



KPB Nidhi Ltd.

HO:KPB Mandir,Sangeetha Sabha Road, Aluva-683101, Phone:0484-2922000
Email: headoffice@kpbnidhi.com www.kpbnidhi.com CIN:U65991KL1989PLC005448



32nd Annual Report
2020-2021

ANNUAL GENERAL MEETING 2019-20



Corporate prayer

ജയ ജയ ജഗന്നിയന്താവേ
ജയ ജയ ജഗദീശ്വരാ
കലിയുഗത്തിലും ദ്വുതി പരത്തുന്ന
ദാരതാംബയെ കൈ തൊഴാം
സേവനം തുടർന്നിടുവാൻ കരുത്തേകണേ
പ്രതിബദ്ധരായ് എന്നും എന്നുമെൻ ദൈവമെ
ദുമി സ്വർണ്ണം ഇതര സമ്പത്തു
മൊക്കെ സേവന മാർഗ്ഗമായ്
ക്കണ്ടു മാനവ നന്മ ലക്ഷ്യമായ്
നീങ്ങുവാൻ കരുത്തേകണേ
വേദഗ്രന്ഥങ്ങൾ ഗീതയും ഖുറാൻ
ബൈബിളുമൊക്കെ ചൊന്നപോൽ
ഇന്നുനീങ്ങുന്ന കെ.പി.ബി. നിധി
എന്നുമെന്നും ജയിക്കട്ടെ (ജയ ജയ)

यस्तु सर्वाणि भूतान्यात्मनेवानुपश्यति ।
सर्वभूतेषु चात्मानं ततो न वि जुगुप्सते ॥ ६ ॥

And he who sees all beings
in himself and himself in
all beings has no aversion thence.

Ishopanishad (Stoka:6)

आपूर्यमाणमचलप्रतिष्ठं
समुद्रमापः प्रविशन्ति यद्वत् ।
तद्वत्कामा यं प्रविशन्ति सर्वे
स शान्तिमाप्नोति न कामकामी ॥ 2.70 ॥

As the ocean which is filled from
all sides with waters entering it
remains still, so one in whom all
objects of desire enter obtain peace,
not the desirer of desires.

(Bhagavath Gita)

NEW BRANCH OPENING



KODUVAYOOR

BRANCH SHIFTING



ADIMALI

COMPANY INFORMATION

BOARD OF DIRECTORS

Sri. A R Mohanan — Chairman
(Social Activist and Ex Bank official)

Sri. K Muraleedharan
Managing Director
(Retd AGM, Indian Bank)

Sri. Jayaprakash Valiathan
(Retd Marine Engineer, Mavelikkara)

Sri. P. Viswaroopan
(Director, Janam T V)

Sri. Vishnu Prasad B Menon
(Chartered Accountant, Aluva)

Sri. M Muraleedharan
Joint Managing Director
(Retd DGM, Dhanlaxmi Bank)

Sri. M. A. Vasudevan Namboodiri
(Retd.DGM, Hindustan Newsprint Ltd)

Sri. P Rajesh
(Chartered Accountant, Kottayam)

Sri. Vinu Krishnan
(Managing Director, KPB Holding)

ADDITIONAL DIRECTORS

Sri. Mohanachandran C.P
(Social Activist and Ex Bank official)
(As on 21-12-2020 and proposed
ID as on 20-03-2021)

Sri. Hareesh M.R
(Advocate, Kannur)

(As on 27-08-2021)

REGISTERED OFFICE

No. VIII/441(1) KPBF Mandir,
Sangeetha Sabha Road,
Ernakulam District
Phone: 0484 – 2922000/2922060
E-Mail: headoffice@kpbnidhi.com
Website:www.kpbnidhi.com

STATUTORY AUDITORS

- (1) Sri. Damodaran P, Paravattathu Mana,
Urakam P.O, Trichur District
Thrissur-680562
- (2) Sri.Vinay N Pisharady, Pothiyil Pisharam
Marampilly P O, Aluva-683107

GENERAL MANAGER

Smt. Jayalakshmi P (CFO)
(Retd. AGM, Federal Bank)

COMPANY SECRETARY

Smt. Sandhya Gopi, ACS

PRACTISING COMPANY SECRETARIES

1. Sri. M Vasudevan, FCS
Thrissur
2. Prabhin & Midhunkumar Associates
Door No. L XIV/1769, Veekshanam Road,
Ernakulam

BANKERS

DHANLAXMI BANK

AXIS BANK

STATE BANK OF INDIA

INDIAN BANK

COMMITTEES**Audit Committee**

Sri. Vishnu Prasad B Menon	- Chairman
Sri. M.A. Vasudevan Namboodiri	- Member
Sri. Jayaprakash Valiathan	- Member

Nomination And Remuneration Committee

Sri Jayaprakash Valiathan	- Chairman
Sri. M. A. Vasudevan Namboodiri	- Member
Sri. Vinu Krishnan	- Member

Stakeholders Relationship Committee

Sri. P. Viswaroopan	- Chairman
Sri. AR Mohanan	- Member
Sri. Mohanachandran C.P.	- Member

Credit Committee

Sri. Rajesh P.	- Chairman
Sri. Jayaprakash Valiathan	- Member
Sri. M.A. Vasudevan Namboodiri	- Member

Asset Liability Management Committee

Top Executives at Head office

**Internal Complaints Committee -under
The sexual Harassment of Women at
Workplace (Prevention, Prohibition
And Redressal) Act, 2013**

Smt. P Jayalakshmi (GM)	- Presiding Officer
Smt. Susan Punnoose (AGM, Br- Aluva)	- Member
Smt. Sudha Mahendran (Senior Manager)	- Member
Sri. C.K. Shaju (Head Shares Dept)	- Member
Adv. Maheswari	- Member from NGO/ Associations

LIST OF BRANCHES

Name & Address	Phone No.
1. Adimaly:1st Floor, Above Kannattu Super Market, Kallarkutty Road	0486-4217497
2. Adoor: Chittundayil Tower, Near Federal Bank,Adoor-691523	04734-220202
3. Alathur: Ground Floor,A R Mall, Swathi Nagar	0492-2222857
4. Aluva: N.S.S. Union Building,Palace Road	0484-2622308
5. Aluva Market : First Floor, Vadakkens Building, Metro Service Road	0484 2961005
6. Ambalapuzha:1st Floor, Plakkudy Complex, Temple Road	0477-2273717
7. Angamaly:1ST Floor,Edacheril Complex,Manjapra Road	0484-2454521
8. Athani :First Floor, J&J Tower, Near Union Bank	0484-2477320
9. Attingal : Shams Complex, VV Clinic Road, Near KSRTC Bus Stand	0470-2623900
10. Chalakudy:Suprabha Complex, Opp. Municipal Bus Stand	0480-2709940
11. Chandranagar:1st Floor, Ram Arcade, Opp. Bharath Matha School	0491-2570857
12. Changanacherry: I Floor,Nediakalaparambil Building	0481-2422344
13. Chavakkad:First Floor,N.K.Complex, Opp.Municipal Bus Stand,	0487-2502001
14. Chengannur: Therakath Building, Aramana Junction	0479-2450252
15. Cherai: M G Square First Floor, Devaswom Nada	0484-2416367
16. Cherpuzha:1st Floor, Malithu Tower, Thayamkulangara	0487-2344990
17. Cherpulassery:Reshmi Medical Building,Opp.Govt Hospital	0466-2284857
18. Edappilly:National Nandanam, Palace Road	0484-2340859
19. Ernakulam:First Floor,Nirvrithi, Ammankoil Road, Ernakulam	0484-2371421
20. Erattupetta:1st Floor, Kunnakkattu Building,Near Police Station	0482-2275657
21. Ettumanoor: Manakkaparambil Building, Ettumanoor	0481-2534748
22. Haripad:First Floor, Panachamoottil Building, Opp. Electricity Office	0479-2412207
23. Irinjalakuda: 1st Floor, Kattoor Bypass Road, Irinjalakuda	0480-2831345
24. Kalady: Surya Super Bazar Shopping Complex, Kalady	0484 2698282
25. Kanhangad:1 ST Floor,Krishna Complex, Ramnagar Road,Kunnummal	0467-2209844
26. Kannur: Dilshe Tower,LIC Road,Thalap	0497-2702921
27. Karunagappally : Dharmalayam Building, Vavvakavu	0476-2641112
28. Kasaragod : Aramana Arcade, First Floor, Bank Road	6235000239
29. Kodakara:1st Floor, Near Govt.L.P.School	0480-2722335
30. Kodungallur: First Floor, Devi Kripa Building, East Nada	0480-2808199
31. Koduvayur: First Floor, Sivasakthi Complex, Main Road	04923 252252
32. Kolencherry :1st Floor, Room No.171, VPC & Sons Building	0484-2762971
33. Kollam: Thalamadom Building, Town Limit, Kilikollur	0474-2731034
34. Kollam 2nd:1st Floor,Rajamandiram,Ammachiveedu, Kollam	0474-2792555
35. Kothamangalam:Ilpha Complex, Opp.Govt.Hospital, AM Road	0485-2823312
36. Koothattukulam:Trinity Arcade, Nadappuram Bye Pass, Jewel Junction	0485-2250508
37. Kottarakkara:1st Floor, Ajmal Building, Chandamukku	0474-2454170
38. Kottayam:Jayasree Building, Temple Road,West Nada	0481-2582310
39. Koyilandy:Deria Tower, Panthalayani Village, Near Union Bank Of India	0496-2624322
40. Kozhikkode:First Floor, Rahmath Mahal Buliding, Kallai Road	0495-2304727

41. Kunnamangalam:1st Floor, Achoos Building,Near Bus Stand	0495-2800716
42. Kunnamkulam:1st Floor, Chorus shopping Complex,Guruvayur Rd.	0488-5210830
43. Kuruppumpady:1st Floor, Palakkapilly Building,A.M.Road	0484-2591699
44. Manjeri:Court Gate, Priya Buildings, Manjeri.....	0483-2762409
45. Mannar: 1st Floor, Lavanya, Near Private Bus Stand, Mannar	0479-2313223
46. Mattancherry: 6/278, N.S.S.Karayoga Mandiram, Anavathil	0484-2210087
47. Mavelikkara:Thomas Korah Building, A.R.Junction, Temple Road	0479-2341034
48. Mulamthuruthy: 1 st Floor, Kurinjikattu Building, Pallithazham	0484-2741530
49. Muvattupuzha:Rajeswari Building, Kacherithazham	0485-2811033
50. Nayarambalam: Nayar Karayogam Building,Opp. Bhagavathi Temple	0484-2494111
51. Nenmara:U B Arcade, Main Road, Nenmara-678508	04923-242243
52. North Parur:Vyapara Bhavan, Chendamangalam Junction.....	0484-2447896
53. Olarikkara: Sathya Shopping Complex,Near Mother Hospital	0487-2363979
54. Ollur:1st Floor, Valiyakath Tower, Police Station Road	0487-2354670
55. Ottapalam:1st Floor, White mount building, Main Road	0466-2245857
56. Pala: 1st Floor, Anna Arcade, Chethimattom	0482-2212699
57. Palakkad: 1st Floor, Maruthi Arcade, Opp. Hadhee Pharma	0491-2500857
58. Palluruthy: CC 13/1107B & CC 13/1107 C, Marunnukada	0484-2238840
59. Paravur Kavala:1st Floor, Menacheri Tower, Paravur Kavala	0484-2603355
60. Parli: First Floor, Vallapuzha Tower,Chandapura,Parli	0491-2857857
61. Pattambi:Ground Floor, Trade Centre,Near Union Bank	0466-2211577
62. Payyannur : Opp. St. Mary's Girls High School, BKM Jn.	0498-5297360
63. Perinthalmanna: 1st Floor, PP Complex, Mannarkkad Road	04933-224666
64. Perumbavoor:Darshan Chambers, Velappas Jewellery Complex	0484-2520009
65. Piravom: Ground Floor, Karaikkattu Building,Near P O Junction	0485-2242575
66. Pukkattupady:Kalathil Building, Bye Pass Road, Edathala	0484-2681250
67. Punalur:1st Floor, Shanmughavilasam Building, Main Road	0475-2220650
68. Pudunagaram: 1st Floor, Ruby Complex, MHS Road	04923-251911
69. Sasthamangalam:Kamala Building, Sankar Road	0471-2721715
70. Thalassery: Kalpaka Arcade, New Bus stand	0490-2343580
71. Thiruvallam: 1st Floor, TC 48/1059(5), Lekshmi, Ambalathara	0471-2384859
72. Thodupuzha:E.A.P.Gardens, Kanjiramattom Bye-pass Road	0486-2223817
73. Thriprayar:1st Floor, Asna Shopping Complex, Nattika	0487-2394180
74. Thrissur Main:Lakshmi Kalyanamandapam Building,Pazhayanadakkavu	0487-2443330
75. Trivandrum: Dr. Chandrasekharan Nair road, Sreekanteswaram	0471-2478075
76. Tirur: 2 nd Floor, AAK Tower, Thazhepalam	0494-2423250
77. Tripunithura:1st Floor, Stephen's Arcade Building, Temple Road	0484-2114875
78. Uppala: Kodibail Chambers,Building No. MP5 446, near Prakyath Garage	0499-8241245
79. Vadanappilly:1st Floor, Hayath Shopping Complex	0487-2606774
80. Valanchery: 1 st Floor,Room No.UI376/1, Volgo Complex, Pattambi Road	0494-2642266
81. Vazhakulam: Nellikkunnel Complex, opp. St.George Hospital	0485-2261006
82. Wadakkanchery:1st Floor, Karuvettingal Opp.Dist.Govt.Hospital	0488-4232123
83. Head Office: KPB Mandir, Sangeetha Sabha Road, Aluva, 683101	0484-2922000

PERFORMANCE AT A GLANCE

Volume Growth

Paid up Capital & Reserve grew from Rs. 2881.51 lacs to Rs. 3617.25 lacs (25.53% growth)

Deposit grew from Rs. 44268.57 lacs to Rs. 55798.47 lacs (26.04% growth)

Gold Loan grew from Rs. 26381.89 lacs to Rs. 35795.49 lacs (35.68% Growth)

Income Growth

Total income grew from Rs. 5904.31 lacs to Rs. 7403.41 lacs (25.39% growth)

Net interest income grew from Rs. 1915.40 lacs to Rs. 2082.58 lacs. (8.73% growth)

Key Ratio

Business per Employee is 269.67 lacs

Earnings per share is 1.16

		2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
1	Paid up capital and Reserves	741.99	854.07	1,245.29	1,600.87	2,005.14	2,881.51	3,617.25
2	Deposit	13,504.50	16,175.53	20,613.23	26,523.03	33,923.02	44,268.57	55,798.47
3	Advance	8,406.92	12,276.66	17,293.67	22,961.81	30,044.95	40,292.77	49,104.26
4	Profit Before Tax	(433.05)	(63.59)	63.73	151.32	256.77	383.78	416.17
5	Profit After Tax	(422.82)	(56.19)	136.17	100.08	187.84	278.66	315.02
6	Net Owned Fund	741.99	854.07	1,245.29	1,600.87	2,005.14	2,881.51	3,617.25
7	No. of branches	61	65	69	72	77	81	83
8	No. of Staff	239	288	309	335	352	384	389
9	Business per Employee	91.68	98.79	122.68	147.72	181.73	220.21	269.67

