>th</sup> 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 12 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 judgments 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 D.L.Thulasi Ram and Shri V.Gajapathy, 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. Jagannadham & co., Chartered Accountants, were appointed as Statutory Auditors of the Nidhi for a period of one year in the Annual General Meeting held on 27<sup>th</sup> Sep 2018. Their Continuance of appointment and payment of remuneration are to be confirmed and approved in the ensuing Annual General Meeting. The Fund 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

C.VENKATESAM

DIRECTOR

Date : 18<sup>th</sup> July 2019

Place: Chennai.



# KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,

## Annexure - I

<b>FORM NO. MGT 9</b>
<b>EXTRACT OF ANNUAL RETURN</b>
<b>as on financial year ended on 31.03.2019</b>
<b>Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management &amp; Administration ) Rules, 2014.</b>

### I REGISTRATION & OTHER DETAILS:

i	CIN	U65992TN1979PLC007717
ii	Registration Date	08/02/1979
iii	Name of the Company	KANDAN MUTUAL BENEFIT SASWATHA NIDHI LIMITED
iv	Category/Sub-category of the Company	PUBLIC LIMITED COMPANY
v	Address of the Registered office & contact details	KANDAN BHAVAN 7 MENOD STREET, PURASAWALKAM
vi	Whether listed company	NO
vii	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
1	Lending on Jewels, Property and Loan on	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				

### 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
	Physical	Total	% of Total Shares	Physical	Total	% of Total Shares	
<b>A. Promoters</b>							
(1) Indian							
a) Individual/HUF	6001	6001	4.95%	6,001	6,001	4.93%	0.03%
b) Central Govt. or State Govt.			0.00%			0.00%	0.00%
c) Bodies Corporates			0.00%			0.00%	0.00%
d) Bank/Fl			0.00%			0.00%	0.00%
e) Any other			0.00%			0.00%	0.00%
<b>SUB TOTAL:(A) (1)</b>	6001	6001	4.95	6,001	6,001	4.93%	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) Banks/Fl			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 Shareholding of Promoter (A)</b>	6001	6001	4.95%	6,001	6,001	4.93%	0

<b>B. PUBLIC SHAREHOLDING</b>							
<b>(1) Institutions</b>							
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.			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) FII/S			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%
<b>SUB TOTAL (B)(1):</b>			0.00%			0.00%	0.00%
<b>(2) Non Institutions</b>							
a) Bodies corporates			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	94,598	94,598	78.11%	94,287	94,287	77.41%	0.70%
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	20,511	20,511	16.94%	21,512	21,512	17.66%	-0.73%
c) Others (specify)							
<b>SUB TOTAL (B)(2):</b>	1,15,109	1,15,109	95.05%	1,15,799	1,15,799	95.07%	-0.03%
<b>Total Public Shareholding (B)</b>	1,15,109	1,15,109	95.05%	1,15,799	1,15,799	95.07%	-0.03%
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>							
<b>Grand Total (A+B+C)</b>	1,21,110	1,21,110	100.00%	1,21,800	1,21,800	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	6001	4.98	0	6001	4.95	0	-0.03%
	<b>Total</b>	6001	4.98		6001	4.95		-0.03%

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

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year				
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)		No change		
	At the end of the year				

## (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters &amp; Holders of GDRs &amp; ADRs)

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 01-04-2017		Cumulative Shareholding at the end of the year 31-03-2018	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	D.L. Thulasi ram	20,511	16.94%	21,514	17.66%
2	Mr. Kalyana Raman R	7,402	6.11%	7,402	6.08%
3	Mr. Venkatesam C	3,404	2.81%	3,404	2.79%
4	Mrs. Prasanna D	9,203	7.60%	10,208	8.38%
6	Mrs. Sujatha C	1,852	1.53%	1,852	1.52%
7	Mrs. Lakshmi Kumari B	1,500	1.24%	1,500	1.23%
8	Mr. Gajapathy V	6,001	4.95%	6,001	4.93%
9	Mrs. Ashokapathy G	2,601	2.15%	2,601	2.14%
10	Mr. N. Chakravarthy	1,851	1.53%	1,851	1.52%
	Mrs. Monika D T	6,613	5.46%	7,116	5.84%

## (v) Shareholding of Directors &amp; KMP

Sl. No	For Each of the Directors & KMP	Shareholding at the beginning of the year 01-04-2016		Cumulative Shareholding at the end of the year 31-03-2017	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Mr. V. Gajapathy	6,001	4.95%	6,001	4.93%
2	Mr. D. L. Thulasiram	20,511	16.94%	21,514	17.66%
3	Mr. Venkatesan C	3,404	2.81%	3,404	2.79%
4	Mr. G. Ashokapathy	2,601	2.15%	2,601	2.14%
6	Mr. Venkata Prasad	1,406	1.16%	1,406	1.15%
7	Miss. D.T. Monika	6,613	5.46%	7,116	5.84%

