



KPB Nidhi Ltd.

HO:KPB Mandir,Sangeetha Sabha Road,Aluva-683101,PH:0484 2922000

Email: headoffice@kpbnidhi.com,www.kpbnidhi.com,CIN:U65991KL1989PLC005448

33rd

Annual Report 2021-2022



ANNUAL GENERAL MEETING 2020-2021





न कर्मणामनारंभा-
न्नैष्कर्म्यं पुरुषोऽश्नुते ।
न च सन्न्यसनादेव
सिद्धिं समधिगच्छति ॥

True freedom from the bonds of karma can only be achieved by performing it. This means to involve yourself in appropriate karma which is doing what is needed fully and solely. Nothing in this world can be achieved without karma, and abstaining from it achieves nothing.

(Bhagavath Gita)

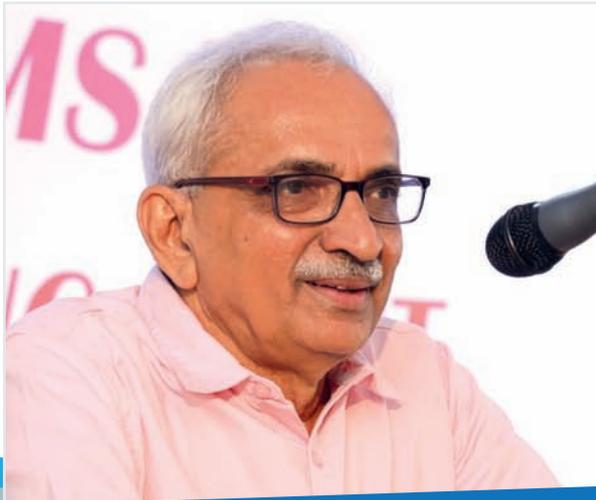


Corporate prayer

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

ANNUAL GENERAL MEETING 2020-2021





Message from Chairman

“ Our highly disciplined and focused team has collectively directed our energies on the controllable, ensured we gain reasonable market share and enhanced stakeholder value by using our resources optimally. ”

Dear Shareholders

A Warm greeting to all our stake holders.

I am happy to present before you the 33rd annual report of KPB Nidhi.

As you know, our economy is showing sprout of improvement after two years' of challenges which are universal and wide spread. These challenges are not unique to any one institution. Our highly disciplined and focused team has collectively directed our energies on the controllable, ensured we gain reasonable market share and enhanced stakeholder value by using our resources optimally.

Let me thank our Board for their exceptional support, guidance, and advice all along the way. I am delighted to say that KPB Nidhi Board is enriched with the services of reputed Chartered Accountants, eminent Bankers, dedicated Social Workers, lawyers, Technocrats, Businessmen and other senior level professionals in various fields. Their governance standards are exemplary and so is the constant encouragement to do the best for all our stakeholders, always. I specially acknowledge the excellent support received from all stake holders -Shareholders, employees and customers.

The current top tier of senior leadership is a seasoned and vibrant team of retired Bank Executives and Executives from NBFCs who will continue the pursuit for excellence under the able guidance of our Managing Director.

I take this opportunity to thank you all.

With regards

A.R. Mohanan
(Chairman)



Message from Managing Director

Dear Shareholders,
Greetings!

I am extremely delighted to write to you as the MD of KPB Nidhi Ltd., a Company that has been consistently pulling its weight even in grueling environment.

Globally, FY22 was a year with challenges. While heading into FY23, both global and Indian economy faces the risks of stagflation, geopolitical tensions and inflation. Despite the arduous macro environment, the spirit of Team KPB was not dampened and your Company continued the sprint to win the ultimate marathon. I consider it a privilege to share our plans for the year ahead.

With innovative products coupled with aggressive marketing, we expect to build up a healthy Gold Loan portfolio, which would augment our bottom line. Aggressive marketing strategies are being implemented at various centers as a way for brand building and also to identify new sources. KPB Nidhi has increased dominance in its niche portfolio Gold Loan and continues to increase prominence, thereby shaping our plans for future growth quite well. While the core principles of ethics and excellence have been time tested and relevant, the heightened aspirations necessitate infusing more vigour to our actions.

On behalf of the Company, I thank all the stakeholders for standing by us in the most challenging times. We are grateful to the customers for trusting us. I am thankful to our staff who truly deserves appreciation for rallying and remaining committed towards ensuring seamless services to customers.

Stay safe and thank You.

M. Muralidharan

“ With innovative products coupled with aggressive marketing, we expect to build up a healthy Gold Loan Portfolio, which would augment our bottom line. ”

COMPANY INFORMATION

BOARD OF DIRECTORS



Sri. A.R. Mohanan
Chairman
(Social Activist & Ex Bank Official)



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



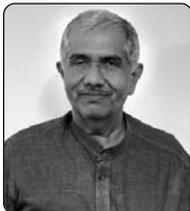
Sri. P. Rajesh
(Chartered Accountant Kottayam)



Sri. Jayaprakash Valiathan
(Retd. Marine Engineer Mavelikkara)



Sri. Hareesh M.R.
(Advocate, Kannur)



Sri. Mohanachandran C.P.
(Social Services & Ex Bank Official)



Sri. Viswaroopan P.
(Director, Janam TV)

ADDITIONAL DIRECTORS



Sri. P. Mohandas
(Chartered Accountant
Aluva)



Sri. Swaminathan P.
(Social & Cultural Services)



Smt. Rajimol P.R.
(Chartered Accountant
Kolenchery)

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

M/s. Sajeev & Ajith
Chartered Accountants
2nd Floor, Manakkattu Building
Changampuzha Nagar P.O.
South Kalamassery
Kochi - 682 033

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. Mohandas Parayath - Chairman
Smt. Rajimol P.R. - Member
Sri. C.P. Mohanachandran - Member

NOMINATION & REMUNERATION COMMITTEE

Sri Jayaprakash Valiathan - Chairman
Sri. C.P. Mohanachandran - Member
Sri. Rajesh Padmanabhan - Member
Sri. Mohandas Parayath - Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Sri. Hareesh M.R. - Chairman
Sri. A.R. Mohanan - Member
Sri. Swaminathan P. - Member

CREDIT COMMITTEE

Sri. Rajesh P. - Chairman
Sri. Hareesh M.R. - Member
Sri. Swaminathan P. - 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. Renjini Manojkumar (Senior Manager, HR) - Member
Smt. Sudha Mahendran (Senior Manager) - Member
Sri. C.K. Shaju (Head Shares Dept) - Member
Adv. Maheswari - Member from NGO/Associations

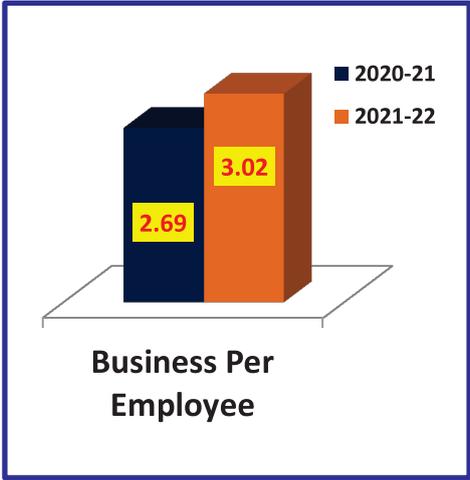
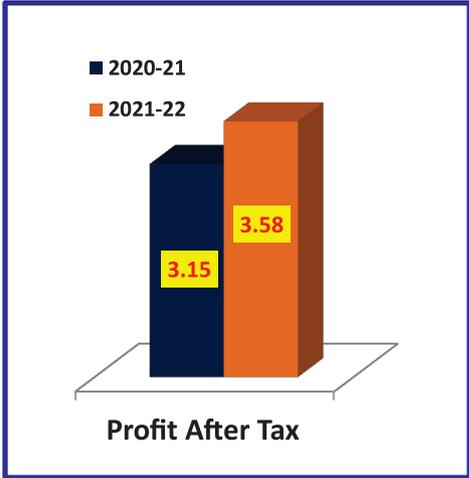
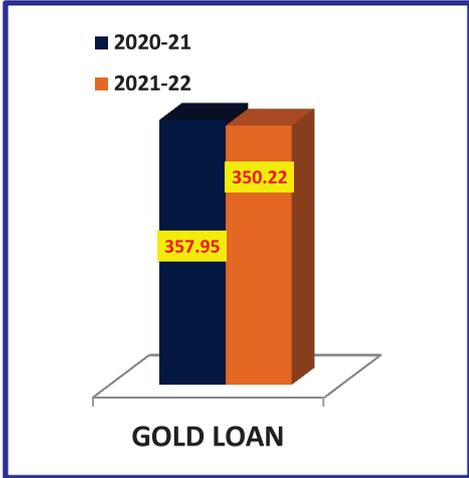
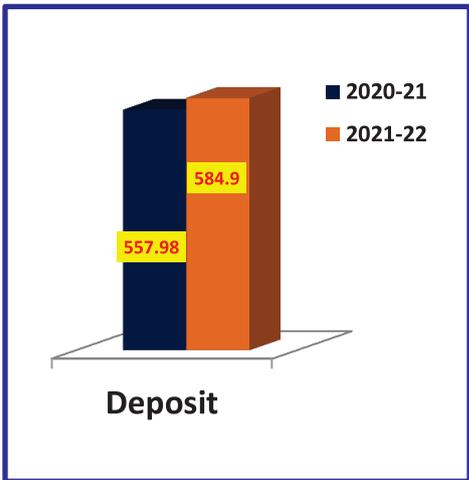
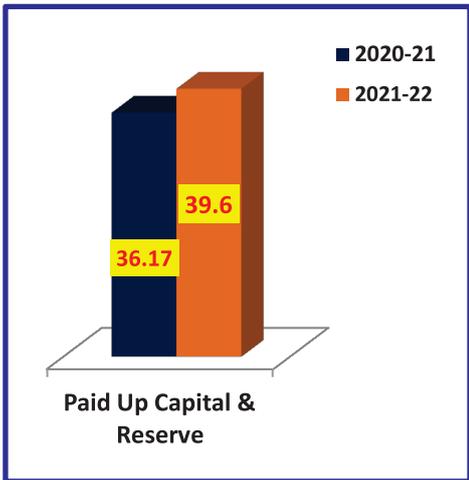
LIST OF BRANCHES

Name & Address	Phone No.
1. Adimaly: 1st Floor, Kannattu Building, Near Govt. Hospital, Kallarkutty Road	0486-4217497
2. Adoor: Chittundayil Tower, Near Federal Bank, Adoor-691523	04734-220202
3. Alathur: Ground Floor, AR 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, Athani Signal Point	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: 1st 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: MG Square, First Floor, Devaswom Nada	0484-2416367
16. Cherpu: 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: 66/3294, Ground Floor, Near 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: 1st 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, Kilikolloor	0474-2731034
34. Kollam 2nd: 1st Floor, Rajamandiram, Ammachiveedu, Kollam	0474-2792555
35. Kothamangalam: Acheril Building, First Floor, Near Muncipal Office	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

