



# **KPB Nidhi Ltd.**

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

Email: [headoffice@kpbnidhi.com](mailto:headoffice@kpbnidhi.com). [www.kpbnidhi.com](http://www.kpbnidhi.com). CIN:U65991KL1989PLC005448



**34<sup>th</sup>**

**ANNUAL REPORT**

**2022 - 2023**



**KPB Nidhi Ltd.**

## ANNUAL GENERAL MEETING 2021-2022





अप्राप्यं नाम नेहास्ति  
धीरस्य व्यवसायिनः ।

There is nothing unattainable  
to the one who has courage  
and who works hard.

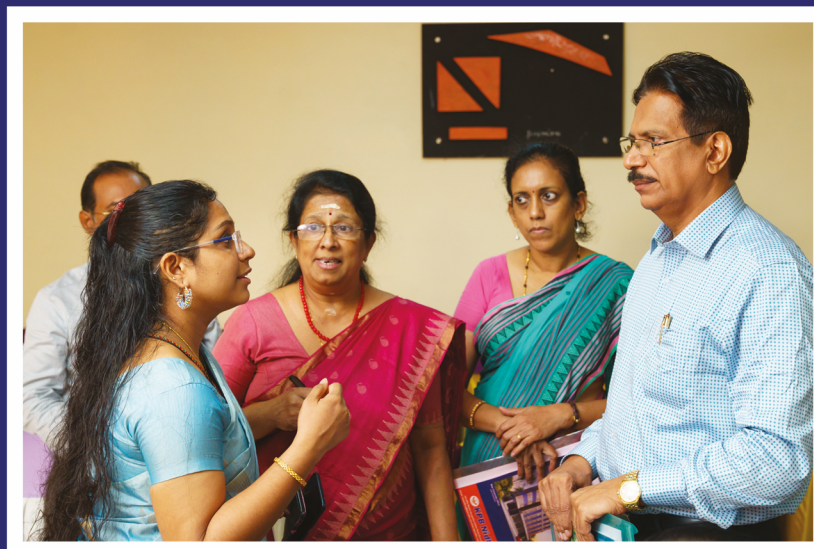
**CORPORATE PRAYER**

ജയ ജയ ജഗന്നിയന്താവേ  
ജയ ജയ ജഗദീശ്വര  
കലിയുഗത്തിനും ദ്വുതി പരത്തുന്ന  
ഭാരതാംബയെ കൈതൊഴാം.  
സേവനം തുടർന്നിടുവാൻ കരുത്തേകണേ  
പ്രതിബദ്ധരായ്; എന്നുമെന്നുമെൻ ദൈവമേ...  
ഭൂമി, സ്വർണം, ഇതര സമ്പത്തും  
ക്കൈ സേവന മാർഗ്ഗമായ്,  
കണ്ടു മാനവ നന്മ ലക്ഷ്യമായ്  
നീങ്ങുവാൻ തുണയേകണേ...  
വേദഗ്രന്ഥങ്ങൾ, ധർമ്മശാസ്ത്രങ്ങൾ,  
പുജനീയ ഗുരുനാഥരും,  
മാർഗ്ഗദീപം തെളിച്ച പാതയിൽ  
നീങ്ങിടുന്ന മെ കെ.പി.ബി.  
എന്നുമെന്നും ജയിക്കട്ടെ...  
എന്നുമെന്നും ജയിക്കട്ടെ...



# KPB Nidhi Ltd.

## ANNUAL GENERAL MEETING 2021-2022





“

*Having gained valuable insights into customer behaviour and significant trends, we could create tailored products and deliver an unparalleled personalised experience to our customers.*

”

## MESSAGE FROM CHAIRMAN

Dear Shareholders

I am deeply honoured to have received the opportunity to be a part of KPB Nidhi Board for last 10 years and be its Chairman for more than 5 years. I take great pleasure in presenting the Annual Report for the fiscal year 2022-23 before you.

As you know, our economy has successfully marched past the challenging times and is showing progress in all the areas. The Indian economy is perceived as a bright spot in the global economy by supranational organisations such as IMF – clearly expected to grow faster than many large economies. India is slowly but steadily progressing towards a distinct position in the global stage.

As India gears up for take-off, it is imperative that organisations like KPB Nidhi Ltd have the force and direction vectors aligned with that of the country's growth path. In line with the new found vigor in the economy, our organization is also on the path of achieving new heights. To participate in this growth story, we have sharpened our digital prowess, took great strides in harnessing our human potential and refined our products. Having gained valuable insights into customer behaviour and significant trends, we could create tailored products and deliver an unparalleled personalised experience to our customers.

I am happy to share the fact that KPB Nidhi Ltd is guided by an exceptional leadership team. I consider myself fortunate to work alongside some of the most brilliant minds I have ever encountered and leaders in various spectrums they associate with who shape a promising future for your organization. I take this opportunity to thank my colleagues in the Board, for their invaluable insights, constructive feedback, and support. I extend my sincere thanks to all our stakeholders for their continued support and patronage. I gratefully acknowledge the support extended to us from all Govt. Departments at the Centre and the State.

Our Top Management Team comprises of the most talented people from across the banking system and NBFCs. Their expertise has played a pivotal role in our pursuit of excellence under the able guidance of our Managing Director. I take this opportunity to thank you all.

With regards

**A.R.Mohanan**



“

*“We are confident that our strong digital capabilities would facilitate nurturing stronger customer relationship and expanding our client base. In our stride forward towards upgrading our digital prowess, we have enabled reduced transaction time, while ensuring compliance with regulatory guidelines in an efficient manner”*

”

## MESSAGE FROM MANAGING DIRECTOR

Dear Shareholders,

Reminiscing the beginning of an arduous journey with focused ambition, the team at KPB Nidhi Ltd went ahead with its pursuit for excellence in product innovation and customer satisfaction. It is my honor and pleasure to greet our esteemed shareholders on behalf of KPB Nidhi Ltd.

It is with great pride that I present to you 34th Annual Report of the Company for the Financial year 2022-23. We crossed the milestone figure of Rs.400 Crore in Gold Loan in this Financial Year, while the total business crossed the Rs1100 Crore mark. Reserves and Surplus of your institution has touched more than Rs.10cr.

I am delighted to report that our Institution has taken significant strides towards a total digitalized atmosphere with implementation of new operating software Prosper by L Code Technologies. We are confident that our strong digital capabilities would facilitate nurturing stronger customer relationship and expanding our client base. This is a step forward towards upgrading our digital prowess enabling reduced transaction time, while ensuring compliance with regulatory guidelines in an efficient manner. This empowers us to elevate our service levels to New Heights.

As we stride forward, we eagerly anticipate the plethora of promising opportunities that lie ahead in the future. As we seek to address these opportunities as and when they arise, we simultaneously remain dedicated to our established value framework –Relationship, Ethics, Professionalism, and Social Commitment. We always feel obligated to uphold the highest standards of conduct and foster strong and meaningful relationships.

I express deepest gratitude for the unrelenting support of our esteemed stakeholders, whose invaluable contributions have been vital in navigating challenging times. I extend my heartfelt appreciation for their continued trust and partnership. I am confident that the tireless efforts of our staff will propel us to even greater heights as we work towards our dream of becoming the best Nidhi Company in India.

Thank You all.

**M.Muraleedharan**

## COMPANY INFORMATION

### BOARD OF DIRECTORS



**Sri. A R Mohanan**  
Chairman  
(Retd Bank official, Vijaya Bank & Social Service)



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



**Sri. P Rajesh**  
Director  
(Chartered Accountant, Kottayam)



**Sri. Mohandas Parayath**  
Director  
(Chartered Accountant ,Aluva)



**Sri. Viswaroopan.P**  
Director  
(Ex NRI & Businessman)



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



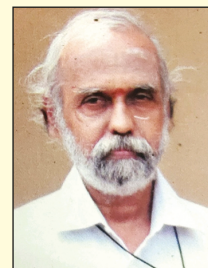
**Smt. Rajimol P R**  
Director  
(Chartered Accountant Kolenchery)



**Sri. Swaminathan.P**  
Director  
(Ex NRI and Social Service)



**Col.S.Dinny**  
Retd. Colonel



**Adv. P Vijayakumar**  
Ex. Asst. Solicitor General

## MEMBERS OF ADVISORY COMMITTEE



**Sri. Subramania Sarma**  
(Retd HR Head, Dhanlaxmi Bank)



**Mananeeya. PEB Menon**  
(Senior Chartered Accountant, Aluva)



**Sri.T.S.Jagadeesan**  
(Retd Chief General Manager, Federal Bank)



**Sri. Muraleedharan K**  
(Retd AGM & Deputy ZH, Indian Bank)



**Sri.Vinukrishnan**  
(Retd Director, KPMG & renowned Technocrat)



**Sri. Vishnuprasad B Menon**  
(Chartered Accountant, Aluva)

### REGISTERED OFFICE

No.VIII/441(1) KPBF Mandir,  
Sangeetha Sabha Road, Aluva - 683101  
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-682033

## KEY MANAGERIAL PERSONNEL

### GENERAL MANAGER

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

### COMPANY SECRETARY

Smt. Vidya R Baliga, ACS



**PRACTISING COMPANY SECRETARIES**

- 1.Sri. M Vasudevan, FCS  
Thrissur
2. Prabin & Midhunkumar Associates  
Door No.LXIV/1769, Veekshanam Road,  
Ernakulam

**BANKERS**

- Dhanlaxmi Bank      Axis Bank      ESAF Small Finance Bank  
State Bank of India      South Indian Bank

**COMMITTEES**

<b>AUDIT COMMITTEE</b>		
<b>Sl.No.</b>	<b>Name</b>	<b>Designation</b>
1	Sri. Mohandas P	Chairman
2	Sri. A.R.Mohanan	Member
3	Smt. Rajimol P.R	Member

<b>NOMINATION &amp; REMUNERATION COMMITTEE</b>		
<b>Sl.No.</b>	<b>Name</b>	<b>Designation</b>
1	Sri. Mohandas P	Chairman
2	Sri. Rajesh P	Member
3	Smt. Rajimol P.R	Member

<b>STAKEHOLDERS RELATIONSHIP COMMITTEE</b>		
<b>Sl.No.</b>	<b>Name</b>	<b>Designation</b>
1	Sri. Hareesh M.R.	Chairman
2	Sri. A.R.Mohanan	Member
3	Sri. Pazhanikutty Swaminathan	Member

<b>CREDIT COMMITTEE</b>		
<b>Sl.No.</b>	<b>Name</b>	<b>Designation</b>
1	Sri. Rajesh P.	Chairman
2	Sri. Hareesh M.R.	Member
3	Sri. Pazhanikutty Swaminathan	Member

<b>Internal Complaints Committee under The sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013</b>		
<b>Sl.No.</b>	<b>Name</b>	<b>Designation</b>
1	Smt. P.Jayalakshmi (GM)	Presiding Officer
2	Smt. Sudha Mahendran (Sr. Manager)	Member
3	Sri. C.K.Shaju (Head Shares Dept)	Member
4	Smt. Renjini Manojkumar (Chief Manager/HR)	Member
5	Adv. Maheswari (from NGO/ Associations)	Member

