



118th Annual Report

2021 - 2022



KUMBAKONAM MUTUAL BENEFIT FUND NIDHI LIMITED

Regd. Office : 145, Big Street, Kumbakonam - 612 001.

CIN : U65991TN 1903 PLN 001246. Ph : 0435 - 2401548

Fax : 0435 - 2431682 Website : www.kmbf.co e-mail : kmbf@kmbf.co

ஸ்தாபிதம் : 1903



GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

Registrar of companies, Chennai
Block No. 6, B' Wing, 2nd Floor Shastri Bhawan 26, Chennai, Tamil Nadu, India, 600034

Corporate Identity Number: U65991TN1903PLN001246

SECTION 406(1) OF THE COMPANIES ACT, 2013

Certificate pursuant to declaration of Nidhi

Given under my hand at Chennai this Nineteenth day of May Two thousand twenty-two

DS MINISTRY OF
CORPORATE
AFFAIRS 15

Deepak Persoya

Registrar of Companies
Registrar of companies, Chennai

Mailing Address as per record available in Registrar of Companies office:
KUMBAKONAM MUTUAL BENEFIT FUND NIDHI
145,BIG STREET, KUMBAKONAM, THANJAVUR DISTT, Tamil Nadu, India, 612001

1903-ஆம் ஆண்டு துவங்கப்பட்ட நமது கும்பகோணம் பரஸ்பர ஸகாய நிதி லிமிடெட் நிறுவனம் கம்பெனிகள் சட்டம் 1956, பிரிவு 620-A ன்படி "நிதி" என்ற அங்கீகாரத்துடன் செயல்பட்டு வந்தது. திருத்தப்பட்ட கம்பெனிகள் சட்டம் 2013, பிரிவு 406(1)-ன்படி மத்திய அரசின் அனைத்து சட்ட திட்டங்களையும் முறையாகப் பின்பற்றி **NDH-4** படிவம் சமர்ப்பித்து கம்பெனிகள் விவகாரத்துறை அமைச்சகத்தின்

அறிவிப்பின்படி "நிதி" என்ற அங்கீகாரத்தை தமிழ்நாட்டில் பெற்ற முதல் நிதி நிறுவனம் நமது

"KUMBAKONAM MUTUAL BENEFIT FUND NIDHI LIMITED"

என்பதை மகிழ்ச்சியுடன் தெரிவித்துக்கொள்கிறோம்.

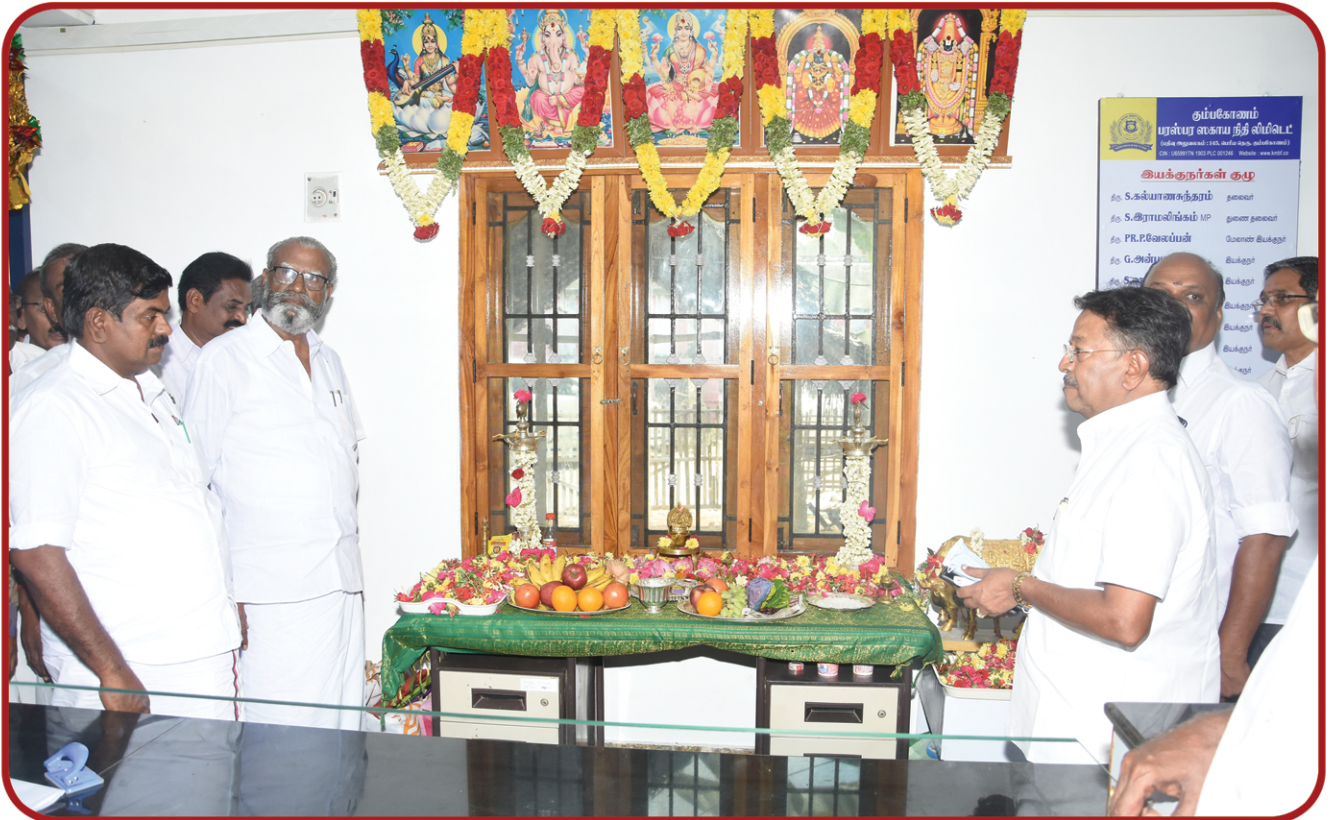
117 - வது ஆண்டு பேரவைக் கூட்டம் - 08.11.2021



கும்பகோணம் கிளை இடமாற்றம்



திருக்காட்டுப்பள்ளி கிளை இடமாற்றம்





KUMBAKONAM MUTUAL BENEFIT FUND NIDHI LIMITED

Regd. Office : 145, Big Street, Kumbakonam - 612 001.

FOUNDER PRESIDENT



RAO BAHADHUR N. KRISHNASWAMI IYENGAR B.A., B.L.,

BOARD OF DIRECTORS



Thiru. **S. Kalyanasundaram** MP
Chairman



Thiru. **S. Ramalingam** B.A., MP., Vice Chairman



Thiru. **P.R. Velappan** B.A.,
Managing Director



Dr. **G. Anbalagan** MLA.,
Director



Thiru. **S. Hariharan** B.Com., FCA.,
Director



Thiru. **B. Prakasam** B.Com.,
Director



Thiru. **G. Durairaj**
Director



Thirumathi. **E. Ambika**
Director



Thiru. **M. Guru Prasanth** B.E., Mech.,
Director

Executives

Thiru.R.Padmanabhan
Senior General Manager

Thiru.R.Subash
General Manager

Thiru.B.Chakrapani
Deputy General Manager &
Chief Financial Officer

Thiru.S.Gopalakrishnan
Assistant General Manager

Thiru.G.Sutharsan
Regional Manager

Thiru.R.Radhakrishnakumar
Regional Manager

Thiru.K.Swaminaathan
Regional Manager

Statutory Auditors

M/s.DPV & Associates
Chartered Accountants
(F.R.No. 011688S)
UDIN : 22218791AQCUOK2869
Chennai - 600 017.

M/s.Ganesh Venkat & Co.,
Chartered Accountants
(F.R.No.005293S)
UDIN : 22029647AQCUOU8603
Chennai - 600 023.

M/s.G.Giridharan & Co.,
Chartered Accountants
(F.R.No.009362S)
UDIN : 22209405AQCUW8077
Kumbakonam - 612 001.

Secretarial Auditor

M/s. P.Sriram & Associates
(C.P.No.3310)
UDIN : F004862D000840281
Chennai - 600 028.

Company Secretary

Ms. Neha Sancheti
Company Secretary
M.No. A65976
Chennai- 600 028.

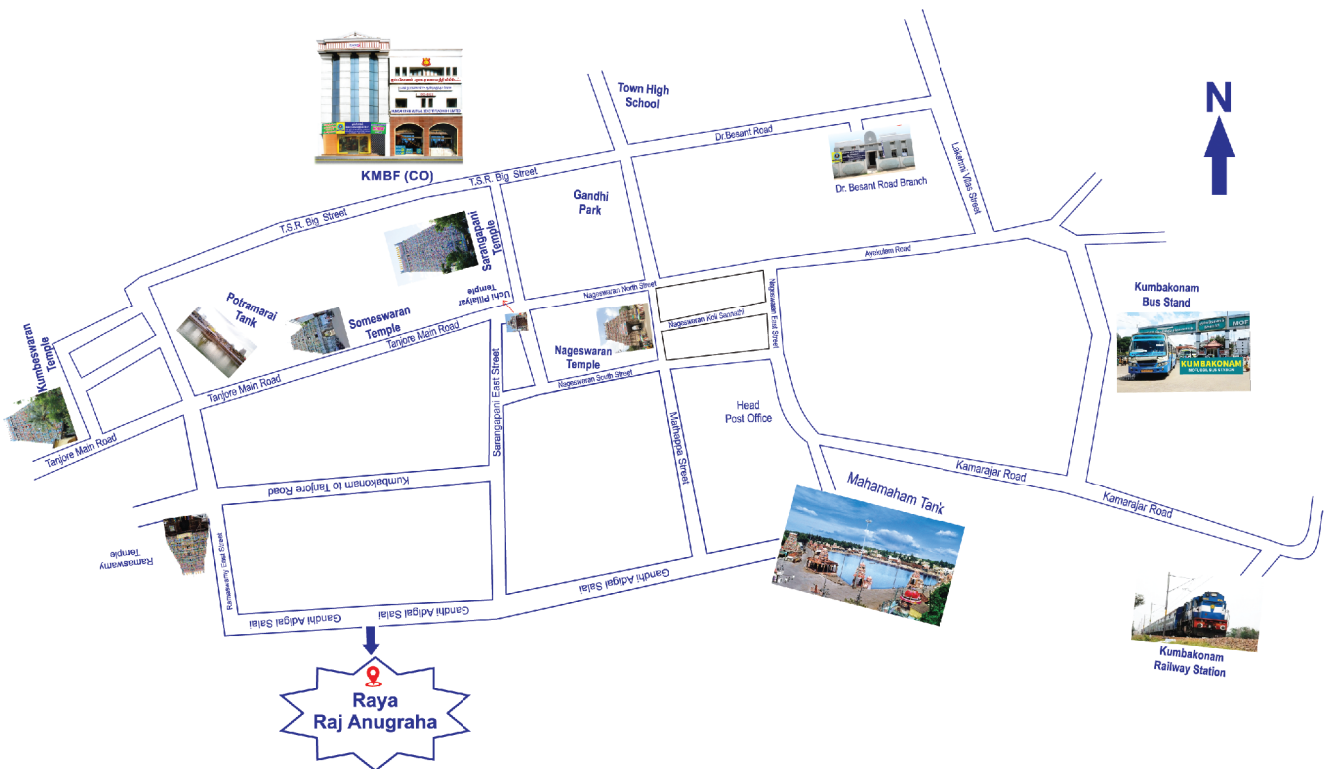
Legal Advisors

Thiru.K.Chakrapani B.A., B.L.,
Advocate, Kumbakonam.

Thiru.P.R.Jayakumar M.Com.,B.L.,
Advocate, Kumbakonam.

Thiru.I.Anaiyappan B.Com.,B.L.,
Advocate, Trichy.

Route Map to Raya Raj Anugraha Hall



Notice for 118th Annual General Meeting

Notice is hereby given pursuant to Section 96 and other applicable provisions of the Companies Act, 2013 that the **118th Annual General Meeting [“AGM”] of the shareholders of Kumbakonam Mutual Benefit Fund Nidhi Limited will be held at 10.00 a.m on Wednesday, the 28th September, 2022 at Raya Raj Anugraha Hall, 83/159, Gandhi Adigal Salai, Kumbakonam – 612 001** to transact the following items of business :

Agenda

Ordinary Business

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon.
2. To declare dividend for the year 2021-22.
3. To appoint a director in the place of Thiru.B.Prakasam (DIN: 00338872) who retires by rotation and, being eligible, offers himself for re-appointment as Director.
4. To appoint a director in the place of Thiru.G.Duraiaraj (DIN: 03064193) who retires by rotation and, being eligible, offers himself for re-appointment as Director.
5. To appoint M/s. Sastri & Shah [Firm Registration No.003643S], Chartered Accountants, Chennai. M/s. G.Natesan & Co, Chartered Accountants, Kumbakonam. [Firm Registration No.002424S] M/s. S.Shanmugam & Associates, Chartered Accountants, Kumbakonam. [Firm Registration No.006655S] and M/s. G.S.Srinivasan & Co, Chartered Accountants, Chennai. [Firm Registration No.012043S] as Joint Statutory Auditors for one term for a period of five years from the conclusion of 118th Annual General Meeting to 123rd Annual General Meeting in the place of M/s. DPV & Associates, M/s. Ganesh Venkat & Co and M/s.G. Giridharan & Co, retiring auditors and to fix their remuneration.

Special Business

6. **To approve the appointment of Thiru.S.Hariharan (DIN : 02693765) as an Independent Director in the Board of the Company.**

To consider and if thought fit, to pass the following resolution as Ordinary Resolution with or without modification/s:

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the members of the Company be and is hereby accorded for appointment of Thiru.S.Hariharan (DIN : 02693765) as an Independent Director of the Nidhi by the Board of Directors at their meeting held on 08.11.2021, not liable to retire by rotation for a term of five consecutive years from 08.11.2021 to 07.11.2026.”

7. **To approve the appointment of Thiru.S.Ramalingam (DIN : 00829529) as an Independent Director in the Board of the Company.**

To consider and if thought fit, to pass the following resolution as Ordinary Resolution with or without modification/s:

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification

of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the members of the Company be and is hereby accorded for appointment of Thiru.S.Ramalingam (DIN : 00829529) as an Independent Director of the Nidhi by the Board of Directors at their meeting held on 28.08.2022, not liable to retire by rotation for a term of five consecutive years from 28.08.2022 to 27.08.2027.”

8. To approve the appointment and payment of remuneration to Thiru.PR.P.Velappan (DIN : 01892661) as the Managing Director of the Company

To consider and, if thought fit, to pass with or without modification(s), the following Resolutions as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 198 and 203 read with sub-paragraph (A) of Section II of Part II of Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, and the Rules made there under, including any statutory modification or re-enactment thereof, the approval of the members of the Company be and is hereby accorded for Appointment and payment of remuneration to Thiru.PR.P.Velappan (DIN : 01892661) who was appointed as Managing Director at the Board Meeting held on 08-11-2021 and who shall be attaining 70 years on 19-04-2023 on the following terms and conditions.

Period : Five years from 08-11-2021 to 07-11-2026,

Remuneration : Rs.3,00,000/- (Rupees Three lakhs only) per month.

Other benefits : Residential telephone, mobile phone and internet facility provided by the Company for official purpose.

Use of Company's Car with fuel and driver for official purpose. Reimbursement of actual travelling expenses i.e. single fare each way by train by highest class or by air (Executive Class) plus any further transport and other incidental expenses incurred in traveling to and fro the places of meeting / business.

Halting Allowances (a) Lodging Reimbursement of actual lodging expenses (inclusive of taxes) against production of bills and vouchers. Boarding Charges Reimbursement of actual expenses towards Boarding (inclusive of taxes).

“RESOLVED FURTHER that the above monthly remuneration of Rs.3,00,000 and other benefits shall be paid to him as minimum remuneration/benefits even in the absence of or inadequacy of profits in any year.”

9. To Amend the Memorandum of Association of the Company as per Companies Act, 2013 and Rules made thereunder.

To consider and, if thought fit, to pass with or without modification(s), the following Resolutions as a Special Resolution:

“RESOLVED THAT pursuant to section 13 of the Companies Act, 2013 read with all other applicable provisions, if any, of the Act (including any statutory modification or re-enactment thereof for the time being in force) consent of members be and is hereby accorded to amend the existing Memorandum of Association by way of deletion of Clauses 1 to 6 and in its place insert the new Clauses 1 to 5 as set out in the annexure to the explanatory statement and that the existing clauses of the Memorandum of Association shall be renumbered accordingly.

“RESOLVED FURTHER THAT any of the Directors/Company Secretary of the company be and are hereby severally authorized to do all such acts, deeds, matters and things and to sign all such other documents, in each case, as they or any of them may deem necessary, proper or desirable including appropriate e-filings with the Registrar of Companies, Chennai, in connection with the amendments of Memorandum of Association of the Nidhi, as approved by the Board and the members of the Nidhi and / or generally to give effect to the foregoing resolutions.

10. To alteration the Articles of Association of the Company as per Companies Act, 2013

“RESOLVED THAT pursuant to sections 5 and 14 of the Companies act, 2013 read with all other applicable provisions, if any, of the Act (including any statutory modification or re- enactment thereof for the time being in force) consent of shareholders be and is hereby accorded for alteration of Articles of Association of the company by deleting/amending/substituting existing regulations, the details of which are contained in the explanatory statement annexed hereby in terms of Section 102 of Companies Act 2013”.

RESOLVED FURTHER THAT any of the Directors/Company Secretary of the company be and are hereby severally authorized to do all such acts, deeds, matters and things and to sign all such other documents, in each case, as they or any of them may deem necessary, proper or desirable including appropriate e-filings with the Registrar of Companies, Chennai, to give effect to the foregoing resolutions.

By Order of the Board

Kumbakonam Mutual Benefit Fund Nidhi Limited,

Neha Sancheti

Company Secretary

Place : Kumbakonam

Date : 28th August, 2022.

NOTES:

1. Pursuant to section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from 22nd September, 2022 to 28th September, 2022 (both days inclusive).
2. A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of himself/herself and such a proxy need not be a member of the Company. The proxies, in order to be effective, must be lodged with the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
3. Members are requested to note that a person can act as Proxy on behalf of members, not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the company, carrying voting rights. In case of voting by poll, no member shall exercise voting rights in excess of 5% of total voting rights of equity shareholders.
4. Any member, holding more than one folio for the same set of names, may please write to the Registered Office of the Company, so that his/her holdings can be consolidated into one folio.
5. In terms of section 125 (2) (c) of the Companies Act, 2013, the unpaid dividend for the financial year 2013-2014 has been transferred to Investor Education and Protection Fund and the dividends which remain unclaimed for a period of seven years for F.Y 2014-15 will be transferred to the Investors Education and Protection Fund.
6. Members are requested to notify to the Registered Office of the Company changes in their addresses, if any.

7. Members are hereby requested to register their email addresses with the Company by sending a mail to kmbf@kmbf.co.
8. For convenience of the Members and proper conduct of the meeting, entry to the meeting venue will be regulated by Attendance Slip, which is enclosed with this Annual Report. Members are requested to sign at the place provided on the Attendance Slip and hand it over at the Registration Counter at the venue.

Explanatory Statements under section 102 of the Companies Act, 2013

Item No: 6. Approval and Appointment of Thiru.S.Hariharan (DIN : 02693765) as an Independent Director.

Thiru.S.Hariharan (DIN : 02693765) was elected as Director of our Nidhi in the Annual General Meeting held on 08.11.2021.

Pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and based on the recommendation of the Nomination and Remuneration Committee at their meeting held on 8th November 2021, had appointed Thiru.S.Hariharan (DIN : 02693765) as an Independent Director for term of five years from 08.11.2021 to 07.11.2026. During the set term, he shall not be liable for retirement by rotation pursuant to Section 149 (13) of the Companies Act 2013.

In terms of Section 149 (10) of the Companies Act, 2013 an Independent Director shall hold office for a term upto five consecutive years on the Board of a Nidhi.

In the opinion of the Board of Directors, Thiru.S.Hariharan is a chartered accountant by profession and he is a person of integrity and possesses expertise and experience in the fields of finance matter and Nidhi Business. He fulfills the eligibility criteria u/s 149 (6) of the Companies Act 2013. Pursuant to the exemptions given by the Ministry of Corporate Affairs, Thiru.S.Hariharan Independent Director had obtained the requisite eligible certificate.

The Board of Directors recommends the appointment of Thiru.S.Hariharan as an Independent Director of the Nidhi from 08th November 2021, not liable to retire by rotation for a term of five consecutive years.

About the Independent Director

Thiru.S.Hariharan is a Fellow Member of institute of chartered accountant of India and is a practising chartered accountant, has wide exposure in the field finance matters and Nidhi Business.

Declaration by the Independent Director

Thiru.S.Hariharan has given a declaration to the Board confirming that he met the criteria of Independence as provided under section 149(6) of the Act and that he has not been disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and accordingly has given his consent to act as Director of the Nidhi.

Inspection by Members

The terms and conditions of appointment of Thiru.S.Hariharan would be available for inspection without fee by the members at the Registered Office of the Nidhi, during business hours on any working day, excluding Saturday.

Interest of Directors

Except Thiru.S.Hariharan, none of the other Directors, Key Managerial Personnel of the Nidhi and their relatives thereof are in any way concerned or interested in this resolution.

Item No: 7. Approval & Appointment of Thiru.S.Ramalingam as an Independent Director

Thiru.S.Ramalingam (DIN : 00829529) was elected as Director of our Nidhi in the Annual General Meeting held on 08.11.2021.

Pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and based on the recommendation of the Nomination and Remuneration Committee the Board of Directors at their meeting held on 28th August 2022, had appointed Thiru.S.Ramalingam (DIN : 00829529) as an Independent Director (not liable to retire by rotation) for a term of five years from 28.08.2022 to 27.08.2027.

Accordingly, the approval of the shareholders of the Nidhi is now sought for the confirming the appointment of Thiru.S.Ramalingam (DIN : 00829529) as an Independent Director with effect from 28th August 2022 for a term of five consecutive years and who shall not be liable to retire by rotation. In terms of Section 149 (10) of the Companies Act, 2013 an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company.

In the opinion of the Board, Thiru.S.Ramalingam is a person of integrity and possesses expertise and experience in the fields of nidhi Business, public and social welfare. He fulfills the criteria specified u/s Section 149 (6) of the Companies Act 2013.

The Board of Directors recommends the appointment of Thiru.S.Ramalingam as an Independent Director of the Nidhi from 28th August 2022, not liable to retire by rotation for a term of five consecutive years .

About the Independent Director

Thiru.S.Ramalingam (DIN : 00829529) is sitting Member of Parliament and has wide exposure in the fields of business, public and social welfare.

Declaration by the Independent Director

Thiru.S.Ramalingam has given a declaration to the Board confirming that he met the criteria of Independence as provided under section 149(6) of the Act and he has not been disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013 and has given consent to act as Director.

Inspection by Members

The terms and conditions of appointment of Thiru.S.Ramalingam would be available for inspection without fee by the members at the Registered Office of the Company, during business hours on any working day, excluding Saturday.