(Rs. in lakhs)

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NOTICE OF 32ND ANNUAL GENERAL MEETING (e-AGM)

Notice is hereby given that 32nd Annual General Meeting of the Members of **M/s KPB Nidhi Limited** will be held **through Video Conferencing/ Other Audio Visual Means (OAVM) on Monday, the 27th day of September 2021 at 11:30 a.m.** in accordance with the applicable provisions of the Companies Act, 2013 read with MCA General Circular No.02/2021, 20/2020, 14/2020 and 17/2020 dated 13th January, 2021, 5th May 2020, 8th April 2020, 13th April 2020 respectively to transact the following businesses:

Ordinary Business (es):

1. To receive, consider and adopt the Audited Financial Statements of the company for the financial year ended 31st March 2021 together with the report of the Board of Directors and the Auditors thereon; For this purpose, to consider and if deemed fit to pass with or without modification the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** the audited Balance Sheet, Statement of Profit & Loss and (Cash Flow Statement) along with the notes forming part of the audited financials for the financial year ended 31st March 2021 along with the Auditors’ Report and the Directors’ Report thereon for the financial year ended 31st March 2021, be and are hereby taken as read, approved and adopted by the members.”
2. To appoint a Director in the place of Shri. Vishnu Prasad Balakrishna Menon (DIN: 03500806), who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment. For this purpose, to consider and if deemed fit to pass with or without modification the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** Shri. Vishnu Prasad Balakrishna Menon (DIN: 03500806), who retires by rotation at this Annual General Meeting be and is hereby re-appointed as a Director of the Company and that his period of office be liable to determination by retirement of Directors by rotation.”
3. To appoint a Director in the place of Shri. Rajesh Padmanabhan (DIN: 06651893), who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment. For this purpose, to consider and if deemed fit to pass with or without modification the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** Shri. Rajesh Padmanabhan (DIN: 06651893), who retires by rotation at this Annual General Meeting be and is hereby re-appointed as a Director of the Company and that his period of office be liable to determination by retirement of Directors by rotation.”
4. To Appoint M/s. Sajeev and Ajith, Chartered Accountants, (firm Registration no. 014219S), at 32/1131G, 2nd Floor, Manakattu Building, Changampuzha Nagar P.O, S.Kalamassery, Kochi – 682 033 as Statutory Auditor and to determine the remuneration. For this purpose, to consider and if deemed fit to pass with or without modification the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Sajeev&Ajith, Chartered Accountants (firm Registration no. 014219S), at 32/1131G, 2nd Floor, Manakattu Building, Changampuzha Nagar P.O, S.Kalamassery, Kochi – 682 033, have confirmed their eligibility to be appointed as Auditor in terms of the provisions of Section 141 of the Act and the relevant Rules thereof, be and is hereby appointed as the Statutory Auditor of the Company to hold office from the conclusion of 32nd Annual General Meeting till the conclusion of the 37th Annual General Meeting of the Company at such remuneration and out-of-pocket expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the said Auditor.”
“**RESOLVED FURTHER THAT** the Board of Directors of the Company (including a Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”
5. To declare Dividend for the financial year 2020-2021 @ 5% on Equity Share Capital.

For this purpose, to consider and if deemed fit to pass with or without modification the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** in terms of the recommendation of the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded for declaration and payment of final dividend @ 5% on equity shares of Rs. 10 each fully paid up for the year ended March 31, 2021 to the eligible members of the Company.”

Special Business (es):

6. Appointment of Shri. Mohanachandran Chempakamangalathu Purushothamannampoothiri (DIN: 08958325) as an Independent Director.

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Shri. Mohanachandran Chempakamangalathu Purushothamannampoothiri (DIN: 08958325), who was appointed as Director in the capacity of Independent Director in the Board meeting held on 20.03.2021 and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and who is eligible for appointment, and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act signifying the intention to propose Shri. Mohanachandran Chempakamangalathu Purushothamannampoothiri’s candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years commencing from 20.03.2021.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof), be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

7. Re-appointment of Shri. Kuttappannair Muraleedharan (DIN: 08041126) as Managing Director.

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

“**RESOLVED THAT** pursuant to the provisions of sections 152, 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013, (hereinafter referred to as the ‘Act’) read with schedule V to the Act (including any amendment(s), statutory modification(s), variation(s) and/or re-enactment(s) for the time being in force) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time and the Articles of Association of the Company and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors and subject to such other approvals as may be necessary consent of the members be and is hereby accorded for re-appointment of Shri. Kuttappannair Muraleedharan (DIN: 08041126) as Managing Director (‘MD’) of the Company for a term commencing from 1stApril 2021 till 31st December 2021, upon the existing terms and conditions of appointment including payment of remuneration.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof), be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

8. Appointment of Shri. Hareesh Mekanakkil Ramachandran (DIN: 09249975) as Director.

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

“**RESOLVED THAT** pursuant to the recommendation of Nomination and Remuneration Committee, provisions of Sections 152, 161 and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force), and the Articles of Association of the Company, Shri. Hareesh Mekanakkil Ramachandran (DIN: 09249975), who was appointed as an Additional Director of the Company by the Board of Directors on 27.08.2021 and who holds office only upto the date of this Annual General Meeting in terms of section 161 of the Companies Act, 2013 and who is eligible for appointment and who has consented to act as Director and in respect of whom the company has received notice in writing from a member under section 160 of the Act proposing the candidature of Sri. Hareesh Mekanakkil Ramachandran (DIN: 09249975) for the Office of Director, be and is hereby appointed as a Non- executive (Non- independent) Director of the Company, liable to retire by rotation.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof), be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

9. To authorize Board of Directors to appoint Branch Auditors and to fix their remuneration

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

“**RESOLVED THAT** pursuant to section 143(8) of the Companies Act, 2013, the accounts for the year ending 31st March, 2022 of the Company’s branch offices be audited by such persons, other than the Company’s Auditor, as are qualified for appointment as Auditors of the Company under section 139 of the Companies Act, 2013, and the Board of Directors be and is hereby authorized to appoint such Branch Auditors in consultation with the Company’s Auditor and on such terms and conditions and on such remuneration as may be fixed by the Board.”

By the order of the Board
For **M/s KPB Nidhi Limited**

Place: Aluva
Date: 27th August, 2021

Kuttappannair Muraleedharan
Managing Director
(DIN: 08041126)

NOTES:

1. Explanatory Statement setting out the material facts concerning each item of Special Businesses to be transacted at the General Meeting pursuant to Section 102 of the Companies Act, 2013, is annexed hereto and forms part of the Notice. All other relevant documents referred to in the accompanying notice/explanatory statement shall be made open for inspection by the members only in electronic form. The members seeking to inspect such documents can send an e-mail to **companysecretary@kpbnidhi.com**.
2. In view of the COVID 19 pandemic and resultant restrictions on the movement of persons at several places, the Ministry of Corporate Affairs (“MCA”) vide its Circular dated 13th January, 2021 read with circulars dated 5th May, 2020, 8th April, 2020 and 13th April, 2020 (collectively referred to as ‘Circulars’), has introduced certain measures enabling companies to convene their Annual General Meetings (AGM/Meeting) through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and also send notice of the Meeting and other correspondences related thereto, through electronic mode. In compliance with the said requirements of the MCA Circulars, electronic copy of the Notice along with the Annual Report for the financial year ended 31st March, 2021 consisting of financial statements including Board’s Report, Auditors’ Report and other documents required to be attached therewith (Collectively referred to as Notice) have been sent only to those members whose e-mail ids are registered

with the Company and no physical copy of the Notice has been sent by the Company to any member. The Notice has also been hosted on the website of the Company at www.kpbnidhi.com under the head “**Investor Relations- Notice to Shareholders.**”

3. In compliance with the said Circulars, the Company has also published a public notice by way of advertisement made on 28th August 2021 in the principal vernacular language in two newspapers namely- “Mathrubhumi” (Five editions) and “Janmabhumi” (all editions in Kerala) and in English language in “The New Indian Express’ in five editions namely Palakkad, Ernakulam, Kottayam, Thrissur and Allapuzha both having a wide circulation along with their electronic editions, inter alia, advising the members whose e-mail ids are not registered with the Company to register their e-mail ids with them.
4. The members who have not yet registered their e-mail ids with the Company may contact by emailing to shares@kpbnidhi.com or by calling Mr. C.K. Shaju, Head Shares at Mobile No. 8078167339 or at 6235000218 for registering their e- mail ids on or before 05.09.2021. The Company shall send the Notice to such members whose e-mail ids get registered within the aforesaid time enabling them to participate in the meeting and cast their votes.
5. If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Company at the email id or mobile number given in point no.4 on or before 05.09.2021.
6. In terms of the aforesaid Circulars, the businesses set out in the Notice will be transacted by the members only by poll which shall take place by way of email. The members shall cast their votes in the meeting on the resolutions only by sending e-mails through their e-mail addresses registered with the company while participating through VC facility. The e-mails shall be sent to the designated e-mail address of the company only during the meeting. **No advance voting is permitted.** However, if less than 50 members are present at the meeting; the Chairman may decide to conduct the vote by show of hands unless a demand for poll is made in accordance with section 109 of the Act as per General Circular No. 14/2020 dated 08.04.2020.
7. Voting rights of the members for voting through e-voting shall be in proportion to shares held by them as on the cut-off date i.e.16.09.2021. A person, whose name is recorded in the Register of Members or in the Register of Beneficial owners (as at the end of the business hours) maintained by the company as on the cut-off date shall only be entitled to avail the facility of e-mail voting system provided in the Meeting.
8. As per the MCA circular, the attendance of the members attending the Annual General Meeting through VC shall be counted for the purpose of reckoning the quorum under section 103 of the Companies Act, 2013.
9. In accordance with the aforementioned MCA Circulars, the Company has tied up with Zoom for providing the VC facility to the members for participating in the Meeting. The members are requested to abide by the following instructions in order to participate in the Meeting through VC mechanism:
 - Members may attend the AGM using VC facility on a live streaming link as provided in the e-mail of notice by using the login credentials. The login-id and password to join the zoom meeting is as follows:
Meeting ID: Given in e-mail
Passcode: Given in e-mail
 - The entry to the meeting will be subject to first cum first serve basis. However, entry will be permitted by calling at **6235000227**, in case of any issue.
 - The facility for joining the Meeting shall be kept open 15 minutes before the time scheduled to start the meeting i.e. 11:15 am and 15 minutes after the expiry of the said scheduled time i.e. till 11:45 am;
 - Participation of single member shall only be allowed at a time;
 - Queries on the accounts and operations of the Company or the businesses covered under the Notice may be sent to md@kpbnidhi.com at least seven days in advance of the meeting so that the answers may be made readily available at the meeting;
 - Members are requested to **e-mail to it@kpbnidhi.com or call 6235000227** in case of any technical assistance required at the time of log in/ assessing/ voting at the Meeting through VC;

- Members can participate in the AGM through desktop / laptop/smart phone / tablet. However, for better experience and smooth participation, it is advisable to join the Meeting through desktop / laptop connected through broadband.
- Members are requested to mute themselves and those members who wish to talk can leave a message in the chat option provided there in expressing their wish to talk. Only those members who express their concern to talk will be un-muted and allowed to speak at the meeting.
- Further, members will be required to allow camera, if any, and hence use internet with a good speed to avoid any disturbance during the meeting.
- **Steps To Join Meeting Through Phone**
 - Open the Zoom mobile app. If you have not downloaded the Zoom mobile app yet, you can download it from the Google Play Store.
 - Join a meeting using one of these methods:
 - Tap Join a Meeting if you want to join without signing in.
 - Sign in to Zoom then tap Join.
 - Enter the meeting ID number and your display name.
 - If you're signed in, change your name if your name is not as registered with the Company.
 - If you're not signed in, enter a display name.

However, the display name should be as given to the Company at the time of joining as member.

- Select if you would like to connect audio and/or video and tap Join Meeting.

- **Steps To Join Meeting Through Computer**

- Open Chrome.
 - Go to join.zoom.us.
 - Enter your meeting ID provided by the organizer.
- Click Join.(Display name should be given as explained in the above point)

10. Instructions for email-voting:

- The facility of e-mail voting is provided to the members in order to avail their right to cast vote on the businesses to be transacted at the meeting as provided in the notice.
- The members are advised to cast their votes by entering the number of shares in the ballot paper attached to this notice against each item of business to be transacted at the meeting.
- ***No advance voting is permitted as per MCA Circular.***
- The ballot paper duly filled with the number of shares written against each item of business in favor of the motion or against is required to be sent **to the email id evoting@kpbnidhi.com at the time of the meeting in order to register the votes.**
- 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.
- Only the members who have joined the meeting are allowed to vote.

11. In view of the MCA Circulars, no proxy shall be appointed by the members as the meeting is held through VC. Accordingly, proxy forms and attendance slip is not attached.

12. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 shall be made available only in electronic form for inspection during the Meeting through VC. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of 32nd Annual General Meeting i.e., 27th September 2021. The members seeking to inspect such documents can send an e-mail to **companysecretary@kpbnidhi.com**.
13. The dividend for the financial year 2020-2021, as recommended by the Board, if approved at the Annual General Meeting, in respect of equity shares held in physical form will be payable to the eligible shareholders whose names appear in the Company's Register of Members as on the record date i.e., Thursday, 16th September, 2021. The members are requested to provide their bank account details for receiving the credit of the dividend amount (if dividend is approved at the 32nd Annual General Meeting) by e-mailing to **shares@kpbnidhi.com**.
14. As 32nd Annual General Meeting is being held through VC, the route map is not annexed to this Notice.

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the business mentioned under item no., 6, 7, 8 and 9 of the accompanying notice dated 27th August 2021.

In respect of item No. 6

Shri. Mohanachandran Chempakamangalathu Purushothamannampoothiri (DIN: 08958325) was appointed as the Additional Director of the Company at the Board Meeting held on 21.12.2020. Pursuant to section 149 of the Companies Act, 2013 and on the recommendation of Nomination and Remuneration Committee, at the Board Meeting held on 20.03.2021, Shri. Mohanachandran Chempakamangalathu Purushothamannampoothiri's appointment as Independent Director was recommended for approval of the shareholders in the ensuing Annual General Meeting. Shri. Mohanachandran Chempakamangalathu Purushothamannampoothiri (DIN: 08958325) holds 5010 equity shares of Rs 10 each/- amounting to Rs. 50,010/- jointly with spouse Smt. Geethadevi Antharjanam.

