FOUNDER

KUMBAKONAM MUTUAL BENEFIT FUND NIDHI LIMITED

122 YEARS

KUMBAKONAM

Estd : 1903

121st ANNUAL REPORT

2024-2025

KUMBAKONAM MUTUAL BENEFIT FUND NIDHI LIMITED

Regd. Office : 23 & 24, Dr.Besant Road, Kumbakonam - 612 001.

CIN : U65991TN1903PLN001246. Ph : 0435 - 2401548

Website : www.kmbf.co e-mail : kmbf@kmbf.co

It is the first company in India to be declared as NDH-4

Certificate of Recognition to NDH-4 status by Central Government

सत्यमेव जयते

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

The company was incorporated in the year 1903 under the Companies Act, 1882 and subsequently declared as Nidhi under section 620A of the Companies Act, 1956. Under section 406 of the Companies Act, 2013 and the Nidhi Rules 2014, the Central Government has, on being satisfied that the company meets the requirements under the Rules, notified the company as a Nidhi Company NDH-4 in the official Gazette.

It is the first company in India to be declared as NDH-4

120th Annual General Meeting - 30.09.2024

Opening of New Branch at T.Palur

Opening of New Branch at Kattumannarkoil

Opening of New Branch at Vallam

Opening of New Branch at Singanallur

Opening of New Branch at Sethiathoppu

Opening of New Branch at Oddanchatram

Opening of New Branch at Mettupalayam

Opening of New Branch at Musiri

Opening of New Branch at Ayyampettai

Opening of New Branch at Lalgudi

Opening of New Branch at Karambakkudi

BOARD OF DIRECTORS

Thiru. **S.Kalyanasundaram** M.P.,
Chairman

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

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

Dr. **G.Anbalagan** MLA.,
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.**S.Venkatesan**
General Manager

Thiru.**S.Shanmugam**
General Manager & Chief Financial Officer

Thiru.**P.Karunanithi**
Deputy General Manager

Thiru.**K.Jawahar**
Assistant General Manager

Thiru.**S.Ganesan**
Assistant General Manager

Thiru.**S.Murugesan**
Assistant General Manager

Company Secretary

CS.**S.Kannan**
Company Secretary
M.No. A4053

Statutory Auditors

M/s.**Shanmugham & Associates**
Chartered Accountants,
F.R.No.006655S

M/s.**G.Natesan & Co.,**
Chartered Accountants,
F.R.No.002424S

M/s.**Sastri & Shah**
Chartered Accountants,
F.R.No.003643S

M/s.**G.S.Srinivasan & Co.,**
Chartered Accountants,
F.R.No.012043S

Secretarial Auditor

R&RJ Associates
Practising Company Secretaries
F.R.No. PZ019TN074000
Chennai.

Legal Advisors

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

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

Thiru.**K.Asokan** B.A., LLB.,
Advocate, Kumbakonam.

Thiru. **B.Vijayakumar** B.A.,B.L.,
Advocate, Swamimalai.

Route Map to Raya Mahal, AGM Venue

Notice of 121st Annual General Meeting

NOTICE, pursuant to section 96 and other applicable provisions of the Companies Act, 2013 is hereby given that the **121st Annual General Meeting (AGM) of the shareholders of Kumbakonam Mutual Benefit Fund Nidhi Limited** will be held at **Raya Mahal, 73, Gandhi Adigal Salai, Kumbakonam – 612 001 on Saturday the 27th September, 2025 at 10.35 a.m.** to transact the following items of business.

Ordinary Business

1. Adoption of financial statements:

   To receive, consider and adopt the audited financial statements of the Nidhi for the financial year ended 31st March, 2025 and the Reports of the Board of Directors and Auditors thereon, including the requisite Annexures.

2. Declaration of dividend:

   To declare dividend for the financial year ended 31st March, 2025.

3. Re-appointment of Thiru. M.Guru Prasanth (DIN:09359770), as a Director, liable to retire by rotation:

   To appoint a Director in place of Thiru. M.Guru Prasanth (DIN:09359770), who retires by rotation and being eligible, offers himself for re-appointment.

By Order of the Board
Kumbakonam Mutual Benefit Fund Nidhi Limited,
CS. S.Kannan,
Company Secretary
M.No.A4053

Place : Kumbakonam
Date : 26th August, 2025.

Kind Attention : Members

The Investors Education and Protection Fund Authority (IEPFA) and Ministry of Corporate Affairs (MCA) are conducting a 100 days Campaign called "Saksham Niveshak", ending 06.11.2025 to create awareness among shareholders to update their KYC and other details and claim any unpaid or unclaimed dividends before they get transferred to the Investor Education and Protection Fund (IEPF).

To support the success of this campaign, kindly submit your documents and claim your unclaimed dividend by or before November 6, 2025.

NOTES :

a) **Proxy:**

i. A member entitled to attend and vote at the meeting is also entitled to appoint one or more proxies to attend and vote instead of himself/ herself and such a proxy need not be a member of the company.

ii. Proxies, in order to be effective, must be duly filled, including the Share Certificate Number, stamped (with Re.1 Revenue Stamp), signed thereon and deposited at the Registered Office of the company not later than forty–eight (48) hours before the commencement of the meeting.

iii. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. Such proxy shall not act as a proxy for any other person or member.

iv. The proxy holder shall prove his identity at the time of attending the meeting.

v. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names shall be entitled to vote.

vi. Proxy form is attached to this Annual Report.

b) **Book Closure:** Pursuant to section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Book of the Company will remain closed from Sunday, the 21st September, 2025 to Saturday, the 27th September, 2025 (both days inclusive) for ascertaining the entitlement of members, eligible to receive the dividend, if declared in the meeting.

c) **Nomination :** Members can avail of the facility of nomination pursuant to the provisions of section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, by sending their nomination in the prescribed Form No. SH-13, duly filled in to the Registered Office of the company.

d) **Dividend and Tax Deducted at Source (TDS):** The dividend, if approved at the AGM, will be paid within 30 days, to those members, whose names appear on the Register of Members, as on the date of book closure.

TDS : In accordance with Section 194 of Income Tax Act, tax, if the dividend exceeds Rs.10000, shall be deducted at source from the dividend at 10%, where the shareholders have registered their valid Permanent Account Number (PAN) and at 20%, where the shareholders do not have PAN/ have not registered their valid PAN details in folio or if AADHAAR number is not linked with PAN.

To avail the benefit of **non-deduction of tax at source,** members are requested to submit before 27.09.2025, the **Form 15G** (if below the age of 60 years) or **Form 15H** (if above the age of 60 years) or valid Exemption Certificate issued by the Income-tax Department, if any.

e) **Transfer of unpaid dividend to IEPF:** Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the company's unpaid dividend account, shall be transferred, under section 124 of the Companies Act, 2013, to the Investor Education and Protection Fund ("IEPF"), established under section 125 of the Act. The members/ claimants whose unclaimed dividends have been transferred to IEPF may apply for refund by making an application to IEPF authority in form IEPF 5 (available on www.iepf.gov.in) along with requisite fees.

Members who have not yet received the dividend from the financial year ended 31st March, 2018 onwards are requested to forward their claims to the company on or before 20th October, 2025. The details of the unclaimed dividends are available on the company's website at www.kmbf.co.

f) **Updation of Bank Account Details:** Members are requested to furnish/ update bank account number, name of the bank, branch (place with PIN code) and IFSC for receiving the dividend.

g) **Consolidation of multiple folios:** Members who hold shares in identical names and in the same order of names in more than one folio, are requested to write to the Registered Office of the company to consolidate their holdings into one folio.

h) **Change in Address:** Members are requested to notify to the Registered Office of the Company changes in their addresses, if any.

i) **Inspection:** All relevant documents, referred to in the accompanying notice will be available for inspection at the Registered Office of the Company on all working days during business hours (10.00 a.m. to 6.00 p.m.) up to the date of the AGM and at the AGM venue, during the meeting.

j) Members are requested to hand over at the entrance the attendance slip, annexed herewith, for attending the meeting, duly completed mentioning Share Certificate Number and signed.

k) For convenience of members, **route map to reach the venue** of the AGM, along with the QR Code is provided in this 121st Annual Report.

l) As per the Notification No.G.S.R. 908 (E) dated 23.09.2016 of Ministry of Corporate Affairs, Nidhi Company is not required to provide the facility to vote by electronic means.

m) **Poll Scrutinizer:** The Board of Directors has appointed M/s. R & RJ Associates, Practising Company Secretaries, Chennai, as Scrutinizer to scrutinize the voting process to take place in a fair and transparent manner.

n) The 121st Annual Report of the Company for the year ended 31st March, 2025 along with Notice of meeting, Attendance Slip and Proxy form are being sent by e-mail to those members who have registered their e-mail address, with positive consents, with the company.

The copy of the Annual Report including the Notice of AGM is also available on the Company's website https://kmbf.co/annual-report.html

o) **Green Initiative:** We urge our members, who have shares exceeding Rs.1000 in aggregate, to support our commitment to environmental protection by opting to receive the company's communications through e-mail. Such members are requested to register/ update their email addresses with the Registered Office to receive copies of the Annual Reports in electronic mode.

p) Members who are desirous of obtaining hard copy of the Annual Report should send a request to the company's e-mail id *viz.,* annualreport@kmbf.co clearly mentioning their Share Certificate number.

q) ADDITIONAL INFORMATION WITH RESPECT TO ITEM NO.3, IN THE NOTICE OF AGM, AS PER SECRETARIAL STANDARD - 2, OF THE DIRECTOR BEING RE-APPOINTED

Name	Thiru.M.Guru Prasanth
Director Identification Number	09359770
Date of Birth / Age	14.02.1998 / 27 years
Date of Appointment on the Board	08.11.2021
Qualification	B.E., Mech.,
Shareholding as on 31.03.2025	500 equity shares
Brief profile and nature of their expertise in specific functional areas	Wide exposure in business
Current remuneration (last drawn remuneration)	Rs.20.05 lakhs during 2024-25.
Key terms and conditions of appointment	Director retiring by rotation. Sitting Fees and share in 1% remuneration.
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	He is not related to any other Directors and/ or Key Managerial Personnel of the Company.
Number of meetings of the Board attended during the year	During the Financial Year 2024-25, he has attended 13 Board meetings.
Directorships, Memberships/ Chairmanships of committees of Boards as on 31st March, 2025.	Nil

CHAIRMAN'S MESSAGE

Three Essentials for Growth - Smart Work! Trust!! Honesty!!!

"Effort turns into great achievement;
lack of effort will only result in failure." (Thirukkural – 616)

Explanation by Kalaignar:

Without effort, there is nothing and effort alone is the reason for excellent accomplishments.

Dear Members, Greetings

When our Board of Directors first assumed administrative responsibility in **2005–06**, the Fund's business stood as follows:

- **Share Capital : ₹ 3.15 Crores**
- **Reserves and Surplus : ₹ 6.70 Crores**
- **Deposits : ₹ 274.46 Crores**
- **Loans : ₹ 237.33 Crores**
- **Profit : ₹ 3.27 Crores**
- **Dividend : 10%**
- **Branches : 80**

After our Board took charge, with the combined efforts of the Directors and employees, the Fund achieved remarkable growth by the financial year **2010–11** as follows:

- **Share Capital : ₹ 22.58 Crores**
- **Reserve and Surplus : ₹ 30.02 Crores**
- **Deposits : ₹ 883.47 Crores**
- **Loans : ₹ 978.44 Crores**
- **Profit : ₹ 24.39 Crores**
- **Dividend : 18%**
- **Branches : 90**

We proudly state that the total business, which was ₹511.79 Crores when our board took charge in 2005-06, rose to ₹1861.91 Crores in the 2010-11 due to our **effective administration, financial management, and visionary business strategies.**

We also note with immense pleasure that even after we stepped down from management, the business growth reached ₹2624.20 Crores in 2011-12 and ₹3201.82 Crores in 2012-13, proving that policies of the past management laid a **very strong foundation.**

Specifically, to the delight of the Fund's shareholders, we increased the Dividend from 10% in 2005-06 to 18% in 2010-11. Not only that, before we stepped down from management, considering the then business growth and its future impact, we had promised to pay a **22% dividend** in the then upcoming financial year and had embarked on a business journey towards that goal.

Subsequently, the period from 2011 to 2021 is stated to be a period of declined growth for the Fund, for which the management during that time was responsible. Due to our strong leadership, transparent governance, and proven administrative ability, our present Board was re-elected to revive and uplift the Fund.

When our Board of Directors assumed responsibility in 2021, the total business was ₹5,346.65 Crores and the profit was ₹75.15 Crores.

We have increased the total business to earn a **Profit of ₹140.35 Crores** in the financial year ending 31st March, 2025. We have also declared **dividend of 25%**, the maximum rate permitted by the Ministry of Corporate Affairs. The number of branches has now expanded to 138 across Tamil Nadu. These achievements are recognized nationwide as unparalleled milestones.

Through our efficient administration, our Fund has become the first company in India to be declared with **"NDH-4"** recognition by the Ministry of Corporate Affairs. In the **120th Annual General Meeting** held in September 2024, we announced our ambitious goal of achieving **₹200 Crores gross profit and ₹150 Crores net profit.**

Presently, the following are our performance

- **Deposits : ₹ 5,173 Crores**
- **Loans : ₹ 5,085 Crores**
- **Total Business : ₹ 10,258 Crores**

We have set a profit target of **₹250 Crore**s for the current financial year and we are actively working towards it.

This profit growth has been possible not only due to increased revenue but also due to our strict adherence to the global management principle **"Every paise saved is every paise earned".** By adopting cost-saving measures, ensuring transparency in procurement, properly managing statutory deposits in banks, and negotiating directly with senior bank managements for higher interest rates on short- and long-term deposits, we achieved this success.

Even if the global or domestic economy faces downturns, affecting the banking and financial sectors, we proudly affirm that our Fund's reserves and immovable assets are sure to safeguard all the depositors' moneys. We have disclosed these details transparently in our Annual Report.

Our Fund does not focus only on profit. By granting quick loans to economically weaker sections, encouraging savings habits and expanding our business, we have created employment opportunities for unemployed youth, thereby contributing to socio-economic upliftment. Further, in line with the CSR provisions under the Companies Act 2013, we have supported the education developments in Government schools and colleges and for meeting essential needs of Government Hospitals.

As the Thirukkural says, "Without effort, there is nothing and effort alone is the reason for excellent accomplishments." Right from today, we request all employees to strive diligently to expand our business further by way of securing additional on share capital by reaching out directly to the public across Tamil Nadu by personally explaining the Fund's achievements.

Also, we urge up our employees to bring to the notice of all the general public - prospective member that our Nidhi has accumulated its own **Reserves and Surplus to Rs.582.16 crores** and **unencumbered statutory bank deposit to Rs.478 crores,** These steps will make them gain the trust of everyone to open more branches of our Nidhi to serve members - depositors/ borrowers.

Further, we thank our employees who work together to provide excellent services to our members, thereby earning the goodwill. We extend our heartfull gratitude to statutory auditors / internal auditors, secretarial auditors and legal advisors who guide us with valuable suggestions.