Name & Address	Phone No.
41. Kunnamangalam: 1st Floor, Achoos Building, Near Bus Stand	0495-2800716
42. Kunnamkulam: 1st Floor, Chorus shopping Complex, Guruvayur Rd	0488-5210830
43. Kuruppampady: 1st Floor, Palakkapilly Building, A.M.Road	0484-2591699
44. Manjeri: Court Gate, Priya Buildings, Manjeri	0483-2762409
45. Mannar: 1st Floor, Thiruvonam Building, Near Store Junction, Kurattissery	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: 1st 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: 1st Floor NAZ Plaza, Ayiloor Road	04923-242243
52. North Parur: Devadas Arcade, 1st Floor, Opp. Taluk Head Quarters Hospital	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, Payyappilly Building, Aluva Paravur Road	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: Darshanam Chambers, Velappas Jewellery Complex	0484-2520009
65. Piravom: Ground Floor, Karaikkattu Building, Near PO Junction	0485-2242575
66. Pukkattupady: Kalathil Building, Bypass 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 Bypass 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: 2nd 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 Prakayath Garage	0499-8241245
79. Vadanappilly: 1st Floor, Hayath Shopping Complex, Near Post Office	0487-2606774
80. Valanchery: 1 st Floor, Room No. UI376/1, Volga Complex, Pattambi Road	0494-2642266
81. Vazhakulam: Kottuppilly Building, Kalloorkadu Junction, Vazhakulam	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

(Rs. in Crores)

PERFORMANCE AT A GLANCE



PERFORMANCE AT A GLANCE

(Rs. in Lakhs)

		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
1	Paid up capital and Reserves	854.07	1,245.29	1,600.87	2,005.14	2,881.51	3,617.25	3,960.67
2	Deposit	16,175.53	20,613.23	26,523.03	33,923.02	44,268.57	55,798.47	58,490.70
3	Advance	12,276.66	17,293.67	22,961.81	30,044.95	40,292.77	49,104.26	46,719.77
4	Profit Before Tax	(63.59)	63.73	151.32	256.77	383.78	416.17	523.63
5	Profit After Tax	(56.19)	136.17	100.08	187.84	278.66	315.02	358.43
6	Net Owned Fund	854.07	1,245.29	1,600.87	2,005.14	2,881.51	3,617.25	3,960.67
7	No. of Branches	65	69	72	77	81	83	83
8	No. of Staff	288	309	335	352	384	389	348
9	Business per Employee	98.79	122.68	147.72	181.73	220.21	269.67	302.33

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NOTICE OF 33RD ANNUAL GENERAL MEETING (e-AGM)

Notice is hereby given that 33rd Annual General Meeting of the Members of **M/s KPB Nidhi Limited** will be held **through Video Conferencing on Wednesday, the 28th day of September 2022 at 11:00 a.m.** in accordance with the applicable provisions of the Companies Act, 2013 read with MCA General Circular No. 02/2022, 02/2021, 20/2020, 14/2020 and 17/2020 dated 05th May, 2022, 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 2022 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 2022 along with the Auditors’ Report and the Directors’ Report thereon for the financial year ended 31st March 2022, be and are hereby taken as read, approved and adopted by the members.”

2. To appoint a Director in the place of Sri. Mohanan Ragavawarrier (DIN: 06817818), 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 Sri. Mohanan Ragavawarrier (DIN: 06817818), 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 Sri. Viswaroopan Peedikaparambil (DIN: 00256061), 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 Sri. Viswaroopan Peedikaparambil (DIN: 00256061), 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 declare Dividend @ 7% on Equity Share Capital for the year ended 31st March, 2022. 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 @ 7% on equity shares of Rs. 10 each fully paid up for the year ended March 31, 2022 to the eligible members of the Company.”

Special Business (es):

5. **Appointment of Sri. Mohandas Parayath (DIN: 07377644) 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, Sri. Mohandas Parayath (DIN: 07377644), who was appointed as Additional Director on 11.07.2022 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 Sri. Mohandas Parayath'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 28.09.2022."

"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."

6. **Appointment of Smt. Rajimol P.R (DIN: 09695805) 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, Smt. Rajimol P.R (DIN: 09695805), who was appointed as Additional Director, Non- Executive and Independent in the Board meeting held on 24.08.2022 and who has submitted a declaration that she 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 Smt. Rajimol P.R'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 24.08.2022."

"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. **Appointment of Sri. Muraleedharan (DIN: 08607833) 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, 198, 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 appointment of Sri. Muraleedharan (DIN: 08607833) as Managing Director ('MD') of the Company for a term commencing from 1st January 2022 till 22nd October 2024, upon the terms and conditions of appointment including payment of remuneration as follows:

- (i) Salary 65,000/- pm.
- (ii) Reimbursement of monthly charges for phone bill.
- (iii) Allowances for travel/on duty/leave as applicable to GM cadre as actual as applicable.
- (iv) Variable pay to be paid as decided by the Board.
- (v) All other terms and conditions of his employment be decided by the Board from time to time.

"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 Sri. Pazhanikutty Swaminathan (DIN: 0009704625) 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, Sri. Pazhanikutty Swaminathan (DIN: 0009704625), who was appointed as an Additional Director of the Company by the Board of Directors on 24.08.2022 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. Pazhanikutty Swaminathan 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, 2023 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 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**

Sd/-

Muraleedharan
Managing Director
(DIN: 08607833)

Place: Aluva
Date: 24th August, 2022

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 05th May 2022, read with circulars dated 13th January, 2021, 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, 2022 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 30th August 2022 in the principal vernacular language in “Janmabhumi” newspaper and in English language in “The New Indian Express’ both having 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 06.09.2022. 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.
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 16.09.2022. 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 follow 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.
 - The facility for joining the Meeting shall be kept open 15 minutes before the time scheduled to start the meeting i.e. 10:45 am and 15 minutes after the expiry of the said scheduled time i.e. till 11:15 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** at it@kpbnidhi.com or **call** at **6235000227** in case of any technical assistance required at the time of log in/ accessing/ 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 33rd Annual General Meeting i.e., 28th September 2022. The members seeking to inspect such documents can send an e-mail to companysecretary@kpbnidhi.com
13. The dividend for the financial year 2021-2022, 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., Friday, 16th September, 2022. The members are requested to provide their bank account details for receiving the credit of the Dividend amount (if Dividend is approved at the 33rd Annual General Meeting) by e-mailing to shares@kpbnidhi.com.
14. As 33rd 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., 5,6,7,8 and 9 of the accompanying notice dated 24th August 2022.

In respect of item No. 5

Sri. Mohandas Parayath (DIN: 07377644) aged 72 was appointed as the Additional Director of the Company on 11.07.2022. Pursuant to section 149 of the Companies Act, 2013 and on the recommendation of Nomination and Remuneration Committee, the Board of Directors approved to recommend to the shareholders in the ensuing Annual General Meeting, the appointment of Sri. Mohandas Parayath as Independent Director with effect from the date of 33rd Annual General Meeting. Sri. Mohandas Parayath (DIN: 07377644) along with his relatives holds in aggregate 48,288 equity shares of Rs 10 each/-amounting to Rs. 4,82,880/-.

The Company has also received requisite notice in writing under section 160 of the Act from a member proposing the candidature of Sri. Mohandas Parayath to be appointed as Director at the ensuing Annual General Meeting.

Sri. Mohandas Parayath (DIN: 07377644) 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 Sri. Mohandas Parayath (DIN: 07377644) 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 Mohandas Parayath (DIN: 07377644) is as follows:

Educational Qualification:

Professional- Chartered Accountant (FCA), practicing since 1981.

B.Sc., Graduated from Union Christian College, Aluva

Experience:

➤ Professional:

- Senior Partner of M/s Balan & Co, Chartered Accountants, Aluva.
- Worked as Special Grade Officer in Inspection & Vigilance department at Head Office in Union Bank of India.

- Advisor to some reputed NBFCs and Nidhi Companies in Kerala.
- **Social:**
 - Founder Secretary of Bala Samskara Kendram, Aluva.
 - Trust member of International Sreekrishna Kendram, Ernakulam.
 - Trust member of Mookambika College of Pharmacy & Engineering, Muvattupuzha.
- **Other Directorships:**
 - Director – KPB Chits Ltd.
 - Director – Attukal Devi Hospital & Research Centre, Trivandrum.

Sri. Mohandas Parayath (DIN: 07377644) 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 and (iii) declaration (Fit and Proper) under rule 3B of Nidhi Rules, 2014.

Sri. Mohandas Parayath (DIN: 07377644) has not attended the meetings of the Board and committees during the financial year 2021-2022 as his appointment as Additional Director was on 11.07.2022.

After taking into consideration the recommendation of the Nomination & Remuneration Committee, the Board is of the opinion that Sri. Mohandas Parayath's experience as Chartered Accountant and his knowledge and experience in inspection and vigilance will be of great value to the Company.

A copy of the draft letter for the appointment of Sri. Mohandas Parayath (DIN: 07377644) as Independent Director setting out the terms & conditions would be available for inspection without any fee by the members on the Company's website at www.kpbnidhi.com.

Except Sri. Mohandas Parayath (DIN: 07377644) being the appointee and his relatives, 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. 5 of the Notice.

The Board of Directors recommends the resolution in relation to appointment of Sri. Mohandas Parayath (DIN: 07377644) as an Independent Director of the Company, not liable to retire by rotation, for a period of five consecutive years w.e.f. 28.09.2022 as set out in item No. 5 for approval of the members by way of an ordinary resolution.

In respect of item No. 6

Smt. Rajimol P.R. (DIN: 09695805) aged 32 was appointed as the Additional Director of the Company at the Board Meeting held on 24.08.2022. Pursuant to section 149 of the Companies Act, 2013 and on the recommendation of Nomination and Remuneration Committee, at the Board Meeting held on 24.08.2022, Smt. Rajimol P.R.'s appointment as Independent Director was recommended for approval of the shareholders in the ensuing Annual General Meeting. Smt. Rajimol P.R. (DIN: 09695805) holds 100 equity shares of Rs 10 each/-amounting to Rs. 1000/-.

The Company has also received requisite notice in writing under section 160 of the Act from a member proposing the candidature of Smt. Rajimol P.R (DIN: 09695805) to be appointed as Director at the ensuing Annual General Meeting.

Smt. Rajimol P.R (DIN: 09695805) 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 Smt. Rajimol P.R (DIN: 09695805) fulfils the conditions specified in the Act and the Rules made there under for her appointment as an Independent Director of the Company and she is independent of the management.

A Brief Profile of Smt. Rajimol P.R (DIN: 09695805) is as follows:

- **Education:**
 - Chartered Accountant, GPA.

➤ **Experience:**

- Anoopraj & Associates, Partner - Practicing Chartered Accountant (31/08/2016 - Till date)
- Union Bank of India - Statutory Branch Auditor - Statutory Branch Auditors (2020 - Till date)
- Federal Bank Limited - Concurrent Auditors - Concurrent Auditor of Kunjithanni branch (2018-2021)
- Canara Bank - Concurrent Auditors - Concurrent Auditor of Kolenchery Branch (2020-2021)
- Statutory Company Auditors of various corporate entities - (2016 - Till date) (Auditor, Statutory Audit and Tax audit services)

➤ **Other Directorships:**

- Director – Idencharts Private Limited

Smt. Rajimol P.R (DIN: 09695805) has given a declaration to the Board that she 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 she is not disqualified under section 164 of the Companies Act, 2013 and (iii) declaration (Fit and Proper) under rule 3B of Nidhi Rules, 2014.

Smt. Rajimol P.R (DIN: 09695805) has not attended the meetings of the Board and committees during the financial year 2021-2022 as her appointment as Additional Director was on 24.08.2022.

After taking into consideration the recommendation of the Nomination & Remuneration Committee, the Board is of the opinion that Smt. Rajimol P.R's (DIN: 09695805) vast knowledge and varied experience will be of great value to the Company.

A copy of the draft letter for the appointment of Smt. Rajimol P.R (DIN: 09695805) as Independent Director setting out the terms & conditions would be available for inspection without any fee by the members on the Company's website at www.kpbnidhi.com.

