

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

NOTICE TO SHAREHOLDERS

Notice is hereby given that the One Hundred and Thirty Sixth Annual General Meeting of the shareholders of **Sriman Madhwa Sidhantaonnahini Permanent Nidhi Limited will be held at Poornapragnya Hall**, First Floor, No.7/12, Arumugham Lane, Triplicane, Chennai - 600 005 (Behind Registered Office of the Nidhi) at 03.30 p.m., on Saturday the 29th September 2018 to transact the following business:

ORDINARY BUSINESS:

1. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:
“RESOLVED that the Audited Balance Sheet of the Company as at 31st March 2018 the Statement of Profit and Loss account and cash flow statement for the year ended on that date together with the Reports of Directors and of the Auditors thereon as presented to this Annual General Meeting, be and are hereby approved and adopted.”
2. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:
“RESOLVED that dividend at ₹.1.30 per equity share be and is hereby declared, on the fully paid up Equity shares of ₹.10/- each in the paid up capital of the company, to those members whose names appear in the Register of Members of the company as on the date of the Annual General Meeting.”
3. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:
To appoint a Director in the place of Sri. D.S.Srinivasa Rao, Director (DIN: 03196295) who retires by rotation in terms of Article 11(b) of the Articles of Association of the Company and who being eligible, offers himself for re-appointment.
4. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:
To appoint a Director in the place of Sri. C.S.Ramamurthy, Director, (DIN: 03196273) who retires by rotation in terms of Article 11(b) of the Articles of Association of the Company and who being eligible, offers himself for re-appointment.
5. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:
To appoint a Director in the place of Dr.R.Narasimhan, Director (DIN: 06557701) who retires by rotation in terms of Article 11(b) of the Articles of Association of the Company and who being eligible, offers himself for re-appointment.
6. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:
To appoint a Director in the place of Sri.V.Muralidharan, Director (DIN: 06716317) who retires by rotation in terms of Article 11(b) of the Articles of Association of the Company and who being eligible, offers himself for re-appointment.

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

SPECIAL BUSINESS:

7. To consider and if thought fit to pass the following resolution as an Ordinary Resolution with or without modification:

“RESOLVED that Sri Vasudeva Rao Anand (DIN: 07633238) who was appointed as an additional Director of the Company, by a resolution passed by the Board of Directors at its meeting held on 14th October 2017, under Section 161(1) of the Companies Act 2013, and other applicable provisions, of the Articles of the Association of the Company and who holds Office up to the date of this Annual General Meeting and in respect of whom notice under Section 160 of the Companies Act, 2013 together with deposit is received from member, be and is hereby appointed as Director of the Company liable to retire by rotation.

8. Payment of Grant-in-Aid to Sriman Madhwa Sidhantaonnahini Sabha

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

“RESOLVED THAT pursuant to Section 181 of the Companies Act 2013 and Clause 3 (c) of the Memorandum of Association of the Company read with clause 4(c) of Articles of Association, the consent of the members be and is hereby accorded for granting a sum of ₹. 20,00,000/- (Rupees Twenty lakhs only) for payment of a grant-in-aid to Sriman Madhwa Sidhantaonnahini Sabha, Tiruchanur” for the year 2017 – 2018.

“RESOLVED FURTHER that Sri.M.Bhagavantha Rao, Director of the Company be and is hereby authorised to perform and execute all such acts, deeds, matters and things, as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected therewith or incidental thereto including filing of forms/returns as may be required with the Registrar of companies or such authorities.”

9. Payment of Donation to S M S O Permanent Nidhi Limited Employees Welfare Trust.

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

“RESOLVED THAT pursuant to Section 181 of the Companies Act 2013, approval of the members be and is hereby accorded to the Board of the Nidhi to contribute to S M S O Permanent Nidhi Limited Employees Welfare Trust a sum of ₹. 5,00,000/- (Rupees Five lakhs only) towards donation for meeting the educational loan of the employee wards.

“RESOLVED FURTHER that Sri.M.Bhagavantha Rao, Director of the Company be and is hereby authorised to perform and execute all such acts, deeds, matters and things, as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected therewith or incidental thereto including filing of forms/returns as may be required with the Registrar of companies or such authorities.”

10. Payment of Donation to Sri Madhwa Sidhanta Charitable Trust, Chennai.

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

“RESOLVED THAT pursuant to Section 181 of the Companies Act 2013, approval of the members be and is hereby accorded to the Board of the Nidhi to contribute to Sri Madhwa

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

Sidhantha Charitable Trust a sum of ₹. 10,00,000/- (Rupees Ten lakhs only) towards donation.

“RESOLVED FURTHER that Sri.M.Bhagavantha Rao, Director of the Company be and is hereby authorised to perform and execute all such acts, deeds, matters and things, as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected therewith or incidental thereto including filing of forms/returns as may be required with the Registrar of companies or such authorities.”

(By order of the Board)

Place: Chennai
Date: 18.08.2018

M. BHAGAVANTHA RAO
President
DIN No :02895468

NOTE:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of items 7 - 10 is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith.
3. Members are requested to advise the Company immediately of any change in their address.
4. The Register of Members and share transfer book of the Nidhi will be closed from 16.09.2018 to 29.09.2018 (both days inclusive).
5. The Nomination for Election of Director along with a deposit of Rs. 10,000/- (Rupees Ten Thousand only) must be filed not less than 14 days before the Meeting as per Section 160 of the Companies Act as modified for Nidhi Company by Notification No. GSR 465 [E] dated 05.06.2015 issued by Ministry of Corporate Affairs, New Delhi.
6. Members intending to ask for information at the Annual General Meeting regarding any matter in the Directors' Report or any item in the statement of accounts are requested to leave notice to the particulars of information required at the Registered Office of the Nidhi at least seven days before the Annual General Body Meeting.
7. Members are requested to give instruction for matured deposits and interest accrued, if any, as the matured deposits remaining unclaimed for seven years from the date they first became due for payment are now required to be transferred to the “Investors Education and Protection Fund” established by the Central Government under Section 125 of the Companies Act, 2013.

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013

Item No.7 :

Sri.Vasudeva Rao Anand was co opted as an additional Director by the Board at its meeting held on 14th October 2017 to hold office up to the date of ensuing Annual General Meeting.

The Company has received a notice from a member proposing Sri.Vasudeva Rao Anand as candidate for the office of the Director along with a deposit of Rupees Ten thousand pursuant to Section 160 of the Companies Act, 2013.

Sri.Vasudeva Rao Anand, has given his acceptance to the proposed appointment, if elected .

Sri.Vasudeva Rao Anand is presently associated with M/s Haworth India, Chennai a U.S based multinational Company as Finance Director and CFO. His grand parents are founders of the Nidhi. His knowledge and experience in the financial field will be an asset for the institution and his appointment will be in the interest of the Nidhi.

Except Shri.Vasudeva Rao Anand none of the Directors may be considered to be concerned or interested in this resolution.

“Accordingly necessary resolution is placed under Item No 7 of the Notice for consideration and approval”

Item no. 8 :

The Clause 3(c) of the Memorandum of Association read with clause 4(c) of Articles of Association empowers the Company to make permanent provisions for payment of a Grant- in-Aid to Sriman Madhwa Sidhantaonnahini Sabha, Tiruchanur. Pursuant to Section 181 of the Companies Act, 2013 and Clause 3(c) of the Memorandum of Association and clause 4(c) of the Articles of Association, company's one of the main objects is to make a permanent provision for payment of a grant-in-aid to Sriman Madhwa Sidhantaonnahini Sabha every year.

The Nidhi has considered a sum of ₹ .20,00,000/- (Rupees Twenty Lakhs only) for payment of Grant-in-aid to S M S O Sabha for the year 2017 – 2018.

Since the company's annual contribution may be in excess of limits stipulated under Section 181 of the Companies Act, 2013 viz., 5% of the average net profits of the immediately three preceding financial years, the approval of the shareholders is sought under Section 181 of the Companies Act, 2013

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financial or otherwise in the said Ordinary Resolution.

“Accordingly necessary resolution is placed under Item No 8 of the Notice for consideration and approval”

Item no. 9 :

The Nidhi has decided to sanction a sum of ₹.5,00,000 /-(Rupees five lakhs only) to S M S O Permanent Nidhi's Employees Welfare Trust, for meeting the educational loan to the staff members wards. It is pertinent to inform to the share holders that, the Nidhi is sanctioning

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

interest free loan to employee's wards to pursue higher education all these years and the loan amount was sanctioned with the available funds in the Trust Account. Since, more number of applications are received year after year due to recruitment of more number of staff, we thought it is fit to raise the resources to meet the emerging demand.