Shri. Mohanachandran Chempakamangalathu Purushothamannampoothiri (DIN: 08958325) is not related to any Director of the Company. In terms of proviso to sub-section (5) of Section 152, the Board of Directors is of the opinion that Shri. Mohanachandran Chempakamangalathu Purushothamannampoothiri (DIN: 08958325) fulfils the conditions specified in the Act and the Rules made there under for his appointment as an Independent Director of the Company and he is independent of the Management.

A Brief Profile of Shri. Mohanachandran Chempakamangalathu Purushothaman Nampoothiri (DIN: 08958325) is as follows:

Education:

BSc Chemistry- from Christian College, Chengannur, University of Kerala.

Experience:

- Bank Manager, Federal Bank Ltd;
- Management Trainee, TVS, Kottayam — 1982-1984

Shri. Mohanachandran Chempakamangalathu Purushothamannampoothiri (DIN: 08958325) aged 60 is a retired banking professional with a proven track record of 28 years with Federal Bank Ltd. He retired early, opting for VRS in 2014. He serves as a social activist for social development.

Shri. Mohanachandran Chempakamangalathu Purushothamannampoothiri (DIN: 08958325) has given a declaration to the Board that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. The Company has also received:- (i) the consent in form DIR-2 to act as Director and (ii) intimation that he is not disqualified under section 164 of the Companies Act, 2013.

Shri. Mohanachandran Chempakamangalathu Purushothamannampoothiri (DIN: 08958325) has attended the meetings of the Board as follows:

Board Meetings: 21.12.2020, 05.03.2021 and 20.03.2021.

After taking into consideration the recommendation of the Nomination & Remuneration Committee, the Board is of the opinion that Shri. Mohanachandran Chempakamangalathu Purushothamannampoothiri's vast knowledge and varied experience will be of great value to the Company.

A copy of the draft letter for the appointment of Shri. Mohanachandran Chempakamangalathu Purushothamannampoothiri (DIN: 08958325) as Independent Director setting out the terms and conditions would be available for inspection without any fee by the members on the Company's website at www.kpbnidhi.com.

Except Shri. Mohanachandran Chempakamangalathu Purushothamannampoothiri (DIN: 08958325), being the appointee, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested financially or otherwise in the resolution set out at item no. 6 of the Notice.

The Board considers the business in item no. 6 of the notice as unavoidable to be considered at the e-AGM. Hence, the Board of Directors recommends the resolution in relation to appointment of Shri. Mohanachandran Chempakamangalathu Purushothamannampoothiri (DIN: 08958325) as an Independent Director of the Company, not liable to retire by rotation, for a period of five consecutive years w.e.f. 20.03.2021 as set out in item No. 6 for approval of the members by way of an ordinary resolution.

In respect of item No. 7

The Board of Directors, at their meeting held on 11th January 2018, appointed Shri. Kuttappannair Muraleedharan (DIN: 08041126) aged 68, as Managing Director of the Company for a period of two years commencing from 01st February 2018. The said appointment was also approved by the members at the 29th Annual General Meeting held on 26th September 2018.

The Board, on recommendation of the Nomination and Remuneration Committee, re-appointed him as Managing Director for another term effective from 01st February 2020 till 31st March 2021 which was approved by the shareholders in the Annual General Meeting held on 28.09.2020.

Further, considering his dedicated service, the Board in their meeting held on 20.03.2021 pursuant to the recommendation of Nomination and Remuneration committee, re-appointed him as Managing Director on the existing terms and conditions including remuneration, with powers to the Board to make such variation or increase therein as may be thought fit from time to time, but within the ceiling/s laid down in the Companies Act, 2013 or any statutory amendment or relaxation thereof. He holds 20010 equity shares of Rs. 10/- each amounting to Rs. 2,00,100/-.

A Brief Profile of Shri. Kuttappannair Muraleedharan (DIN: 08041126) is as follows:

Shri. Kuttappannair Muraleedharan (DIN: 08041126) is a Banker, retired as Deputy Zonal Manager from Indian Bank, after serving for 37 years. He is Post Graduate in Chemistry. He worked as Deputy General Manager and General Manager in M/s. KPB Nidhi Limited for 3.5 years prior to his appointment as Managing Director in the year 2018.

The re-appointment of Shri. Kuttappannair Muraleedharan (DIN: 08041126) as the Managing Director is in accordance with Schedule V and Section 196 of the Act. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Shri. Kuttappannair Muraleedharan (DIN: 08041126) has attended the meetings of the Board as follows:

Board Meetings 10.06.2020, 05.08.2020, 28.08.2020, 28.09.2020, 21.12.2020, 05.03.2021 and 20.03.2021.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Shri. Kuttappannair Muraleedharan (DIN: 08041126) is concerned or interested, financial or otherwise, in the resolution set out at item No. 7.

The Board considers the business in item no. 7 of the notice as unavoidable to be considered at the e-AGM and recommends the said ordinary resolution for approval of the shareholders.

In respect of item No. 8

Sri. Hareesh Mekanakil Ramachandran (DIN: 09249975), on the recommendation of Nomination and Remuneration Committee was appointed as an Additional Director with effect from 27.08.2021 by the Board in accordance with the Article 64 of the Articles of Association and Section 161 of the Companies Act, 2013 ("Act"). He holds 5000 equity shares of Rs. 10/- each amounting to Rs. 50,000/-.

As per section 161 of the Act, Sri Hareesh Mekanakil Ramachandran holds office upto the date of 32nd Annual General Meeting. The Company has received the requisite notice in writing under section 160 of the Act from a member proposing the candidature of Sri. Hareesh Mekanakil Ramachandran to be appointed as a Non- Executive Director at the ensuing Annual General Meeting, liable to retire by rotation. Sri. Hareesh Mekanakil Ramachandran has consented to the proposed appointment and gave his consent in form DIR-2 to act as Director and declared qualified by providing the intimation that he is not disqualified under section 164 of the Companies Act, 2013.

A Brief Profile of Sri. Hareesh Mekanakil Ramachandran (DIN: 09249975) is as follows:

Educational Qualification:

LLB, MBA(Finance and Marketing) and BA (English Literature)

Experience:

Sri. Hareesh Mekanakil Ramachandran aged 46, is an Advocate residing at Kannur and having offices at Kannur and Ernakulam. He has a total 22 years of post-qualification experience including Corporate and Court experience, including at High Court of Kerala. He has experience in conducting Civil, Criminal and Appeal cases, Securitization matters, Consumer cases, Motor Accidents Claims etc and in giving legal opinion and doing legal works of banks and financial institutions, Insurance companies etc including documentation work. He has appeared in so many cases for financial institutions, banks, insurance companies.

He has corporate experience with Housing Development Finance Corporation (HDFC Limited) which is one of India's largest NBFCs, as their Manager and Authorized Officer for Securitization and currently conducting their cases of all nature.

In the opinion of the Board, Shri. Hareesh Mekanakil Ramachandran (DIN: 09249975) fulfills the conditions specified in the Companies Act, 2013 and the Rules made there under for his appointment as Director of the Company.

The Board, after satisfying itself that the appointment of Shri. Hareesh Mekanakil Ramachandran (DIN: 09249975) will be in the interest of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee, recommends the appointment of Shri. Hareesh Mekanakil Ramachandran (DIN: 09249975) as a Non-executive, Non-Independent Director, liable to retire by rotation.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Shri. Hareesh Mekanakil Ramachandran (DIN: 09249975) is concerned or interested, financial or otherwise, in the resolution set out at item No. 8.

The Board considers the business in item no. 8 of the notice as unavoidable to be considered at the e-AGM and recommends the said ordinary resolution for approval of the shareholders.

In respect of item No. 9

The Company has 83 Branches in Kerala and may also open new branches in future. It may be necessary to appoint

branch auditors for carrying out the audit of accounts of such branches. The Members are requested to authorize the Board of Directors of the Company to appoint branch auditors in consultation with the Company's Auditors and fix their remuneration.

None of the Directors, Managers, Other Key Managerial Personnel and their relatives are concerned or interested in passing of this resolution.

The Board considers the business in item no. 9 of the notice as unavoidable to be considered at the e-AGM and recommends the said ordinary resolution for approval of the shareholders.

By the order of the Board
For **M/s KPB Nidhi Limited**

Place: Aluva
Date: 27th August, 2021

Kuttappannair Muraleedharan
Managing Director
(DIN: 08041126)

DIRECTORS' REPORT

Dear members,

Your Directors have pleasure in presenting the 32nd Annual Report on the Business and Operation of your Company and the Audited Financial Statements and the Auditor's Report for the Financial Year ended 31st March, 2021.

Financial Summary or Highlights

The following table shows the operational results of the Company for the Year 2020-21 as compared to that of the Previous Year.

(Rs. In Lakhs)

	Year ended 31 st March 2021	Year ended 31 st March 2020
Total income	7403.41	5904.31
a. Revenue from operations	6851.33	5530.67
b. Other Income	552.08	373.64
Finance Costs	4768.75	3615.28
Employee Costs	902.30	791.32
Other Expenses	1254.49	1059.21
Total Expenses	6925.54	5465.81
Profit before interest, depreciation and tax	477.87	438.50
Depreciation and Amortization	61.70	54.72
Profit before exceptional Income	416.17	383.78
Profit before tax	416.17	383.78
Deferred Tax	(22.95)	(3.24)
Current Tax	124.10	108.36
PROFIT AFTER TAX	315.02	278.66

PERFORMANCE

The global catastrophe caused due to the outbreak of Covid-19 has brought the Nations, Economies and Industries to a grinding halt and left grappling to search for hitherto unknown horizons. A year back, nobody knew how radically the world would change due to the pandemic and would trigger a sharp recession creating unprecedented challenges for individuals and society at large. Following a 3.5 percent contraction caused by the COVID-19 pandemic in global economy in 2020, after one full year, it shows signs of gradual upward trend, but, still well below pre-pandemic projections. Moreover, the recovery is uneven and there is considerable uncertainty about its durability. The ongoing pandemic continues to shape the path for global economic activity, with severe outbreaks continuing to weigh on growth in many countries. The most recent wave of COVID-19 is now centered in some emerging market and developing economies, where more transmissible and virulent strains are spreading and where vaccine access remains limited. Vaccination remains especially slow in low-income countries. In contrast, advanced economies have generally seen substantial vaccination progress, which has helped limit the spread of COVID-19. Amid continued vaccination, economic activity is firming up across major advanced economies, where the recovery is being powered by substantial fiscal support.

The Indian economy was gradually turning towards recovery after being severely affected by the pandemic during the first two quarters. The second half of the Financial Year was much better as the recovery started picking up. Then the second wave stuck the country which made the entire system out of control for at least a couple of weeks. But, thanks to the strong Governmental support, we could stabilize fast.

The comforting news is that improving business sentiments, coupled with a strong recovery among industrial nations, propelled growth in the January–March quarter of FY2020–21. While substantial spending by the government provided the biggest boost to growth, private investments and goods exports—in segments such as engineering goods, chemical products, and pharmaceuticals—did remarkably well in the last quarter of the fiscal year.

India's real gross domestic product (GDP) at current prices stood at Rs. 135.13 lakh crore (US\$ 1.82 trillion) in FY21, as per the provisional estimates of annual national income for 2020-21. As indicated by provisional estimates released by the National Statistical Office (NSO), India posted a V-shaped recovery in the second half of FY21. As per these estimates, India registered an increase of 1.1% in the second half of FY21; this was driven by the gradual and phased unlocking of industrial activities, increased investments and growth in government expenditure.

This annual report documents how our team responded to these testing times, on all fronts. In these challenging times, our eagerness to adapt and innovate has placed us in a comparatively strong position. Your Institution had pursued the mantra of staying connected with customers, always.

Let us now share with you some of the key operational financial highlights that made FY 2020-21 one of the stronger years for the Company, despite the challenging macro environment. Notwithstanding the headwinds, we could deliver well, almost in line with our Corporate Goals.

During the Financial year 2020-21, your company has achieved a Profit Before Tax of Rs.416.17 lakhs against Rs. 383.78 lakhs for the previous year. Total Deposits of the Company grew to Rs. 55798.47 lakhs from Rs. 44268.57 lakhs and Advances touched Rs. 49104.26 lakhs from Rs. 40292.77 lakhs. Our Gold Loan portfolio continued to grow at the same pace and reached Rs. 35795.49 lakhs from Rs. 26381.89 lakhs during the last year. Dependence of Property Loans was brought down gradually the portfolio stood at Rs. 11855.16 lakhs, declining from Rs. 12460.00 lakhs.

PROSPECTS

The pandemic which hit the world in early 2020 is still casting a heavy shadow over the economy of the entire world. To remain in the market and to grow further, we have to innovate and adapt to the new environment. We are happy and confident that your company has very good prospects as we have faith in our loyal customers and well wishers and also the dedication and commitment of our staff members. As in previous years, we plan to concentrate on growth of Gold Loan portfolio simultaneously with strong recovery in Property Loans through continued follow up.

RESERVES

The Company has transferred 1,57,50,794/- of the surplus to reserves during the year under review in order to plough back the profits for further growth and development.

DIVIDEND

We are glad to announce that the Board of Directors has recommended payment of dividend to its shareholders @ 5% for the Financial Year 2020-21.

Transfer of Unclaimed Dividend to Investor Education and Protection Fund

Pursuant to Section 124 of the Companies Act 2013, the amount of dividends that remain unclaimed/unpaid for a period of seven years from the date on which they were declared, and such shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company in the name of Investor Education and Protection Fund. Dividend amount outstanding in the Unpaid Dividend Account is required to be transferred to Investor Education and Protection Fund during the year as mentioned in the table below.

During the financial year 2020-2021, an amount of Rs. 51,425/ (Rupees Fifty One Thousand Four Hundred and Twenty Five), the balance in the unclaimed dividend account for a period of seven years with respect to the dividend declared in the financial year 2012-13 was transferred to Investor Education and Protection Fund.

The details of unclaimed dividends are available on the Company's website, www.kpbnidhi.com. Mrs. Jayalakshmi P, GM and CFO, is appointed as the Nodal Officer for the purpose of verification of the claims and coordination with the IEPF Authority. The information relating to outstanding dividend account and the date when due for transfer to IEPF is as follows:

Financial Year ended	Date of declaration of dividend	Last date for claiming dividend	Dividend transfer to IEPF
31/03/2014	27/09/2014	02/11/2021	December 2021

Deposits

The Company has not accepted any fixed deposits during the year to which the provisions of Section 73 of the Companies Act, 2013 are applicable.

Branches & Regions

At the end of the year 2020-21, our total branch strength is 83 Branches divided among 6 regions and one branch headed by AGM directly reporting to Corporate Office. The overall performances of the branches are satisfactory.