Except Smt. Rajimol P.R (DIN: 09695805), 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 of Directors recommends the resolution in relation to appointment of Smt. Rajimol P.R (DIN: 09695805) as an Independent Director of the Company, not liable to retire by rotation, for a period of five consecutive years w.e.f. 24.08.2022 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 in their meeting held on 16.12.2021, on the recommendation of the Nomination and Remuneration Committee, recommended for the approval of members the appointment of Sri. Muraleedharan (DIN: 08607833) aged 63 as Managing Director for a term effective from 01st January 2022 till 24th October 2024.

He holds 15000 equity shares of Rs. 10/- each amounting to Rs. 1,50,000/-.

A Brief Profile of Sri. Muraleedharan (DIN: 08607833) is as follows:

Sri. Muraleedharan (DIN: 08607833) has got 38 years of service in Dhanlaxmi Bank in various positions both inside and outside the state of Kerala and was retired as Deputy General Manager.

➤ **Educational Qualification:**

- B.com, CAIIB

➤ **Experience:**

- Held various positions like Branch Head, Regional Head, Zonal Head in charge of Kerala, Head- Asset Recovery, Head- Inspection and Audit and Head- Regional Credit Committee.

He was appointed as the Whole Time Director of KPB Nidhi Limited w.e.f from 23rd October 2019 in the Annual General Meeting held on 28.09.2020.

The appointment of Sri. Muraleedharan (DIN: 08607833) 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 and has given his consent to act as Managing Director.

The Company has also received requisite notice in writing under section 160 of the Act from a member proposing the candidature of Sri. Muraleedharan (DIN: 08607833) at the ensuing Annual General Meeting.

Sri. Muraleedharan (DIN: 08607833) has attended the meetings of the Board as follows during the financial year 2021-2022.

Board Meetings 22.04.2021, 19.06.2021, 14.07.2021, 27.08.2021, 27.09.2021, 30.09.2021, 30.10.2021, 16.12.2021, 31.12.2021, 25.02.2022 and 31.03.2022.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Sri. Muraleedharan (DIN: 08607833) and his relative, is concerned or interested, financial or otherwise, in the resolution set out at item No.7.

The Board recommends the special business as set out in item no 7 for approval of the shareholders by way of ordinary resolution.

In respect of item No. 8

Sri. Pazhanikutty Swaminathan (DIN: 0009704625), on the recommendation of Nomination and Remuneration Committee was appointed as an Additional Director with effect from 24.08.2022 by the Board in accordance with the Article 64 of the Articles of Association and Section 161(1) of the Companies Act, 2013 ("Act"). He holds 100 equity shares of Rs. 10/- each amounting to Rs. 1,000/-.

As per section 161 of the Act, Sri. Pazhanikutty Swaminathan (DIN: 0009704625) holds office upto the date of the ensuing 33rd 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. Pazhanikutty Swaminathan to be appointed as a Non-Executive -Director at the ensuing Annual General Meeting liable to retire by rotation.

Sri. Pazhanikutty Swaminathan (DIN: 0009704625) 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. He has also given declaration (Fit and Proper) under rule 3B of Nidhi Rules, 2014.

A Brief Profile of Sri. Pazhanikutty Swaminathan (DIN: 0009704625) is as follows:

➤ **Education:**

- B.Sc (Maths), Govt: Victoria College, Palakkad (affiliated to Calicut University)
- PGDM (Marketing), University of Madras

➤ **Experience:**

➤ **Medical Representative Experience**

- 1979-1982, Medical Representative, Citadel Fine Pharmaceuticals, Palakkad.
- 1982-1984, Medical Representative, Standard Pharmaceuticals, Palakkad and Malapuram.
- 1984-1986, Medical Representative, Lederle Pharmaceuticals, Palakkad.

➤ **Product Manager Experience**

- 1986-1989, Product Manager, Tablets India Ltd, Chennai.

- 1989-1992, Product Manager, Astra IDL, Bangalore.

➤ **Gulf Experience**

- 1992-1995, Marketing Manager, FMCG Products, Muscat, Oman.
- 1995-2001, Export Manager, Unipex Dairy Products, Sharjah, U.A.E
- 2001-2020, Managing Director, Avalon Office Equipment, Sharjah, U.A.E

➤ **Other Positions held**

- Treasurer with EKATHA a cultural Organization in Sharjah
- As Vice Chairman in the Director Board of Aryanet Institute of Technology
- Actively involved with social cultural and Service organizations

In the opinion of the Board, Sri. Pazhanikutty Swaminathan (DIN: 0009704625) 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 Sri. Pazhanikutty Swaminathan (DIN: 0009704625) will be in the interest of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee, recommends the appointment of Sri. Pazhanikutty Swaminathan 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 Sri. Pazhanikutty Swaminathan (DIN: 0009704625) is concerned or interested, financial or otherwise, in the resolution set out at item No. 8.

The Board recommends the special business in item no. 8 of the notice for approval of the shareholders by way of ordinary resolution.

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 recommends the special business in item no. 9 of the notice for approval of the shareholders by passing ordinary resolution.

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

Sd/-

Muraleedharan
Managing Director
(DIN: 08607833)

Place: Aluva
Date: 24th August, 2022

DIRECTORS' REPORT

Dear members,

Your Directors have pleasure in presenting the 33rd 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, 2022.

Financial Summary or Highlights

The following table shows the operational results of the Company for the Year 2021-22 as compared to that of the Previous Year.

(Rs. In Lakhs)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Total income	7640.65	7403.41
a. Revenue from operations	6906.89	6851.33
b. Other Income	733.76	552.08
Finance Costs	5189.36	4768.75
Employee Costs	996.73	902.30
Other Expenses	871.60	1254.49
Total Expenses	7057.69	6925.54
Profit before interest, depreciation and tax	582.96	477.87
Intangible Assets written Off	27.10	000.00
Depreciation and Amortization	59.34	61.70
Profit before exceptional Income	496.52	416.17
Profit before tax	496.52	416.17
Deferred Tax	29.09	(22.95)
Current Tax	109.00	124.10
Profit After Tax	358.43	315.02

PERFORMANCE AND PROSPECTS

Globally, FY22 was a year with challenges around supply chain disruptions and steep rise in input costs which impacted almost all sectors and companies. After more than two years of pandemic, the Russian Federation's invasion of Ukraine and its global effects on commodity markets, supply chains, inflation, and financial conditions have steepened the slowdown in global growth.

The effects of the invasion have also caused a further reduction in policy space, which is now much more limited than at the onset of the pandemic. Amid surging commodity prices and supply disruptions, inflation has soared across the world, exacerbating the exceedingly difficult tradeoffs policy makers face between supporting growth and controlling price pressures. Global financial conditions have tightened and borrowing costs have increased, particularly in emerging market and developing economies (EMDEs), reflecting reduced policy accommodation in response to inflationary pressures, elevated uncertainty, and heightened geopolitical risks. In addition, the unwinding of fiscal support measures has continued to weigh on global activity.

Against the backdrop of this significantly more challenging context, the world economy is expected to experience its sharpest deceleration following an initial recovery from global recession in more than 80 years. Global growth is projected to slow from 5.7 percent in 2021 to 2.9 percent in 2022 and average 3 percent in 2023-24.

The Indian economy has naturally been impacted by the global economic situation. Yet, India witnessed a revival in economic activities and its GDP grew by 8.7% due to accelerated vaccinations coupled with sustained fiscal and policy support by the government.

With strong and resilient fundamentals, India is expected to be amongst the fastest growing economies during 2022-23 according to the IMF, with signs of inflation moderating over the course of the year. The Indian economy has fully recovered to the pre-pandemic real GDP level of 2019-20, according to the provisional estimates of GDP released on May 31, 2022. Real GDP growth in FY 2021-22 stands at 8.7%, which is 1.5% higher than the real GDP in FY 2019-20. Export of goods and services together with remittances are expected to keep the current account deficit within sustainable limits. The financial sector is well capitalized and sound. India's foreign exchange reserves, supplemented by net forward assets, provide insurance against global spillovers. While heading into FY23, both global and Indian economy faces the risks of stagflation and geopolitical tensions arising from the Russia-Ukraine war which is visible currently in U.S and U.K. In India too, the inflation levels are at a high but the cautiously optimistic approach followed by Monetary Policy Committee at the beginning of calendar year and the timely thoughtful responses to the evolving economic developments and tectonic shifts are expected to help keep a check at Indian inflation levels.

We, at KPB Nidhi are driven by the vision of becoming the FIRST CHOICE for all Keralites for Gold Loan. We are doing this by providing diverse products and services catering to all the needs of customers, redefining Gold Loan with innovative features and committing to sustainability as a responsible Organization. While the core principles of ethics and excellence have been time tested and relevant, the heightened aspirations necessitate infusing more vigour.

During the financial year 2021-22 your Company has consolidated the position and Gold Loan portfolio has become robust by gradually shedding the overdue Gold loan, a fruit of the pandemic period. Deposit has grown from Rs.557.98 Cr to Rs.584.94Cr during FY ended 31.03.2022. We continue to reduce dependence on property loan with consistent follow up and necessary actions.

RESERVES

The Company has transferred 89.61 Lakhs 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 @ 7% for the Financial Year 2021-22.

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.

The Unpaid/Unclaimed Dividend amount lying in the unclaimed dividend account as on 31st March 2022 w.r.t to the dividend declared on 27.09.2021 for the financial year ended 31.03.2021 is Rs. 4,34,470/-.

During the financial year 2021-2022, the following amounts lying in the unpaid dividend account was transferred to IEPF:

- (i) An amount of Rs. 63,008/ (Rupees Sixty Three Thousand and Eight), the balance in the unclaimed dividend account for a period of seven years with respect to the final dividend declared at the Annual General Meeting held on 27.09.2014 @12% for the financial year 2013-14 was transferred to Investor Education and Protection Fund.

- (ii) An amount of Rs. 96,440/- (Rupees Ninety Six Thousand Four Hundred and Forty), the balance in the unclaimed dividend account for a period of seven years with respect to the final dividend declared at the Annual General Meeting held on 27th September 2013 @ 4% for 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
31/03/2021	27/09/2021	01/11/2028	Within 01/12/2028

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 2021-22, your company has not opened any branches hence, total branch strength is 83 Branches divided among 6 regions. The overall performances of the branches are satisfactory.

Board of Directors & Key Managerial Personnel

The composition of Board of Directors as on 31st March 2022 is as follows:

Sl. No.	Name of Director	Designation
1.	Sri. A.R. Mohanan (DIN: 06817818)	Chairman
2.	Sri. Muraleedharan (DIN: 08607833)	Managing Director
3.	Sri. Jayaprakash Valiathan (DIN: 06470662)	Independent Director
4.	Sri. Viswaroopan Peedikaparambil (DIN: 00256061)	Director
5.	Sri. Rajesh Padmanabhan (DIN: 06651893)	Director
6.	Sri. Mohanachandran Chempakamangalathu Purushothamannampoothiri (DIN: 08958325)	Independent Director
7.	Sri. Vinu Krishnan (DIN: 01743028)	Independent Director
8.	Sri. Hareesh Mekanakkil Ramachandran (DIN: 09249975)	Director

Whole Time Key Managerial Personnels:

- (i) Sri. Muraleedharan, Managing Director - Appointment as Managing Director recommended for approval at the ensuing Annual General Meeting,
- (ii) Mrs. Jayalakshmi P, Chief Financial Officer and
- (iii) Mrs. Sandhya Gopi, Company Secretary

Retirement by Rotation

Among the present Directors of the Company, Sri. Mohanan Ragavawarrier (DIN: 06817818), Director and Sri. Viswaroopan Peedikaparambil (DIN: 00256061), Director retires by rotation at the ensuing Annual General Meeting and being eligible, offer them for re-appointment. The Board recommends their appointment.