"Our Fund, Our Trust"

With Commitment to Continuous Growth

Place : Kumbakonam

Date : 26-08-2025

S.Kalyanasundaram MP
Chairman

NET WORTH
613
CRORE

DEPOSITS - ₹4717 Crore

- FY 2020-21 - ₹2738 Crore
- FY 2021-22 - ₹3120 Crore
- FY 2022-23 - ₹3500 Crore
- FY 2023-24 - ₹3811 Crore
- FY 2024-25 - ₹4717 Crore

TRUST
1
NUMBER ONE
KMBF

ADVANCES - ₹4501 Crore

- FY 2020-21 - ₹2609 Crore
- FY 2021-22 - ₹2890 Crore
- FY 2022-23 - ₹3199 Crore
- FY 2023-24 - ₹3582 Crore
- FY 2024-25 - ₹4501 Crore

KUMBAKONAM MUTUAL BENEFIT FUND NIDHI LIMITED
KMBF
MUTUALITY SERVICE SECURITY
ESTD : 1903
★ KUMBAKONAM ★
TRUSTED SERVICE BEYOND 121 YEARS

STATUTORY DEPOSITS
₹478 Crore

- FY 2020-21 - ₹274 Crore
- FY 2021-22 - ₹312 Crore
- FY 2022-23 - ₹356 Crore
- FY 2023-24 - ₹385 Crore
- FY 2024-25 - ₹478 Crore

TOTAL BUSINESS

₹10,258 Crore

(AUGUST 31, 2025)

- → FY 2024-25 - ₹ 9,218 Crore
- → FY 2023-24 - ₹ 7,393 Crore
- → FY 2022-23 - ₹ 6,699 Crore
- → FY 2021-22 - ₹ 6,010 Crore
- → FY 2020-21 - ₹ 5,347 Crore

RESERVES & SURPLUS
₹582 Crore

- FY 2020-21 - ₹294 Crore
- FY 2021-22 - ₹358 Crore
- FY 2022-23 - ₹416 Crore
- FY 2023-24 - ₹485 Crore
- FY 2024-25 - ₹582 Crore

BUSINESS GROWTH
FY 2024-25

- DEPOSITS - 24%
- ADVANCES - 26%
- PROFIT - 35%
- RESERVES & SURPLUS - 20%
- STATUTORY DEPOSITS - 24%

Growth requires only
Exertion! Trust!! Honesty!!!

SERVICE
NUMBER ONE
KMBF

MEMBERS
12
LAKHS

PROFIT ₹140 Crore

- FY 2020-21 - ₹75 Crore
- FY 2021-22 - ₹93 Crore
- FY 2022-23 - ₹102 Crore
- FY 2023-24 - ₹104 Crore
- FY 2024-25 - ₹140 Crore

KUMBAKONAM MUTUAL BENEFIT FUND NIDHI LIMITED
122 YEARS
★ KUMBAKONAM ★
Estd : 1903

INTEREST EARNED ON BANK DEPOSIT - ₹42 Crore

- FY 2020-21 - ₹23 Crore
- FY 2021-22 - ₹24 Crore
- FY 2022-23 - ₹32 Crore
- FY 2023-24 - ₹37 Crore
- FY 2024-25 - ₹42 Crore

MEMBERS - 12.10 Lakhs

July 2025

- FY 2020-21 - 11.18 Lakhs
- FY 2021-22 - 11.35 Lakhs
- FY 2022-23 - 11.55 Lakhs
- FY 2023-24 - 11.73 Lakhs
- FY 2024-25 - 11.98 Lakhs

INDIA'S FIRST

NDH - 4

APPROVED

NIDHI COMPANY

VISION - 200 BRANCHES

At present, there are 138 branches and we have license for opening 12 more branches, shortly, making the branches totally to 150. Proactively, your Board of Directors have proposed to get permission from MCA to open 50 more branches.

DIVIDEND - 25%

- FY 2020-21 - 22%
- FY 2021-22 - 25%
- FY 2022-23 - 25%
- FY 2023-24 - 25%
- FY 2024-25 - 25%

With Commitment to Continuous Growth

S.Kalyanasundaram

S.Kalyanasundaram MP
Chairman
and Board of Directors

BRANCHES - 138

Upto 31.08.2025

- FY 2020-21 - 113
- FY 2021-22 - 114
- FY 2022-23 - 116
- FY 2023-24 - 120
- FY 2024-25 - 130

BOARD'S REPORT FOR THE YEAR ENDED 31st MARCH, 2025

To

The Members of Kumbakonam Mutual Benefit Fund Nidhi Limited,

Your Directors have pleasure in presenting the 121st Annual Report on the business and operations of your Company together with the Audited Financial Statements and the Auditors' Report for the financial year ended, **31st March, 2025**

1. Salient features of Company's financial summary/ highlights for the year ended 31st March, 2025 *vis-à-vis* last year are as under :

(₹ in lakhs)

Particulars	31.03.2025	31.03.2024
Total Revenue	62,055.77	48,008.45
Total Expenses	48,021.06	37,639.33
Profit Before Exceptional items, Depreciation and Tax	14,764.94	11,077.65
Depreciation, amortization and impairment	730.24	708.53
Profit Before Exceptional items and Tax	14,034.71	10,369.12
Less : Exceptional item	-	131.03
Profit Before Tax	14,034.71	10,238.09
Taxes	3,576.43	2,622.02
Profit After Tax	10,458.28	7,616.07
Other Comprehensive income (Net of Tax)	66.41	(190.33)
Total Comprehensive income	10,524.69	7,425.74
Dividend Rate	25%	25%
Dividend Amount	761.16	756.24

2. Equity Share Capital

The paid-up equity share capital increased by Rs. 23.22 lakhs from Rs. 3,032.63 lakhs as on 31.03.2024 to Rs.3,055.85 lakhs as on 31st March, 2025. The company had allotted shares only to the prospective depositor / borrower. 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. During the year under review, 24620 persons have subscribed to the Equity Share Capital of your company.

During the year under review, your company has not issued any shares with differential rights or sweat equity or ESOP.

3. Business Progress

The deposits of your Nidhi increased by Rs. 90,609.44 lakhs during the year under report from Rs. 3,81,139.55 lakhs as on 31.03.2024 to Rs. 4,71,748.99 lakhs as on 31.03.2025, registering a growth rate of 23.77%.

The loans, predominantly comprising gold loans, of your Nidhi increased by Rs. 91,955.08 lakhs during the year under report from Rs. 3,58,175.25 lakhs as on 31.03.2024 to Rs. 4,50,130.33 lakhs as on 31.03.2025, registering a growth rate of 25.67%.

4. Branches Net Work

During the year under review, with the opening of 10 branches, the total number of branches stood at 130 as on 31.03.2025. The number of branches as on the date of this report is 138. Your company has permissions from the Ministry of Corporate Affairs (MCA) to open 12 more branches and they will be operationalized before 31st March, 2026, taking the branches tally to 150. Proactively, your Board of Directors have proposed to get permission from MCA to open 50 more branches.

5. Business Prospects

Core business of your company involves in predominantly lending against gold jewelries.

The gold loan market in India currently valued at Rs.7,10,000 Crores, in 2024 is expected to double and reach 14,19,000 Crores by 2028. In the last five years, the gold loan market has grown at a CAGR (Compounded Annual Growth Rate) of 14.85%.

The gold loan market is set for further growth, driven by the sustained increase in per-gram gold rates and customer demands.

Organised players like banks and NBFCs have a 37% share of the gold loan market, while the unorganised sector accounts for 63%. Further, NBFC's share is 61% and banks' share is 39%. Thus, there is a huge opportunity for organised players to grow. This trend of increase in the price of gold instils confidence, in the minds of your directors, as to the surges in jewel loans.

6. Annual Return u/s 92(3)

The annual return (MGT-7) referred to in sub-section (3) of section 92, relating to 2023-24 has been placed in the web address https://kmbf.co/form-mgt-7.html. The same for the year 2024-25 will be hosted there, after the ensuing AGM is over.

7. Number of meetings of the Board

During the financial year 2024-25, your Company held 13 Board meetings, on the following dates.

23.04.2024	24.05.2024	13.06.2024	14.07.2024	24.08.2024
30.09.2024	27.10.2024	23.11.2024	28.12.2024	30.12.2024
28.01.2025	27.02.2025	29.03.2025		

The maximum gap between two meetings did not exceed 120 days.

The attendance of each of the Directors at those Board Meetings (total number Meetings conducted were 13) are furnished here below :

S. No	Name of the Directors	DIN	No. of Board Meetings attended
1	Thiru. S.Kalyanasundaram, Chairman & Independent Director	00829647	13
2	Thiru. S.Ramalingam, Vice Chairman & Independent Director	00829529	13
3	Thiru. PR.P.Velappan, Managing Director	01892661	12
4	Thiru. G.Anbalagan, Independent Director	01469646	13
5	Thiru. B.Prakasam, Director	00338872	12
6	Thiru. G.Durairaj, Director	03064193	13
7	Thirumathi. E.Ambika, Director	09353335	13
8	Thiru. M.Guru Prasanth, Director	09359770	13

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

8. Directors' responsibility statement

Pursuant to Section 134(5) of the Companies Act, 2013, read with section 134(3) (c), your Board of Directors, to the best of their knowledge and ability, confirm that

a. in the preparation of the annual accounts, the applicable accounting standards had been followed, along with proper explanation relating to material departures;

b. your Directors had 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 statement of affairs of your Company at the end of the financial year ending 31stMarch, 2025 and the profit and loss of the Company.

c. your Directors had 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. your Directors had prepared the annual accounts on a going concern basis and

e. your Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

9. The Statutory Auditors have not reported any fraud under section 143 (12) of the Companies Act, 2013.

10. Statement of the declaration by independent directors

Each of the three Independent Directors, at the first meeting of the Board in the financial year 2024-25 held on 19th April, 2025 has given a declaration under Section 149(6) of the Companies Act, 2013 that he meets the criteria of independence, as provided under section 149(7) of Act. Similarly, during the year under review, the declarations were given on 23rd April, 2024.

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 your Company's business and policy decisions are considered by the 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. Your Board considers the Committee's recommendation and makes appropriate decision.

11. Nomination and Remuneration Policy

The Nomination and Remuneration policy is hosted in the web link https://kmbf.co/assets/pdfs/nrc-kmbf.pdf. The Committee identifies and assesses the qualifications and positive attributes of the proposed candidate for the position of Director/ Independent Director based on the disclosures / declarations received from such person under section 178 of the Companies Act, 2013. The remuneration recommended by the Committee is in accordance with the provisions of the Companies Act, 2013.

12. Explanation or comments of Board on qualifications, reservations made by Statutory Auditors and Secretarial Auditors

Board's reply on Statutory Auditors' reports

i. Non-Transfer of shares to IEPF

In reply to item (vi) in the Independent Auditors' Report in para 2.h.iii, Your Directors state that the cost involved in such transfer of shares relating to about 7 lakhs members are very much on the higher side and hence your Directors state that the representations were made to the Ministry of Corporate Affairs to exempt your Company from the operation of the relevant provisions of the Companies Act, 2013 and Rules made thereunder and follow up actions are being taken periodically. The Chamber of Nidhi is also are pursuing the issue.

ii. Overdue Deposits

In respect of Overdue Deposits, amounting to Rs.152.67 lakhs are currently under litigation and, therefore, have not been transferred. These amounts will be disbursed to the rightful claimants once the related issues are resolved.

iii. Audit Trail

In response to the Auditor's remark on audit trail in 2,h-vi, your company is in the process of upgrading its current financial reporting platform. To provide transparency, traceability, and accountability in the financial and operational records maintained throughout the year, enabling of audit trail (audit logs) is going forward. However, due to the extensive scope of the software and the need to ensure a seamless transition from the old system, additional time was required for thorough testing, data migration, and training of relevant personnel.

The delay is inevitable to ensure the system's reliability, security, and compliance with all relevant audit and regulatory standards. The delay has been managed carefully to minimize disruption to regular business operations. Interim measures were implemented to ensure that critical audit activities were recorded and monitored using legacy systems until the new software was fully operational. The delay was unavoidable to ensure a high standard of audit trail system and to avoid any statutory issues that could arise from a rushed implementation. In all the branches the new software is in operation.

Board's reply on Secretarial Auditors' report (MR-3)

Pursuant to provisions of Section 204 of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, your company has appointed M/s. R & RJ Associates, Company Secretaries in practice, Chennai to conduct secretarial audit of your Company for the financial year ended 31st March, 2025.

The Secretarial Report in Form MR-3 is attached to this Board's Report as Annexure – A.

As regards the remark on transfer of shares to IEPF, your Board informs that steps are being taken to get exemption for transfer of concerned shares to IEPF Authority. [Please see item (12) above]

1. In few circumstances there were delay and non-filing of statutory forms/statutory returns with MCA under the relevant applicable Laws to the Nidhi.

Reply : The company has filed all the statutory returns under all applicable statutes including the Companies Act, 2013 expect DPT - 3 which was due on 30.06.2024 was filed on 10.09.2024 with applicable late fees.

2. During the period under review, it was observed that the allotment of shares was approved in a share allotment committee meeting and the company has been advised to allot the shares in the Board Meeting.

Reply : The company is in the process of ratifying the allotments approved by the share allotment/stake holders relations committee.

3. The Company has filed an Adjudication Application with the Registrar of Companies in respect of the non-appointment of a Woman Director before the period 08.11.2021, in order to regularize the said non-compliance and ensure better compliance with the provisions of Section 149(1) of the Companies Act, 2013 however, the Adjudication Order has not yet been received by the Company.

Reply : The factual statement of Secretarial Auditor is affirmed.

4. Registrar of Companies has conducted an inspection and enquiry in the year 2023 - 2024 and the same is pending before the Registrar of Companies, Ministry of Corporate Affairs, Chennai.

Reply : The company has received a report dated 18.08.2025 on the preliminary findings of the Inspection and is in the process of responding to the same.

5. Based on the information given to us and as reported in the last year, there was a legal case pending before Honorable High Court of Madras, Chennai with vide Case I.P. No.11/2019 and in connection with the above case FIR No.151/2019 is pending with Economic Offences Wing (EOW), Chennai. The High Court of Madras, Chennai has ordered the Nidhi to execute a Bank Guarantee of Rs.16.50 crore favouring "The Official Assignee'' and the same was accordingly executed.

Reply : The factual statement of Secretarial Auditor is affirmed.

13. Loans, guarantees or investments under section 186

During the period under review, your Company has not made any investment or given loan or guarantee or provided security or acquired any securities, either directly or indirectly. Therefore, compliance under section 186 of Companies Act, 2013 and reporting do not arise.

14. Contracts/ Arrangements under section 188(1)

During the period under review, your Company has not made any contracts/ arrangements/ transactions with related parties. Therefore, compliance under section 188(1) of Companies Act, 2013 and reporting do not arise.

15. State of the company's affairs

The core business of your Company is to cultivate and propagate thrift saving habits and to receive long term and short term fixed and recurring deposits from its members and to lend, grant secured loans. The company also provides locker facilities to its members.

Achieved growth, in the year under report and the two preceding years are furnished in the following Table.

(₹ in lakhs)

Particulars	31.03.2023	31.03.2024	31.03.2025
Deposits	3,50,046.03	3,81,139.55	4,71,748.99
% of increase in deposits	12.20%	8.88%	23.77%
Advances	3,19,884.78	3,58,175.25	4,50,130.33
% of increase in Advances	10.69%	11.97%	25.65%
Gross Profit	10,184.31	10,369.12	14,034.71
% of increase in Gross Profit	9.18%	1.81%	35.35%
Net Profit After Tax	6,624.22	7,616.07	10,458.28
No. of branches	116	120	130
Reserve and surplus	41,636.94	48,500.89	58,215.81
Dividend Rate	25%	25%	25%
Dividend Amount	752.12	756.24	761.16
NOF Ratio	1:7.45	1:7.40	1:9.17
Unencumbered bank deposits (Rule 14 of Nidhi Rules, 2014)	35,585.00	38,500.00	47,800.00

There is no change in the nature of business or status of your Company during the year under review.

There has been no new acquisitions or structural changes, mergers disinvestments or diversifications of material events that impact the business of your company.

During the year under review, no companies have ceased or become its joint ventures, subsidiaries, or associate companies.

Your Company does not have any subsidiaries, associates and joint venture companies or holding company. It is not a subsidiary of any body corporate.

Your company operates in only one segment i.e. accepting deposits from and lending to members. Therefore, segment-wise reporting does not arise.

16. Reserves and Surplus

Your company has been building up reserves year by year. Your Board has transferred Rs. 9,714.93 lakhs to Reserves during the year 2024-25, taking the same to Rs. 58,215.82 lakhs as on 31.03.2025 from Rs. 48,500.89 lakhs as on 31.03.2024.