Board of Directors & Key Managerial Personnel

The composition of Board of Directors as on 31st March 2021 is as follows:

Sl. No.	Name of Director	Designation
1.	Sri. A. R Mohanan (DIN:06817818)	Chairman
2.	Sri. Kuttappannair Muraleedharan (DIN: 08041126)	Managing Director
3.	Sri. M. Muraleedharan (DIN: 08607833)	Whole time Director
4.	Sri. M.A Vasudevan Namboodiri (DIN: 05102284)	Independent Director
5.	Sri. Jayaprakash Valiathan (DIN: 06470662)	Independent Director
6.	Sri. Vinu Krishnan (DIN: 01743028)	Independent Director
7.	Sri. P. Viswaroopan (DIN: 00256061)	Director
8.	Sri. Vishnu Prasad Balakrishna Menon (DIN: 03500806)	Director
9.	Sri. Rajesh Padmanabhan (DIN: 06651893)	Director
10.	Sri. Mohanachandran Chempakamangalathu Purushothamannampoothiri (DIN: 08958325)	Independent Director

Sri. Kuttappannair Muraleedharan, Managing Director, Sri. M. Muraleedharan, Whole Time Director, Mrs. Jayalakshmi P, Chief Financial Officer and Mrs. Sandhya Gopi, Company Secretary (appointed w.e.f., 05.08.2020) are the whole time Key Managerial Personnel of the Company. Mrs. Jayalakshmi P, Chief Financial Officer was re-appointed on 20.03.2021 to hold office till 31.12.2021.

Among the present Directors of the Company, Sri. Rajesh Padmanabhan, Director and Sri. Vishnu Prasad Balakrishna Menon, Director retire by rotation at the ensuing Annual General Meeting and being eligible, offer them for reappointment. The Board recommends their appointment.

Sri. Vinu Krishnan, Sri. Jayaprakash Valiathan, Sri. M A Vasudevan Namboothiri and Sri. C.P. Mohanachandran are the Independent Directors of the Company.

The Board has considered the declarations given by independent directors under sub section (6) of the Section 149 and the Company's policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, and independence of a Director. All the independent Directors are included in the Independent Director's Databank. The Board has further evaluated its own performance and that of its Committees and individual Directors.

The Board had in its meeting held on 21.12.2020 appointed Sri. C.P. Mohanachandran as Additional Director and in the Meeting held on 20.03.2021 the Board has recommended the appointment of Sri. C.P. Mohanachandran as the Independent Director (being included in the Independent Director's Databank), considering his integrity, experience and expertise. His appointment as Independent Director is therefore, proposed in the ensuing 32nd Annual General Meeting for a term of 5 years. Sri. C.P. Mohanachandran shall attend the online proficiency self assessment test conducted by The Indian Institute of Corporate Affairs within the time stipulated in Companies (Appointment and Qualification of Directors) Rules, 2014.

Sri. Kuttappannair Muraleedharan, who was re-appointed as Managing Director in the previous Annual General Meeting held on 28.09.2020 for a term ending on 31.03.2021, is recommended for re-appointment as Managing Director in the Board Meeting held on 20.03.2021 for a term ending on 31.12.2021. Hence, Sri. Kuttappannair Muraleedharan's re-appointment to the office of Managing Director for a term ending on 31.12.2021 is recommended for approval of members in the ensuing Annual General Meeting.

The appointment of Sri. Hareesh M.R. as Non- executive, Non- Independent Director is recommended for approval of members in the ensuing Annual General Meeting as he was appointed as Additional Director in the Board Meeting held on 27.08.2021 (after the close of the financial year 2021) whose term of directorship would end at the ensuing Annual General Meeting.

During the year under review, Sri. Rajan Nair Gangadharan, Non- Executive Director resigned with effect from 30.12.2020.

None of the Directors is disqualified under section 164 of the Companies Act, 2013.

Board Meetings

During the Financial Year, 2020-21, Seven (07) Meetings of Board of Directors were held. The details of the Board Meetings are given below:

Sl. No.	Date of Board Meeting	Board Strength	No. of Directors Present
1.	10.06.2020 (Wednesday)	10	8
2.	05.08.2020 (Wednesday)	10	6
3.	28.08.2020 (Friday)	10	10
4.	28.09.2020 (Monday)	10	8
5.	21.12.2020 (Monday)	11	10
6.	05.03.2021 (Friday)	10	10
7.	20.03.2021 (Saturday)	10	8

Capital Structure

The Authorized Share Capital of the company is Rs. 35,00,00,000/- (Rupees Thirty Five Crores Only) divided into 3,50,00,000 number of equity shares of Rs. 10 each during the Financial Year 2020-21.

Subscribed, issued and paid up capital is Rs. 29,42,11,600/- (Rupees Twenty Nine Crores Forty Two Lakhs Eleven Thousand and Six Hundred Only) divided into 2,94,21,160 (Two Crores Ninety Four Lakhs Twenty One Thousand One Hundred and Sixty) number of equity shares of Rs. 10 each as at the end of the year 2020-21. *Your Company

had allotted shares in the respective Board Meetings and would file the return of allotment in form PAS-3 as soon as the Company receives the approval of e-form NDH-4.

* Refer to note 3- Share Capital point (iv)- Share allotted but pending for filing return of allotment

Material changes and commitment if any affecting the Financial Position of the Company occurred between the end of the financial year to which this financial statements relate and the date of the report.

There is no material change to be reported.

Issue of Equity Shares with differential Rights/Employee Stock Option/Sweat Equity Shares

The Company has not issued any Equity shares with differential rights or under Employee Stock Option or as Sweat Equity Share.

Particulars of Loan, Guarantees or Investments under Section 186

There were no loans, guarantees or investments made by the Company under section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

Particulars of contracts or arrangements with related parties

There has been no materially significant related party transaction between the Company and its Directors, KMPs or the relatives except for those disclosed in the Financial Statements, which are in the ordinary course of business.

Accordingly, particulars of contracts or arrangements with related parties referred to in section 188(1) are indicated in Form AOC-2 enclosed with this report as **Annexure I**.

Conservation of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo

Since the company is a financial company, energy conservation has limited applicability. However, the company follows a practice of purchase and use of energy efficient electrical and electronic equipment and gadgets in its operations. There has not been any foreign exchange earnings or outgo during the Financial Year under review.

Compliance with Secretarial Standards

During the Financial Year 2020-21 our Company has complied with all applicable Secretarial Standards.

Risk Management

Your Company has employed robust Risk management processes and procedures. The Inspection Department of your company under the close guidance and supervision of Audit Committee evaluates the adequacy, completeness, operational effectiveness and efficiency of all internal controls, risk management & governance systems and processes. The Board regularly assesses the functional efficiency in risk management and refines the policies & processes. Responsibility for identification, measurement and controlling of risk in various spheres of Company's activities is vested with a Senior Executive who reports directly to the Managing Director. All material risks of the Company emerging in the course of its business are identified, assessed and monitored. The Company has through the years developed and stabilized an effective Risk Management System. The scope and authority of the internal audit function is defined in the Audit Policy, duly approved and recommended by the Audit Committee of the Board, approved and adopted by the Board and periodically reviewed and modified. The Inspection Department, on a continuous basis, assesses and monitors the effectiveness of the control systems and its adequacy to meet the growing business and operational complexities. The audit findings are escalated to Audit Committee for suggesting corrective action and its follow up. The Company has employed various types of inspections such as Detailed Inspection, Surprise Inspection, Regional Head's visit report, Gold audit etc. The Department also has the twin roles of investigation of fraud and prevention of frauds. Preventive measures are taken for enhancing the awareness of fraud risk and for promoting a culture of compliance among the employees. For this, training is given to employees continuously.

The Audit Committee also evaluates the reports of Inspection Department, which is used for review and monitoring of these risks at periodic intervals. The Nidhi manages credit risk through stringent credit norms established through several years of experience in this line of business and continues to follow the time tested practice of personally assessing every borrower, before committing to a credit exposure. This process ensures that the expertise in lending operations acquired by the Nidhi is put to best use and acts to mitigate credit risks.

Liquidity risk and interest rate risk arising out of maturity mismatch of assets and liabilities are managed through regular monitoring of the maturity profiles. The Nidhi monitors Assets Liabilities Management on an on-going basis to mitigate the liquidity risk.

Operational risks arising from inadequate or failed internal process, people and systems or from external events are adequately addressed by the internal control systems and are continuously reviewed and monitored by the Board of Directors, again using the Internal Audit Report as a tool. Process improvements and quality control are on-going activities and are built into the employee's training modules, as well.

Now that the Company is increasingly using Information Technology for its operations and processes, security and continued viability of Information System has become very critical for the Company. The Company has to ensure that the information system safeguards our assets, maintains data integrity and availability, achieves organizational goals effectively and consumes resources efficiently. This can be achieved through an Information System Audit, which should focus on the risks that are relevant to information assets and should assess the adequacy of controls implemented for mitigating the risks. Our Information System is to be subjected to Vulnerability Assessment & Penetration Testing; Information System Audit should also cover physical security of IT systems, Core Solution functioning, business continuity procedures and cyber security at branch and Head office level. Your company is planning to introduce System Audit through a competent outside agency.

Corporate Social Responsibility (CSR)

Company has generally taken Corporate Social Responsibility initiatives. However, the present Financial Position of the Company does not mandate the implementation of corporate social responsibility activities pursuant to the provisions of Section 135 and Schedule VII of the Companies Act, 2013. The Company will constitute CSR Committee, develop CSR policy and implement the CSR initiatives whenever it is applicable to the Company.

Explanation or comments on qualifications, reservations or adverse remarks or disclaimers made by the auditors

There were no qualifications, reservations or adverse remarks made by the Auditors in their report.

Annual Return

The Annual Return will be available on the website of the Company www.kpbnidhi.com under corporate menu. The extract of Annual return in form MGT-9 is annexed to the Directors Report as **Annexure II**.

Directors Responsibility Statement

Pursuant to the requirement of Section 134 (3) and (5) of the Companies Act, 2013, your Directors confirm that:-

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- the directors had prepared the annual accounts on a going concern basis; and
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Statutory Auditors

Sri. Damodharan P (ACA Membership No. 221178) Paravattathu Mana, Urakam P. O, Thrissur- 680562 and Sri. Vinay N Pisharady (ACA Membership No. 233743) Pothiyil Pisharam, Marampilly P O, Aluva- 683107, have been the Statutory Auditors of the Company since FY: 2019-20 and their term as Auditors is upto the conclusion of forthcoming Annual General Meeting. In accordance with the provisions of Section 139 of the Act, M/s Sajeev and Ajith, Chartered Accountants (Firm Registration No 014219S) are proposed to be appointed as Statutory Auditors for a period of 5 years commencing from the conclusion of this AGM till the conclusion of the 37th AGM of the Company to be held in the financial year 2026. They have consented to their appointment as Statutory Auditors and have confirmed that their appointment, if made, will be in accordance with Section 139 read with Section 141 of the Act. Members are requested to approve the appointment of M/s Sajeev and Ajith, Chartered Accountants and authorize the Board of Directors to fix their remuneration.

Cost Auditors

The Company is not required to appoint a Cost Auditor pursuant to the provisions of the Companies Act, 2013.

Secretarial Audit Report

The provisions of the Companies Act, 2013 and the rules made there under relating to Secretarial Audit Report are not applicable to the Company.

Statutory Orders

No significant and material orders were passed by Courts, Tribunal and other Regulatory Authorities affecting the going concern status of the Company's operations.

Audit Committee

The Audit Committee comprises of the following members:

Name	Category	Position
Sri. Vishnu Prasad Balakrishna Menon	Non-executive Director	Chairman
Sri. M.A Vasudevan Namboodiri	Non-executive Independent Director	Member
Sri. Jayaprakash Valiathan	Non-executive Independent Director	Member

The Chairman of Audit Committee is a Senior Chartered Accountant and remaining members are Independent Directors who are financially literate. The composition, role, functions and powers of the Audit Committee are in line with the requirements of applicable laws and regulations. The Audit Committee shall oversee financial reporting process and disclosures, review financial statements, internal audit reports, related party transactions, branch inspection reports, auditor's qualifications, legal requirements concerning financial statements and fixation of audit fee as well as payment for other services etc.

Four (4) Audit Committee meetings were held during the year 2020-21 at the Registered Office of the Company on 10.06.2020, 28.08.2020, 21.12.2020 and 05.03.2021. The meetings were attended by the Chairman and the members of the Committee ensuring quorum and also by the Inspection department.

Nomination & Remuneration Committee

The Nomination and Remuneration Committee comprises of the following members:

Name	Category	Position
Sri. Jayaprakash Valiathan	Non-executive Independent Director	Chairman
Sri. Vinu Krishnan	Non-executive Independent Director	Member
Sri. Vasudevan Namboothiri Mangalam Aryan	Non-executive Independent Director	Member

The Committee formulates criteria for determining qualifications, positive attributes and independence of a director and recommends to the Board the policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees and evaluation of Independent Directors and the Board. It identifies persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carry out evaluation of every Director's performance. The Nomination and Remuneration Committee held five (5) meetings on 10.06.2020, 28.08.2020, 21.12.2020, 05.03.2021 and 20.03.2021 and all the meetings were held ensuring the quorum.

Remuneration Policy

The remuneration policy is in consonance with the existing Company's practice and also with the provisions of the Companies Act, 2013. The Board of Directors has adopted a Remuneration Policy for Directors, Key Managerial Personnel and other employees. The Company's remuneration policy is driven by the success and performance of the individual employee and the performance of the Company. The Policy is annexed herewith as **Annexure – III**.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee was re-constituted in compliance with the requirements of Section 178 of the Companies Act, 2013 in the Board Meeting held on 05.03.2021 due to resignation of Sri. Rajan Nair Gangadharan, Director w.e.f, 30.12.2020 from the Board of the Company.

Accordingly, the reconstituted Stakeholders Relationship Committee comprises of the following members:

Name	Category	Position
Sri. Viswaroopan Peedikaparambil	Non Executive Director	Chairman
Sri. A.R. Mohanan	Non Executive Director	Member
Sri. C.P. Mohanachandran	Non Executive Independent Director	Member

The Stakeholders Relationship Committee looks into shareholders' complaints relating to transfer of shares, transmission of shares, non-receipt of share certificates, recommends measures for overall improvement in the quality of investor services. There were no outstanding complaints as on 31.03.2021.

Vigil Mechanism

A Vigil Mechanism/Whistle Blower Policy for directors and employees to report genuine concerns has been established as required under the provisions of Section 177 of the Companies Act, 2013. The policy is available on the website of the Company at www.kpbnidhi.com.

Formal Annual Evaluation

In line with section 134(3)(p) of Companies Act, 2013 read with rule 8 of Companies (Accounts) rules, 2014, Formal Annual Evaluation was conducted for all Board members as well as the working of the Board and its committees. The evaluation was conducted with specific focus on the performance and effective functioning of the Board. The Board evaluation framework has been designed in compliance with the requirements under the Companies Act, 2013.

Board evaluation was conducted through questionnaire designed with various qualitative parameters and feedback based on ratings.