## V INDEBTEDNESS

1,001                      0.83%                      1,001                      0.82%  
Amount in Lakhs

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount		15,01,51,807.38		15,01,51,807.38
ii) Interest due but not paid				0
iii) Interest accrued but not due			0	0
<b>Total (i+ii+iii)</b>		15,01,51,807.38		15,01,51,807.38
			0	0
<b>Change in Indebtedness during the financial year</b>				
Additions		84,09,016.90		84,09,016.90
Reduction				
<b>Net Change</b>		84,09,016.90		84,09,016.90
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount		15,85,60,824.28		15,85,60,824.28
ii) Interest due but not paid			0	0
iii) Interest accrued but not due			0	0
				0
<b>Total (i+ii+iii)</b>		15,85,60,824.28		15,85,60,824.28

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 in Lakhs
		Thulasiram, Chief Executive	
1	<b>Gross salary</b>		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.		
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961		
	(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 (A)</b>	0	
	<b>Ceiling as per the Act</b>	Ceiling as per the Act @ 11% of profit calculated under Section 198 of the companies Act 2013	

B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Fee for attending board	Total Amount
1	Independent Directors		
	Nil		
	<b>Total (1)</b>		
2	Other Non Executive Directors		
	<b>Mr. V. Gajapathy</b>	0	0
	<b>Mr. C.Venkatesam</b>	0	0
	<b>Mr. Ashokapathy G</b>	0	0
	<b>Mr. Venkata Prasad .J</b>	0	0
	<b>Miss. D.T. Monika</b>	0	0
	<b>Mr. G. Sankaran</b>	0	0
	<b>Mrs. D. Prasanna</b>	0	0
	<b>Mr. D.L. Thulasiram</b>	0	0
	<b>Total (2)</b>		
	<b>Total (B)=(1+2)</b>		
	<b>Total Managerial Remuneration</b>	0	0
	<b>Overall Ceiling as per the Act.</b>	Ceiling as per the Act @ 11% of profit calculated under Section 198 of the companies Act 2013	

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

Sl. No.	Particulars of Remuneration		Key Managerial Personnel			
			CEO	Company Secretary	CFO	Total
1	Gross Salary					
	(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>					

**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					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

# **KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,**

## **V.Jagannatham & Co**

**Chartered Accountants**

### **Independent Auditors' Report on Financial Statements**

**TO THE MEMBERS OF KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of **Kandan Mutual Benefit Saswatha Nidhi Ltd.**, which comprise the Balance Sheet as at 31st March 2019, the statement of Profit and Loss, for the year then ended, and a summary of significant accounting policies other explanatory information.

#### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters in section 134(5) of the companies act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of financial position, 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 Rule 7 of the Companies (Accounts) Rule, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the auditor considers internal control relevant to the company's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion company has in place an adequate internal financial control system over financial reporting and the effectiveness of controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by company's Directors, as well as evaluating the overall presentation of the financial statements.

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and

- a) In the case of the Balance sheet, of the state of affairs of the company as at March 31,2019
- b) In the case of the statement of Profit and Loss, of the profit for the year ended on that date; and

## Report on the other Legal and Regulatory Requirements

As required by the companies (Auditor's Report) Order , 2016 ("the Order") issued central Government of India in terms of sub-section (11) of section 143 of the companies Act , 2013 we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 accounts as required by law have been kept by the company so far as appears from our examination of those books.
- c) The Balance Sheet, the statement of Profit and Loss and Cash flow statements, dealt with by this Report are in agreement with the books of accounts.
- d) In our opinion, the aforesaid 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) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- f) On the basis of written representations received from the directors as on 31 March, 2019, taken on record by the Board Directors, none of the directors is disqualified as on 31 March, 2019 from being appointed as a director in terms of section 164(2) of the Act
- 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) Rule's, 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 did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Place : Chennai  
Date : 18th July 2019

**V.Jagannatham & Co**  
**V. Ashok Gandhi B.Com., F.C.A.,**  
**Chartered Accountants**

## **ANNEXURE - A**

### **ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF KANDAN MUTUAL BENEFIT SASWATHA NIDHI LIMITED**

Report on the Internal Financial Control under clauses (I) 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 LTD as at 31 March 2019 in conjunction with our audit of the stands alone 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 maintain internal financial controls based on "the internal control over financial reporting criteria established by the company considering the essential components of internal control state in the Guidance Note on Audit of Internal Financial control 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 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 Control over financial reporting based on our audit. We conducted our audit on accordance with the Guidance note and the standards on Auditing ("the standards"), issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 materials 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 existed, and testing the 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 materials misstatement of the financial statements, 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 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

1. Pertain to the maintenance of records that, in reasonable details, 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 authorizations of management and directors of the company and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized 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 evolution of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over 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 materials respect, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial control state in the Guidance Note on Audit of Internal Financial controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Date: 18<sup>TH</sup> July 2019

Place: Chennai.