17. Dividend

Your directors are pleased to recommend a dividend of 25% p.a. (period based, pro-rata) for the year ended 31st March, 2025 to those shareholders, whose name appear in the Register of Members, as on the date of Book Closure. This will involve an amount of Rs.761.16 lakhs as dividend.

18. Material changes and commitments, affecting the financial position occurred subsequent to the end of the financial year

There are no material commitments and changes affecting the financial position of your Company, that occurred between the end of the financial year to which the financial statements relate and the date of the report.

19. Conservation of energy, technology absorption and foreign exchange earnings and outgo

Considering the nature of business operations of your company the conservation of energy, technology absorption and foreign exchange earnings and outgo, as required by section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 do not apply to your Company.

20. Risk Management Policy

Risks relating to the nature of business of your Company includes inter alia credit risk, liquidity risk, interest rate risk and operational risk, besides cost volatility and competition. Your Directors meet at periodical intervals, take meticulous care, monitor and discuss and address the issues relating to risk management, assets liability management systematically and manage the business effectively to achieve the optimum results.

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

- Business Risk Assessment
- Operational Controls Assessment
- Policy Compliance processes.

There are no risk elements, which, in your Boards' opinion, may threaten the existence of the company.

To mitigate/ prevent any possible risks, it ensures reappraisal of all the jewels on a monthly basis, adequate insurance for jewels, cash and other assets and quarterly audit of all the branches by qualified Chartered Accountants.

21. Corporate Social Responsibility (CSR) initiatives

Nature of CSR initiatives of your company broadly covers Poverty, Hunger and Malnutrition alleviation, Promoting Healthcare including preventive health care, Promoting Road Safety Activities, Promoting Sanitation, Promoting Sports in Rural Area, Promoting education and renovation of class rooms. The contributions to such initiatives under CSR, during the financial year 2024-25 was Rs.191.94 lakhs against the statutory retirement of Rs. 189.92 lakhs as per section 135 of Companies Act, 2013. i.e.more by Rs.2.02 lakhs over the previous year. 2023-24 CSR Expenses Rs. 179.56 lakhs.

A Report on CSR activities as required under the provisions of Companies Act, 2013 is annexed herewith as Annexure II and it forms part of this report. Copy of the CSR Policy of the Company is placed on the weblinks https://kmbf.co/csr-policy.html and https://kmbf.co/assets/pdfs/csr-activities-2022-23.pdf.

22. Formal annual evaluation by the Board of its own performance, its committees and individual directors

In line with the provisions of the Companies Act, 2013, a formal annual evaluation process for assessing the performance of the Board, Board Level Committees, Chairman, Non-Independent and Independent Directors is conducted through considering various aspects of Board Governance, Composition, Competencies, Guidance etc., as approved by the Nomination Committee of the Board. The Nomination Committee reviews the performance evaluation criteria from time to time as per requirement. The Board carries out an annual evaluation of its own performance, all individual Directors including Independent Directors (excluding the Director being evaluated) and of its Committees and the company.

The Independent Directors in their separate meeting conducts the evaluation of Board, the Chairman and the Managing Director and also, the timeliness of flow of information between Board & Management.

In respect of evaluation of Chairperson, additional criteria such as leadership capabilities and Board Level working relationships are taken into account.

The Managing Director was assessed on additional criteria *viz.*, Business Conduct, Bank's overall performance, Strategic Planning, Compliance and Governance areas.

While undertaking the evaluation process, the Director being evaluated does not participate.

The reports of all evaluations conducted as aforesaid were placed before the Board and it was agreed by all Directors that the overall performance of the Board, Board Committees and individual Directors was satisfactory for the financial year 2024-25.

23. Details of key managerial personnel or directors who were appointed or resigned

During the period under review, no director/ independent director was appointed or has resigned and the present Board functions with the following Directors.

S. No	Name of the Directors	DIN
1	Thiru. S.Kalyanasundaram, Chairman & Independent Director	00829647
2	Thiru. S.Ramalingam, Vice Chairman & Independent Director	00829529
3	Thiru. PR.P.Velappan, Managing Director	01892661
4	Thiru. G.Anbalagan, Independent Director	01469646
5	Thiru. B.Prakasam, Director	00338872
6	Thiru. G.Durairaj, Director	03064193
7	Thirumathi. E.Ambika, Director	09353335
8	Thiru. M.GuruPrasanth, Director	09359770

In terms of Article 68 of the Articles of Association your Company, in the ensuing 121st AGM Thiru.M.Guru Prasanth (DIN 09359770) retires and he, being eligible offers himself for re-appointment.

Committees of the Board

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

S. No	Name of the Director (Thiru/ Thirumathi)	Audit Committee	Nomination and Remuneration Committee	Stakeholders Relationship Committee	Corporate Social Responsibility
1	S.Kalyanasundaram	Chairman	Member	Chairman	Chairman
2	S.Ramalingam	Member	Chairman	Member	Member
3	PR.P.Velappan	Member	-	Member	Member
4	G.Anbalagan	Member	Member	-	Member
5	B.Prakasam	Member	Member	Member	-
6	G.Durairaj	-	-	-	-
7	E.Ambika	-	-	-	-
8	M.Guru Prasanth	-	-	Member	Member
	No. of meetings held	3	4	12	2

Further, there are four sub committees i.e., Deposit Committee, Jewel Loan Committee, Mortgage Loan Committee, Legal Advisory Committee.

Thiru. S.Shanmugam, General Manager was appointed as Chief Financial Officer with effect from 23rd April, 2024.

During the period under review, Thirumathi. Sweety Jhunjhunwala (ICSI Membership No.A43318) was appointed as Company Secretary with effect from 23rd April, 2024 and she resigned from the post of Company Secretary with effect from 6th May 2024. Then, Thiru.S.Kannan (ICSI Membership No. A4053) was appointed as Company Secretary with effect from 19th July 2024.

24. Deposits, accepted by the Nidhi company

Your Company is a Nidhi Company, governed by the Nidhi Rules, 2014. Your Company has duly complied with the Nidhi Rules, 2014, as amended from time to time.

Deposits accepted from the members only for Rs. 4,71,748.99 lakhs balance outstanding.

Unpaid deposits or unclaimed deposits at the end of the year Rs. 152.67 lakhs

Default in repayment of deposits or payment of interest thereon during the year : Nil

Deposits outstanding from Directors Rs.150.81 lakhs (Refer Note. 37)

Nidhi Company Deposits are not covered by the definition of Deposits, as per Rule 2(1)(c)(xiv) of the Companies (Acceptance of Deposits) Rules, 2014.Hence, the provisions of deposits under Chapter V of the Companies Act, 2013 are not applicable to your Nidhi.

25. Significant and material and orders passed by the regulators or courts or tribunals

During the year under review, there was no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

26. Internal Financial Control systems and its adequacy

Your Company has put in place adequate internal financial controls, commensurate with the size and scale of its operations. It has, in all material aspects, adequate Internal Control Systems Over Financial Reporting and these controls have been designed to capture 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. Such Internal Financial Controls over Financial Reporting were operating effectively as at the end of the financial year.

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. To further strengthen the internal audit system, your Company has appointed qualified Chartered Accountants as Internal Auditors to audit the accounts of the branches. The Internal Auditors periodically submit their reports to the Audit Committee. The Audit Committee regularly reviews the audit findings as well as the adequacy and effectiveness of the internal control system.

27. Maintenance of cost records

The Central Government has not specified any cost records under section 148(1) of the Companies Act, 2013, for your Company.

28. Prevention of Sexual Harassment at work place

Your Company has duly complied with the provisions relating to constitution of an Internal Committee to redress complaints received relating to sexual harassment and it has in place a policy for prevention of sexual harassment, in line with the requirements of the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013. All the 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, 2025. No case was pending for a period exceeding ninety days. During the period under review one meeting was conducted.

29. Insolvency and Bankruptcy Code, 2016

During the year under review, no application was made or any proceeding was instigated under the Insolvency and Bankruptcy Code, 2016. None was pending as on 31 March, 2025.

30. Loan from Banks or Financial Institution and settlement thereof

During the year under review, your Company did no avail any loan from any bank or financial institution. There was no instance of one time settlement and/ or the valuation done.

31. Whistle Blower Policy/ Vigil Mechanism

Your Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. Your 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. Such policy is hosted on the web link https://www.kmbf.co/whistle-blower-policy.html. During the year under review, there is no whistle blower complaint received and nothing is outstanding.

32. Secretarial Standards

Your Company has duly complied with the Secretarial Standards 1 and 2, relating to Board Meetings and Annual General Meetings, issued by the Institute of Company Secretaries of India (ICSI).

33. Particulars of Employees

No employee was in receipt of remuneration in excess of the limits prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The details of employment as on 31.03.2025, as required in the Rule 5(3) of the said Rules are furnished in the following table.

Sl. No.	Name of the Employee & Code No. Thiru	Designation	Remuneration* (₹ in lakhs)	Date of commencement of employment / Nature of employment	Qualification & Experience	Age (years)	Previous Employ -ment	% of equity shares held	Related to any Director
1	S.Venkatesan 649	General Manager	21.60	17.08.1994 Permanent	B.Sc., 31 years	54	No	0.005%	No
2	S.Shanmugam 592	General Manager & Chief Financial Officer	21.52	02.02.1994 Permanent	M.Com., M.B.A., 31 years	54	No	0.005%	No
3	P.Karunanithi 546	Deputy General Manager	19.96	01.06.1993 Permanent	B.Com., 32 years	56	No	0.005%	No
4	V.Ganesan 654	Manager (Systems)	19.47	03.11.1994 Permanent	M.Sc., 30 years	55	No	0.000%	No
5	V.Sridhar 198	Branch Manager	18.32	10.10.1988 Permanent	B.Com., 37 years	58	No	0.008%	No
6	G.Sutharsan 409	Senior Manager	17.64	22.06.1992 Permanent	B.Com., 33 years	56	No	0.005%	No
7	K.Venkataramanan 202	Branch Manager	17.15	17.10.1988 Permanent	B.A., 37 years	58	No	0.008%	No
8	R.Sundar 240	Branch Manager	17.15	18.10.1989 Permanent	B.Com., 36 years	58	No	0.007%	No
9	D.Senthilkumar 263	Branch Manager	17.02	05.10.1988 Permanent	B.Com., 34 years	58	No	0.000%	No
10	S.Murugesan 323	Assistant General Manager	16.75	02.05.1991 Permanent	B.A., 34 years	57	No	0.005%	No

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

34. Growth Path

A cursory glance at this Annual Report and those of previous years of your Company will clearly display the improvements in each important aspect of your Company's business. It may be observed that the progress has been reasonable and encouraging and thus creating confidence for a bright future.

35. Acknowledgements

At this juncture, your Board utilizes this opportunity to thank all i.e. the Ministry of Corporate Affairs, the Regional Director, Registrar of Companies, Chennai, Department of Income Tax, Goods and Service Tax and Government of Tamilnadu, Bankers, Chamber of Nidhi is, Insurance Companies, who have been instrumental in our having achieved this level of performance. The Board wholeheartedly thanks and appreciates the shareholders, representing the depositors and borrowers for their unstinted support and encouragement in all our endeavors. Last but not the least, the employees - the Board owe their admirations for the devoted works of all the employees in all areas of business.

For and on behalf of the Board of Directors of
Kumbakonam Mutual Benefit Fund Nidhi Limited,
S.Kalyanasundaram MP
Chairman
(DIN : 00829647)

Place : Kumbakonam
Date : 26th August, 2025.

Annexure - A to the Board's Report

SECRETARIAL AUDIT REPORT FORM MR – 3

FINANCIAL YEAR ENDED 31ST MARCH, 2025

[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,
No. 23 & 24, Dr. Besant Road,
Kumbakonam, Thanajvur Dt, Tamil Nadu - 612 001.

We 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, we hereby report that in our opinion, the Nidhi has during the audit period covering the financial year ended on 31stMarch, 2025 complied with the statutory provisions listed there under 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.

We 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, 2025 according to the provisions of:

1) The Companies Act, 2013 (the Act) and the rules made there under

2) The Nidhi Rules, 2014

There are no other specific laws that are applicable to the Nidhi. we 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/dividend 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.

We 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 women 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.

We 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. we 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.

We 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, we further report that

1. In few circumstances there were delay and non-filing of statutory forms/statutory returns with MCA under the relevant applicable Laws to the Nidhi.

2. During the period under review, it was observed that the allotment of shares was approved in a share allotment committee meeting and the company has been advised to allot the shares in the Board Meeting.

3. The Company has filed an Adjudication Application with the Registrar of Companies in respect of the non-appointment of a Woman Director before the period 08.11.2021, in order to regularize the said non-compliance and ensure better compliance with the provisions of Section 149(1) of the Companies Act, 2013 however, the Adjudication Order has not yet been received by the Company.

4. Registrar of Companies has conducted an inspection and enquiry in the year 2023 - 2024 and the same is pending before the Registrar of Companies, Ministry of Corporate Affairs, Chennai.

5. Based on the information given to us and as reported in the last year, there was a legal case pending before Honorable High Court of Madras, Chennai with vide Case I.P. No.11/2019 and in connection with the above case FIR No.151/2019 is pending with Economic Offences Wing (EOW), Chennai. The High Court of Madras, Chennai has ordered the Nidhi to execute a Bank Guarantee of Rs.16.50 crore favouring "The Official Assignee'' and the same was accordingly executed.

For R&RJ Associates

Practicing Company Secretaries

CS.**K.R.Jagannathan**
Partner
Membership No.39636
Certificate of Practice No. 14698
UDIN : A039636G001105514
F.R No.PZ019TN074000

CS.**S.Rajapandian**
Partner
Membership No.44502
Certificate of Practice No. 20953
UDIN : A044502G001105914

Place : Kumbakonam
Date : 26-08-2025.

ANNEXURE - A

To

The Members,
Kumbakonam Mutual Benefit Fund Nidhi Limited,
No.23 & 24, Dr. Besant Road, Kumbakonam,
Thanajvur Dt, Tamil Nadu - 612 001.

Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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.We believe that the processes and practices, the company had followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Nidhi.
4. Wherever required, we 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. Our 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.

For R&RJ Associates

Practicing Company Secretaries

CS.**K.R.Jagannathan**
Partner
Membership No.39636
Certificate of Practice No. 14698
UDIN : A039636G001105514
F.R No.PZ019TN074000

CS.**S.Rajapandian**
Partner
Membership No.44502
Certificate of Practice No. 20953
UDIN : A044502G001105914

Place : Kumbakonam
Date : 26-08-2025.

ANNEXURE - B TO THE BOARD'S REPORT
ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2024-25

1. Brief outline on CSR policy of the company

The CSR Policy of the Company is to enhance the living standards of the society in the local area and areas arround it, ensure social economic development, achieve environmental sustainability and to be a Socially Responsible Corporate (SRC).