## LIST OF BRANCHES

SL No.	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- 6915283 .....	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.	Chalaky: 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.	Edappally: Raghavan Pillai Road, Near Changampuzha Park, .....	0484-2340859
19.	Ernakulam: 66/3294, Ground Floor, Near Ammankoil Road, Ernakulam.....	0484-2371421
20.	Erattupetta: Ist Floor, Kunnakkattu Building, Near Police Station .....	0482-2275657
21.	Ettumanoor: Manakkaparambil Building, Etturanoor .....	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, Kunnamangalam .....	0467-2209844
26.	Kannur: Dilshe Tower, LIC Road, Thalap .....	0497-2702921

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27. Karunagappally: Dnarmalayam 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: ist 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. Koyiandy: Deria Tower, Panthalayani Village, Near Union Bank of India .....	0496-2624322
40. Kozhikkode: First Floor, Rahmath Mahal Buliding, Kallai Road .....	0495-2304727
41. Kunnamangalam: 1st Floor, Achoos Building, Near Bus Stand .....	0495-2800716
42. Kunnamkulam: 1st Floor, Chorus shopping Complex, Guruvayur Rd .....	0488-5210830
43. Kuruppumpady: 1st Floor, Palakkapilly Building, A.M.Road .....	0484-2591699
44. Manjeri: Court Gate, Priya Buildings, Manjeri .....	0483-2762409
45. Mannar: 1st Floor, 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

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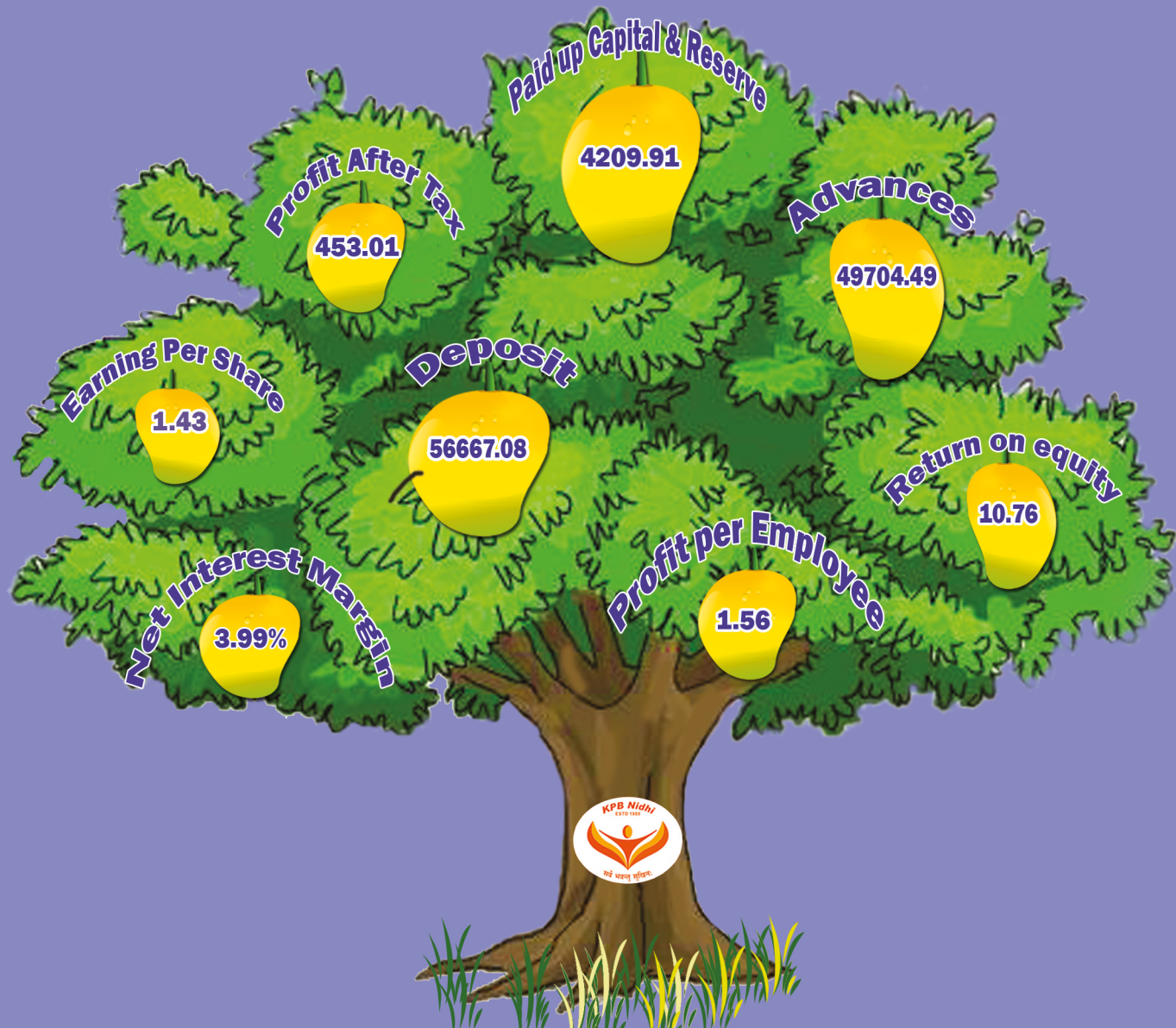
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56. Pala: 1st Floor, Anna Arcade, Chethimattom .....	0482-224 2699
57. Palakkad: 1st Floor, Shornur Road, Near Motho Mahal, Noorani.....	0491-2500857
58. Palluruthy: CC 13/1107B & CC 13/1107 C, Marunnukada.....	0484-2238840
59. Paravur Kavala: 1st Floor, Payyappilly Building, Aluva Paravur Road .....	0484-2603355
60. Parli: First Floor, Vallapuzha Tower, Chandapura, Pali .....	0491-2857857
61. Pattambi: Ground Floor, Trade Centre, Near Union Bank.....	0466-2211577
62. Payyannur: Opp. St. Mary's Girls High School, BKN Junction.....	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 P O 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.....	0494-2423950
77. Tripunithura: 1st Floor, Stephen's Arcade Building, Temple Road .....	0484-2114875
78. Uppala: Kodibail Chambers, Building No. MP5 446, Near Prakyath Garage .....	0499-8241245
79. Vadakkenchery, Ananthaanam Tower, Near Shaw Tower, Palakkad .....	0492-2255780
80. Vadanappilly: 1st Floor, Hayath Shopping Complex, Near Post Office .....	0487-2606774
81. Valanchery: 1* Floor, Room No. UI376/1, Volga Complex, Pattambi Road .....	0494-2642266
82. Vazhakulam: Kottuppilly Building, Kalloorkadu Junction, Vazhakulam .....	0485-2261006
83. Wadakkanchery: 1st Floor, Karuvettingal, Opp. Dist. Govt. Hospital .....	0488-4232123
84. Head Office: KPB Mandir, Sangeetha Sabha Road, Aluva, 683101 .....	0484-2922000

# PERFORMANCE AT A GLANCE

(Rs.in Lakhs)



**KPB Nidhi Ltd.**

## PERFORMANCE AT A GLANCE

(Rs. in lakhs)

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Paid up capital and Reserves	1,245.29	1,600.87	2,005.14	2,881.51	3,617.25	3,960.66	4,209.91
Deposit	20,613.23	26,523.03	33,923.02	44,268.57	55,798.47	58,490.69	56,667.08
Advance	17,293.67	22,961.81	30,044.95	40,292.77	49,104.26	46,719.77	49,704.49
Profit Before Tax	63.73	151.32	256.77	383.78	416.17	496.53	593.51
Profit After Tax	136.17	100.08	187.84	278.66	315.02	358.44	453.01
Net Owned Fund	1,245.29	1,600.87	2,005.14	2,881.51	3,617.25	3,960.66	4,209.91
No.of branches	69	72	77	81	83	83	83
No.of Staff	309	335	352	384	389	348	379
Business per Employee	122.68	147.72	181.73	220.21	269.67	302.33	280.66

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## NOTICE OF 34<sup>th</sup> ANNUAL GENERAL MEETING (e-AGM)

Notice is hereby given that the 34<sup>th</sup> Annual General Meeting of the Members of M/s **KPB Nidhi Limited** will be held through Video Conferencing on **Thursday, the 28<sup>th</sup> day of September 2023 at 11.00 a.m.** in accordance with the applicable provisions of the Companies Act, 2013 read with MCA General Circular No. 10/2022, 02/2022, 02/2021, 20/2020, 14/2020 and 17/2020 dated 28<sup>th</sup> December 2022, 5<sup>th</sup> May 2022, 13<sup>th</sup> January 2021, 5<sup>th</sup> May 2020, 8<sup>th</sup> April 2020 and 13<sup>th</sup> 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 31<sup>st</sup> March 2023 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 31<sup>st</sup> March 2023 along with the Auditors' Report and the Directors' Report thereon for the financial year ended 31<sup>st</sup> March 2023, be and are hereby taken as read, approved and adopted by the members.”

2. To appoint a Director in the place of Sri. Rajesh Padmanabhan (DIN: 06651893), who retire 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. Rajesh Padmanabhan (DIN: 06651893), who retires by rotation at this Annual General Meeting be and is hereby re-appointed as a Director of the Company and that his period of office be liable to determination by retirement of Directors by rotation.”

3. To appoint a Director in the place of Sri. Hareeshmekanakkil Ramachandran (DIN: 09249975), who retire 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. Hareeshmekanakkil Ramachandran (DIN: 09249975), 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 @ 10% on Equity Share Capital for the year ended 31<sup>st</sup> March, 2023. 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 @ 10% on equity shares of Rs. 10 each fully paid up for the year ended March 31, 2023 to the eligible members of the Company.”

### **Special Business (es):**

5. **Appointment of Sri. Puthenkovilakom Vijayakumar (DIN: 10045022) 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. Puthenkovilakom Vijayakumar (DIN: 10045022), who was appointed as Additional Director, Non-Executive and Independent in the Board meeting held on 15.03.2023 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. Puthenkovilakom Vijayakumar'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 15.03.2023.”

“**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 Sri. Sasidharan Dinny (DIN: 10088429) 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. Sasidharan Dinny (DIN: 10088429), who was appointed as Additional Director (Non-Executive and Independent) on 31.03.2023 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



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respect of whom the Company has received a notice in writing under Section 160(1) of the Act signifying the intention to propose Sri. Sasidharan Dinny'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 31.03.2023.”

“**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. 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, 2024 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**

Place: Aluva  
Date: 17th August, 2023

**Muraleedharan**  
Managing Director  
(DIN: 08607833)

### 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](mailto:companysecretary@kpbnidhi.com).
- 2 The Ministry of Corporate Affairs (“MCA”) vide its Circular dated 28<sup>th</sup> December, 2022, read with circulars dated 13<sup>th</sup> January, 2021, 5<sup>th</sup> May, 2020, 8<sup>th</sup> April, 2020 and 13<sup>th</sup> April, 2020 (collectively referred to as 'Circulars'), has taken 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 31<sup>st</sup> March, 2023 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](http://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 27th August 2023 in the principal vernacular language in “Janmabhumi” newspaper and on 29.08.2023 in English language in “The Times of India” 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](mailto: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 04.09.2023. 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 20.09.2023. 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 and gmoperations@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 login / assessing / voting at the Meeting through VC;
- Members can participate in the AGM through desktop / laptop/smart phone / tablet. However, for better experience and smooth participation, it is advisable to join the Meeting through desktop / laptop connected through broadband.
- Members are requested to mute themselves and those members who wish to talk can leave a message in the chat option provided there in expressing their wish to talk. Only those members who express their concern to talk will be un-muted and allowed to speak at the meeting.
- Further, members will be required to allow camera, if any, and hence use internet with a good speed to avoid any disturbance during the meeting.