Independent Directors:

- (i) Sri. Jayaprakash Valiathan,
 - (ii) Sri. Vinu Krishnan and,
 - (iii) Sri. C.P. Mohanachandran.
- Sri. Jayaprakash Valiathan is exempted from the online proficiency test, as required under Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014. Sri. Jayaprakash Valiathan's second term as Independent Director ends at the ensuing 33rd Annual General Meeting, hence, he will continue as Non-Executive Director for his remaining tenure.
 - Sri. Vinu Krishnan has passed 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. 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.

The Board has considered the declarations given by independent directors meeting the criteria 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 including the Independent Directors.

Retirement and Resignations During the year:

Retirement	Date
Sri. M.A VasudevanNamboodiri (DIN: 05102284)	W.e.f., 01.10.2021
Sri. Kuttappannair Muraleedharan (DIN: 08041126)	W.e.f., 01.01.2022
Resignation	Date
Sri. Vinu Krishnan (DIN: 01743028)	W.e.f., 01.04.2022
Sri. Vishnu Prasad Balakrishna Menon (DIN: 03500806)	W.e.f., 31.03.2022

Recommendations and Regularizations:

- (i) Sri. Muraleedharan's (DIN:08607833), appointment as Managing Director was recommended by the Nomination and Remuneration Committee and approved by the Board in their meeting held on 16.12.2021 for recommendation in the ensuing Annual General Meeting. Hence, Sri. Muraleedharan's appointment to the office of Managing Director for a term commencing from 01.01.2022 till 22.10.2024 is recommended for approval of members in the ensuing Annual General Meeting.
- (ii) Sri. Mohandas Parayath (DIN: 07377644) was appointed as the Additional Director w.e.f 11.07.2022. As he holds office only till the ensuing Annual General Meeting, his candidature for Directorship is recommended by the Nomination and Remuneration Committee and approved by the Board for approval by the members in the ensuing

Annual General Meeting. The appointment of Sri. Mohandas Parayath as Independent Director w.e.f from the date of ensuing 33rd Annual General Meeting for a term of five consecutive years is also recommended for approval by the members considering his experience as Chartered Accountant since 1981 and his expertise in inspection and vigilance.

Sri. Mohandas Parayath (DIN: 07377644) is exempted from the online proficiency test as required under Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

- (iii) Sri. Pazhanikutty Swaminathan (DIN: 0009704625) was appointed as the Additional Director w.e.f 24.08.2022. As he holds office only till the ensuing Annual General Meeting, his candidature for Directorship is recommended by the Nomination and Remuneration Committee and approved by the Board for approval by the members in the ensuing Annual General Meeting.
- (iv) Smt. Rajimol P.R (DIN: 09695805) was appointed as the Additional Director w.e.f 24.08.2022. As she holds office only till the ensuing Annual General Meeting, her candidature for Directorship is recommended by the Nomination and Remuneration Committee and approved by the Board for approval by the members in the ensuing Annual General Meeting. The appointment of Smt. Rajimol P.R as Independent Director w.e.f from 24.08.2022 is also recommended for approval by the members at the ensuing 33rd Annual General Meeting for a term of five consecutive years considering her experience and expertise as Chartered Accountant.

Smt. Rajimol P.R (DIN: 09695805) is exempted from the online proficiency test as required under Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

The appointment of Sri. Hareesh M.R. (DIN: 09249975) as Non- executive, Non- Independent Director was regularized in the Annual General Meeting held on 27.09.2021.

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

Board Meetings

During the Financial Year, 2021-22, Eleven (11) 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.	22.04.2021 (Thursday)	10	8
2.	19.06.2021 (Saturday)	10	5
3.	14.07.2021 (Wednesday)	10	10
4.	27.08.2021 (Friday)	11	10
5.	27.09.2021 (Monday)	11	8
6.	30.09.2021 (Thursday)	11	4
7.	30.10.2021 (Saturday)	10	4
8.	16.12.2021 (Thursday)	10	9
9	31.12.2021 (Friday)	10	5
10.	25.02.2022 (Friday)	9	8
11.	31.03.2022 (Thursday)	9	6

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 2021-22.

Subscribed, issued and paid up capital is Rs. 315,864,120/- (Rupees Thirty One Crores Fifty Eight Lakhs Sixty Four Thousand One Hundred and Twenty Only) divided into 3,15,86,412 (Three Crores Fifteen Lakhs Eighty Six Thousand Four Hundred and Twelve) number of equity shares of Rs.10 each as at the end of the year 2021-22. *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 3.4(Share Capital) - 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 2021-22 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 governance 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

In accordance with the provisions of Section 139 of the Act, M/s Sajeev and Ajith, Chartered Accountants (Firm Registration No 014219S) were appointed as Statutory Auditors in the 32nd Annual General Meeting held on 27.09.2021 for a period of 5 years commencing from the conclusion of 32nd AGM till the conclusion of the 37th AGM of the Company to be held in the financial year 2026.

Cost Auditors & Maintenance of Cost Records

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

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not required by the Company and accordingly such accounts and records are not made and maintained.

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 was re-constituted in compliance with the requirements of Section 177 of the Companies Act, 2013 in the Board Meeting held on 30.10.2021 due to retirement of Sri. M.A Vasudevan Namboodiri, Director w.e.f, 01.10.2021 from the Board of the Company. Hence, the reconstituted committee comprises of the following members as on 31.03.2022

Name	Category	Position
Sri.Vishnu Prasad Balakrishna Menon	Non-executive Director	Chairman
Sri. Jayaprakash Valiathan	Non-executive Independent Director	Member
Sri. C.P. Mohanachandran	Non-executive Independent Director	Member

The Committee was again reconstituted on 30.05.2022 due to resignation of Sri. Vishnu Prasad Balakrishna Menon by inducting Sri. Rajesh Padmanabhan (being Chartered Accountant) in his place. The Committee was reconstituted again on 24.08.2022 and comprises of the following members, forecasting the expiry of the term of Sri. Jayaprakash Valiathan as Independent Director:

Name	Category	Position
Sri. Mohandas Parayath	Non-executive Director	Chairman
Sri. C.P. Mohanachandran	Non-executive Independent Director	Member
Smt. Rajimol P.R.	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.

Five (5) Audit Committee meetings were held during the year 2021-22 at the Registered Office of the Company on 12.04.2021, 27.08.2021, 15.12.2021, 25.02.2022 and 31.03.2022. 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 was re-constituted in compliance with the requirements of Section 178 of the Companies Act, 2013 in the Board Meeting held on 30.10.2021 due to retirement of Sri. M.A Vasudevan Namboodiri, Director w.e.f, 01.10.2021 from the Board of the Company. Hence, the reconstituted committee comprises of the following members as on 31.03.2022:

Name	Category	Position
Sri. Jayaprakash Valiathan	Non-executive Independent Director	Chairman
Sri. Vinu Krishnan	Non-executive Independent Director	Member
Sri. Vishnu Prasad Balakrishna Menon	Non-executive Director	Member

The Committee was again re-constituted on 30.05.2022 due to resignation of Sri. Vinu Krishnan and Sri. Vishnu Prasad Balakrishna Menon by inducting Sri. Rajesh Padmanabhan and Sri. C.P. Mohanachandran in their place. The Committee was again re-constituted on 24.08.2022 as follows, forecasting the expiry of the term of Sri. Jayaprakash Valiathan as Independent Director:

Name	Category	Position
Sri. Jayaprakash Valiathan	Non-executive Independent Director	Chairman
Sri. Rajesh Padmanabhan	Non-executive Director	Member
Sri. Mohanachandran C.P.	Non-executive Independent Director	Member
Sri. Mohandas Parayath	Non-executive 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 three (3) meetings on 14.07.2021, 16.12.2021 and 25.02.2022 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 constituted in compliance with the requirements of Section 178 of the Companies Act, 2013, comprises of the following members as on 31.03.2022:

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 committee was re-constituted on 30.05.2022 with Sri. Viswaroopan Peedikaparambil, as Chairman, Sri. Hareesh MR and Sri. A.R. Mohanan as Members.

The committee was again re-constituted on 24.08.2022 as follows:

Name	Category	Position
Sri. Hareesh M.R.	Non-executive Director	Chairman
Sri. A.R. Mohanan	Non-executive Director	Member
Sri. Pazhanikutty Swaminathan	Non-executive 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 31.03.2022.

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, w.e.f., 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 331 permanent, 5 on probation and 97 contract employees on its rolls as on 31st March, 2022.

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

In compliance with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has Internal Complaints Committee constituted on 22.07.2019. However, for administrative convenience, the committee was reconstituted with the following members:

Committee as on 31.03.2022

Sl. No.	Name	Designation
1	Smt. P Jayalakshmi (GM)	Presiding Officer
2	Smt. Susan Punnoose (AGM, Branch Aluva)	Member
3	Smt. Sudha Mahendran (Sr. Manager)	Member
4	C.K. Shaju (Head Shares Dept)	Member
5	Adv. Maheswari (from NGO/Associations)	Member

The Committee was again re-constituted on 24.08.2022 as follows due to the retirement of Smt. Susan Punnoose who was AGM at Aluva Branch:

Sl. No.	Name	Designation
1	Smt. P Jayalakshmi (GM)	Presiding Officer
2	Smt. Renjini Manojkumar (Sr. Manager/HR)	Member
3	Smt. Sudha Mahendran (Sr. Manager)	Member
4	C.K. Shaju (Head Shares Dept)	Member
5	Adv. Maheswari (from NGO/Associations)	Member

The company has not received any complaints during the Financial Year 2021-22 under the above said act.

Disclosure regarding the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year.

The said disclosure is not applicable to the Company during the financial year 2021-2022.

Disclosure regarding the details of the difference between the amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

The said disclosure is not applicable to the Company during the financial year 2021-2022.

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
24.08.2022

Sd/-
A.R. Mohanan
(Chairman)
(DIN: 06817818)

Sd/-
Muraleedharan
(Managing Director)
(DIN: 08607833)

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	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

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

Sd/-

Aluva
24.08.2022

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

Sd/-

Muraleedharan
(Managing Director)
(DIN: 08607833)

Form No. MGT 9**EXTRACT OF ANNUAL RETURN****as on the financial year ended on 31-03-2022**

[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 shareholding 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	10188585	10188585	34.63	0	26446879	26446879	83.73	159.57
ii) Individual Shareholder holding nominal share capital exceeding Rs. 1 lakh	0	19232575	19232575	65.37	0	5139533	5139533	16.27	73.27
c) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(2)	-	29421160	29421160	100	0	31586412	31586412	100	7.36
Total public shareholding (B) = (B)(1) + (B)(2)	-	29421160	29421160	100	0	31586412	31586412	100	7.36
C. Shares held by custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	-	29421160	29421160	100	0	31586412	31586412	100	7.36

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 N K	970000	3.29	970000	3.07
2. K R Sreekumar	800600	2.72	863600	2.73
3. Sheeja Ramachandran	127500	0.43	262500	0.83
4. Haridasan Parameswaran Pillai	250030	0.85	250030	0.79
5. Sreekumar S.N.	256500	0.87	196500	0.62
6. Geethakumari C K	170000	0.58	191200	0.61
7. Salini Chandran	5	0.00001	180505	0.57
8. Rajesh Kumar N	162250	0.55	162250	0.51
9. Ramachandran E S	128000	0.43	158000	0.50
10. Venugopalan TV	126500	0.43	126500	0.40