In accordance with it, the main area of focus for the financial year 2024-25 was promoting Health and Sanitation, Promoting Education, Environmental Protection, Empowerment of Women, Infrastructural development and ensuring availability of drinking water and animal welfare which are related to the activities in schedule VII of the Companies Act, 2013. Any surplus arising out of the CSR projects or programmes or activities shall not form part of the business profit of the Company. The CSR Policy and projects and programmes undertaken are available on the website of the Company ***(https://kmbf.co/csr-policy.html** and **https://kmbf.co/assets/pdfs/csr-activities-2022-23.pdf)***

2. Composition of CSR Committee

Sl. No	Name of the Directors	Designation/nature of directorship From 01.04.2024 to 31.03.2025	DIN	Number of CSR committee meetings	
				Held for the period from 01.04.2024 to 31.03.2025	Attended
1.	Sri.S.Kalyanasundaram	Chairman	00829647	2	2
2.	Sri.S.Ramalingam	Vice Chairman	00829529	2	2
3.	Sri.PR.P.Velappan	Managing Director	01892661	2	2
4.	Sri.G.Anbalagan	Director	01469646	2	2
5.	Sri.M.Guru Prasanth	Director	09359770	2	2

3	Web-link, where Composition of CSR committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the company	https://kmbf.co/csr-policy.html https://kmbf.co/assets/pdfs/csr-activities-2022-23.pdf
4	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	Nil
6	Average net profit of the company for last three financial years	Rs. 9495.85 lakhs
7	(a) Prescribed CSR Expenditure-2% of average net profit of the company	Rs. 189.92 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. 189.92 lakhs
8	CSR amount spent details:	
	(a) Spent on CSR Obligations	Rs. 191.94 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)
S.No.	CSR 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 Rupees	Mode of implementation Direct (Yes / No)	Mode of implementation – Through implementing agency
1	LOCAL ADMINISTRATION	Poverty, Hunger and Malnutrition	Yes	THANJAVUR TAMILNADU	9,51,687	Yes	No
2	LOCAL ADMINISTRATION	Promoting Road safety activities	Yes	THANJAVUR TAMILNADU	27,48,000	Yes	No
3	LOCAL ADMINISTRATION	Promoting sanitation, Promoting education	Yes	THANJAVUR & TAMILNADU	19,90,000	Yes	No
4	LOCAL ADMINISTRATION	Promoting sports in rural area	Yes	THANJAVUR TAMILNADU	21,10,000	Yes	No
5	LOCAL ADMINISTRATION	Promoting Education/ renovation of class rooms	Yes	THANJAVUR TAMILNADU	19,89,000	Yes	No
6	LOCAL ADMINISTRATION	Promoting Health Care	Yes	THANJAVUR TAMILNADU	34,86,336	Yes	No
7	LOCAL ADMINISTRATION	Making Available Safe Drinking Water	Yes	THANJAVUR TAMILNADU	-	-	-
8	LOCAL ADMINISTRATION	Promoting education	Yes	DINDIGUL, TAMILNADU	59,19,214	Yes	No

	(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. 191.94 lakhs
	(g) Excess amount for set off, if any			
	Sl.No.	Particulars	Amount (Rs. in lakhs)	
	(i)	Two percent of average net profit of the company as per section 135(5)	189.92	
		Total amount spent for the Financial Year	191.94	
	(ii)	Excess amount spent for the financial year [(ii)-(i)]	2.02	
	(iii)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	9.44	
	(iv)	Amount available for set off in succeeding financial years (iii+iv)	11.46	
9	(a) Details of Unspent CSR amount for the preceding three financial years			Nil
	(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s)			Nil
10.	In case of creation or acquisition of capital asset, the details relating to the asset so created or acquired through CSR spent in the financial year			Not Applicable

Responsibility Statement : Implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the company.

Sd. xxxxxxx
PR.P.Velappan
(DIN : 01892661)
Managing Director

Sd. xxxxxxx
S.Kalyanasundaram MP
(DIN : 00829647)
Chairman - CSR Committee

Place : Kumbakonam
Date : 26th August, 2025.

AUDITORS' CERTIFICATE

Shanmugham & Associates,
G.Natesan & Co,
Sastri & Shah,
G.S.Srinivasan & Co,
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 31-03-2025 of Kumbakonam Mutual Benefit Fund Nidhi Limited, Kumbakonam ("the Company") and that the company has followed the instructions issued by Ministry of Corporate Affairs vide their Notification No. G.S.R. 258 (E) dated 31.03.2014 and subsequent notifications thereon and there is no material violation of any of the conditions mentioned therein. The Company has maintained proper books of accounts, 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. G.S.R. 258 (E) dated 31.03.2014 as amended from time to time.

Shanmugham & Associates
Chartered Accountants
FRN : 006655S
CA. S.Shanmugham
Membership No.203423
UDIN : 25203423BMLHHB5233

G.Natesan & Co
Chartered Accountants
FRN.002424S
CA.R.Ganesh
Membership No.218556
UDIN : 25218556BMIOUZ9110
Partner

Sastri & Shah
Chartered Accountants
FRN.003643S
CA. S.Venkata Subramaniam
Membership No.247339
UDIN : 25247339BMJFQE4192
Partner

G.S.Srinivasan & Co
Chartered Accountants
FRN.012043S
CA. S.Srinivasan
Membership No.218935
UDIN : 25218935MICJZ3906
Partner

Place : Kumbakonam
Date : 26th August, 2025

Independent Auditors' 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 2025, 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 material 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 2025, 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 Matters	How our audit addressed the key audit matters
Existence, Valuation, and Recoverability of Gold Pledged Against Jewel Loans The Company's primary lending product is gold-backed loans, where advances are secured by gold jewellery pledged by customers. As at the reporting date, these loans constitute a significant portion of the Company's total assets. The inherent audit risk arises from: • The need to establish the existence and condition of gold held at multiple branch locations. • Potential volatility in gold prices, which could impact the adequacy of security cover and provisioning for credit losses. • The operational risk of re-pledging, where the same borrower may obtain multiple loans across different identities or branches. Management mitigates these risks through conservative lending policies, including a maximum Loan-to-Value (LTV) ratio and a cap of ₹15,00,000 per borrower, and a robust internal control environment. This includes periodic internal audit checks of randomly selected loan packets, re-appraisal visits to all branches, and customer data analytics to detect multiple accounts linked to the same PAN or contact details. Given the materiality of jewel loans, price volatility risk, and reliance on controls at a large number of branches, we identified this area as a key audit matter.	Our audit procedures included, among others: • Understanding and evaluating the Company's accounting policy for measurement of loans and collateral, including compliance with the applicable financial reporting framework. • Evaluating the design and implementation of key internal controls over acceptance, appraisal, storage, and periodic verification of pledged gold. • Assessing the operating effectiveness of relevant controls, including review of internal audit reports covering random jewel packet weight checks and physical counting , and branch re-appraisals conducted by independent appraisers. • Performing independent branch visits covering all 130 branches during the year to physically inspect and weigh a sample of pledged jewelry and to perform jewel packet counts. • Testing, on a sample basis, loan documentation and appraisal reports to verify compliance with the LTV policy and ₹15,00,000 single borrower cap. • Reviewing management's analysis of gold price trends, including sensitivity analysis for potential price declines, and assessing whether such analysis was factored into provisioning decisions. • Performing data analytics on customer records to identify possible re-pledging risks by detecting multiple accounts linked to the same PAN, mobile number, or other identifiers. • Assessing the adequacy of disclosures relating to jewel loans, collateral valuation, and provisioning in the financial statements.

Key Audit Matters	How our audit addressed the key audit matters
Information Technology (IT) Controls in a Transition Environment The Company's financial accounting and reporting processes are heavily dependent on automated systems and related technology controls. Any deficiencies in the IT control environment could result in a risk of material misstatement in the financial statements. Effective controls also play a critical role in mitigating the risk of fraud or error arising from unauthorised or inaccurate system changes During the year, the Company commenced implementation of a new software system across its branches, with the existing system being phased out in stages. At present, transactions and related workings are being recorded in both the old and the new systems until the roll-out is fully completed. Such a parallel run increases the complexity of processing, reconciliation, and control monitoring, and may heighten the risk of errors or inconsistencies in financial reporting. Robust IT general controls and application controls are therefore critical to ensure that changes to applications and underlying data are properly authorised, tested, and implemented, and that reconciliations between the two systems are accurate and complete. Given the pervasive role of IT systems in the Company's financial reporting and the heightened risks during the transition phase, we identified the risk of material misstatement from IT controls as significant for our audit. Accordingly, this has been determined to be a Key Audit Matter.	In view of the ongoing transition from the old software to the new system and the associated parallel operation across all branches, our audit procedures focused on assessing the adequacy and effectiveness of IT controls over both environments, as well as the accuracy and completeness of data migration and reconciliation between them. **Our procedures included :** • Evaluating the design, implementation, and operating effectiveness of key IT general controls, including user access management, change management, segregation of duties, password policies, and system configuration controls in both the old and new systems. • Testing application controls over key financial accounting and reporting processes, with emphasis on automated calculations, interest computation, maturity date determination, and the consistency of data transmission between the two systems. • Reviewing and testing controls over changes to applications and databases, including authorisation, testing, and deployment protocols during the transition phase. • Performing selective re-computation of interest calculations and maturity dates in both systems, and comparing results for accuracy and consistency. • Assessing the process and controls over master data updates, ensuring appropriate authorisation and correctness. • Testing system interfaces and reconciliation controls to confirm completeness and accuracy of data migration and parallel postings. • Validating the accuracy and completeness of system-generated reports used for core financial reporting by manually verifying a sample of transactions. • Reviewing reconciliations between the old and new systems to identify and resolve discrepancies in transactional data and balances.

Key Audit Matters	How our audit addressed the key audit matters
	• Specifically testing automated compliance controls embedded in both systems to verify adherence to Nidhi Rules and restrictions placed by management - including checks to ensure that: • Maximum Balance in a savings deposit account at any point of time qualifying for interest shall not exceed ₹1 Lakh. • Loan amounts do not exceed ₹15 lakh per member. These tests included reviewing system configurations, performing test transactions, and assessing exception reports to confirm that breaches are prevented or flagged for management review. These procedures addressed the heightened risk of inconsistencies, control gaps, or non-compliance during the system transition, and ensured that both systems operated in line with statutory and management-prescribed parameters.

Information Other than the Financial Statements and Auditors' Report thereon

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

Our opinion on the standalone 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 Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information we have required to report the fact, 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.

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

As part of an audit in accordance with SAs, we exercise professional 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 material 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 auditors' 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 auditors' 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 for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' 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 out weigh 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, except for the matters stated in the paragraph [h.(vi)] below, on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

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, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 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.

h) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under section 143(3)(b) of the Act and paragraph [h.(vi)] below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 18 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 other than the following.

Shares	Rs. 163.39 Lakhs
Overdue Deposits	Rs. 152.67 Lakhs

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. (a) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Companies Act, 2013.

(b) As stated in Note No. 17 to the Board's Report, 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 proposed is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023. Based on our examination which included test checks, the company has used accounting software for maintaining its books of account which does not have a feature of recording audit trail (edit log) facility throughout the year. We are therefore unable to comment on the other aspects required to be reported by us.

Shanmugham & Associates
Chartered Accountants
FRN : 006655S
CA. S.Shanmugham
Membership No.203423
UDIN : 25203423BMLHHB5233

G.Natesan & Co
Chartered Accountants
FRN.002424S
CA.R.Ganesh
Membership No.218556
UDIN : 25218556BMIOUZ9110
Partner

Sastri & Shah
Chartered Accountants
FRN.003643S
CA. S.Venkata Subramaniam
Membership No.247339
UDIN : 25247339BMJFQE4192
Partner

G.S.Srinivasan & Co
Chartered Accountants
FRN.012043S
CA. S.Srinivasan
Membership No.218935
UDIN : 25218935MICJZ3906
Partner

Place : Kumbakonam
Date : 26th August, 2025

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 (PPE) and its intangible assets.

b) The Company has a regular programme of physical verification of its PPE by which all PPE are verified in a phased manner. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In our opinion, and according to the information and explanations given to us, 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 information and explanations provided to us and based on our examination of the company's records, it has not revalued its Property , Plant and Equipment (including Right of Use assets) or intangible assets during the year.

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.

ii) The company is in the business accepting deposits and giving loans and does not have physical inventories. Accordingly clause 3 (ii) (a) & (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. 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.

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, 2025 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, there are no statutory dues as at 31.03.2025 which have not been deposited on account of dispute.

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. Accordingly the reporting under clause 3(viii) of the order is not applicable to company.

ix) a) According to the information and explanations given to us and on the basis of our audit procedures, performed by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

b) As represented, the company has not been declared as a wilful defaulter by any bank or financial institution or other lender.

c) In our opinion and according to the information and explanation and given to us, the no term loans were availed during the period under review.

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 purpose.

e) According to the information and explanations given to us and on an overall examination of the financial statements of company, we report that 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) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or fraud on the company has been noticed or reported during the year;

b) According to the information and explanations given to us, no report under section 143(12) of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

c) As represented to us by the management, the Company has not received any whistle blower complaint during the year and up to the date of this report.

xii) Nidhi Rules:

a) The Company has complied with the Nidhi Rules, 2014, ratio of Net Owned Funds to Deposits in the ratio of **1:9.17**

b) The Company has complied with the Nidhi Rules, 2014 to meet out the liability and the company is maintaining **10.43%** 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 and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

b) We have considered internal audit reports issued by internal auditors during our 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 any statutory auditors during the year under review.

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 33 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(xxi) 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.

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CA. S.Shanmugham
Membership No.203423
UDIN : 25203423BMLHHB5233

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CA. S.Srinivasan
Membership No.218935
UDIN : 25218935MICJZ3906
Partner

Place : Kumbakonam
Date : 26th August, 2025

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)

We have audited the internal financial controls over financial reporting of Kumbakonam Mutual Benefit Fund Nidhi Limited (the Company) as at March 31, 2025 in conjunction with our audit of the financial statements of the Company for the period ended on that date.

Management's Responsibility :

The Company's Management is responsible for establishing and maintaining Internal Financial Controls with reference to Financial Statements based on the internal financial controls over financial reporting criteria established by the Company considering the essential components of control stated in the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting" issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls with reference to Financial Statements that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls 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 ("Guidance Note") 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, with reference to financial statement. 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 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 with reference to Financial Statements and their operating effectiveness. Our audit of Internal Financial Controls with reference to Financial Statements included obtaining an understanding of Internal Financial Controls with reference to Financial Statements, assessing the risk that material weakness exists, and testing and evaluating the design and operating effectiveness of internal financial control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement 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.

Meaning of Internal Financial Controls with reference to Financial Statements:

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

Opinion

In our opinion and to the best of our information and explanations given to us, the Company has, in all material respects, adequate Internal Financial Controls with reference to Financial Statements and such Internal Financial Controls with reference to Financial Statements were operating effectively as at March 31, 2025, based on Internal Financial Controls with reference to Financial Statements criteria established by the Company considering the essential components of internal control stated in “Guidance Note on Audit of Internal Financial Controls over Financial Reporting “ issued by the Institute of Chartered Accountants of India.

Shanmugham & Associates
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CA. S.Shanmugham
Membership No.203423
UDIN : 25203423BMLHHB5233

G.Natesan & Co
Chartered Accountants
FRN.002424S
CA.R.Ganesh
Membership No.218556
UDIN : 25218556BMIOUZ9110
Partner

Sastri & Shah
Chartered Accountants
FRN.003643S
CA. S.Venkata Subramaniam
Membership No.247339
UDIN : 25247339BMJFQE4192
Partner

G.S.Srinivasan & Co
Chartered Accountants
FRN.012043S
CA. S.Srinivasan
Membership No.218935
UDIN : 25218935MICJZ3906
Partner

Place : Kumbakonam
Date : 26th August, 2025

BALANCE SHEET AS AT MARCH 31, 2025

(₹ in lakhs)

PARTICULARS	NOTE	31st March 2025	31st March 2024
I. Assets:			
(1) Financial Asset			
(a) Cash and Cash Equivalents	6	25,959.70	14,077.35
(b) Bank Balance other than (a) above	7	45,291.51	42,087.07
(c) Loans	8	4,50,130.33	3,58,175.25
(d) Other Financial assets	9	23,298.45	21,973.67
(2) Non-Financial Assets			
(a) Deferred tax assets (Net)	10	718.01	759.00
(b) Property Plant and Equipment	11	7,717.36	7,565.26
(c) Capital work in Progress	12	124.45	95.50
(d) Right of Use Asset	13	2,380.04	2,099.54
(e) Other Intangible Assets	14	19.25	46.20
(f) Other Non Financial assets	15	949.05	1,016.85
Total Assets		**5,56,588.15**	**4,47,895.69**
II. Liabilities & Equity			
Liabilities			
(1) Financial Liabilities			
(a) Deposits	16	4,71,748.99	3,81,139.55
(b) Other financial liabilities	17	12,062.70	4,080.03
(2) Non Financial Liabilities			
(a) Provisions	18	4,926.91	4,708.15
(b) Other Non Financial Liabilities	19	565.89	489.47
(3) Equity			
(a) Equity Share Capital	20	3,055.85	3,032.63
(b) Other Equity*		64,227.81	54,445.86
Total Liabilities and Equity		**5,56,588.15**	**4,47,895.69**

Material Accounting Policies 1-5
See accompanying Notes forming part of the financial statements. 6-49
*Refer statement of changes in equity

For and on behalf of Kumbakonam Mutual Benefit Fund Nidhi Limited,

S.Kalyanasundaram
Chairman
DIN : 00829647

S.Ramalingam
Vice Chairman
DIN : 00829529

PR.P.Velappan
Managing Director
DIN : 01892661

G.Anbalagan
Director
DIN : 01469646

B.Prakasam
Director
DIN : 00338872

G.Durairaj
Director
DIN : 03064193

E. Ambika
Director
DIN : 09353335

M.Guru Prasanth
Director
DIN : 09359770

S.Venkatesan
General Manager

S.Shanmugam
General Manager & Chief Financial Officer

CS.**S.Kannan**
Company Secretary

As per our report of even date attached.