Since the company's annual contribution may be in excess of limits stipulated under Section 181 of the Companies Act, 2013 viz., 5% of the average net profits of the immediately three preceding financial years, the approval of the shareholders is sought under Section 181 of the Companies Act, 2013

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financial or otherwise in the said Ordinary Resolution.

"Accordingly necessary resolution is placed under Item No 9 of the Notice for consideration and approval"

Item no. 10 :

The Nidhi has proposed to sanction a sum of ₹.10,00,000/- (Rupees ten Lakhs only) to Sri Madhwa Sidhantha Charitable Trust, Chennai for its various philanthropic activities.

Since the company's annual contribution may be in excess of limits stipulated under Section 181 of the Companies Act, 2013 viz., 5% of the average net profits of the immediately three preceding financial years, the approval of the shareholders is sought under Section 181 of the Companies Act, 2013

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financial or otherwise in the said Ordinary Resolution.

"Accordingly necessary resolution is placed under Item No 10 of the Notice for consideration and approval"

(By order of the Board)

Place: Chennai
Date: 18.08.2018

M. BHAGAVANTHA RAO
President
DIN No :02895468

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

ONE HUNDRED AND THIRTY SIXTH ANNUAL REPORT OF THE DIRECTORS OF SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LIMITED,

Regd. Office: No.37 Car Street, Triplicane, Chennai-600 005.

BOARDS' REPORT

To the Members,

Your Directors have pleasure in submitting their 136th Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2018.

1. FINANCIAL RESULTS

The Company's financial performances for the year under review along-with previous year's figures are given hereunder:

Particulars	31st March 2018 ₹.	31st March 2017 ₹.
Revenue from operations	31,43,73,030	29,18,30,634
Other income	30,78,391	30,27,645
Total Revenue	31,74,51,421	29,48,58,279
Expenses		
Employee benefits expense	6,63,49,797	5,86,29,833
Finance costs	17,23,30,143	16,35,12,739
Depreciation and amortization expenses	98,29,918	80,11,533
Other Expenses	3,64,38,278	3,01,00,435
Total Expenses	28,49,48,136	26,02,54,540
Profit before Tax	3,25,03,285	3,46,03,738
Tax expenses		
(1) Current tax	(1,24,54,000)	(1,33,18,000)
(2) Deferred tax	3,58,101	87,239
(3) Previous year Income Tax	-	(8,658)
Profit for the year	2,04,07,386	2,13,64,320

2. DIVIDEND

Your Directors are pleased to recommend a dividend of 13 % (₹.1.30 per equity share) on the paid-up capital of the company (Last year 2016-17 dividend was paid at 12.5%).

The dividend if approved and declared at this Annual General meeting would result in a Dividend outflow of ₹. 83,22,261/-and dividend Distribution Tax of ₹.16,94,412/- aggregating a total outflow of ₹.1,00,16,673/-..

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

3. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The company has transferred unpaid dividend of ₹. 2,93,473/- to the Investor Education and Protection Fund as per the provisions of the Companies Act 2013. This pertains to unpaid dividend for the financial year 2009-10.

4. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

Your Directors wish to present the details of Business operations done during the year under review:

The Nidhi has received fresh Deposits to the extent of ₹.24.04 Crores during the current year under operation and total deposits as at 31.03.2018 is ₹. 224.14 Crores.

The details regarding Registered Mortgage Loans and Jewel Loans advanced during the financial year 2017 – 2018 as compared to the earlier Financials are given below:

Particulars	For the year 31st March 2018 ₹.	For the year 31st March 2017 ₹.	Increase/ Decrease ₹.	%
Registered Mortgage Loans advanced	9,73,50,000	11,56,60,000	(1,83,10,000)	(15.83)
Jewel Loans advanced	242,42,59,223	218,14,99,569	24,27,59,654	11.13

Your Nidhi has improved its performance in Jewel Loan advances in spite of stiff competition from Banks and Other financial institution in Jewel Loan Business. The mortgage loan advances showed a declining trend as the business in this segment reduced for want of good proposals.

The profit after tax for the year under consideration is ₹. 204.07 lakhs as against the profit of ₹. 213.64 lakhs for the previous year.

NPA'S ON REGISTERED MORTGAGE LOANS :

The total number of Registered Mortgage Loans as on 31st March 2018 is 581 no. of accounts for an outstanding balance amount of ₹. 35,79,02,302 /-

There are 43 NPA no. of accounts with a total outstanding amount of ₹.3.85 Crores as on the date of signing of the balance sheet. The outstanding dues are secured adequately and the Nidhi is monitoring the defaulters' accounts and the recovery team are meeting the borrowers continuously to regularize the accounts and to reduce the NPA's.

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

5. BRANCHES:

Your Nidhi has opened a new branch at Tirupur on 29th April, 2017 during the year and the branch was opened by the Lotus hands of Shri Shri 1008 Shri Sathyatma Theertharu, pontiff Sri Uttaradhi Math, Bangalore. We are happy to inform you that the branch is functioning well.

The Nidhi had shifted its Krishnagiri Branch to a more spacious new premises at Door No.-189, Chelva Towers, PTV Colony, Krishnagiri- 635001 to serve its members at large.

Further, we are happy to share that, all branches of the Nidhi are functioning well in their respective locations to enhance the business prospects of your Nidhi.

6. 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

The following material changes and commitment occurred during the year under review affecting the financial position of the Company.

The major exposure of the Nidhi's business is in Jewel Loan and the market volatility in gold prices directly affect the business of the Nidhi. The Management's prudent measures / decision at the appropriate time in advances of Jewel Loan have considerably reduced the risk in realising the loan amount. In the case of Registered Mortgage Loan certain borrowers are finding it difficult in honouring their commitments for due repayment of loan amount borrowed due to the general economic condition prevailing in the country. These loans stand fully secured. There are no major financial changes or any foreseeable changes in the market conditions affecting the financial position of the company except the above. The Nidhi doesn't have any commitment to any authorities for payment of any dues.

7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The provisions of Section 134(m) of the Companies Act, 2013 do not apply to our Company. There was no foreign exchange inflow or Outflow during the year under review.

8. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The risks associated in our business operations include credit risk, liquidity risk, interest rate risk and operational risk since, the Nidhi is dealing in financial products by accepting Deposits from members and lending on securities like Gold and Mortgage of Properties. The Risk Management and the Assets Liability Management are taken care of by the Board and review, monitor 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

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

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 and Liabilities periodically 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. Process improvements and quality control are on-going activities and are built into the employee's training modules, as well.

9. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There was 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.

11. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

12. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS “ and THE PRACTICING COMPANY SECRETARY” IN THEIR REPORTS

We inform you that there was no qualifications, reservations or adverse remarks made by the Auditors in their reports.

13. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) of the Companies Act, 2013 relating to constitution of Nomination and Remuneration Committee are not applicable to the Company. The Company has a time tested policy relating to appointment of Directors in the Board, which was in vogue for the past several years and got its approval from the Shareholders of the Nidhi. The Directors

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

are selected considering their qualifications, experience, positive attributes, and their utility for the development of the institutions with independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

14. BOARD

During the year under review, 7 meetings of the Board of Directors were held.

The details of directors' attendance at Board Meetings are as follows :

Date of Board Meeting held :- 22/04/17, 17/06/17, 15/07/17, 26/08/17, 27/09/17, 14/10/17 and 20/01/18

S.No	Name of the Director	DIN	No. of meetings held	No. of meetings Attended
1	Sri.M.Bhagavantha Rao	02895468	07	07
2	Sri.N.Vittal	00959126	07	07
3	Sri.C.R.Muralidharan	02443277	07	07
4	Sri.S.Narayanan	02740839	07	06
5	Sri.D.S.Srinivasa Rao	03196295	07	07
6	Sri.K.S.Madhukar	05158265	07	07
7	Sri.B.Nagaraja Rao	02801734	07	07
8	Sri.C.S.Ramamurthy	03196273	07	07
9	Dr .R.Narasimhan	06557701	07	02
10	Sri.L.Madhavan	00729891	07	07
11	Sri.V.Muralidharan	06716317	07	06
12	Sri.V.S.Sridhar	02371876	07	05
13	Sri.C.V.Raveendran	01122048	07	04
14	CA.R.Ananthan	01400178	07	03
15*	Sri.Vasudeva Rao Anand	07633238	07	02

* Sri.Vasudeva Rao Anand , appointed as Director with effect from 14.10.2017.