#### **Steps To Join Meeting Through Phone**

-Open the Zoom mobile app. If you have not downloaded the Zoom mobile app yet, you can download it from the Google Play Store.

- Join a meeting using one of these methods:

- Tap Join a Meeting if you want to join without signing in.

- Sign in to Zoom then tap Join.

- Enter the meeting ID number and your display name.

- If you're signed in, change your name if your name is not as registered with the Company.

- If you're not signed in, enter a display name.

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

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

#### • **Steps To Join Meeting Through Computer**

- Open Chrome.

- Go to join.zoom.us.

- Enter your meetingID 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 favour of the motion or against is required to be sent to the email id [evoting@kpbnidhi.com](mailto: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 whose name appears first in the Register of Members 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 34<sup>th</sup> Annual General Meeting i.e., 28<sup>th</sup> September 2023. The members seeking to inspect such documents can send an e-mail to [companysecretary@kpbnidhi.com](mailto:companysecretary@kpbnidhi.com)
  13. The dividend for the financial year 2022-23, 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., Wednesday, 20<sup>th</sup> September, 2023. The members are requested to provide their bank account details for receiving the credit of the Dividend amount (if Dividend is approved at the 34<sup>th</sup> Annual General Meeting) by e-mailing to [shares@kpbnidhi.com](mailto:shares@kpbnidhi.com).
  14. As 34<sup>th</sup> 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, and 7 of the accompanying notice dated 17<sup>th</sup> August 2023.

### In respect of item No. 5

Sri. Puthenkovilakom Vijayakumar (DIN: 10045022) aged 66 was appointed as the Additional Director of the Company on 15.03.2023. 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. Puthenkovilakom Vijayakumar as Independent Director with effect from 15.03.2023. Sri. Puthenkovilakom Vijayakumar (DIN:10045022) along with his relatives holds in aggregate 10010 equity shares of Rs 10 each/-amounting to Rs. 1,00,100/-.

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

Sri. Puthenkovilakom Vijayakumar (DIN:10045022) 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. Puthenkovilakom Vijayakumar (DIN:10045022) 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 Puthenkovilakom Vijayakumar (DIN: 10045022) is as follows:

#### Educational Qualification:

Professional- Lawyer, practicing since 1982, Panel Counsel of BSNL and SBI.

Bsc, Graduated from N.S.S College, Manjeri and took LLB degree from Vaikunta Baliga College of Law, Udupi.

#### Experience:

##### ➤ Professional

- Officiated as Assistant Solicitor General of India at High Court of Kerala during 2019-2021.
- Panel Counsel of BSNL and SBI.
- 40 years standing as Lawyer.
- Considerable exposure and experience in the fields of civil, commercial, service and constitutional law.

Sri. Puthenkovilakom Vijayakumar (DIN: 10045022) 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.

After taking into consideration the recommendation of the Nomination & Remuneration Committee, the Board is of the opinion that Sri. Puthenkovilakom Vijayakumar's experience as Advocate and his knowledge and experience in legal matters will be of great value to the Company.

A copy of the draft letter for the appointment of Sri. Puthenkovilakom Vijayakumar (DIN: 10045022) 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](http://www.kpbnidhi.com).

Except Sri. Puthenkovilakom Vijayakumar (DIN:10045022) 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. Puthenkovilakom Vijayakumar (DIN: 10045022) as Independent Director of the Company, not liable to retire by rotation, for a period of five consecutive years w.e.f. 15.03.2023 as set out in item No. 5 for approval of the members by way of an ordinary resolution.

#### **In respect of item No. 6**

Sri. Sasidharan Dinny (DIN: 10088429) aged 47 was appointed as the Additional Director of the Company w.e.f 31.03.2023. Pursuant to section 149 of the Companies Act, 2013 and on the recommendation of Nomination and Remuneration Committee, and as per the approval of the Board through the resolution circulated on 30.03.2023 for the appointment, Sri. Sasidharan Dinny's appointment as Independent Director was recommended for approval of the shareholders in the ensuing Annual General Meeting. Sri Sasidharan Dinny (DIN: 10088429) holds 100 equity shares of Rs 10 each/-amounting to Rs. 1000/-.

The Company has also received the requisite notice in writing under section 160 of the Act from a member proposing the candidature of Sri. Sasidharan Dinny (DIN: 10088429) to be appointed as Director at the ensuing Annual General Meeting.

Sri. Sasidharan Dinny (DIN: 10088429) 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. Sasidharan Dinny (DIN: 10088429) 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 Sri. Sasidharan Dinny (DIN: 10088429)is as follows:**

##### **Retired Colonel.**

##### **➤ Education:**

- M Phil in Defence and Strategic Studies from Madras University
- Graduate certificate course in Strategic studies from Takshashila Institution, Bangalore.
- Undergone Kautilya Fellowship Programme from India Foundation

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➤ **Experience:**

- Indian Army Infantry Officer (Rajput Regiment) for more than 20 years.
- Commanding officer of an Indian Battalion at Ladakh for two years.

➤ **Social**

- Columnist in The Print, rediff.com, The Swarajya, USI publications, dinalipi.com, Money Control.com and Malayalam newspapers.
- Participates in various National and International Seminars, panel discussions in Regional, National and International T.V Channels and in online National and foreign websites.

➤ **Other Directorships**

- Nil

Sri. Sasidharan Dinny (DIN: 10088429) 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. Sasidharan Dinny (DIN: 10088429) has not attended the meetings of the Board and committees during the financial year 2022-2023 as his appointment as Additional Director was w.e.f 31.03.2023.

After taking into consideration the recommendation of the Nomination & Remuneration Committee, the Board is of the opinion that Sri. Sasidharan Dinny's (DIN: 10088429) vast knowledge and varied experience will be of great value to the Company.

A copy of the draft letter for the appointment of Sri. Sasidharan Dinny (DIN: 10088429) 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](http://www.kpbnidhi.com).

Except Sri.Sasidharan Dinny (DIN: 10088429), 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 Sri.Sasidharan Dinny (DIN: 10088429) as Independent Director of the Company, not liable to retire by rotation, for a period of five consecutive years w.e.f. 31.03.2023 as set out in item No. 6 for approval of the members by way of an ordinary resolution.

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

Place: Aluva  
Date: 17<sup>th</sup> August, 2023

**Muraleedharan**  
Managing Director  
(DIN: 08607833)



## DIRECTORS' REPORT

Dear members,

Your Directors take pleasure in presenting the 34<sup>th</sup> Annual Report on the business and operations of M/s KPB Nidhi Ltd (KPB) together with the Audited Financial Statements and the Auditor's Report for the Financial Year ended 31<sup>st</sup> March, 2023.

### Financial Summary or Highlights

The following table shows the financial summary and operational results of the Company for the Year 2022-23 as compared to that of the Previous Year.

(Amount in Lakhs)

	For the FY ended 31 <sup>st</sup> March 2023	For the FY ended 31 <sup>st</sup> March 2022
<b>Paid up Capital and Reserves</b>	<b>4,209.92</b>	<b>3,960.66</b>
<b>Deposit</b>	<b>56,667.08</b>	<b>58,490.69</b>
<b>Loans and Advances</b>	<b>49,704.49</b>	<b>46,719.77</b>
<b>Total Revenue:-</b>		
a. Revenue from Gold Loan	6,204.93	6,145.03
b. Revenue from Other Loans	676.02	761.87
c. Other Income	688.24	733.76
<b>Total Income</b>	<b>7,569.19</b>	<b>7,640.66</b>
Finance Costs	4,865.50	5,189.36
Employee Costs	1,052.03	1,022.25
Other Expenses	1,058.15	905.42
<b>Total Expenses</b>	<b>6,975.68</b>	<b>7,117.03</b>
Profit before interest, depreciation and tax	652.23	582.97
Intangible Assets written off	-	27.10
Depreciation and Amortization	58.72	59.34
Profit before exceptional Income	593.51	496.53
Profit before tax	<b>593.51</b>	<b>496.53</b>
Deferred tax	(2.20)	29.09
Current tax	142.70	109.00
<b>Profit after tax</b>	<b>453.01</b>	<b>358.44</b>

## PERFORMANCE AND PROSPECTS

The global economy is swimming against the tides and the volatile and uncertain environment may persist for some more time; an ebb seems distant for now. Governments around the world were starting to get wary of the elevated inflation rates, looking at ways to wean their respective economies off the inflation and engineer a soft landing.

Global growth is projected to fall from an estimated 3.5 percent in 2022 to 3.0 percent in both 2023 and 2024. While the forecast for 2023 is modestly higher than predicted in the April 2023 World Economic Outlook (WEO), it remains weak by historical standards.

The balance of risks to global growth remains tilted to the downside. Inflation could remain high and even rise if further shocks occur, including those from an intensification of the war in Ukraine and extreme weather-related events, triggering more restrictive monetary policy. China's recovery could slow, in part because of unresolved real estate problems, with negative cross-border spillovers. In most economies, the priority remains achieving sustained disinflation while ensuring financial stability. Therefore, central banks should remain focused on restoring rate stability and strengthen financial supervision and risk monitoring.

India, meanwhile, sees its economic activity gaining momentum amid continuing global uncertainties. The last quarter's GDP data was pleasantly surprising but not completely unexpected. The GDP growth in the fourth quarter has pushed up the full-year GDP growth of FY 2022–23 to 7.2%, 200 basis points (bps) higher than the earlier estimate. The recently released Annual Economic Review for the month of May 2023 highlighted that the post pandemic quarterly trajectories of consumption and investment have crossed pre-pandemic levels.

It is evident that the Indian economy has demonstrated resilience and agility in navigating uncharted waters. Despite formidable obstacles such as geopolitical tensions, escalating inflation, and disruptions in supply chains, policymakers demonstrated resolute determination to steer us through these testing times and alleviate their repercussions by maintaining financial stability through prudent measures and effective communication. Notably, the Indian economy is rebounding strongly and becoming one of the fastest-growing large economies. The conducive economic climate fostered by India has attracted investments from across the globe, underscoring the nation's appeal as an investment destination. Moreover, the strengthened indigenous capabilities of our nation have diminished reliance on global economic counterparts, further boosting our self-sufficiency.

The financial industry in India is expected to perform well in FY24, with controlled asset quality, strong credit growth and greater financial inclusion. The upside surprise sprung by the Provisional GDP growth of 7.2% for FY23, shows that the Indian economy has recovered well after the pandemic. Cleaner corporate balance sheets, Government thrust on capital expenditure, strong domestic demand and a diversification of global manufacturing should help the economy steam ahead in the following year as well.

At KPB, we have achieved strong operating performance across all fronts, notwithstanding the challenging business environment. Our relentless commitment to reach out to new customers and delivering unmatched customer experiences has led to sustained and robust growth. We prioritize maintaining a human touch in all our dealings, ensuring that personal connections and meaningful interactions remain at the core of our approach without compromising on the rapt professionalism we always maintain. We have established resilient systems and practices that place transparency and fairness at the forefront of all our transactions. Our Institution's organizational culture deeply embodies an unwavering dedication to ethics and a robust Code of Conduct.