Shanmugham & Associates
Chartered Accountants
FRN : 006655S
CA. **S.Shanmugham**
Membership No.203423
UDIN : 25203423BMLHHB5233

G.Natesan & Co
Chartered Accountants
FRN.002424S
CA.**R.Ganesh**
Membership No. 218556
UDIN : 25218556BMIOUZ9110
Partner

Sastri & Shah
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FRN.003643S
CA. **S.Venkata Subramaniam**
Membership No.247339
UDIN : 25247339BMJFQE4192
Partner

G.S.Srinivasan & Co,
Chartered Accountants
FRN.012043S,
CA. **S.Srinivasan**
Membership No.218935
UDIN : 25218935MICJZ3906
Partner

Place : Kumbakonam / Date : 26.08.2025

Statement of Profit and Loss for the year ended March 31, 2025

(₹ in lakhs)

PARTICULARS	NOTE No.	31st March 2025	31st March 2024
Revenue from operations			
(i) Interest income	21	61,897.12	47,633.00
(ii) Fees and commission income	22	22.67	26.23
(iii) Net gain on fair value changes	23	107.17	325.06
(I) Total Revenue from operations		**62,026.96**	**47,984.29**
(II) Other Income	**24**	**28.81**	**24.16**
(III) Total Income (I + II)		**62,055.77**	**48,008.45**
Expenses			
(i) Finance Costs	25	36,671.36	27,135.92
(ii) Net Loss on Fair Value Changes	26	39.91	7.00
(iii) Employee Benefits Expenses	27	8,840.27	8,272.58
(iv) Depreciation, amortization and impairment	28	730.24	708.53
(v) Other expenses	29	1,739.28	1,515.30
(IV) Total Expenses (IV)		**48,021.06**	**37,639.33**
(V) Profit/ (loss) before exceptional items and tax (III-IV)		**14,034.71**	**10,369.12**
(VI) Exceptional items - Provision & Contingencies			131.03
(VII) Profit/ (loss) before tax (V -VI)		14,034.71	10,238.09
(VIII) Tax Expense :			
(1) Current tax	30	3,622.85	2,765.44
(2) Excess provision of earlier years		(64.42)	-
(3) Deferred Tax	10	18.00	(143.42)
(IX) Profit/ (loss) for the period (VII-VIII)		**10,458.28**	**7,616.07**
(X) Other Comprehensive Income			
(A) (i) Items that will not be reclassified to profit or loss			
(a) Gain/(loss) on Revaluation of Land and Building/ Impairment			(190.33)
(b) Actuarial gains/(losses) on post retirement benefit plans		73.42	-
(c) Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/ (asset)		15.99	
(d) Additional Deferred Tax on account of items that will not be reclassified to Profit & Loss		(23.00)	
(I) Income tax relating to items that will not be reclassified to profit or loss		-	
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	
Subtotal (A)		**66.41**	**(190.33)**

Statement of Profit and Loss for the year ended March 31, 2025 (Continue...)

(₹ in lakhs)

PARTICULARS	NOTE No.	31st March 2025	31st March 2024
(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			
Subtotal (B)			
Other Comprehensive Income (A + B)		**66.41**	**(190.33)**
(XI) Total Comprehensive Income for the period (IX + X)		**10,524.69**	**7,425.74**
(XII) Earnings per equity share (for continuing operations)			
Basic (Rs.)	31	34.22	25.11
Diluted (Rs.)	31	34.37	25.19
(XIII) Earnings per equity share (for continuing and discontinued operations)			
Basic (Rs.)	31	34.22	25.11
Diluted (Rs.)	31	34.37	25.19

For and on behalf of Kumbakonam Mutual Benefit Fund Nidhi Limited,

S.Kalyanasundaram
Chairman
DIN : 00829647

S.Ramalingam
Vice Chairman
DIN : 00829529

PR.P.Velappan
Managing Director
DIN : 01892661

G.Anbalagan
Director
DIN : 01469646

B.Prakasam
Director
DIN : 00338872

G.Durairaj
Director
DIN : 03064193

E. Ambika
Director
DIN : 09353335

M.Guru Prasanth
Director
DIN : 09359770

S.Venkatesan
General Manager

S.Shanmugam
General Manager & Chief Financial Officer

CS.**S.Kannan**
Company Secretary

As per our report of even date attached.

Shanmugham & Associates
Chartered Accountants
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CA. **S.Shanmugham**
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Membership No.218935
UDIN : 25218935MICJZ3906
Partner

Place : Kumbakonam
Date : 26.08.2025

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2025

(₹ in lakhs)

PARTICULARS	31.03.2025	31.03.2024
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax & Exceptional Item	14,034.71	10,369.12
Adjustments for:		
Exceptional Item		(131.03)
Depreciation and amortization expenses	258.28	268.80
Amortization - Intangible Asset	29.95	46.55
Depreciation on ROU Asset	442.01	426.31
Gain on sale of Fixed Assets	(2.62)	2.77
Gain or Loss on fair value Changes	79.29	203.13
Changes in operating assets and liabilities:		
(Increase)/decrease in Financial Assets	(93,279.88)	(7,340.85)
(Increase)/decrease in Non Financial Assets	90.79	2,756.75
Increase/(decrease) in Financial Liabilities	98,592.11	31,798.08
Increase/(decrease) in Non Financial Liabilities	77.04	29.92
Increase/(decrease) in provisions	218.77	114.42
Net cash (used in) operating activities before taxes	**20,540.45**	**38,543.97**
Income Taxes paid, Net of Refund	(3,558.43)	(2,765.44)
Net cash (used in) operating activities	**16,982.02**	**35,778.51**
Cash flow from investing activities		
Purchase of property, plant and equipment (including intangible assets and intangible assets under development)	(1,166.92)	(1341.76)
Proceeds from sale of Assets	4.72	7.56
Movement in Bank balances other than cash and cash equivalents	(3,204.44)	(27,179.90)
Net cash (used in) investing activities	**(4,366.64)**	**(28,514.10)**
Cash flow from financing activities		
Dividend paid 2023-24 / 2022 - 23	(756.24)	(752.12)
Issue of share capital	23.22	16.31
Net cash generated from financing activities	**(733.02)**	**(735.81)**
Net increase in cash and cash equivalents	11,882.36	6,528.60
Cash and cash equivalents at the beginning of the period	14,077.35	7,548.75
Cash and cash equivalents at the end of the period (refer note 6)	**25,959.70**	**14,077.35**
Note : Cash and cash equivalents at the end of the period as per balance sheet	25,959.70	14,077.35

For and on behalf of Kumbakonam Mutual Benefit Fund Nidhi Limited,

S.Kalyanasundaram
Chairman
DIN : 00829647

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Vice Chairman
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PR.P.Velappan
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Partner

Place : Kumbakonam
Date : 26.08.2025

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025

A. EQUITY SHARE CAPITAL

1. Current Reporting Period

(All amounts are ₹ in lakhs unless otherwise stated)

Balance as at April 1, 2024	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 1, 2024	Changes in equity share capital during the year	Balance as at March 31,2025
3,032.63	-	3,032.63	23.22	**3,055.85**

2. Previous Reporting Period

Balance as at April 1, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 1, 2023	Changes in equity share capital during the year	Balance as at March 31, 2024
3,016.32	**-**	**3,016.32**	**16.31**	**3,032.63**

B. OTHER EQUITY

(₹ in lakhs)

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, 2024	**1.46**	**48,500.89**	**-**	**5,776.28**	**167.25**	**54,445.88**
Changes in accounting policy/prior period errors	-	-	-	-	-	-
Restated Balance as on 01.04.2024	**1.46**	**48,500.89**	**-**	**5,776.28**	**167.25**	**54,445.88**
Profit for the year after Income Tax	-	-	**10,458.28**	-	-	**10,458.28**
Change in fair value of Building	-	-	-	-	-	-
Re-measurement of defined benefit plans	-	-	-	-	**89.41**	**89.41**
Income tax on OCI	-	-	-	-	**(23.00)**	**(23.00)**
Total Comprehensive Income for the period	-	-	**10,458.28**	-	**66.41**	**10,524.69**
Past Years Provision reversed	-	**12.88**				**12.88**
Transfer to/from retained earnings		**10,458.28**	**(10,458.28)**			
Transaction with Owners **Final Dividend (2023-24)**		**(756.24)**				**(756.24)**
Shares Allotted during the year	**(1.46)**	-	-	-	-	**(1.46)**
Share Application money received during the year pending allotment	**2.06**	-	-	-	-	**2.06**
Balance at the March 31st, 2025	**2.06**	**58,215.82**	-	**5,776.28**	**233.66**	**64,227.81**

(₹ in lakhs)

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 March 31st, 2023	1.31	41,636.94	-	5,966.61	(35.88)	47,568.98
Changes in accounting policy/prior period errors	-	-	-	-	-	-
Restated Balance as on 01.04.2023	1.31	41,636.94	-	5,966.61	(35.88)	47,568.98
Profit for the year after Income Tax	-	-	7,616.07	-	-	7,616.07
Change in fair value of Building	-	-	-	(190.33)	-	(190.33)
Re-measurement of defined benefit plans	-	-	-	-	-	-
Other items - OCI	-	-	-	-	203.13	203.13
Total Comprehensive Income for the period	-	-	7,616.07	(190.33)	203.13	7,628.87
Transfer to/from retained earnings	-	7,616.07	(7,616.07)	-	-	-
Transaction with Owners						
- Final Dividend (2022-2023)		(752.12)	-	-	-	(752.12)
- Shares Allotted during the year	(1.31)	-	-	-	-	(1.31)
- Share Application money received during the year pending allotment	1.46	-	-	-	-	1.46
Balance at the March 31st, 2024	1.46	48,500.89	-	5,776.28	167.25	54,445.88

Note 6 Cash and Cash Equivalents

S.No.	PARTICULARS	31-03-2025	31-03-2024
(a)	**Cash and Postage on Hand**	1,684.04	1,291.13
(b)	**Balances with banks** (of the nature of cash and cash equivalents)		
	In Current Accounts	3,075.56	1,186.22
	In Fixed Deposits (maturing within a period of three months)	21,200.10	11,600.00
	Total	25,959.70	14,077.35

Short-term bank deposits are made for varying periods of between seven days to 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	31-03-2025	31-03-2024
(a)	Fixed deposits with bank (maturing after period of three months but less than 12 months) *	44,982.43	41,799.00
(b)	Balance in escrow accounts		
	- For Share Application Money	2.06	1.46
	- Unpaid Dividend Account	307.01	286.61
	Total	45,291.51	42,087.07

*It includes unencumbered deposits of Rs.47,800 Lakhs

Note 8 Loans

Carried at Amortized Cost

(₹ in lakhs)

S.No.	PARTICULARS	31-03-2025	31-03-2024
		Amortized cost	Amortized cost
	Loans		
(A)			
(i)	Jewel Loans	4,45,088.80	3,53,956.40
(ii)	Loans against Recurring Deposits	153.88	204.90
(iii)	Loans against Term Deposits	5,166.97	4,176.91
(iv)	Decreed Loans		-
(v)	Loan to employees	532.31	595.87
(vi)	Mortgage Loan Suit filed	84.52	97.41
	Total (A) - Gross	**4,51,026.48**	**3,59,031.49**
	Less: Impairment loss allowance	896.15	856.24
	Total (A) - Net	**4,50,130.33**	**3,58,175.25**

(B)		**31-03-2025**	**31-03-2024**
(i)	**Secured by tangible assets**		
	- Gold Loan	4,45,088.80	3,53,956.40
	- Covered by Deposits and Mortgage	5,405.37	4,479.22
(ii)	**Unsecured**		
	(a) Staff Loan	532.31	595.87
	Total (B) - Gross	**4,51,026.48**	**3,59,031.49**
	Less: Impairment loss allowance	896.15	856.24
	Total (B)- Net	**4,50,130.33**	**3,58,175.25**
(C)			
(I)	Loans in India		
(i)	Public Sector	-	
(ii)	Others - Retail	4,51,026.48	3,59,031.49
	Total (C) - Gross	**4,51,026.48**	**3,59,031.49**
	Less: Impairment loss allowance	896.15	856.24
	Total (C) (I) - Net	**4,50,130.33**	**3,58,175.25**
(II)	Loans outside India	-	
	Less: Impairment loss allowance	-	
	Total (C)(II) - Net	**-**	
	Total (C) - Net	**4,50,130.33**	**3,58,175.25**

Note 9 Other Financial Assets

(₹ in lakhs)

S.No.	PARTICULARS	31-03-2025	31-03-2024
(a)	Interest accrued on loan (Secured, considered good)	22,447.83	16,311.52
(b)	Interest accrued on fixed deposits and investment	228.91	472.92
(c)	Bank deposits with original maturity exceeding 12 months	-	4,600.00
(d)	Security deposits	12.62	12.30
(e)	Staff Advance	84.33	88.37
(f)	Rental Advance	332.30	281.49
g)	Prepaid Staff Welfare	192.46	207.07
	Total	**23,298.45**	**21,973.67**

Note 10 Deferred Tax Assets

Current Reporting Period

	PARTICULARS	Deferred Tax Assets 31-Mar-25	Deferred Tax Liabilities 31-Mar-25	Income Statement 2024-25	OCI 2024-25
(a)	Timing difference : Property, plant and equipment		106.00	1.00	-
(b)	Impairment allowance for financial assets	751.00	-	(33.00)	-
(c)	Remeasurement gain / (loss) on defined benefit plan	-	23.00	-	(23.00)
(d)	Debt instrument measured at amortised cost	-	-	-	-
(e)	Financial assets measured at amortised cost	-	-	-	-
(f)	Revaluation gain on property, plant and equipment	-	-	-	-
(g)	Right of Use Assets	96.00	-	14.00	-
(h)	Other Reversals	-	-	-	
	Total	**847.00**	**129.00**	**(18.00)**	**(23.00)**

Previous Reporting Period

	PARTICULARS	Deferred Tax Assets 31-Mar-24	Deferred Tax Liabilities 31-Mar-24	Income Statement 2023-24	OCI 2023-24
(a)	Timing difference : Property, plant and equipment	-	107.00	60.89	-
(b)	Impairment allowance for financial assets	784.00	-	147.07	-
(c)	Remeasurement gain / (loss) on defined benefit plan	-	-	-	-
(d)	Debt instrument measured at amortised cost	-	-	-	-
(e)	Financial assets measured at amortised cost	-	-	-	-
(f)	Revaluation gain on property, plant and equipment		-		
(g)	Right of Use Assets	82.00	-	12.01	
(h)	Other Reversals		-	(76.55)	-
	Total	**866.00**	**107.00**	**143.42**	**-**

Note 11 Property, Plant and Equipment

(₹ in lakhs)

Particulars	Land - Freehold	Buildings	Furniture and Fixtures	Computer Equipment	Plant and Equipment	Vehicles	Total
Cost:							
At 31 March, 2024	5,470.00	1,364.82	1,655.63	932.69	452.59	38.19	9,913.92
Additions / Reclassification	-	40.27	260.70	27.99	83.50	-	412.46
Less : Disposals	-	-	7.06	4.88	7.95	-	19.89
*Change in Fair value of Building							
At 31 March, 2025	**5,470.00**	**1,405.09**	**1,909.27**	**955.80**	**528.14**	**38.19**	**10,306.49**
Accumulated Depreciation:							
At 31 March, 2024	-	185.90	1,074.36	824.94	252.43	11.03	2,348.66
Depreciation charge for the year	-	58.52	97.51	52.30	42.91	7.03	258.27
Reclassification*	-	-	-	-	-	-	-
Less : Disposals / Impairment	-	-	6.72	4.64	6.44	-	17.80
At 31 March, 2025	**-**	**244.42**	**1,165.15**	**872.60**	**288.90**	**18.06**	**2,589.13**
Carrying Amount							
At 31 March, 2024	**5,470.00**	**1,178.91**	**581.28**	**107.75**	**200.16**	**27.16**	**7,565.26**
At 31 March, 2025	**5,470.00**	**1,160.67**	**744.12**	**83.20**	**239.24**	**20.13**	**7,717.36**

Title deeds of all the Immovable Properties are held in the name of the Company.