MANAGEMENT COMMITTEE OF THE BOARD (MCB)

The Company had the following Seven MCB meetings during the financial year under review.

Date of MCB Meeting held : 20/05/17, 27/06/17, 21/09/17, 11/11/17 13/12/17, 17/02/18 & 31/03/18.

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

Name of the Director	DIN	No. of meetings held	No. of meetings attended
Sri.M.Bhagavantha Rao	02895468	07	07
Sri.N.Vittal	00959126	07	07
Sri.C.R.Muralidharan	02443277	07	01
Sri.S.Narayanan	02740839	07	05
Sri.B.Nagaraja Rao	02801734	07	02
Sri.C.S.Ramamurthy	03196273	07	04
Sri.V.S.Sridhar	02371876	07	05
Sri.C.V.Raveendran	01122048	07	06
CA.R.Ananthan	01400178	07	05

AUDIT COMMITTEE

During the year under review, 3 meetings of the Audit Committee were held. Attendance of the members at Audit committee meetings are as follows :

Date of Audit Committee Meeting held :- 23/08/17, 03/03/2018, 24/03/2018

S.No	Name of the Director	DIN	No. of meetings held	No. of meetings Attended
1	Sri.S.Narayanan	02740839	03	02
2	Sri.D.S.Srinivasa Rao	03196295	03	02
3	Sri.K.S.Madhukar	05158265	03	03
4	Sri.V.Muralidharan	06716317	03	03
5	Sri.Vasudeva Rao Anand	07633238	03	02

15. DIRECTORS RESPONSIBILITY STATEMENT

- In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:—
- 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 and loss 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;

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

- the directors had prepared the annual accounts on a going concern basis;
- 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.
- the Statutory Auditor of the Nidhi have certified that the Nidhi has complied with all the provisions contained in the Nidhi Rules 2013.
- the web address where the Annual Return will be placed. <http://www.smsnidhi.com/>
- the directors proposed to transfer a sum of ₹. 83, 90,713 /- to General Reserve.

16. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

17. DEPOSITS

- a) Increase in deposits during the year is ₹. 24.04 crores and it was ₹.224.14 crores as at the end of the year (including renewal of deposits).
- b) Amount remained unpaid or unclaimed as at the end of the year ₹.2,24,96,865/-.
- c) There has been no default in repayment of deposits or payment of interest during the year.
 - at the beginning of the year }
 - maximum during the year } Not Applicable
 - at the end of the year }

18. DIRECTORS

1. Sri D.S.Srinivasa Rao, Sri.C.S.Ramamurthy, Dr.R.Narasimhan and Sri.V.Muralidharan, are the directors who retire at this Annual General Meeting and who being eligible offer themselves for re election.
2. Sri Vasudeva Rao Anand is co-opted to the Board on 14.10.2017 and is seeking his appointment as director at this Annual General Meeting.

19. DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfil all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

20. STATUTORY AUDITORS

M/s Raman Associate, Chartered Accountants, No.13 Luz Avenue, Mylapore, Chennai - 600 004, who have audited the annual accounts for the financial year ended 2017-18 of your Nidhi is holding the post of Statutory Auditors for a continuous period of 5 years until the conclusion of the 140th AGM of the Nidhi.

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

21. "DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has formulated a Policy for prevention of Sexual Harassment at Workplace pursuant to the requirements of the Sexual Harassment Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with relevant Rules made thereunder. Accordingly, Internal Complaints Committee has been constituted for redressal of any sexual harassment complaint. The following is the summary of the complaints received and disposed off during the Financial year 2017-18:-

(a) No. of complaints received: NIL

(b) No. of complaints disposed: NIL

22. ACKNOWLEDGEMENTS

On behalf of the Board and on my own behalf, I place on record my sincere appreciation and gratitude to our shareholders for their patronage for all these years. Further my sincere thanks are to our depositors for their continued support and the confidence they have reposed in this Nidhi. Our thanks are also due to our Bankers who have all contributed immensely by their service to our beloved depositors/shareholders. I record my special appreciation of the efforts of the employees, a set of dedicated and loyal people who have shown their commitment to their work in these challenging times and helped the Nidhi in its growth.

For and on behalf of the Board,

Chennai 600005
18.08.2018

M. BHAGAVANTHA RAO.
President.
DIN No : 02895468

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LIMITED

Report on the Financial Statements

1. We have audited the accompanying financial statements of SRIMAN MADHWA SIDHANTA ONNAHINI PERMANENT NIDHI LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
4. We conducted our audit in accordance with the standards on auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

7. 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 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, 2018 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

8. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure – A" a statement on the matters specified in paragraph 3 of the Order.

9. As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) The aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

“Annexure-B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.

- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has, in accordance with the generally accepted accounting practice has disclosed the impact of pending litigations on its financial position in its financial statements. (Refer Note 22.2 to the financial statements).
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses under the applicable law or accounting standards.
 - iii. The 33 Branches of the company were audited by the internal Auditors and based on their reports no discretancies were found.
 - iv. The company has remitted a sum of ₹. 2,93,473 towards the unclaimed dividend pertaining to the year 2009 - 2010, to the IEPF authorities.

Place: Chennai
Date : 18/08/2018

For Raman Associate
Chartered Accountants
Firm No.02910S
DR A P VIJAYENDRAN
Partner
Membership No : 215166

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

Annexure A to the Independent Auditors' Report

(Referred to in paragraph 8 under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date on the accounts of SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LIMITED ("the company") for the year ended March 31, 2018)

1. In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars including the quantitative details and situation of fixed assets.
 - b) The fixed assets were physically verified during the year by the Management in accordance with a phased programme of verification, which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals having regard to the size of the Company, nature and value of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us and records submitted to us, such records comprising the registered sale deed/transfer deeds/conveyance deeds/ evidencing title provided to us, we report that, the title deeds comprising all the immovable properties of land and buildings which are freehold, are held in the name of the company as at the balance sheet date.
2. In our opinion and according to the information and explanations given to us the nature of the company's business/ activities during the year has been such that clause (ii) of paragraph 3 of the Order in respect of inventory, is not applicable to the Company.
3. The Company has not granted any loans, secured or unsecured, to Companies, firms, limited liability partnerships or other parties covered in the Register maintained under Section 189 of the Act.
4. The provisions of Section 185 of the Act are not applicable to the company. According to information and explanations given to us, the company has not given any loan or guarantee or made any investments or provided any security covered under Section 186 of the Act.
5. According to information and explanations given to us, the Company has not accepted any deposits from public and hence clause (v) of paragraph 3 of the Order is not applicable to the Company.
6. The Government has not prescribed the maintenance of cost records under Section 148(1) of the Act.
7. According to the information and explanations given to us and the books of account examined by us, in respect of statutory dues:

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

- a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, service tax and other statutory dues applicable.
- b) There are no dues of Income Tax, Service Tax or Cess which have not been deposited on account of any dispute with the relevant authorities. Details of dues towards contribution to Employees State Insurance that have not been deposited as at March 31, 2018 on account of disputes are as stated below:

Nature of dues	Amount	Period to which the amount relates	Forum where the dispute is pending
ESI	Rs.12,59,653/=	01/04/1999 to 30/09/2004	*Madras High Court
Rs.3,78,000 has been paid under dispute in respect of above.			

*Case which was pending with the Principal Court , Chennai has been dismissed and appealed in Madras High Court.

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowing to financial institutions, banks, government or dues to debenture holders.
9. In our opinion and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and has not taken any term loan during the year.
10. To the best of our knowledge and belief, and according to the information and explanations given to us, and considering the size and nature of the Company's operations, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
11. In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 as modified and applicable to Nidhi.
12. The Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability and the Company is maintaining ten per cent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability.
13. In our opinion and according to the information and explanations given to us the company has not entered into transactions with related parties covered under Sections 177 and 188 of the Act.
14. According to the information and explanations provided to us and records examined by us, the company has made private placement of shares during the year under review by complying

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

the provisions of section 42 of the Act, as modified and applicable to a Nidhi company and the amount so raised have been used for the purpose for which funds were raised.

15. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence compliance of provisions of section 192 of the Act is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: Chennai
Date : 18/08/2018

For Raman Associate
Chartered Accountants
Firm No.002910S
DR A P VIJAYENDRAN
Partner
Membership No:215166

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

Annexure - B to the Independent Auditors' Report - 31st March 2018

(Referred to in paragraph 9(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date) Report on the Internal Financial Controls Over Financial Reporting of SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LIMITED under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. We have audited the internal financial controls over financial reporting of SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LIMITED ("the company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management Responsibility for Internal Financial Controls

2. The Company's management 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 on 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 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 accounting records, and the timely preparation of reliable financial information, as required by the Act.

Auditors Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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.
4. 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.

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

5. 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

6. 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 expenditure of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. 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

8. In our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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.

For Raman Associate
Chartered Accountants
Firm No.002910S

Place: Chennai
Date : 18/08/2018

DR A P VIJAYENDRAN
Partner
Membership No.215166

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

AUDITOR'S CERTIFICATE

TO THE MEMBERS OF SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LIMITED

According to the information and explanations given to us and the books of accounts examined by us, pursuant to the requirement under Nidhi Rules, 2014 ("the Rules") prescribed under the Companies Act 2013, we hereby certify that, for the financial year ended 31st March 2018, **SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LIMITED** ("the Nidhi") has complied with all the provisions contained in the rules.

For Raman Associate
Chartered Accountants
Firm No.002910S

Place: Chennai
Date : 18/08/2018

DR A P VIJAYENDRAN
Partner
Membership No.215166

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

BALANCE SHEET AS AT 31ST MARCH 2018

Particulars	Note No.	31st March 2018 ₹	31st March 2017 ₹
I EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share Capital	1	6,40,17,390	6,34,06,990
(b) Reserves and Surplus	2	6,35,84,116	5,47,16,312
2 Share Application money pending allotment	3	-	38,100
3 Non-Current Liabilities			
(a) Long Term Borrowings	4	83,42,28,943	59,04,01,535
(b) Other Long term liabilities	5	16,00,068	13,24,354
(c) Long Term Provisions	6	43,33,955	28,58,313
4 Current Liabilities			
(a) Short term borrowings	7	83,34,82,507	103,75,46,946
(b) Other Current Liabilities	8	66,69,51,825	47,49,14,022
(c) Short term provisions	9	1,08,86,011	70,42,827
TOTAL		247,90,84,815	223,22,49,399
II ASSETS			
1 Non-Current Assets			
(a) Fixed Assets	10		
(i) Tangible Assets		6,41,12,561	6,41,94,948
(ii) Intangible Assets		18,69,935	21,40,803
(b) Long Term Loans and Advances	11	40,04,26,057	41,03,68,012
(c) Other Non Current Assets	12	3,78,000	3,78,000
(d) Deferred Tax Asset (Net)	13	8,86,180	5,28,079
2 Current Assets			
(a) Cash and Bank Balances	14	50,39,61,242	32,35,29,201
(b) Short Term Loans and Advances	15	150,05,47,522	142,39,47,690
(c) Other Current Assets	16	69,03,318	71,62,666
TOTAL		247,90,84,815	223,22,49,399
The notes form an integral part of the financial statements	22		

M. Bhagavantha Rao
President

S. Narayanan
Vice-President

N. Vittal **C.R. Muralidharan**
Independent Directors

B. Nagaraja Rao
D.S. Srinivasa Rao
K.S. Madhukar
Vasudevarao Anand
Directors

C.S. Ramamurthy
V. Muralidharan
V.S. Sridhar
Directors

Dr. R. Narasimhan
L. Madhavan
C.V. Raveendran
Directors

R. Srinivasan
Chief Executive Officer

K. Gopal
Chief Accountant

R. Ananthan
Ex-Officio Director

For Raman Associate
Chartered Accountants
Firm Registration No. 02910S

Partner : DR . A.P.Vijayendran
Membership No : 215166
Date : 18/Aug/2018

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

Particulars	Note	31st March 2018 ₹.	31st March 2017 ₹.
Revenue from operations	17	31,43,73,030	29,18,30,634
Other income	18	30,78,391	30,27,645
Total Revenue		31,74,51,421	29,48,58,279
Expenses			
Employee benefits expense	19	6,63,49,797	5,86,29,833
Finance costs	20	17,23,30,143	16,35,12,739
Depreciation and amortisation expenses	10	98,29,918	80,11,533
Other Expenses	21	3,64,38,278	3,01,00,435
Total Expenses		28,49,48,136	26,02,54,540
Profit before Tax		3,25,03,285	3,46,03,739
Tax expenses			
(1) Current tax		(1,24,54,000)	(1,33,18,000)
(2) Deferred tax		3,58,101	87,239
(3) Previous year Income Tax		-	(8,658)
Profit for the year		2,04,07,386	2,13,64,320
Earnings per Equity share			
Basic		3.20	3.38

The notes form an integral part of the financial statements 22

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Firm Registration No. 02910S

Partner : DR . A.P.Vijayendran
Membership No : 215166
Date : 18/Aug/2018

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2018

Particulars	For the year ended 31st March 2018		For the year ended 31st March 2017	
	₹	₹	₹	₹
A. Cash flow from operating activities				
Net profit / [loss] before extra-ordinary items and tax		3,25,03,284		3,46,03,739
Adjustments for:				
Depreciation and amortisation	98,29,918		80,11,533	
Provision for NPA made / (written back)	14,75,642		8,93,216	
[Profit] / Loss on sale / write off of assets	(1,94,502)		2,52,037	
Finance Costs	2,671		3,12,285	
Rental Income from operating leases	(27,03,699)		(27,33,637)	
		84,10,030		67,35,434
Operating profit / [loss] before working capital changes		4,09,13,314		4,13,39,174
Changes in working capital:				
Adjustment for [increase] / decrease in operating assets:				
Short term loans and advances	(7,65,99,832)		(12,48,62,406)	
Long term loans and advances	96,80,495		(3,20,58,380)	
Bank deposits not considered as cash equivalents	(15,35,00,000)		8,64,37,770	
Bank accounts not considered as cash equivalents	(2,10,872)		(2,13,842)	
Other current assets	2,59,348		(1,98,601)	
		(22,03,70,861)		(7,08,95,459)
Adjustment for increase / [decrease] in operating liabilities:				
Other current liabilities	19,20,37,803		27,41,61,504	
Other long term liabilities	2,75,714		85,711	
Short term provisions	36,43,184		40,79,542	
		19,59,56,701		27,83,26,757
		1,64,99,154		24,87,70,471
Cash generated from operations		1,64,99,154		24,87,70,471
Net income tax [paid] / refunds		(1,21,92,540)		(1,12,78,970)
Net cash flow from / [used in] operating activities [A]		43,06,614		23,74,91,501

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2018

Particulars	For the year ended 31st March 2018		For the year ended 31st March 2017	
	₹	₹	₹	₹
B. Cash flow from investing activities				
Capital expenditure on fixed assets including capital advances	(96,42,161)		(3,58,24,918)	
Proceeds from sale of fixed assets	3,60,000		-	
Rental income from operating leases	27,03,699		27,33,637	
		(65,78,462)		(3,30,91,281)
Net cash flow from / [used in] investment activities [B]		(65,78,462)		(3,30,91,281)
C. Cash flow financing activities [C]				
Proceeds from issue of equity shares	5,72,300		4,81,000	
Net increase / [decrease] in long term borrowings	24,38,27,408		22,70,10,539	
Net increase / [decrease] in short term borrowings	(20,40,64,438)		(40,10,13,841)	
Finance Cost	(2,671)		(3,12,285)	
Grant-in-aid paid	(18,00,000)		(6,00,000)	
Dividend paid [including dividend tax]	(95,39,582)		(83,36,194)	
		2,89,93,017		(18,27,70,782)
Cash flow from extraordinary items		-		-
Net cash flow from / [used in] financing activities [C]		2,89,93,017		(18,27,70,782)
Net increase / [decrease] in cash & cash equivalents [A + B + C]		2,67,21,169		2,16,29,439
Cash and cash equivalents at the beginning of the year		5,83,62,950		3,67,33,511
Cash and cash equivalents at the end of the year		8,50,84,119		5,83,62,950
Reconciliation of cash & cash equivalents with the Balance Sheet:				
Cash & Bank balances as per Balance Sheet [As per note 14]		50,39,61,242		32,35,29,201
Less: Bank deposits not considered as cash & cash equivalents		(41,65,00,000)		(26,30,00,000)
Less: Bank account not considered as cash & cash equivalents		(23,77,122)		(21,66,251)
Net cash & cash equivalents		8,50,84,120		5,83,62,950