Evaluation of the Board and committees:

Evaluation of the Board was based on criteria such as composition and quality of the Board, Board meetings and procedures, Board accountability and responsibility, Board decision making and planning, functioning of Board Committees, succession planning, strategic planning, etc. Evaluation of Committees was based on criteria such as, frequency of meetings, functioning of Board Committees and effectiveness of its advice/recommendation to the Board, etc.

Evaluation of Directors

Evaluation of Directors was based on criteria such as participation and contribution in Board and Committee meetings, performance and leadership team, knowledge and criteria's were bifurcated for executive, non-executive, independent Directors and the Directors holding chairmanship in various Committees and of the Board etc.

The outcome of the Board evaluation was discussed and Board noted the areas requiring more focus in future.

Human Resource Management

We are happy to report that your Company could maintain very cordial and harmonious relations with all sections of the workforce. We are continuing the policy of blending the skill & maturity of the experienced personnel and energy and spontaneity of the youth for developing its Human Resources. The Company ensures a fair system of rewards and reformative discipline that takes care of the awareness and compliance culture among the workforce. We believe that effective communication with employees will enable the employees to understand the Organization better; its plans for growth, its business philosophy, work culture, ethics and values etc and would address the aspirations of the employees. Your Company has introduced various platforms to continuously communicate with and engage the employees as a part of which email has been now accepted across the organization as an important medium of communication between branches, regional offices, Head office, amongst employees themselves etc., Branch level, regional level and corporate level Town Halls have almost been institutionalized. Occasionally BIG calls are organized between HO and branches involving all employees. The Company used to organize corporate level Rewards & Recognition programme in a very grandiose manner annually. This year due to the pandemic COVID-19 the Company could not organize any such programmes. However all initiatives are taken to keep the employees motivated. We plan to offer an intranet facility to enable employees to communicate between them and with head office and also to train themselves.

The Company offers a reasonably and comparatively good compensation package to all its employees with a balanced mix of fixed and variable pay. During the year under report, the Company had introduced various performance linked incentive schemes in order to increase the enthusiasm of the employees. Your Company holds first position in implementing the minimum wages notified by Labor and Skills (E) Dept, Govt. of Kerala, with effect from January 2021.

To keep the Company and its human resources competitive, the Company organized various training programs on different topics and subjects. This active process of learning has enabled employees enhance competence and motivation. The Company has introduced a Performance Management System, where the employees are given an opportunity to set goals and rate their performance themselves through an interactive process with their supervisors.

The Company has 330 permanent and 59 contract employees on its rolls as on 31st March, 2021.

Computerization

The Board is happy to inform all our shareholders that your Company is now under a centrally maintained Core computer solution. Besides, almost all processes including HR activities, credit approvals, expenditure authorizations, fee-based income etc are computerized. In addition to reducing cost of operation, this minimizes human errors/mistakes, facilitates quick audit and inspection and creates a more pleasant work-environment for the employees. The Company is also working on introducing more digitalized products and services.

Disclosure under the Sexual harassment of women at the work place (Prevention, prohibition & Redressal) Act, 2013

The company has not received any complaints during the Financial Year 2020-21 under the above said act.

Acknowledgment

Your Directors wish to place on record their appreciation for the co-operation and support extended by the Shareholders, Bankers, Customers, well wishers and Regulatory Authorities including Ministry of Corporate Affairs. The Board values and appreciates the professionalism, commitment and dedication displayed by employees at all levels. Your Directors are thankful to the shareholders for their continued support and confidence.

Looking forward to continued valuable support from all in the years to come.

For and on behalf of the Board of Directors
of **M/s KPB Nidhi Limited**

Aluva
27.08.2021

A.R. Mohanan
(Chairman)
(DIN: 06817818)

Kuttappannair Muraleedharan
(Managing Director)
(DIN: 08041126)

Annexure - I

FORM NO. AOC. 2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis

Sl. No.	Particulars	Details
a.	Name(s) of the related party and nature of relationship	NIL
b.	Nature of contracts/ arrangements/ transactions	NIL
c.	Duration of the contracts / arrangements/ transactions	NIL
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
e.	Justification for entering into such contracts or arrangements or transactions	NIL
f.	Date(s) of approval by the Board	NIL
g.	Amount paid as advances, if any:	NIL
h.	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	NIL

2. Details of material contracts or arrangement or transactions at arm's length basis

Sl. No.	Particulars	Details
a.	Name(s) of the related party and nature of relationship Nature of Relationship- Common Director- Sri. Vinu Krishnan	M/s KPB Digital Services Private Limited
b.	Nature of contracts/ arrangements/ transactions	Ordinary Course of Business
c.	Duration of the contracts / arrangements/ transactions	Ongoing
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	As per Agreement
e.	Justification for entering into such contracts or arrangements or transactions	NIL
f.	Date(s) of approval by the Board/ Committee	18.09.2019
g.	Amount paid as advances, if any:	22,00,000
h.	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	NIL

For and on behalf of the Board of Directors

Aluva
27.08.2021

A.R Mohanan
(Chairman)
(DIN: 06817818)

Kuttappannair Muraleedharan
(Managing Director)
(DIN: 08041126)

Form No. MGT 9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31/03/2021

[Pursuant to section 92(3) of Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and other Details:

- | | | |
|---|---|--|
| 1. CIN | : | U65991KL1989PLC005448 |
| 2. Registration Date | : | 17/08/1989 |
| 3. Name of the Company | : | KPB Nidhi Limited |
| 4. Category / Sub-Category of the Company | : | Company Limited by Shares / Non-Govt. Company |
| 5. Address of the Registered Office and contact details | : | KPBF MANDIR, REGISTERED OFFICE
NO. VIII/441(1), SANGEETHA SABHA ROAD
ALUVA, KERALA - 683 101 |
| 6. Whether listed company | : | No |
| 7. Registrar and Transfer Agency | : | NA |

II. Principal Business Activities of the Company

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the company
1.	Activities of the Nidhi Company	65991	100

III. Particulars of Holding, Subsidiary and Associate Companies - Nil

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
-	-	-	-	-	-

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1) Indian									
a) Individual	0	0	0	0	0	0	0	0	0
b) Central Govt(s)	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	0	0	0	0	0	0	0	0	0
(2) Foreign	0	0	0	0	0	0	0	0	0
a) NRIs-Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total share holding of Promoter (A)=(A)(1) + (A)(2)	0	0	0	0	0	0	0	0	0
B. Public Shareholding									
1. Institutions	0	0	0	0	0	0	0	0	0
a) Mutual funds	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0
f) Insurance companies	0	0	0	0	0	0	0	0	0
g) FII's	0	0	0	0	0	0	0	0	0
h) Foreign Venture	0	0	0	0	0	0	0	0	0
i) Capital Fund	0	0	0	0	0	0	0	0	0
j) Others (specify)	0	0	0	0	0	0	0	0	0

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Sub-total (B) (1)	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Body Crop.									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders Holding nominal share capital up to Rs. 1 lakh	NIL	9735320	9735320	37.42	0	10188585	10188585	34.63	4.65
ii) Individual Shareholder holding nominal share capital exceeding Rs.1 lakh	0	16281482	16281482	62.58	0	19232575	19232575	65.37	18.12
c) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B) (2)	-	26016802	26016802	100	0	29421160	29421160	100	13.08
Total public shareholding (B) = (B)(1) + (B)(2)	-	26016802	26016802	100	0	29421160	29421160	100	13.08
C. Shares held by custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	-	26016802	26016802	100	0	29421160	29421160	100	13.08

ii) Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
NIL							

III) Change in Promoters' Shareholding (please specify, if there is no change) - No Change

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	NA			
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	NA			
At the End of the year	NA			

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

For Each of the Top 10 Shareholders	Shareholding		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1. Surendran NK	470000	1.81	970000	3.29
2. K R Sreekumar	714300	2.74	800600	2.72
3. Sreekumar S.N.	0	0	256500	0.87
4. Haridasan Parameswaran Pillai	200020	0.77	200020	0.68
5. Geethakumari CK	170000	0.65	170000	0.58
6. Rajesh Kumar N	150010	0.58	162250	0.55
7. Ramachandran ES	0	0	128000	0.43
8. Sheeja Ramachandran	1500	0.0057	127500	0.43
9. Venugopalan TV	111500	0.43	126500	0.43
10. Vasudevan N	126010	0.48	126010	0.43

(v) Shareholding of Directors and Key Managerial Personnel

For Each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1. Sri. G. Rajan Nair (resigned w.e.f. 30.12.2020)	33400	0.13	33400	0.11
2. Sri. M.A Vasudevan Namboodiri	29975	0.12	29975	0.10
3. Sri. Vishnu Prasad B Menon	21500	0.08	21500	0.07
4. Sri. P Viswaroopan	549000	2.11	549000	1.87
5. Sri. Rajesh P	1001	0.004	1001	0.003
6. Sri. Jayaprakash Valiathan	1000	0.004	1000	0.003
7. Sri. A R Mohanan	15731	0.06	15731	0.05
8. Sri. Muralidharan M	15000	0.06	15000	0.05
9. Sri. K Muraleedharan	20010	0.08	20010	0.07
10. Sri. Vinu Krishnan	0	0	100	0.0003
11. Smt. Jayalakshmi P (Chief Financial Officer)	14010	0.02	14010	0.05
12. Smt. Sandhya Gopi (Company Secretary)	0	0.00	10	0.00003

Sri. Hareesh M.R., Director who was appointed on 27.08.2021 holds 5000 equity shares of Rs. 10/- each amounting to Rs. 50,000/-.
Sri. CP Mohanachandran, Director jointly (wife being the first applicant) holds 10 shares of Rs. 10/- each amounting to Rs. 100/- at the close of the year.

V. INDEBTEDNESS - Indebtedness of the company including interest outstanding/accrued but not due for payment (Rs. in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	NIL	4,42,68,57,399.00	4,42,68,57,399.00
ii) Interest due but not paid			1,02,79,581.00	1,02,79,581.00
iii) Interest accrued but not due			-	-
Total (i+ii+iii)			4,43,71,36,980.00	4,43,71,36,980.00
Change in Indebtedness during the financial year				
Addition			1,15,49,05,121.00	1,15,49,05,121.00
Reduction*				
Net Change			1,15,49,05,121.00	1,15,49,05,121.00
Indebtedness at the end of the financial year				
i) Principal Amount			5,57,98,47,543.00	5,57,98,47,543.00
ii) Interest due but not paid			1,21,94,558.00	1,21,94,558.00
iii) Interest accrued but not due				
Total (i+ii+iii)			5,59,20,42,101.00	5,59,20,42,101.00

*Increase in Interest due but not paid Rs. 19,14,977.00

VI. Remuneration of Directors and Key Managerial Personnel
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:-

Particulars of Remuneration	Name KMPs				Total Amount
	K Muraleedharan (Managing Director)	M Muraleedharan (Whole Time Director)	Jayalakshmi P (CFO)	Sandhya Gopi (CS)	
1 Gross salary					
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	787,380.00	460,968.00	579,000.00	355,500.00	21,82,848.00
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961					
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil	Nil
2 Stock Option	Nil	Nil	Nil	Nil	Nil
3 Sweat Equity	Nil	Nil	Nil	Nil	Nil
4 Commission					
- as % of profit	Nil	Nil	Nil	Nil	Nil
- Others	Nil	Nil	Nil	Nil	Nil
5 Others, please specify Compensation in lieu of retirement benefits	Nil	Nil	Nil	Nil	Nil
Total (A)	787,380.00	460,968.00	579,000.00	355,500.00	21,82,848.00
Ceiling as per the Act	NA	NA	NA	NA	NA

B. Remuneration to other directors:

(in Rs.)

Particulars of Remuneration	G Rajan Nair	MA Vasudevan Namboodiri	AR Mohanan	Jaya-prakash Valiathan	Vinu Krishnan	P Viswaroopan	Vishnu Prasad B Menon	P Rajesh	Mohana-chandran CP	Total Amount
1. Independent Directors										
Fee for attending board & committee meetings	NIL	57000	NIL	52,000	29,000	NIL	NIL	NIL	15,000	153000
Commission	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total (1)	NIL	57,000	NIL	52,000	29,000	NIL	NIL	NIL	15,000	153000
2. Other Non-Executive Directors										
Fee for attending board & committee meetings	0	NIL	30,000	NIL	NIL	30,000	37,000	30,000	NIL	1,27,000
Commission	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total (2)	0	NIL	30000	NIL	NIL	30000	37,000	30,000	NIL	1,27,000
Total (B)= (1+2)	0	57,000	30000	52,000	29,000	30000	37,000	30,000	15,000	2,80,000

VII. Penalties / Punishment/ Compounding of Offences: Nil

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. Company Penalty Punishment Compounding			None		
B. Directors Penalty Punishment Compounding			None		
C. Other Officers In Default Penalty Punishment Compounding			None		

For and on behalf of the Board of Directors

Aluva
27.08.2021

A.R. Mohanan
(Chairman)
(DIN: 06817818)

Kuttappannair Muraleedharan
(Managing Director)
(DIN: 08041126)

Nomination & Remuneration Policy For Directors, KMPs and other employees

In terms of section 178 and other applicable provisions of the Companies Act, 2013 as amended from time to time, this policy on Nomination and Remuneration of Directors, KMPs, Executives and other employees has been formulated, approved and adopted by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee.

Definitions:

1. 'Act' means Companies Act, 2013.
2. 'Board' means the Board of Directors of the Company.
3. 'Committee' means 'Nomination & Remuneration Committee' constituted by the Board of Directors of the Company.
4. 'Executives' means personnel of the Company which shall include General Managers, Deputy General Managers and Assistant General Managers.
5. 'Key Managerial Personnel' or 'KMP' means the Key Managerial Personnel as defined under the Companies Act, 2013.
6. 'Policy' means this Nomination & Remuneration Policy for Directors, KMPs and other employees of the Company.

Objective of the Policy:

The objective of the policy is to ensure that

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to Directors, Key Managerial Personnel and other employees involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- To motivate and retain managerial personnel creating competitive advantage in compensation policy and offering good career advancement opportunities.

The role of the Committee:

The role of the NRC will be the following:

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person/s for appointment as Director, KMP or as General Manager and shall recommend to the Board his / her appointment.
2. The Committee shall frame rules for recruitment, appointment and promotion of other employees, which will reflect the broad objectives of the HR policy of the Company.
3. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
4. The Company shall not appoint or continue the employment of any person as Whole Time Director who has attained the age of seventy years, provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the

explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

Term/Tenure:**a. Managing Director/Whole-time Director:**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No reappointment shall be made earlier than one year before the expiry of term.

b. Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of up to maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

Evaluation:

The Committee shall carry out evaluation of performance of every Director, KMP and General Managers at regular interval (yearly). For other employees, HR policy formulated by the Committee shall prescribe rules and procedures.

Removal:

Due to reasons for any disqualifications mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, KMP subject to the provisions and compliance of the said Act, rules and regulations and HR Policies.