Interest of Directors

Except Thiru.S.Ramalingam, none of the other Directors, Key Managerial Personnel of the Nidhi and their relatives thereof are in any way concerned or interested in this resolution.

Item No: 8. Approval of appointment and remuneration payable to Thiru.PR.P.Velappan, Managing Director of the Company

In the 117th Annual General Meeting of the Company held on 08.11.2021, Thiru. PR.P.Velappan (DIN 01892661) has been elected as Director of our Nidhi. Pursuant to the provisions of u/s 196, 197, 198 and 203 with schedule V of the Companies Act 2013 and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at their Meeting held on 08.11.2021 had appointed Thiru.PR.P.Velappan as Managing Director (KMP) of the Company for the period of five years from 08.11.2021 to 07.11.2026.

The resolutions and the relevant explanatory statement may be treated as an abstract of the terms of appointment of Thiru.PR.P.Velappan as Managing Director in terms of Section 190 of the Companies Act 2013.

Pursuant to Section 196, 197, 198 and 203 of the Companies Act, 2013, the appointment and payment of remuneration to Thiru.PR.P.Velappan as Managing Director requires the approval of the Shareholders.

Further, Thiru.PR.P.Velappan attains the age of seventy on April 19, 2023. Pursuant to the provisions of Section 196 of the Companies Act, 2013, the appointment of Directors beyond the age of 70 years, requires approval of members by way of special resolution, Therefore, the Board of Directors recommends passing of a Special Resolution as set out in Item No. 8 of the Notice for approval of the Members.

Except Thiru.PR.P.Velappan, None of the Directors and Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

Item No: 9 & 10. Amendment / Alteration of Memorandum and Articles of Association of the Company as per Companies Act, 2013

Upon enactment of the Companies Act, 2013, provisions of the Companies Act, 1956 have been repealed and Nidhi Rules 2014 has been introduced. Many Amendments to the Act / Rules were made since introduction of New Companies Act. Further the Memorandum of Association and Articles of Association of the Nidhi has not been modified and post the amendment, though the Nidhi is in strict compliance with the amended Act and the Rules made thereunder. Due to the same, the Board of Directors of the Company thought it fit to amend the Memorandum and Articles of Association of the Nidhi to re-align the same in accordance with the provisions of the Companies Act 2013. Further there are certain regulations that needs to be altered/deleted/amended in line with the present business operation. Accordingly, the Board of Directors at their meeting held on 28th August, 2022 decided (subject to the approval of members) to amend / alter the Memorandum and Articles of Association. The list of amendments / amended clauses of MoA and regulations of AoA are enclosed herewith as an Annexure I & II respectively .

The draft of the amended Memorandum of Association & Articles of Association shall be also available for inspection by the Members of the Nidhi during normal business hours at the Registered office of the Nidhi and copies thereof shall also be made available for inspection at the Corporate Office of the Nidhi and also at the place of the meeting on the meeting day.

In terms of Sections 5, 13 and 14 of the Companies Act, 2013, the approval of the Members by way of special resolution is required for amendment the Memorandum and for the Altered Articles of Association of the Nidhi.

Your Directors recommends the special resolution as set out in Item 9 and 10 of the Notice for approval of the Members.

None of the Directors/KMP are concerned or interested in the resolution except to the extent of their share holding.

ANNEXURE I - AMENDED MEMORANDUM OF ASSOCIATION**THE COMPANIES ACT, 2013 (COMPANY LIMITED BY SHARES)****MEMORANDUM OF ASSOCIATION OF KUMBAKONAM MUTUAL BENEFIT FUND NIDHI LIMITED**

1. The name of the *Company is **KUMBAKONAM MUTUAL BENEFIT FUND NIDHI LIMITED.**
2. The Registered Office of the *Company will be situated 145, Big Street, Kumbakonam - 612 001 in the State of Tamil Nadu.
3. *The objects for which the company is established are:
 - A. *THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE AS FOLLOWS:-**
 1. To cultivate and propagate thrift, saving habits and to receive deposits including long and short term deposits in the form of recurring, fixed and other deposits from the members subject to the provisions of Section 406 of the Companies Act, 2013 read with Nidhi Rules, 2014.
 2. To lend, grant loans to the members on the security of immovable properties, Deposit Receipts, Movable Assets, such as Gold, Silver, Jewelry, National Saving Certificates, Insurance Policies, Government Securities or other permissible securities under Nidhi Rules, 2014 on favourable rate of interest.
 - B. *OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE ABOVE MAIN OBJECTS ARE AS FOLLOWS:-**
 1. To make and alter the rules as may be determined from time to time by the Board of Directors for carrying on the business of the Company more profitably and efficiently.
 2. To remunerate any person or persons or company for any services rendered or to be rendered in or about the formation or promotion of the company or the conduct of its business.
 3. To pay out of the capital of the company or otherwise all expenses incurred in connection with the formation, registration of the Company.
 4. To open current or deposits accounts with Nationalised, Scheduled, Commercial banks and to pay money into and draw money from such accounts.
 5. To purchase or otherwise acquire lands and buildings or to construct buildings, hold, maintain, improve, demolish and reconstruct and dispose off in such manner as the Company may deem fit for the purposes of the Company.
 6. To enter into arrangements with any Government, State or Municipal, Local or any authority and to obtain any advantage for the company.
 7. To indemnify members, officers, directors and other staff of the company against proceedings, costs, claims and demands in respect of anything done or ordered to be done by them for and in interest of the company.
 8. To pay, satisfy or compromise claims made against the company which it may be necessary or seen expedient to pay, satisfy or compromise.
 9. To distribute any of the assets of the company in specie among the members as may be permissible under law in the event of winding up.

- 10. To do all or any of the above things as are conducive to the attainment of Main objects of the Company and open branches in such areas or districts within the State of Tamil Nadu on such terms and conditions permitted by the Regulatory Authorities from time to time.
- 11. The forgoing ancillary and incidental objects arising therefrom mentioned in IIIB shall be limited and confined to the members of the company, only and shall not be available to the general public.
- 4. *The liability of the member(s) is limited and this liability is limited.
- 5. *The Authorized Share Capital of the company is Rs. 40,00,00,000 (Rupees Forty Crores) divided into 4,00,00,000 (Rupees Four Crores) Equity Shares of Rs. 10/- (Rupees ten only) each with rights, privileges and conditions attaching thereto, as provided by the regulations of the company for the time being with power to increase and reduce the share capital for the time being into several classes and to attach thereto respectively such preferential deferred, qualified or special rights, privileges and conditions as may be determined by or in accordance with the regulations of the company and to vary or modify or abrogate any such rights, privileges or conditions in such manner as may before the time being provided by the regulations of the Company.

*** Proposed amendments in the Memorandum of Association**

ANNEXURE II - ALTERED ARTICLES OF ASSOCIATION

Present Article No.	Present Article	Proposed Amendment
1.	<p>Application of Table A</p> <p>The Provisions contained in Table A of the first Schedule to the Companies Act I of 1956 or in any amendments thereto shall, in so far as these Articles do not exclude or modify the regulations contained in Table A aforesaid, be applicable to this Fund as if they were contained in the duly registered Articles of this Fund.</p>	<p>Application of Table F</p> <p>The Provisions contained in Table F of the first Schedule to the Companies Act of 2013 or in any amendments thereto shall, in so far as these Articles do not exclude or modify the regulations contained in Table aforesaid, be applicable to this Nidhi as if they were contained in the duly registered Articles of this Nidhi.</p> <p>Wherever in the Companies Act, 2013 or any of its successor Act or Rules made there under, it has been provided that the company shall have any right, privilege or authority or that the company could carry out any transaction only if the company is so authorised by its articles, then and in that case, the company shall have such right, privilege or authority and to carry out such transactions as have been permitted by the companies Act or rules there under, without there being any specific regulation in that behalf herein provided.</p>

Present Article No.	Present Article	Proposed Amendment
3.(a)	"THE ACT" or "THE SAID ACT" means the Indian Companies Act for the time being in force in India.	a) "THE ACT" or "THE SAID ACT" means the Companies Act, 2013 or the amendments made thereto. aa) "The Rules" means the rules made under Companies Act, 2013 and the "Nidhi Rules" as amended from time to time and as applicable to this Nidhi.
3(c)(c)	Newly inserted	"Committee" means and includes the present committees of the Nidhi and includes committees mandated under the Act / Rules and non mandatory committee(s)
3.(f)	"THE FUND" means The Kumbakonam Mutual Benefit Fund Limited.	"Nidhi/the Nidhi/Company" means Kumbakonam Mutual Benefit Fund Nidhi Limited. Wherever the word "Fund" appears the same be replaced with the word "Nidhi"
3.(o)	"SEAL" means the common seal for the time being of the Fund.	"Deleted" as it is not mandatory under Companies Act, 2013 Wherever the word "Seal" or "Common Seal" "Under the common seal of the Fund" appears be deleted
4.	The Board shall have power to provide a common seal for the purpose of the Fund and from time to time to destroy the same and substitute a new seal in lieu thereof and shall provide for its safe custody. The seal shall not be used except by the authority of the Board. Every deed or instrument to which the seal is required to be affixed shall be signed in addition by two Directors, and the General Manager or any other official as authorised by the Board as authorised Signatory.	"Deleted"
15	The Certificate of title to shares shall be issued under the common seal of the Fund and shall bear the signature of the Chairman, a Director and the General Manager or any other official as authorised by the Board as authorised signatories.	The Certificate of title to shares shall bear the signature of the Chairman, a Director and the General Manager or any other official as authorised by the Board as authorised signatories.

17.	<p>Title "Renewal of Certificate" If a share certificate is worn out, defaced, lost or destroyed or if there is no further space on the back thereof for endorsement of transfer it may be renewed on a payment of fees prescribed by the board and on such terms, if any, as to evidence and indemnity, as the Board think fit, being given. Any renewal certificate shall be marked as such.</p>	<p>Title "Issue of Duplicate share certificate" If a share certificate is worn out, defaced, lost or destroyed or if there is no further space on the back thereof for endorsement of transfer it may be issued on a payment of fees prescribed by the board and on such terms, if any, as to evidence and indemnity, as the Board think fit, being given. Any certificate issued shall be marked as such.</p>
18	<p>Transfer of Shares A shareholder may, with the permission of the Board of Directors, transfer all or any of his shares to any person but an application for transfer may be rejected by the Board without assigning reasons. If the Board refuse to register a transfer of any share or shares, they shall within two months after the date on which the transfer application was lodged with the Fund, send to the transferee and the transferor notice of the refusal.</p>	<p>Transfer of Shares A shareholder may, with the permission of the Board of Directors, transfer all or any of his shares to any person but an application for transfer may be rejected by the Board without assigning reasons. If the Board refuse to register a transfer of any share or shares, they shall within one month after the date on which the transfer application was lodged with the Nidhi send to the transferee and the transferor notice of the refusal. The Board shall not transfer shares which is not in accordance with the Nidhi Rules which prescribes the restriction of transfer of shares on subsistence of the Loan/Deposits</p>
27	<p>Transfer of shares when loans due No transfer of shares of shareholders who have taken loans or have deposit accounts will be recognised till the loan is discharged or they cease to be depositors.</p>	<p>Transfer of shares when loans due Transfer of shares of shareholders who have taken loans or have deposit accounts shall be subject to such restrictions / prohibitions as prescribed under Nidhi Rules, 2014 and Board shall not recognise such share transfer which is not in compliance of the Act / Rules.</p>
30	<p>Power to refund Deposits after notice The board shall have power to refund any such deposit before the expiry of the period fixed for such deposits after giving one month's notice to the depositor fails to receive back the amount on the date mentioned in the Notice, the deposit amount shall carry no Interest thereafter</p>	<p>Power to refund Deposits after notice Subject to the minimum period as contained in Nidhi Rules the board shall have power to refund any such deposit before the expiry of the period fixed for such deposits after giving one month's notice to the depositor fails to receive back the amount on the date mentioned in the Notice, the deposit amount shall carry no Interest thereafter.</p>

<p>39</p>	<p>DISTRIBUTION OF NET PROFIT</p> <p>Out of the Profits as shown in the accounts, first provision should be made for Income-tax and not less than 20%(twenty percent) shall be transferred to various reserves and funds as may be deemed fit and decided by the Board from time to time. The balance shall be divided as dividend to shareholders in such percentage as the Board may decide from time to time.</p>	<p>DISTRIBUTION OF NET PROFIT</p> <p>Out of the Profits as shown in the accounts, first provision should be made for Income-tax and such sums as may decided by the Board or as mandated under the Act / Rules shall be transferred to such reserves and funds as may be deemed fit and decided by the Board from time to time.</p>
<p>44</p>	<p>General Meeting</p> <p>A General Meeting of the shareholders shall be held annually soon after the close of each year of the Fund as per provisions of the Companies Act for the purpose of reviewing the proceeding of the past year and for the purpose of adopting the Directors Report and Balance Sheet and Profit and Loss Account.</p>	<p>Annual General Meeting</p> <p>An Annual General Meeting of the Nidhi shall be convened by the Board of Directors every year in accordance with the provisions of Section 96 of the Act and the rules made thereunder to approve the Financial Statements, Boards Report and pass such other resolution as may be recommended by the Board of Directors of the Nidhi.</p>
<p>45</p>	<p>ORDINARY GENERAL MEETING AND EXTRA ORDINARY GENERAL MEETING</p> <p>The above mentioned General Meeting, shall be called ordinary General Meeting. All other General Meetings shall be called Extraordinary. The General Manager for the time being shall act as General Manager of all General Meetings.</p>	<p>“Deleted” as the same is not relevant or required</p>
<p>46</p>	<p>Quorum for General Meeting</p> <p>At all General Meetings Ordinary or Extraordinary, 30 shareholders whether present in person or by proxies, shall form a quorum. No business shall be transacted at any General Meeting unless the quorum of members is present at such business.</p>	<p>Quorum for General Meeting</p> <p>At all General Meetings, 30 shareholders or such other higher numbers as prescribed under the Act/Rules, present in person shall form a quorum.</p> <p>No business shall be transacted at any General Meeting unless the quorum of members is present at such business.</p>
<p>50</p>	<p>In case of a General Meeting, Ordinary or Extraordinary, if a quorum is not present within half an hour from the time appointed for the meeting, it shall stand adjourned to the same day in the next week at the same time and place and if at such adjourned meeting also a quorum is not present within half an hour from the time appointed, the extraordinary meeting shall be dissolved but in the case of an Ordinary Meeting, those present will be entitled to proceed with the business of the meeting and their proceedings shall bind the shareholders.</p>	<p>In case of a General Meeting, Ordinary or Extraordinary, if a quorum is not present within half an hour from the time appointed for the meeting, it shall stand adjourned to the same day in the next week at the same time and place and if at such adjourned meeting also a quorum is not present within half an hour from the time appointed, the extraordinary meeting shall be dissolved but in the case of an Annual General Meeting, those present will be entitled to proceed with the business of the meeting and their proceedings shall bind the shareholders.</p>

<p>54</p>	<p>At any General Meeting, the opinion of the meeting shall be decided on a show of hands or by Ballot, at the discretion of the President or Chairman of the meeting. Every shareholder present either in person or by proxy being entitled to one vote unless a poll is, after, the declaration and before the next proposition is taken up demanded in writing by any shareholder or shareholders present in person or by proxy holding shares in the Company.</p> <p>i) which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution or</p> <p>ii) on which an aggregate sum of not less than fifty thousand rupees has been paid up, and unless a poll is so demanded a declaration by the President or Chairman that a resolution has on a show of hands or the taking of a ballot been carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the Fund shall conclusive evidence without proof of the number of proportion of the votes recorded in favour of or against that resolution</p>	<p>At any General Meeting, the opinion of the meeting shall be decided on a show of hands or by Ballot, at the discretion of the Chairman of the meeting. Every shareholder present either in person or by proxy being entitled to one vote unless a poll is, after, the declaration and before the next proposition is taken up demanded in writing by any shareholder or shareholders present in person or by proxy holding shares in the Company.</p> <p>i) which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution or</p> <p>ii) on which an aggregate sum of not less than fifty thousand rupees has been paid up, and unless a poll is so demanded a declaration by the Chairman that a resolution has on a show of hands or the taking of a ballot been carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the Fund shall conclusive evidence without proof of the number of proportion of the votes recorded in favour of or against that resolution</p>
<p>55</p>	<p>Taking a poll</p> <p>But if a poll is demanded at the meeting it shall be taken in such manner as the President or Chairman of the meeting directs and a record made of the number present either in person or by proxy and the number voting for the proposition and the result of such poll shall be deemed to be the resolution of the shareholders in General Meeting.</p>	<p>Taking a poll</p> <p>But if a poll is demanded at the meeting it shall be taken in such manner as the Chairman of the meeting directs and a record made of the number present either in person or by proxy and the number voting for the proposition and the result of such poll shall be deemed to be the resolution of the shareholders in General Meeting.</p>
<p>59</p>	<p>Nomination by corporation shareholders</p> <p>If shareholders happen to be corporations, such corporations shall before hand nominate the person who is to exercise the rights of such corporations as shareholders of the Nidhi .</p>	<p>Deleted as not permitted under the Act/Rules</p>
<p>60</p>	<p>Proxies and when they are to be presented</p>	<p>Proxies and when they are to be presented</p> <p>“provided that a person so appointed as proxy shall not act on behalf of such member or number of members exceeding fifty or such number of shares as may be prescribed</p> <p>No member shall exercise voting right on a poll in excess of five percent of total voting rights of equity shareholders.”</p>

<p>62</p>	<p>Constitution of the Board of Directors</p> <p>The affairs of the Fund shall be carried on by a Board not exceeding of nine Directors inclusive of a Chairman and Vice-Chairman.</p> <p>a) Subject to the provisions of section 255 of the Companies Act, the Board is empowered to fix up and appoint Directors, who are not liable for rotation. The Directors appointed as above shall not be liable to retire by rotation nor their numbers taken into account for determining the number of Directors liable to retire by rotation.</p>	<p>Constitution of the Board of Directors</p> <p>The affairs of the Nidhi shall be carried on by a Board not exceeding of nine Directors inclusive of a Chairman, Vice-Chairman & Managing Director.</p> <p>a) Subject to the provisions of section 149 & 152 of the Companies Act, 2013 the Board is empowered to fix up and appoint Directors, who are not liable for rotation.</p> <p>b) Independent Directors shall not be liable to retire by rotation</p> <p>c) The Directors shall be liable to retire by rotation as prescribed under the Companies Act, 2013 and the rules made thereunder.</p>
<p>65</p>	<p>Sub-Committees among Board of Directors</p> <p>The following Sub-Committees shall be constituted amongst the Directors for efficient working and for transacting quick business. Each Sub-Committee shall consist of not less than three Directors excluding the Chairman who shall be ex-officio members of all the sub-committees.</p> <ol style="list-style-type: none"> 1. Jewel Loan Committee 2. Legal Advisory Committee 3. Share allotment Committee 4. Deposit Committee 5. Mortgage Loan Committee 	<p>Sub-Committees among Board of Directors</p> <p>The following Sub-Committees shall be constituted amongst the Directors for efficient working and for transacting quick business. Each Sub-Committee shall consist of not less than three Directors excluding the Chairman who shall be ex-officio member of all the sub-committees.</p> <p>Non-Mandatory Committees</p> <ol style="list-style-type: none"> 1. Jewel Loan Committee 2. Legal Advisory Committee 3. Deposit Committee 4. Mortgage Loan Committee
<p>65B</p>	<p>New Insertion</p>	<p>Mandatory Committees</p> <p>The following committees constituted / re-constituted as mandated under the Act/ Rules in accordance with the provisions of the Act/Rules</p> <ol style="list-style-type: none"> 1. Audit Committee 2. Nomination Remuneration Committee 3. Corporate Social Responsibility committee 4. Stakeholders Relationship Committee <p>The committee shall have all such powers, duties, responsibilities as provided under Act/Rules and as recommended by the Board of Directors.</p> <p>The constitution of committee, meetings, quorum, voting shall be as provided under the Act/Rules.</p>

69	<p>Choosing retiring Directors by lot</p> <p>If among the Directors who have to retire as stated above there are more than one elected at the same time those that have to retire will have to be chosen by lot. The person who has been re-elected under the above clause shall be deemed to have been newly elected.</p>	Deleted
74	<p>Power of Board to transfer or assign Government Securities</p> <p>The Board shall have power to draw interests as well as to sell, dispose of, transfer, assign all or any of the Government Promissory Notes or Securities standing in the name of Fund.</p>	Deleted
75(b)	<p>Power of Board to invest the Fund's monies.</p> <p>The Board shall have power to invest the surplus of the Fund's monies including sale proceeds of Funds properties, in purchasing properties, both movable and immovable or invest in Banks, Co-operative institutions and also Government Securities and other securities mentioned in Section 20 of Indian Trust Act II of 1882 or such other securities as approved by the Board from time to time, to improve and develop the business and assets of the Fund.</p>	<p>Power of Board to invest the Nidhi's monies.</p> <p>The Board shall have power to invest the surplus of the Nidhi's monies including sale proceeds of Funds properties, in purchasing properties, both movable and immovable or invest in Banks or other permitted securities under Act / Rules, from time to time, to effectively utilize the funds of the Nidhi.</p>
76	<p>Power of Board to open branches</p> <p>The Board shall have power to open branches at such important centres.</p>	<p>Power of Board to open branches</p> <p>The Board shall have power to open branches within the State subject to obtaining necessary approvals from the Regional Director/ such other authority as prescribed under the Act/Rules.</p>
78	<p>Power of Board to raise temporary loans</p> <p>The Board shall have power to meet applications for loan from shareholders and the demands of the Fund by raising temporary loans from shareholders or Banks or to arrange for overdrafts with Banks at such rate of interest as may be deemed proper by them and when necessary for transactions as aforesaid, with a Bank on the security of any of the properties of the Fund or the Fund's interest in any of the properties of the shareholders.</p> <p>The necessary documents for the same shall be executed by the General Manager or any other Official as authorised by the Board as authorised signatory.</p>	Deleted

79	<p>Power to consider special questions by Sub-Committees of Shareholders</p> <p>The Board may also request shareholders willing to do so to serve on committees appointed by them to consider special questions and to report on the same.</p>	Deleted
83	<p>Remuneration to Directors</p> <p>Subject to the approval of the Central Government and subject to the provisions of the Companies Act, the Directors may be paid 11% of the net profit of the Company as remuneration.</p>	<p>Remuneration to Directors</p> <p>The Board of Directors shall be paid remuneration / commission of profits subject to compliance of provisions of Section 196, 197 of the Act read with Schedule V to the Companies Act, 2013 subject to passing of necessary board / shareholders resolution.</p>
88	<p>Investment of the Reserve Fund</p> <p>The Reserve Fund may in the discretion of the board be invested in Government Promissory notes or in the purchase or construction of Buildings for the use of the Fund and its branches and also in any of the securities mentioned in Sec. 20 of the Indian Trusts Act II of 1882.</p>	Deleted
97	<p>Notice to Shareholders</p> <p>All communications to shareholders and depositors shall be sent to the address notified by them. Such notices maybe sent by local messengers or by post prepaid. All notices sent by post under postal certificate shall be deemed to have reached the addressees within 5 days of their despatch.</p> <p>(a) In the cases of joint or 'Either or Survivor' shareholders and joint or 'Either or Survivor' depositors, notice to any one of them shall be deemed to be notice to all of them.</p>	<p>Notice to Shareholders / Depositor / Borrowers</p> <p>All communications to shareholders and depositors shall be sent to the address / email address as notified by them. Such notices maybe sent by means of an email or by registered / speed post or courier. All notices sent by post under postal certificate shall be deemed to have reached the addressees within 3 days of their despatch.</p> <p>In the cases of joint or 'Either or Survivor' shareholders and joint or 'Either or Survivor' depositors, notice to any one of them shall be deemed to be notice to all of them.</p>
Other amendments	Fund	Wherever the word "Fund" appears the same shall be replaced / read as "Nidhi / the Nidhi".