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2018

Particulars	For the year ended 31st March 2018		For the year ended 31st March 2017	
	₹	₹	₹	₹
Add: Current investments considered as part of cash & cash equivalents		-		-
Cash and cash equivalents at the end of the year **		8,50,84,120		5,83,62,950
**Comprises:				
[a] Cash on hand		2,40,63,283		1,91,09,402
[b] Cheques, drafts on hand		-		-
[c] Balances with banks				
[i] in current accounts	1,65,20,837		1,92,53,547	
[ii] debit balance in overdraft accounts	-		-	
[iii] in deposit accounts with original maturity less than 3 months	4,45,00,000		2,00,00,000	
		6,10,20,837		3,92,53,547
Total		8,50,84,120		5,83,62,950

Notes:

1. The Cash Flow Statement reflects combined cash flows pertaining to continuing and discontinuing operations.
2. These earmarked account balances with banks only for the specific identified purposes.

M. Bhagavantha Rao
President

S. Narayanan
Vice-President

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Firm Registration No. 02910S

Partner : DR . A.P.Vijayendran
Membership No : 215166
Date : 18/Aug/2018

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

Notes to the financial statements for the year ended 31st March 2018

Note	Particulars	31st March 2018	31st March 2017
		₹.	₹.
1	SHARE CAPITAL		
	AUTHORISED SHARE CAPITAL		
	1,00,00,000 Equity shares of ₹.10/- each (Previous year 1,00,00,000 Equity shares of ₹.10/- each)	10,00,00,000	10,00,00,000
		10,00,00,000	10,00,00,000
	ISSUED, SUBSCRIBED & PAID-UP :		
	64,01,739 Equity Shares of ₹.10/- each (Previous year 63,40,699 Equity shares of ₹. 10/- each)	6,40,17,390	6,34,06,990
		6,40,17,390	6,34,06,990
a)	Equity shares	No of shares	No of shares
	Opening Balance	63,40,699	62,96,409
	Fresh issue	61,040	44,290
	Closing Balance	64,01,739	63,40,699

b) The equity shareholders are entitled to receive dividends as and when declared; a right to vote in proportion to holding etc. and their rights, preferences and restrictions are governed under the provisions of the Companies Act, 2013.

c) Shareholders holding more than 5% of the total share capital

Equity Shares of ₹.10/- each

fully paid up

Name

	31st March 2018		31st March 2017	
	No of shares	% of Holding	No of shares	% of Holding
Sriman Madhwa Sidhanta Onnahini Sabha	10,62,800	16.60%	10,62,800	16.76%
Srinivasa Murthy Banaji	3,55,000	5.55%	3,55,000	5.60%

However, right to vote is restricted to 5% vide Govt. notification No.GSR 465(E) dated 5th June 2015.

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

Notes to the financial statements for the year ended 31st March 2018

Note	Particulars	31st March 2018 ₹.	31st March 2017 ₹.
2	RESERVES AND SURPLUS		
	Capital Redemption Reserve: (A)	80,996	80,996
	General Reserve:		
	Opening balance	3,71,69,860	3,50,70,996
	Add: Transfer from Surplus in Statement of Profit and Loss	79,25,874	-
	Add: Transfer from Surplus in Statement of Profit and Loss	68,452	20,98,864
	TOTAL (B)	4,51,64,186	3,71,69,860
	Surplus in Statement of Profit and Loss		
	Opening balance	1,74,65,456	-
	Less: Transfer to General Reserve	(79,25,874)	-
*	Less : Dividend on Equity Shares & Dividend Tax	(95,39,582)	-
	Profit for the year from Statement of Profit and Loss	2,04,07,386	2,13,64,320
	Less: Appropriations	-	-
*	Proposed Dividend on Equity Shares (Refer Note 22-11)	-	-
	Dividend Tax on above	-	-
	Proposed Grant-in-aid to S M S O Sabha	(20,00,000)	(18,00,000)
	Transfer to General Reserve	(68,452)	(20,98,864)
	TOTAL (C)	1,83,38,934	1,74,65,456
	(A) +(B) + (C)	6,35,84,116	5,47,16,312
3	SHARE APPLICATION MONEY PENDING ALLOTMENT	-	38,100
4	LONG TERM BORROWINGS		
	UNSECURED		
	Fixed deposits	80,84,91,023	57,67,81,877
	Recurring deposits	2,57,37,920	1,36,19,658
		83,42,28,943	59,04,01,535

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

Notes to the financial statements for the year ended 31st March 2018

Note	Particulars	31st March 2018 ₹.	31st March 2017 ₹.
5	OTHER LONG TERM LIABILITIES		
	Interest accrued but not due on deposits (Net of tax deducted at source as applicable)	7,50,068	4,74,354
	Rent Advance	8,50,000	8,50,000
		16,00,068	13,24,354
6	LONG TERM PROVISIONS		
	For Non performing assets	43,33,955	28,58,313
		43,33,955	28,58,313
7	SHORT TERM BORROWINGS		
	SECURED :-		
	Fixed deposits	51,21,02,477	78,30,01,557
	Recurring deposits	5,99,81,700	6,50,63,320
	Savings deposits	26,13,98,330	18,94,82,069
		83,34,82,507	103,75,46,946
8	OTHER CURRENT LIABILITIES		
	Unpaid matured deposits and interest accrued thereon	2,24,96,865	3,63,00,292
	Other Security Deposits	5,80,40,500	5,23,38,000
	Cheques Pending Realisation	3,72,796	7,92,776
	Unpaid dividends	31,99,347	30,53,156
	Investor Education & Protection Fund Unpaid dividends	2,93,473	-
	Other liabilities	45,49,889	47,74,113
	Interest accrued and due on fixed deposits	17,666	7,784
	Interest accrued but not due on Other Deposits (Net of tax deducted at source as applicable)	43,01,888	46,08,099
	Deposits maturing within next 12 months	57,36,79,401	37,30,39,802
		66,69,51,825	47,49,14,022
9	SHORT TERM PROVISIONS		
	For Proposed Grant-in aid	20,00,000	18,00,000
	Provision for Employee		
	In respect of Gratuity	22,17,681	-
	In respect of Leave Encashment	10,12,551	-
	In respect of Ex-gratia	45,55,100	46,41,000
	Others	11,00,679	6,01,827
		1,08,86,011	70,42,827

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

Notes to the financial statements for the year ended 31st March 2018

Note

10. FIXED ASSETS

S No	Description	Gross Block at cost as at 1st April 2017 ₹.	Additions during the year ₹.	Deductions during the Year ₹.	Gross Block at cost as at 31st March 2018 ₹.	DEPRECIATION				NET Block as at	
						up to 31st March 2017 ₹.	for the year 2017-2018 ₹.	Withdrawn ₹.	up to 31st March 2018 ₹.	31st March 2018 ₹.	31st March 2017 ₹.
	TANGIBLE ASSETS										
1	Land	32,84,508	-	-	32,84,508	-	-	-	-	32,84,508	32,84,508
2	Premises	2,17,86,197	18,68,009	-	2,36,54,206	61,28,082	8,10,543	-	69,38,625	1,67,15,581	1,56,58,115
3	Improvements in Lease hold premises	75,79,873	-	-	75,79,873	12,34,253	7,57,989	-	19,92,242	55,87,631	63,45,620
4	Furniture & Fixtures	5,00,69,924	25,77,489	-	5,26,47,413	1,81,15,952	39,69,049	-	2,20,85,001	3,05,62,412	3,19,53,971
5	Electrical & Other Installations	33,83,048	22,45,311	-	56,28,359	16,88,431	10,75,714	-	27,64,145	28,64,214	16,94,617
6	Office Equipments	1,40,70,879	18,71,253	-	1,59,42,132	1,01,04,793	23,28,050	-	1,24,32,843	35,09,289	39,66,086
7	Computer	73,59,913	1,46,709	-	75,06,622	62,72,652	4,49,698	-	67,22,350	7,84,272	10,87,261
8	Vehicle	6,92,203	9,33,390	6,55,772	9,69,821	4,87,433	1,68,007	4,90,274	1,65,166	8,04,655	2,04,770
	Sub Total	10,82,26,545	96,42,161	6,55,772	11,72,12,934	4,40,31,596	95,59,050	4,90,274	5,31,00,373	6,41,12,561	6,41,94,948
	INTANGIBLE ASSETS										
1	Software	27,08,677	-	-	27,08,677	5,67,874	2,70,868	-	8,38,742	18,69,935	21,40,803
	31.03.2018	11,09,35,222	96,42,161	6,55,772	11,99,21,611	4,45,99,470	98,29,918	4,90,274	5,39,39,115	6,59,82,496	6,63,35,751
	31.03.2017	7,55,88,661	3,58,24,918	4,78,357	11,09,35,222	3,68,14,258	80,11,533	2,26,320	4,45,99,470	6,63,35,751	3,87,74,403