For **V. Jagannadham & Co.**,  
**V. Ashok Gandhi**, B.Com., F.C.A.  
Chartered Accountants

**To the Members of KANDAN MUTUAL BENEFIT SASWATHA NIDHI LIMITED**  
**COMPANY'S (AUDITOR'S REPORT) ORDER 2016**

As required by the companies (Auditor's Report) Order, 2016, issued by the central Government of India in terms of subsection (11) of section 143 of the companies Act, 2013 of India (the 'Act') and on the basis of such checks of the books and records of the company, as we considered appropriate and on the basis of information and explanations given to us during the course audit, we report that in our audit, we report that in our opinion:

**i) IN RESPECT OF ITS FIXED ASSETS:-**

- a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- b) According to the information and explanations given to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner which in our opinion is reasonable, having regard to the size of the company and nature of the assets. No material discrepancies were noticed on such physical verification.

**ii) IN RESPECT OF ITS INVENTORIES:-**

The company is a Nidhi company, Hence the question of inventories does not arise.

**iii) The company as not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties as listed in the registered maintain under section 189 of the companies act 2013.**

- a) Since the company as not granted any loans, the question of the terms and condition of the grant of such loans or not prejudicial to the companies in trust does not arise.
- b) Since the company as not granted any loans, the question of the schedule of the repayment of principal and payment of interest has been stipulated and whether the repayment or receipts are regular does not arise.
- c) Since the company as not granted any loans, the question of the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principle and interest does not arise.

**iv) The company has not given any loans, not made any investment, not given any grantee and not provided any security during the financial year. Hence compliance of the provision of section 185 & 186 of the companies act, 2013 does not arise.**

**v) Then company being a Nidhi company accepts deposits from only from shareholders. The directors issued by the reserve bank of India and the orders passed by company law board have been complied with.**

**vi) The central government as not prescribed maintenance of cost records under section 148(1) of the companies act, 2013 in respect of manufacturing activities of the company. Hence commence on the above were not applicable.**

**vii) a) According to the information and explanation given to us, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and any other statutory dues to the appropriate authorities. There is no outstanding as on 31<sup>st</sup> march, 2017 for the above amount due for a period of more than six months from the date of becoming payable.**

- b) There are not dues on account of any dispute in case due of income-tax or sales-tax or service tax or duty of customs or duty of excise or value added tax as on 31.03.2017. Hence on the same does not arises.
- c) The company is not required to transfer any amount to investor education and protection fund in accordance with the relevant provisions of the companies Act, 1956(1 of 1956) and rules made there under. Hence comments on the above were not applicable.
- viii) The company has not defaulted in repayment of loans or borrowing to a financial institution, bank, government, or dues debentures holders. Hence the question of reporting on the same does not arise.
- ix) The company transacts only with its shareholders. The company accepts deposits, grants loans on deposits, jewellery and properties.
- x) No fraud by the company or any fraud on the company by it as officers or employees has been noticed or reported during the year. Hence reporting on the same does not arise.
- xi) Managerial remuneration has been paid or provided in accordance with the requesting approvals mandated by the provisions of section 197 read with schedule v to the companies Act 2013.
- xii) The company is a Nidhi company. The company has complied with the net owned funds to deposits in the ratio of 1:20 to meet out the liability and company is maintaining ten per cent unencumbered term deposits as specified in the Nidhi Rules, 201 to meet out the liability.
- xiii) All transactions with the related parties are in compliance with section 177 and 188 of companies act, 2013 where applicable and the details have been disclosed in the financial statements etc. As required by the applicable accounting standards.
- xiv) The company has not made any preferential allotment or probate placement of shares of fully or partly convertible debentures during the year under review. Hence as to whether the requirement of section 42 of the companies Act, 2013 have been complied with and the amount raised have been used for the purpose for which the funds were raised, does not arise.
- xv) The company has not entered into any non-cash transactions with directors or persons connected with him. Hence the question of provisions of section 192 of companies act, 2013 complied or not, does not arise.
- xiv) The company is not required to be registered u/s, 45-1A of the reserve bank of India Act, 1934. Hence the question of registration has been obtained, does not arise.

Date:18<sup>TH</sup> July 2019

Place: Chennai.

For **V. Jagannadham & Co.,**  
**V. Ashok Gandhi,** B.Com., F.C.A.  
Chartered Accountants

# KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,

## Part I - Form of Balance Sheet

Balance Sheet as at	Note No	31.03.2019	31.03.2018
Particulars			
<b>EQUITY AND LIABILITIES</b>			
LIABILITIES			
<b>(I) 1 Share Holders Funds</b>			
(a) Share Capital	1	11,88,534.00	11,81,634.00
(b) Reserves & Surplus	2	75,31,036.25	67,18,984.89
<b>2 Share Application money pending allotment</b>		0.00	200.00
<b>3 Non Current Liabilities</b>			
(a) Long Term Borrowings	3	15,58,00,528.80	14,63,26,099.80
(b) Other Long Term Liabilities	4	3,54,804.67	2,95,466.07
<b>4 Current Liabilities</b>			
(a) Short Term Borrowings	5	29,21,669.48	39,30,404.58
(b) Other Current Liabilities	6	4,39,890.00	4,40,153.00
(c) Short Term Provisions	7	5,77,140.00	3,66,754.00
<b>TOTAL</b>		<b><u>16,88,13,603.20</u></b>	<b><u>15,92,59,696.34</u></b>
ASSETS			
<b>(I) 1 Non Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	8	57,28,888.76	61,67,973.76
(b) Non Current Investments	9	4,47,33,685.08	4,28,40,295.08
(c) Long Term Loans & Advances	10	11,52,02,048.50	10,58,42,406.50
<b>2 Current Assets</b>			
(a) Cash & Cash Equivalents	11	17,11,756.41	26,98,540.39
(b) Short Term Loans and Advances	12	14,37,224.45	16,91,740.61
(c) Other Current Assets	13	0.00	18,740.00
<b>TOTAL</b>		<b><u>16,88,13,603.20</u></b>	<b><u>15,92,59,696.34</u></b>
Notes	19		

As per our Report attached  
**for V. Jagannadham & Co.,**  
Chartered Accountants

**Mr. Ashok Gandhi .V**  
Partner

**V. GAJAPATHY**

**C. VENKATESAM**

Chennai - 600 007  
Date : 18th July 2019

**Directors**

# KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,

## Part I - Form of Statement of Profit & Loss

### Profit and loss statement for the year ended 31st March 2019

Particulars	Note No	31.03.2019	31.03.2018
I Revenue from Operations	14	1,50,42,073.00	1,48,87,481.89
II Other Income	15	39,29,275.69	34,32,590.15
III Total Revenue (I + II)		<u>1,89,71,348.69</u>	<u>1,83,20,072.04</u>
IV Expenses			
Employee Benefits Expenses	16	31,43,356.00	26,99,022.00
Finance Costs	17	1,29,04,637.02	1,27,63,596.28
Depreciation and Amortization expenses		4,70,822.00	5,18,775.00
Other Expenses	18	10,17,698.31	14,39,575.32
Total Expenses		<u>1,75,36,513.33</u>	<u>1,74,20,968.60</u>
V Profit before exceptional and extraordinary items and tax (III - IV)		14,34,835.36	8,99,103.44
VI Exceptional Items		0.00	0.00
VII Profit before extraordinary items and tax (V - VI)		14,34,835.36	8,99,103.44
VIII Extraordinary Items			0.00
IX Profit before Tax (VII - VIII)		14,34,835.36	8,99,103.44
X Tax Expenses			
1 Current Tax		3,37,000.00	1,84,425.60
XI Profit for the period from Continuing operations		10,97,835.36	7,14,677.84
XII Earnings per Equity Share			
1 Basic		9.24	6.05

As per our Report attached  
**for V. Jagannadham & Co.,**  
Chartered Accountants

**Mr. Ashok Gandhi .V**  
Partner

**V. GAJAPATHY**

**C. VENKATESAM**

**Directors**

Chennai - 600 007  
Date : 18th July 2019

## KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,

NOTE :

	Y.E. 31.03.2019	Y.E. 31.03.2018
<b>Details of Share Capital</b>		
<b>Authorised Capital</b>		
<b>Equity Shares</b>		
<b>1,42,500 Shares of Rs.10/- Each</b>	14,25,000.00	14,25,000.00
15 % Non Cumulative Redemmmable Preference Shares		
75000 shares of Rs.1/- each	75,000.00	75,000.00
<b>Total</b>	<b><u>15,00,000.00</u></b>	<b><u>15,00,000.00</u></b>
 <b>1 Issued &amp; Subscribed and Fully Paid Up</b>		
Equity Shares		
1,21,800 Shares of Rs.10/- Each	12,18,100.00	
1,21,110 Shares of Rs.10/- Each		12,11,100.00
Less: Calls in Arrears 3274 Shares Rs.9/- each	29,466.00	29,466.00
<b>Total ( A )</b>	<b><u>11,88,534.00</u></b>	<b><u>11,81,634.00</u></b>
 <b>2 Details of Reserves &amp; Surplus</b>		
A. Profit & Loss Account		
Opening Balance	69,584.16	65,135.32
Add :- Profit of the year	14,34,835.36	8,99,103.44
(Total - (a))	<b><u>15,04,419.52</u></b>	<b><u>9,64,238.76</u></b>
ii Appropriations for:-		
Provision for Income Tax for CY	3,37,000.00	1,84,425.60
General Reserve	8,00,000.00	5,00,000.00
Capital Redemption Reserve	0.00	2,446.00
Charity Reserve @ 1%	11,540.00	7,135.00
Proposed Dividend :- 20% on Equity Shares	2,37,052.00	1,76,754.00
Dividend Tax	36,332.00	23,894.00
(Total - (b))	<b><u>14,21,924.00</u></b>	<b><u>8,94,654.60</u></b>
<b>Closing Balance (a) - (b) [TOTAL - A]</b>	<b><u>82,495.52</u></b>	<b><u>69,584.16</u></b>
B General Reserve		
Balance as per last B/s	58,03,021.87	53,03,021.87
Add :- Appropriations for the year	8,00,000.00	5,00,000.00
<b>Total ( B )</b>	<b><u>66,03,021.87</u></b>	<b><u>58,03,021.87</u></b>
 C. Reserve For Share Premium	5,01,390.00	5,01,390.00
<b>Total ( D )</b>	<b><u>5,01,390.00</u></b>	<b><u>5,01,390.00</u></b>