The Financial year 2022-23 has been a year of consolidation and a launch pad is created to have quantum jump in the business in the years to come. Gold Loan portfolio has recorded unprecedented growth to Rs.405.6cr. Deposit is at Rs.566.67cr as on 31.03.2023, diligently monitoring the growth in resonance with the need for deployment.

With the above strategies, unstinted support from our stake holders and the tireless efforts of our team, our institution will be propelled to greater heights in the years to come.

## RESERVES

The Company has transferred Rs. 113.25 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 @ 10% for the Financial Year 2022-23.

### 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 2023 w.r.t to the dividend declared on 27.09.2021 for the financial year ended 31.03.2021 is Rs.3,96,802/-.

The Unpaid/Unclaimed Dividend amount lying in the unclaimed dividend account as on 31st March 2023 w.r.t to the dividend declared on 28.09.2022 for the financial year ended 31.03.2022 is Rs. 9,87,428/-.

During the financial year 2022-23, no amount lying in the unpaid dividend account was transferred to IEPF.

The details of unclaimed dividends are available on the Company's website, [www.kpbnidhi.com](http://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
31/30/2022	28/09/2022	02/11/2029	Within 02/12/2029

## 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.

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### BRANCHES & REGIONS

At the end of the year 2022-23, your company has not opened any branches hence, total branch strength is 83 Branches divided among 6 regions and one branch headed by AGM directly reporting to Corporate Office. The overall performances of the branches are satisfactory.

### BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

The composition of Board of Directors as on 31st March 2023 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. Viswaroopan Peedikaparambil (DIN: 00256061)	Director
4.	Sri. Rajesh Padmanabhan (DIN: 06651893)	Director
5.	Sri. Mohandas Parayath (DIN: 07377644)	Independent Director
6.	Smt. Puthiaveetil Rajupillai Rajimol (DIN:09695805)	Independent Director
7.	Sri. Pazhanikutty Swaminathan (DIN:09704625)	Director
8.	Sri. HareeshMekanakkil Ramachandran(DIN:09249975)	Director
9.	Sri. Puthenkovilakom Vijayakumar (DIN:10045022)	Additional Director
10.	Sri. Sasidharan Dinny(DIN:10088429)	Additional Director

Whole Time Key Managerial Personnels:

- (i) Sri. Muraleedharan, Managing Director- Appointed as Managing Director till 22.10.2024 with the approval of the shareholders as per the resolution passed in AGM dated 28.09.2022.
- (ii) Mrs. Jayalakshmi P, Chief Financial Officer and
- (iii) Mrs. Sandya Gopi, Company Secretary ( Resigned on 01.10.2022)
- (iv) Mrs.Vidya.R.Baliga, Company Secretary (with effected from 01.10.2022)

#### Retirement by Rotation

Among the present Directors of the Company, Sri. Rajesh Padmanabhan (DIN:06651893), Director and Sri. Hareesh Mekanakkil Ramachandran (DIN: 09249975), Director retires by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Board recommends their appointment.

#### Independent Directors:

- (i) Sri. Mohandas P and
- (ii) Smt. P.R.Rajimol.

**New Directors**

- Sri. Puthenkovilakom Vijayakumar is exempted from the online proficiency test, as required under Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014.
- Sri. Sasidharan Dinny 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 Data bank. The Board has further evaluated its own performance and that of its Committees and individual Directors including the Independent Directors.

**Appointment, Retirement and Resignations During the year:**

<b>APPOINTMENT</b>	<b>DATE</b>
Sri Sasidharan Dinny (DIN:10088429)	w.e.f 31.03.2023
<b>RETIREMENT</b>	<b>DATE</b>
Sri. Jayaprakash Valiathan (DIN: 06470662)	w.e.f, 09.01.2023
<b>RESIGNATION</b>	<b>DATE</b>
C.P. Mohanachandran (Din: 08958325)	w.e.f, 15.03.2023

**Recommendations and Regularizations:**

- (i) Sri. Puthenkovilakom Vijayakumar (DIN: 10045022) was appointed as the Additional Director w.e.f 15.03.2023. 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 subject to approval by the members in the ensuing Annual General Meeting. The appointment of Sri. Puthenkovilakom Vijayakumar as Independent Director w.e.f 15.03.2023 for a term of five consecutive years is also recommended for approval by the members considering his experience as Advocate since 1982 having 40 years standing and his expertise in civil, commercial, service and constitutional law.

Sri. Puthenkovilakom Vijayakumar (DIN: 10045022) is exempted from the online proficiency test as required under Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

- (ii) Retd. Col. Sasidharan Dinny (DIN: 10088429) was appointed as the Additional Director w.e.f 31.03.2023. 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 subject to for approval by the members in the ensuing Annual General Meeting. The appointment of Sri. Sasidharan Dinny as Independent Director w.e.f from 31.03.2023 for a term of five consecutive years is also recommended for approval by the members considering his vast experience as Indian Army Infantry officer for more than 20 years and his varied knowledge on different subjects being an active participant in various seminars and panel discussions.

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The appointment of Sri.P.Swaminathan (09704625) as Non-Executive, Non-Independent Director was regularized in the Annual General Meeting held on 28.09.2022.

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

### BOARD MEETINGS

During the Financial Year, 2022-23, Eleven (11) Meetings of Board of Directors were held. The details of the Board Meetings are given below:

SI.No.	Date of Board Meeting	Board Strength	No.of Directors Present
1	30.05.2022 (Monday)	7	6
2	30.06.2022 (Thursday)	7	3
3	24.08.2022 (Wednesday)	10	10
4	28.09.2022 (Wednesday)	10	10
5	30.09.2022 (Friday)	10	4
6	14.11.2022 (Monday)	10	8
7	13.12.2022 (Tuesday)	10	5
8	07.01.2023 (Saturday)	10	9
9	01.03.2023 (Wednesday)	9	4
10	15.03.2023 (Wednesday)*	9	8
11	31.03.2023 (Friday)**	10	5

\* Sri Mohanachandran Chempakamangalathu Purushothamannampoothiri(DIN:08958325) resigned w.e.f 15.03.2023 and Sri Puthenkovilakom Vijayakumar(DIN:10045022) was appointed as Additional Director (Non Executive and Independent) w.e.f 15.03.2023.

\*\* Sri Sasidharan Dinny(DIN:10088429) was appointed as Additional Director (Non-Executive and Independent) w.e.f 31.03.2023.

### 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 2022-23.

Subscribed, issued and paid up capital is Rs. 317685210/- (Rupees Thirty One Crore Seventy Six Lakhs Eighty Five Thousand Two Hundred and Ten Only) divided into 3,17,68,521 (Three Crores Seventeen Lakhs Sixty Eight Thousand Five Hundred and Twenty One) number of equity shares of Rs.10 each as at the end of the year 2022-23. \*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 2022-23 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 Inspection and Vigilance Department also undertake the role of investigation of fraud and its prevention. 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.

### **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](http://www.kpbnidhi.com) under corporate menu. The extract of Annual return in form MGT-9 is annexed to the Directors Report as Annexure II.

### **Directors Responsibility Statement**

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

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



- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis; and
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **STATUTORY AUDITORS**

In accordance with the provisions of Section 139 of the Act, M/s Sajeew 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 15.03.2023 due to resignation of Sri. Mohanachandran Chempakamangalathu Purushothamannampoothiri, Independent Director w.e.f, 15.03.2023 from the Board of the Company. Hence, the reconstituted committee comprises of the following members:

<b>Name</b>	<b>Category</b>	<b>Position</b>
Sri.Mohandas Parayath	Independent Director	Chairman
Smt.Rajimol.P.R	Independent Director	Member
Sri. Hareesh.M.R	Non-executive	Director Member

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The Chairman of Audit Committee is a Senior Chartered Accountant and one member is an Independent Director and the other member is a Non-Executive Director who is 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.

**The Committee was again reconstituted on 24.05.2023 with the following members:**

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

Four (4) Audit Committee meetings were held during the year 2022-23 at the Registered Office of the Company on 11.08.2022, 14.11.2022, 16.01.2023, and 15.03.2023. 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 15.03.2023 due to resignation of Sri. Mohanachandran Chempakamangalathu Purushothamannampoothiri, Independent Director w.e.f, 15.03.2023 from the Board of the Company. Hence, the reconstituted committee comprises of the following members:

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

The Committee was again reconstituted on 24.05.2023 with the following members:

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

The Committee formulates criteria for determining qualifications, positive attributes and independence of a director and recommends to the Board the policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees and evaluation of Independent Directors and the Board. It identifies persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carry out evaluation of every Director's performance. The Nomination and Remuneration Committee held four (4) meetings on 11.08.2022, 13.12.2022, 07.01.2023, and 15.03.2023 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:

Name	Category	Position
Sri.Hareesh M.R.	Non-executive Director	Chairman
Sr. A.R. Mohanan	Non-executive Director	Member
Sri. Swaminathan P.	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. A meeting was held on 13.12.2022 for the overall improvement of the investor services. There were no outstanding complaints as on 31.03.2023.

### Credit Committee

The Credit Committee consists of the following members

Name	Category	Position
Sri.Rajesh P.	Non-executive Director	Chairman
Sr. Hareesh M.R.	Non-executive Director	Member
Sri. Swaminathan P.	Non-executive Director	Member



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The credit committee supervises and provides necessary guidance in sanctioning of loans to the members against immovable property, overlooks the credit recovery proceedings and recommends the Board the settlement process of loans and other action to be taken. A meeting of the Committee was conducted on 13.12.2022 for streamlining the procedure and overall improvement of the concerned department and also of the services.

### **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](http://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 has 379 employees on its rolls as on 31<sup>st</sup> March, 2023.

We have established several platforms that promote interaction between our top Management and widespread employee base. Through these platforms, top Management, including the Managing Director, regularly communicates with the entire team to ensure everyone is aligned with the organisation's vision and goals. We emphasize maintaining open and regular communication channels with our staff, ensuring that their needs and concerns are always acknowledged and resolved. Our employee engagement initiatives are

thoughtfully crafted to foster an environment of transparency, honesty, and mutual trust, where employees feel comfortable and empowered to express themselves freely. Our employees' dedication, commitment, and exceptional customer service, paved way for the sustained growth of our organisation. Empowered employees form the cornerstone of your Company, enabling us to thrive in a competitive landscape while upholding the highest standards of integrity and professionalism.

The Company ensures a fair system of rewards and reformative discipline that takes care of the awareness and compliance culture among the workforces. Our emphasis on career growth, competitive compensation, positive work environment, strong leadership, and employee recognition contributes to satisfied workforces who are an asset to the organization.

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 reward schemes to increase the enthusiasm of the employees. 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.

In a nutshell, we recognise that our Institution's success depends on our workforce's dedication and commitment. So, we have implemented a robust Employee -Employer Relation Management mechanism to foster a positive and productive work environment.

### **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. Our new software implemented in January 2022 is successfully running and this has minimized human efforts to a great extent.

### **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 comprising of the following members:

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



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The company has not received any complaints during the Financial Year 2022-23 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.

**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 there of.**

The said disclosure is not applicable to the Company.