PARTICULARS OF DIRECTORS BEING APPOINTED, AS PER SECRETARIAL STANDARDS-2:

Name & Qualification	B.Prakasam, B.Com.,
Age	74 Years
Experience / expertise	Wide exposure in the field of business.
Terms and conditions of appointment and details of remuneration	Director. Liable to retire by rotation.
Remuneration last drawn	NA
Date of first appointment on Board	08.11.2021
Shareholding as on 31st March, 2022	66,400 Equity Shares
Relationship with other Directors/KMP	Nil
Number of Meetings of Board attended	5
Directorships in other Companies	Nil
Other memberships/chairmanships of committees of other Boards	Nil

Name & Qualification	G.Durairaj
Age	65 Years
Experience / expertise	Wide exposure in the field of business.
Terms and conditions of appointment and details of remuneration	Director. Liable to retire by rotation.
Remuneration last drawn	NA
Date of first appointment on Board	08.11.2021
Shareholding as on 31st March, 2022	6065 Equity Shares
Relationship with other Directors/KMP	Nil
Number of Meetings of Board attended	6
Directorships in other Companies	Nil
Other memberships/chairmanships of committees of other Boards	Nil

Name & Qualification	CA S.Hariharan, B.Com.,F.C.A.,
Age	68 Years
Experience / expertise	Wide exposure in the field of finance matter and Nidhi Business.
Terms and conditions of appointment and details of remuneration	Independent Director – not liable to retire by rotation
Remuneration last drawn	NA
Date of first appointment on Board	08.11.2021
Shareholding as on 31st March, 2022	510 Equity Shares
Relationship with other Directors/KMP	Nil
Number of Meetings of Board attended	6
Directorships in other Companies	Nil
Other memberships/chairmanships of committees of other Boards	Nil

Name & Qualification	Shri.S.Ramalingam, B.A.,
Age	77 Years
Experience / expertise	Sitting MP. Wide exposure in the fields Business, Public and Social Service
Terms and conditions of appointment and details of remuneration	Independent Director – not liable to retire by rotation
Remuneration last drawn	NA
Date of first appointment on Board	08.11.2021
Shareholding as on 31st March, 2022	33,001 Equity Shares
Relationship with other Directors/KMP	Nil
Number of Meetings of Board attended	6
Directorships in other Companies	Nil
Other memberships/chairmanships of committees of other Boards	Nil

Name & Qualification	Shri.PR.P.Velappan, B.A.,
Age	69 Years
Experience / expertise	Wide exposure in the fields Business, Public and Social Service
Terms and conditions of appointment and details of remuneration	Managing Director. Rs.3,00,000/- p.m.
Remuneration last drawn	Rs.3,00,000/- per month
Date of first appointment on Board	08.11.2021
Shareholding as on 31st March, 2022	5,025 Equity Shares
Relationship with other Directors/KMP	Nil
Number of Meetings of Board attended	6
Directorships in other Companies	Nil
Other memberships/chairmanships of committees of other Boards	Vice President in Chamber of Nidhis

BOARDS' REPORT FOR THE YEAR ENDED 31st MARCH, 2022

To

The Members of Kumbakonam Mutual Benefit Fund Nidhi Limited,

Your Directors have pleasure in presenting the 118th Annual Report on the business and operations of your Company together with the Audited Financial Statement of Accounts and the Auditors' Report for the financial year ended, 31st March, 2022.

1. The highlights of financial results for the year ended 31st March, 2022 are as under:

Particulars	31.03.2022	31.03.2021
	(₹ in lakhs)	
Deposits	311972.11	273774.31
Advances	288987.26	260890.66
Total Income	41247.79	35447.87
Profit before Depreciation & tax	9835.97	8055.89
Depreciation	508.81	540.26
Profit after depreciation	9327.16	7515.63
Income Tax, including Surcharge & Cess	2399.56	1861.29
Deferred Tax (Liability / Asset)	597.03	(176.02)
Dividend Rate (% p.a.)	25%	22%
Dividend Amount	747.92	654.89
Transfer to General Reserve	6330.57	5518.86

2. Events subsequent to the date of financial statements:

There are no material changes and commitments affecting financial position of the company between 31st March, 2022 and the date of Boards' Report.

3. Dividend

Your directors are pleased to recommend a dividend of 25% p.a. (period based pro-rata) for the year ended 31st March, 2022. This will involves an amount of Rs.747.92 lakhs as dividend.

4. Board Meetings

During the fiscal 2021-22, your Company had 14 Board meetings, as detailed below and maximum gap between the meetings did not exceed 120 days:

21-04-2021	29-07-2021	08-10-2021	23-11-2021	27-02-2022
26-05-2021	31-08-2021	29-10-2021	20-12-2021	30-03-2022
30-06-2021	29-09-2021	08-11-2021	17-01-2022	-

The details of attendance of each Director at the Board meetings along with the number of meetings held during the year.

	Name of the Director	No. of Board Meetings Attended
1.	Thiru.Rama.Ramanathan , Ex-Chairman & ID (DIN : 05240708)	8
2.	Thiru.L.Meiyappan, Ex-Independent Director (DIN : 03620141)	4
3.	Thiru.R.S.Selvaraj, Ex-Director (DIN : 07910673)	8
4.	Thiru.C.Chinnayan, Ex-Director (DIN : 07581332)	8
5.	Thiru.A.V.K.Ashokkumar, Ex-Director (DIN : 08802925)	8
6.	Thiru.K.Arivalagan, Ex-Director (DIN : 08802927)	8
7.	Thiru.R.K.Bharathimohan, Ex-Director (DIN : 08805859)	8
8.	Thiru.G.Jayakumar, Ex-Director (DIN : 08968507)	8
9.	Thiru.V.Kanakaraj, Ex-Director & CEO (DIN : 08205976)	8
10.	Thiru. S.Kalyanasundaram, Chairman & ID (DIN : 00829647)	6
11.	Thiru. S.Ramalingam, Vice Chairman & ID (DIN : 00829529)	6
12.	Thiru. PR.P.Velappan, Managing Director (DIN : 01892661)	6
13.	Thiru. G.Anbalagan, Independent Director (DIN : 01469646)	5
14.	Thiru. S.Hariharan, Independent Director (DIN : 02693765)	6
15.	Thiru. B.Prakasam, Director (DIN : 00338872)	5
16.	Thiru. G.Durairaj, Director (DIN : 03064193)	6
17.	Thirumathi. E.Ambika, Director (DIN : 09353335)	6
18.	Thiru. M.Guru Prasanth, Director (DIN : 09359770)	6

The erstwhile directors noted in Sl. No. 1 & 3 to 9 in the above table were removed from 08.11.2021 and the tenure of ten years Directorship of Thiru.L.Meiyappan (Sl. No. 2) ended on 18.08.2021.

The existing directors noted in the Sl. No. from 10 to 18 have been appointed in the 117th Annual General Meeting held on 08.11.2021.

The Minutes of such proceedings were recorded in the Minutes Book maintained for the purpose.

5. Share Capital

The paid-up share capital increased by Rs.14.34 lakhs from Rs.2984.27 lakhs as on 31.03.2021 to Rs.2998.61 lakhs as on 31st March, 2022. The company had allotted shares only to the persons who are having transactions (Deposits/Loans) with the Company. The said allotments are in accordance with the provisions of Nidhi Rules 2014 and Pursuant to the notification (No. GSR465(E) dated 05.06.2015) issued by the Ministry of Corporate Affairs.

6. Reserves

As on 31.03.2021, the General Reserve was Rs.29430.07 lakhs. For the year ended 31st March 2022, it is Rs.35760.64 lakhs (i.e.,) an increase of Rs.6330.57 lakhs.

7. Branches

During the financial year under review, the new branch of our Nidhi has been opened at Anna Nagar (Madurai) on 16.07.2021. We have proposed to get permission from Registrar of Companies to open thirty new branches at the following locations viz., Budalur, Sengipatti, Killukottai, Alangudi (Pudukkottai), Karambakudi, Sivagangai, Peravurani, Saliyamangalam, Kodavasal, Kuthalam (Mayiladuthurai), Pandanallur, Kollumangudi, Kattumannarkoil, Lalgudi, Thittakkudi, Musiri, Tha.Pazhoor, Muthupettai, Ullikkottai, Vaduvur, Vallam, Keeranur, Vaitheeswarankoil, Hosur, Ottanchathiram, Ulundurpettai, Semponnarkoil, Ayyampettai, Mettupalayam & Singanallur (Coimbatore).

8. Business

The core business of your company is lending against jewels. During this year also, the value of the yellow metal has continued to remain volatile like last year on account of vagaries of markets – both international and domestic. Your Company was able to manage the situation and to keep well positioned. Your directors are cautiously formulating policies closely watching the day-to-day movements of gold price. Nevertheless, this had its own minimum effect on the business of the company.

9. Risk Management & Policy

Your Directors have taken meticulous care while managing various risks, which include credit risk, liquidity risk, interest rate risk and operational risk. The Directors met at periodical intervals, considered and discussed the issues relating to risk management, assets liability management and monitored the business effectively to achieve optimum results.

Your Company has an elaborate Risk Management procedure, which is based on three pillars:

- (i) Business Risk Assessment
- (ii) Operational Controls Assessment
- (iii) Policy Compliance processes.

Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. Some of the identified risks relate to competition and cost volatility.

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Vigil Mechanism and Whistle Blower Policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct.

10. Internal Financial Control

i) Your company has a good internal financial control and risk management frame work. Appropriate controls are being exercised for maintaining transparency in operation for orderly and efficient conduct of business to safeguard the assets of the company and for prevention and detection of frauds / errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information, etc.,

As part of the effort to evaluate the effectiveness of the internal control systems, your Company's internal audit department reviews all the control measures on a periodic basis and recommends improvements. The internal audit department is manned by senior officials and experienced personnel. The Internal Audit department periodically submits their report on the queries raised by the Audit Committee and the relevant rectification. The Audit Committee regularly reviews the audit findings as well as the adequacy and effectiveness of the internal control system.

ii) The company has not entered into transactions which are fraudulent or illegal as per the Company's Code of Conduct during the year. The Statutory Auditors have confirmed that there were no instances of fraud for the financial year 2021-22.

11. Particulars of Contracts / Arrangements with related parties

No contracts / arrangements / transactions were entered by the Company during the financial year with related parties, under section 188(1) of the Companies Act, 2013.

12. Particulars of loans, guarantees or investments under section 186

During the period under review there were no cases of loans, investments, guarantees and security as mentioned in section 186 of Companies Act, 2013.

13. Directors

Sr.No.	Name of the Ex-Directors	Sr.No.	Name of the Directors
1.	Thiru.Rama.Ramanathan, Chairman & ID	10.	Thiru. S.Kalyanasundaram, Chairman & ID
2.	Thiru.L.Meiyappan, ID	11.	Thiru. S.Ramalingam, Vice Chairman & ID
3.	Thiru.R.S.Selvaraj, Director	12.	Thiru. PR.P.Velappan, Managing Director
4.	Thiru.C.Chinnayan, Director	13.	Thiru. G.Anbalagan, Independent Director
5.	Thiru.A.V.K.Ashokkumar, Director	14.	Thiru. S.Hariharan, Independent Director
6.	Thiru.K.Arivalagan, Director	15.	Thiru. B.Prakasam, Director
7.	Thiru.R.K.Bharathimohan, Director	16.	Thiru. G.Duraiaraj, Director
8.	Thiru.G.Jayakumar, Director	17.	Thirumathi. E.Ambika, Director
9.	Thiru.V.Kanakaraj, Director & CEO	18.	Thiru. M.Guru Prasanth, Director

The erstwhile directors noted in Sl. No. 1 & 3 to 9 in the above table were removed in the 117th Annual General Meeting held on 08.11.2021 under the provision of Section 169 of the Companies Act 2013, and the tenure of ten years Directorship of Thiru.L.Meiyappan (Sl. No. 2) ended on 18.08.2021.

The existing directors noted in the Sl. No. from 10 to 18 have been appointed in the 117th Annual General Meeting held on 08.11.2021.

In terms of Articles 68 of Articles of Association of the Company, Thiru.B.Prakasam (DIN : 00338872) and Thiru.G.Duraiaraj (DIN : 03064193), Directors are liable to retire by rotation in the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment.

Further, as per recommendation of Nomination & Remuneration Committee Meeting Thiru.S.Hariharan (DIN : 02693765), has been appointed as an Independent Director of the company in the Board Meeting held on 08th November, 2021 for the period from 08.11.2021 to 07.11.2026. He is not liable to retire by rotation.

Likewise as per recommendation of Nomination & Remuneration Committee Meeting Thiru.S.Ramalingam (DIN: 00829529) has been appointed as an Independent Director of the company in the Board Meeting held on 28th August, 2022 for the period from 28.08.2022 to 27.08.2027. He is not liable to retire by rotation.

Since the appointment and confirmation of appointment of Independent Director as above, requires the approval of the Members, the same have been placed before the Members for their approval at this 118th Annual General Meeting. The Board of Directors recommends their appointment.

Further, the Board of Directors at their meeting held on November 8, 2021 appointed Thiru.PR.P.Velappan (DIN: 01892661) as the Managing Director of the Company for a term of five consecutive years from 08.11.2021 to 07.11.2026. He will cross the age of 70 years during the said term of five years. Hence, pursuant to the provisions of the Companies Act, 2013, confirmation of the appointment of Managing Director requires the approval of the shareholders by the way of special resolution. The same has been placed before the Members for their approval at this 118th Annual General Meeting.

14. Auditors

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/ explanation made by the Statutory Auditors. The Notes on financial statements are self-explanatory, and needs no further explanation. The Statutory Auditor of the Company has not reported any Fraud under section 143 of the Act.

Further the Auditors' Report for the financial year ended, 31st March, 2022 is annexed herewith for your kind perusal and information.

The term of office as Statutory auditors M/s. DPV & Associates, Chartered Accountants, Chennai, M/s. Ganesh Venkat & Co., Chartered Accountants, Chennai and M/s. G.Giridharan & Co., Chartered Accountants, Kumbakonam are concludes in the ensuing Annual General Meeting.

Accordingly the Board of Directors proposed to appoint (1) M/s. Sastri and Shah, Chartered Accountants, Chennai. [Firm Registration No.003643S] (2) M/s. G.Natesan & Co., Chartered Accountants, Kumbakonam. [Firm Registration No.002424S] (3) M/s.S.Shanmugam & Associates, Chartered Accountants, Kumbakonam. [Firm Registration No.006655S] (4) M/s. G.Srinivasan & Co., Chartered Accountants, Chennai. [Firm Registration No.012043S] as the Joint Statutory Auditors of the Company for a period of one term of five years. The Board of Directors has also received the consent and eligibility certificate from them pursuant to the provisions of Section 139 of the Companies Act, 2013.

The Board recommends the appointment of the proposed Statutory Auditors for five years in the ensuing 118th Annual General Meeting of Members.

15. Secretarial Audit

Pursuant to provisions of Sec.204 of the Companies Act, 2013, read with rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rule 14, your company appointed M/s. P.Sriram & Associates, Company Secretaries in practice, Chennai to conduct Secretarial Audit of the Company for the financial year ended 31st March, 2022. The Secretarial Report in Form MR-3 is attached as Annexure – A. As regards to the observation on transfer of shares to IEPF, we inform that representation has been made to Ministry of Corporate Affairs by our Nidhi and through Chamber of Nidhis to get exemption.

16. Statutory Disclosures

No employee was in receipt of remuneration in excess of the limits prescribed under Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014. The details of employment (as on 31.03.2022), furnished in the following table is within the meaning of Rule 5(3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014.

Sl. No.	Employee Name & Code Number Thiru	Designation	a) Date of commencement of employment b) Nature of employment	Educational Qualification	Age	Remuneration* ₹ in lakhs	% of equity shares held	Related to any Director	Previous Employment & Designation
1	R.Subash 170	General Manager	16.03.1987 Permanent	B.Com.,	56	18.05	0.000	No	Nil
2	B.Chakrapani 442	DGM&CFO	05.11.1992 Permanent	B.A.,	51	17.68	0.006	No	Nil
3	V.Ganesan 654	Mgr (Sys)	03.11.1994 Permanent	M.Sc.,	52	16.38	0.000	No	Nil
4	P.Kumar 206	B.M	21.09.1988 Permanent	B.Sc.,	55	15.98	0.008	No	Nil
5	K.N.Rajarajan 234	Officer	11.10.1989 Permanent	B.Com.,	55	15.44	0.008	No	Nil
6	S.Balasubramanian 173	Officer	18.03.1987 Permanent	B.Com.,	56	15.35	0.009	No	Nil
7	D.Senthilkumar 263	B.M	05.10.1988 Permanent	B.Com.,	54	15.23	0.007	No	Nil
8	V.Sridhar 198	B.M	10.10.1988 Permanent	B.Com.,	55	15.23	0.008	No	Nil
9	K.Soundararajan 225	B.M	16.06.1989 Permanent	B.Com.,	57	15.21	0.008	No	Nil
10	B.Santhanam 220	Officer	05.10.1988 Permanent	B.Com.,	56	15.18	0.009	No	Nil

* Remuneration includes Salary & Taxable perquisites as per Income Tax Act, 1961.

The provisions of Section 134 (3)(m) of the Companies Act, 2013 relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo shall not apply to your company, considering the nature of its business operations.

17. Directors' Responsibility Statement

Pursuant to Sec.134(5) of the Companies Act, 2013, the Board of Directors to the best of their knowledge and ability confirms that :

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures;
- b. they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company relating to the financial year 2021-22.
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they 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.

18. Prevention of Sexual Harassment at work place

The Company has in place a policy for prevention of Sexual Harassment, in line with the requirements of the Sexual Harassment of Women at the work place (Prevention, Prohibition & Redressal. All employees (permanent, contractual, temporary, trainees) are covered under this policy. No complaints were received during the financial year. None was pending unresolved as on 31st March, 2022.

19. Annual Return

As required pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, a copy of the annual return is placed on the website of the company. The web-link for the annual return for financial year 2020-21 is <http://www.kmbf.co/financial.html>. However, the annual return for financial year 2021-22 shall be disclosed on the website consequent upon the conclusion of the 118th Annual General Meeting.

20. Committees of the Board

As required under section 177 & 178 of the Companies Act, 2013 read with Companies (Meetings of Board & its Powers) Rules, 2014, the following are the committees of the Board.

During the year under review, your Company has an Independent Audit Committee (met 3 times), Stake Holders Relationship Committee (Share Allotment Committee) (met 12 times), Corporate Social Responsibility Committee (met 1 time) and Nomination Remuneration Committee (met 1 time) Thiru.S.Kalyanasundaram is the Chairman of the Corporate Social Responsibility Committee and Audit Committee, Thiru.S.Ramalingam is the Chairman of Nomination Remuneration Committee respectively.

21. Corporate Social Responsibility

Your Company has been supporting various philanthropic activities and making donations to such initiatives under CSR. During the financial year 2021-22, the Company has spent Rs. Rs. 137.31 lakhs for CSR obligations, as against Rs. 132.79 lakhs as required u/s 135 of Companies Act, 2013, which was in excess of the requirement thereby duly complied with the provision of Section 135.

A Report on CSR activities as required under the provisions of Companies Act, 2013 is annexed herewith marked as Annexure – B and forms part of this report. Copy of the CSR Policy of the Company is placed on the website of the Company at www.kmbf.co.

22. Key Managerial Personnel

During the period under review, Thiru. PR.P.Velappan (DIN: 01892661) has been appointed as Managing Director (MD) of the Company with effect from 08th November, 2021. Ms. Neha Sancheti (ICSI Membership No. A65976) has been appointed as Company Secretary with effect from 01st July, 2021. Thiru. B.Chakrapani was appointed as Deputy General Manager & Chief Financial Officer with effect from 01st July, 2021. Thiru. R.Padmanabhan was appointed as Senior General Manager and Thiru. R.Subash was appointed as General Manager with effect from 01st July, 2022. Thiru.V.Kanakaraj, then Chief Executive Officer was resigned on 08.11.2021.

23. Independent Directors

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field / profession and who can effectively contribute to the Company's business and policy decisions are considered by the Human Resources, Nomination and Remuneration Committee, for appointment as Independent Directors on the Board. The Committee, inter alia, considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various Committees of other Companies by such persons in accordance with the Company's Policy for selection of Directors and determining Directors' Independence. The Board considers the Committee's recommendation and takes appropriate decision.

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as provided under law.

24. Statement of declaration by Independent Director

The Company has received a statement of declaration from the Independent Directors of the Company confirming that they meet the criteria of independence prescribed under Section 149(6) and (7) of the Companies Act, 2013.

25. Company Policy on Director Appointment & Remuneration

The Board of Directors collectively responsible for selection of a member on the Board. The Nomination and Remuneration Committee of the Company follows defined criteria for identifying, screening, recruiting and recommending candidates for election as a Director on the Board.

26. Formal Annual Evaluation

During the Financial Year under review, as mandated by the Companies Act, 2013, your board of directors evaluated the performance of the Board, Committees of the Board, Chairman of the Board, Individual Directors, Independent Directors and the Company. The Board of Directors were satisfied with the performance of the company and the contribution of the committees with Independent Directors.

27. Secretarial Standards

The Company has duly complied with Secretarial Standards 1 & 2.

28. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

During the year under review there were no such significant and material orders passed by the regulators or courts or tribunals which would impact the going concern status and company's operations in future.

29. Disclosure on maintenance of cost records as required under section 148(1) of the Companies Act, 2013.

The provisions of Section 148 with respect to the maintenance of cost records as specified by the Central Government are not applicable to the Company.

30. Insolvency and Bankruptcy Code, 2016

During the year under review there were no application made or any proceedings were instigated under the Insolvency and Bankruptcy Code, 2016.

31. Loan from Banks or Financial Institution and settlement thereof

During the year under review there were no instances of one time settlement and/or the valuation done while taking loan from the Banks or Financial Institutions.

32. Deposits

Nidhi Company Deposits are not covered by the definition of Deposits, as per Rule 2(1)(c)(xiv) of the Companies (Deposits) Rules, 2014. Hence, the provisions of Deposits under Chapter V of the Companies Act, 2013 is not applicable to your Nidhi. However, your Company has duly complied with the Nidhi Rules, 2014, as amended from time to time.