Retirement

The Directors, KMPs and other employees shall retire as per the applicable provisions of the Act and the prevailing HR policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

Policy relating to remuneration for Directors, KMPs and other employees**1. Fixed Pay**

The Managing Director shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to provident fund, pension scheme, medical expenses and other perquisites etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

2. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director in accordance with the provisions of Schedule V of the Companies Act, 2013 as amended from time to time and with the approval of the Central Government, if and to the extent required.

3. Provisions for excess remuneration:

If any Managing Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where

required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

4. Other provisions:

- The remuneration / compensation / commission etc. to the Managing Director, will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the approval of the shareholders of the Company and Central Government, wherever required as per law.
- The remuneration and commission to be paid to the Managing Director shall be in accordance with the percentage / slabs / conditions as per the provisions of the Companies Act, 2013, and the rules made there under as amended from time to time.
- Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board for its consideration.

5. Remuneration to Non-executive / Independent Director

- The Non- Executive / Independent Director is not receiving any remuneration other than sitting fees.
- Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee(s) thereof and in line with the applicable provisions of the Companies Act, 2013.

6. Remuneration to KMPs and Executives

The remuneration determined for the KMP and Other executives shall be in line with the Company's philosophy to provide fair compensation to key executive officers based on their performance and contribution to the Company and to provide incentives that attract and retain key executives, instill a long term commitment to the Company, and develop a pride and sense of Company ownership, all in a manner consistent with shareholder interests.

The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F., pension scheme, medical expenses and other perquisites etc. shall be decided by the Company's HR department.

7. Remuneration to other employees:

Apart from Directors, KMP and Senior Management, the remuneration of rest of the employees will be determined on the basis of the role and position of the individual employee, including professional experience, responsibility, job complexity and local market conditions in competitive environment.

The Company considers it essential to incentivize the workforce to ensure adequate and reasonable compensation to the staff. The Human Resources Department shall ensure that the level of remuneration motivates and rewards high performers who perform according to set expectations in their respective domain.

The various remuneration components, basic salary, allowances and perquisites may be combined to ensure an appropriate and balanced remuneration package.

Interpretation

This Policy is intended to comply with the Companies Act, 2013 / and other applicable provisions of the said Act. Notwithstanding anything herein to the contrary, this Policy will be interpreted only in such a manner as to comply with the Companies Act, 2013. Any word not defined in this Policy shall have the same meaning as defined under the Companies Act, 2013 including any amendments thereto. In case any word or provision as appearing in this Policy is contrary to the meaning or provision as provided under the Regulations, then the meaning or provision as provided under the Companies Act, 2013 shall prevail. This policy shall always be in conformity with the provisions of the Regulations and any amendments in the Regulations shall be deemed to form part of this Policy.

INDEPENDENT AUDITOR'S REPORT

To the Members
KPB Nidhi Ltd

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of M/s KPB Nidhi Limited, Aluva("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit/loss, 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 Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the 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 are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (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. 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, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
 - c) The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.
 - d) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from the branches not visited by us.
 - e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. ***Refer to Note no 2.9.ii of the financial statement.**
 - f) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - g) 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".
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position. **Refer Note No 28.**
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Damodaran P. Namboodiri FCA

Chartered Accountant
Membership No. 221178
UDIN: 21221178AAAACG1545

Aluva
27.08.2021

Vinay N. Pisharady FCA

Chartered Accountant
Membership No. 233743
UDIN: 21233743AAAAAZ2429

ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2021:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) The title deeds of immovable properties are held in the name of the company.
- 2) In our opinion and according to the information and explanations given to us, the nature of the Company’s business is such that it is not required to hold any inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any public deposit from the public within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the rules framed there under where ever applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods and Service Tax, Duty of Customs, Duty of Excise and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2021 for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanation given to us, there are no dues of Income Tax, Goods and Service Tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks, financial institutions. The company is not holding any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) Based on the information and explanations given by the management, the Company is a Nidhi Company and is complied with the following:
- The Nidhi Company has complied with net owned fund to deposit in the ratio of 1:20 to meet out the liability
 - The Company has maintained the SLR by investing in unencumbered Fixed deposits with Scheduled Commercial Banks, an amount not less than 10% of the deposits outstanding as at the closing of business on the last working day of the second preceding month. i.e., 31.01.2021.
 - The prudential norms on income recognition and provisioning against non-performing assets are applicable to the company and non-performing assets have been prudentially written off in statement of profit and loss.
*** The details are as given in Note 34 to the financial statements.**
 - According to the information and explanation given to us, the company has adequate procedures for appraisal of credit proposals, requests, assessment of credit needs and repayment capacity of borrowers.
 - According to the information and explanation given to us, the repayment schedule of various loans granted by the Nidhi Company is based on the repayment capacity of the borrower and would be conducive to recovery of the loan amount.
- 13) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has complied with the requirements of section 42 of the Companies Act, 2013 and the amount raised by preferential allotment or private placement of shares during the year under review have been used for the purposes for which the funds were raised. The company has not raised any amount by issuing fully or partially convertible debentures
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

Damodaran P. Namboodiri FCA
Chartered Accountant
Membership No. 221178
UDIN: 21221178AAAACG1545

Aluva
27.08.2021

Vinay N. Pisharady FCA
Chartered Accountant
Membership No. 233743
UDIN: 21233743AAAAAZ2429

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2(g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of KPB 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 KPB Nidhi Limited (“the Company”) as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Damodaran P. Namboodiri FCA

Chartered Accountant
Membership No. 221178
UDIN: 21221178AAAACG1545

Aluva
27.08.2021

Vinay N. Pisharady FCA

Chartered Accountant
Membership No. 233743
UDIN: 21233743AAAAAZ2429

ANNEXURE “C” TO THE AUDITORS’ REPORT

STATUTORY AUDITORS CERTIFICATE

(Pursuant to Rule 22 of the Nidhi Rules, 2014)

This is to certify that, on the basis of books of accounts and other relevant documents verified by us and as per explanations given to us by the management, M/s. KPB NIDHI LIMITED has complied with all the provisions contained in Nidhi Rules-2014 and have not contravened any of the provisions contained in the said rules.

Damodaran P. Namboodiri FCA

Chartered Accountant

Membership No. 221178

UDIN: 21221178AAAACG1545

Aluva

27.08.2021

Vinay N. Pisharady FCA

Chartered Accountant

Membership No. 233743

UDIN: 21233743AAAAAZ2429

BALANCE SHEET AS AT 31ST MARCH, 2021

PARTICULARS	Note No.	31.03.2021 Rs.	31.03.2020 Rs.
I. EQUITY AND LIABILITIES			
Share Holders' Funds:			
Share Capital	3	294,211,600	260,168,020
Reserves & Surplus	4	59,484,347	27,982,759
Share Application Money pending allotment		8,029,570	-
Non-Current Liabilities			
Long term borrowings	5	5,204,268,430	4,114,442,739
Deferred tax liabilities (Net)			
Other long term liabilities			
Long term provisions	6	12,102,320	7,982,790
Current Liabilities			
Short term borrowings	7	375,579,113	312,414,660
Trade payables	8	-	-
Other Current liabilities	9	20,077,905	19,994,522
Short-term provisions	10	47,410,000	35,836,000
TOTAL		6,021,163,285	4,778,821,490
II. ASSETS			
Non-Current Assets			
Property, Plant and Equipments	11	149,047,519	135,114,606
Intangible assets	11	4,896,708	3,330,245
Capital work-in-progress	11	547,710	-
Non-current investments	12	3,283,108	2,991,900
Deferred tax assets (net)	13	10,487,240	8,192,240
Long term loans and advances-Financing Activity	14	1,185,516,177	1,246,017,563
Long term loans and advances	15	531,234,907	233,616,647
Other non-current assets		-	-
Current assets			
Cash and bank balances	16	349,767,502	313,508,387
Short term loans and advances-Financing Activity	14	3,724,910,060	2,783,259,767
Short-term loans and advances	17	28,511,895	21,183,165
Other current assets	18	32,960,459	31,606,970
TOTAL		6,021,163,285	4,778,821,490
Notes are an integral part of the financial statements			

In terms of our report attached

Damodaran P. Namboodiri FCA
Chartered Accountant
Membership No. 221178

A.R. Mohanan
Chairman
DIN 06817818

Vinay N. Pisharady FCA
Chartered Accountant
Membership No. 233743

Aluva
27.08.2021

Jayalakshmi P
Chief Financial Officer

For and on behalf of the Board of Directors

K. Muraleedharan
Managing Director
DIN 08041126

Muraleedharan M
Whole time Director
DIN 08607833

Sandhya Gopi
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

PARTICULARS	Note No.	31.03.2021 Rs.	31.03.2020 Rs.
INCOME			
Revenue from Operations	19	685,132,749	553,068,973
Other Income	20	55,208,378	37,364,342
TOTAL INCOME		740,341,127	590,433,315
EXPENSES			
Employee benefit expense	21	90,229,501	79,132,412
Finance cost	22	476,874,969	361,528,855
Depreciation and amortization expenses	23	6,170,532	5,472,541
Other expenses	24	125,449,537	105,921,819
TOTAL EXPENSES		698,724,539	552,055,627
Profit Before Tax		41,616,588	38,377,688
Tax Expense			
(a) Current tax		12,410,000	10,836,000
(b) Deferred tax		(2,295,000)	(324,010)
		10,115,000	10,511,990
Profit (Loss) for the period		31,501,588	27,865,698
Earnings Per Equity Share Basic and Diluted (Face value of 10 each)	25	1.16	1.32
Notes are an integral part of the financial statements			

In terms of our report attached

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Membership No. 221178

Vinay N. Pisharady FCA
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DIN 08607833

Sandhya Gopi
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

In terms of AS - 3 on Cash Flow Statement under Indirect Method

PARTICULARS	2020-21 (Rs.)	2019-20 (Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit Before Taxation	41,616,588	38,377,688
Provision for Depreciation	6,170,532	5,472,541
Provision for Employee Benefits	4,119,530	1,802,833
Provision for NPA	10,000,000	7,500,000
Bad Debts w/off	67,933,350	50,875,204
(Profit) /Loss on sale of Fixed Assets	11,287	(80,374)
Profit on sale of investments	(1,522,144)	(122,299)
Operating profit before working capital changes	128,329,142	103,825,593
Increase/(Decrease) in Deposits Accepted	1,152,990,144	1,034,555,075
(Increase)/Decrease in Gold Loan	(941,360,349)	(904,315,172)
(Increase)/Decrease in Other Advances	(7,721,908)	(171,342,210)
(Increase)/Decrease in Loans & Advances	(4,050,981)	(2,349,079)
(Increase)/Decrease in Other Current Assets	(1,353,489)	(354,936)
(Increase)/Decrease in Bank Deposits	(313,000,000)	(117,000,000)
Increase/(Decrease) in Current Liabilities	83,383	4,035,274
Cash Generated from operations	13,915,942	(52,945,455)
Income tax paid	(20,232,007)	(17,248,074)
Net cash from operating activities	(6,316,065)	(70,193,529)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed assets	(22,246,954)	(9,104,956)
Proceedings from the disposal of Fixed assets	18,050	187,766
Purchase of current investments	(3,283,108)	(2,991,900)
Sale of current investments	4,514,044	12,654,288
Net cash from Investing activities	(20,997,969)	745,198
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of equity share capital	34,043,580	59,770,510
Share Application Money Pending Allotment	8,029,570	-
Net Cash flow from Financing Activities	42,073,150	59,770,510
Net Increase/Decrease in Cash & Cash Equivalents	14,759,116	(9,677,821)
Cash & Cash Equivalents at the beginning of the year	65,508,387	75,186,207
Cash & Cash Equivalents at the end of the year	80,267,502	65,508,386

In terms of our report attached

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Chartered Accountant
Membership No. 221178

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Chartered Accountant
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Sandhya Gopi
Company Secretary

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

1. Company Information

KPB Nidhi is a Nidhi Company (formerly Kerala Permanent Benefit Fund Ltd.), incorporated on 17.08.1989 for encouraging the habit of thrift and savings among members, to receive deposits in the nature of savings/fixed/recurring and to advance monies on the security of gold, silver and jewellery, immovable property, fixed deposits, KVP/NSC, insurance policies and other Government securities and to act as insurance agents.

2. Significant Accounting Policies

2.1. Basis of preparation

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles (IGAAP) under the historical cost convention as a going concern and on accrual basis and in accordance with the provisions of the Companies Act, 2013 and the Accounting Standards specified under section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules 2014 (as amended).

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

Prudential norms: The Company complies all the material aspect, with the prudential norms relating to the income recognition, asset classification and provisioning for bad and doubtful debts and other matters, as applicable to the company.

2.2. Uses of Estimates

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amount of assets and liabilities (including contingent liabilities) as on the date of financial statements and the reported income and expenses during the reporting period.

Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

2.3. Property, Plant and Equipments

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company

2.4. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

2.5. Depreciation and Amortisation

Depreciation on Property, Plant and Equipments assets is provided using the Straight Line Method based on the useful life of the asset and is charged to the Statement of Profit and Loss in the manner prescribed in Schedule II to the Companies Act, 2013. Depreciation is provided on a pro-rata basis from the month the assets are put to use during the financial year. In respect of assets sold or disposed off during the year, depreciation is provided upto the month of sale or disposal of the assets. Freehold land is not depreciated.

The Company has revised its policy of providing depreciation on fixed assets effective April 1, 2017. Depreciation is now provided on a straight line basis for all assets. The carrying amount as on April 1, 2017 is depreciated over the remaining useful life. In respect of fixed assets acquired during the year, depreciation/amortisation is charged on a straight line basis so as to write off the cost of the assets over the useful lives of the assets as prescribed in Schedule II to the Companies Act, 2013.

The Company determined that the change in depreciation method from WDV method to a straight-line method is a change in accounting estimate affected by a change in accounting principle. A change in accounting estimate affected by a change in accounting principle is to be applied prospectively. The change is considered preferable because the straight-line method will more accurately reflect the pattern of usage and the expected benefits of such assets and provide greater consistency with the depreciation methods used by other companies in the Company's industry.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Useful life as per Schedule II
Computers and servers	3-6 Years
Office equipment	5 Years
Furniture and fixtures	10 Years
Vehicles	8-10 Years

* Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Intangible Assets are amortised on a Straight Line basis over the estimated useful economic life. Computer Software which is not an integral part of the related hardware is classified as an intangible asset, and amortized over 10 years.

2.6. Impairment

At Balance Sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the Company's assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

An assessment is also done at each Balance Sheet date whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. The carrying amount of the fixed asset is increased to the revised estimate of its recoverable amount but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss is recognised in the Statement of Profit and Loss for the year.

After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the fixed asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on written down value basis over its remaining useful life.

2.7. Revenue recognition

- i. General: Revenue is recognised as earned and accrued when it is reasonably certain that its ultimate collection will be made and the revenue is measurable.

ii. Income from loans

Interest income from loan transactions is accounted for by applying the interest rate implicit in such contracts.