(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. A.R. Mohanan	15731	0.05	15731	0.049
2. Sri. Muraleedharan	15000	0.05	15000	0.047
3. Sri. P. Viswaroopan	549000	1.87	349000	1.10
4. Sri. Rajesh P.	1001	0.003	6001	0.018
5. Sri. Jayaprakash Valiathan	1000	0.003	1000	0.003
6. Sri. Mohanachandran C.P. (Joint holder, wife being the first applicant)	10	0.00003	15010	0.047
7. Sri. Hareesh M.R.	0	0	5000	0.015
8. Sri. M.A. Vasudevan Namboodiri (ceased w.e.f 01.10.2021)	29975	0.10	29975	0.09
9. Sri. Vishnu Prasad B. Menon (resigned w.e.f, 31.03.2022) (Joint holding with Mohandas P-10 shares)	21500	0.07	24775	0.07
10. Sri. K. Muraleedharan (ceased w.e.f., 01.01.2022) (Joint holding with wife - 10 shares)	20010	0.07	40	0.0001
11 Sri. Vinu Krishnan (resigned w.e.f., 01.04.2022)	100	0.0003	100100	0.32
12 Smt. Jayalakshmi P. (Chief Financial Officer)	14010	0.05	14010	0.044
13 Smt. Sandhya Gopi (Company Secretary)	10	0.00003	10	0.00003

- ♦ **Sri. Mohandas Parayath, Director who was appointed on 11.07.2022 holds 40,000 equity shares of Rs. 10/- each amounting to Rs. 4,00,000/-. He holds 10 shares of Rs. 10 each amounting to Rs. 100/- jointly with Sri. Vishnu Prasad Balakrishna Menon.**
- ♦ **Sri. Pazhanikutty Swaminathan, Director who was appointed on 24.08.2022 holds 100 equity shares of Rs. 10/- each amounting to Rs. 1000/-.**
- ♦ **Sri. Rajimol P.R., Director who was appointed on 24.08.2022 holds 100 equity shares of Rs. 10/- each amounting to Rs. 1000/-.**

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	5,57,98,47,543.00	5,57,98,47,543.00
ii) Interest due but not paid			1,22,07,198.00	1,22,07,198.00
iii) Interest accrued but not due				
Total (i+ii+iii)			5,59,20,54,741.00	5,59,20,54,741.00
Change in Indebtedness during the financial year				
Addition			26,89,61,747.06	26,89,61,747.06
Reduction				
Net Change			26,89,61,747.06	26,89,61,747.06
Indebtedness at the end of the financial year				
i) Principal Amount			5,84,90,69,556.73	5,84,90,69,556.73
ii) Interest due but not paid			1,19,46,931.33	1,19,46,931.33
iii) Interest accrued but not due				
Total (i+ii+iii)			5,86,10,164,88.06	5,86,10,164,88.06

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
	Kuttappan Nair Muraleedharan (MD, ceased w.e.f., 01.01.2022)	Muraleedharan (MD w.e.f., 01.01.2022)	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	5,85,000.00	6,45,000.00	6,00,000.00	4,80,000.00	23,10,000.00
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil	Nil
(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					
Bonus:	48,731	52,479	49,980	39,984	1,91,174
Newspaper & Telephone:	5,535	-	-	-	5,535
Travelling & Telephone:	-	45,000	24,000	18,000	87,000
Compensation in lieu of retirement benefits	-	-	-	-	-
Total (A)	6,39,266.00	7,42,479.00	6,73,980.00	5,37,984.00	25,93,709.00
Ceiling as per the Act	NA	NA	NA	NA	NA

B. Remuneration to other directors:

(in Rs.)

Particulars of Remuneration	Hareesh M.R.	MA Vasudevan Namboodiri	AR Mohanan	Jaya-prakash Valiathan	Vinu Krishnan	P Viswaroopan	Vishnu Prasad B. Menon	P. Rajesh	Mohana-chandran C.P.	Total Amount
1. Independent Directors										
Fee for attending board & committee meetings	NIL	22,000	NIL	57,000	39,000	NIL	NIL	NIL	50,000	1,68,000
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 (1)	NIL	22,000	NIL	57,000	39,000	NIL	NIL	NIL	50,000	1,68,000
2. Other Non-Executive Directors										
Fee for attending board & committee meetings	20,000	NIL	41,000	NIL	NIL	28,000	57,000	33,000	NIL	1,79,000
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)	20,000	NIL	41,000	NIL	NIL	28,000	57,000	33,000	NIL	1,79,000
Total (B)= (1+2)	20,000	22,000	41,000	57,000	39,000	28,000	57,000	33,000	50,000	3,47,000

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 of
M/s KPB Nidhi Limited

Aluva
24.08.2022

Sd/-
A.R. Mohanan
(Chairman)
(DIN: 06817818)

Sd/-
Muraleedharan
(Managing Director)
(DIN: 08607833)

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 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 of KPB Nidhi Limited

Report on the Audit of the Financial Statements**Opinion**

We have audited the accompanying financial statements of **KPB Nidhi Limited** (*“the Company”*) which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (*“Act”*) 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, 2022, and its profits, 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 (*“ICAI”*) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the director's report of even date and annexure thereof, but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this Auditor's Report and the remaining sections of Annual Report which are expected to be made available to us after that date. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("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 purpose of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books 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 Statement of 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 financial statements comply with the Accounting Standards referred to in section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - f. In our opinion and to the best of our information there were no events or financial transactions or matters which have any adverse effect on the functioning of the company, hence no comments or observation are made in our report in this respect.
 - g. On the basis of written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of section 164(2) of the Act;
 - h. In our opinion and to the best of our information and according to the explanations given to us, there were no events which called for any qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith. Hence, the comments under this clause are not called for.
 - i. With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
 - j. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
 - k. 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. There were no pending litigations which would impact the financial position of the Company as at March 31, 2022. Refer Note no.36 of the financial statements.
- ii. The Company does not have any long-term contracts including derivative contracts for which any material foreseeable losses were required to be provided under any law or Indian Accounting Standards.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. (a) The management has represented that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management has represented, that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures applied and to the best of our information and according to the explanations given to us which we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations as provided under (a) and (b) above, contain any material misstatement.
- v. (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

For **SAJEEV & AJITH**
Chartered Accountants (FRN 014219S)

Sd/-

CA. SAJEEV P.G., FCA
Partners (M. No. 207625)
UDIN: 22207625APWMVE9029

Place: Kochi - 33
Date: 24-08-2022

Annexure A to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date to the Members of KPB Nidhi Limited)

In our opinion, to the best of our information and according to the explanations provided to us by the Company and the books of accounts and records examined by us in the normal course of audit, we state that:

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
 - (B) The company is maintaining proper records showing full particulars of intangible assets;
 - (b) A portion of the Property, Plant and Equipment had been physically verified by the management during the year which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company as at the balance sheet date.
 - (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year.
 - (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The company is a Nidhi Company and its business does not require maintenance of inventories. Accordingly, the provision of paragraph 3(ii)(a) of the order is not applicable to the company.
 - (b) No working capital loans has been sanctioned to the Company, in aggregate, from banks or financial institutions at any point of time during the year on the basis of security of current assets. Hence paragraph 3(ii)(b) of the order is not applicable to the company.
- (iii) (a) Since the Company's principal business is to give loans, the requirement to report in clause 3(iii)(a) of the Order is not applicable to the company.
 - (b) In our opinion, having regard to the nature of the Company's business, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans are not prejudicial to the Company's interest.
 - (c) In respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and there are instances where the repayment of principal and interest are not as per the terms. Considering the company is a Nidhi company, the borrower-wise details of the amount, due date for payment and extent of delay (that has been suggested in the Guidance Note on CARO 2020 issued by the Institute of Chartered Accountants of India for reporting under this clause) have not been reported because it is not practicable to furnish such details owing to the voluminous nature of data generated in the normal course of the Company's business. Further except for the instances where there are delays or defaults in repayment of principal and interest and in respect of which the company has recognised necessary provisions in accordance with Nidhi Rules 2014 (as amended from time to time), the parties are repaying the principal amounts, as stipulated, and are regular in payment of interest, as applicable.
 - (d) In respect of loans and advances in the nature of loans, the total amount overdue for more than 90 days is 204.66 (Rs. In Lakhs). In our opinion and according to the information and explanations given to us, the loan to value or market value of asset given as security to loan are sufficient to cover the risk of default, if any, and reasonable steps have been taken by the Company for recovery of the principal and interest of such loans.

- (e) Since the Company's principal business is to give loans, the provisions of clause 3(iii)(e) of the Order are not applicable to it.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment. Hence the requirement to report loans granted to promoters, related parties as defined in clause 76 of section 2 of the Act or to any other parties on clause 3(iii) (f) of the Order is not applicable.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public or amounts which are deemed to be deposits during the year which attract the directives issued by the Reserve Bank of India, within the meaning of section 73 to section 76 of Companies Act, 2013.
- (vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under paragraph (vi) of the Order is not applicable to the Company.
- (vii) (a) The Company has been regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods and Service Tax, and any other statutory dues applicable to it.
- 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, 2022 for a period of more than six months from the date on when they become payable.
- (b) There are no dues of Provident Fund, Employees State Insurance, Income-Tax, Goods and Service Tax, or any other statutory dues outstanding on account of any dispute.
- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) The Company has not availed any loans from financial institutions, banks and Government and thus has not defaulted its repayment. Accordingly, reporting under clause 3(ix)(a) of the order are not applicable to the company.
- (b) The company has not availed loans from financial institutions, banks, Government and any other lender and thus has not been declared a willful defaulter. Accordingly, reporting under clause 3(ix)(b) of the order are not applicable to the Company.
- (c) To the best of our knowledge, and according to the information and explanations given to us, the company has not taken any term loans during the year. Accordingly, paragraph 3(ix)(c) of the order are not applicable to the company.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The company has no subsidiaries, joint ventures or associate company, therefore has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, joint ventures or associate company as defined under Companies Act, 2013.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Thus, reporting under paragraph 3(ix)(f) is not applicable to the Company.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Thus, reporting under paragraph 3(x)(a) of the order is not applicable to the company.

- (b) The Company has not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures during the year. Thus, reporting under paragraph 3(x)(b) of the order is not applicable to the company.
- (xi) (a) During the course of our audit, on examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company nor on the Company.
- (b) No report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is a Nidhi Company and has complied with the following:
- (a) The Company has complied with Net Owned Funds to Deposits in the ratio of 1:20 to meet out the liability.
- (b) The Company has maintained the SLR by investing, in unencumbered Term 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., 31.01.2022.
- (c) There has not been any default in payment of interest on deposits or repayment thereof for any period.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) The Company does not have Internal Audit System and is not mandated under section 138 of the Act to appoint an internal auditor.
- (b) Internal Auditor's report is not available as Internal Audit System is not mandated under section 138 of the Act and hence reporting under paragraph 3(xiv)(b) of the order is not applicable to the Company.
- (xv) The Company has not entered into any non-cash transaction with its directors or persons connected with its directors and hence reporting requirement under Clause 3 (xv) of the Order are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The company being a Nidhi Company, reporting under clause (xvi) (b) of paragraph 3 of the order is not applicable to the company.
- (c) The company is not classified as a core Investment company as defined in the regulations made by Reserve Bank of India, hence this clause is not applicable.
- (d) There is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, reporting under clause 3(xvii) of the Order is not applicable to the Company.
- (xviii) There has been no resignation of the statutory auditors of the company during the year and accordingly the reporting under Clause 3(xviii) of the Order is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date

of the audit report indicating that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion, the provision of section 135 of The Companies Act, 2013 is not applicable to the company. Hence reporting under paragraph 3(xx) of the order is not applicable to the Company.

(xxi) The Financial statements are separate financial statements of the company. Hence paragraph 3(xxi) of the order is not applicable to the company.