33. Journey

We have traversed a long journey since 1903 to over more than 118 Years. Today our Nidhi is a name of Synonymous with Jewel Loans. The Slogan “நகைக்கடனுக்கு நம்பிக்கை KMBF மட்டுமே” is pronounced all walks of life throughout Tamil Nadu. It was achieved by the grace of almighty and the blessings of our Founder Sri Rao Bahadur Krishnaswamy Iyengar and the dedicated services of our employees. We proudly said that we are the pioneer and numero uno in the field of Nidhi Industries. Further among the Nidhis in Tamilnadu firstly we have obtained the status of Nidhi under NDH-4 certification from the Ministry of Corporate Affairs.

34. Acknowledgements

Your Directors take this opportunity to convey their deep sense of gratitude to the Government of India, Government of Tamilnadu and Ministry of Corporate Affairs. Your Directors wish to thank the shareholders, depositors and other customers for their trust, continued encouragement and consistent support to your Company.

The Directors thank the Chamber of Nidhis, Bankers, Insurance Companies, Income Tax Department, Sales Tax Department, etc., for the support extended by them. The Directors are pleased to place on record their sincere appreciation for the valued contribution, spirit of dedication and unstinted efforts by the employees at all levels.

Place : Kumbakonam

Date : 28th August, 2022.

For and on behalf of the Board

S. Kalyanasundaram MP
Chairman

ANNEXURE - A TO THE BOARDS' REPORT
Form No.MR-3
SECRETARIAL AUDIT REPORT
FINANCIAL YEAR ENDED 31ST MARCH, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members,
Kumbakonam Mutual Benefit Fund Nidhi Limited,
145, Big Street,
Kumbakonam - 612 001.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by “Kumbakonam Mutual Benefit Fund Nidhi Limited” (hereinafter called the Nidhi). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Nidhi's books, papers, minute books, forms and returns filed and other records maintained by the Nidhi and also the information provided by the Nidhi, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the Nidhi has during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed thereunder and also that the Nidhi has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Nidhi for the financial year ended on 31st March, 2021 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made thereunder
- 2) The Nidhi Rules, 2014

There are no other specific laws that are applicable to the Nidhi. I have also examined compliance with the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) during the audit period of the Nidhi.

During the period under review the Nidhi has complied with the provisions of the Act, Rules, etc. as mentioned above.

In respect of non-transfer of shares to IEPF as required under section 124(6) of the Companies Act, 2013 read with Companies IEPF (Accounting, Audit, Transfer & Refund) Rules, 2016, it was informed by the Management that considering the nature of business of Nidhi Companies, representations were made by KMBF Nidhi Limited and through the Chamber of Nidhis in this regard to Ministry of Corporate Affairs for seeking exemption of this provision and the same is under consideration. Accordingly, the Company is yet to comply with the said provisions.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive, Non-executive and & Independent Directors. The changes in the composition of the Board of Directors which took place during the period under review were pursuant to the provisions of the Act.

The Nidhi has also complied with the requirement of appointment of Woman Director as stipulated under second proviso to section 149(1) read with Rule 3 of Companies (Appointment and Qualification of Directors) Rules, 2014 with effect from November 08, 2021.

Adequate notice is given to all Directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions were carried out with unanimous approval of the Board and there was no instance of dissent voting by any member during the period under review.

I have examined the systems and processes established by the Nidhi to ensure the compliance with general laws applicable to the Nidhi including Employees Provident Funds Act, Employees State Insurance Act & other labour laws and other State laws. I further report that there are adequate systems and processes in the Nidhi commensurate with the size and operations of the Nidhi to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit report, there were no instances of:

- (i) Public / Rights / Preferential issue of shares / debentures / sweat equity;
- (ii) Redemption / buy-back of securities;
- (iii) Merger/ amalgamation / reconstruction etc;
- (iv) Foreign technical collaborations.

However, decisions were taken by the Members to increase the borrowing limit in pursuance to the provisions of Section 180 of the Companies Act, 2013.

Place : Chennai
Date : 28.08.2022

Sd.xxxxxxx
(P. Sriram)
Proprietor
P. Sriram & Associates
FCS No. 4862
CP No : 3310
UDIN : F004862D000840281

Annexure A

To
The Members,
Kumbakonam Mutual Benefit Fund Nidhi Limited,
145, Big Street, Kumbakonam - 612 001.

My report of even date is to be read along with this supplementary testimony.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, the company had followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Nidhi.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.,
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place : Chennai
Date : 28.08.2022

Sd.xxxxxxx
(P. Sriram)
Proprietor
P. Sriram & Associates
FCSNo. 4862 CP No : 3310
UDIN : F004862D000840281

ANNEXURE - B TO THE BOARDS' REPORT

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2021-22

1. Brief outline on CSR policy of the company

The Company's CSR Policy is to enhance the living standards of the Society, ensure social economic development, achieve environmental sustainability and to be a socially responsible citizen. In accordance with it, the main area of focus for the financial year 2021-22 was Animal Welfare, Health and Sanitation, Promoting Education, Environmental Protection, Empowerment of Women, Infrastructural development and ensuring availability of drinking water. The projects and programmes undertaken are within the framework of the Schedule VII of the Companies Act, 2013 and as per the policy of the Company. The CSR Policy and projects and programmes undertaken are available on the website of the Company (www.kmbf.co)

2. Composition of CSR Committee

Sr. No.	Name of Director	Designation/nature of directorship From 01.04.2021 to 07.11.2021	Number of CSR committee meetings	
			Held for the period from 01.04.2021 to 07.11.2021	Attended
1.	Thiru.Rama.Ramanathan	Chairman	1	1
2.	Thiru.R.S.Selvaraj	Director	1	1
3.	Thiru.C.Chinnaiyan	Director	1	1
4.	Thiru.A.V.K.Ashokkumar	Director	1	1
5.	Thiru.K.Arivalagan	Director	1	1
6.	Thiru.R.K.Bharathimohan	Director	1	1
7.	Thiru.G.Jayakumar	Director	1	1
8.	Thiru.V.Kanakaraj	Director & CEO	1	1

Since the above Directors have been removed u/s 169 of the Companies Act 2013 in the 117th AGM held on 08.11.2021, the following Directors are the present members of the CSR Committee.

Sr. No.	Name of Director	Designation/nature of directorship
1.	Sri.S.Kalyanasundaram	Chairman
2.	Sri.S.Ramalingam	Vice Chairman
3.	Sri.PR.P.Velappan	Managing Director
4.	Sri.G.Anbalagan	Director
5.	Sri.M.Guru Prasanth	Director

3	Provide the web-link where Composition of CSR committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the company	www.kmbf.co
4	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules 2014, if applicable	Not Applicable

5	Details of the amount available for set off in pursuance of sub-rule(3) of Rule 7 of the Companies (Corporate Social responsibility policy) Rules, 2014 and amount required for set off for the financial year, if any	Not applicable
6	Average net profit of the company as per section 135 (5)	Rs. 6639.48 Lakhs
7	(a) 2% of average net profit of the company as per section 135(5)	Rs. 132.79 Lakhs
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
	(c) Amount required to be set off for the financial year, if any	Nil
	(d) Total CSR obligation for the financial year (7a + 7b-7c).	Rs. 132.79 Lakhs
8.	CSR amount spent details:	
	(a) Spent on CSR Obligations	Rs. 137.31 lakhs
	(b) Details of CSR amount spent against ongoing projects for the financial year	Nil

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5	6	7	8
Sl. No.	Name of the project or Activity Identified	Item from the list of activities in Schedule VII to the Act	Local Area (Yes / No.)	Location of the project	Amount spent for the project (Rs. in lakhs)	Mode of implementation Direct (Yes / No)	Mode of implementation – Through implementing agency
1	LOCAL ADMINISTRATION	Poverty, Hunger and Malnutrition	Yes	THANJAVUR TAMILNADU-TN	2,21,560	Yes	NA
2	LOCAL ADMINISTRATION	Promoting health care including preventive health care / creating health infrastructure for COVID care	Yes	THANJAVUR TAMILNADU-TN	34,65,346	Yes	NA
3	LOCAL ADMINISTRATION	Promoting Road safety activities	Yes	THANJAVUR TAMILNADU-TN	2,32,815	Yes	NA
4	LOCAL ADMINISTRATION	Promoting sanitation, Promoting education	Yes	THANJAVUR TAMILNADU-TN	54,83,332	Yes	NA
5	LOCAL ADMINISTRATION	Promoting sports in rural area	Yes	THANJAVUR TAMILNADU-TN	12,443	Yes	NA
6	LOCAL ADMINISTRATION	restoration of building and sites of historical importance	Yes	THANJAVUR TAMILNADU-TN	4,55,083	Yes	NA
7	LOCAL ADMINISTRATION	promoting education / renovation of class rooms	Yes	THANJAVUR TAMILNADU-TN	37,33,050	Yes	NA
8	LOCAL ADMINISTRATION	setting up public libraries	Yes	THANJAVUR TAMILNADU-TN	94,460	Yes	NA
9	LOCAL ADMINISTRATION	making available safe drinking water	Yes	THANJAVUR TAMILNADU-TN	32,990	Yes	NA

(d)	Amount spent in administrative overheads	-																		
(e)	Amount spent on Impact Assessment, if applicable	-																		
(f)	Total amount spent for the Financial Year (8b + 8c + 8d + 8e)	Rs. 137.31 lakhs																		
(g)	Excess amount for set off, if any																			
	<table border="1"> <thead> <tr> <th>Sl.No.</th> <th>Particulars</th> <th>Amount (in Rs.)</th> </tr> </thead> <tbody> <tr> <td>(i)</td> <td>Two percent of average net profit of the company as per section 135(5)</td> <td>Rs. 132.79 Lakhs</td> </tr> <tr> <td></td> <td>Total amount spent for the Financial Year</td> <td>Rs. 137.31 lakhs</td> </tr> <tr> <td>(ii)</td> <td>Excess amount spent for the financial year [(ii)-(i)]</td> <td>Rs. 4.52 Lakhs</td> </tr> <tr> <td>(iii)</td> <td>Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any</td> <td>Nil</td> </tr> <tr> <td>(iv)</td> <td>Amount available for set off in succeeding financial years</td> <td>Rs. 4.52 Lakhs</td> </tr> </tbody> </table>	Sl.No.	Particulars	Amount (in Rs.)	(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 132.79 Lakhs		Total amount spent for the Financial Year	Rs. 137.31 lakhs	(ii)	Excess amount spent for the financial year [(ii)-(i)]	Rs. 4.52 Lakhs	(iii)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil	(iv)	Amount available for set off in succeeding financial years	Rs. 4.52 Lakhs	
Sl.No.	Particulars	Amount (in Rs.)																		
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 132.79 Lakhs																		
	Total amount spent for the Financial Year	Rs. 137.31 lakhs																		
(ii)	Excess amount spent for the financial year [(ii)-(i)]	Rs. 4.52 Lakhs																		
(iii)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil																		
(iv)	Amount available for set off in succeeding financial years	Rs. 4.52 Lakhs																		

9.	(a) Details of Unspent CSR amount for the preceding three financial years	Not applicable
	(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s)	Not applicable
10.	In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year	Not applicable

Sd. xxxxxxx
PR.P.Velappan
 Managing Director

Sd. xxxxxxx
S.Kalyanasundaram
 Chairman
 CSR Committee

Place : Kumbakonam
 Date : 28.08.2022

AUDITOR'S CERTIFICATE

DPV & Associates, Chennai.
Ganesh Venkat & Co., Chennai.
G.Giridharan & Co., Kumbakonam
Chartered Accountants

To
The Members of
Kumbakonam Mutual Benefit Fund Nidhi Limited,
Kumbakonam.

This is to certify that we have audited the accounts for the year ending 31-03-2022 of Kumbakonam Mutual Benefit Fund Nidhi Limited, Kumbakonam ("the Company") and that the company has followed the instructions issued by The Ministry of Law Justice and Company Affairs (Department of Company Affairs) vide their Notification No. GSR 258 (E) dated 31.03.2014 and subsequent notifications thereon and there is no violation of any of the conditions mentioned therein. They have also maintained proper books of account according to the recognized principles of accounting.

The Company has satisfactorily attained the ratio of incremental Deposit to incremental Net Owned fund during the year as per the Notification No. GSR 258 (E) dated 31.03.2014 as amended from time to time.

M/s.DPV & Associates
Chartered Accountants
F.R.No. 011688S

M/s.Ganesh Venkat & Co.,
Chartered Accountants
F.R.No.005293S

M/s.G.Giridharan & Co.,
Chartered Accountants
F.R.No.009362S

CA.K.Vaira Mutthu
Membership No. 218791
UDIN : 22218791AQCUCOK2869
Partner

CA.G.Adhisivan
Membership No. 029647
UDIN : 22029647AQCUCOU8603
Partner

CA.G.Giridharan
Membership No.209405
UDIN : 22209405AQCUPW8077
Partner

Place : Kumbakonam
Date : 28.08.2022

Independent Auditor's Report

To
The Members of
Kumbakonam Mutual Benefit Fund Nidhi Limited, Kumbakonam.

Opinion

We have audited the accompanying financial statements of Kumbakonam Mutual Benefit Fund Nidhi Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2022, the Statement of Profit and Loss, (including other comprehensive income) the Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st March 2022, and its profit and its total comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key Audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report

Key Audit Matter	How our audit addressed the key audit matter
<p>Interest in Gold Loan</p> <p>Interest on Gold Loan is based on the various gold loan schemes launched by the Company. The calculation of the interest on gold loan as per the applicable scheme involves complexities, including rebates in the nature of reduced prospective interest rates for prompt payment and penal interest for delayed payment.</p> <p>Due to such variety of schemes and involvement of complexity in calculating the interest income on gold loan we have considered this as Key Audit Matter.</p>	<p>We assessed the Company's process on interest income computation.</p> <p>Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <p>Since the entire interest computation is system driven, we tested–</p> <ul style="list-style-type: none"> ➤ Evaluated the design of internal controls relating to interest income computation. ➤ Selected a sample of continuing and new gold loan schemes and tested the operating effectiveness of the internal control, relating to interest income computation. We carried out a combination of procedures involving inquiry and observation, inspection of evidence in respect of operation of these controls. ➤ Tested the relevant information technology systems' access and change management controls relating to interest income computation and related information used in interest computation. ➤ Obtained the list of modifications made in the interest scheme master during the year and test checked the same on sample basis. ➤ Performed analytical procedures and test of details procedures for testing the accuracy of the revenue recorded.
<p>Provision for Expected Credit Losses (ECL) on Loans</p> <p>Management estimates impairment provision using Expected Credit loss model for the loan exposure. Measurement of loan impairment involves application of significant judgement by the management. The most significant judgements are :</p> <ul style="list-style-type: none"> ➤ Timely identification and classification of the impaired loans, and ➤ Determination of probability of defaults (PD) and estimation of loss given defaults (LGD) based on the value of collaterals and relevant factors. <p>The estimation of Expected Credit Loss (ECL) on financial instruments involves significant judgements and estimates. Following are points with increased level of audit focus:</p>	<p>We examined Board Policy approving methodologies for computation of ECL that address policies, procedures and controls for assessing and measuring credit risk on all lending exposures, commensurate with the size, complexity and risk profile specific to the Company.</p> <p>We evaluated the design and operating effectiveness of controls across the processes relevant to ECL.</p> <p>These controls, among others, included controls over the allocation of assets into stages including management's monitoring of stage effectiveness, model monitoring including the need for post model adjustments, model validation, credit monitoring, individual/collective provisions and production of journal entries and disclosures.</p>

<ul style="list-style-type: none"> ➤ Classification of assets to stage 1, 2, or 3 using criteria in accordance with Ind AS 109 which also includes considering the impact of recent RBI's Covid-19 regulatory circulars; ➤ Accounting interpretations, modelling assumptions and data used to build and run the models; ➤ Measurement of individual borrowers' provisions including Covid-19 impact assessment of multiple economic scenarios; ➤ Inputs and Judgements used in determination of management overlay at various asset stages considering the current uncertain economic environment arising out of the COVID 19 Pandemic and ➤ The disclosures made in the financial statements for ECL especially in relation to judgements and estimates by the Management in determination of the ECL. Refer note 40.1 to the financial statements. 	<p>We tested the completeness of loans included in the Expected Credit Loss calculations as of 31 March 2021.</p> <p>We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage.</p> <p>For samples of exposure, we tested the appropriateness of determining Exposure at Default (EAD), PD and LGD.</p> <p>We performed an overall assessment of the ECL provision levels at each stage including management's assessment on Covid-19 impact to determine if they were reasonable considering the Company's portfolio, risk profile, credit risk management practices and the macroeconomic environment.</p> <p>We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 107 in relation to ECL especially in relation to judgements used in estimation of ECL provision.</p>
<p>IT Systems and Controls</p> <p>The Company's key financial accounting and reporting processes are highly dependent on the automated controls in information systems.</p> <p>We have considered this as Key Audit Matter as any control lapses, validation failures, incorrect input data and wrong extraction of data may result in the financial accounting and reporting records being misstated.</p> <p>We have focused on user access management, change management, segregation of duties, system reconciliation controls and system application controls over key financial accounting and reporting systems.</p>	<p>We tested a sample of key controls operating over the information technology in relation to financial accounting and reporting systems, including system access and system change management, program development and computer operations.</p> <p>We tested the design and operating effectiveness of key controls over user access management which includes granting access right, new user creation, removal of user rights and preventative controls designed to enforce segregation of duties.</p> <p>Understood the changes made in the IT environment during the year and ascertained its effect on the financial statements controls and accounts.</p> <p>We also assessed, through sample tests, the information generated from these systems which were relied upon for our audit.</p> <p>Based on our review no weakness was found in the IT Systems and Controls.</p>

Information Other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for other information. The other information comprises the information included in the financial highlights, board's report, corporate governance report but does not include the financial statements and our auditor's report there on. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'. We have nothing to report in this regard.

Responsibilities of Management and those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity 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 the Companies (Indian Accounting Standards) Rules, 2015.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and

(ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements financial year ended March 31, 2022 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" to this Report, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - 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 books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind Accounting Standards(Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015.
 - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) 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 B". 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) In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act., refer to Note 37 of Annexure A to this Report.
 - 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 has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 36 to the financial statements;
 - ii) The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) During the year, there has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund to the exception of certain share capital amounts.
 - iv) (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other

- persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above contain any material misstatement.
- v) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

M/s.DPV & Associates
Chartered Accountants
F.R.No. 011688S

M/s.Ganesh Venkat & Co.,
Chartered Accountants
F.R.No.005293S

M/s.G.Giridharan & Co.,
Chartered Accountants
F.R.No.009362S

CA.K.Vaira Mutthu
Membership No. 218791
UDIN : 22218791AQCUCOK2869
Partner

CA.G.Adhisivan
Membership No. 029647
UDIN : 22029647AQCUCOU8603
Partner

CA.G.Giridharan
Membership No.209405
UDIN : 22209405AQCUPW8077
Partner

Place : Kumbakonam
Date : 28.08.2022

ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" section of our Report of even date)

As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of subsection(11) of section 143 of the Act and as per the information and explanation provided to us, we give a statement on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable.

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its property, plant and equipment and its intangible assets.
- b) The Company has a regular programme of physical verification of its property, plant and equipment and investment properties by which the property, plant and equipment and investment properties are verified by the management according to a phased programme designed to cover all the items over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its property, plant and equipment and investment properties. In accordance with the programme, the Company has physically verified certain property, plant and equipment and investment properties during the year and no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the title deeds of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the financial statements are held in the name of the Company.
- d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, it has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.
- e) i) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated against the Company for holding Benami property under the "Benami Transactions (Prohibition) Act", 1988 and Rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.
- ii) Since the company is a Nidhi Company, there is no stock of raw materials, finished goods, etc. No material discrepancy was noticed on physical verification of stocks of stationery by the management as compared to book records and accordingly clause 3 (ii) (b) of the order is not applicable to the company.
- iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), iii (b), iii (c), iii (d), iii (e) and iii (f) of the Order are not applicable to the Company.
- iv) As the Company is a Nidhi Company, section 185 is not applicable vide Notification No. G.S.R. 465(E) dated 05/06/2015. Also, according to the explanations given to us, there were no such cases of loans, investments, guarantees and security as mentioned in section 186 of Companies act, 2013. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company. Hence, we do not comment on compliance with the respective sections.

- v) The Company being a Nidhi Company accepts deposits only from its members. Thus, the provisions of Section 73 to 76 of the Act are not applicable. Hence the Para 3(V) of the order is not applicable.
- vi) In our opinion and according to the explanations given to us, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.
- vii)
- a) In our opinion and according to the information and explanation given to us, undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Goods and Service Tax and other material statutory dues have been regularly deposited during the year with the appropriate authorities. According to the information and explanation given to us, there are no arrears of statutory dues which are outstanding as at 31st March, 2022 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the following dues of Income Tax have not been deposited by the Company on account of disputes:

Name of Statute	Nature of Dues	Amount involved (in Lakhs)	Period which the amount relates	Forum
Income Tax Act, 1961	Income Tax	334.52	AY 2006-07	Commissioner of Income tax (Appeals), Trichy
Income Tax Act, 1961	Income Tax	598.15	AY 2011-12	Commissioner of Income tax (Appeals), Trichy

- viii) According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the reporting under Clause 3(viii) of the Order is not applicable to the Company.
- ix)
- a) According to the records of the company, there are no borrowings from financial institutions, government or debenture holders during the year. Accordingly, comments under this clause pertaining to default in repayment of borrowings is not applicable.
- b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c) In our opinion and according to the information explanation provided to us, no monies were raised by way of term loans during the year, have been applied for the purpose for which they were raised.
- d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company and further considering the Asset Liability management mechanism of the Company, we report that no funds raised on short-term basis, have been utilised for long-term purposes.

- e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f) According to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, the reporting under Clause 3(ix)(f) of the Order is not applicable to the Company.
- x) a) The Company being a Nidhi Company accepts deposits only from its members and has not raised any money by way of initial public further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.
b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.
- xi) a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the course of our audit. The Board of Directors has appointed a firm of independent Chartered Accountants to look into certain procedural lapses and repayment of ELDS. The report has been submitted and is under the review of the Board of Directors.
b) No report under Section 143 (12) of the Act has been filed by us, during the year under report, in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
c) As represented to us by the management, no whistle blower complaints were received by the Company during the year.
- xii) a) The Company has complied with the Nidhi Rules 2014, ratio of Net Owned Funds to Deposits in the ratio of 1:7.924
b) The Company has complied with the Nidhi Rules 2014 to meet out the liability and the company is maintaining 10.01% unencumbered term deposits to meet out the liability and refer to Note 7 (a) of this report.
c) The company has not defaulted in the payment of interest on deposits or repayment thereof for any period. Accordingly, the reporting under Clause 3(xii)(c) of the Order is not applicable to the Company.
- xiii) On the basis of examination of relevant records and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. The Company has disclosed the details of transactions with related parties in the Ind AS Financial Statements as required under applicable Indian Accounting Standard (Ind AS).