Service charges, documentation charges and other fees on loan transactions are recognised at the commencement of the contract.

Delayed payment charges, fee based income and interest on trade advances are recognised when they become measurable and when it is not unreasonable to expect their ultimate collection.

- iii. **Dividend income:** Dividend income is recognized when the Company's right to receive dividend is established by the reporting date. Dividend income is recognised when the right to receive payment is established.
- iv. **Income from investments:** Profit earned from sale of securities recognised on trade date basis. The cost of securities is computed on weighted average basis
- v. **Other Income:** In respect of the other heads of income, the Company accounts the same on accrual basis.

2.8. Investments

Investments are classified into current and non-current investments. Investments that are readily realisable and are intended to be held for not more than one year from the date on which such investments are made, are classified as Current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. Current investments are stated at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. Investment in subsidiary company is stated at cost.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

2.9. Employee Benefits

- i. **Short Term Employee Benefits:** All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service.
- ii. **Gratuity scheme:** The Company operates a defined benefit gratuity plan for employees. The provision for retirement gratuity is provided as per the company's policy. The liability for gratuity has been computed on the assumption that such benefit is payable to all eligible employee at the end of the accounting Year. As per AS-15, the recognition and measurement of the present value of defined benefit obligations must be based on actuarial valuation and the company has not complied with the same.
- iii. **Provident Fund:** Eligible employees of the Company receive benefits from provident fund, which is a defined contribution plan. Both the eligible employees and the Company make monthly contributions to the Government administered provident fund scheme equal to a specified percentage of the eligible employee's salary. Amounts collected under the provident fund plan are deposited with in a government administered provident fund.
The Company has no further obligation to the plan beyond its monthly contributions.
- iv. **Compensated absences:** The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature.

2.10. Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized. All other borrowing costs are expensed in the period they occur.

2.11. Income taxes

Income tax comprises current and deferred income tax. Income tax expense is recognised in statement of profit and loss except to the extent that it relates to an item recognised directly in equity in which case it is recognised in other comprehensive income. Current income tax for current year and prior periods is recognised at the amount expected to be paid or recovered from the tax authorities, using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

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 income tax assets and liabilities are measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or substantive enactment date. A deferred income tax asset is recognised to the extent it is probable that future taxable income will be available against which the deductible temporary timing differences and tax losses can be utilised. The Company offsets income-tax assets and liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.12. Segment Reporting

The Company primarily operates as a Loan company and its operations are in India. Since the Company has not operated in any other reportable segments, as per AS 17 'Segment Reporting', no segment reporting is applicable. Company operates in a single geographical segment. Hence, secondary geographical segment information disclosure is not applicable.

2.13. Cash and Cash equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, term deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

2.14. Cash Flow Statement

Company has prepared cash flow statement using the Indirect Method, whereby net profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

2.15. Earnings per share

The basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.16. Lease

The Company's leasing arrangements in terms of Accounting Standard 19 on leases are in respect of operating leases for premises. These leasing arrangements, which are cancellable, are usually renewable by mutual consent on mutually agreeable terms.

2.17. Provisions and Contingent liabilities

- a. A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statement
- b. The lock-down restrictions imposed by Governments on account of the outbreak of the COVID-19 pandemic have affected the operations of the company, more particularly for periods commencing from the last week of the financial year ended 31st March 2020. However, with such restrictions being increasingly relaxed from the last week of April 2020 in many areas, the operations of the company have since been improving. To mitigate the burden of debt servicing brought about by the disruptions, the company has offered an optional moratorium on payment of loan installments falling due between March 1, 2020 and May 31, 2020, in accordance with the regulatory package announced by RBI in March/ April 2020; and further extensions, if any, based on RBI announcements in May 2020 will be decided by the company in the future. Given the continuing uncertainties associated with the pandemic, the company will continue to monitor the position and appropriately adjust any significant changes in such estimates based on future conditions.

Note - 3**SHARE CAPITAL**

Particulars	March 31, 2021	March 31, 2020
(a) Authorised 35000000 (Previous Year: 35000000) Equity Shares of Rs. 10 each	350,000,000	350,000,000
(b) Issued, Subscribed & Fully Paid Up 29421160 (Previous Year: 26016802) Equity Shares of Rs. 10 each	294,211,600	260,168,020
Total	294,211,600	260,168,020

i. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	March 31, 2021		March 31, 2020	
	No.	Value	No.	Value
No. of shares at the beginning of the year	26,016,802	260,168,020	20,039,751	200,397,510
Add: Issued During the year	3,404,358	34,043,580	5,977,051	59,770,510
Less: shares bought back	-	-	-	-
Outstanding at the end of the year	29,421,160	294,211,600	26,016,802	260,168,020

ii. Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

iii. Details of Shareholders holding more than 5% Shares

Name of Shareholder	March 31, 2021		March 31, 2020	
	Number of shares held	% of share holding	Number of shares held	% of share holding
Equity shares of Rs. 10 each fully paid	NIL	NIL	NIL	NIL

iv. Share Allotted but pending for Filing Return of Allotment

As per the Nidhi (Amendment) Rules, 2019 vide notification no G.S.R. 467(E) Dated 01.07.2019 all Nidhi company has to file new from NDH-4. The company had complied with the notification and filed the return, but on account of the outbreak of the COVID-19 pandemic the company has not received the necessary approval from MCA regarding the NDH-4. The company had allotted shares and issued share certificate but filing of PAS-3- Return of allotment of shares is pending as the company has not received the necessary NDH-4 approval. In the notification MCA has stated that the Filing of form SH-7 and PAS-3 shall be allowed only after getting the necessary approval from MCA.

Note - 4
RESERVES & SURPLUS

Particulars	March 31, 2021	March 31, 2020
Capital Reserve		
Amount as per Last Balance Sheet	92,105	92,105
(+) Additions/ transfers during the Year	-	-
Closing Balance	92,105	92,105
General Reserve		
Amount as per Last Balance Sheet	8,137,309	5,350,739
(+) Additions/ transfers during the Year	15,750,794	2,786,570
Closing Balance	23,888,103	8,137,309
Surplus		
Balance as per last financial statements	19,753,345	(5,325,783)
(+) Net profit/(net loss) for the current year	31,501,588	27,865,698
(-) Transfer to General Reserve	15,750,794	2,786,570
Balance as at the end of the year	35,504,139	19,753,345
Total	59,484,347	27,982,759

In respect of the year ended March 31, 2021, the Board of Directors has proposed a dividend of Rs. 0.50 per equity share (2020: Rs.0.00 per equity share) subject to approval by the shareholders at the ensuing Annual General Meeting after which dividend would be accounted and paid out of the retained earnings available for distribution in accordance with the provisions of the Act.

Nature and purpose of Reserves
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. After the 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 the Companies Act, 2013.

Retained earnings or Surplus

This reserve represents the cumulative profits of the Company.

Note - 5 LONG TERM BORROWINGS

Particulars	March 31, 2021	March 31, 2020
Secured Borrowings	-	-
Unsecured Borrowings	-	-
Term Deposits	5,204,268,430	4,114,442,739
Total	5,204,268,430	4,114,442,739

Note - 6 LONG TERM PROVISIONS

Particulars	March 31, 2021	March 31, 2020
(a) Provision for employee benefits: Provision for Gratuity (Refer note 2.09.ii)	12,102,320	7,982,790
Total	12,102,320	7,982,790

Note - 7 SHORT TERM BORROWINGS

Particulars	March 31, 2021	March 31, 2020
Secured	-	-
Unsecured		
Deposits		
i. Recurring Deposits	97,761,847	89,521,877
ii. Savings Deposits	277,817,266	222,892,783
Total	375,579,113	312,414,660

Note - 8 DISCLOSURE WITH REGARD TO DUES TO MICRO ENTERPRISES AND SMALL ENTERPRISES

Payment against the supplies from the undertakings covered under the Micro, Small & Medium Enterprises Development Act, 2006 are generally made in accordance with the agreed credit terms. On the basis of information and record available with the management, the details of the outstanding balances of such suppliers and interest due on such accounts as on March 31, 2021 is Nil. (as on March 31, 2020 is Nil). Accordingly, no disclosures relating to principal amounts unpaid as at the period ended March 31, 2021 together with interest paid /payable are required to be furnished.

Note - 9 OTHER CURRENT LIABILITIES

Particulars	March 31, 2021	March 31, 2020
(a) Current maturities of long-term debt	-	-
(b) Unclaimed Dividend	308,178	450,550
(c) Other payables		
i. Statutory remittances (Refer note(i) below)	2,813,077	2,335,050
ii. Interest Payable	12,207,198	10,279,581
iii. Matured Deposits	1,137,503	999,475
iv. Expenses Payable	3,250,749	3,067,796
v. Others	361,200	2,862,070
Total	20,077,905	19,994,522

(i) Statutory dues includes provident fund, employees state insurance, professional tax etc

Note - 10
SHORT TERM PROVISIONS

Particulars	March 31, 2021	March 31, 2020
(a) Provision for employee benefits: Provision for gratuity		
(b) Provision - Others: Provision for Income Tax	12,410,000	10,836,000
Provision for Bad & Doubtful debts	35,000,000	25,000,000
Total	47,410,000	35,836,000

Note - 12
NON-CURRENT INVESTMENTS

Particulars	March 31, 2021	March 31, 2020
Non-trade investments (valued at cost unless stated otherwise):		
Other Investment		
Axis Hybrid Fund Series 35	-	1,500,000
Axis Global Equity Alpha Fund - Regular Growth	1,636,747	-
Axis Emerging Opportunities Series 1	-	492,000
Axis Growth Opportunities Fund	646,461	-
Axis Equity Advantage Series 1	999,900	999,900
Aggregate amount of quoted investments	3,283,108	2,991,900
Market value of quoted investments	4,333,425	3,155,279
Total	3,283,108	2,991,900

Note - 13
DEFERRED TAX (LIABILITY) / ASSET

Particulars	March 31, 2021	March 31, 2020
Deferred Tax Liabilities		
On difference between book balance and tax balance of fixed assets	(1,367,470)	(118,690)
Deferred Tax Asset		
On difference between book balance and tax balance of fixed assets	-	-
Others *	11,854,710	8,310,930
Net Deferred Tax Liability / (Asset)	10,487,240	8,192,240

* Others includes Provision for advances ,Gratuity Provisions etc

Note - 11
PROPERTY PLANT AND EQUIPMENTS

Particulars	Land	Building	Computers	Electrical Fittings	Furniture and Fittings	Motor Vehicle	Total
Cost:							
As at April 1, 2020	50,390,335	61,772,937	10,741,085	14,699,299	35,116,574	933,998	173,654,227
Additions	16,205,700	14,250	830,130	624,948	1,824,216	-	19,499,244
Disposals	-	-	79,850	59,231	-	-	139,081
As at March 31, 2021	66,596,035	61,787,187	11,491,365	15,265,016	36,940,790	933,998	193,014,390
Depreciation and impairment:							
As at April 1, 2020	-	2,525,350	8,259,726	7,818,525	19,676,047	259,974	38,539,621
Additions	-	958,028	1,205,266	1,011,452	2,257,566	104,683	5,536,995
Disposals	-	-	75,858	33,887	-	-	109,745
As at March 31, 2021	-	3,483,378	9,389,133	8,796,090	21,933,612	364,658	43,966,871
Net book value:							
As at April 1, 2020	50,390,335	59,247,587	2,481,360	6,880,774	15,440,527	674,024	135,114,606
As at March 31, 2021	66,596,035	58,303,809	2,102,232	6,468,925	15,007,177	569,340	149,047,519

Intangible Assets		
Particulars	Licence Fee	Total
Cost:		
As at April 1, 2020	4,056,828	4,056,828
Additions 2,200,000	2,200,000	
Disposals		
As at March 31, 2021	6,256,828	6,256,828
Depreciation and impairment:		
As at April 1, 2020	726,583	726,583
Additions 633,537	633,537	
Disposals		
As at March 31, 2021	1,360,120	1,360,120
Net book value:		
As at April 1, 2020	3,330,245	3,330,245
As at March 31, 2021	4,896,708	4,896,708

Capital work- in-progress		
Particulars	Building	Total
Cost:		
As at April 1, 2020	-	-
Additions	547,710	547,710
Disposals	-	-
As at March 31, 2021	547,710	547,710

Note - 14
LOANS AND ADVANCES - FINANCING ACTIVITY

Particulars	March 31, 2021	March 31, 2020
Loans		
(A) Property Loan	1,185,516,177	1,246,017,563
Gold Loan	3,579,549,437	2,638,189,088
Loan On Deposit	126,464,221	121,346,713
Other Loans	2,495,215	1,797,556
Staff Loans	16,401,187	21,926,410
Total - A Gross Amount	4,910,426,237	4,029,277,330
(B) (i) Secured by Securities and Assets	4,894,025,050	4,007,350,920
(ii) Covered by Other Securities	16,401,187	21,926,410
(iii) Unsecured	-	-
Total - B Gross Amount	4,910,426,237	4,029,277,330
(C) Loans in India		
(i) Public Sector		
(ii) Others	4,910,426,237	4,029,277,330
Total - C Gross Amount	4,910,426,237	4,029,277,330
Total	4,894,025,050	4,007,350,920

* Loans and Advances due by firms or private companies in which any director is a partner or a director or a member is Nil

Note - 14.1
LOANS AND ADVANCES - FINANCING ACTIVITY MATURITY WISE

Particulars	Non Current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Loans				
(A) Property Loan	1,185,516,177	1,246,017,563	-	-
Gold Loan	-	-	3,579,549,436.50	2,638,189,088
Loan On Deposit	-	-	126,464,221.00	121,346,713
Other Loans	-	-	2,495,215.00	1,797,556
Staff Loans	-	-	16,401,187.00	21,926,410
Total (A) - Gross	1,185,516,177	1,246,017,563	3,724,910,060	2,783,259,767
(B) (i) Secured by Securities and Assets	1,185,516,177	1,246,017,563	3,708,508,873	2,761,333,357
(ii) Covered by Other Securities	-	-	16,401,187	21,926,410
(ii) Unsecured	-	-	-	-
Total (B) - Gross	1,185,516,177	1,246,017,563	3,724,910,060	2,783,259,767
(C) Loans in India				
(i) Public Sector	-	-	-	-
(ii) Others	1,185,516,177	1,246,017,563	3,724,910,060	2,783,259,767
Total (C) - Gross	1,185,516,177	1,246,017,563	3,724,910,060	2,783,259,767
Total	1,185,516,177	1,246,017,563	3,724,910,060	2,783,259,767

Note - 15
Long Term Loans And Advances

Particulars	March 31, 2021	March 31, 2020
(a) Security Deposits		
Unsecured, considered good	11,455,710	10,828,611
FDs With Bank with maturity of more than 1 year	513,500,000	222,000,000
(b) Balances with Government authorities		
Income Tax receivables	6,279,196	788,037
Total	531,234,906	233,616,648