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

Notes to the financial statements for the year ended 31st March 2018

Note	Particulars	31st March 2018 ₹.	31st March 2017 ₹.
11	LONG TERM LOANS AND ADVANCES FULLY SECURED (CONSIDERED GOOD)		
@	Registered Mortgage Loan	35,66,24,732	37,00,80,630
	Loan on deposits	1,00,96,628	63,47,485
	UNSECURED (CONSIDERED GOOD)		
	Loan to Directors	13,77,570	12,19,359
	Housing Loan to Staff	1,66,39,342	1,63,80,043
	Staff Children's Education Loan	7,00,000	7,00,000
	Personal Loan to Staff	5,68,203	23,48,213
	Other Deposits	2,00,975	1,88,205
#	Taxes recoverable (Net of provision)	23,53,607	(15,923)
	Rent Advances	1,13,40,000	1,13,40,000
	Other Advances	5,25,000	17,80,000
		40,04,26,057	41,03,68,012
@	The Registered Mortgage Loan includes Non Performing assets of Rs.3,84,89,338/- (Previous year Rs.2,11,04,639/-)		
#	Taxes recoverable is net of provisions for taxation as stated below:		
	Taxes recoverable	4,13,11,607	2,64,88,077
	Less: Provision for income tax	3,89,58,000	2,65,04,000
	Taxes recoverable (Net of provision)	23,53,607	(15,923)
12	OTHER NON CURRENT ASSETS		
	Advance recoverable	3,78,000	3,78,000
		3,78,000	3,78,000
13	DEFERRED TAX ASSET (NET)		
	Deferred Tax Asset on account of Depreciation	8,86,180	5,28,079
		8,86,180	5,28,079

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

Notes to the financial statements for the year ended 31st March 2018

Note	Particulars	31st March 2018 ₹.	31st March 2017 ₹.
14	CASH AND BANK BALANCES		
	Cash and cash equivalents		
	Cash on hand	2,40,63,283	1,91,09,403
	Balance with Banks in current accounts	1,65,20,837	1,87,49,822
#	Bank deposit (upto 3 months maturity)	4,45,00,000	2,00,00,000
	Other Bank balances		
#	Bank deposits (More than 3 months and upto 12 months maturity)	41,65,00,000	26,30,00,000
	Balance with Banks in unpaid dividend account	23,77,122	21,66,251
		<u>50,39,61,242</u>	<u>32,35,29,201</u>
#	Represents deposit made to comply with requirement of maintenance of Statutory Liquid Ratio of 10% of deposits outstanding		
15	SHORT TERM LOANS AND ADVANCES FULLY SECURED (CONSIDERED GOOD)		
@	Jewel Loan	139,28,00,965	132,44,39,323
	Loan on Deposits	1,74,03,130	1,67,04,732
	Interest Accrued on Loans	9,00,08,311	7,89,55,495
	UNSECURED (CONSIDERED GOOD)		
	Festival Advance	-	18,48,140
	Education Advance	1,27,916	-
	Other Advances	2,07,200	20,00,000
		<u>150,05,47,522</u>	<u>142,39,47,690</u>
16	OTHER CURRENT ASSETS		
	Interest Accrued on Bank Deposits	47,03,063	29,41,315
	Rent receivable	65,610	83,626
	Prepaid Expenses	2,54,687	29,92,211
	Stationery at cost	7,80,375	6,79,004
	Input Tax Receivables	10,99,583	4,66,510
		<u>69,03,318</u>	<u>71,62,666</u>

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

Notes to the financial statements for the year ended 31st March 2018

	31st March 2018	31st March 2017
	₹	₹
17 REVENUE FROM OPERATIONS		
Interest on Jewel Loans	21,62,41,371	19,74,66,325
Interest on Mortgage Loans	6,87,18,872	6,76,96,403
Interest on Loans on deposits	24,07,564	25,73,706
Interest on Loan to Employees	13,37,501	15,12,567
Interest on Deposit With Schedule Banks	2,41,53,172	2,12,63,489
Processing and penal charges	15,14,550	13,18,144
	<u>31,43,73,030</u>	<u>29,18,30,634</u>
18 OTHER INCOME		
Rent Received	27,03,699	27,33,637
Miscellaneous income	1,80,190	1,65,236
Interest on IT Refund	-	1,28,772
Profit on Sale of Asset	1,94,502	-
	<u>30,78,391</u>	<u>30,27,645</u>
19 EMPLOYEE BENEFITS EXPENSE		
Salaries and Allowances	5,01,08,076	4,92,80,499
Contribution to EPF & Deposit linked Insurance	51,55,017	42,15,023
Medical Reimbursement	12,72,650	8,90,000
Contribution to Gratuity Fund	45,99,149	7,225
Contribution to Superannuation Fund	13,34,025	13,38,397
Group Medclaim Policy	4,98,825	4,89,890
Group Leave encashment Policy	16,60,665	2,92,167
Staff Welfare Expenses	17,21,390	21,16,632
	<u>6,63,49,797</u>	<u>5,86,29,833</u>
20 FINANCE COSTS INTEREST EXPENSES		
On Fixed Deposits	15,25,63,145	14,68,09,931
On Cumulative Deposits	22,522	27,104
On Recurring Deposits	91,96,202	79,66,833
On Savings Deposits	1,05,45,604	83,96,586
On Bank Borrowings	2,671	3,12,285
	<u>17,23,30,143</u>	<u>16,35,12,739</u>

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

Notes to the financial statements for the year ended 31st March 2018

	31st March 2018	31st March 2017
	₹	₹
21 OTHER EXPENSES		
Electricity Charges	14,37,135	15,16,021
Insurance	6,17,564	5,54,794
Rent	1,13,98,480	1,06,49,992
Payment to Auditors		
- Audit Fees	1,00,000	1,09,000
- Company Law Matters	-	3,270
- Taxation Matters	-	35,670
- Expenses	-	1,090
Repairs to		
- Building	2,38,300	71,120
- Others	13,49,789	17,72,232
Rates & Taxes	9,95,640	3,05,783
Bad Debts	17,64,851	2,25,978
Provision for NPA	14,75,642	8,93,216
Payment to Directors		
- Remuneration	45,000	1,05,000
- Sitting Fees	14,15,080	13,73,000
Loss on Disposal of asset	-	2,52,037
Miscellaneous expenses	1,56,00,797	1,22,32,232
	<u>3,64,38,278</u>	<u>3,01,00,435</u>

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

Notes to the financial statements for the year ended 31st March 2018

NOTE 22

1 SIGNIFICANT ACCOUNTING POLICIES

- A Revenue and expenses are generally accounted for on accrual basis, subject to policy in item (B) and (C) below.
- B The company complies with the Nidhi Rules 2014 including compliance with Prudential Norms for Income Recognition issued by Ministry of Corporate Affairs vide G.S.R No.258(E) dated 31/03/2014 w.e.f 01/04/2014.
- C Interest on loans and advances is net of interest waived as per one time settlement with borrowers, if any. Penal charges for Non payment of advances and non payment of recurring deposit installments are recognised only at the time of ultimate realisation.
- D Fixed assets are stated at cost less depreciation.
- E "In respect of Tangible assets (other than leasehold improvements), Depreciation on assets is provided on the written down value method. The Company has adopted depreciation rates as per the useful life specified in the Schedule II of the Companies Act, 2013 except on certain category of assets for which the Company has re-assessed the useful life of the assets based on internal assessment and technical advice, as specified below:

Asset Nature	Estimated Useful Life
Lockers & Strong Room Doors classified under Furniture & Fixtures	50 years
Computers	6 years

Residual value has been considered @5% of the cost.