- xiv) a) In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
- b) We have considered, during the course of our audit, the reports of the Internal Auditor(s) for the period under audit in accordance with the guidance provided in SA 610 "Using the work of Internal Auditors"
- xv) In our opinion, according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them and hence provisions of section 192 of the Act are not applicable.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(b), 3(xvi)(c) and 3(xvi)(d) of the Order is not applicable to the Company.
- xvii) In our opinion and according to the information and explanations given to us, the Company has not incurred cash loss in the financial year and the immediately preceding financial year. Hence, the provisions stated in paragraph clause 3 (xvii) of the Order are not applicable to the Company.
- xviii) There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.
- xix) In our opinion and according to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, along with details provided in Note 34 to the Ind AS Financial statements which describe the maturity analysis of assets & liabilities and other information accompanying the Ind AS Financial Statements, our knowledge of the plans of Board of Directors and of Management, we are of the opinion that no material uncertainty exists as on the date of the audit report and that the company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- xx) a) According to the information and explanations given to us, in respect of other than ongoing projects, the Company has no unspent amount that needs to be transferred to a Fund specified in Schedule VII to the Act in compliance with second proviso to sub-section (5) of Section 135 of the Act.
- b) According to the information and explanations given to us, the Company has no unspent amount which needs to be transferred to a special account in compliance with sub-section (6) of Section 135 of the Act.
- xxi) The reporting under clause 3(xxii) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in the report.

M/s.DPV & Associates
Chartered Accountants
F.R.No. 011688S

CA.K.Vaira Mutthu
Membership No. 218791
UDIN : 22218791AQCUOK2869
Partner

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M/s.G.Giridharan & Co.,
Chartered Accountants
F.R.No.009362S

CA.G.Giridharan
Membership No.209405
UDIN : 22209405AQCUW8077
Partner

Place : Kumbakonam
Date : 28.08.2022

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements section of our report to the members of **Kumbakonam Mutual Benefit Fund Nidhi Limited** of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the Act)

Opinion

We have audited the internal financial controls over financial reporting of Kumbakonam Mutual Benefit Fund Nidhi Limited (the Company) as at March 31, 2022 in conjunction with our audit of the financial statements of the Company for the period ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial control system with reference to financial statements over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the internal controls over financial reporting with reference to these Ind AS financial statements 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 Institute of Chartered Accountants of India ("the Guidance Note").

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls with reference to financial statements that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to financial statements 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 the Institute of Chartered Accountants of India 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 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 with reference to financial statements were 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 with reference to financial statements over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to financial statements included obtaining an understanding of internal financial controls over financial reporting with

reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial 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 with reference to financial statements over financial reporting with reference to financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 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 with reference to financial statements

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

M/s.DPV & Associates
Chartered Accountants
F.R.No. 011688S

M/s.Ganesh Venkat & Co.,
Chartered Accountants
F.R.No.005293S

M/s.G.Giridharan & Co.,
Chartered Accountants
F.R.No.009362S

CA.K.Vaira Mutthu
Membership No. 218791
UDIN : 22218791AQCUOK2869
Partner

CA.G.Adhisivan
Membership No. 029647
UDIN : 22029647AQCUOU8603
Partner

CA.G.Giridharan
Membership No.209405
UDIN : 22209405AQCUPW8077
Partner

Place : Kumbakonam

Date : 28.08.2022

BALANCE SHEET AS AT MARCH 31, 2022

(₹ in lakhs)

PARTICULARS	Note No.	31st March 2022	31st March 2021
I Assets:			
(1) Financial Asset			
(a) Cash and Cash Equivalents	6	7,286.55	22,014.60
(b) Bank Balance other than (a) above	7	34,885.12	8,273.05
(c) Loans	8	2,88,987.26	2,60,890.66
(d) Other Financial assets	9	20,906.72	16,725.37
(2) Non-Financial Assets			
(a) Current tax assets (Net)	10	183.67	235.89
(b) Deferred tax assets (Net)	31	110.35	600.04
(c) Investment Property	11	227.15	238.78
(d) Property Plant and Equipment	12	6,719.01	6,773.34
(e) Right of Use Asset	13	1,513.27	1,596.89
(f) Other Intangible Assets	14	1.79	2.64
(g) Other Non Financial assets	15	2,291.31	1,085.44
Total Assets		3,63,112.20	3,18,436.70
II Liabilities & Equity			
Liabilities			
(1) Financial Liabilities			
(a) Deposits	16	3,11,972.11	2,73,774.31
(b) Other financial liabilities	17	2,537.85	2537.78
(2) Non Financial Liabilities			
(a) Provisions	18	3,665.16	3,672.97
(b) Other Non Financial Liabilities	19	299.83	430.79
(3) Equity			
(a) Equity Share Capital	20	2,998.61	2,984.27
(b) Other Equity		41,638.64	35,036.58
Total Liabilities and Equity		3,63,112.20	3,18,436.70
Significant Accounting Policies	1-5		
See accompanying Notes forming part of the financial statements.	6-46		

For and on behalf of Kumbakonam Mutual Benefit Fund Nidhi Limited

S.Kalyanasundaram
Chairman & Independent Director
DIN : 00829647

G.Anbalagan
Independent Director
DIN : 01469646

G.Durairaj
Director
DIN : 03064193

R.Subash
General Manager

S.Ramalingam
Vice Chairman & Independent Director
DIN : 00829529

S.Hariharan
Independent Director
DIN : 02693765

E. Ambika
Director
DIN : 09353335

B.Chakarapani
Deputy General Manager & CFO

PR.P.Velappan
Managing Director
DIN : 01892661

B.Prakasam
Director
DIN : 00338872

M.Guru Prasanth
Director
DIN : 09359770

Neha Sancheti
Company Secretary

As per our report of even date attached.

For DPV & Associates,
Chartered Accountants
FRN : 011688S
CA.K.Vaira Mutthu
Membership No. 218791
UDIN : 22218791AQCUOK2869
Partner

For Ganesh Venkat & Co.,
Chartered Accountants
FRN : 005293S
CA.G.Adhisivan
Membership No. 029647
UDIN : 22029647AQCUOU8603
Partner

For G.Giridharan & Co.,
Chartered Accountants
FRN : 009362S
CA.G.Giridharan
Membership No.209405
UDIN : 22209405AQCUPW8077
Partner

Place : Kumbakonam
Date : 28.08.2022

Statement of Profit and Loss for the year ended March 31, 2022 (₹ in lakhs)

PARTICULARS	Note No.	31st March 2022	31st March 2021
Revenue from operations			
(i) Interest income	21	40,554.04	34,747.72
(ii) Rental income		4.66	1.69
(iii) Fees and commission income	22	84.41	34.53
(iv) Net gain on fair value changes	23	591.92	572.58
(I) Total Revenue from operations		41,235.03	35,356.52
(II) Other Income	24	12.76	91.35
(III) Total Income (I + II)		41,247.79	35,447.87
Expenses			
(i) Finance Costs	25	22,025.96	18,393.65
(ii) Net Loss on Fair Value Changes	26	446.28	571.39
(iii) Impairment on financial instruments	27	-	431.59
(iv) Employee Benefits Expenses	28	7,829.77	7,064.86
(v) Depreciation, amortization and impairment	29	508.81	540.26
(vi) Other expenses	30	1,109.81	930.49
(IV) Total Expenses (IV)		31,920.63	27,932.24
(V) Profit/(loss) before exceptional items and tax (III-IV)		9,327.16	7,515.63
(VI) Exceptional items	-	-	-
(VII) Profit/(loss) before tax (V -VI)		9,327.16	7,515.63
(VIII) Tax Expense :			
(1) Current tax	31	2,399.56	1,861.29
(2) Excess provision of earlier years		-	(343.39)
(3) Deferred Tax	31	597.03	(176.02)
(IX) Profit/ (loss) for the period (VII-VIII)		6,330.57	6,173.75
(X) Other Comprehensive Income			
(A) (i) Items that will not be reclassified to profit or loss (specify items and amounts)			
(a) Gain on Revaluation of Land and Building		-	5,771.35
(b) Actuarial gains/(losses) on post retirement benefit plans		163.90	(257.94)
(c) Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/ (asset)		-	-
(d) Additional Deferred Tax on account of items that will not be reclassified to Profit & Loss		107.35	129.16
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Total (A)		271.25	5,642.57

PARTICULARS	Note No.	31st March 2022	31st March 2021
(B) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total (B)		-	-
Other Comprehensive Income (A + B)		271.25	5,642.57
(XI) Total Comprehensive Income for the period (IX + X)		6,601.82	11,816.32
(XII) Earnings per equity share (for continuing operations)			
Basic (Rs.)		21.11	20.69
Diluted (Rs.)		21.18	20.74
(XIII) Earnings per equity share (for continuing and discontinued operations)			
Basic (Rs.)		21.11	20.69
Diluted (Rs.)		21.18	20.74

For and on behalf of Kumbakonam Mutual Benefit Fund Nidhi Limited

S.Kalyanasundaram
Chairman & Independent Director
DIN : 00829647

G.Anbalagan
Independent Director
DIN : 01469646

G.Durairaj
Director
DIN : 03064193

R.Subash
General Manager

S.Ramalingam
Vice Chairman & Independent Director
DIN : 00829529

S.Hariharan
Independent Director
DIN : 02693765

E. Ambika
Director
DIN : 09353335

B.Chakarapani
Deputy General Manager & CFO
As per our report of even date attached.

PR.P.Velappan
Managing Director
DIN : 01892661

B.Prakasam
Director
DIN : 00338872

M.Guru Prasanth
Director
DIN : 09359770

Neha Sancheti
Company Secretary

For DPV & Associates,
Chartered Accountants
FRN : 0116885
CA.K.Vaira Mutthu
Membership No. 218791
UDIN : 22218791AQCUCOK2869
Partner

Place : Kumbakonam
Date : 28.08.2022

For Ganesh Venkat & Co.,
Chartered Accountants
FRN : 0052935
CA.G.Adhisivan
Membership No. 029647
UDIN : 22029647AQCUCOU8603
Partner

For G.Giridharan & Co.,
Chartered Accountants
FRN : 009362S
CA.G.Giridharan
Membership No.209405
UDIN : 22209405AQCUPW8077
Partner

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2022

(₹ in lakhs)

PARTICULARS	31.03.2022	31.03.2021
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	9,327.16	7,515.63
Adjustments for:		
Depreciation and amortization expenses	175.00	202.50
Depreciation on ROU Asset	333.81	337.75
Gain on sale of Fixed Assets	(4.72)	(0.48)
Gain or Loss on fair value Changes	(163.90)	128.77
Changes in operating assets and liabilities:		
(Increase)/decrease in Financial Assets	(32,277.95)	(45,907.74)
(Increase)/decrease in Non Financial Assets	(1,128.01)	372.30
Increase/(decrease) in Financial Liabilities	38,197.87	37,422.02
Increase/(decrease) in Non Financial Liabilities	(130.95)	64.20
Increase/(decrease) in provisions	(7.81)	(1,241.26)
Net cash (used in) operating activities before taxes	14,320.51	(1106.29)
Income taxes paid, net of refunds	(2347.35)	(849.00)
Net cash (used in) operating activities	11,973.16	(1955.30)
Cash flow from investing activities		
Purchase of property, plant and equipment (including intangible assets and intangible assets under development)	(115.47)	(168.53)
Proceeds from sale of Assets	11.99	2.80
Movement in Bank balances other than cash and cash equivalents	(26,612.07)	14,212.06
Net cash (used in) investing activities	(26,715.55)	14046.33
Cash flow from financing activities		
Issue of share capital	14.34	13.92
Net cash generated from financing activities	14.34	13.92
Net increase in cash and cash equivalents	(14,728.05)	12,104.95
Cash and cash equivalents at the beginning of the period	22,014.60	9,909.65
Cash and cash equivalents at the end of the period (refer note 8)	7,286.55	22,014.60
Note:		
a. Cash and cash equivalents at the end of the period as per balance sheet	7,286.55	22,014.60
	7,286.55	22,014.60

For and on behalf of Kumbakonam Mutual Benefit Fund Nidhi Limited

S.Kalyanasundaram
Chairman & Independent Director
DIN : 00829647

G.Anbalagan
Independent Director
DIN : 01469646

G.Duraiaraj
Director
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General Manager

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Director
DIN : 00338872

M.Guru Prasanth
Director
DIN : 09359770

Neha Sancheti
Company Secretary

As per our report of even date attached.

For DPV & Associates,
Chartered Accountants
FRN : 0116885
CA.K.Vaira Mutthu
Membership No. 218791
UDIN : 22218791AQCUOK2869
Partner

Place : Kumbakonam
Date : 28.08.2022

For Ganesh Venkat & Co.,
Chartered Accountants
FRN : 0052935
CA.G.Adhisivan
Membership No. 029647
UDIN : 22029647AQCUOU8603
Partner

For G.Giridharan & Co.,
Chartered Accountants
FRN : 0093625
CA.G.Giridharan
Membership No.209405
UDIN : 22209405AQCUUPW8077
Partner

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022
A. EQUITY SHARE CAPITAL
1. Current Reporting Period (All amounts are in Lakhs unless otherwise stated)

Balance as at April 1, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 1, 2021	Changes in equity share capital during the year	Balance as at March 31, 2022
2,984.27	-	2,984.27	14.34	2,998.61

2. Previous Reporting Period

Balance as at April 1, 2020	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 1, 2020	Changes in equity share capital during the year	Balance as at March 31, 2021
2,970.35	-	2,970.35	13.92	2,984.27

B. OTHER EQUITY

1. Current Reporting Period Particulars	Reserves and Surplus		Items of Other Comprehensive Income			Total
	Share Application Money Pending Allotment	General Reserves	Retained earnings	Revaluation Surplus	Other items of Other Comprehensive Income	
Balance as at March 31st, 2021	1.45	29,430.07	-	5,966.61	(361.55)	35,036.58
Changes in accounting policy/prior period errors	-	-	-	-	-	-
Profit for the year after Income Tax	-	-	6,330.57	-	-	6,330.57
Revaluation of Land and Building	-	-	-	-	-	-
Remeasurement of Defined benefit plans	-	-	-	-	163.90	163.90
On Account of IND AS 116	-	-	-	-	-	-
Dividends	-	-	-	-	-	-
Transfer to/from retained earnings	-	6,330.57	(6,330.57)	-	-	-
Income tax on OCI	-	-	-	-	107.35	107.35
Shares Allotted during the year	(1.45)	-	-	-	-	(1.45)
Share Application money received during the year pending allotment	1.69	-	-	-	-	1.69
Balance at the March 31st, 2022	1.69	35,760.64	-	5,966.61	(90.30)	41,638.64

2. Previous Reporting Period Particulars	Reserves and Surplus		Items of Other Comprehensive Income			Total
	Share Application Money Pending Allotment	General Reserves	Retained earnings	Revaluation Surplus	Other items of Other Comprehensive Income	
Balance as at April 01, 2020	1.01	23,911.22	-	-	(37.51)	23,874.72
Profit for the year after Income Tax	-	-	6,173.75	-	-	6,173.75
Revaluation of Land and Building	-	-	-	5,771.34	-	5,771.34
On Account of Fair valuation of Deposits	-	-	-	-	(257.95)	(257.95)
Dividends	-	-	(654.89)	-	-	(654.89)
Total	1.01	5,518.85	(5,518.86)	5,771.34	(295.45)	34,906.97
Total Comprehensive Income for the year	-	-	-	195.27	(66.10)	129.17
Shares Allotted during the year	(1.01)	-	-	-	-	(1.01)
Share Application money received during the year pending allotment	1.45	-	-	-	-	1.45
Balance at the March 31st, 2021	1.45	29,430.07	-	5,966.61	(361.55)	35,036.58

Note 6 Cash and Cash Equivalents

(₹ in lakhs)

S.No.	PARTICULARS	31-03-2022	31-03-2021
(a)	Cash on Hand	1,515.70	1,412.63
(b)	Balances with banks (of the nature of cash and cash equivalents)		
	In Current Accounts	643.85	545.97
	In Fixed Deposits (maturing within a period of three months)	5,127.00	20,056.00
	Total	7,286.55	22,014.60

Short-term bank deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

Note 7 Bank Balance other than Cash and Cash Equivalents

S.No.	PARTICULARS	31-03-2022	31-03-2021
(a)	Fixed deposits with bank (maturing after period of three months but less than 12 months)	34,624.09	8,015.20
(b)	Balance in escrow accounts		
	- For Share Application Money	1.69	1.45
	- Unpaid Dividend Account	259.34	256.40
	Total	34,885.12	8,273.05

* It includes unencumbered deposits of 312.38 crores.

Note 8 Loans**Carried at Amortized Cost**

S.No.	PARTICULARS	31-03-2022	31-03-2021
		Amortized cost	Amortized cost
	Loans		
(A)			
(i)	Jewel Loans	2,86,001.81	2,58,505.45
(ii)	Simple Loan	113.71	155.88
(iii)	Other Pledge Loan	3,363.73	2,804.02
(iv)	Decreed Loans	2.55	2.55
(v)	Loan to employees	240.21	257.58
(vi)	Mortgage Loan Suit filed	100.57	103.80
	Total (A) - Gross	2,89,822.58	2,61,829.28
	Less: Impairment loss allowance	835.32	938.62
	Total (A) - Net	2,88,987.26	2,60,890.66

(₹ in lakhs)

(B)		31-03-2022	31-03-2021
(i)	Secured by tangible assets		
	- Gold Loan	2,86,004.36	2,58,508.01
	- Covered by Deposits and Mortgage	3,464.30	2,907.82
(ii)	Unsecured		
	(a) Staff Loan	353.92	413.45
	Total (B) - Gross	2,89,822.58	2,61,829.28
	Less: Impairment loss allowance	835.32	938.62
	Total (B) - Net	2,88,987.26	2,60,890.66
(C)			
(I)	Loans in India		
(i)	Public Sector	-	-
(ii)	Others - retail	2,89,822.58	2,61,829.28
	Total (C) - Gross	2,89,822.58	2,61,829.28
	Less: Impairment loss allowance	835.32	938.62
	Total (C)(I) - Net	2,88,987.26	2,60,890.66
(II)	Loans outside India	-	-
	Less: Impairment loss allowance	-	-
	Total (C)(II) - Net	-	-
	Total (C) - Net	2,88,987.26	2,60,890.66

Note 9 Other Financial Assets

	PARTICULARS	31-03-2022	31-03-2021
(a)	Interest accrued on loan portfolio (Secured, considered good)	14,505.70	12,560.30
(b)	Interest accrued on fixed deposits and investment	258.31	175.47
(c)	Bank deposits with original maturity exceeding 12 months	5,492.72	3,414.50
(d)	Security deposits	9.52	9.50
(e)	Rental Advance	233.02	234.12
(f)	Prepaid Staff Welfare	407.45	331.48
	Total	20,906.72	16,725.37

Note 10 Current Tax Assets (Net)

	PARTICULARS	31-03-2022	31-03-2021
	Advance tax and tax deducted at source (net of provisions)	183.67	235.89
	Total	183.67	235.89

Note 11 Investment Property (₹ in lakhs)

PARTICULARS	Amount
Cost	
At 31 March 2020	93.90
Additions	-
Revaluation Gain	157.10
Disposals	-
At 31 March 2021	251.00
Additions	-
Revaluation Gain	-
Disposals	-
At 31 March 2022	251.00
Depreciation and Impairment	
At 31 March 2020	42.74
Additions	-
Depreciation Charge for the period	12.22
Disposals	(42.74)
At 31 March 2021	12.22
Additions	-
Depreciation Charge for the period	11.63
Disposals	-
At 31 March 2022	23.85
Net Book Value :	
At 31 March 2020	51.15
At 31 March 2021	238.78
At 31 March 2022	227.15

Title deeds of all the Immovable Properties are held in the name of the Company.
The fair value measurement for all the investment property has been done by Registered Valuer/Independent Valuer.

Note 12 Property, Plant and Equipment (₹ in lakhs)

Particulars	Land - Freehold	Buildings	Furniture and Fixtures	Computer Equipment	Plant and Equipment	Vehicles	Total
Cost:							
As at March 31, 2021	5,470.00	685.00	1,375.63	847.99	298.49	43.69	8,720.79
Additions	-	-	49.11	33.74	32.61	-	115.47
Disposals	-	-	11.26	53.03	24.32	17.07	105.68
At 31 March, 2022	5,470.00	685.00	1,413.47	828.70	306.78	26.61	8,730.57
Accumulated Depreciation:							
As at March 31, 2021	-	33.36	939.23	712.56	230.94	31.38	1,947.46
Depreciation charge for the year	-	31.73	48.08	65.63	14.06	3.02	162.52
Disposals	-	-	10.46	49.91	21.49	16.55	98.42
At 31 March, 2022	-	65.09	976.85	728.27	223.50	17.85	2,011.56
Carrying Amount							
At 31 March, 2021	5,470.00	651.64	436.40	135.43	67.55	12.30	6,773.34
At 31 March, 2022	5,470.00	619.91	436.62	100.44	83.28	8.77	6,719.01

Title deeds of all the Immovable Properties are held in the name of the Company.
No Revaluation of Property, Plant and Equipment has been carried out during the year
The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

Note 13 Right of Use - Assets (₹ in lakhs)

Particulars	ROU Buildings
GROSS BLOCK AT COST	
As at 01.04.2021	2,266.91
Reclassified on account of adoption of IND AS 116	
Additions	250.19
Deductions	-
As at 31.03.2022	2,517.10
Depreciation	
Upto March 31,2021	670.02
Additions	333.81
Deductions	-
As at 31.03.2022	1,003.83
Carrying Amount	
At 31 March, 2021	1,596.89
At 31 March, 2022	1,513.27

Note 14 Intangible Assets

Particulars	Computer Software
Gross block-at cost	
As at March 31,2021	31.76
Additions	-
Disposals	-
As at March 31,2022	31.76
Accumulated amortisation	
As at April 01, 2019	19.74
Charge for the year	4.12
Disposals	-
As at March 31, 2020	23.86
Charge for the year	5.26
Disposals	-
As at March 31, 2021	29.12
Additions	0.85
As at March 31,2022	29.97
Carrying Amounts	
At 31 March, 2021	2.64
At 31 March, 2022	1.79

No Revaluation of Intangible assets is done during the year.

Note 15 Other Non Financial Assets

	PARTICULARS	31-03-2022	31-03-2021
(a)	Group Gratuity Prepaid	10.00	10.00
(b)	Group Insurance EDLI Prepaid	33.00	28.65
(c)	Other receivables	226.12	92.17
(d)	Prepaid Expenses	98.51	68.44
(e)	Income Tax paid under protest	425.90	425.90
(f)	Sundry Receivables	3.45	1.01
(g)	Stock of Books and Forms	21.48	19.20
(h)	Other Advances	29.02	32.65
(i)	IND AS Prepaid Asset	1,443.83	407.42
	Total	2,291.31	1085.44

Note 16 Deposits

(₹ in lakhs)

	PARTICULARS	31-03-2022	31-03-2021
	At Amortised Cost		
(a)	Deposits From Members	3,11,972.11	2,73,774.31
	Total	3,11,972.11	2,73,774.31

Note 17 Other Financial Liabilities

	PARTICULARS	31-03-2022	31-03-2021
(a)	Unclaimed dividend	259.34	256.39
(b)	Unclaimed matured deposits and interest accrued thereon	293.08	264.43
(c)	Auction surplus payable	209.16	200.53
(d)	Lease Liability	1,776.27	1,816.43
	Total	2,537.85	2,537.78

Note 18 Provisions

	PARTICULARS	31-03-2022	31-03-2021
(a)	Provision against mortgage loans	100.57	103.80
(b)	Statutory Dues Payable	220.66	238.20
(c)	Provision for Employee benefits	2,832.36	2,486.30
(d)	Provision for Current year Tax	242.12	-
(e)	Provision for Jewel Loan under Litigation	257.99	244.86
(f)	Proposed dividend	-	589.40
(g)	Other Provisions	11.46	10.41
	Total	3,665.16	3,672.97

Movement of provisions other than employee benefits during the year:

PARTICULARS	Litigation	Other Assets	Total
At 31 March,2021	244.86	103.80	348.66
Provided /(reversed) during the year	13.13	(3.23)	9.90
At 31 March,2022	257.99	100.57	358.56

***Litigation :** Litigation provisions arise out of current or potential claims or pursuits alleging non-compliance with contractual or other legal or regulatory responsibilities, which have resulted or may arise in claims from customers, counterparties or other parties in civil litigations.