Note - 16
Cash and Bank Balances

Particulars	March 31, 2021	March 31, 2020
Cash and Cash Equivalents		
(a) Cash in hand	37,873,411	27,866,004
(b) Balance with banks		
(i) In Current Accounts	42,085,914	37,191,833
(ii) Cheques, drafts on hands	-	-
	79,959,324	65,057,837
Other Bank Balances		
(i) In Deposit Accounts	783,000,000	470,000,000
Less: Original Maturity more than one year	(513,500,000)	(222,000,000)
	269,500,000	248,000,000
Unpaid Dividend Accounts	308,178	450,550
Total	349,767,502	313,508,387

Note - 17
Short Term Loans and Advances

Particulars	March 31, 2021	March 31, 2020
(a) Loans & Advances to Related Parties		
(b) Balances with Government authorities		
Unsecured, considered good		
TDS & Advance Tax	20,232,007	16,327,160
GST Receivable	3,817,620	2,865,249
(c) Others (Unsecured, considered good)		
Loans and advances to employees	769,607	662,340
Others (Prepaid Expenses, and other advances etc)	3,692,661	1,328,417
Total	28,511,895	21,183,165

Advances recoverable in cash or in kind or for value to be received

Note - 18
Other Current Assets

Particulars	March 31, 2021	March 31, 2020
(a) Accruals		
Interest accrued on deposits/Securities/ Advances	32,529,796	31,202,696
(b) Others		
Stamp in Stock	39,980	105,419
Commission Receivables	329,208	261,200
Other Advances	61,476	37,655
Total	32,960,459	31,606,970

Note - 19
Revenue From Operations

Particulars	March 31, 2021	March 31, 2020
Interest Received	684,481,970	552,644,409
Commission Received	650,779	424,564
Total	685,132,749	553,068,973

Note - 20
Other Income

Particulars	March 31, 2021	March 31, 2020
(a) Interest Income		
Interest received from Deposits	53,214,117	35,939,439
(b) Other non-operating income (net of expenses directly attributable to such income)		
Net Gain on Sale of Investment	1,522,144	122,299
Processing Fees Recovered	223,191	455,400
Profit on disposal of Fixed Assets	6,833	87,665
Bad trade and other receivables recovered	75,818	264,341
Other Miscellaneous Income	158,275	27,387
Reversal of diminution in value of investment	8,000	467,811
Total	55,208,378	37,364,342

Note - 21
Employee Benefit Expenses

Particulars	March 31, 2021	March 31, 2020
Salaries & Wages	75,346,390	67,868,178
Contributions to provident and other funds	7,873,526	6,706,473
Staff welfare expenses	7,009,585	4,557,761
Total	90,229,501	79,132,412

Note - 22
Finance Cost

Particulars	March 31, 2021	March 31, 2020
(a) Interest expense on :		
(i) Borrowings		
Interest on Deposits	476,732,510	361,288,437
Interest & Bank Charges	142,459	121,699
Interest on Income Tax	-	118,719
Total	476,874,969	361,528,855

Note - 23
Depreciation And Amortisation Expenses

Particulars	March 31, 2021	March 31, 2020
Depreciation	5,536,995	5,071,806
Amortization	633,537	400,735
Total	6,170,532	5,472,541

Note - 24
Other Expenses

Particulars	March 31, 2021	March 31, 2020
Advertisement	98,648	279,374
Audit Fees	657,000	629,000
Board / AGM / Committee Meeting Expense	335,725	272,924
Business Promotion Expense	1,136,259	1,289,063
Collection charges paid to SSD	905,205	1,194,976
Consultation & Professional Charges	1,000,700	145,800
Diminution in value of investment	-	8,000
Donation	911,000	112,001
Electricity Charges	1,537,540	1,465,310
Filing fees	90,024	41,500
Fuel Charges	205,835	112,375
GST Paid	1,081,001	1,052,644
Insurances	1,215,655	1,043,539
Legal Charges	3,920,561	4,298,460
Loss on Disposal of Fixed Assets	18,119	7,290
Loss On Insurance Claims	-	248,687
Managers/Regional Conference Expense	18,129	82,281
Miscellaneous Expense	2,988,666	2,949,000
News Paper	183,047	163,960
Office Expense	382,561	463,741
Postages, Stamps, Telephone & Internet	3,378,553	3,403,894
Printing & Stationery	1,711,548	1,990,306

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Particulars	March 31, 2021	March 31, 2020
Rates & Taxes	237,421	273,356
Reimbursement of Out of Pocket expense	3,502,150	4,132,280
Rent Paid	13,407,108	12,659,290
Repairs & Maintenance	937,398	800,010
Repairs to vehicle	29,119	9,878
Sitting Fees	280,000	248,000
Software Maintenance Charges	4,742,328	4,067,398
Staff Meeting Expense	29,708	777,460
Training Expense	-	42,672
Travelling Expense	2,455,694	3,113,005
Water charges	119,485	169,140
Provisions and Written offs	77,933,350	58,375,204
Total	125,449,537	105,921,819

a. Payment to the auditors comprises :

Particulars	March 31, 2021	March 31, 2020
As auditors - statutory audit	200,000	180,000
Branch Audit Fee	457,000	449,000
Total	657,000	629,000

b. Provisions and Written Offs

Particulars	March 31, 2021	March 31, 2020
Provision for Bad & Doubtful debts	10,000,000	7,500,000
Bad Debts	67,933,350	50,875,204
Total	77,933,350	58,375,204

Note - 25
Earnings Per Share (Basic & Diluted)

The company reports basic and diluted Earnings per Share in accordance with AS 20. Basic Earnings per equity share have been computed by dividing net profit after tax by the weighted average number of equity shares outstanding at the end of the year. Diluted Earnings per share have been computed using the weighted average number of equity shares and potential equity shares outstanding at the end of the year.

Particulars	March 31, 2021	March 31, 2020
Profit after tax	31,501,588	27,865,698
Weighted average number of shares	27,134,396	21,175,022
Nominal value of shares (Rs.)	10	10
Basic and diluted earnings per share (Rs.)	1.16	1.32

Note - 26
Related party disclosures

Names of Related Parties

(A) Holding Company / Subsidiary Company	NIL
(B) Key Management Personnel	Designation
K Muraleedharan	Managing Director
M Muraleedharan	Whole Time Direct
Jayalakshmi P.	Chief Financial Officer
Sandhya Gopi	Company Secretary
(C) Entities in which KMP / Relatives of KMP can exercise significant influence	Relation
KPB Digital Services Pvt. Ltd.	
(D) Relatives of Key Management Personnel	Relation
Sobhakumari	Spouse of MD
Siddesh M	Son of WTD
Padmavathi Amma	Parent of CFO
Valsala Gopi	Parent of CS

The following transactions were carried out with the related parties in the ordinary course of business:

Particulars	KMP		Relatives of KMP	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Remuneration and Allowance	2,097,968	2,484,031	-	-
Expenses Reimbursed	82,240	74,380	-	-
Interest paid on Deposits	19,589	26,629	409,161	196,385
Fixed Deposit Accepted	1,200,000	240,000	5,665,000	2,210,000
Fixed Deposit Repaid	240,000	-	2,150,000	60,000
Other Deposit Accepted	216,739	173,602	1,377,316	200,687
Other Deposit Repaid	46,901	208,319	30,263	-

Particulars	Holding Company		Entities in which KMP / Relatives of KMP can exercise significant influence	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Service Rendered / Capital Asset Acquired	-	-	2,200,000	-

Balance outstanding as at the year end: Asset / (Liability)

Particulars	KMP		Relatives of KMP	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Deposit Outstanding	1,544,303	414,465	7,289,799	2,427,746
Interest Payable	4,998	1118	25,262	11,642

Note - 27
Transaction with Non Executive Director

Name of Non-Executive Director	Particulars	March 31, 2021	March 31, 2020
M.S Padmanabhan Nair	Sitting fee	-	27,000
Jayaprakash Valiathan	Sitting fee	52,000	49,000
M.A Vasudevan Namboodiri	Sitting fee	57,000	32,000
Vishnu Prasad B Menon	Sitting fee	37,000	26,000
K.K.Balaram	Sitting fee	-	3,000
Vinu Krishnan	Sitting fee	29,000	26,000
A R Mohanan	Sitting fee	30,000	25,000
P Viswaroopan	Sitting fee	30,000	25,000
P Rajkumar	Sitting fee	-	5,000
G. Rajan Nair	Sitting fee	-	15,000
P. Rajesh	Sitting fee	30,000	15,000
C.P. Mohanachandran	Sitting fee	15,000	-
Vishnu Prasad B Menon	Interest Paid	24,544	13,710
A R Mohanan	Interest Paid	258,212	160,630
Jayaprakash Valiathan	Interest Paid	72,100	45,019
Mohanachandran C P	Interest Paid	18,062	-
P. Rajesh	Interest Paid	27,053	8,748
P Viswaroopan	Interest Paid	858,171	680,109
M.A Vasudevan Namboodiri	Interest Paid	11,179	1,978
G. Rajan Nair	Interest Paid	297	702
Total		1,549,618	1,158,896

The above information has been determined to the extent such parties have been identified on the basis of information provided by the Company, which has been relied upon by the Auditors.

Note - 28
Contingent liabilities and capital commitments

Particulars	March 31, 2021	March 31, 2020
Contingent Liabilities: -		
Claim not acknowledged as debt by the company	-	-
In respect of tax demands where the Company has filed appeal before various authorities	-	-

Future cash outflow in respect of above is determinable only on receipt of judgments /decision pending with various forums/ authorities. The Company is of the opinion that the above demands are not tenable and expects to succeed in its appeals/defense. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations

Note - 29
Gold Loan Portfolio

Particulars	March 31, 2021	March 31, 2020
Total Gold loan portfolio	3,579,549,437	2,638,189,088
Total Assets	6,021,163,285	4,778,821,491
Gold loan portfolio as a percentage of total assets	59%	55%

Note - 30**Draw Down from Reserves**

No reserves have been drawn down during the financial year 2020-21 & 2019-20

Note - 31**Value of imports calculated on CIF Balance**

The company has not imported any goods therefore value of import on CIF basis is Nil during the year 2020-21. (2019-20 – Nil)

Note - 32**Expenditure in Foreign Currency**

The company does not have any expenditure in Foreign Currency during the year 2020-21. (2019-20 – Nil)

Note - 33**Earning in Foreign Currency**

The company does not have any earnings in Foreign Currency during the year 2020-21. (2019-20 – Nil)

Note - 34

Bank Balance include fixed deposit in scheduled commercial banks, deposited in compliance of the provisions of Clause I (g) of Notification NO GSR555(E) dated 26.07.2001 issued by the Department of Corporate Affairs, Govt of India

In terms of notification no.GSR 555(E) dated 26.07.2001 read with amendment made vide GSR No.202(E) dated 31st March 2006, the company has to make provisions in respect of Non performing Loans (NPA) outstanding as on 31.03.2002 in phased manner and whatever unprovided balance remains outstanding as on 31-07-2007 has to be completely provided by 31.03.2015. All the NPAs have been written off prudentially.

As a prudent measure, the company has written off an amount of Rs. 7,79,33,350 relating to Gold Loans and Property Loans

Note - 35**Miscellaneous**

The company has a single reportable segment i.e. financing which has similar risk & return for the purpose of AS-17 on 'Segment Reporting' notified under the Companies (Accounting Standard) Rules, 2006 as amended. The company operates in a single geographical segment i.e. domestic.

No penalties were imposed by the regulator during the year during the financial year ended March 31, 2021, (March 31, 2020: Nil)

Previous year's figures have been regrouped/rearranged, wherever necessary to conform to current year's classifications/disclosure.

In terms of our report attached**Damodaran P. Namboodiri FCA**

Chartered Accountant
Membership No. 221178

Vinay N. Pisharady FCA

Chartered Accountant
Membership No. 233743

Aluva
27.08.2021

A.R. Mohanan

Chairman
DIN 06817818

Jayalakshmi P
Chief Financial Officer

For and on behalf of the Board of Directors**K. Muraleedharan**

Managing Director
DIN 08041126

Muraleedharan M

Whole time Director
DIN 08607833

Sandhya Gopi

Company Secretary



KPB Nidhi Ltd.

Approved by Govt. of India • ESTD 1989 • CIN: U65991KL1989PLC005448

Registered Office: KPB Mandir, Sangeetha Sabha Road, Aluva - 683 101, Kerala
Phone: 0484-2922000, 2922060, Email: headoffice@kpbnidhi.com, Website: www.kpbnidhi.com

BALLOT PAPER

(Pursuant to MCA Circular No. 14/2020 dated 08th April 2020)

Name of the Company : M/s. KPB NIDHI LIMITED				
Registered Office : KPB MANDIR, SANGEETHA SABHA ROAD, ALUVA - 683 101				
CIN : U65991KL1989PLC005448				
SI. No.	PARTICULARS	DETAILS		
1.	Name of the First Named Shareholder (in Block Letters)			
2.	Postal Address			
3.	Registered Folio Number			
4.	Class of Shares	Equity		
I hereby exercise my vote in respect of Ordinary Resolutions enumerated below by recording my assent or dissent to the said resolutions in the following manner:				
No.	Item	No. of Shares held by me	I assent to the resolution	I dissent to the resolution
1	To adopt Financial Statements of the Company including Report of the Board of Directors and Auditors for the FY: 2020-2021			
2.	To re-appoint Shri. Vishnu Prasad Balakrishna Menon (DIN: 03500806) as Director			
3.	To re-appoint Shri. Rajesh Padmanabhan (DIN: 06651893) as Director			
4.	To Appoint M/s. Sajeew and Ajith, Chartered Accountants as Statutory Auditors.			
5.	To declare Dividend @ 5% for the FY: 2020-2021.			
6.	Appointment of Shri. Mohanachandran Chempakamangalathu Purushothamannampoothiri (DIN: 08958325) as an Independent Director			
7.	Re-appointment of Shri. Kuttappan Nair Muraleedharan (DIN: 08041126) as Managing Director			
8.	Appointment of Shri. Hareesh Mekanakkil Ramachandran (DIN: 09249975) as Director			
9.	To Authorise Board of Directors to appoint Branch Auditors and to fix their remuneration			

Place :

Date :

Signature of Shareholder

BRANCH SHIFTING

VADANAPPALLY



CHERAI



THALASSERY



TIRUR



PEB Menon Sir, our mentor hands over the keys of an Ambulance, The most wanted utility in present Covid Environment to Seva Bharathy Aluva Unit.



BHOOMIPOOJA OF OUR NEW PREMISES





Extending a helping hand through Sevabharathi



KPB Nidhi Ltd.

HO:KPB Mandir,Sangeetha Sabha Road, Aluva-683101, Phone:0484-2922000
Email: headoffice@kpbnidhi.com www.kpbnidhi.com CIN:U65991KL1989PLC005448