For **SAJEEV & AJITH**
Chartered Accountants (FRN 014219S)

Sd/-

CA. SAJEEV P.G., FCA
Partners (M. No. 207625)
UDIN: 22207625APWMVE9029

Place: Kochi - 33
Date: 24-08-2022

Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date to the Members of KPB Nidhi Limited)

Report on the Internal Financial Controls 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 **KPB Nidhi Limited** ("the Company") as of March 31, 2022 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' 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") 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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 and according to the information and 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 31 March, 2022, based on the criteria for internal financial control over financial reporting 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.

For **SAJEEV & AJITH**
Chartered Accountants (FRN 014219S)

Sd/-

CA. SAJEEV P.G., FCA
Partners (M. No. 207625)
UDIN: 22207625APWMVE9029

Place: Kochi - 33
Date: 24-08-2022

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.

For **SAJEEV & AJITH**
Chartered Accountants (FRN 014219S)

Sd/-

CA. SAJEEV P.G., FCA
Partners (M. No. 207625)
UDIN: 22207625APWMVE9029

Place: Kochi - 33
Date: 24-08-2022

BALANCE SHEET AS AT 31ST MARCH, 2022
(Rs. in Lakhs)

PARTICULARS	Note No.	As at 31st March 2022	As at 31st March 2021
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	3158.64	2942.12
(b) Reserves and Surplus	4	802.02	594.84
(2) Share application money pending allotment		-	80.30
(3) Non-Current Liabilities			
(a) Long term borrowings	5	54825.36	52042.68
(b) Long term provisions	6	79.47	121.02
(4) Current Liabilities			
(a) Short term borrowings	7	3665.33	3755.79
(b) Trade Payables	8	-	-
(c) Other current liabilities	9	223.86	200.78
(d) Short-term provisions	10	459.00	474.10
TOTAL EQUITY AND LIABILITIES		63213.68	60211.63
II. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipments and Intangible Assets			
(i) Property, Plant and Equipments	11.1	1464.44	1490.48
(ii) Intangible assets	11.2	41.94	48.97
(iii) Capital work-in-progress	11.3	5.48	5.48
(b) Non-current investments	12	-	32.83
(c) Deferred tax assets (net)	13	75.78	104.87
(d) Long term loans and advances-Financing Activity	14	11463.53	11855.16
(e) Long term loans and advances	15	110.25	62.79
(f) Other non-current assets	16	10601.88	5249.56
(2) Current assets			
(a) Cash and bank balances	17	2593.88	3497.67
(b) Short term loans and advances-Financing Activity	14	35256.24	37249.09
(c) Short term loans and advances	18	201.42	285.13
(d) Other current assets	19	1398.84	329.60
TOTAL ASSETS		63213.68	60211.63
Significant Accounting Policies (refer note: 2)			
The accompanying notes form an integral part of the financial statements			

As per our report of even date
For SAJEEV & AJITH

Chartered Accountants (FRN: 014219S)

Sd/-

CA Sajeev P.G. FCA

Partner (M. No. 207625)

UDIN: 22207625APWMVE9029

Place: Kochi

Date: 24.08.2022

For and on behalf of the Board of Directors

Sd/-

A.R. Mohanan

Chairman (DIN: 06817818)

Sd/-

Jayalakshmi P.

Chief Financial Officer

Sd/-

Muraleedharan M.

Managing Director (DIN: 08607833)

Sd/-

Sandhya Gopi

Company Secretary

(Rs. in Lakhs)
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

PARTICULARS	Note No.	For the Year ended 31st March 2022	For the Year ended 31st March 2021
I. Revenue from operations	20	6906.90	6851.33
II. Other Income	21	733.76	552.08
III. Total Income (I + II)		7640.66	7403.41
IV. Expenses			
(a) Employee Benefit Expenses	22	996.73	902.29
(b) Finance Cost	23	5189.36	4768.75
(c) Depreciation and amortization expense	24	59.34	61.70
(d) Other expenses	25	871.60	1254.50
Total Expenses		7117.03	6987.24
V. Profit/(loss) before exceptional item and tax (III - IV)		523.63	416.17
VI. Exceptional item Intangible assets written off		27.10	-
VII. Profit before tax (V-VI)		496.53	416.17
VIII. Tax expenses:			
(a) Current tax		109.00	124.10
(b) Deferred tax		29.09	-22.95
VII. Profit/(Loss) for the Year (VII - VIII)		358.44	315.02
VIII. Earning Per Equity Share (EPS):			
- Basic and Diluted EPS	26	1.18	1.16
Significant Accounting Policies (refer note: 2)			
The accompanying notes form an integral part of the financial statements			

As per our report of even date
For SAJEEV & AJITH

Chartered Accountants (FRN: 014219S)

Sd/-

CA Sajeev P.G. FCA

Partner (M. No. 207625)

UDIN: 22207625APWMVE9029

Place: Kochi

Date: 24.08.2022

For and on behalf of the Board of Directors

Sd/-

A.R. Mohanan

Chairman (DIN: 06817818)

Sd/-

Jayalakshmi P.

Chief Financial Officer

Sd/-

Muraleedharan M.

Managing Director (DIN: 08607833)

Sd/-

Sandhya Gopi

Company Secretary

(Rs. in Lakhs)
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022

PARTICULARS	For the Year ended 31st March 2022	For the Year ended 31st March 2022
A: CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax as per Statement of Profit and Loss	496.53	416.17
Adjusted for:		
Provision for Depreciation	59.34	61.71
Provision for NPA	-	100.00
Bad debts w/off	309.31	679.33
Loss on sale of Fixed Assets	0.09	0.11
Intangible assets written off	27.10	-
Profit on sale of investments	-16.87	-15.22
Operating Profit before Working Capital Changes	875.50	1242.10
(Increase)/Decrease in Gold Loan and Other Loans	2075.18	-9490.82
(Increase)/Decrease in Deposits, Loans & Advances	38.40	-40.51
(Increase)/Decrease in Other Current Assets	-1069.23	-13.53
(Increase)/Decrease in Bank Deposits	-4509.47	-3130.00
Increase/(Decrease) in Deposits Accepted	2692.22	11529.90
Increase/(Decrease) in Current Liabilities	23.08	0.83
Increase/(Decrease) in Provision for Employee benefits	-41.56	41.20
Cash Generated from Operations	84.12	139.17
Taxes Paid (net)	-124.10	-202.32
Net Cash from /(used in) Operating Activities	-39.98	-63.15
B: CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property Plant and Equipments	-58.05	-222.47
Proceedings from disposal of Fixed Assets	4.58	0.18
Purchase of current investments	-	-32.83
Sale of current investments	49.70	45.14
Net Cash from /(used in) Investing Activities	-3.77	-209.98
C: CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issue of Equity Share Capital	136.23	340.44
Final Dividend paid	-151.26	-
Share Application Money Pending Allotment	-	80.30
Net Cash from / (used in) Financing Activities	-15.03	420.74
Net (Decrease)/ Increase in Cash and Cash Equivalents	-58.79	147.60
Opening Balance of Cash and Cash Equivalents	802.68	655.08
Closing Balance of Cash and Cash Equivalents (Refer Note No. 11)	743.89	802.68

As per our report of even date
For SAJEEV & AJITH

Chartered Accountants (FRN: 014219S)

Sd/-

CA Sajeev P.G. FCA

Partner (M. No. 207625)

UDIN: 22207625APWMVE9029

Place: Kochi, Date: 24.08.2022

For and on behalf of the Board of Directors

Sd/-

A.R. Mohanan

Chairman (DIN: 06817818)

Sd/-

Jayalakshmi P.

Chief Financial Officer

Sd/-

Muraleedharan M.

Managing Director (DIN: 08607833)

Sd/-

Sandhya Gopi

Company Secretary

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

1. Company Information

KPB Nidhi is a Nidhi Company (formerly Kerala Permanent Benefit Fund Ltd.), incorporated on 17.08.1989 to encourage and afford all facilities for cultivating thrift, saving habits and to render all financial assistance to its members by receiving long and short term deposits and in particular recurring, fixed, saving and other deposits and to lend or advance monies only to its members with security and to provide for the repayment of the same from the members as are allowed by the Ministry of Corporate Affairs vide their notification GSR.555(E) dated 27th July 2001 and its subsequent amendments.

2. Significant Accounting Policies

2.1. Basis of preparation

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles (GAAP) 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.

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

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 labour, 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. License Fee for the use of 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 provides for gratuity covering eligible employees under which a lumpsum payment is paid to vested employees at retirement, death, incapacitation or termination of employment, of an amount reckoned on the respective employee's salary and his tenor of employment with the Company. The Company accounts for its liability for future gratuity benefits based on actuarial valuation and the Company makes annual contribution to a Gratuity Fund administered by Life Insurance Corporation of India (LIC). The Company recognizes the net obligation of the gratuity plan in the Balance Sheet as an asset or liability, respectively in accordance with Accounting Standard 15, 'Employee Benefits'. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss in the period in which they arise.
- 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 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.
- Net profit is arrived at after provisions for contingencies, which include provision for Taxation in accordance with statutory requirements. Adequate provision for diminution is made as per provisioning policy of the company in respect of loans.

Note - 3 SHARE CAPITAL

(Rs. in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
a) Authorized:		
3,50,00,000 (As on 31 March, 2021 - 3,50,00,000) Equity Shares of Rs. 10/- each	3500.00	3500.00
	3500.00	3500.00
b) Issued, Subscribed & Paid Up:		
3,15,86,412 (As on 31 March, 2021 - 2,94,21,160) Equity Shares of Rs. 10/- each fully called up and paid up	3158.64	2942.12
	3158.64	2942.12

i. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period (Rs. in Lakhs)

Equity Shares	March 31, 2022		March 31, 2021	
	Number	Amount	Number	Amount
No. of shares at the beginning of the year	29,421,160	2942.12	26,016,802	2601.68
Shares issued during the year	2,165,252	216.52	3,404,358	340.44
Shares bought back during the year	-	-	-	-
Shares Outstanding at the end of the year	31,586,412	3158.64	29,421,160	2942.12

3.2 - No Shareholders holds shares in aggregate of 5% of each class of shares of the company

3.3 - Rights, preferences and restrictions attached to each class of shares:-

The Company has issued only one class of equity shares having a face value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote for every share held by them in the meeting of the shareholders. 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 and other creditors as per priority. The distribution will be in proportion to the number of equity shares held by the shareholders.

3.4 - 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 form NDH-4. The company had complied with the notification and filed the form, 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 - 3.5 Shareholding pattern of the promoters

Sr. No.	Promoters Name	No. of shares at the beginning of the year	% shareholding at the beginning of the year	Change during the year	No. of shares at the end of the year	% shareholding at the end of the year	% Change during the year
	As at 31 March 2021	NIL	NIL	NIL	NIL	NIL	NIL
	As at 31 March 2022	NIL	NIL	NIL	NIL	NIL	NIL

Note - 4 RESERVES & SURPLUS

(Rs. in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Capital Reserve		
Amount as per Last Balance Sheet	0.92	0.92
Add: Additions/transfers during the Year		
Closing balance	0.92	0.92
General Reserve		
Amount as per Last Balance Sheet	238.88	81.37
Add: Additions/transfers during the Year	89.61	157.51
Closing balance	328.49	238.88
Surplus		
Balance as per last financial statements	355.04	197.53
Add: Net profit/(net loss) for the current year	358.44	315.02
Less: Final Dividend FY 2020-21	-151.26	-
Less: Transfer to General Reserve	-89.61	-157.51
Balance as at the end of the year	472.61	355.04
Total	802.02	594.84

In respect of the year ended March 31, 2022, the Board of Directors has proposed a dividend 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 Reserves

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
(Rs. in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Unsecured Borrowings		
(i) Term Deposits	54825.36	52042.68
Total 54825.36	52042.68	

Note - 6 LONG TERM PROVISIONS
(Rs. in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Provision for Gratuity	79.47	121.02
Total	79.47	121.02

Note - 7 SHORT TERM BORROWINGS
(Rs. in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Unsecured Deposits		
(i) Recurring Deposits	1063.21	977.62
(ii) Savings Deposits	2602.12	2778.17
Total	3665.33	3755.79

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, 2000 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, 2022 is Nil. (as on March 31, 2021 is Nil). Accordingly, no disclosures relating to principal amounts unpaid as at the period ended March 31, 2022 together with interest paid /payable are required to be furnished.