## **KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,**

NOTE :

	31.03.2019	31.03.2018
D. Reserve For Capital Redemption		
Balance as per Last B/s	3,10,296.00	3,07,850.00
Add: Appropriations for the year	0.00	2,446.00
<b>Total ( E )</b>	<b><u>3,10,296.00</u></b>	<b><u>3,10,296.00</u></b>
E. Charity Reserve		
Opening Balance	34,692.86	33,558.86
Add: Appropriation for the year	11,540.00	7,135.00
	<b><u>46,232.86</u></b>	<b><u>40,693.86</u></b>
Less: Spent During The Year	12,400.00	6,001.00
<b>Total ( F )</b>	<b><u>33,832.86</u></b>	<b><u>34,692.86</u></b>
<b>Grand Total ( A+B+C+D+E+F )</b>	<b><u>75,31,036.25</u></b>	<b><u>67,18,984.89</u></b>
<b>3 Details of Long Term Borrowings</b>		
Secured Loans Karur Vysya Bank, Chennai - 7	0.00	0.00
<b>Total ( A )</b>	<b><u>0.00</u></b>	<b><u>0.00</u></b>
Unsecured Loans		
Fixed Deposits	5,73,62,722.00	5,48,10,840.00
Reinvestment Deposits	9,05,35,688.00	8,19,49,153.00
Recurring Deposits	20,11,060.00	39,33,735.00
Interest Accured on Reinvestment & RD	57,29,684.80	55,27,674.80
<b>Total ( B )</b>	<b><u>15,56,39,154.80</u></b>	<b><u>14,62,21,402.80</u></b>
Others		
Interest On Fixed Deposits	1,61,374.00	1,04,697.00
<b>Total ( C )</b>	<b><u>1,61,374.00</u></b>	<b><u>1,04,697.00</u></b>
<b>Grand Total ( A + B + C )</b>	<b><u>15,58,00,528.80</u></b>	<b><u>14,63,26,099.80</u></b>
<b>4 Details of Other Long Term Liabilities</b>		
Unclaimed Accounts	1,37,921.32	56,968.32
Unclaimed Dividend	1,16,883.35	84,497.75
Rental Advance	1,00,000.00	1,54,000.00
<b>Total</b>	<b><u>3,54,804.67</u></b>	<b><u>2,95,466.07</u></b>

## **KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,**

NOTE :	31.03.2019	31.03.2018
5 Details of Short Term Borrowings		
Savings Deposits	29,21,699.48	39,30,404.58
	<u>29,21,699.48</u>	<u>39,30,404.58</u>
6 Details of Other Current Liabilities		
Sale Proceeds of jewel Loans	0.00	28,499.00
Outstanding Expenses	73,858.00	64,160.00
T D S - Payable	3,66,032.00	3,47,494.00
<b>Total</b>	<u><b>4,39,890.00</b></u>	<u><b>4,40,153.00</b></u>
7 Details of Short Term Provisions		
a. For Taxation		
Balance as per Last B/s	1,90,000.00	1,36,156.00
Add:- Provision For The Year	3,37,000.00	1,84,425.60
	<u>5,27,000.00</u>	<u>3,20,581.60</u>
<b>Less:- Adjusted</b>	1,86,912.00	1,30,581.60
<b>Total(A)</b>	<u><b>3,40,088.00</b></u>	<u><b>1,90,000.00</b></u>
b. Proposed Dividend	2,37,052.00	1,76,754.00
<b>Total(B)</b>	<u><b>2,37,052.00</b></u>	<u><b>1,76,754.00</b></u>
<b>Grand Total (A + B)</b>	<u><b>5,77,140.00</b></u>	<u><b>3,66,754.00</b></u>