The Company does not have any Benami Property, where any proceeding has been initiated or pending against company for holding any Benami property.

Note 12 Capital Work in Progress

PARTICULARS		Amount in Capital WIP for the period of				
		Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 years	Total
(a)	Project in Progress	-	-	-	-	-
(b)	Project Temporarily Suspended	-	-	-	-	-
(c)	Software	23.60	47.20	-	35.40	106.20
(d)	Buildings and Fittings	18.25	-	-	-	18.25
	Total	**41.85**	**47.20**	**-**	**35.40**	**124.45**

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

Particulars	ROU Buildings
GROSS BLOCK AT COST	
As at 01.04.2024	**3,854.94**
Reclassified on account of adoption of IND AS 116	
Additions	722.51
Deductions	-
As at 31.03.2025	**4,577.45**
Depreciation	
Upto March 31,2024	**1,755.41**
Additions	442.01
Deductions	-
As at 31.03.2025	**2,197.41**
Carrying Amount	
At 31 March, 2024	**2,099.54**
At 31 March, 2025	**2,380.04**

Note 14 Intangible Assets (₹ in lakhs)

Particulars	Computer Software
Gross block-at cost	
As at March 31,2024	**137.14**
Additions	3.00
Disposals	-
As at March 31, 2025	**140.14**
Accumulated amortisation	
As at March 31,2024	**90.94**
Charge for the year	29.95
Disposals	-
As at March 31, 2025	**120.89**
Carrying Amounts	
At 31 March, 2024	**46.20**
At 31 March, 2025	**19.25**

No Revaluation of Intangible assets is done during the year.

Note 15 Other Non Financial Assets (₹ in lakhs)

	PARTICULARS	31-03-2025	31-03-2024
(a)	Group Insurance EDLI Prepaid	42.46	31.45
(b)	Prepaid Expenses	212.44	413.15
(c)	Income Tax paid under protest	425.90	425.90
(d)	Sundry Receivables	94.22	102.68
(e)	Stock of Books and Forms	15.48	17.75
(f)	Other Advances	158.55	25.92
	Total	**949.05**	**1,016.85**

Note 16 Deposits

(₹ in lakhs)

	PARTICULARS	31-03-2025	31-03-2024
	At Amortised Cost		
(a)	From Members	4,71,748.99	3,81,139.55
	Total	**4,71,748.99**	**3,81,139.55**

Note 17 Other Financial Liabilities

	PARTICULARS	31-03-2025	31-03-2024
(a)	Unclaimed dividend	307.01	286.62
(b)	Interest accrued on deposits*	8,344.42	830.76
(c)	Statutory Dues Payable	394.40	293.53
(d)	Auction surplus payable	255.97	242.98
(e)	Lease Liability	2,760.90	2,426.14
	Total	**12,062.70**	**4,080.03**

* During 2024-25, Interest accrued on deposits increased substantially due to change in deposit schemes.

Note 18 Provisions

	PARTICULARS	31-03-2025	31-03-2024
(a)	Provision against mortgage loans	84.52	97.41
(b)	Provision for Employee benefits	3,150.04	2,838.65
(c)	Provision for Current year Tax	37.62	105.37
(d)	Provision for Jewel Loan under Litigation	1,649.46	1,649.46
(e)	Other Provisions	5.27	17.26
	Total	**4,926.91**	**4,708.15**

Movement of provisions other than employee benefits during the year:

	PARTICULARS	Litigation	Other Assets	Total
	At 31 March,2024	**1,649.46**	**97.41**	**1,746.87**
	Provided/settled during the year		12.88	12.88
	Provision for Current Year		-	
	At 31 March,2025	**1,649.46**	**84.52**	**1,733.98**

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, counter parties or other parties in civil litigations.

Note 19 Other Non-Financial Liabilities

	PARTICULARS	31-03-2025	31-03-2024
(a)	Other Liabilities	295.21	188.79
(b)	IND AS Outstanding Liability	270.68	300.68
	Total	**565.89**	**489.47**

Note 20 Equity Share Capital

(₹ in lakhs)

PARTICULARS	31-03-2025	31-03-2024
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		
3,05,58,477 Equity Shares of Rs.10 each fully paid up (3,03,26,322)	3,055.85	3,032.63
Issued, Subscribed and Fully paid-up		
3,05,58,477 Equity Shares of Rs.10 each fully paid up (3,03,26,322)	3,055.85	3,032.63
Total	**3,055.85**	**3,032.63**

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,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
Issued during the year	1.77	17.71
As at 31 March 2023	301.63	3,016.32
Issued during the year	1.63	16.31
As at 31 March 2024	303.26	3,032.63
Issued during the year	2.33	23.22
As at 31 March 2025	**305.58**	**3,055.85**

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	31-03-2025	31-03-2024
	On financial assets measured at amortised cost:		
(a)	Interest on gold loans and Loan against deposits	57,676.10	43,920.35
(b)	Interest on deposits with banks	4,221.02	3,712.65
	Total	**61,897.12**	**47,633.00**

Note 22 Fees and commission income

(₹ in lakhs)

	PARTICULARS	31-03-2025	31-03-2024
(a)	Documentation fees	16.37	20.15
(b)	Service Charges	6.30	6.08
	Total	**22.67**	**26.23**

Note 23 Net gain on Fair Value Changes

PARTICULARS	31-03-2025	31-03-2024
Net gain on financial instruments at fair value through Amortized cost		
- On Financial Instruments designated at Amortized Cost	107.17	325.06
- On Change in Impairment loss allowance	-	-
Total net gain on fair value changes (A)	**107.17**	**325.06**
Fair value changes:		
- Unrealized	107.17	325.06
Total net gain on fair value changes (B)	**107.17**	**325.06**

Note 24 Other Income

	PARTICULARS	31-03-2025	31-03-2024
(a)	Net gain/ (loss) on derecognition of property, plant and equipment	2.62	(2.77)
(b)	Provisions no longer required written back	-	-
(c)	Other income	26.19	26.93
	Total	**28.81**	**24.16**

Note 25 Finance Costs

	PARTICULARS	31-03-2025	31-03-2024
	On financial liabilities measured at amortised cost:		
(a)	Interest on deposits	36,483.37	26,969.34
(b)	Interest on borrowings	-	-
(c)	Finance Costs on Lease Liability	187.99	166.58
	Total	**36,671.36**	**27,135.92**

Note 26 Net Loss on fair value changes

(₹ in lakhs)

PARTICULARS	31-03-2025	31-03-2024
- On Financial Instruments designated at Amortized Cost		
- On Change in impairment loss allowance	39.91	7.00
Total net loss on fair value changes (A)	**39.91**	**7.00**
Fair value changes :	-	-
Unrealised	39.91	7.00
Total net loss on fair value changes (B)	**39.91**	**7.00**

Note 27 Employee Benefit Expenses

(₹ in lakhs)

	PARTICULARS	31-03-2025	31-03-2024
(a)	Salaries and wages	7,766.10	7,094.83
(b)	Contribution to provident and other funds	930.44	1,054.95
(c)	Staff welfare expenses	143.73	122.80
	Total	**8,840.27**	**8,272.58**

Note 28 Depreciation, Amortization and Impairment

	PARTICULARS	31-03-2025	31-03-2024
(a)	Depreciation of tangible assets	258.28	268.80
(b)	Depreciation of Investment property	-	-
(c)	Amortisation of intangible assets	29.95	46.55
(d)	Depreciation on Right-of-Use Assets	442.01	393.18
	Total	**730.24**	**708.53**

Note 29 Other expenses

	PARTICULARS	31-03-2025	31-03-2024
(a)	Energy Costs	142.66	134.93
(b)	Repairs and maintenance		-
	- Vehicles	1.68	0.58
	- Others	161.77	108.83
(c)	Rates and Taxes	87.37	34.11
(d)	Printing and Stationery	159.16	133.53
(e)	Advertising and Publicity	13.88	37.11
(f)	Director's fees, allowances and expenses	164.94	129.78
(g)	Auditor's fees and expenses - Refer Note (i)	31.50	25.00
(h)	Communication costs	197.62	225.78
(i)	Legal and Professional Charges	84.27	57.55
(j)	Insurance	168.30	124.50
(k)	Bank Charges	7.30	2.41
(l)	Travelling Expenses	20.02	16.16
(m)	Internal Audit Fees	160.28	134.99
(n)	CSR Expenses	191.94	179.56
(o)	Other expenditure	146.58	170.48
	Total	**1739.27**	**1515.30**

Note (i)

Payment to Auditors As	31-03-2025	31-03-2024
a) Statutory Audit	25.00	22.00
b) For taxation matters	-	-
c) For company law matters	-	-
d) For other services	-	-
e) For reimbursement of expenses	6.50	3.00
Total	**31.50**	**25.00**

Note (ii) Details of CSR expenditure as a part of Note 29(m) above : **(₹ in lakhs)**

Details of CSR expenditure	31-03-2025	31-03-2024
a) Gross Amount required to be spent by the Company during the year	189.92	171.77
b) Amount spent during the year ended	191.94	179.56
i) Construction/acquisition of any asset	-	-
- In Cash	-	-
- Yet to be paid Cash	-	-
ii) On purpose other than (i) above	-	-
- In Cash	191.94	179.56
- Yet to be paid Cash	-	-
Total	**191.94**	**179.56**

Note 30 Income Tax **(₹ in lakhs)**

PARTICULARS	31-03-2025	31-03-2024
Current tax	3,622.85	2,765.44
Adjustment in respect of current income tax of prior years	(64.42)	-
Deferred tax relating to origination and reversal of temporary differences	18.00	(143.42)
Income tax expense reported in statement of profit and loss	**3,576.43**	**2,622.02**
Income tax recognised in other comprehensive income (OCI)	-	-
Deferred tax related to items recognised in OCI during the period:	-	-
Remeasurement of defined benefit plans	(23.00)	-
Income tax charged to OCI	(23.00)	-
Current tax	-	-
Deferred tax	(23.00)	-
Profit before tax as per IND AS	**14,034.71**	**10,238.09**
Add: Ind AS Adjustments on profit before tax	105.00	-

Note 30 Income Tax (₹ in lakhs)

PARTICULARS	31-03-2025	31-03-2024
Profit before tax for computation	**14,139.71**	**10,238.09**
Allowances / disallowances (Net)	203.16	572.26
Adjusted profit before tax for income tax	**14,342.87**	**10,810.35**
Current tax as per Books (Effective rate of 25.17%)	3,622.85	2,727.05
Adjustment of earlier year taxes	(64.42)	38.39
Total tax as given in Books	**3,558.43**	**2,765.44**

Note 31 : EARNINGS PER SHARE (₹ in lakhs)

PARTICULARS	31-03-2025	31-03-2024
Net profit for calculation of basic earnings per share (Rs. In Lakhs)	10,458.28	7,616.07
Weighted average number of equity shares in calculating basic earning per share (Nos.)	3,05,58,757	3,03,26,322
Effect of dilution:	1,26,741	87,615
Weighted average number of equity shares in calculating diluted earning per share (Nos.)	3,04,32,016	3,02,38,707
Basic Earnings per share (INR)	**34.22**	**25.11**
Diluted earnings per share (INR)	**34.37**	**25.19**

Note 32 : 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 173.04 Lakhs (31 March, 2024: INR 175.48 Lakhs) for Provident Fund contributions and INR 2.77 Lakhs (31 March, 2024: INR 3.10Lakhs) 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 table 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	31-03-2025	31-03-2024
Current Service Cost	1,18,18,200	1,88,29,643
Past Service Cost	-	-
Net interest on net defined benefit liability/ (asset)	19,06,793	9,50,297
Total employer expense	**1,37,24,993**	**1,97,79,940**

Net employee benefit expense recognised in the Other Comprehensive Income (Rupees)

Movement in Other Comprehensive Income (OCI)	31-03-2025	31-03-2024
Actuarial Loss / (Gain) from changes in financial assumptions	20,14,083	52,21,413
Actuarial Loss / (Gain) from experience over the past year	(93,55,881)	2,58,95,127
Actuarial Loss / (Gain) from changes in demographic assumptions	-	3,89,756
Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/ (asset)	(15,98,786)	(21,11,628)
Balance at end of year Loss/ (Gain)	**(89,40,584)**	**2,93,94,668**

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

Particulars	31-03-2025	31-03-2024
Opening defined benefit obligation	**39,74,72,535**	**35,65,99,751**
Transfer in/ out		-
Interest cost	2,55,20,402	2,36,99,291
Current service cost	1,18,18,200	1,88,29,643
Benefits paid	(6,26,52,322)	(3,31,62,446)
Past service cost	-	-
Actuarial loss / (gain) from changes in financial assumptions	20,14,083	52,21,413
Actuarial loss / (gain) from experience over the past year	(93,55,881)	2,58,95,127
Actuarial (Loss) / Gain from changes in demographic assumptions	-	3,89,756
Closing defined benefit obligation	**36,48,17,017**	**39,74,72,535**

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

Particulars	31-03-2025	31-03-2024
Opening fair value of plan assets	**35,41,60,893**	**32,63,84,417**
Transfer in/ out		-
Expected Return	2,36,13,610	2,27,48,994
Contributions by employer	3,19,09,005	3,60,78,300
Benefits paid	(6,26,52,322)	(3,31,62,446)
Actuarial gains/ (losses)	15,98,786	21,11,628
Closing fair value of plan assets	**34,86,29,971**	**35,41,60,893**
Closing Liability (net) recognized in Balance Sheet	**(1,61,87,046)**	**(4,33,11,642)**

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

Particulars	31-03-2025	31-03-2024
Discount Rate	6.88%	6.97%
Salary growth rate	7.86%	13.18%
Attrition rate	1.00%	1.00%
Expected rate of return on assets*	6.88%	6.97%

Percentage Break-down of total plan assets (Rupees)

Particulars	31-03-2025	31-03-2024
Investment Funds with Insurance Company		
Of which Unit Linked	35,41,60,893	32,63,84,417
Of which Traditional / Non-Unit Linked	-	
Cash and cash equivalents	-	
Total	**35,41,60,893**	**32,63,84,417**

Assumptions	31st March 2025				31st March 2024			
	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)]	(2,10,77,647)	(2,41,53,744)	(2,25,91,279)	(2,08,12,670)	(1,16,57,869)	1,24,36,916	1,19,79,822	(1,15,34,653)

Maturity Analysis of the Benefit Payments

Particulars	31-03-2025	31-03-2024
1st Following Year	2,76,08,487	5,59,33,578
2nd Following Year	7,26,20,254	6,03,72,506
3rd Following Year	5,51,14,151	6,86,54,586
4th Following Year	5,57,34,225	5,61,77,804
5th Following Year	4,48,75,503	6,71,24,525
Sum of Years 6 to 10	12,04,79,880	12,53,15,680

The weighted average duration of the defined benefit obligation as at 31 March, 2025 is 12 years (2024 : 12 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 and the description of the Asset-Liability matching strategies used by the plan has not been disclosed.