Note - 9 OTHER CURRENT LIABILITIES
(Rs. in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
(a) Unclaimed dividend	4.34	3.08
(b) Other Payables		
(i) Statutory remittances	42.06	28.13
(ii) Interest Payable	119.47	122.07
(iii) Matured Deposits	25.87	11.38
(iv) Expense Payable	26.63	32.51
(v) Others	5.49	3.61
Total	223.86	200.78

Note - 10 SHORT TERM PROVISIONS
(Rs. in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Provision for Income Tax	109.00	124.10
Provision for Bad & Doubtful debts	350.00	350.00
Total	459.00	474.10

Note - 12 NON CURRENT INVESTMENTS
(Rs. in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Other Investments		
Axis Global Equity Alpha Fund - Regular Growth	-	16.37
Axis Growth Opportunities Fund	-	6.46
Axis Equity Advantage Series 1	-	10.00
Aggregate amount of quoted investments	-	32.83
Market value of quoted investments	-	43.33
Total	-	32.83

Note: Non-current investments in mutual funds held by the company have been disposed off in the current financial year 2021-2022.

Note - 13 DEFERRED TAX (LIABILITY)/ ASSET
(Rs. in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
a) Deferred Tax Assets:-		
Related to Property Plant and Equipments		
Related to Others	99.64	118.54
b) Deferred Tax Liabilities:-		
Related to Property Plant and Equipments	-23.86	-13.67
Related to Others		
Net Deferred Tax Asset	75.78	104.87

Note - 11 PROPERTY PLANT AND EQUIPMENTS
(Rs. in Lakhs)

Particulars	Land	Building	Computers	Electrical Fittings	Furniture and Fittings	Motor Vehicle	Total
Cost:	665.96	617.87	114.92	152.65	369.41	9.34	1930.15
As at April 1,2021							
Additions	-		- 9.36	9.00	17.29		- 35.65
Disposals	-		- 0.08	0.50		-8.14	8.72
As at March 31,2022	665.96	617.87	124.20	161.15	386.70	1.20	1957.08
Depreciation and Impairment:							
As at April 1,2021	-	34.83	93.89	87.96	219.34	3.65	439.67
Additions	-	9.58	11.48	10.85	24.30	0.81	57.02
Disposals	-		- 0.07	0.30		-3.68	4.05
As at March 31,2022	-	44.41	105.30	98.51	243.64	0.78	492.64
Net book value:							
As at April 1,2021	665.96	583.04	21.03	64.69	150.07	5.69	1490.48
As at March 31,2022	665.96	573.46	18.90	62.64	143.06	0.42	1464.44

Intangible Assets		
Particulars	Licence Fee	Total
Cost:		
As at April 1,2021	62.57	62.57
Additions	22.40	
Disposals	40.57	
As at March 31,2022	44.40	44.40
Depreciation and Impairment:		
As at April 1,2021	13.60	13.60
Additions	2.32	
Disposals	13.46	
As at March 31,2022	2.46	2.46
Net book value:		
As at April 1,2021	48.97	48.97
As at March 31,2022	41.94	41.94

Capital work- in-progress		
Particulars	Building	Total
Cost:		
As at April 1,2021	5.48	5.48
Additions	-	-
Disposals	-	-
As at March 31,2022	5.48	5.48

Note - 14 LOANS AND ADVANCES - FINANCING ACTIVITY

(Rs. in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Loans		
(A) Property Loan	11463.53	11855.16
Gold Loan	33965.80	35795.49
Loan on Deposit	1148.94	1264.64
Other Loans	27.42	24.95
Staff Loans	114.08	164.01
Total - A Gross Amount	46719.77	49104.25
(B) (i) Secured by Securities and Assets	46605.69	48940.25
(ii) Covered by Other Securities	114.08	164.00
(iii) Unsecured	-	-
Total - B Gross Amount	46719.77	49104.25
(C) Loans in India		
(i) Public Sector	-	-
(ii) Others	46719.77	49104.25
Total - C Gross Amount	46719.77	49104.25
Total	46719.77	49104.25

* 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

(Rs. in Lakhs)

Particulars	Non Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Loans				
(A) Property Loan	11463.53	11855.16	-	-
Gold Loan	-	-	33965.80	35795.49
Loan on Deposit	-	-	1148.94	1264.64
Other Loans	-	-	27.42	24.95
Staff Loans	-	-	114.08	164.01
Total - A Gross Amount	11463.53	11855.16	35256.24	37249.09
(B) (i) Secured by Securities and Assets	11463.53	11855.16	35142.16	37085.08
(ii) Covered by Other Securities	-	-	114.08	164.01
(iii) Unsecured	-	-	-	-
Total - B Gross Amount	11463.53	11855.16	35256.24	37249.09
(C) Loans in India				
(i) Public Sector	-	-	-	-
(ii) Others	11463.53	11855.16	35256.24	37249.09
Total - C Gross Amount	11463.53	11855.16	35256.24	37249.09
Total	11463.53	11855.16	35256.24	37249.09

Note - 15 LONG TERM LOANS AND ADVANCES
(Rs. in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
(a) Balances with Government authorities Income Tax receivables	110.25	62.79
Total	110.25	62.79

Note - 16 OTHER NON CURRENT ASSETS
(Rs. in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
(a) Security Deposits Unsecured, considered good	112.41	114.56
FDs With Bank with maturity of more than 1 year	10489.47	5135.00
Total	10601.88	5249.56

Note - 17 CASH AND BANK BALANCES
(Rs. in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
A) Cash and cash equivalents		
(i) Cash in Hand	306.20	378.73
(ii) Balances with banks In Current Accounts	433.34	420.86
	739.54	799.59
B) Other Bank Balances		
(i) In Deposit Accounts	12339.47	7830.00
Less: Original Maturity more than one year	-10489.47	-5135.00
	1850.00	2695.00
Unpaid Dividend Accounts	4.34	3.08
Total Cash and Bank balances	2593.88	3497.67

Note - 18 SHORT TERM LOANS AND ADVANCES
(Rs. in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
(a) Balances with Government authorities (Unsecured, considered good)		
TDS & Advance Tax	181.17	202.32
GST Receivable	-	38.18
(b) Others (Unsecured, considered good)		
Loans and advances to employees	8.18	7.70
Others (Prepaid Expenses, and other advances)	12.07	36.93
Total	201.42	285.13

Note - 19 OTHER CURRENT ASSETS
(Rs. in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
a) Accruals		
Interest accrued on advances	1398.08	325.30
(b) Others		
Stamp in Stock	0.44	0.40
Commission Receivables	-	3.29
Other Advances	0.32	0.61
Total	1398.84	329.60

Note - 20 REVENUE FROM OPERATIONS
(Rs. in Lakhs)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest Received	6906.42	6844.82
Commission Received	0.48	6.51
Total	6906.90	6851.33

Note: Commission received of Rs.47,908(F.Y. 2020-21:Rs.6,50,778) is from insurance business which was discontinued from the current financial year.

Note - 21 OTHER INCOME
(Rs. in Lakhs)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(a) Interest Income		
Interest received from Deposits	698.68	532.14
(b) Other non-operating income (net of expenses directly attributable to such income)		
Net Gain on Sale of Investment	16.87	15.22
Processing Fees Recovered	1.05	2.23
Profit on disposal of Fixed Assets	0.02	0.07
Bad trade and other receivables recovered	15.99	0.76
Other miscellaneous Income	1.15	1.58
Reversal of diminution in value of investment	-	0.08
Total	733.76	552.08

Note - 22 EMPLOYEE BENEFIT EXPENSES
(Rs. in Lakhs)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries & Wages	828.99	753.46
Contributions to provident and other funds	94.48	78.73
Staff welfare expenses	73.26	70.10
Total	996.73	902.29

Note - 23 FINANCE COST
(Rs. in Lakhs)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(a) Interest Expense on :		
(i) Interest on Deposits	5186.94	4767.33
(ii) Bank Charges	2.42	1.42
Total	5189.36	4768.75

Note - 24 DEPRECIATION AND AMORTISATION EXPENSES
(Rs. in Lakhs)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation	57.02	55.37
Amortization	2.32	6.33
Total	59.34	61.70

Note - 25 OTHER EXPENSES
(Rs. in Lakhs)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Advertisement	1.03	0.99
Agm Expenses	5.04	2.54
Audit Fees	6.68	6.57
Board/AGM/Committee Meeting Expenses	1.22	0.81
Business Promotion	8.96	11.36
Consultation & Professional	0.73	10.01
Diesel Charges	0.48	0.43
Donation	10.26	9.11
Electricity Charges	15.58	15.38
Filing Fees	0.21	0.90
Fees & Other Renewals	0.12	0.00
Insurance & Tax for Vehicles	0.17	0.18
Insurance Premium	9.19	11.97
Internet Charges	8.46	7.74
Legal Charges	63.17	39.21
Loss On Sale of Property/Fixes Assets	0.11	0.18
Manager/RM Conference	0.99	0.18
Newspaper	1.74	1.83
Reimbursement of Out of Pocket Expenses to Staff	17.92	35.02
Petrol Charges	2.99	1.39
Postages	9.83	2.03

Contd...

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Printing & Stationery	13.86	17.12
Interest Waived Gold Loan	0.44	-
Rates & Taxes	2.81	2.37
Rent	148.05	134.07
Repairs & Maintenance	12.00	9.37
Repairs to Vehicle	0.34	0.29
Sitting Fees	3.47	2.80
Stamps	0.02	1.30
Telephone Expenses	22.06	22.72
Training Expenses	2.14	0.00
Travelling Expenses	32.64	24.56
Water Charges	1.22	1.19
Reimbursement of Expense for Collection A/C	7.60	9.05
Diesel Charge for Generator	0.19	0.24
GST	53.13	10.81
Miscellaneous Expenses	31.44	29.89
Office Expenses	4.19	3.83
Software Maintenance Charges	56.82	47.42
Staff Meeting Expenses	0.11	0.31
Reimbursement of Medical Expenses	2.09	-
Training Expenses L-Code	2.78	-
Appraiser Charges	0.01	-
Provisions and Written offs	309.31	779.33
Total	871.60	1254.50

a. Details of Payment Made to Auditors
(Rs. in Lakhs)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Payment to Auditors includes payment;		
- For Statutory Audit	2.00	2.00
- For Branch Audit	4.68	4.57
Total	6.68	6.57

b. Provisions and Written Offs
(Rs. in Lakhs)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Provision for Bad & Doubtful debts	-	100.00
Bad Debts	309.31	679.33
Total	309.31	779.33

Note - 26 EARNINGS PER SHARE
(Rs. in Lakhs)

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	For the year ended 31 March 2022	For the year ended 31 March 2021
A. Net Profit/(Loss) after tax attributable to the Equity Shareholders	358.44	315.02
B. Weighted average number of Equity Shares outstanding, considered for the computing Basic EPS	30,293,334.13	27,134,396.00
Basic and Diluted Earnings Per Share in rupees (A/B)	1.18	1.16
Nominal Value of Equity Shares	Rs. 10/-	Rs. 10/-

The company has not issued any potential equity shares. Hence basic and diluted EPS remains the same.