(₹ in lakhs)

Note 19 Other Non-Financial Liabilities

	PARTICULARS	31-03-2022	31-03-2021
(a)	Other Liabilities	143.49	228.38
(b)	IND AS Outstanding Liability	156.34	202.41
	Total	299.83	430.79

Note 20 Equity Share Capital

	PARTICULARS	31-03-2022	31-03-2021
	Authorised		
	4,00,00,000 Equity Shares of Rs.10 each (4,00,00,000)	4,000.00	4,000.00
		4,000.00	4,000.00
	Issued		
	2,99,86,083 Equity Shares of Rs.10 each fully paid up (2,98,42,715)	2,998.61	2,984.27
	Issued, Subscribed and Fully paid-up		
	2,99,86,083 Equity Shares of Rs.10 each fully paid up (2,98,42,715)	2,998.61	2,984.27
	Total	2,998.61	2,984.27

a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

PARTICULARS	No. in Lakhs	Rs. in Lakhs
As at 1 April, 2018	294.26	2,942.58
Issued during the year	1.17	11.66
As at 1 April, 2019	295.43	2,954.24
Issued during the year	1.61	16.11
As at 1 April, 2020	297.04	2,970.35
Issued during the year	1.39	13.92
As at 31st March 2021	298.43	2,984.27
Issued during the year	1.43	14.34
As at 31 March 2022	299.86	2,998.61

b) No shareholder of the company holds more than 5% of the Equity shares.

c) Aggregate number of equity shares issued for consideration other than cash / Bonus shares during the period of five years immediately preceding the reporting date : Nil

d) Shareholding of Promoters : Nil

Revenue from Operations

Note 21 Interest income

(₹ in lakhs)

	PARTICULARS	31-03-2022	31-03-2021
	On financial assets measured at amortised cost:		
(a)	Interest on gold loans	38,171.96	32,443.16
(b)	Interest on deposits with banks	2,382.08	2,304.56
	Total	40,554.04	34,747.72

Note 22 Fees and commission income

	PARTICULARS	31-03-2022	31-03-2021
(a)	Documentation fees	31.47	15.06
(b)	Service Charges	52.94	19.47
	Total	84.41	34.53

Note 23 Net gain on Fair Value Changes

	PARTICULARS	31-03-2022	31-03-2021
	Net gain on financial instruments at fair value through Amortized cost		
	- On Financial Instruments designated at Amortized Cost	488.62	572.58
	- On Change in Impairment loss allowance	103.30	-
	Total net gain on fair value changes (A)	591.92	572.58
	Fair value changes:		
	- Unrealized	591.92	572.58
	Total net gain on fair value changes (B)	591.92	572.58

Note 24 Other Income

	PARTICULARS	31-03-2022	31-03-2021
(a)	Net gain/ (loss) on derecognition of property, plant and equipment	4.72	0.48
(b)	Provisions no longer required written back	-	85.71
(c)	Other income	8.04	5.16
	Total	12.76	91.35

Note 25 Finance Costs

	PARTICULARS	31-03-2022	31-03-2021
	On financial liabilities measured at amortised cost:		
(a)	Interest on deposits	21,715.27	18,111.78
(b)	Interest on borrowings	189.01	146.49
(c)	Finance Costs on Lease Liability	121.68	135.38
	Total	22,025.96	18,393.65

Note 26 Net Loss on fair value changes

(₹ in lakhs)

PARTICULARS	31-03-2022	31-03-2021
- On Financial Instruments designated at Amortized Cost	446.28	571.39
Total net loss on fair value changes (A)	446.28	571.39
Fair value changes - unrealised	-	-
Total net loss on fair value changes (B)	446.28	571.39

Note 27 Impairment of Financial Instruments

	PARTICULARS	31-03-2022	31-03-2021
	On financial liabilities measured at amortised cost:		
(a)	Loans	-	431.59
	Total	-	431.59

Note 28 Employee Benefit Expenses

	PARTICULARS	31-03-2022	31-03-2021
(a)	Salaries and wages	7,054.64	6,310.57
(b)	Contribution to provident and other funds	691.86	670.53
(c)	Staff welfare expenses	83.27	83.76
	Total	7,829.77	7,064.86

Note 29 Depreciation and Amortization

	PARTICULARS	31-03-2022	31-03-2021
(a)	Depreciation of tangible assets	162.52	185.03
(b)	Depreciation of Investment property	11.63	12.22
(c)	Amortisation of intangible assets	0.85	5.26
(d)	Depreciation on Right-of-Use Assets	333.81	337.75
	Total	508.81	540.26

Note 30 Other expenses

(₹ in lakhs)

	PARTICULARS	31-03-2022	31-03-2021
(a)	Energy Costs	87.11	84.56
(b)	Repairs and maintenance		
	- Vehicles	1.84	0.36
	- Others	86.13	66.05
(c)	Rates and Taxes	35.75	22.83
(d)	Printing and stationery	96.92	89.05
(e)	Advertising and publicity	22.73	6.63
(f)	Director's fees, allowances and expenses	134.94	102.06
(g)	Auditor's fees and expenses - Refer Note (i)	22.00	33.22
(h)	Communication costs	206.29	153.10
(i)	Legal and Professional Charges	17.31	11.68
(j)	Insurance	112.54	109.76
(k)	Bank Charges	7.31	7.37
(l)	Traveling Expenses	31.77	25.07
(m)	Other expenditure	247.17	218.75
	Total	1,109.81	930.49

Note (i)

	Payment to auditors as	31-03-2022	31-03-2021
	Statutory Audit	22.00	32.00
	For taxation matters	-	1.22
	For company law matters	-	-
	For other services	-	-
	For reimbursement of expenses	-	-
	Total	22.00	33.22

Note (ii) Details of CSR expenditure present as a part of Note 30(I) present above :

	Details of CSR expenditure	31-03-2022	31-03-2021
a)	Gross Amount required to be spent by the Company during the year	137.31	115.41
b)	Amount spent during the year ended on 31 March, 2022		
	i) Construction/acquisition of any asset	-	-
	- In Cash	-	-
	- Yet to be paid Cash	-	-
	ii) On purpose other than (i) above		
	- In Cash	137.31	14.36
	- Yet to be paid Cash	-	101.45
	Total	137.31	115.81

Note 31 Income Tax

(₹ in lakhs)

PARTICULARS	31-03-2022	31-03-2021
Current tax	2,399.56	1,861.29
Adjustment in respect of current income tax of prior years	-	(343.39)
Deferred tax relating to origination and reversal of temporary differences	597.03	(176.02)
Income tax expense reported in statement of profit and loss	2,996.56	1,341.88
Income tax recognised in other comprehensive income (OCI)		
Deferred tax related to items recognised in OCI during the period:		
Remeasurement of defined benefit plans	107.35	129.17
Income tax charged to OCI	-	-
Current tax	-	-
Deferred tax	107.35	129.17
Profit before tax as per IND AS	9,327.16	7,515.63
Add: Ind AS Adjustments on profit before tax	(47.69)	(250.99)
Profit before tax for computation	9,279.47	7,264.64
Allowances / disallowances (Net)	170.19	165.80
Adjusted profit before tax for income tax	9,449.66	7,430.44
Current tax as per Books (Effective rate of 25.63%, 2021: 25.63%)	2,399.56	1,861.29
Adjustment of earlier year taxes	-	(343.39)
Total tax as given in Books	2,399.56	1,517.90

PARTICULARS	Deferred Tax Assets 31-Mar-22	Deferred Tax Liabilities 31-Mar-22	Income Statement 2021-22	OCI 2021-22
(a) Timing difference: Property, plant and equipment	24.02	-	8.65	-
(b) Impairment allowance for financial assets	210.23	-	(30.29)	-
(c) Remeasurement gain / (loss) on defined benefit plan	41.25	-	-	107.35
(d) Debt instrument measured at amortised cost	39.35	-	91.60	-
(e) Financial assets measured at amortised cost	-	465.97	(676.93)	-
(f) Revaluation gain on property, plant and equipment	195.27	-	-	-
(g) Right of Use Assets	66.20	-	9.94	-
Total	576.32	465.97	(597.03)	107.35

(₹ in lakhs)

	PARTICULARS	Deferred Tax Assets 31-Mar-21	Deferred Tax Liabilities 31-Mar-21	Income Statement 2020-21	OCI 2020-21
(a)	Timing difference:Property, plant and equipment	15.38	-	7.18	-
(b)	Impairment allowance for financial assets	240.53	-	110.60	-
(c)	Remeasurement gain / (loss) on defined benefit plan	-	66.10	-	(66.10)
(d)	Debt instrument measured at amortised cost	-	52.25	11.68	-
(e)	Financial assets measured at amortised cost	210.96	-	22.64	-
(f)	Revaluation gain on property,plant and equipment	195.27	-	-	195.27
(g)	Right of Use Assets	56.26	-	23.92	-
	Total	718.38	118.35	176.02	129.17

NOTE 32: EARNINGS PER SHARE

PARTICULARS	31-03-2022	31-03-2021
Net profit for calculation of basic earnings per share (Rs. In Lakhs)	6,330.57	6,173.75
Weighted average number of equity shares in calculating basic earning per share (Nos.)	2,99,86,083	2,98,42,715
Effect of dilution:	92,326	82,368
Weighted average number of equity shares in calculating diluted earning per share (Nos.)	2,98,93,757	2,97,60,347
Basic Earnings per share (INR)	21.18	20.69
Diluted earnings per share (INR)	21.18	20.74

NOTE 33 : RETIREMENT BENEFIT PLAN**Defined Contribution Plan**

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized INR 198.34 Lakhs (31 March, 2021: INR 184.19 Lakhs) for Provident Fund contributions and INR 8.94 Lakhs (31 March, 2021 : INR 9.52 Lakhs) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.

Defined Benefit Plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Company makes an annual contribution to a gratuity fund administered and managed by the Life Insurance Corporation of India (LIC). The company accounts its liability using the Projected Unit Credit Method as at the Balance Sheet date determined every year by an independent actuary.

The following tables summaries the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan:

(Rupees)

Components of employer expense	31-03-2022	31-03-2021
Current Service Cost	1,51,83,158	1,36,11,217
Past Service Cost	-	-
Net interest on net defined benefit liability/ (asset)	15,48,388	20,85,908
Total employer expense	1,67,31,546	1,56,97,125

Net employee benefit expense recognised in the Other Comprehensive Income

Movement in Other Comprehensive Income (OCI)	31-03-2022	31-03-2021
Actuarial (Loss) / Gain from changes in financial assumptions	1,53,87,002	72,70,243
Actuarial (Loss) / Gain from experience over the past year	(4,92,955)	(2,23,99,921)
Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/ (asset)	14,96,023	1,25,225
Balance at end of year (Loss)/ Gain	1,63,90,070	(2,95,44,939)

Changes in the present value of the defined benefit obligation are as follows :

Particulars	31-03-2022	31-03-2021
Opening defined benefit obligation	35,91,91,229	32,39,30,635
Transfer in/ out	-	-
Interest cost	2,31,31,915	2,21,56,855
Current service cost	1,36,11,217	1,27,99,746
Benefits paid	(3,79,21,958)	(2,93,66,171)
Past service cost	-	-
Actuarial loss / (gain) from changes in financial assumptions	1,53,87,002	72,70,243
Actuarial loss / (gain) from experience over the past year	(4,92,955)	2,23,99,921
Closing defined benefit obligation	34,31,18,356	35,91,91,229

Changes in the fair value of plan assets are as follows :

Particulars	31-03-2022	31-03-2021
Opening fair value of plan assets	32,68,01,356	32,23,60,512
Transfer in/ out	-	-
Expected Return	2,25,42,030	2,21,74,684
Contributions by employer	1,02,80,765	1,16,32,331
Benefits paid	(3,79,21,958)	(2,93,66,171)
Actuarial gains/ (losses)	-	-
Closing fair value of plan assets	32,17,02,193	32,68,01,356
Closing Liability (net) recognized in Balance Sheet	(2,14,16,163)	(3,23,89,873)
Expected contribution to fund to be made in the next year	2,69,94,737	2,42,23,412

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	31-03-2022	31-03-2021
Discount Rate	6.44%	6.84%
Salary growth rate	7.86%	7.86%
Attrition rate	1.00%	1.00%
Expected rate of return on assets*	6.44%	6.84%

Percentage Break-down of total plan assets

(Rupees)

Particulars	31-03-2022	31-03-2021
Investment Funds with Insurance Company		
<i>Of which Unit Linked</i>	32,68,01,356	32,23,60,512
<i>Of which Traditional / Non-Unit Linked</i>	-	-
Cash and cash equivalents	-	-
Total	32,68,01,356	32,23,60,512

Assumptions	31st March 2022				31st March 2021			
	Discount Rate		Future Salary increase		Discount Rate		Future Salary increase	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation [Increase/ (Decrease)]	(1,76,96,973)	1,98,43,071	1,94,51,105	(1,76,84,781)	(1,76,13,715)	1,96,32,833	1,91,71,979	(1,75,48,088)

Maturity Analysis of the Benefit Payments

Particulars	31-03-2022	31-03-2021
1st Following Year	3,60,97,346	5,79,09,310
2nd Following Year	2,16,12,601	2,55,02,221
3rd Following Year	4,45,59,432	3,11,26,344
4th Following Year	4,40,42,472	4,12,03,442
5th Following Year	5,84,82,761	4,22,88,064
Sum of Years 6 to 10	18,13,20,058	19,66,42,107
Sum of Years 11 and above	18,52,57,222	14,66,55,923

The weighted average duration of the defined benefit obligation as at 31 March, 2022 is 7 years (2021 : 7 years)

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets & the description of the Asset-Liability matching strategies used by the plan has not been disclosed.

NOTE 34: MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. Derivatives have been classified to mature and/or be repaid within 12 months, regardless of the actual contractual maturities of the products. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortisations.

Particulars	31st March 2022			31st March 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial Assets						
Cash and cash equivalents	7,286.55	-	7,286.55	22,014.60	-	22,014.60
Bank balance other than above	34,885.12	-	34,885.12	8,273.05	-	8,273.05
Loans	2,88,886.69	100.57	2,88,987.26	2,60,786.86	103.80	2,60,890.66
Other Financial Assets	14,773.53	6,133.19	20,906.72	12,735.77	3,989.60	16,725.37
Non-financial Assets						
Current tax assets (net)	183.67	-	183.67	210.13	-	210.13
Deferred tax assets (net)	-	628.73	628.73	-	600.04	600.04
Investment Property	-	227.15	227.15	-	238.78	238.78
Property, plant and equipment	-	6,719.01	6,719.01	-	6,773.32	6,773.32
Right of Use Asset	-	1,513.27	1,513.27	-	1,596.89	1,596.89
Other intangible assets	-	1.79	1.79	-	2.64	2.64
Other Non-Financial Assets	421.57	1,869.73	2,291.30	252.13	833.31	1,085.44
Total Assets	3,46,437.13	17,193.44	3,62,117.30	3,04,272.54	14,138.38	3,18,410.92
Liabilities						
Financial Liabilities						
Deposits	3,09,619.10	2,353.01	3,11,972.11	2,73,151.60	622.71	2,73,774.31
Other Financial Liabilities	271.82	2,266.02	2,537.85	-	2,537.78	2,537.78
Non-financial liabilities						
Provisions	3,308.40	358.56	3,666.96	3569.16	103.80	3,672.96
Other non-financial liabilities	143.50	156.34	299.83	228.24	202.40	430.64
Total Liabilities	3,13,342.82	5,133.93	3,18,476.75	2,76,949.00	3,466.69	2,80,415.69
Net	33,094.31	12,059.51	43,640.55	27,323.54	10,671.69	37,995.23

NOTE 35 : CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

The Company does not have any borrowings and accordingly, there is no change in liabilities arising from financing transactions.

NOTE 36: CONTINGENT LIABILITIES, COMMITMENTS AND LEASING ARRANGEMENTS
(A) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events, which are beyond the control of the company. A contingent liability also includes a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises where a liability cannot be measured reliably. The company does not recognize a contingent liability in the accounts but discloses its existence in the financial statements. The Company has taken legal opinion on the matter and based on such opinion the management is confident of a favourable outcome.

Nature of Dues		Period to which it relates to	Forum in which dispute is pending	Amount
No provision has been made in respect of Income Tax of certain disputed demands pending disposal of appeals to be filed by the Company with the appellate authorities	Income Tax Act, 1961	Commissioner of Income Tax (Appeals) Trichy.	2006 - 07	334.52
		Commissioner of Income Tax (Appeals) Trichy.	2011 - 12	598.15

(B) Commitments

The Company does not have any outstanding financial commitments to fulfill as of the date of this Financial Statement.

(C) Lease Disclosures - Lease of Branch Premises

- (i) Ind AS 116 "Leases" is applied the standard to all lease contracts The Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset measured at the amount of the initial measurement of the lease liability.

(ii) The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date. Discount rate has been taken as the Incremental Borrowing rate of borrowings with similar tenure.
2. Excluded initial direct costs from the measurement of the right-of-use asset at the date of transition to Ind AS.

(iii) The Group takes branch premises on lease. Below are the changes made during the year in the carrying value of:

Right of Use Assets :

(Rupees)

Particulars	Amount
Balance as at 31st March 2021	15,96,89,493
Additions	2,50,19,303
Deletion	-
Amortization of ROU assets	(3,33,81,395)
Balance as at 31st March 2021	15,13,27,401

Lease Liabilities

Particulars	31.03.2022	31.03.2021
Opening Balance	18,16,42,501	20,21,02,510
Additions	2,50,19,303	39,81,708
Payment of lease liabilities	(4,12,03,133)	(3,79,79,385)
Finance cost accrued during the period	1,21,68,072	1,35,37,668
Closing Balance	17,76,26,743	18,16,42,501

Amounts recognised in Profit and Loss

Particulars	31-03-2022	31-03-2021
Depreciation expense on right-of-use assets	3,33,81,395	3,33,26,275
Interest expense on lease liabilities	1,21,68,072	1,35,37,668

The total cash outflow for leases amount to INR 412.03 Lakhs (31st March 2021 INR 352.01 Lakhs)

Maturity analysis of Lease Liability

Particulars	31-03-2022	31-03-2021
Not later than one year	2,71,82,377	2,66,91,542
Later than one year but not later than four years	9,90,64,680	6,82,04,749
Later than four years	5,13,79,685	8,67,46,210

The entity does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored closely by the Entity's finance team.

NOTE 37 : CORPORATE SOCIAL RESPONSIBILITY

(Rupees)

Particulars	31.03.2022	31.03.2021
Amount required to be spent by the company during the year	1,36,71,459	1,15,74,636
Amount of expenditure incurred	2,38,69,849	14,35,866
Shortfall at the end of the year	-	1,01,38,770
Total of previous years shortfall	1,01,38,770	-
Reason for shortfall Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard		
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year has to be shown separately		

NATURE OF CSR ACTIVITIES

Poverty, Hunger and Malnutrition, Promoting Healthcare including preventive health care / creating infrastructure for COVID care, Promoting Road Safety Activities, Promoting Sanitation, Promoting Education, Promoting Sports in Rural Area.

Restoration of Buildings and sites of historical importance, promoting education / renovation of class rooms, setting up public libraries, making available safe drinking water and animal welfare.

NOTE 38 : RELATED PARTY DISCLOSURE AND TRANSACTION DETAILS

(Rs. In Lakhs)

Sl. No.	Nature of related party	Nature of related party	31st March 2022				31st March 2021			
			Sitting Fees	Remu-neration	Int. Paid	Dividend Paid	Sitting Fees	Remu-neration	Int. Paid	Dividend Paid
1.	Thiru. S.Kalyanasundaram	Chairman & Independent Director	1.30	4.73	Nil	0.20	Nil	Nil	Nil	0.20
2.	Thiru. S.Ramalingam	Vice - Chairman & Independent Director	1.30	4.73	0.08	0.73	Nil	Nil	Nil	0.73
3.	Thiru. PR.P.Velappan	Managing Director	0.10	14.20	Nil	0.11	Nil	Nil	Nil	0.11
4.	Thiru. G.Anbalagan	Independent Director	1.20	4.73	Nil	1.10	Nil	Nil	Nil	1.10
5.	Thiru. S.Hariharan	Independent Director	1.30	4.73	0.22	Nil	Nil	Nil	Nil	Nil
6.	Thiru. B.Prakasam	Director	0.90	4.73	0.17	1.46	Nil	Nil	0.17	1.46
7.	Thiru. G.Durairaj	Director	1.20	4.73	Nil	Nil	Nil	Nil	Nil	Nil
8.	Thirumathi. E.Ambika	Director	1.30	4.73	Nil	Nil	Nil	Nil	Nil	Nil
9.	Thiru. M.Guru Prasanth	Director	1.30	4.73	Nil	Nil	Nil	Nil	Nil	Nil
10.	Thiru. B.Chakrapani	Chief Financial Officer	Nil	Nil	Nil	0.04	Nil	Nil	Nil	0.04
11.	Thiru. Rama Ramanathan	Ex-Chairman	2.30	7.27	3.07	4.56	4.04	14.93	2.21	4.50
12.	Thiru.L.Meiyappan	Ex-Director	1.40	4.60	Nil	0.38	4.04	14.93	Nil	0.32
13.	Thiru. A.V.K.Ashokkumar	Ex-Director	2.30	7.27	Nil	0.01	1.90	7.77	Nil	Nil
14.	Thiru. K.Arivalagan	Ex-Director	2.30	7.27	Nil	0.01	1.80	7.77	Nil	Nil
15.	Thiru. R.S.Selvaraj	Ex-Director	2.30	7.27	Nil	0.01	1.90	7.77	Nil	Nil
16.	Thiru.R.K.Bharathimohan	Ex-Director	2.30	7.27	Nil	0.01	1.90	7.77	Nil	Nil
17.	Thiru.G.Jayakumar	Ex-Director	2.30	7.27	Nil	Nil	1.40	5.15	Nil	Nil
18.	Thiru.C.Chinnayan	Ex-Director	2.30	7.27	Nil	Nil	1.50	5.15	Nil	Nil
19.	Thiru.V.Kanakaraj	Ex-Director	Nil	Nil	Nil	0.07	Nil	Nil	Nil	0.07
20.	Thiru.R.Padmanabhan	Then KMP	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

The erstwhile directors noted in Sl. No. 11 & 13 to 20 in the above table were removed in the 117th Annual General Meeting held on 08.11.2021 and the tenure of Thiru.L.Meiyappan (Sl. No. 12) ended on 18.08.2021.