### **Acknowledgment**

Your Directors wish to place on record their appreciation for the co-operation and support extended by the Shareholders, Bankers, Customers, well wishers, Regulatory Authorities including Ministry of Corporate Affairs and various departments of Central and State Governments. 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  
17.08.2023

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

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

1.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

Aluva  
17.08.2023

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

Muraleedharan  
(Managing Director)  
(DIN: 08607833)

**Form No: MGT 9**  
**EXTRACT OF ANNUAL RETURN**

**as on the financial year ended on 31/03/2023**

[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- 683101
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 & Addresses 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 the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
<b>A. Promoters</b>									
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									
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 Crop.	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>B.Public Shareholding</b>									
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

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Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
g) FII's	0	0	0	0	0	0	0	0	0
h) Foreign Venture	0	0	0	0	0	0	0	0	0
l) Capital Fund	0	0	0	0	0	0	0	0	0
j) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub -total (B) (1)</b>	0	0	0	0	0	0	0	0	0
<b>2.Non-Institutions</b>									
a) Body Crop.									
l) 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	26446879	26446879	83.73	0	10879115	10879115	34.24	58.86
ii) Individual Shareholder holding nominal share capital exceeding Rs.1 lakh	0	5139533	5139533	16.27	0	20889406	20889406	65.76	306.44
c) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub -total (B) (2)</b>	-	31586412	31586412	100	0	31768521	31768521	100	0.57
Total public shareholding (B) =(B)(1)+ (B) (2)	-	31586412	31586412	100	0	31768521	31768521	100	0.57
C. Shares held by custodian for GDRs & ADRs	0	0	0	0	0			0	0
<b>Grand Total (A+B+C)</b>	-	<b>31586412</b>	<b>31586412</b>	100	0	<b>31768521</b>	<b>31768521</b>	100	0.57

### I) Shareholding of Promoters

Sl.	Shareholding at the			Shareholding at the			% change in shareholding during the year
	No. of Shares	% of total shares of the company	% of shares pledge/encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledge/encumbered to total	
NIL							

**(iii) Change in promoter's Shareholding (please specify, if there is no change)- No Change**

Sl. No.		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	At the beginning of the year	NA			
2	Date wise Increase / Decrease in Promoters Shareholding during the Year specifying the reasons for increase / decrease	NA			
3	At the end of the year	NA			

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

Sl No	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	3.07	970000	3.05
2	K R Sreekumar	863600	2.73	863600	2.72
3	Sheeja Ramachandran	262500	0.83	262500	0.83
4	Salini Chandran	180505	0.57	180505	0.57
5	Rajesh Kumar N	162250	0.51	162250	0.51
6	Ramachandran E S	158000	0.51	158000	0.50
7	Reghunathan.C	124662	0.39	131662	0.41
8	Venugopal TV	126500	0.41	126500	0.40
9	Vasudevan.N	126010	0.40	126010	0.40
10	Achuthan.M	125001	0.40	125001	0.40

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### (v) Shareholding of Directors and Key Managerial Personnel

Sl No	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	0.049	15731	0.05
2.	Sri. Muraleedharan	15000	0.047	15000	0.05
3.	Sri. P Viswaroopan	349000	1.1	349000	1.10
4	Sri. Rajesh P	6001	0.018	6001	0.02
5	Sri. Jayaprakash Valiathan	1000	0.003	21000	0.07
6.	Sri. Mohanachandran C.P.(Joint holder, wife being the first applicant)	15010	0.047	15010	0.05
7.	Sri. Hareesh M.R.	5000	0.015	5000	0.02
8.	Sri Mohandas P.	40000	0.13	40000	0.13
9.	Sri P.Swaminathan	100	0.0003	100	0.0003
10.	Smt. Rajimol.P.R	100	0.0003	100	0.0003
11.	Sri.P Vijayakumar	10010	0.03	10010	0.03
12.	Sri.S.Dinny	....	..	100	0.0003
13.	Smt. Jayalakshmi P (Chief Financial Officer)	14010	0.05	14010	0.044
14.	Smt. Sandhya Gopi (Company Secretary)	10	0.00003	10	0.00003
15.	Smt. Vidya.R.Baliga (Company Secretary)	10	0.00003	10	0.00003

- Sri. P Vijayakumar, Director who was appointed on 15.03.2023 holds 10010 equity shares of Rs.10/- each amounting to Rs.100100/-.
- Sri. S.Dinny, Director who was appointed on 31.03.2023 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
<b>Indebtedness at the beginning of the financial year</b>				
I) Principal Amount	NIL	NIL	5,84,90,69,55 6.73	5,84,90,69,55 6.73
ii) Interest due but not paid			1,19,46,931.33	1,19,46,931.33
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>			5,86,10,164,88.06	5,86,10,164,88.06
<b>Change in Indebtedness during the financial year</b>				
Addition				
Reduction*			18,63,57769.12	18,63,57769.12
<b>Net Change</b>			<b>18,63,57769.12</b>	<b>18,63,57769.12</b>
<b>Indebtedness at the end of the financial year</b>				
I) Principal Amount			5,66,67,08,096.34	5,66,67,08,096.34
ii) Interest due but not paid			7950622.60	7950622.60
iii) Interest accrued but not due			0	0
<b>Total (i+ii+iii)</b>			<b>5,6746,58,718.94</b>	<b>5,6746,58,718.94</b>

**VI. Remuneration of Directors and Key Managerial Personnel**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:-**

Sl No.	Particulars of Remuneration	Name of KMPs				Total Amount
		Muraleedharan (Managing Director)	Jayalakshmi P (CFO)	Sandhya Gopi (CS)	Vidya.R.Baliga (CS)	
	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7,80,000.00	6,00,000.00	2,40,000.00	2,37,500.00	18,57,500.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil	Nil
	© Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil	Nil

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Sl No.	Particulars of Remuneration	Name of KMPs				Total Amount
		Muraleedharan (Managing Director)	Jayalakshmi P (CFO)	Sandhya Gopi (CS)	Vidya.R.Baliga (CS)	
	Stock Option	Nil	Nil	Nil	Nil	Nil
	Sweat Equity	Nil	Nil	Nil	Nil	Nil
	Commission - as % of profit -	Nil	Nil	Nil	Nil	Nil
	Others	Nil	Nil	Nil	Nil	Nil
	Others, please specify					
	Bonus:	64974	49,980	19992	21450	156396
	Newspaper & Telephone:	-----	-----	-----	-----	-----
	Travelling & Telephone:	6007	24,000	-----	-----	30007
	Compensation in lieu of retirement benefits	-----	-----	-----	-----	-----
	<b>Total (A)</b>	<b>850981.00</b>	<b>673980.00</b>	<b>259992.00</b>	<b>258950.00</b>	<b>2043903</b>
	Ceiling as per the Act	NA	NA	NA	NA	NA

### B. Remuneration to other directors:

Particulars of Remuneration	A. R Mohanan	Jayaprakash Valiathan	Mohana-chandran C.P	Mohan-das.P	P Viswar-oopan	Rajimol. P.R	P. Rajesh	Hareesh M.R	P Swami-nathan	P Vijaya-kumar	S.Dinny	Total Amount
<b>1.Independent Directors</b>												
Fee for attending board & committee meetings	NIL	51000	63000	56000	NIL	66000	NIL	NIL	NIL	NIL	NIL	236000
Commission	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Total (1)</b>	NIL	51000	63000	56000	NIL	66000	NIL	NIL	NIL	NIL	NIL	236000

Particulars of Remuneration		Total Amount										Total Amount
	A. R Mohanan	Jayaprakash Valiathan	Mohana-chandran C.P	Mohan-das.P	P Viswar-oopan	Rajimol. P.R	P. Rajesh	Hareesh M.R	P Swami-nathan	P Vijaya-kumar	S.Dinny	
2. Other Non-Executive Directors												
Fee for attending board&committee meetings	59000	Nil	NIL	Nil	45000	NIL	68000	53000	58000	NIL	NIL	283000
Commission	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Total (2)</b>	59000	NIL	NIL	NIL	45000	NIL	68000	53000	58000	NIL	NIL	283000
<b>Total (B)= (1+2)</b>	59000	51000	63000	56000	45000	66000	68000	53000	58000	NIL	NIL	519000

**VII. Penalties / Punishment/ Compounding of Offences: Nil**

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment compounding fee imposed	Authority (RD/NCLT/ COURT)	Appeal made, if any
<b>A. Company</b> Penalty Punishment Compounding			None		
<b>B. Directors</b> Penalty Punishment Compounding			None		
<b>C. Other Officers in Default</b> Penalty Punishment Compounding			None		

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

Aluva  
17.08.2023

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

**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 a long term commitment to the Company, and develop a pride and sense of Company ownership, all in a manner consistent with shareholder interests.

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

#### 7. Remuneration to other employees:

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

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

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

#### **Interpretation**

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

## INDEPENDENT AUDITORS' 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, 2023, 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, 2023, 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence 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 stand alone financial statements, including the disclosures, and whether the stand alone 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. On the basis of information and explanation given to us, we report that the company is using audit trail compliant software which operated throughout the year and the audit trail was not tampered. However, we further report that the mandatory usage of audit trail compliant software by the company is applicable with effect from April 01, 2023.

- g. 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.
- h. On the basis of written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of section 164(2) of the Act;
- i. 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.
- j. 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;
- k. 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

- l. 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, 2023.
- 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



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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/-**

Place: Kochi - 33  
Date:17/08/2023

**CA. SAJEEV P.G. ,FCA, LL.B.**  
Partners (M.No.207625)  
UDIN:23207625BGTJET8063



**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) (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



## 34<sup>th</sup> Annual Report 2022-23

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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 recognized 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 Rs 457.01 Laksh 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, 2023 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., 31.01.2023.

- (c) According to the information and explanation provided to us, 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)

Place: Kochi - 33  
Date: 17-08-2023

**Sd/-**  
**CA. SAJEEV P.G, FCA, LLB**  
Partners (M. No.207625)  
UDIN: 23207625BGTJET8063

**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, 2023 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, 2023, 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, LLB**  
Partner (M.No.207625)  
UDIN: 23207625BGTJET8063

Place: Kochi-33  
Date: 17-08-2023

## 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)

Place: Kochi-33  
Date: 17-08-2023

**CA. SAJEEV P.G, FCA, LLB**  
Partner (M.No.207625)  
UDIN: 23207625BGTJET8063



**KPB NIDHI LIMITED**  
**KPBF Mandir, No.VIII/441(1), Sangeetha Sabha Road, Aluva**  
**CIN : U65991KL1989PLC005448**

**BALANCE SHEET AS AT 31 MARCH, 2023**

(Amount in Lakhs)

Particulars	Note No.	As at 31 March, 2023	As at 31 March, 2022
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3	3,176.85	3,158.64
(b) Reserves and Surplus	4	1,033.06	802.02
<b>(2) Share application money pending allotment</b>		-	-
<b>(3) Non-Current Liabilities</b>			
(a) Long term borrowings	5	52,837.40	54,825.36
(b) Long term provisions	6	87.31	79.47
<b>(4) Current Liabilities</b>			
(a) Short term borrowings	7	3,829.68	3,665.33
(b) Trade Payables	8	-	-
(c) Other Current liabilities	9	203.77	223.86
(d) Short-term provisions	10	492.70	459.00
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>61,660.77</b>	<b>63,213.68</b>
<b>II ASSETS</b>			
<b>(1) Non-Current assets</b>			
(a) Property, Plant and Equipments and Intangible Assets			
(i) Property, Plant and Equipments	11.1	1,496.30	1,464.44
(ii) Intangible assets	11.2	37.77	41.94
(iii) Capital work - in-progress	11.3	8.43	5.48
(c) Deferred tax assets (net)	12	77.98	75.78
(d) Long term loans and advances - Financing Activity	13.1	10,988.43	11,463.53
(e) Long term loans and advances	14	31.52	110.25
(f) Other non- current assets	15	1,146.76	10,601.88
<b>(2) Current assets</b>			
(a) Cash and bank balances	16	5,294.16	2,593.88
(b) Shortterm loans and advances - Financing Activity	13,1	38,716.06	35,256.24
(c) Shortterm loans and advances	17	395.42	201.42
(d) Other current assets	18	3,467.94	1,398.84
<b>TOTAL ASSETS</b>		<b>61,660.77</b>	<b>63,213.68</b>