Note - 27 DISCLOSURE ON EMPLOYEE BENEFITS AS PER AS 15

Employee Benefits for the below mentioned defined benefits schemes have been provided in the accounts

(i) Gratuity

i. Expenses recognized in the Statement of Profit and loss
(Rs. in Lakhs)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Current service cost	14.45	-
Interest cost	-	-
Expected return on plan assets	-1.99	-.21
Actuarial losses/(gains)	-.05	-.01
Total expense recognised in the Statement of Profit and Loss	12.51	-.22

ii. Actual contribution and benefit payments for year
(Rs. in Lakhs)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Actual benefit payments	7.59	-
Actual contributions	50.00	25.07

iii. Net asset / (liability) recognised in the Balance Sheet
(Rs. in Lakhs)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Present value of defined benefit obligation	149.07	121.02
Fair value of plan assets	69.62	25.27
Funded status [Surplus / (Deficit)]	-79.45	-95.75
Net asset / (liability) recognised in the Balance Sheet	-79.45	-95.76

iv. Change in defined benefit obligations (DBO) during the year
(Rs. in Lakhs)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Present value of DBO at beginning of the year	121.02	-
Current service cost	14.45	-
Interest cost	-	-
Unrecognised past service costs	-	121.02
Actuarial (gains) / losses	21.19	-
Benefits paid	7.59	-
Present value of DBO at the end of the year	149.07	121.02

v. Change in fair value of assets during the year
(Rs. in Lakhs)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Plan assets at beginning of the year	25.27	-
Expected return on plan assets	1.99	.21
Actual company contributions	50.00	25.07
Actuarial gain / (loss)	-.05	-.01
Benefits paid	-7.59	-
Plan assets at the end of the year	69.62	25.27

vi. Composition of the plan assets is as follows
(Rs. in Lakhs)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Government bonds	-	-
PSU bonds	-	-
Equity mutual funds	-	-
Insurer Managed Funds	69.62	25.27

vii. Actuarial assumptions

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Discount rate	7.00%	7.25%
Rate of return on plan assets	6.75%	6.75%
Salary escalation	6.00%	4.00%
Attrition Rate	7.67%	5.00%

The above disclosures are based on information furnished by the independent actuary and relied upon by the auditors. The figures are extracted from valuation report and not from valuation table as it has not been made available to us.

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

Note - 28 RELATED PARTY DISCLOSURES

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

(i) List of related parties where control exists and related parties with whom transactions have taken place and relationship

Sl. No.	Name of the Related Party	Name of the Related Party
1	Key Managerial Personnel	
	K. Muraleedharan	Managing Director
	M. Muraleedharan	Whole Time Director
	Jayalakshmi P.	Chief Financial Officer
	Sandhya Gopi	Company Secretary
2	Relative of Key Managerial Person	
	Sobhakumari	Spouse of MD
	Siddesh M	Son of WTD
	Raja Narayanan V M	Spouse of CFO
	Padmavathi Amma	Parent of CFO
	Valsala Gopi	Parent of CS
3	Entities in which KMP / Relatives of KMP can exercise significant influence	
	KPB Digital Services Pvt. Ltd	

(ii) Disclosure in Respect of Significant Related Party Transactions during the year: (Rs. in Lakhs)

Particulars	KMP		Relatives of KMP	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Remuneration and Allowance	25.01	20.98	-	-
Expenses Reimbursed	0.93	0.82	-	-
Interest paid on Deposits	1.51	0.20	5.06	4.09
Fixed Deposit Accepted	12.00	12.00	39.65	56.65
Fixed Deposit Repaid	12.00	2.40	45.75	21.50
Other Deposit Accepted	5.49	2.17	2.20	13.77
Other Deposit Repaid	1.00	0.47	2.10	0.30

Particulars	Holding Company		Entities in which KMP / Relatives of KMP can exercise significant influence	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Service Rendered / Capital Asset Acquired	-	-	22.40	22.00

(iii) Amount outstanding at the year end: Asset/(Liability) (Rs. in Lakhs)

Particulars	KMP		Relatives of KMP	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Deposit Outstanding	18.71	15.44	92.61	72.90
Interest Payable	0.02	0.05	0.19	0.25

Note - 29 TRANSACTION WITH NON EXECUTIVE DIRECTOR
(Rs. in Lakhs)

Name of Non-Executive Director	Particulars	March 31, 2022	March 31, 2021
Jayaprakash Valiathan	Sitting Fee	0.57	0.52
M.A. Vasudevan Namboodir	Sitting Fee	0.22	0.57
Vishnu Prasad B. Menon	Sitting Fee	0.57	0.37
Vinu Krishnan	Sitting Fee	0.39	0.29
A.R. Mohanan	Sitting Fee	0.41	0.30
P.Viswaroopan	Sitting Fee	0.28	0.30
P. Rajesh	Sitting Fee	0.33	0.30
C.P. Mohanachandran	Sitting Fee	0.50	0.15
Vishnu Prasad B. Menon	Interest Paid	0.20	0.25
A.R. Mohanan	Interest Paid	0.24	2.58
Jayaprakash Valiathan	Interest Paid	3.84	0.72
Mohanachandran C.P.	Interest Paid	0.74	0.18
P. Rajesh	Interest Paid	0.29	0.27
P. Viswaroopan	Interest Paid	0.34	8.58
M.A. Vasudevan Namboodiri	Interest Paid	18.17	0.11
G. Rajan Nair	Interest Paid	0.56	0.00

Note - 30 DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES

There are no amount due to micro and small scale industries in terms of the Micro, Small and Medium Enterprises Development Act, 2006. This information has been disclosed to the extent such parties have been identified by the company based on information available with the company.

Note - 31 GOLD LOAN PORTFOLIO
(Rs. in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Total Gold Portfolio	33965.80	35795.49
Total Assets	63213.68	60211.63
Gold loan portfolio as a percentage of total assets	54%	59%

Note - 32 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 2021-2022. (2020-2021 – Nil)

Note - 33 EXPENDITURE IN FOREIGN CURRENCY

The company does not have any expenditure in Foreign Currency during the year 2021-2022. (2020-2021 – Nil)

Note - 34 EARNING IN FOREIGN CURRENCY

The company does not have any earnings in Foreign Currency during the year 2021-2022. (2020-2021 – Nil)

Note - 35

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

As a prudent measure, the company has written off an amount of Rs. 3,09,30,986/- relating to Gold Loans and Property Loans

Note - 36 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, 2022, (March 31, 2021: Nil).

Note - 37 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

Particulars	March 31, 2022	March 31, 2021
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 - 38 ADDITIONAL REGULATORY INFORMATION
Financial Ratios

Particulars	Formula	For the year ended 31 March, 2022	For the year ended 31 March, 2021	% Variance*
Liquidity Ratio (In Times)				
Current ratio	CA/CL	9.07	9.34	-2.81%
Solvency Ratio (In Times)				
Debt-equity ratio	Debt/Equity	NA	NA	-
Debt service coverage ratio	EBITDA/Debt	NA	NA	-
Profitability ratio (In %)				
Return on equity	PAT/Equity	9.05%	8.71%	3.92%
Return on capital employed	EBIT/CE	9.67%	9.33%	3.68%
Return on investment	EBIT/TA	8.99%	8.61%	4.45%
Net profit ratio	PAT/NS	5.19%	4.60%	12.87%
Turnover Ratio (In Times)				
Trade receivables turnover ratio	NCS/Avg TR	NA	NA	-
Trade payables turnover ratio	NCP/Avg TP	NA	NA	-
Net capital turnover ratio	NS/Avg.WC	0.19	0.21	-9.27%

Abbreviations	Explanations to each item of financial ratios
CA	Total current assets of the company as reflected in the balance sheet of the company
CL	Total current liabilities of the company as reflected in the balance sheet of the company
Debt	Total debt obligations of the company
Equity	Total shareholder's fund of the company, i.e total of sharecapital and reserves & surplus.
EBITDA	Earnings before interest, taxes and depreciation
COGS	Cost of the goods sold
PAT	Net profit after taxes
Avg. Inv.	Average of opening and closing inventory
NCS	Total credit sales of the company less sales returns
NCP	Total credit purchases of the company less purchase returns
CE	Total capital employed by the company including debt and reserves and surplus
Avg. TP	Average of opening and closing trade payables
NS	Total sales of the company less sales returns
Avg.WC	Average of opening and closing working capital
TA	Total assets of the company
EBIT	Earnings before interest and tax
NA	Not applicable

Note - 39 OTHER STATUTORY INFORMATIONS

- 1 The Company does not have any Immovable Property whose title deeds are not held in the name of the Company.
- 2 The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- 3 The Company has not advanced any loans or advances in the nature of loans to specified persons viz. promoters, directors, KMPs, related parties; which are repayable on demand or where the agreement does not specify any terms or period of repayment.
- 4 The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 5 The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 6 The provisions of Corporate Social Responsibility under Section 135 of the Companies Act, 2013 are not applicable to the Company.
- 7 The Company does not have any transactions with struck-off companies.
- 8 The Company does not have any transaction which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Note - 40 - BRANCHES

As on date, the Company has 83 branches all over Kerala and has approval for all the branches except Vadakkenchery branch, the process of which is pending with the appropriate authority.

Note - 41

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

As per our report of even date**For SAJEEV & AJITH**

Chartered Accountants (FRN: 014219S)

Sd/-

CA Sajeev P.G. FCA

Partner (M. No. 207625)

UDIN: 22207625APWMVE9029

For and on behalf of the Board of Directors

Sd/-

A.R. Mohanan

Chairman (DIN: 06817818)

Sd/-

Jayalakshmi P.

Chief Financial Officer

Sd/-

Muraleedharan M.

Managing Director (DIN: 08607833)

Sd/-

Sandhya Gopi

Company Secretary

Place: Kochi

Date: 24.08.2022



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. 20/2020, 14/2020, 17/2020 dated 5th May 2020, 8th April 2020, 13th April 2020)

Name of the Company : M/s. KPb NIDHI LIMITED				
Registered Office : KPb MANDIR, SANGEETHA SABHA ROAD, ALUVA - 683 101				
CIN : U65991KL1989PLC005448				
Sl. 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
ORDINARY BUSINESS(ES)				
1.	To adopt Financial Statements of the Company including Report of the Board of Directors and Auditors for the FY: 2021-2022			
2.	To re-appoint Sri. Mohanan Raghavawarrier (DIN: 06817818) as Director			
3.	To re-appoint Sri. Viswaroopan Peedikaparambil (DIN: 00256061) as Director			
4.	To declare Dividend @ 7% for the FY: 2021-2022			
SPECIAL BUSINESS(ES)				
5.	Appointment of Sri. Mohandas Parayath (DIN: 07377644) as Independent Director			
6.	Appointment of Smt. Rajimol P.R. (DIN: 09695805) as Independent Director			
7.	Appointment of Sri. Muraleedharan (DIN: 08607833) as Managing Director			
8.	Appointment of Sri. Pazhanikutty Swaminathan (DIN: 0009704625) as Director			
9.	To Authorize Board of Directors to appoint Branch Auditors and to fix their remuneration			

Place :

Date :

Signature of Shareholder



Menon Sir Attending Board Meeting



75 th Independence day celebration at Head Office

BRANCH SHIFTING

NORTH PARAVUR



MANNAR



PARAVUR KAVALA



BRANCH SHIFTING

ERNAKULAM



KOTHAMANGALAM



VAZHAKULAM





New Corporate Office
(under construction)



KPB Nidhi Ltd.

HO:KPBNidhi Mandir,Sangeetha Sabha Road,Aluva-683101,PH:0484 2922000

Email: headoffice@kpbnidhi.com,www.kpbnidhi.com,CIN:U65991KL1989PLC005448