The existing directors noted in the Sl. No. from 1 to 9 have been appointed in the 117th Annual General Meeting held on 08.11.2021.

Salary Paid

Particulars	Nature of related party	31st March 2022	31st March 2021
Mr. V. Kanakaraj	Ex-Director	5.45	9.00
Mr. R. Padmanabhan	Key Managerial Personnel	16.99	16.80
Mr.B.Chakrapani	Chief Financial Officer	17.68	15.36
Mr. Murali K	Company Secretary	0.25	2.00
Ms. Neha Sancheti	Company Secretary	2.70	Nil

Note:

- Related parties have been identified on the basis of the declaration received by the management and other records available.
- The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the company as a whole.

Compensation paid to Key Managerial Personnel

Key management personnel are those individuals who have the authority and responsibility for planning and exercising power to directly or indirectly control the activities of the Company and its employees. The Company considers the members of the Board of Directors which include independent directors (and its sub-committees) to be key management personnel for the purposes of IND AS 24 Related Party Disclosures.

Particulars	31-03-2022	31-03-2021
Short-Term Employee Benefits	15.00	25.80
Total	15.00	25.80

NOTE 39 : CAPITAL MANAGEMENT

The Company's capital management strategy is to ensure that it has sufficient capital for business operations, strategic investment, and regulatory requirements and to provide reasonable return to the shareholders. Equity share capital and other equity are considered for Capital management. The Company monitors Net Owned Funds (NOF) Ratio and percentage of unencumbered funds held as stipulated by the Reserve Bank of India for Nidhi Companies. As per the extant rules, the Company is required to maintain a NOF ratio of 1:20 and not be less than ten per cent of the deposits outstanding at the close of business on the last working day of the second preceding month as unencumbered deposits. The Company adheres to the said name as described below:

Particulars	31st March 2022	31st March 2021
Ratio of Net Owned Funds	1 : 7.928	1 : 8.424
Percentage of Unencumbered Deposits maintained	10.01%	10.50%

NOTE 40: FINANCIAL INSTRUMENTS - FAIR VALUE MEASUREMENT**40.1 Financial Assets / Liabilities that are measured at Fair value through P&L:**

The Company does not have any financial instruments measured at Fair Value through Profit & Loss

40.2 Financial Assets / Liabilities that are measured at Fair value through Other Comprehensive Income (FVTOCI):

The Company does not have any financial instruments measured at Fair Value through Other Comprehensive Income (FVTOCI)

40.3 The following table shows the carrying amounts and fair values of financial assets and financial liabilities measured at amortised cost, including their levels in the fair value hierarchy:

Particulars	Level	Carrying Value		Fair Value	
		31st March 2022	31st March 2021	31st March 2022	31st March 2021
Financial Assets					
Cash and cash equivalents	Level 1	7,286.55	22,014.60	7,286.55	22,014.60
Bank balance other than above	Level 1	34,885.12	8,273.05	34,885.12	8,273.05
Loans	Level 3	2,88,987.26	2,60,890.66	2,88,987.26	2,60,890.66
Other Financial assets	Level 3	22,258.39	17,414.79	20,906.72	16,725.37
Total Financial Assets		3,53,417.32	3,08,593.10	3,52,065.65	3,07,903.68
Financial Liabilities					
Deposits	Level 3	3,12,129.21	2,73,978.20	3,11,972.11	2,73,774.31
Other Financial Liabilities	Level 3	2,537.85	2,537.78	2,537.85	2,537.78
Total Financial Liabilities		3,14,667.06	2,76,515.98	3,14,509.96	2,76,312.09

The Management assessed that the fair value of balances in Cash and Cash equivalents, Bank Balance, Loans, Other Financial Liabilities and certain Deposits approximate to their carrying amounts largely due to the short-term maturities of these instruments.

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the financial statements. These fair values were calculated for disclosure purposes only:

(a) Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and balances, balances other than cash and cash equivalents, Loans, Other Financial Liabilities without a specific maturity and certain Deposits which have a maturity term of less than one year. Such amounts have been classified as Level 3 on the basis that no adjustments have been made to the balances in the balance sheet.

(b) Loans and advances to customers

The fair values of loans and receivables are estimated by discounted cash flow models that incorporate assumptions for credit risks, probability of default and loss given default estimates. Since comparable data is not available, credit risk is derived using, historical experience, Management view and other information used in its collective impairment models.

Fair values of portfolios are calculated using a portfolio-based approach, grouping loans as far as possible into homogenous groups based on similar characteristics i.e., type of loan. The Company then calculates and extrapolates the fair value to the entire portfolio using Effective Interest Rate model that incorporate interest rate estimates considering all significant characteristics of the loans. The credit risk is applied as a top-side adjustment based on the collective impairment model incorporating probability of defaults and loss given defaults.

(c) Security Deposit

The Company has given interest free security deposit in the form of rental advance for branches taken on lease. Such deposits have been fair valued under Ind AS using the Modified Approach - II. As a result of the fair valuation, there has been a reduction in the balance of security deposits, the impact of INR 1.89 Lakhs for the year ended 31 March, 2020 and INR 1.35 Lakhs for the year ended 31st March, 2021 has been taken in Profit and Loss.

NOTE 41: RISK MANAGEMENT

Risk is an integral part of the Company's business and sound risk management is critical to the success. As a financial intermediary, the Company is exposed to risks that are particular to its lending and the environment within which it operates and primarily includes credit, liquidity and market risks. The Company has a risk management policy which covers risk associated with the financial assets and liabilities. The Board of Directors of the Company are responsible for the overall risk management approach, approving risk management strategies and principles. The Company have a risk management policy which covers all the risk associated with its assets and liabilities.

The Company has implemented comprehensive policies and procedures to assess, monitor and manage risk throughout the Company. The risk management process is continuously reviewed, improved and adapted in the changing risk scenario and the agility of the risk management process is monitored and reviewed for its appropriateness in the changing risk landscape. The process of continuous evaluation of risks includes taking stock of the risk landscape on an event-driven basis.

The Company has an elaborate process for Risk Management. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

41.1 CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer fails to meet his contractual obligations and arises principally from the Company's loan receivables. The credit risk management policy of the Company seeks to have following controls and key metrics that allows credit risks to be identified, assessed, monitored and reported in a timely and efficient manner in compliance with regulatory requirements:

- a) Standardize the process of identifying new risks and designing appropriate controls for these risks
- b) Maintain an appropriate credit administration and loan review system establish metrics for portfolio monitoring
- c) Minimize losses due to defaults or untimely payments by borrowers Design appropriate credit risk mitigation techniques

The Company's exposure is primarily to Retain Customers, thereby making for a well-diversified risk portfolio. The time tested monitoring and recovery mechanism ensures timely recovery of instalments and where required, the Company has been able to liquidate the gold pledged and recover the entire outstanding amount. Finally, physical presence and in-depth knowledge of the markets in which the Company operates enables early identification of emerging risks thereby facilitating prompt remedial action or provisioning, as may be required.

a) Impairment - Expected Credit Loss (ECL)

The application of Ind AS 109 has necessitated fundamental changes to the accounting for expected default risk (risk provisioning). Specifically, the incurred loss model has been replaced by the Expected Credit Loss model (ECL). Consequent to this change, the Expected Credit losses on financial instruments are classified under three stages:

Stage 1 : Every financial asset is classified as stage 1, upon initial recognition. In addition, stage 1 contains all transactions with limited default risk.

Stage 2 : Financial assets whose default risk has risen significantly since initial recognition and which are not classified as cases with limited default risk.

Stage 3 : Financial assets that display objective evidence of impairment at the reporting date.

Accordingly, loan assets are categorised under three different stages, as under:

Stage 1 : Where installments are current and 1-30 days overdue.

Stage 2 : Where installments are 31-90 days overdue.

Stage 3 : Where installments are overdue beyond 90 days

The Company is required to provide 12-month expected credit loss (12-month ECL) for stage 1 assets and the life time expected credit loss (LECL) for stage 2 & stage 3 assets. 12-month ECL is the expected credit loss that results from default events that are possible within 12 months after the reporting date. LECL represents the expected credit loss from default events over the expected life of a financial asset.

b) Probability of Default

The PD model has been developed for all the major asset classes using a statistical and iterative approach. The design and construction of the model involves identification of various credit parameters and variables that have a strong and direct correlation to propensity of default. The PD model reflects to the probability of default, taking into consideration the inherent credit quality of the borrower and the residual tenor of each contract. It relies not only historical information and the current economic environment, but also considers forward-looking information such as the forecasts on the macroeconomic outlook, including emerging risks. The PD for stage 3 contracts is considered at 100%. Where a customer has one contract in stage 3 and one or more contracts in stage 1 / stage 2, the PD for all the contracts is considered at 100%.

Particulars	31st March 2022			31st March 2021		
	Stage I	Stage II	Stage III	Stage I	Stage II	Stage III
Gold Loan	1.75%	3.41%	4.00%	3.46%	4.10%	3.49%

c) Loss Given Default (LGD)

LGD represents the economic loss, adjusted for cure rate, as a percentage of exposure at the time of default. Economic loss is the estimated shortfall in realisation of dues, in the event of default. Contracts that have turned delinquent do not necessarily involve ultimate losses, since many of them are resolved through corrective actions. The cure rate is the probability of a 'non performing' (i.e. defaulted) contract reverting to a 'performing' (i.e. non-default) status in a year. The Company determines its recovery rates by analysing the recovery trends over different periods of time after a loan has defaulted. Based on its analysis of historical trends, the Company has assessed that significant recoveries happen in the year in which default has occurred. In estimating LGD, the company reviews macro-economic developments taking place in the economy.

Particulars	31st March 2022	31st March 2021
Gold loan - Normal Risk	5.55%	5.03%

41.2 LIQUIDITY RISK

Liquidity risk refers to the risk that the Company may not meet its financial obligations. Liquidity risk arises due to the unavailability of adequate funds at an appropriate cost or tenure. The objective of liquidity risk management, is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company consistently generates sufficient cash flows from operating and financial activities to meet its financial obligations as and when they fall due. Further, the Company also has undrawn facilities from bank, which can be utilized if required. The table below provide details regarding the contractual maturities of significant financial assets and liabilities as on:

Maturity pattern of assets and liabilities as on 31 March 2022 :

(Rs. In Lakhs)

Particulars	Upto 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Total
Financial Assets						
Cash and cash equivalents	2,159.55	5,127.00	-	-	-	7,286.55
Bank balance other than above	261.03	-	34,624.09	-	-	34,885.12
Loans	32,657.31	8,113.60	2,39,217.97	8,895.26	103.13	2,88,987.27
Other Financial assets	4,373.37	2,650.86	7,493.55	6,205.09	186.41	20,909.28
Total Financial Assets	39,451.25	15,891.46	2,81,335.61	15,100.35	289.54	3,52,068.21
Financial Liabilities						
Deposits	63,142.36	40,279.90	2,07,813.71	736.14	-	3,11,972.11
Other Financial Liabilities	784.24	67.96	203.87	990.65	491.14	2,537.85
Total Financial Liabilities	50,693.16	36,138.03	1,86,623.64	1,448.15	1,409.11	3,14,509.97

Maturity pattern of assets and liabilities as on 31 March 2021:

Particulars	Upto 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Total
Financial Assets						
Cash and cash equivalents	1,958.60	20,056.00	-	-	-	22,014.60
Bank balance other than above	1.45	-	8,050.40	144.50	76.68	8,273.03
Loans	7,583.31	15,301.17	2,37,728.94	173.65	103.59	2,60,890.66
Other Financial assets	1,182.88	1,832.17	9,738.58	3,821.60	150.12	16,725.35
Total Financial Assets	10,726.24	37,189.34	2,55,517.92	4,139.75	330.39	3,07,903.66
Financial Liabilities						
Deposits	50,693.16	36,102.83	1,86,355.61	622.71	-	2,73,774.31
Other Financial Liabilities	-	35.20	268.03	825.44	1,409.11	2,537.78
Total Financial Liabilities	50,693.16	36,138.03	1,86,623.64	1,448.15	1,409.11	2,76,312.09

Market Risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The Company is exposed to two types of market risk as follows:

Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market. The Company's borrowings are subject to a fixed rate of interest. These are carried at amortised cost and are not measured for interest rate risk, as neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.

Price Risk

The Company's exposure to price risk is not material.

Operational and business risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

NOTE 42 : EXPENDITURE IN FOREIGN CURRENCY

The Company does not have any foreign currency expenditure or income during the year.

NOTE 43: FRAUD

During the year there have been no instances of fraud on the Company by officers and employees.

NOTE 44: SEGMENT REPORTING

The Company has only one operating segment and accordingly the Company does not present details of reporting segments under Ind AS 108. Further, in accordance with Ind AS 108, the entity-wide disclosures are as below:

a) Reporting based on products and services :

The entity primarily has only one type of service - Gold Loan. The revenue generated by the company, majority attributable to the said service is as below :

(Rs. In Lakhs)		
Particulars	31st March 2022	31st March 2021
Gold loans	38,171.96	32,443.16

b) Geographical Segments:

The Company operates in India only. Accordingly, the entire revenue generated by the Company is from India. Accordingly, the requirement under this standard does not arise.

c) Major Customer:

Considering the nature of business, the Company does not have a single customer who constitutes more than 10% of the entity's revenue.

NOTE 45: PROVISION FOR INCOME REVERSAL AND NON-PERFORMING ASSETS

As per the extant Nidhi Rules, the Company is required to recover or renew gold jewel loans within three months from the due date of repayment. The Company recovers all loans within the said date and accordingly, the Company has not created any provision towards non-performing assets remaining unrealized.

Further, as per the extant rules, no income shall be recognized on such loans after the expiry of the said period. Income if any recognized is required to be reversed out. In compliance with the said rules, the Company does not recognize any income beyond 15 months from the due date of the loan. Accordingly, the Company has not created any provision towards income reversal.

NOTE 46: PREVIOUS YEAR FIGURES

Previous year figures have been regrouped/ reclassified, where necessary, to conform current year's classification.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**1 CORPORATE INFORMATION**

Kumbakonam Mutual Benefit Fund Nidhi Limited (the Company') (CIN: U65991TN1903PLN001246) is a Public Limited Company domiciled in India, incorporated in the year 1903 under the provisions of the Companies Act, 1882 and notified as a Nidhi Company under section 620A of the Companies Act, 1956. The registered office address of the Company is No. 145, TSR Big Street, Kumbakonam, Thanjavur - 612001. The main objective of the company is to encourage thrift, saving habits and to render all financial assistance to its members by receiving long and short term deposits and in particular Savings, Recurring, Fixed and other deposits from members and to lend or advance monies only to its members with security, as are allowed by law. The company is governed by the Notifications issued from time to time by the Ministry of Corporate Affairs.

2 BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS**2.1 Statement of Compliance**

The financial statements have been prepared as a going concern in accordance with the Indian Accounting Standard ('Ind AS'), notified under section 133 of the Companies Act, 2013 read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) amendments Rules, 2016 issued by the Ministry of Corporate Affairs (MCA). In addition, the guidance notes and announcements issued by the Institute of Chartered Accountants of India are also applied, except where the compliance with other statutory provisions requires different treatment.

2.2 Accounting Convention

The preparation of financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Company are discussed in Note 3 - Significant accounting judgements, estimates and assumptions.

2.3 Basis of Measurement

The Financial Statements have been prepared under the historical cost convention except for certain financial instruments and fixed assets that are measured at fair values at the end of each reporting period.

2.4 Presentation of Financial Statement

The financial statements of the Company are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to Non-Banking Financial Companies (NBFCs), as notified by the Ministry of Corporate Affairs (MCA). Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

- i) The normal course of business
- ii) The event of default
- iii) The event of insolvency or bankruptcy of the Company and/or its counter parties.

2.5 Functional and Presentation Currency

The financial statements are presented in Indian Rupees (INR) which is also its functional currency and all values are rounded to the nearest Lakh, except when otherwise indicated.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 REVENUE FROM OPERATIONS

3.1.1 Interest Income

Interest income is recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets other than credit-impaired assets and financial assets classified as measured at FVTPL.

The EIR in case of a financial asset is computed:

- a) As the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset;
- b) By considering all the contractual terms of the financial instrument in estimating the cash flows; and
- c) Including all fees received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest in come with the corresponding adjustment to the carrying amount of the assets.

3.1.2 Fees & Commission Income

Fees and commission are recognised when the Company satisfies the performance obligation, at fair value of the consideration received or receivable based on a five-step model as set out below, unless included in the effective interest calculation :

Step 1 : Identify contract(s) with a customer : A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for very contract that must be met.

Step 2 : Identify performance obligations in the contract : A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3 : Determine the transaction price : The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract. For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

Revenue is recognised upon transfer of control of promised services to customer in an amount that reflects the consideration we expect to receive as per the agreement with the customer. The Company has applied revenue recognition criteria for each distinct performance obligation in relation to service income. The transaction price is allocated to each performance obligation based on the standalone selling price.

3.1.3 Net gain on Fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain/ loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the statement of Profit and Loss.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain/ loss on fair value changes. As at the reporting date,

the Company does not have any financial instruments measured at FVTPL and debt instruments measured at FVOCI. However, net gain / loss on derecognition of financial instruments classified as amortised cost is presented separately under the respective head in the Statement of Profit and Loss.

3.1.4 Rental Income

Other Income includes rental income generated by the Company from Investment Property. Leases for which the company is a lessor is classified as finance lease or operating lease based on the terms and conditions of the lease agreement. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Assets leased out on Operating Lease are recognised as an Investment Property in the Balance Sheet. Lease income from operating lease is recognised as income on straight line basis over the lease term.

3.1.5 Disaggregate Revenue Information

Since the requirement of application of Ind AS 115 on Company's revenue is insignificant, the Company believes that disaggregation of data about the nature, amount, timing of our revenues is not required.

3.2 EXPENSES

3.2.1 Finance Costs

Finance costs represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL. The EIR in case of a financial liability is computed:

a) as the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability, b) by considering all the contractual terms of the financial instrument in estimating the cash flows, c) including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts. Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

3.2.2 Retirement and other employee benefits

Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus/ex-ratia are recognised in the period in which the employee renders the related service.

Post-employment employee benefits

a) Defined contribution schemes

All the employees of the Company are entitled to receive benefits under the Provident Fund and Employees State Insurance scheme, defined contribution plans in which both the employee and the Company contribute monthly at a stipulated rate. The Company has No liability for future benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after

deducting the contribution already paid, if the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

b) Defined Benefit Schemes

The Company provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated years mentioned under 'The Payment of Gratuity Act, 1972'. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary at each Balance Sheet date, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date.

Net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, attrition rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

The Company fully contributes all ascertained liabilities to LIC without routing it through Trust bank account. Trustees administer contributions made to the trust and contributions are invested in a scheme of insurance with the IRDA approved Insurance Company.

Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the ret defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are classified to profit and loss in subsequent periods.

c) Other Long Term Employee Benefits

Company's liabilities towards compensated absences to employees are accrued based on the past history of the Company after taking into account the effects of changes in assumptions and are recognised immediately in the Statement of Profit and Loss. The Company presents the Provision for compensated absences under provisions in the Balance Sheet.

3.2.3 Rent Expense

Identification of lease

The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or whether the arrangement conveys a right to use the asset.

Recognition of lease payment

Rent Expenses representing operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless the increase is in line with expected general inflation, in which case lease payments are recognised based on contractual terms. Leases that do not transfer

substantially all of the risks and benefits incidental to ownership of the leased items are operating leases.

3.2.4 Other income and expenses

All Other income and expense are recognized in the period they occur.

3.2.5 Impairment of non-financial assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using the pre-tax discount rate that reflects the current market assessments of the time value of money and risks specific to the asset.

In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

3.2.6 Taxes

a) Current Tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b) Deferred Tax

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are only recognised for temporary differences, unused tax losses and unused tax credits if it is probable that future taxable amounts will arise to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities are realised simultaneously.

c) Minimum Alternate Tax (MAT)

As the Company has adopted reduced rates of Income tax under section 115BAA of the Income Tax Act, 1961, Minimum alternate tax (MAT) provisions are not applicable to it. Further, in accordance with the provisions of the Act, the Company is also not eligible to claim MAT Credit, if any, available. Accordingly, the Company does not have any outstanding MAT Credit in its books of accounts.

d) Goods and Services Tax

Goods and services tax paid on acquisition of assets or on incurring expenses. Expenses and assets are recognised net of the goods and services tax paid, except:

- i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- ii. When receivables and payables are stated with the amount of tax included the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

3.3 FINANCIAL INSTRUMENTS

3.3.1 Classification of financial instruments

The Company classifies its financial assets into the following measurement categories:

- 1) Financial assets to be measured at amortised cost
- 2) Financial assets to be measured at fair value through other comprehensive income
- 3) Financial assets to be measured at fair value through profit or loss account

The classification depends on the contractual terms of the financial assets cash flows and the Company's business model for managing financial assets. The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The business model is assessed on the basis of aggregated portfolios based on observable factors. These factors include:

- Reports reviewed by the entity's key management personnel on the performance of the financial assets
- The risks impacting the performance of the business model (and the financial assets held within that business model) and its management thereof
- The expected frequency, value and timing of trades.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account.

The Company also assesses the contractual terms of financial assets on the basis of its contractual cash flow characteristics that are solely for the payments of principal and interest on the principal amount outstanding. 'Principal' is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount). In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

The Company classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

3.3.2 Financial assets measured at amortised cost

These Financial assets comprise Bank balances, Loans, Investments and Other financial assets.

Financial Assets with contractual terms that give rise to cash flows on specified dates, and represent solely payments of principal and interest on the principal amount outstanding; and are held within a business model whose objective is achieved by holding to collect contractual cash flows are measured at amortised cost.

These financial assets are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or a financial liability.

3.3.3 Financial assets measured at fair value through other comprehensive income

The Company does not have any financial instruments required to be measured through other comprehensive income in accordance with Ind AS 109.

3.3.4 Items at fair value through profit or loss Items at fair value through profit or loss comprise:

- Investments (including equity shares) held for trading;
- Items specifically designated as fair value through profit or loss on initial recognition; and
- Debt instruments with contractual terms that do not represent solely payments of principal and interest.

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

Financial Instruments held for trading

A financial instrument is classified as held for trading if it is acquired or incurred principally for selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking, or it is a derivative not designated in a qualifying hedge relationship. The Company does not have any such instruments in the current year.

3.3.5 Debt securities and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and transaction costs that are an integral part of the Effective Interest Rate (EIR).

3.3.6 Recognition and derecognition of financial assets and liabilities

A financial asset or financial liability is recognised in the Balance Sheet when the Company becomes a party to the contractual provisions of the instrument, which is generally on trade date. Loans and receivables are recognised when cash is advanced (or settled) to the borrowers. All financial assets are recognised initially at fair value plus directly attributable transaction costs.