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 and on behalf of the Board of Directors**

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

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

**Muraleedharan**  
Managing Director (DIN:08607833)

**CA Sajeev P.G. FCA, LL.B.**  
Partner (M.No. 207625)  
UDIN: 23207625BGTJET8063

**Jayalakshmi P**  
Chief Financial Officer

**Vidya R Baliga**  
Company Secretary

Place : Kochi  
Date: 17-08-2023

# 34<sup>th</sup> Annual Report 2022-23

**KPB NIDHI LIMITED**  
**KPBF Mandir, No.VIII/441(1), Sangeetha Sabha Road, Aluva**  
**CIN : U65991KL1989PLC005448**

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2023

(Amount in Lakhs)

Particulars	Note No.	For the Year Ended 31 March, 2023	For the Year Ended 31 March, 2022
I. Revenue from operations	19	6,880.95	6906.90
II. Other Income	20	688.24	733.76
<b>III. Total Income (I + II)</b>		<b>7,569.19</b>	<b>7640.66</b>
IV. Expenses			1,022.25
(a) Employee Benefit Expenses	21	1,052.03	5,189.36
(b) Finance Cost	22	4,865.50	59.34
(c) Depreciation and amortization expense	23	58.72	846.08
(d) Other expenses	24	999.43	
<b>Total Expenses</b>		<b>6,975.68</b>	<b>7,117.03</b>
<b>V. Profit/(loss) before exceptional item and tax (III - IV )</b>		<b>593.51</b>	<b>523.63</b>
<b>VI. Exceptional item</b>			
Intangible assets written off			27.10
<b>VII. Profit before tax (V-VI)</b>		<b>593.51</b>	<b>496.53</b>
VIII. Tax expenses:			
(a) Current tax		142.70	109.00
(b) Deferred tax		(2.20)	29.09
<b>IX. Profit/ (Loss) for the Year (VII - VIII)</b>		<b>453.01</b>	<b>358.44</b>
X. Earning Per Equity Share (EPS):			
-Basic and Diluted EPS	25	1.43	1.18

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 and on behalf of the Board of Directors**

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

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

**Muraleedharan**  
Managing Director (DIN:08607833)

**CA Sajeev P.G. FCA, LL.B.**  
Partner (M.No. 207625)  
UDIN: 23207625BGTJET8063

**Jayalakshmi P**  
Chief Financial Officer

**Vidya R Baliga**  
Company Secretary

Place : Kochi  
Date: 17-08-2023

**KPB NIDHI LIMITED**  
**KPBF Mandir, No.VIII/441(1), Sangeetha Sabha Road, Aluva**  
**CIN : U65991KL1989PLC005448**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2023**

(Amount in Lakhs)

Particulars	For the Year Ended 31 March, 2023	For the Year Ended 31 March, 2022
<b>A: CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit before tax as per Statement of Profit and Loss	593.51	496.53
Adjusted for:		
Provision for Depreciation	58.72	59.34
Provision for NPA		
Bad debts written off	549.64	309.31
(Profit)/Loss on sale of Fixed Assets	(4.94)	0.09
Intangible assets written off		27.10
Profit on sale of investments		(16.87)
<b>Operating Profit before Working Capital Changes</b>	<b>1,196.93</b>	<b>875.50</b>
(Increase)/Decrease in Gold Loan and Other Loans	(3,534.36)	2,075.18
(Increase)/Decrease in Deposits, Loans & Advances	(119.84)	38.40
(Increase)/Decrease in Other Current Assets	(2,069.10)	(1,069.23)
(Increase)/Decrease in Bank Deposits	6,584.79	(4,509.47)
Increase/(Decrease) in Deposits Accepted	(1,823.61)	2,692.22
Increase/(Decrease) in Current Liabilities	(20.09)	23.08
Increase/(Decrease) in Provision for Employee benefits	7.84	(41.56)
<b>Cash Generated from Operations</b>	<b>222.56</b>	<b>84.12</b>
Taxes Paid (net)	(109.00)	(124.10)
<b>Net Cash from / (used in) Operating Activities</b>	<b>113.56</b>	<b>(39.98)</b>
<b>B: CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of property Plant and Equipments	(100.35)	(58.05)
Proceedings from disposal of Fixed Assets	15.83	4.58
Purchase of current investments		
Sale of current investments		49.70
<b>Net Cash from / (used in) Investing Activities</b>	<b>(84.52)</b>	<b>(3.77)</b>
<b>C: CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from issue of Equity share Capital	18.21	136.23
Final Dividend paid	(221.97)	(151.26)
Share Application Money Pending Allotment		
<b>Net Cash from / (used in) Financing Activities</b>	<b>(203.76)</b>	<b>(15.03)</b>
Net (Decrease)/ Increase in Cash and Cash Equivalents	(174.73)	(58.79)
Opening Balance of Cash and Cash Equivalents	743.89	802.68
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>569.16</b>	<b>743.89</b>
<b>(Refer Note No. 16)</b>		

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 and on behalf of the Board of Directors**

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

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

**Muraleedharan**  
Managing Director (DIN:08607833)

**CA Sajeev P.G. FCA, LL.B.**  
Partner (M.No. 207625)  
UDIN: 23207625BGTJET8063

**Jayalakshmi P**  
Chief Financial Officer

**Vidya R Baliga**  
Company Secretary

Place : Kochi  
Date: 17-08-2023

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 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 Lakhs 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 up to 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 (up to) 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 measureable.

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. A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statement.
- b. 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.

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## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2023

### NOTE 3 SHARE CAPITAL

(Amount in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>a) Authorized:</b> 3,50,00,000 (As on 31 March, 2022 - 3,50,00,000) Equity Shares of Rs. 10/- each	3,500.00	3,500.00
<b>b) Issued, Subscribed &amp; Paid Up:</b>	<b>3,500.00</b>	<b>3,500.00</b>
3,17,68,521 (As on 31 March, 2022 -3,15,86,412) Equity Shares of Rs. 10/- each fully called up and paid up	3,176.85	3,158.64
	<b>3,176.85</b>	<b>3,158.64</b>

### 3.1 - Reconciliation of the number of shares outstanding at the beginning and at the end of the year: -

Equity Shares	March 31, 2023		March 31, 2022	
	No. of shares	Rs.	No. of shares	Rs.
No. of shares at the beginning of	315,86,412	3158,64,120.00	294,21,160	2942,11,600.00
Shares issued during the year	1,82,109	18,21,090.00	21,65,252	216,52,520.00
Shares bought back during the				
Shares Outstanding at the end of	317,68,521	3176,85,210.00	315,86,412	3158,64,120.00

### 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.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2023

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 2022				NIL		
	As at 31 March 2023				NIL		

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## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2023

### NOTE : 4 - RESERVES AND SURPLUS

(Amount in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
<b>Capital Reserve</b>		
Amount as per Last Balance Sheet	0.92	0.92
Add: Additions/transfers during the Year		
<b>Closing balance</b>	<b>0.92</b>	<b>0.92</b>
<b>General Reserve</b>		
Amount as per Last Balance Sheet	328.49	238.88
Add: Additions/transfers during the Year	113.25	89.61
<b>Closing balance</b>	<b>441.74</b>	<b>328.49</b>
<b>Surplus</b>		
Balance as per last financial statements	472.61	355.04
Add: Net profit/(net loss) for the current year	453.01	358.44
Less: Final Dividend FY 2021-22	(221.97)	(151.26)
Less: Transfer to General Reserve	(113.25)	(89.61)
<b>Balance as at the end of the year</b>	<b>590.40</b>	<b>472.61</b>
<b>Total</b>	<b>1,033.06</b>	<b>802.02</b>

In respect of the year ended March 31, 2023, 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:

(Amount in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
<b>Unsecured Borrowings</b>		
(i) Term Deposits	52,837.40	54,825.36
<b>Total</b>	<b>52,837.40</b>	<b>54,825.36</b>

### NOTE : 6 - LONG TERM PROVISIONS:

(Amount in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Provision for Gratuity	87.31	79.47
<b>Total</b>	<b>87.31</b>	<b>79.47</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2023**

**NOTE : 7 - SHORT TERM BORROWINGS**

*(Amount in Lakhs)*

Particulars	As at 31 March, 2023	As at 31 March, 2022
<b>Unsecured Deposits</b>		
(i) Recurring Deposits	1015.12	1063.21
(ii) Savings Deposits	2814.56	2602.12
<b>Total</b>	<b>3829.68</b>	<b>3665.33</b>

**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, 2023 is Nil, (as on March 31, 2022 is Nil). Accordingly, no disclosures relating to principal amounts unpaid as at the period ended March 31, 2023 together with interest paid/payable are required to be furnished.

**NOTE : 9 - OTHER CURRENT LIABILITIES**

*(Amount in Lakhs)*

Particulars	As at 31 March, 2023	As at 31 March, 2022
(a) Unclaimed dividend	13.84	4.34
(b) Other Payables		
(i) Statutory remittances	50.08	42.06
(ii) Interest Payable	79.51	119.47
(iii) Matured Deposits	25.81	25.87
(iv) Expense Payable	34.43	26.63
(v) Others	0.10	5.49
<b>Total</b>	<b>203.77</b>	<b>223.86</b>

**NOTE : 10 - SHORT TERM PROVISIONS:**

*(Amount in Lakhs)*

Particulars	As at 31 March, 2023	As at 31 March, 2022
Provision for Income Tax	142.70	109.00
Provision for Bad & Doubtful debts	350.00	350.00
<b>Total</b>	<b>492.70</b>	<b>459.00</b>

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2023

NOTE : 12 - DEFERRED TAX (LIABILITY)/ ASSET

(Amount in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
<b>a) Deferred Tax Assets:-</b>		
Related to Property Plant and Equipments		
Related to Others	110.05	99.64
<b>b) Deferred Tax Liabilities:-</b>		
Related to Property Plant and Equipments	(32.06)	(23.86)
Related to Others		
<b>Net Deferred Tax Asset</b>	<b>77.99</b>	<b>75.78</b>

NOTE : 13- LOANS AND ADVANCES - FINANCING ACTIVITY

(Amount in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
<b>Loans</b>		
(A) Property Loan	10,988.43	11,463.53
Gold Loan	37,554.09	33,965.80
Loan on Deposit	1,041.48	1,148.94
Other Loans	24.71	27.42
Staff Loans	95.78	114.08
<b>Total - A Gross Amount</b>	<b>49,704.49</b>	<b>46,719.77</b>
(B) (i) Secured by Securities and Assets	49,608.71	46,605.69
(ii) Covered by Other Securities	95.78	114.08
(iii) Unsecured	-	-
<b>Total - B Gross Amount</b>	<b>49,704.49</b>	<b>46,719.77</b>
(C) Loans in India		
(i) Public Sector	-	-
(ii) Others	49,704.49	46,719.77
<b>Total - C Gross Amount</b>	<b>49,704.49</b>	<b>46,719.77</b>
<b>Total</b>	<b>49,704.49</b>	<b>46,719.77</b>

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

\*Refer note 13.1 for bifurcation of long term and short term loans and advances.