## 8. Tangible Assets

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	On Asset sold	Closing Dep.	
Electrical Installation	2,10,222.00	0.00	0.00	2,10,222.00	46,944.76	1,63,277.24	12,154.00	0.00	1,75,431.24	34,790.76
Plant & Machinery	7,04,244.81	18,812.00	0.00	7,23,056.81	2,91,761.70	4,12,483.11	52,856.00	0.00	4,65,339.11	2,57,717.70
Computers	2,79,672.00	12,925.00	0.00	2,92,597.00	1,07,232.96	1,72,439.04	70,121.00	0.00	2,42,560.04	50,036.96
Buildings	71,67,281.65	0.00	0.00	71,67,281.65	48,75,872.24	22,91,409.41	2,37,455.00	0.00	25,28,864.41	46,38,417.24
Two Wheeler	64,000.00	0.00	0.00	64,000.00	62,411.00	1,589.00	16,158.00	0.00	17,747.00	46,253.00
Motor Car	11,23,460.00	0.00	0.00	11,23,460.00	1,53,067.30	9,70,392.70	47,803.00	0.00	10,18,195.70	1,05,264.30
Land	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
	<b>1,06,22,876.46</b>	<b>31,737.00</b>	<b>0.00</b>	<b>1,06,54,613.46</b>	<b>61,67,973.76</b>	<b>44,54,902.70</b>	<b>4,70,822.00</b>	<b>0.00</b>	<b>49,25,724.70</b>	<b>57,28,888.76</b>

## **KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,**

	31.03.2019	31.03.2018
<b>9 Non Current Investment</b>		
Term Deposits with		
Karur Vysya Bank	4,40,000,00.00	3,70,000,00.00
City Union Bank	0.00	55,00,000.00
IDBI Bank	0.00	0.00
Interest Accured on Term Deposit	7,33,685.08	3,40,295.08
<b>Total</b>	<b><u>4,47,33,685.08</u></b>	<b><u>4,28,40,295.08</u></b>
<b>10 Loan on Mortgages, Pledges Etc</b>		
(loans Considered Good and fully secured)		
Jewels	9,43,28,209.00	8,87,73,636.00
House Properties	1,62,88,230.50	1,28,43,175.50
Deposits	9,53,108.00	9,45,157.00
<b>Total (A)</b>	<b><u>11,15,69,547.50</u></b>	<b><u>10,25,61,968.50</u></b>
Interest Accured on loans of		
Jewels	32,67,997.00	31,14,889.00
House Properties	2,76,837.00	1,19,177.00
Deposits	87,667.00	46,372.00
<b>Total B</b>	<b><u>36,32,501.00</u></b>	<b><u>32,80,438.00</u></b>
<b>Grand Total (A + B)</b>	<b><u>11,52,02,048.50</u></b>	<b><u>10,58,42,406.50</u></b>
<b>11 Details of Cash and Cash Equivalents</b>		
a. Cash And Cheques on Hand	7,29,570.87	7,90,189.49
<b>Total (A)</b>	<b><u>7,29,570.87</u></b>	<b><u>7,90,189.49</u></b>
b. Balances in Current Account with		
Karur Vysya Bank	8,15,274.72	16,77,321.26
Karur Vysya Bank Current A/c	1,66,910.82	53,163.22
IDBI Bank	0.00	1,77,866.42
City Union Bank	9,82,185.54	19,08,350.90
<b>Total (B)</b>	<b><u>9,82,185.54</u></b>	<b><u>19,08,350.90</u></b>
<b>Grand Total (A + B)</b>	<b><u>17,11,756.41</u></b>	<b><u>26,98,540.39</u></b>
<b>12 Details of Loans &amp; Advances</b>		
<b>(Advances And Deposits Recoverable in cash or kind for the value to be received and considered good)</b>		
Chennai Telephones	7,200.00	7,200.00
Advance software Development	0.00	0.00
Income Tax Refund	1,16,712.00	3,27,325.66
Electricity Deposit	19,898.00	19,898.00
Jewel Loan Recoverable	36,000.00	43,764.00
Tax Deducted at Source	3,29,349.00	3,02,032.00
Advance Income Tax	93,600.00	0.00
Rent Recoverable	28,619.00	47,974.50
Staff Advance	8,05,846.45	9,43,546.45
<b>Total</b>	<b><u>14,37,224.45</u></b>	<b><u>16,91,740.61</u></b>
<b>13 Details of Other Current Assets</b>		
Stock of Stationary	0.00	18,740.00
<b>Total</b>	<b><u>0.00</u></b>	<b><u>18,740.00</u></b>

# KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,

## PROFIT & LOSS A/C

	31.03.2019	31.03.2018
<b>14 Interest Income on Deposits &amp; Loans</b>		
Jewels	1,22,37,566.00	1,26,63,915.93
House Properties	25,17,206.00	20,44,835.00
Deposits	2,87,301.00	1,78,730.96
<b>Total</b>	<b><u>1,50,42,073.00</u></b>	<b><u>1,48,87,481.89</u></b>
<b>15 Other Income</b>		
ML Administrative Fees	86,780.00	61,805.00
Interest on IT Refund	27,886.34	12,711.87
Sales of Pass Book	56,850.00	55,425.00
Notice Charges	84,665.00	64,925.00
Misc.Fees	16,391.35	269.00
Interest on Bank Deposits	31,29,631.00	27,03,764.65
Apprasier Fees	1,86,944.00	1,50,565.00
Profit on sale of Assets	0.00	2,999.13
Rental Income	3,40,128.00	3,80,125.50
<b>Total</b>	<b><u>39,29,275.69</u></b>	<b><u>34,32,590.15</u></b>
<b>16 Employee Benefit Expenses</b>		
Salaries And Bonus	31,43,356.00	26,99,022.00
<b>Total</b>	<b><u>31,43,356.00</u></b>	<b><u>26,99,022.00</u></b>
<b>17 Interest Paid On Deposits &amp; Loans</b>		
Fixed Deposits	47,58,609.00	49,04,290.00
Reinvestment Deposits	77,38,263.00	71,22,438.66
Recurring Deposit	2,06,172.00	4,95,574.50
Savings Deposits	1,24,604.00	1,77,707.47
Bank Overdraft	76,989.02	63,585.65
<b>Total</b>	<b><u>1,29,04,637.02</u></b>	<b><u>1,27,63,596.28</u></b>
<b>NOTE :</b>		
<b>18 Other Expenses</b>		
Fees,Rates And Taxes	80,363.00	44,628.00
Printing And Stationary	55,703.00	2,43,968.00
Sub Chamber of Nidhi	5,000.00	15,000.00
Postage	18,806.00	22,014.80
Telephone	47,326.00	51,680.00
Conveyance	35,838.00	27,360.00
Electricity Charges	1,55,455.00	1,37,398.00
Remuneration To Auditors	61,500.00	62,500.00
Software	69,720.00	2,97,594.00
Insurance	59,892.00	72,460.00
Office Expenses	70,349.00	64,885.00
Meeting Expenses	13,346.07	30,833.00
Sitting Fees To Directors	0.00	62,500.00
Filing Fees	11,050.00	6,200.00
Company Secretary Fees	20,900.00	21,300.00
Books And Periodicals	4,012.00	2,050.00
Misc.Expenses	66,971.50	68,214.83
Bank Charges	618.74	6,848.69
Repairs And Maintenance	1,29,722.00	1,17,112.00
Auction Charges & Expenses	16,812.00	15,172.00
Loss on Sale	26,395.00	0.00
Vechile Maintenance	67,919.00	50,080.00
Service Tax	0.00	19,777.00
<b>Total</b>	<b><u>10,17,698.31</u></b>	<b><u>14,39,575.32</u></b>

# KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,

## Cash Flow Statement 2019

	31.03.2019	31.03.2018
<b>A. Cash flow from operating activities</b>		
Net profit/(loss) before extra-ordinary items and tax	14,34,835.36	8,99,103.44
Adjustments for:		
Depreciation and amortisation	4,70822.00	5,18,775.00
(Profit) /Loss on sale /write off of assets	-	-
Finance Costs	76,989.02	63,585.65
Rental Income from operating leases	(3,40,128.00)	(3,80,125.50)
<b>Operating profit / (loss) before working capital changes</b>	<b>2,07,683.02</b>	<b>2,02,235.15</b>
Changes in working capital:		
Adjustment for (increase) / decrease in operating assets:		
Short term loans and advances	(1,64,819.50)	(1,11,904.50)
Long term loans and advances	(93,59,642.00)	(22,37,396.62)
Bank deposits not considered as cash equivalents	(18,93,390.00)	(25,59,357.65)
Other current assets	18,740.00	1,75,000.00
Adjustment for increase / (decrease) in operating liabilities:		
Other current liabilities	(263.00)	(33,044.00)
Other long term liabilities	26,953.00	(63,686.00)
Short term provisions	1,50,088.00	53,844.00
<b>Cash generated from operations</b>	<b>(1,08,92,694.50)</b>	<b>(47,76,544.77)</b>
Net income tax (paid) / refunds	(2,47,303.34)	(3,60,097.56)
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>(94,97,479.46)</b>	<b>(40,35,303.74)</b>
<b>B. Cash flow from investing activities</b>		
Capital expenditure on fixed assets including capital advances	(31,737.00)	(2,12,070.00)
Proceeds from sale of fixed assets	-	1,92,134.00
Rental income from operating leases	3,40,128.00	3,80,125.50
<b>Net cash flow from/ (used in) investment activities (B)</b>	<b>3,08,391.00</b>	<b>3,73,041.50</b>
<b>C. Cash flow financing activities</b>		
Proceeds from issue of equity shares	6,700.00	6,100.00
Redemption of Preference Shares	-	(2,446.00)
Net increase/(decrease) in long term borrowings	94,74,429.00	37,82,677.66
Net increase/(decrease) in short term borrowings	(10,08,735.10)	13,01,047.68
Finance Cost	(76,989.02)	(63,585.65)
Charity paid	(12,400.00)	(6,001.00)
Dividend paid (including dividend tax)	(1,80,700.40)	(1,41,875.65)
<b>Cash flow from extraordinary items</b>	<b>82,02,304.48</b>	<b>48,75,917.04</b>
<b>Net cash flow from/(used in) financing activities (C)</b>		
<b>Net increase/(decrease) in cash &amp; cash equivalents (A+B+C)</b>	<b>(9,86,783.98)</b>	<b>12,13,654.80</b>
Cash and cash equivalents at the beginning of the year	26,98,540.39	14,84,885.59
<b>Cash and cash equivalents at the end of the year</b>	<b>17,11,756.41</b>	<b>26,98,540.39</b>
(a) Cash on hand	7,29,570.87	7,90,189.49
( b ) Balances with banks		
(i) in current accounts	9,82,185.54	19,08,350.90
<b>Total</b>	<b>17,11,756.41</b>	<b>26,98,540.39</b>