NOTE 33 : 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.

(₹ in lakhs)

Particulars	31st March 2025			31st March 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial Assets						
Cash and cash equivalents	25,959.70		25,959.70	14,077.35		14,077.35
Bank balance other than above	45,291.51		45,291.51	42,087.07		42,087.07
Loans	4,40,990.01	9,140.32	4,50,130.33	3,49,403.94	8,771.31	3,58,175.25
Other Financial Assets	22,814.95	483.50	23,298.45	16,879.44	5,094.24	21,973.68
Non-financial Assets						
Current tax assets (net)				-	-	-
Deferred tax assets (net)		718.01	718.01		759.00	759.00
Property, plant and equipment		7,717.36	7,717.36		7,565.26	7,565.26
Capital Work in Progress	18.25	106.20	124.45			
Right of Use Asset	23.76	2,356.27	2,380.03	16.77	2,082.77	2,099.54
Other intangible assets		19.25	19.25		46.20	46.20
Other Non-Financial Assets	349.12	599.92	949.04	356.91	659.94	1016.85
Total Assets (A)	**5,35,447.30**	**21,140.83**	**5,56,588.13**	**4,22,821.48**	**24,978.72**	**4,47,800.20**
Liabilities						
Financial Liabilities						
Deposits	4,70,812.27	936.72	4,71,748.99	3,80,240.25	899.30	3,81,139.55
Other Financial Liabilities	9,213.43	2,849.27	12,062.70	1,767.17	2,288.07	4,055.24
Non-financial liabilities						
Provisions	4,926.91		4,926.91	4,732.95		4,732.95
Other non-financial liabilities	295.21	270.68	565.89	188.78	300.68	489.46
Total Liabilities (B)	**4,85,247.82**	**4,056.67**	**4,89,304.49**	**3,86,929.15**	**3,488.05**	**3,90,417.20**
Net (A-B)	**50,199.48**	**17,084.16**	**67,283.64**	**35,892.33**	**21,490.67**	**57,383.00**

Note 34 : 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 35 : 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.

(₹ in lakhs)

	Nature of Dues	Amount
A.	Contigent Liabilities : Claims against the company not acknowledged as debt.	
	1. Income Tax Demands	Rs. 97.00

(B) Lease Disclosures - Lease of Branch Premises

(i) Ind AS 116 "Leases" is applied under 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 Company 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 2024	**20,99,54,121**
Additions	7,85,59,226
Deletion	(63,08,287)
Amortization of ROU assets	(4,42,01,144)
Balance as at 31st March 2025	**23,80,03,916**

Lease Liabilities (Rupees)

Particulars	31.03.2025	31.03.2024
Opening Balance	**24,26,13,829**	**22,17,84,284**
Additions	7,22,50,939	5,52,93,889
Payment of lease liabilities	(5,75,74,287)	(5,14,36,145)
Finance cost accrued during the period	1,87,99,182	1,69,71,801
Closing Balance	**27,60,89,663**	**24,26,13,829**

Amounts recognised in Profit and Loss

Particulars	31.03.2025	31.03.2024
Depreciation expense on right-of-use assets	4,42,01,144	3,93,17,977
Interest expense on lease liabilities	1,87,99,182	1,66,57,737

The total cash outflow for leases amount to INR 575.74 Lakhs (31st March 2024 INR 514.36 Lakhs)

Maturity analysis of Lease Liability

Particulars	31.03.2025	31.03.2024
Not later than one year	4,10,80,019	14,37,793
Later than one year but not later than four years	12,29,80,845	3,52,39,667
Later than four years	11,20,28,800	20,59,36,370

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 36 : CORPORATE SOCIAL RESPONSIBILITY

Particulars	31.03.2025	31.03.2024
Amount required to be spent by the company during the year	1,89,92,000	1,71,76,733
Amount of expenditure incurred	1,91,94,237	1,79,55,904
Shortfall at the end of the year / (Excess Spent)	(2,02,237)	(7,79,171)
Total of previous years shortfall	-	-
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 Alleviation, Promoting Healthcare including preventive health care, Promoting Road Safety Activities, Promoting Sanitation, Promoting Education, Promoting Sports in Rural Area., Promoting education, renovation of class rooms.

Note 37 : RELATED PARTY DISCLOSURE AND TRANSACTION DETAILS (₹ in lakhs)

Sl. No.	Name of related party	Nature of related party	31st March 2025				31st March 2024			
			Sitting Fees	Remu -neration	Int. Paid	Dividend Paid	Sitting Fees	Remu -neration	Int. Paid	Dividend Paid
1.	Thiru. S.Kalyanasundaram	Chairman	3.50	20.05	Nil	0.22	3.80	13.64	Nil	0.22
2.	Thiru. S.Ramalingam	Vice - Chairman	3.60	20.05	Nil	0.43	3.70	13.64	0.24	0.43
3.	Thiru. PR.P.Velappan	Managing Director	Nil	Nil	Nil	0.13	Nil	Nil	Nil	0.13
4.	Thiru. G.Anbalagan	Director	3.60	20.05	3.65	1.25	3.10	13.64	Nil	1.25
5.	Thiru. B.Prakasam	Director	3.20	20.05	0.14	1.66	3.60	13.64	0.18	1.66
6.	Thiru. G.Durairaj	Director	3.50	20.05	Nil	0.15	3.80	13.64	Nil	0.15
7.	Thirumathi. E.Ambika	Director	3.60	20.05	Nil	0.01	3.80	13.64	Nil	0.01
8.	Thiru. M.Guru Prasanth	Director	3.60	20.05	Nil	0.01	3.80	13.64	Nil	0.01
9.	Thiru. S.Hariharan	Director	Nil	Nil	Nil	0.01	1.80	6.89	0.15	0.01

S. No	Name of the Directors	Deposit accepted for the period from 01.04.2024 to 31.03.2025	Deposit outstanding as on 31.03.2025
1.	Thiru. G.Anbalagan	150.00	150.00
2.	Thiru. B.Prakasam	0.81	0.81
	Total	150.81	150.81

Salary Paid

Particulars	Nature of related party	31st March 2025	31st March 2024
Thiru. PR.P.Velappan	Managing Director	36.00	36.00
Thiru. S.Shanmugham	G.M & C.F.O	21.52	15.26
Thiru. V.Vijayakumar	Company Secretary	Nil	2.80
Mrs. Sweety Jhunjhunwala	Company Secretary	0.08	Nil
Thiru. S.Kannan	Company Secretary	4.44	Nil

Note:

a) Related parties have been identified on the basis of the declaration received by the management and other records available.

b) 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	31.03.2025	31.03.2024
Short-Term Employee Benefits	36.00	36.00
Total	**36.00**	**36.00**

NOTE 38 : 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 Ministry of Corporate Affairs 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 norms as described below:

Particulars	31.03.2025	31.03.2024
Ratio of Net Owned Funds	1:9.17	1:7.40
Percentage of Unencumbered Bank Deposits maintained	10.43%	10.68%

NOTE 39 : FINANCIAL INSTRUMENTS - FAIR VALUE MEASUREMENT

39.1 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

39.2 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)

39.3 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:

(₹ in lakhs)

Particulars	Level	Carrying Value		Fair Value	
		31st March 2025	31st March 2024	31st March 2025	31st March 2024
Financial Assets					
Cash and cash equivalents	Level 1	25,959.70	14,077.35	25,959.70	14,077.35
Bank balance other than above	Level 1	45,291.51	42,087.07	45,291.51	42,087.07
Loans	Level 3	4,50,130.33	3,58,175.25	4,50,130.33	3,58,175.25
Other Financial assets	Level 3	23,405.62	22,070.46	23,298.45	21,973.67
Total Financial Assets		**5,44,787.16**	**4,36,410.13**	**5,44,679.99**	**4,36,313.34**
Financial Liabilities					
Deposits	Level 3	4,71,718.99	3,81,440.23	4,71,748.99	3,81,139.55
Other Financial Liabilities	Level 3	11,874.71	4,027.50	12,062.70	4,055.22
Total Financial Liabilities		**4,83,593.70**	**3,85,467.73**	**4,83,811.69**	**3,85,194.77**

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 cash equivalents, 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 members

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.

NOTE 40 : RISK MANAGEMENT

Risk is an integral part of the Company's business and sound risk management is critical to the success. 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 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.

40.1 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

d) 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 enable 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 interative 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 tenure 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	31.03.2025			31.03.2024		
	Stage I	Stage II	Stage III	Stage I	Stage II	Stage III
Gold Loan	1.07%	1.04%	0.08%	1.31%	1.55%	0.10%

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	31.03.2025	31.03.2024
Gold loan - Normal Risk	0.94%	5.27%

40.2 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. 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 2025 : **(₹ 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	4,759.61	21,200.10	-	-	-	25,959.71
Bank balance other than above	309.07	-	44.982.43	-	-	45,291.50
Loans	87,329.53	21,652.04	3,32,008.44	9,055.80	84.52	4,50,130.33
Other Financial assets	7,109.23	9,742.36	5,963.37	138.58	344.92	23,298.46
Total Financial Assets	**99,507.44**	**52,594.50**	**3,82,954.24**	**9,194.38**	**429.44**	**5,44,680.00**
Financial Liabilities						
Deposits	79,819.93	59,298.85	3,31,693.49	936.72	-	4,71,748.99
Other Financial Liabilities	2,024.43	6,614.39	574.62	2,167.58	681.69	12,062.71
Total Financial Liabilities	**81,844.36**	**65,913.24**	**3,32,268.11**	**3,104.30**	**681.69**	**4,83,811.70**

Maturity pattern of assets and liabilities as on 31 March 2024 : **(₹ 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	2,477.35	11,600.00	-	-	-	14,077.35
Bank balance other than above	288.07	-	41,799.00	-	-	42,087.07
Loans	64,572.46	10,085.45	2,74,745.95	8,625.49	145.90	3,58,175.25
Other Financial assets	4,883.99	6,838.63	5,156.81	4,800.45	293.79	21,973.67
Total Financial Assets	**72,221.87**	**28,524.08**	**3,21,701.76**	**13,425.94**	**439.69**	**4,36,313.34**
Financial Liabilities						
Deposits	77,141.66	49,210.37	2,53,888.22	899.30	-	3,81,139.55
Other Financial Liabilities	1,352.54	103.66	310.97	1538.88	749.19	4,055.24
Total Financial Liabilities	**78,494.20**	**49,314.03**	**2,54,199.19**	**2,438.18**	**749.19**	**3,85,194.79**

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 41 : EXPENDITURE IN FOREIGN CURRENCY

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

NOTE 42 : FRAUD

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

NOTE 43 : 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 - Loan against gold and its own deposit The revenue generated by the company, majority attributable to the said service is as below :

(₹ in lakhs)

Particulars	31st March 2025	31st March 2024
Interest on Loan against gold and its own deposit	57,676.10	43,920.35

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 44 : PAYMENTS UNDER MSMED ACT 2006

The payments to the vendors for purchases or services are made shortly after supply, then and there. There is no outstanding qualifying under section 15 of the Micro, Small and Medium Enterprises Development Act, 2016 (MSMED).

NOTE 45 : CREDIT RATING OF EQUITY SHARES

The necessity for obtaining credit rating did not arise, during the year under review.

NOTE 46 : TRADE RECEIVABLES / TRADE PAYABLES

As the Company is a Nidhi Company, there are no Trade Receivables or Trade Payables, Hence, no ageing schedule is required.

NOTE 47 : 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.

However the company recognises provisions in accordance with Ind AS rules under Expected Credit loss (ECL) method. The details and manner of computing the ECL has been provided in the appropriate places in the financial statement.

NOTE 48 : EXCEPTIONAL ITEMS

A fraud has occurred during the tenure of the previous board (FY 2017-2019). The present management has ordered investigations on above fraud more so on the transactions of the company with a person, who was adjudicated as insolvent in April' 2019, and his associates during the period between 2019 and 2021. It was found out that the laid out procedures and norms more particularly with respect to KYC compliance, auction notices, ceiling on granting of loans, redemption of loans and release of jewels had been flouted with an intent to defraud the company.

As also the company is a respondent in a plaint which seeks to cancel the adjudication of the said person as insolvent. The case is pending before the Honourable Madras High Court. The Honourable Court has ordered investigation in to the whole issue by the Economic offences wing of Tamilnadu Police and has passed then and their interim directions. The Company has complied with the interim directions and is co-operating fully with the investigating officials. Subsequently, the company has filed a criminal complaint against the alleged perpetrators of this crime. The company recognised an additional provision of Rs. 131.03 lakhs (FY 2022-2023 - Rs.1262.00 lakhs) as charge to the Profits of financial year 2023-2024 in accordance with Ind AS rules of recognition of provisions, making the total provision in this respect to Rs.1393.03 lakhs. The charge is presented as an exceptional item in the Profit and Loss account of FY 2023-2024)

For the current year 2024-2025, there is no necessity to create further provisions.

NOTE 49 : PREVIOUS YEAR FIGURES

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

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

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. Further Nidhi Company has been given the status of NDH-4 under the Companies Act 2013. The Registered Office address of the Company is No. 23 & 24, Dr.Besant Road, Kumbakonam-612001, Thanjavur District. 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 Nidhi Rules, 2014 and Notifications issued from time to time by the Ministry of Corporate Affairs.

2 BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

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:

2.4.1 The normal course of business

2.4.2 The event of default

2.4.3 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 functional currency and all values are rounded to the nearest Lakh, except when otherwise indicated.

3 MATERIAL 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 income 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 our below, unless included in the effective interest calculation :

Step 1 : Identify contract(s) with a member : 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 member to transfer a good or service to the member.

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 member, 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 the company expects to receive as per the agreement with the member. 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 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 and timing of 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.

Interest has not been provided / accrued for overdue and unclaimed deposits.

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-gratia 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 cost 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 re-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.

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.

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 is 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 measured 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 issued funds, and transaction costs that are an integral part of the Effective Interest Rate (EIR). The Company does not have any such instruments in the current year.

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 takes possession of the gold pledged and disposes such assets through auction, to settle outstanding debt. Any surplus funds are returned to the members/ 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 lifes based on technical advice 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.

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.

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 - Loans against Gold and its own deposits. 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 confirmity 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 it 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 annually.

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 elect 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 Interest 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

Revaluation reserve' is 'a reserve created on the revaluation of assets or net assets of an enterprise represented by the surplus of the estimated replacement cost or estimated market values over the book values thereof.' If an asset's carrying amount is increased as a result of revaluation, the increase is recognised and accumulated in equity under the heading of revaluation surplus. Correspondingly, decreases as a result of revaluation are recognized thereby reducing the amount accumulated under this heading of revaluation surplus, to the extent of any credit balance existing in the revaluation surplus in respect of that asset. 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 de-recognised.

5.4 Other items of Other Comprehensive Income

Other items of other comprehensive income consist of re-measurement 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 does not have any immovable properties which are not held in its own name.
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.
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)	Yes. Rs.124.45 lakhs (Software Rs.106.20 lakhs & Building and Fittings Rs.18.25 lakhs)
6	Intangible assets under development	Yes. Rs.130 lakhs (Software Development)
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.
9	Wilful Defaulter	The Company has not been declared as wilful defaulter by any bank or financial Institution orother 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.
13	Analytical 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;

Sl.No	Disclosure requirement as per Amended Schedule III	Remarks for Non Disclosure (If any)
		(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 36
18	Details of Crypto Currency or Virtual Currency	The Company has not traded or invested in crypto currency or virtual currency.