NOTE : 14 - LONG TERM LOANS AND ADVANCES

(Amount in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
(a) Balances with Government authorities		
Income Tax receivables	31.52	110.25
<b>Total</b>	<b>31.52</b>	<b>110.25</b>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2023

NOTE : 15 - OTHER NON CURRENT ASSETS

(Amount in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
<b>(a) Security Deposits</b>		
Unsecured, considered good	117.07	112.41
FDs With Bank with maturity of more than 1 year	1,029.69	10,489.47
<b>Total</b>	<b>1,146.76</b>	<b>10,601.88</b>

NOTE : 16 - CASH AND BANK BALANCES

(Amount in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
<b>A) Cash and cash equivalents</b>		
(i) Cash in Hand	203.69	306.2
(ii) Balances with banks		
In Current Accounts	351.63	433.34
	555.32	739.54
<b>B) Other Bank Balances</b>		
(i) In Deposit Accounts	5,754.69	12,339.47
Less: Original Maturity more than one year	(1,029.69)	(10,489.47)
	4,725.00	1,850.00
Unpaid Dividend Accounts	13.84	4.34
<b>Total Cash and Bank balances</b>	<b>5,294.16</b>	<b>2,593.88</b>

NOTE : 17 - SHORT TERM LOANS AND ADVANCES

(Amount in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
(a) Balances with Government authorities (Unsecured, considered good)		
TDS & Advance Tax	376.34	181.17
GST Receivable	-	-
(b) Others (Unsecured, considered good)		
Loans and advances to employees	7.24	8.18
Others (Prepaid Expenses, and other advances)	11.84	12.07
<b>Total</b>	<b>395.42</b>	<b>201.42</b>

NOTE : 18 - OTHER CURRENT ASSETS

(Amount in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
a) Accruals		
Interest accrued on advances	3,459.10	1,398.08
(b) Others		
Stamp in Stock	0.53	0.44
Other Advances	8.31	0.32
<b>Total</b>	<b>3,467.94</b>	<b>1,398.84</b>

**NOTE: 11 - SCHEDULE OF PROPERTY, PLANT AND EQUIPMENTS AND INTANGIBLE ASSETS**

Note 11.1

(Amount in Lakhs)

Particulars	Land	Building	Computers	Electrical Fittings	Furniture and Fittings	Motor Vehicle	Total
<b>Cost:</b>	<b>665.96</b>	<b>617.87</b>	<b>124.20</b>	<b>161.15</b>	<b>386.70</b>	<b>1.20</b>	<b>1,957.08</b>
As at April 1,2022							
Additions	37.00	20.00	10.17	6.54	9.55	13.90	97.16
Disposals	10.90	-	-	0.20	-	0.52	11.62
<b>As at March 31,2023</b>	<b>692.06</b>	<b>637.87</b>	<b>134.37</b>	<b>167.49</b>	<b>396.25</b>	<b>14.58</b>	<b>2,042.62</b>
<b>Depreciation and Impairment:</b>							
As at April 1,2022	-	44.41	105.30	98.51	243.64	0.78	492.64
Additions	-	9.67	8.4	10.84	24.04	1.35	54.30
Disposals	-	-	-	0.14	-	0.49	0.63
<b>As at March 31,2023</b>	<b>-</b>	<b>54.09</b>	<b>113.70</b>	<b>109.21</b>	<b>267.68</b>	<b>1.64</b>	<b>546.32</b>
<b>Net book value:</b>							
As at April 1,2022	665.96	573.46	18.90	62.64	143.06	0.42	1,464.44
<b>As at March 31,2023</b>	<b>692.06</b>	<b>583.78</b>	<b>20.67</b>	<b>58.28</b>	<b>128.57</b>	<b>12.94</b>	<b>1,496.30</b>

Note 11.2

Intangible Assets	License Fee	Total
<b>Particulars</b>		
<b>Cost:</b>		
As at April 1,2022	44.40	44.40
Additions	0.25	
Disposals	-	
<b>As at March 31,2023</b>	<b>44.65</b>	<b>44.65</b>
<b>Depreciation and Impairment:</b>		
As at April 1,2022	2.46	2.46
Additions	4.42	
Disposals	-	
<b>Net book value:</b>	<b>6.88</b>	<b>6.88</b>
As at April 1,2022	41.94	41.94
<b>As at March 31,2023</b>	<b>37.77</b>	<b>37.77</b>

Note 11.3

Capital work-in-progress	Building	Total
<b>Particulars</b>		
<b>Cost:</b>		
As at April 1,2022	5.48	5.48
Additions	2.95	-
Disposals	-	-
<b>As at April 1,2022</b>	<b>8.43</b>	<b>8.43</b>



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2023

Note - 13.1

NOTE : 13- LOANS AND ADVANCES - FINANCING ACTIVITY MATURITY WISE (Amount in Lakhs)

Particulars	Non-Current		Current	
	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022
<b>Loans</b>				
(A) Property Loan	10,988.43	11,463.53	-	-
Gold Loan	-	-	37,554.09	33,965.80
Loan on Deposit	-	-	1,041.48	1,148.94
Other Loans	-	-	24.71	27.42
Staff Loans	-	-	95.78	114.08
<b>Total - A Gross Amount</b>	10,988.43	11,463.53	38,716.06	35,256.24
(B) (i) Secured by Securities and Assets	10,988.43	11,463.53	38,620.28	35,142.16
(ii) Covered by Other Securities	-	-	95.78	114.08
(iii) Unsecured	-	-	-	-
<b>Total - B Gross Amount</b>	10,988.43	11,463.53	38,716.06	35,256.24
(C ) Loans in India				
(i) Public Sector	-	-	-	-
(ii) Others	10,988.43	11,463.53	38,716.06	35,256.24
<b>Total - C Gross Amount</b>	10,988.43	11,463.53	38,716.06	35,256.24
<b>Total</b>	<b>10,988.43</b>	<b>11,463.53</b>	<b>38,716.06</b>	<b>35,256.24</b>

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## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2023

### NOTE : 19 - REVENUE FROM OPERATIONS

(Amount in Lakhs)

Particulars	For the Year Ended 31 March, 2023	For the Year Ended 31 March, 2022
Interest Received	6,880.95	6,906.42
Commission Received	-	0.48
<b>Total</b>	<b>6,880.95</b>	<b>6,906.90</b>

Note: No commission is received during the current year (Received Rs.47,908 during FY 2021-22 from insurance business, operations of which is discontinued).

### NOTE : 20 - OTHER INCOME

(Amount in Lakhs)

Particulars	For the Year Ended 31 March, 2023	For the Year Ended 31 March, 2022
(a) Interest Income		
Interest received from Deposits	627.10	698.68
(b) Other non-operating income (net of expenses directly attributable to such income)		
Net Gain on Sale of Investment	-	16.87
Processing Fees Recovered	1.55	1.05
Profit on disposal of Fixed Assets	4.95	0.02
Bad trade and other receivables recovered	31.44	15.99
Other Miscellaneous Income	0.80	0.79
Income from Investment	3.62	0.36
Reversal of diminution in value of investment	-	-
Interest received IT - Refund	9.03	-
Inoperative Account Charges	9.75	-
<b>Total</b>	<b>688.24</b>	<b>733.76</b>

Note: No sale of investments during the current financial year.

### NOTE : 21 - EMPLOYEE BENEFIT EXPENSES

(Amount in Lakhs)

Particulars	For the Year Ended 31 March, 2023	For the Year Ended 31 March, 2022
Salaries & Wages	884.52	854.51
Contributions to provident and other funds	86.96	94.48
Staff welfare expenses	80.55	73.26
<b>Total</b>	<b>1,052.03</b>	<b>1,022.25</b>

### NOTE : 22 - FINANCE COST

(Amount in Lakhs)

Particulars	For the Year Ended 31 March, 2023	For the Year Ended 31 March, 2022
(a) Interest Expense on :		
(i) Interest on Deposits	4,862.63	5,186.94
(ii) Bank Charges	2.87	2.42
<b>Total</b>	<b>4,865.50</b>	<b>5,189.36</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2023**

**NOTE : 23 - DEPRECIATION AND AMORTISATION EXPENSES**

(Amount in Lakhs)

Particulars	For the Year Ended 31 March, 2023	For the Year Ended 31 March, 2022
Depreciation	54.30	57.02
Amortization	4.42	2.32
<b>Total</b>	<b>58.72</b>	<b>59.34</b>

**NOTE : 24 - OTHER EXPENSES**

(Amount in Lakhs)

Particulars	For the Year Ended 31 March, 2023	For the Year Ended 31 March, 2022
Advertisement	2.12	1.03
AGM Expenses	2.63	5.04
Audit Fees	6.68	6.68
Board /AGM/ Committee Meeting Expenses	0.81	1.22
Business Promotion	6.96	8.96
Consultation & Professional	0.77	0.73
Donation	1.35	10.26
Electricity Charges	17.84	15.58
Filing Fees	0.30	0.21
Fees & Other Renewals	0.28	0.12
Insurance & Tax For Vehicles	1.99	0.17
Insurance Premium	8.67	9.19
Internet Charges	10.87	8.46
Legal Charges	8.50	63.17
Loss On Sale Of Property/Fixed Assets	0.02	0.11
Manager/Regional Manager Conference	2.09	0.99
Newspaper	1.78	1.74
Vehicle running expenses	3.93	3.47
Postages	3.73	9.83
Printing & Stationery	24.45	13.86
Interest waived Gold Loan	22.01	0.44
Rates & Taxes	4.22	2.81
Rent	155.17	148.05
Repairs & Maintenance	14.86	12.00
Repairs To Vehicle	0.40	0.34
Sitting Fees	5.19	3.47
Stamps	0.22	0.02
Telephone Expenses	18.10	22.06
Training Expenses	0.46	2.14
Travelling Expenses	59.78	32.64
Water Charges	1.07	1.22
Diesel Charge For Generator	0.20	0.19
GST	9.46	53.13
Miscellaneous Expenses	30.82	31.44
Office Expenses	4.74	4.19
Software Maintenance Charges	16.44	56.82
Staff Meeting Expenses	0.65	0.11
Reimbursement Of Medical Expenses	0.01	2.09
Training Expenses	-	2.78
Appraiser Charges	0.22	0.01
Provisions and Written offs (See 'Note 24(b)' below)	549.64	309.31
<b>Total</b>	<b>999.43</b>	<b>846.08</b>

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**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2023**

**a. Details of payment made to auditors.**

*(Amount in Lakhs)*

Particulars	For the Year Ended 31 March, 2023	For the Year Ended 31 March, 2022
Payment to Auditors includes payment;		
- For Statutory Audit	2.00	2.00
- For Branch Audit	4.68	4.68
<b>Total</b>	<b>6.68</b>	<b>6.68</b>

**b. Provisions and Written Offs**

*(Amount in Lakhs)*

Particulars	For the Year Ended 31 March, 2023	For the Year Ended 31 March, 2022
Provision for Bad & Doubtful debts	-	-
Bad Debts	549.64	309.31
<b>Total</b>	<b>549.64</b>	<b>309.31</b>

**NOTE : 25 - EARNINGS PER SHARE**

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.