The Company derecognises a financial asset when the contractual cash flows from the asset expire or it transfers its rights to receive contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability. A financial liability is derecognised from the balance sheet when the Company has discharged its obligation or the contract is cancelled or expires.

3.3.7 Impairment of financial assets - Expected Credit Loss (ECL)

The application of Ind AS 109 has necessitated fundamental changes to the accounting for expected default risk (risk provisioning). Specifically, the incurred loss model has been replaced by the Expected Credit Loss model (ECL). Consequent to this change, the Expected Credit losses on financial instruments (not fair valued through P&L) are classified under three stages.

Financial assets migrate through the following three stages based on the change in credit risk since initial recognition:

Stage 1: 12-months ECL

For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised.

Stage 2: Lifetime ECL — not credit impaired

For exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired, a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset) is recognised.

Stage 3: Lifetime ECL — credit impaired

Exposures are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount. At each reporting date, the Company assesses whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Company considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and also, forward-looking analysis. An exposure will migrate through the ECL stages as asset quality deteriorates. If, in a subsequent period, asset quality improves and also reverses any previously assessed significant increase in credit risk since origination, then the loss allowances reverts from lifetime ECL to 12-months ECL.

The loss allowances for these financial assets is based on a 12-months ECL. When an asset is uncollectible, it is written off against the related allowance. Such assets are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off reduce the amount of the allowances in the profit and loss statement.

The accounting standard, Ind AS 109 does not specifically prescribe any methodology for computing ECL. However, entities are required to adopt sound and market acceptable methodologies which are in line with the size, complexity and risk-profile of the financial entity for computing the ECL. The Company uses three main components to measure ECL. These are, Exposure at Risk (EAR), Probability of Default (PD) and Loss Given Default (LGD). Exposure at Risk (EAR) is defined as the sum of Principal outstanding and interest accrued at the reporting date. PD is defined as the probability of borrowers defaulting on their obligations. LGD represents the economic loss, adjusted for cure rate, as a percentage of exposure at the time of default. The Company assesses whether the credit risk on an exposure has increased significantly on an individual or collective basis. For the purposes of a collective evaluation of impairment, financial instruments are grouped on the basis of shared credit risk characteristics, taking into account instrument type, credit risk ratings, date of initial recognition, remaining term to maturity, industry, geographical location of the borrower and other relevant factors.

Measurement of ECLs are derived from unbiased and probability-weighted estimates of expected loss, and are measured as follows:

- Financial assets that are not credit-impaired at the reporting date: as the cash shortfalls over the expected life of the financial asset. The Company believes that the cash inflows (whether through recovery or through auction) will be received within the next 12 months and accordingly discounting is not applicable. The cash shortfall is the difference between the cash flows due to the

Company in accordance with the contract and the cash flows that the Company expects to receive. The Company has grouped its various financial assets in to pools containing loans bearing homogeneous risks characteristics. The probability of default for the pools are computed based on the historical trends, adjusted for any forward looking factors. Similarly the Company computes the Loss Given Default based on the recovery rates.

- Financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows discounted by the effective interest rate.

ECL on Debt instruments measured at fair value through OCI The ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit and loss upon derecognition of the assets. As at the reporting date the Company does not have any debt instruments measured at fair value through OCI.

Collateral Valuation

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral obtained by the Company primarily constitutes Gold. The Company also extends loans against deposits placed with itself. However, the fair value of collateral affects the calculation of ECLs. To the extent possible, the Company uses active market data for valuing financial assets held as collateral.

Collateral repossessed

In its normal course of business whenever default occurs, the Company may take possession of the gold pledged and disposes such assets through auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors.

Apart from the above, the Company issues loans against fixed and recurring deposits placed with it by customers. Loans issued against the said collateral have not been considered for impairment as the loss given default is almost negligible.

Write-offs

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. The Financial assets and liabilities are presented in ascending order of their liquidity.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as value in use in Ind AS 36.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. External valuers are involved for valuation of significant assets, such as Property, Plant and Equipment.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. No such instances of transfers between levels of the fair value hierarchy were recorded during the reporting period. Difference between transaction price and fair value at initial recognition:

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. When such evidence exists, the Company recognises the difference between the transaction price and the fair value in profit or loss on initial recognition (i.e. on day one).

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Company recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised.

3.4 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise the net amount of short-term, highly liquid investments that are readily convertible to known amounts of cash (short-term deposits with an original maturity of three months or less) and are subject to an insignificant risk of change in value, cheques on hand and balances with banks. They are held for the purposes of meeting short term cash commitments (rather than for investment or other purposes).

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

3.5 PROPERTY, PLANT AND EQUIPMENT (PPE)

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, (if any). The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent expenditure related to an item of tangible assets are added to its gross value only if it increases the future benefits of the existing assets, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Depreciation is calculated using the Written Down Value (WDV) method to write down the cost of property and equipment to their residual values over their estimated useful lives. Land is not depreciated. The estimated useful lives are, as follows:

Particulars	Useful Life estimated by the company
Computer	
- End user equipment	3 years
- Server	6 years
Furniture and Fixtures	
- Safe and Strong rooms*	60 years
- Others	10 years
Buildings	60 years
Vehicles	10 years
Plant & Equipment	15 years

* The Company has estimated useful life which is different for Schedule II useful life's based on technical advise obtained by the Management

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate Property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income/ expense in the statement of profit and loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

3.6 INTANGIBLE ASSETS

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is presented as a separate line item in the statement of profit and loss. Amortisation on assets acquired/sold during the year, if any, is recognised on a pro-rata basis to the Statement of Profit and Loss from / upto the date of acquisition/sale.

Amortisation is calculated using the written down value method to write down the cost of intangible assets to their residual values over their estimated useful lives. Intangible assets comprising of software are amortised over a period of 3 years, akin to computers, as they cannot be used separately.

The Company's intangible assets consist of computer software with definite life. Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

During the year, the Company has transitioned to a new software (.Net). As the backup for the previous years are maintained in the old software (FoxPro), the Management has decided not to impair the old software and continue to carry it in books.

3.7 PROVISIONS

Provisions are recognised when the enterprise has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When the effect of the time value of money is material, the enterprise determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

3.8 CONTINGENT LIABILITIES

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recorded because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

3.9 EARNINGS PER SHARE

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings Per Share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

3.10 SEGMENT REPORTING

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, and for which discrete financial information is available. The Company has only one operating segment - Gold Loans. Accordingly, the Company has not presented segment reporting required under Ind AS 108. However, the Company has presented entity-wide disclosures as required under Ind AS 108.

3.11 CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby net profit after tax is adjusted for the effects

of transactions of non-cash nature, tax and any deferrals or accruals of past or future cash receipts or payments. The cash flows are prepared for the operating, investing and financing activities of the Company.

4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

4.1 Business Model Assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

4.2 Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each - "

4.3 Fair value measurement

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

4.4 Impairment of loans portfolio

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

The impairment loss on loans and advances is disclosed in more detail in Note 3.3.7 Overview of ECL principles.

4.5 Contingent liabilities and provisions other than impairment on loan portfolio

The Company operates on a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration in the ordinary course of the Company's business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

4.6 Effective Interest Rate (EIR) Method

The Company's EIR methodology recognized interest income/ expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, probable fluctuations in collateral value as well expected changes to India's base rate and other fee income/ expense that are integral parts of the instrument.

4.7 Other Estimates

These include contingent liabilities, useful lives of tangible and intangible assets, etc.

5 NATURE AND PURPOSE OF RESERVE

5.1 General Reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of profit for the period at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act. 2013.

5.2 Retained Earnings

Retained Earnings represent reserves and surplus of generic nature like debit or credit balance of profit and loss account, general reserves, etc. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

5.3 Revaluation Surplus

A revaluation surplus is an equity account in which is stored any upward changes in the value of Property, Plant and Equipment.

If an asset's carrying amount is increased as a result of a revaluation, the increase shall be recognised in other comprehensive income and accumulated in equity under the heading of revaluation surplus. However, the increase shall be recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss.

If an asset's carrying amount is decreased as a result of a revaluation, the decrease shall be recognised in profit or loss. However, the decrease shall be recognised in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decrease recognised in other comprehensive income reduces the amount accumulated in equity under the heading of revaluation surplus.

The revaluation surplus included in equity in respect of an item of property, plant and equipment may be transferred directly to retained earnings when the asset is derecognised.

5.4 Other items of Other Comprehensive Income

Other items of other comprehensive income consist of remeasurement of net defined benefit liability/asset including the corresponding tax effect thereon.

Additional Regulatory Information Required under Division III to Schedule III of the Companies Act 2013

Sl.No	Disclosure requirement as per Amended Schedule III	Remarks for Non Disclosure (If any)
1	Title deeds of Immovable Property not held in name of the Company	The Company don't have any immovable properties which are not held in its Own name, Hence disclosure under this clause is not applicable
2	Revaluation of Property , Plant & Equipment	The Company has not revalued Property, Plant & Equipment, Hence disclosure under this clause is not applicable
3	Revaluation of Intangible Assets	The Company has not revalued Intangible Assets, Hence disclosure under this clause is not applicable
4	Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties	Nil
5	Capital-Work-in Progress (CWIP)	Nil
6	Intangible assets under development	Nil
7	Details of Benami Property held	The Company has no Benami Property
8	Borrowings from banks or financial institutions on the basis of security of current assets	The Company has no Borrowings from Banks or Financial institutions secured against Current Assets, Hence disclosure under this clause is not applicable
9	Wilful Defaulter	The Company has not been declared as wilful defaulter by any bank or financial Institution or other lender, Hence disclosure under this clause is not applicable
10	Relationship with Struck off Companies	The Company has no Transactions with Struck off Companies
11	Registration of charges or satisfaction with Registrar of Companies (ROC)	Nil
12	Compliance with number of layers of companies	The Company has no subsidiary/ associate or Joint Venture, Hence disclosure under this clause is not applicable.
13	Anyaltical Ratios	Not Applicable
14	Compliance with approved Scheme(s) of Arrangements	The Company has no Scheme of Amalgamations approved or pending for approval by the competent authority in terms of sections 230 to 237 of the Companies Act, 2013.
15	Utilisation of Borrowed funds and share premium	(a) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested from borrowed funds or share premium or any other sources or kind of funds by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; (b) No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
16	Undisclosed income	Nil
17	Corporate Social Responsibility (CSR)	Refer Note 30 (ii)
18	Details of Crypto Currency or Virtual Currency	The Company has not Traded or invested in crypto currency or virtual currency, Hence disclosure under this clause is not applicable

BRANCHES TELEPHONE NUMBER

01.	Aduthurai	0435-2472205
02.	Ambattur	044-26584899
03.	Ammapettai	04374-232636
04.	Annanagar - Madurai	0452-2532114
05.	Arani	04173-226865
06.	Ariyalur	04329-220990
07.	Ashok Nagar	044-24899584
08.	Avadi	044-26554899
09.	Attur	04282-250102
10.	Batlagundu	04543-262369
11.	Chengalpattu	044-27429510
12.	Cheygar	04182-223107
13.	Chidambaram	04144-223009
14.	Chinmaya Nagar	044-24791217
15.	Chinnamanur	04554-248149
16.	Chintadripet	044-28456700
17.	Chromepet	044-22655767
18.	Coimbatore	0422-2599944
19.	Cuddalore	04142-236753
20.	Dharmapuri	04342-265005
21.	Dindigul	0451-2433206
22.	East Tambaram	044-22273055
23.	Erode	0424-2264290
24.	Gandarvakottai	04322-275337
25.	Guduvanchery	044-27462001
26.	Jayankondam	04331-250211
27.	K.Pudur, Madurai	0452-2564666
28.	Kallakkurichi	04151-223875
29.	Kanchipuram	044-27233104
30.	Kangeyam	04257-220113

31.	Karaikal	04368-223294
32.	Karaikudi	04565-234277
33.	Karur	04324-264138
34.	Koothanallur	04367-232737
35.	Krishnagiri	04343-237005
36.	Kulithalai	04323-222390
37.	Kumbakonam Bazaar	0435-2420790
38.	Kumbakonam Besant Road	0435-2421041
39.	Kumbakonam	0435-2431648
40.	Madipakkam	044-22423130
41.	Madukkur	04373-260252
42.	Madurai	0452-2344187
43.	Mangalapuram	04362-246100
44.	Mannachanallur	0431-2560879
45.	Manapparai	04332-260402
46.	Mannargudi	04367-252237
47.	Mayiladuthurai	04364-223067
48.	Melur	0452-2417194
49.	Mylapore	044-24981439
50.	Nachiarkoil	0435-2466622
51.	Nagapattinam	04365-240776
52.	Nagercoil	04652-220677
53.	Namakkal	04286-223129
54.	Nanganallur	044-22242749
55.	Nannilam	04366-230111
56.	Needamangalam	04367-260202
57.	Neyveli	04142-263444
58.	Orathanadu	04372-232446
59.	Palani	04545-243148
60.	Pallavaram	044-22641332

BRANCHES TELEPHONE NUMBER (continued...)

61.	Panruti	04142-242077
62.	Papanasam	04374-222854
63.	Pattukkottai	04373-252348
64.	Peralam	04366-238579
65.	Perambalur	04328-276548
66.	Perambur	044-25510490
67.	Periyakulam	04546-231821
68.	Pollachi	04259-229426
69.	Ponneri	044-27973103
70.	Poonamallee	044-26495583
71.	Porur	044-24769124
72.	Pudukkottai	04322-222154
73.	Rajapalayam	04563-220525
74.	Ramanathapuram	04567-222101
75.	Saidapet	044-24340484
76.	Salem	0427-2210203
77.	Sankarankoil	04636-222269
78.	Sirkali	04364-270985
79.	Srirangam	0431-2433158
80.	T.Nagar (Fax : 044-28144286)	044-28141334
81.	Tambaram	044-22266043
82.	Tenkasi	04633-224112
83.	Thanjavur	04362-231641
84.	Theni	04546-254472
85.	Tirukkoyilur	04153-253110
86.	Thirukkattupalli	04362-280545
87.	Thirumangalam	04549-280284
88.	Thiruppanandal	0435-2456020
89.	Thiruppurambiyam	0435-2455472
90.	Thiruthuraipoondi	04369-222851

91.	Thiruvaiyaru	04362-260551
92.	Thiruvallur	044-27662664
93.	Thiruvanmiyur	044-24421789
94.	Thiruvarur	04366-222367
95.	Thiruverumbur	0431-2510197
96.	Thiruvottriyur	044-25737701
97.	Thoothukudi	0461-2323548
98.	Thuraiyur	04327-256109
99.	Tindivanam	04147-222074
100.	Tiruchirapalli	0431-2419856
101.	Thirunelveli	0462-2333548
102.	Tirupattur	04179-221006
103.	Tiruppur	0421-2203150
104.	Thiruvannamalai	04175-223182
105.	Triplicane	044-28480609
106.	Udumalaipettai	04252-224033
107.	Valangaiman	04374-264455
108.	Vandavasi	04183-226106
109.	Velachery	044-22431109
110.	Vellore	0416-2222201
111.	Villivakkam	044-26171108
112.	Villupuram	04146-222956
113.	Virudhachalam	04143-230337
114.	Virudhunagar	04562-246093

KUMBAKONAM MUTUAL BENEFIT FUND NIDHI LIMITED

CIN : U65991TN1903PLN001246
145, Big Street, Kumbakonam - 612 001

Form No.MGT – 11

PROXY FORM

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

118th Annual General Meeting – 28th September, 2022

Name of the member(s)	
Registered address	
E-mail ID	
Folio No.	

I/We, being the member(s) holding Shares of the above named Company, hereby appoint

1. Name
Address
Email Id: Signature or failing him/her
2. Name
Address
Email Id: Signature or failing him/her
3. Name
Address
Email Id: Signature or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **118th Annual General Meeting** of the Company, to be held on **Wednesday, the 28th September, 2022, at 10.00 a.m at RAYA RAJ ANUGRAHA HALL, 83/159, GANDHI ADIGAL SALAI, KUMBAKONAM - 612 001** and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions Ordinary Business
1	To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon.
2	To declare dividend for the year 2021-22.
3	To appoint a director in the place of Thiru.B.Prakasam (DIN 00338872) who retires by rotation and, being eligible for re-election as Director.
4	To appoint a director in the place of Thiru.G.Durairaj (DIN 03064193) who retires by rotation and, being eligible for re-election as Director.
5	To appoint statutory auditors and to fix their remuneration.

Special Business	
6	To consider the appointment of Thiru.S.Hariharan (DIN 02693765) as an Independent Director.
7	To consider the appointment of Thiru.S.Ramalingam (DIN 00829529) as an Independent Director.
8	To consider re-appointment and ratify the payment of remuneration paid to Thiru.PR.P.Velappan (DIN 01892661) as Managing Director of the Nidhi.
9	To consider the amendments of Memorandum of Association of the Nidhi.
10	To consider the alterations in the Articles of Association of the Nidhi.

Signed this..... day of, 2022.

Signature of shareholder(s)



Signature of Proxyholder(s)

Note : 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. Please complete all details of member(s) before submission.

Kumbakonam Mutual Benefit Fund Nidhi Limited
(Regd. Office: 145, Big Street, Kumbakonam – 612 001)

CIN : U65991TN1903PLN001246. Ph: 0435 – 2401548
Fax : 0435-2431682 Website : www.kmbf.co e-mail : kmbf@kmbf.co

Attendance Slip

Please sign this slip and hand it over at the entrance of the meeting hall.

Name of Member	Name of the Proxy
Mr/Ms.	Mr/Ms.
Share Certificate Number :	Proxy Acknowledge Number :
Number of Shares:	Number of Shares:

I hereby record my presence at the **118th** Annual General Meeting on **Wednesday, the 28th September, 2022, at 10.00 a.m at RAYA RAJ ANUGRAHA HALL, 83/159, Gandhi Adigal Salai, Kumbakonam - 612 001.**

Signature of the Member/Proxy

Kumbakonam Mutual Benefit Fund Nidhi Limited
(Regd. Office: 145, Big Street, Kumbakonam – 612 001)

Attendance Slip Counterfoil

Annual General Meeting : 28-09-2022, Time 10.00 a.m.
Venue : RAYA RAJ ANUGRAHA HALL, 83/159, Gandhi Adigal Salai,
Kumbakonam - 612 001.

Name of Member	Name of the Proxy
Mr/Ms.	Mr/Ms.
Share Certificate Number :	Proxy Acknowledge Number :
Number of Shares:	Number of Shares:

**கும்பகோணம் அரசு மாவட்ட தலைமை மருத்துவமனைக்கு
இரத்த வங்கி கொடையாளர் வாகனம் வழங்குதல்**

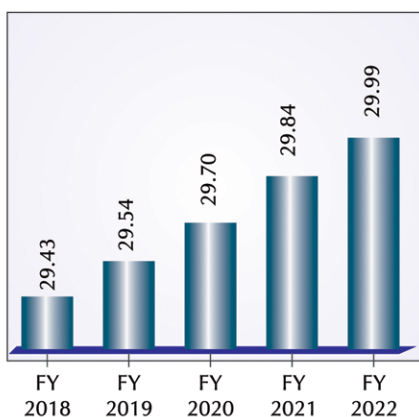
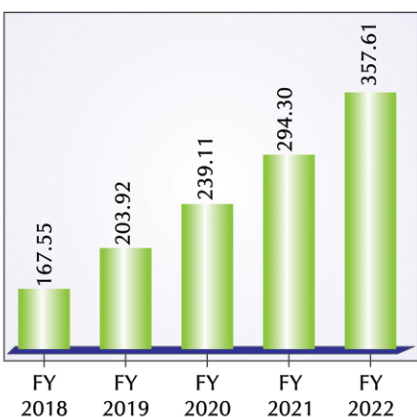
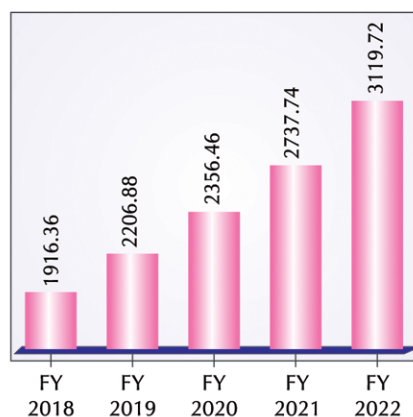
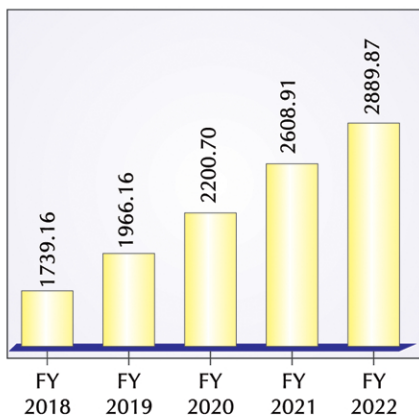
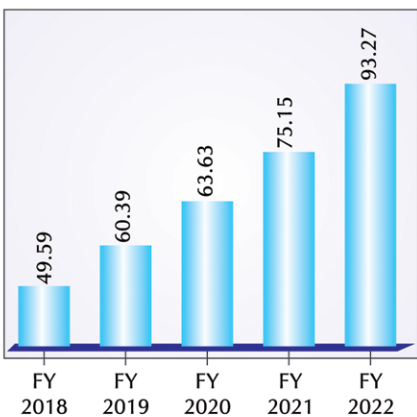


117 - வது ஆண்டு பேரவைக் கூட்டத்தில் தலைவர் உரையாற்றுதல்



அரியலூர் கிளை இடமாற்றம்



PAID UP CAPITAL (₹ in Crore)

RESERVES & SURPLUS (₹ in Crore)

DEPOSITS (₹ in Crore)

ADVANCES (₹ in Crore)

PROFIT (₹ in Crore)

DIVIDEND (₹ in Crore)

DECADE OF PROGRESS

(₹ in Crore)

Year	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22*
Paid up capital	28.76	28.96	29.04	29.11	29.20	29.29	29.43	29.54	29.70	29.84	29.99
Reserves & Surplus	49.14	78.33	93.51	109.37	123.69	140.56	167.55	203.92	239.11	294.30	357.61
Deposits	1267.38	1530.46	1607.35	1570.74	1664.55	1806.63	1916.36	2206.88	2356.46	2737.74	3119.72
Advances	1356.82	1671.36	1339.18	1424.77	1384.52	1620.83	1739.16	1966.16	2200.70	2608.91	2889.87
Profit	37.14	56.40	40.37	37.67	35.69	37.37	49.59	60.39	63.63	75.15	93.27
Dividend (p.a.)	20%	22%	22%	22%	22%	22%	22%	22%	22%	22%	25%
No. of Branches	90	99	99	103	107	107	108	109	112	113	114

* Subject to Approval of shareholders at its ensuing Annual General Meeting

Book-Post
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To



If undelivered, please return to :



KUMBAKONAM MUTUAL BENEFIT FUND NIDHI LIMITED

Regd. Office : 145, Big Street, Kumbakonam - 612 001.

CIN : U65991TN 1903 PLN 001246. Ph : 0435 - 2401548

Fax : 0435 - 2431682 Website : www.kmbf.co e-mail : kmbf@kmbf.co