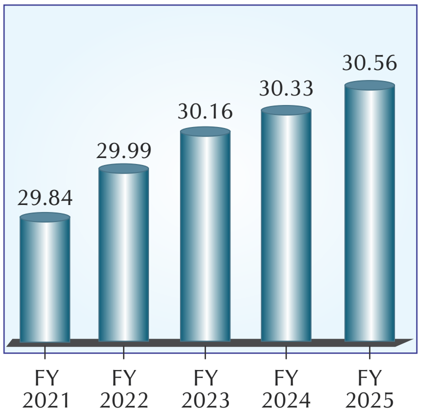
BRANCHES TELEPHONE NUMBER

01.	Aduthurai	0435-2472205	36.	Karaikudi	04565-234277
02.	Ambattur	044-26584899	37.	Karambakkudi	04322-255134
03.	Ammapettai	04374-232636	38.	Karur	04324-264138
04.	Annanagar-Madurai	0452-2532114	39.	Kattumannarkoil	04144-291125
05.	Annanagar - Chennai	044-26545119	40.	Keeranur	04339-263122
06.	Aranthangi	04371-223116	41.	Koothanallur	04367-232737
07.	Arani	04173-226865	42.	Kodavasal	04366-260120
08.	Ariyalur	04329-220990	43.	Krishnagiri	04343-237005
09.	Ashok Nagar	044-24899584	44.	Kulithalai	04323-222390
10.	Attur	04282-250102	45.	Kuthalam	04364-230115
11.	Avadi	044-26554899	46.	Kumbakonam Bazaar	0435-2420790
12.	Ayyampettai	04374-242132	47.	Kumbakonam Besant Road	0435-2421041
13.	Batlagundu	04543-262369	48.	Kumbakonam	0435-2431648
14.	Chengalpattu	044-27429510	49.	Lalgudi	0431-2544133
15.	Cheyyar	04182-223107	50.	Madipakkam	044-22423130
16.	Chidambaram	04144-223009	51.	Madukkur	04373-260252
17.	Chinmaya Nagar	044-24791217	52.	Madurai	0452-2344187
18.	Chinnamanur	04554-248149	53.	Mangalapuram-Thanjavur	04362-246100
19.	Chintadripet	044-28456700	54.	Mannachanallur	0431-2560879
20.	Chromepet	044-22655767	55.	Manapparai	04332-260402
21.	Coimbatore	0422-2599944	56.	Mannargudi	04367-252237
22.	Cuddalore	04142-236753	57.	Mayiladuthurai	04364-223067
23.	Dharmapuri	04342-265005	58.	Mettupalayam	04254-220130
24.	Dindigul	0451-2433206	59.	Melur	0452-2417194
25.	East Tambaram	044-22273055	60.	Mylapore	044-24981439
26.	Erode	0424-2264290	61.	Musiri	04326-260131
27.	Gandarvakottai	04322-275337	62.	Muthupettai	04369-260136
28.	Guduvanchery	044-27462001	63.	Nachiarkoil	0435-2466622
29.	Hosur	04344-242137	64.	Nagapattinam	04365-240776
30.	Jayankondam	04331-250211	65.	Nagercoil	04652-220677
31.	K.Pudur, Madurai	0452-2564666	66.	Namakkal	04286-223129
32.	Kallakkurichi	04151-223875	67.	Nanganallur	044-22242749
33.	Kanchipuram	044-27233104	68.	Nannilam	04366-230111
34.	Kangeyam	04257-220113	69.	Needamangalam	04367-260202
35.	Karaikal	04368-223294	70.	Neyveli	04142-263444

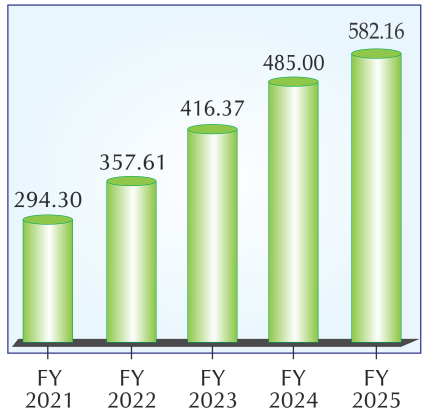
BRANCHES TELEPHONE NUMBER (continued...)

71.	Orathanadu	04372-232446
72.	Oddanchatram	04553-242129
73.	Palani	04545-243148
74.	Pallavaram	044-22641332
75.	Panruti	04142-242077
76.	Papanasam	04374-222854
77.	Pandanallur	0435-2940121
78.	Pattukkottai	04373-252348
79.	Peralam	04366-238579
80.	Perambalur	04328-276548
81.	Perambur	044-25510490
82.	Peravurani	04373 - 235135
83.	Periyakulam	04546-231821
84.	Pollachi	04259-229426
85.	Ponneri	044-27973103
86.	Poonamallee	044-26495583
87.	Porur	044-24769124
88.	Pudukkottai	04322-222154
89.	Rajapalayam	04563-220525
90.	Ramanathapuram	04567-222101
91.	Redhills	044-26310117
92.	Saidapet	044-24340484
93.	Salem	0427-2210203
94.	Sankarankoil	04636-222269
95.	Sembanarkoil	04364-282123
96.	Sethiathoppu	04144-295128
97.	Singanallur	0422-2233127
98.	Sirkali	04364-270985
99.	Srirangam	0431-2433158
100.	Sholinganallur	044-24502118
101.	T.Nagar	044-28141334
102.	T.Palur	04331-247124
103.	Tambaram	044-22266043
104.	Tenkasi	04633-224112
105.	Thanjavur	04362-231641
106.	Theni	04546-254472
107.	Tirukkoyilur	04153-253110
108.	Thirukkattupalli	04362-280545
109.	Thirumangalam	04549-280284
110.	Thiruppanandal	0435-2456020
111.	Thiruppurambiyam	0435-2455472
112.	Thiruthuraipoondi	04369-222851
113.	Thiruvaiyaru	04362-260551
114.	Thiruvallur	044-27662664
115.	Thiruvanmiyur	044-24421789
116.	Thiruvarur	04366-222367
117.	Thiruverumbur	0431-2510197
118.	Thiruvottriyur	044-25737701
119.	Thoothukudi	0461-2323548
120.	Thuraiyur	04327-256109
121.	Tindivanam	04147-222074
122.	Tiruchirapalli	0431-2419856
123.	Thirunelveli	0462-2333548
124.	Tirupattur	04179-221006
125.	Tiruppur	0421-2203150
126.	Thiruvannamalai	04175-223182
127.	Triplicane	044-28480609
128.	Udumalaipettai	04252-224033
129.	Vaduvur	04367-267138
130.	Valangaiman	04374-264455
131.	Vallam	04362-260126
132.	Vandavasi	04183-226106
133.	Velachery	044-22431109
134.	Vellore	0416-2222201
135.	Villivakkam	044-26171108
136.	Villupuram	04146-222956
137.	Virudhachalam	04143-230337
138.	Virudhunagar	04562-246093

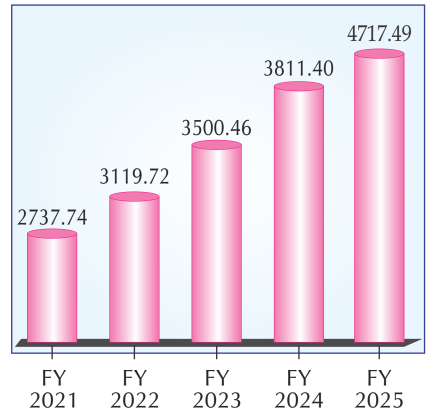
PAID UP CAPITAL (₹ in Crore)



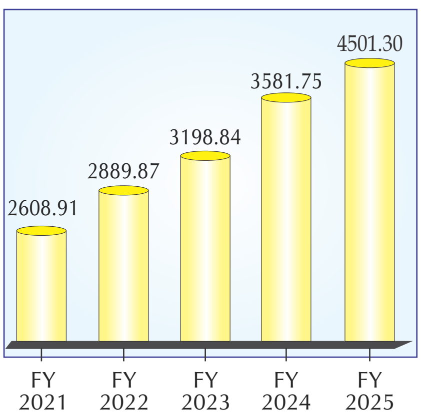
RESERVES & SURPLUS (₹ in Crore)



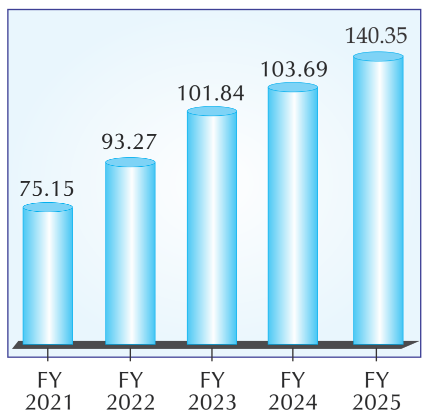
DEPOSITS (₹ in Crore)



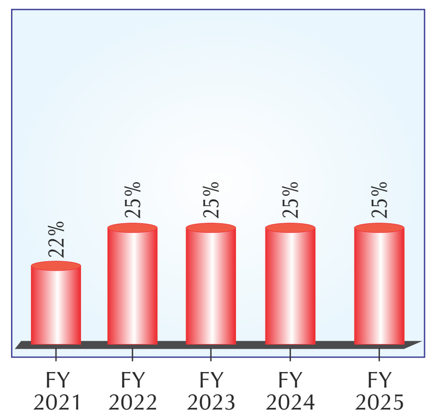
ADVANCES (₹ in Crore)



PROFIT (₹ in Crore)



DIVIDEND



DECADE OF PROGRESS

(₹ in Crores)

Year	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 *
Paid up capital	29.11	29.20	29.29	29.43	29.54	29.70	29.84	29.99	30.16	30.33	30.56
Reserves & Surplus	109.37	123.69	140.56	167.55	203.92	239.11	294.30	357.61	416.37	485.00	582.16
Statutory Deposits	157.21	171.50	181.00	192.00	221.10	236.05	274.15	312.38	355.85	385.00	478.00
Deposits	1570.74	1664.55	1806.63	1916.36	2206.88	2356.46	2737.74	3119.72	3500.46	3811.40	4717.49
Advances	1424.77	1384.52	1620.83	1739.16	1966.16	2200.70	2608.91	2889.87	3198.84	3581.75	4501.30
Profit	37.67	35.69	37.37	49.59	60.39	63.63	75.15	93.27	101.84	103.69	140.35
Dividend (p.a.)	22%	22%	22%	22%	22%	22%	22%	25%	25%	25%	25%
No. of Branches	103	107	107	108	109	112	113	114	116	120	130

* Subject to approval of members at its ensuing Annual General Meeting

KUMBAKONAM MUTUAL BENEFIT FUND NIDHI LIMITED
Regd. Office : 23 & 24, Dr.Besant Road, Kumbakonam – 612 001.
CIN : U65991TN1903PLN001246 Ph : 0435-2401548

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]

121st Annual General Meeting – 27th September, 2025

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 ....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **121st Annual General Meeting** of the Company, to be held on **Saturday, the 27th September, 2025, at 10.35 a.m at RAYA MAHAL, 73, Gandhi Adigal Salai, Kumbakonam - 612 001** and at any adjournment there of 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 Nidhi for the financial year ended 31st March, 2025 and the Reports of the Board of Directors and Auditors thereon, including the requisite Annexures.
2	To declare dividend for the financial year ended 31st March, 2025.
3	To appoint a Director in place of Thiru. M.Guru Prasanth (DIN:09359770), who retires by rotation and being eligible, offers himself for re-appointment.

Signed this.............. day of...................................., 2025.

Affix Revenue Stamp Re.1/-

Signature of shareholder(s) ....

Signature of Proxy holder(s) ....

Note : This form of proxy in order to be effective, should be duly completed and signed on Rs.1 Revenue stamp and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

KUMBAKONAM MUTUAL BENEFIT FUND NIDHI LIMITED

(Regd. Office: 23 & 24, Dr.Besant Road, Kumbakonam – 612 001)

CIN : U65991TN1903PLN001246. Ph: 0435 – 2401548

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 **121st** Annual General Meeting on **Saturday, the 27th September, 2025 at 10.35 a.m at Raya Mahal 73, Gandhi Adigal Salai, Kumbakonam - 612 001.**

Signature of the Member/Proxy

Opening of New Branch at Peravurani

Opening of New Branch at Muthupettai

Opening of New Branch at Hosur

Opening of New Branch at Vaduvur

Presenting computer and accessories to Government Middle School, Thepperumanallur, under CSR initiative

Appreciating and honouring of employees' children who scored high marks in 10th and 12th Std

Building four class rooms at SKSDS School, Thiruppanandal, under CSR initiative

Presenting 50 stainless steel benches and desks to Thiruvavaduthurai Adheenam School, under CSR initiative

KMBF NIDHI LIMITED

Presenting Semi Auto Analyser and Cell Counter to Government Hospital, Papanasam under CSR initiative

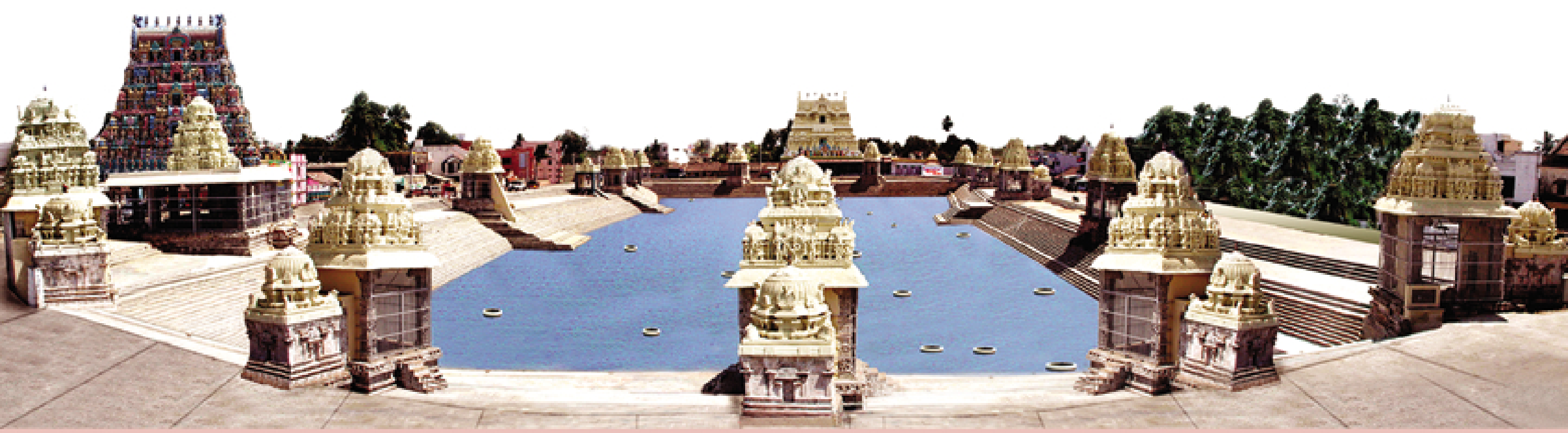
Building Toilets in Alagappa Model High School, Karaikudi, under CSR initiative

Presenting 200 sets of benches and desks to Raja High School, Thanjavur, under CSR initiative in the presence of **Sri Dinesh Ponraj Oliver**, District Collector and the Corporation Commissioner.

Book-Post
Printed Book

To

Regd. Office : 23 & 24, Dr.Besant Road, Kumbakonam.



If undelivered, please return to :

KUMBAKONAM MUTUAL BENEFIT FUND NIDHI LIMITED

Regd. Office : 23 & 24, Dr.Besant Road, Kumbakonam - 612 001.
CIN : U65991TN1903PLN001246. Ph : 0435 - 2401548
Website : www.kmbf.co e-mail : kmbf@kmbf.co

It is the first company in India to be declared as NDH-4

Nadar Press, Kmu. 0435-2423112