Leasehold improvements are amortized over the period of lease.

Intangible assets represent Computer software whose cost is amortised fully over their expected useful life of 10 years, on a straight-line basis. Residual value is taken to be NIL.

Based on the concept of materiality, assets costing ₹.5,000 or less acquired during the year are written down @ 100% based on the number of days of usage.

F Employee Retirement Benefits:

- (i) Short term employee benefit : Provision for leave liability is funded through the scheme administered by the Life Insurance Corporation of India and the amounts paid / provided under the scheme are charged to Profit and Loss account.

(ii) Post employment benefits - Defined Benefit Plans:

Company's contribution to provident fund is determined under the relevant schemes and / or statute and charged to revenue. The company's contribution to Superannuation Fund and group insurance is based on the respective premium advices from Life Insurance Corporation of India. The gratuity liability is funded through the scheme administered by the Life Insurance Corporation of India and the amounts paid / provided under the scheme are charged to Profit and Loss account.

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

- G Payments made for assets taken on operating lease are recognised as expenses over the lease period.
- H Deferred Tax Asset is recognised, subject to consideration of prudence, on timing differences, being the differences between taxable income and accounting income that originate in one period and or capable of reversal in one or more subsequent periods. Deferred Tax Assets are recognised on unabsorbed depreciation and/or on carry forward losses only to the extent that there is virtual certainty of sufficient future taxable income that may be available against which such Deferred Tax Assets can be realised.
- 2 Claim of ₹. 12,59,653/- along with interest for the period from 01/04/1999 to 30/09/2004 from ESI Corporation is under dispute and not recognized as debt. Advances recoverable in cash or in kind includes ₹. 3,78,000 being 30% of the disputed liability deposited with The Principal Labour Court, Chennai.
- 3 The Company is in the practice of taking office buildings on operating lease.

	As at 31.03.2018	As at 31.03.2017
4 A Deferred Tax Details:-	₹.	₹.
Deferred Tax Liability on account of Depreciation	-	-
Deferred Tax Assets on account of expenses allowable in income tax under payment basis	-	-
Deferred Tax Asset on account of Depreciation	8,86,180	5,28,079
B Profit for the year after taxation	2,04,07,386	2,13,64,320
Weighted Average number of equity shares of ₹.10 each	63,68,643	63,17,618
Earnings Per Share of ₹.10 each (Basic & Diluted)	3.20	3.38
5 Particulars	31.03.2018	31.03.2017
(i) Balance amount outstanding as at 31/03/2010 in respect of loans disbursed before 31/03/2002	2,03,455	2,03,455
Amount provided upto 31/03/2018 @ 100% [Previous Year 100%] (A)	2,03,455	2,03,455
Balance to be provided	-	-
(ii) Total Amount of provision to be made on account of Non-performing assets other than those stated above, remaining unrealised	41,30,500	26,54,858
Amount of provision in respect of above till the previous year (B)	26,54,858	17,61,642
Amount provided / (Excess provision reversed) in the current year	14,75,642	8,93,216
Balance to be provided	-	-

“The Company generally follows the prudential norms of provisioning for non-performing assets as per the notifications referred in Note 1 (B) above. Provision for Non performing assets have

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

been made taking into consideration the events occurred after the Balance sheet date but before the date of approval of financial statements by Board of Directors.”

The company has waived off interest of ₹17,64,851/- (included in “Bad debts” under Note 21 to financial statements) during year under review under one time settlement. [Previous year ₹.2,25,978]

6 Employee Retirement Benefits

During the year the company has adopted Accounting Standards 15 (Revised 2005) Employee Benefits. According the company has calculated the various employee benefits provided to employees as under:

A) Employee Plan

- a) Provident Fund: The company’s contribution to Provident Fund is vested with the Employees Provident Fund Scheme of the Government of India.
- b) Superannuation Fund: The Superannuation Fund is managed by the Life Insurance Corporation of India.

	As at 31.03.2018	As at 31.03.2017
	₹.	₹.

B) In respect of Gratuity

Reconciliation of liability recognised in the Balance Sheet

Present value of commitments	2,17,21,149	1,67,83,646
Fair value of Plan Assets	1,95,03,468	1,90,86,823
Funded Stated assets	(22,17,681)	23,03,177

Movement in the assets recognised in the Balance Sheet

Net Asset as at beginning of the year	23,03,177	20,36,450
Contribution during the year	-	1,96,782
Net expenses recognised/(written back) in the Profit and Loss Account	45,20,858	(69,945)
Net Assets as at the end of the year	(22,17,681)	23,03,177

(Included in Prepaid expenses in Note 15)

Expenses recognised in the Profit and Loss Account

Current Service Cost	8,08,190	7,91,964
Interest cost	13,42,692	12,54,554
Expected return on plan assets	(14,22,923)	(14,55,721)
Net Actuarial (Gain)/Loss recognised in the year	37,92,899	(6,60,742)
Expenses recognised/(written back) in the Profit and Loss Account	45,20,858	(69,945)

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

	As at 31.03.2018 ₹.	As at 31.03.2017 ₹.
Return on Plan Assets		
Expected return on plan assets	14,22,923	14,55,721
Net Actuarial Loss/(Gain) recognised in the year	-	-
Actual Return on Plan Assets	14,22,923	14,55,721
Changes in present value of obligations		
Present value of obligations as at beginning of the year	1,67,83,646	1,56,81,924
Interest cost	13,42,692	12,54,554
Current Service Cost	8,08,190	7,91,964
Paid benefits	(10,06,278)	(2,84,054)
Actuarial (gains)/Losses	37,92,899	(6,60,742)
Present Value/Commitment as at end of the year	2,17,21,149	1,67,83,646
Changes in fair value of plan assets		
Fair value of plan assets as at beginning of the year	1,90,86,823	1,77,18,374
Expected return on plan assets	14,22,923	14,55,721
Contributions	-	1,96,782
Benefits paid	(10,06,278)	(2,84,054)
Actuarial Loss/(Gain) on plan Assets	-	-
Fair value of plan assets as at end of the year	1,95,03,468	1,90,86,823
Principle Assumption		
Discount Rate	8%	8%
Expected return on plan assets		
Expected rate of Salary increase	7%	5%
Attrition Rate		
	31.03.2018	31.03.2017
C) In respect of Leave Encashment		
Reconciliation of liability recognised in the Balance Sheet		
Present value of commitments	67,40,403	49,07,943
Fair value of Plan Assets	57,27,852	54,81,325
Funded Stated assets	(10,12,551)	5,73,382
Movement in the assets recognised in the Balance Sheet		
Net Asset as at beginning of the year	5,73,382	(6,86,844)
Contribution during the year	-	15,45,731

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

Net expenses recognised/(written back) in the Profit and Loss Account	15,85,933	2,85,505
Net Assets/(Liability) as at the end of the year (Included in Prepaid expenses in Note 15)	(10,12,551)	5,73,382
Expenses recognised in the Profit and Loss Account		
Current Service Cost	5,57,870	5,69,116
Interest cost	3,92,635	3,43,834
Expected return on plan assets	(4,11,972)	(4,09,996)
Net Actuarial (Gain)/Loss recognised in the year	10,47,400	(2,17,449)
Expenses recognised/(written back) in the Profit and Loss Account	15,85,933	2,85,505
Return on Plan Assets		
Expected return on plan assets	4,11,972	4,09,996
Net Actuarial Loss/(Gain) recognised in the year	-	-
Actual Return on Plan Assets	4,11,972	4,09,996
Changes in present value of obligations		
Present value of obligations as at beginning of the year	49,07,943	42,97,921
Interest cost	3,92,635	3,43,834
Current Service Cost	5,57,870	5,69,116
Paid benefits	(1,65,445)	(85,479)
Actuarial (gains)/Losses	10,47,400	(2,17,449)
Present Value/Commitment as at end of the year	67,40,403	49,07,943
Changes in fair value of plan assets		
Fair value of plan assets as at beginning of the year	54,81,325	36,11,077
Expected return on plan assets	4,11,972	4,09,996
Contributions	-	15,45,731
Benefits paid	(1,65,445)	(85,479)
Actuarial Loss/(Gain) on plan Assets	-	-
Fair value of plan assets as at end of the year	57,27,852	54,81,325
Principle Assumption		
Discount Rate	8%	8%
Expected return on plan assets		
Expected rate of Salary increase	5%	5%
Attrition Rate		