*(Amount in Rupees)*

Particulars	For the Year Ended 31 March, 2023	For the Year Ended 31 March, 2022
A. Net Profit/(Loss) after tax attributable to the Equity Shareholders	4,53,01,130.63	3,58,43,282.26
B. Weighted average number of Equity Shares outstanding	3,16,84,681.49	3,02,93,334.13
Basic and Diluted Earnings Per Share in rupees (A/B)	1.43	1.18
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.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2023**

**NOTE : 27 - 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

SI.No.	Name of the Related Party	Name of the Related Party
1	Key Managerial Personnel M Muraleedharan Jayalakshmi P. Sandhya Gopi Vidya R Baliga	Managing Director Chief Financial Officer Company Secretary Company Secretary
2	Relative of Key Managerial Person Siddesh M Rajnarayanan V M Padmavathi Amma Prateetha Raj Anup Unnikrishnan	Son of MD Spouse of CFO Parent of CFO Daughter of CFO Son in Law of CFO

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

Particulars	KMP		Relatives of KMP	
	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022
Remuneration and Allowance	22.26	25.01	-	-
Expenses Reimbursed	0.30	0.93	-	-
Interest paid on Deposits	1.39	1.51	4.80	5.06
Fixed Deposit Accepted	10.00	12.00	25.62	39.65
Fixed Deposit Repaid	12.00	12.00	25.82	45.75
Other Deposit Accepted	7.58	5.49	23.14	2.20
Other Deposit Repaid	5.49	1.00	21.63	2.10

Particulars	Entities in which KMP/Relatives of KMP can exercise significant influence	
	31 March, 2023	31 March, 2022
Service Rendered/Capital Asset Acquired	-	22.40

(iii) Amount outstanding at the year end: Asset/(Liability)

*(Amount in Lakhs)*

Particulars	KMP		Relatives of KMP	
	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022
Deposit Outstanding	18.65	18.71	48.37	92.61
Interest Payable	0.04	0.02	0.10	0.19

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### NOTE : 28 - TRANSACTION WITH NON EXECUTIVE DIRECTOR

Name of Non-Executive Director	Particulars	March 31 , 2023	March 31 , 2022
Jayaprakash Valiathan	Sitting Fee	0.51	0.57
M.A Vasudevan Namboodiri	Sitting Fee	-	0.22
Vishnu Prasad B Menon	Sitting Fee	-	0.57
Vinu Krishnan	Sitting Fee	-	0.39
A R Mohanan	Sitting Fee	0.59	0.41
P Viswaroopan	Sitting Fee	0.45	0.28
P. Rajesh	Sitting Fee	0.68	0.33
C.P. Mohanachandran	Sitting Fee	0.63	0.50
Hareesh M R	Sitting Fee	0.53	0.20
Mohandas P	Sitting Fee	0.56	-
Rajimol P R	Sitting Fee	0.66	-
Swaminathan P	Sitting Fee	0.58	-
Vishnu Prasad B Menon	Interest Paid	-	0.20
A R Mohanan	Interest Paid	3.45	0.24
Jayaprakash Valiathan	Interest Paid	-	3.84
Mohanachandran C P	Interest Paid	-	0.74
P. Rajesh	Interest Paid	0.11	0.29
P Viswaroopan	Interest Paid	17.71	18.17
Mohandas P	Interest Paid	2.05	-
Rajimol P R	Interest Paid	0.06	-
P Vijayakumar	Interest Paid	0.55	-
M.A Vasudevan Namboodiri	Interest Paid	-	0.34
G. Rajan Nair	Interest Paid	-	0.56

### NOTE : 29- 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 : 30 - GOLD LOAN PORTFOLIO

*(Amount in Lakhs)*

Particulars	March 31 , 2023	March 31 , 2022
Total Gold Portfolio	37,554.09	33,965.80
Total Assets	61,660.78	63,213.69
Gold loan portfolio as a percentage of total assets	61%	54%

### NOTE : 31 - VALUE OF IMPORTS CALCULATED ON CIF BALANCE

The company has not imported any goods therefore value of import on CIF basis is Nil during the year 2022-2023, (2021-2022 – Nil).

### NOTE: 32 - EXPENDITURE IN FOREIGN CURRENCY

The company does not have any expenditure in Foreign Currency during the year 2022-2023, (2021-20212– Nil).

### NOTE : 33 - EARNING IN FOREIGN CURRENCY

The company does not have any earnings in Foreign Currency during the year 2022-2023, (2021-2022 – Nil).

### NOTE : 34

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

As a prudent measure, the company has written off an amount of Rs. 5,49,63,543/- relating to Gold Loans and Property Loans.

### NOTE : 35 - MISCELLANEOUS

The company has a single reportable segment i.e. financing which has similar risk & return for the purpose of AS-17 on 'Segment Reporting' notified under the Companies (Accounting Standard) Rules, 2006 as amended. The company operates in a single geographical segment i.e. domestic. No penalties were imposed by the regulator during the year during the financial year ended March 31, 2023, (March 31, 2022: Nil).

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2023**

**NOTE : 26 - 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** *(Amount in Lakhs)*

Particulars	For the Year Ended 31 March, 2023	For the Year Ended 31 March, 2022
Current service cost	17.26	14.45
Interest cost	-	-
Expected return on plan assets	4.76	1.99
Actuarial losses/(gains)	0.23	0.05
Total expense recognised in the Statement of Profit and Loss	12.73	12.51

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

Particulars	For the Year Ended 31 March, 2023	For the Year Ended 31 March, 2022
Actual benefit payments	15.77	7.59
Actual contributions	25.00	50.00

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

Particulars	For the Year Ended 31 March, 2023	For the Year Ended 31 March, 2022
Present value of defined benefit obligation	170.69	149.07
Fair value of plan assets	83.38	69.61
Funded status [Surplus / (Deficit)]	(87.31)	(79.46)
Net asset / (liability) recognised in the Balance Sheet	(87.31)	(79.46)

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

Particulars	For the Year Ended 31 March, 2023	For the Year Ended 31 March, 2022
Present value of DBO at beginning of the year	149.07	121.02
Current service cost	17.27	14.45
Interest cost	-	-
Unrecognised past service costs	20.12	21.19
Actuarial (gains) / losses	-	-
Benefits paid	15.77	7.59
Present value of DBO at the end of the year	170.69	149.07

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### v. Change in fair value of assets during the year

*(Amount in Lakhs)*

Particulars	For the Year Ended 31 March, 2023	For the Year Ended 31 March, 2022
Plan assets at beginning of the year	69.61	25.27
Expected return on plan assets	4.77	1.99
Actual company contributions	25.00	50.00
Actuarial gain / (loss)	(0.23)	(0.05)
Benefits paid	15.77	7.59
Plan assets at the end of the year	83.38	69.61

### vi. Composition of the plan assets is as follows:

*(Amount in Lakhs)*

Particulars	For the Year Ended 31 March, 2023	For the Year Ended 31 March, 2022
Government bonds	-	-
PSU bonds	-	-
Equity mutual funds	-	-
Insurer Managed Funds	83.38	69.61

### vii. Actuarial assumptions

*(Amount in Lakhs)*

Particulars	For the Year Ended 31 March, 2023	For the Year Ended 31 March, 2022
Discount rate	7.00%	7.25%
Rate of return on plan assets	6.75%	6.75%
Salary escalation	6.00%	6.00%
Attrition Rate	7.67%	7.67%

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.



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2023**

**NOTE : 36 - CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS**

Particulars	March 31 , 2023	March 31 , 2022
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: 37 -ADDITIONAL REGULATORY INFORMATION**

**Financial ratios**

Particulars	Formula	For the Year Ended 31 March, 2023	For the Year Ended 31 March, 2022	% Variance*
<b>Liquidity Ratio (InTimes)</b>				
Current ratio	CA/CL	10.58	9.07	16.58%
<b>Solvency Ratio (InTimes)</b>				
Debt-equity ratio	Debt/Equity	NA	NA	
Debt service coverage ratio	EBITDA/Debt	NA	NA	
<b>Profitability ratio (In %)</b>				
Return on equity	PAT/Equity	10.76%	9.05%	18.90%
Return on capital employed	EBIT/CE	9.57%	9.67%	-1.06%
Return on investment	EBIT/TA	8.85%	8.99%	-1.57%
Net profit ratio*	PAT/NS	6.58%	5.19%	26.86%
<b>Turnover Ratio (InTimes)</b>				
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	0.18	0.19	-8.52%

\* There is a significant improvement in Net profit ratio as compared to previous year which is a result of decrease in operating expenses and finance cost of the company during the year.

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

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## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2023

### NOTE :37- OTHER STATUTORY INFORMATIONS (..contd.)

- 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:38 - 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:39

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

**As per our Report of even date**

**For and on behalf of the Board of Directors**

**For SAJEEV & AJITH**

Chartered Accountants (FRN 014219S)

**Sd/-**

**A.R. Mohanan**

Chairman (DIN:06817818 )

**Sd/-**

**Muraleedharan M**

Managing Director (DIN:08607833)

**Sd/-**

**CA Sajeev P.G. FCA, LL.B.**

Partner (M.No. 207625)

UDIN: 23207625BGTJET8063

**Sd/-**

**Jayalakshmi P**

Chief Financial officer

**Sd/-**

**Vidya R Baliga**

Company Secretary

Place : Kochi

Date: 17-08-2023



# KPB Nidhi Ltd.

Approved by Govt. of India-ESTD 1989

HO:KPB Mandir, Sangeetha Sabha Road, Aluva-683101, Phone : 0484 2922000, 2922060  
CIN:U65991KL1989PLC005448, headoffice@kpbnidhi.com, 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)

<b>Name of the Company: M/S KPB NIDHI LIMITED</b> <b>Registered Office: KPB MANDIR, SANGEETHA SABHA ROAD, ALUVA- 683101</b> <b>CIN:U65991KL1989PLC005448</b>				
<b>BALLOT PAPER</b>				
Sl. No.	Particulars	Details		
1.	<b>Name of the First Named Shareholder (in Block Letters)</b>			
2.	<b>Postal Address</b>			
3.	<b>Registered Folio Number</b>			
4.	<b>Class of Shares</b>	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
<b>ORDINARY BUSINESS(ES)</b>				
1	To adopt Financial Statements of the Company including Report of the Board of Directors and Auditors for the FY: 2022-23			
2.	To re-appoint Sri. Rajesh Padmanabhan (DIN: 06651893) as Director			
3.	To re-appoint Sri. Hareesh Mekanakkil Ramachandran (DIN: 09249975) as Director			
4.	To declare Dividend @ 10% for the FY: 2022- 2023.			
<b>SPECIAL BUSINESS(ES)</b>				
5.	Appointment of Sri. Puthenkovilakom Vijayakumar (DIN: 10045022) as Independent Director			
6.	Appointment of Sri. Sasidharan Dinny (DIN: 10088429) as Independent Director			
7.	To Authorize Board of Directors to appoint Branch Auditors and to fix their remuneration			
Place :		Signature of Shareholder		
Date :				





## BRANCH SHIFTING

EDAPPALLY



KALADY





# KPB Nidhi Ltd.

## PALAKKAD BRANCH SHIFTING



# ONAM CELEBRATION AT HEAD OFFICE





# ശതാഭിഷിക്തനാവുന്ന മേനോൻ സാറിന് KPB നിധിയുടെ ആദരം



SN Press, Aluva. Ph : 9633020289

**KPB Nidhi Ltd.**