# **KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,**

## **SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2019**

### **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:

<b>Description</b>	<b>Rate of depreciation</b>
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.  
A sum of Rs. 1,83,276/- is paid to Mrs. Kalpana. D as gratuity during the year.

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.

k) **Earnings per share**

Basic "Earnings Per Share" ('EPS') is computed by dividing net profit after tax for the year by the weighted average number of equity shares outstanding during the year.

Net Profit before tax	14,34,835.00
Less Provision for taxation	<u>3,37,000.60</u>
	10,97,835.00
Less Dividend on Preference share	-
Net Profit after tax & Preference dividend (I)	<u>10,97,835.00</u>
Total paid up share value	11,88,534.00
Less Calls in Arrears	-
	<u>11,88,534.00</u>
Face Value	10.00
Number of Shares (II)	1,18,853.40
(Weighted average number of equity shares)	9.24
Basic earning per share	

l) **Taxes on income**

Provision is made for income tax annually, based on the tax liability computed after considering tax allowances and exemptions.

2. **Related party transactions**

The Company deals only with its Share Holders.

3. The previous year figures have been re-grouped wherever necessary to confirm to the current year classification.

**Signatures to significant accounting policies and notes to accounts**

As per our Report attached

As per our Report attached  
**for V. Jagannadham & Co.,**  
Chartered Accountants

**Mr. Ashok Gandhi .V**  
Partner

**V. GAJAPATHY**

**C. VENKATESAM**

**Directors**

Chennai - 600 007  
18th July 2019

**V.Jagannatham & Co**  
**V. Ashok Gandhi B.Com., F.C.A.,**  
Chartered Accountants

## **KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,**

CIN: U65992TN1979PLC007717

"Regd Office "No.7, Menod Street, Purasawalkam, Chennai -7.

### **PROXY FORM**

Name of the Member(s) :	E-mail Id :
	No. of shares held
Registered Address :	Folio No.

I/We being the member(s) of the above named Company hereby appoint :

S. No.	Name	Address	Email address	
1				or failing
him				
2				or failing

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 40<sup>th</sup> Annual General Meeting of the Company to be held on Thursday, the 26th day of September 2019 at 9.00 A.M at the

\*\* I wish my above Proxy to vote in the manner as indicated in the box below:

S. No.	Resolution	For	Against
1			
2			
3			
4			
5			
6			



\*\* It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be

Signed this ..... day of..... 2019

Signature of shareholder.....

Signature of Proxy holder(s) (1).....

Signature of Proxy holder(s) (2).....

Signature of Proxy holder(s) (3).....

Affix Revenue Stamp not less than Re.1/-
--

**Notes:**

1. 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.
2. A Proxy need not be a member of the company.
3. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
4. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 40<sup>th</sup> Annual General Meeting.
5. Please complete all details including details of member(s) in above box before submission.

# KANDAN MUTUAL BENEFIT SASWATHA NIDHI LTD.,

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

CIN : U65992TN1979PLC007717

Particulars	2009 - 2010	2010 - 2011	2011 - 2012	2012 - 2013	2013 - 2014	2014 - 2015	2015 - 2016	2016 - 2017	2017 - 2018	2018-2019
Share Capital	6.12	6.23	11.28	11.4	11.52	11.61	11.70	11.76	11.81	11.88
Reserve & Surplus	23.26	29.26	38.69	43.27	50.7	54.86	58.51	61.77	66.84	74.98
Net Owned Funds	29.38	35.49	49.97	54.67	62.2	66.47	70.21	73.53	78.65	86.86
Deposits	531.62	609.72	789.66	1038.31	1087.79	1243.36	1328.16	1359.45	1446.24	1528.31
Loans	446.57	554.13	693.33	878.15	963.07	1000.59	993.44	1014.08	1035.05	1123.74
Gross Fixed Assets	37.43	34.5	29	104.27	105.79	107.27	108.38	110.16	106.23	106.54
Profit after Tax	4.23	7.52	6.52	7.59	8.3	6.26	5.22	4.74	7.15	10.97
Dividend %	12%	25%	25%	25%	15%	15%	10%	10%	15%	20%

# **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 YEARS OF TRADITION**