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

7 Disclosure as per Accounting Standard 18 - Related Party Disclosure

Related parties disclosure

A. Relationships

Key-Management Personnel (KMP)	As at 31.03.2018	As at 31.03.2017
President	Sri M.Bhaghavantha Rao	Sri M.Bhaghavantha Rao
Chief Executive Officer	Sri.R.Srinivasan	Sri.R.Srinivasan

B. Nature and volume of Transactions

Particulars	for the year ended 31.03.2018 ₹	for the year ended 31.03.2017 ₹
Income		
(i) Interest income from KMP	1,02,284	1,10,382
Expenditure		
(i) Remuneration of KMP	7,46,820	6,15,852
(ii) Interest paid to KMP	36,557	22,703
Dividend Paid	18,750	16,500
Assets		
(i) Loans and Advances Paid to KMP	-	-
(ii) Loans and Advances repaid by KMP	1,70,196	1,70,196
Liabilities		
*(i) Deposits received from KMP	-	-
*(ii) Deposits repaid to KMP	-	-

* Does not include transactions in the Savings Deposit account entered during the normal course of business.

Balances outstanding	As at 31.03.2018	As at 31.03.2017
Loans and Advances outstanding from KMP	10,40,192	12,10,388
Interest Accrued on Loans outstanding from KMP	74,422	1,02,096
Deposits outstanding to KMP	5,55,458	2,64,020

D The Related party relationship is as identified by the company and relied upon by the auditor

8 The presentation in the Balance Sheet, Profit and Loss Statement and Notes to the Accounts is in terms of Schedule III to the Companies Act, 2013 which has become mandatory with effect from 1st April 2014. The assets and liabilities have been classified as current and non-current based on twelve month operating cycle.

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

9	Dividend	For the year ended 31st March 2018 ₹.	For the year ended 31st March 2017 ₹.
	Amount of Proposed Dividend	83,22,261	79,25,874
	Proposed dividend per share of ₹.10 each	1.30	1.25

10 There are no amounts due to Small Scale Industries as defined in "The Micro, Small and Medium Enterprises Development Act, 2006"

11 Dividend at the rate of 13% amounting to ₹.83,22,261 (₹.1.30 per share on fully paid up equity share of ₹.10/- each) has been recommended by the Board for the year ended 31st March 2018. The Central Government vide notification dated 30.03.2016 has amended the Companies (Accounting Standards) Rules, 2006. According to the amended Rule, the dividend declared after the Balance Sheet date shall not be recorded as a liability in the previous year. Therefore, the Company has not recorded ₹.1,00,16,673/- as liability for proposed dividend including dividend distribution tax of ₹.16,94,412/- as at 31st March 2018. However, the same will be recognised as liability on approval of the shareholders in the Annual General Meeting. The company has sufficient profits to transfer to general reserve equivalent to proposed dividend, as required by Nidhi Rules 2014, computation of which is furnished below:

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Surplus in Statement of Profit and Loss	1,83,38,934	1,74,65,456
Less: Appropriations		
Proposed Dividend on Equity Shares	(83,22,261)	(79,25,874)
Dividend Tax on above	(16,94,412)	(16,13,708)
Transfer to General Reserve	(83,22,261)	(79,25,874)

12 Previous year's figures have been regrouped wherever necessary in conformity with the current year classification.

M. Bhagavantha Rao
President

S. Narayanan
Vice-President

N. Vittal **C.R. Muralidharan**
Independent Directors

B. Nagaraja Rao
D.S. Srinivasa Rao
K.S. Madhukar
Vasudevarao Anand
Directors

C.S. Ramamurthy
V. Muralidharan
V.S. Sridhar
Directors

Dr. R. Narasimhan
L. Madhavan
C.V. Raveendran
Directors

R. Srinivasan
Chief Executive Officer

K. Gopal
Chief Accountant

R. Ananthan
Ex-Officio Director

For Raman Associate
Chartered Accountants
Firm Registration No. 02910S

Partner : DR . A.P.Vijayendran
Membership No : 215166
Date : 18/Aug/2018

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

S.No	Resolution
ORDINARY BUSINESS	
1.	To receive, consider and adopt the audited financial statement for the financial year ended 31.03.2018
2.	To declare dividend
3.	To re- appoint Sri. D.S. Srinivasa Rao (DIN: 03196295), director eligible for re-appointment
4.	To re- appoint Sri. C.S. Ramamurthy (DIN: 03196273), director eligible for re-appointment
5.	To re- appoint Sri. Dr. R. Narasimhan (DIN: 06557701), director eligible for re-appointment
6.	To re- appoint Sri. V. Muralidharan (DIN: 06716317), director eligible for re-appointment
SPECIAL BUSINESS	
7.	To appoint Sri. Vasudeva Rao Anand (DIN: 07633238) as Director
8.	To make grants to Sriman Madhwa Sidhantaonnahini Sabha
9.	To make donation to S M S O Employees Welfare Trust, Chennai.
10.	To make donation to Sri Madhwa Sidhanta Charitable Trust, Chennai

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

STATUTORY AUDITOR

M/s Raman Associate, Chartered Accountants, New No. 13, Luz Avenue, Mylapore, Chennai - 600 004.

INTERNAL AUDITORS

M/s. M.Srinivasan & Associates, Chartered Accountants, No.5 B Wing, Parsn Manere, 9th Floor, 442 Anna Salai, Chennai 600 006.

M/s. Mindscape Solutions Private Ltd., No.1 9th Main Road, Vijaya Nagar, Velachery, Chennai 600 042.

M/s. K. Ramkumar & Co. Chartered Accountants, No. A1, 7th Floor, Tower 3, Sakthi Towers, No. 766 Anna Salai, Chennai - 600 002.

S.No.	Our Counsel / Advocates
1	Sri. K Raghavendiran, B.Com., LL.B, DLL (Hons) Roll No.5 / 3 9th Street, Guru Kalki Apartment, Nanganallur, Chennai –600 061.
2	Sri. L Prabahar New No.51 Old No.22 Ground Floor, Royal Builders, Soorappan Street, Triplicane, Chennai 600005
3	Sri .T R V Vittal, B.Com., B. L., Advocate “Vittal Vihar” No.45, Bharathipark Cross Road- 3, Coimbatore- 641 011
4	Sri. T R Raghavendran B.Sc., M.L., Advocate DAF-1,” Anugraha “ Bharath Plaza, Moolathopu, Melur Road, Srirangam – 620 006
5	Sri R Seshagiri Rao B.A., B.L., (DP & PA) (P G Diploma in Law) Senior Advocate, “Sri Raghavendra Apartments” No 36/9 G K Venkataraman Street, Kumbakonam – 612 001
6	Sri .V Rajagopal, B.Sc., LL.B., Advocate & Commissioner of Oaths No 369/5, Sooramangalam Main Road, Sooramangalam, Salem – 636 005
7	Sri. S Ganesh Babu M.A ., B.L., Advocate & Commissioner of Oaths No 237, Naicker New Street, Madurai – 625 001.

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

Proxy Form (Form No. MGT-11)

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

Name of the Company : **Sriman Madhwa Sidhantaonnahini Permanent Nidhi Limited**

CIN : U65110TN1881PLC002799

Registered office : No.37 Car Street, Triplicane, Chennai - 600 005

Name of the Member(s):
Registered address:
E-mail Id:

I/ We being the member of, holding.....shares, hereby appoint

1. Name :

Address :

E-mail Id :

Signature:, or failing him

2. Name :

Address :

E-mail Id :

Signature :

Affix
₹. 1 /-
Revenue
Stamp

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 136th Annual General Meeting of members of the Company, to be held on Saturday the 29th September 2018 at "Poornapragna Hall", First Floor, No.7/12, Arumugham Lane, Triplicane, Chennai - 600 005 (Behind Registered Office of the Nidhi) at 03.30 p.m, and at any adjournment thereof in respect of such resolutions as indicated below:

Signed this day of 2018

Signature of Shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, before 48 hours of the commencement of the Meeting.

SRIMAN MADHWA SIDHANTAONNAHINI PERMANENT NIDHI LTD

