



Since 1968

ALAGENDRAN NIDHI LIMITED

CIN : U65991TN1992PLC023989 | GSTIN 33AAACA7431J1ZX

ANNUAL REPORT

2023 - 2024



32nd Annual Report



Sri. R. Alaghentren

20.04.1940 - 03.09.2023

Founder - Alagendran Nidhi Limited



BOARD OF DIRECTORS

MANAGING DIRECTOR

SRI. A RAJKUMAR, MBA., (U.K.)

Director Identification No.00933724

Business

No 99, Jumbu Towers, 2nd Floor, New Avadi Road, Kilpauk, Chennai - 600010.

DIRECTORS

SRI. N.NAGARAJAN,

MBA., I.R.S

Director Identification No.00121494

Retired Additional Commissioner of Income Tax

No.11, Old No.82, 2nd Street,
Venkatesa Nagar Extn-I, Virugambakkam,
Chennai – 600 092.

SRI. S.SENDAMARAI KANNAN

M.Sc., M.Phil., LLB., I.R.S

Director Identification No.009123907

Retired Chief Commissioner of Income Tax

No. 104, 22nd Street, Astalakshmi Nagar,
Alapakkam, Chennai – 600116.

SRI. R.SUBRAMANIAN, B.A.B.L

Director Identification No.00478466

A Practicing Advocate

No. 85, Sri Rangan Avenue,
Pantheon Road, Egmore, Chennai – 600040.

SRI. K.G.INIAN, B.Tech.,

Director Identification No.01755407

Business

No.95, New Avadi Road,
Kilpauk, Chennai – 600010.

STATUTORY AUDITOR

M/s.RAKESH & CO.,

(Reg No. 017690S)

Chartered Accountants,

New No. 120, Old No.34/3,
Palayakara Street, Ayanavaram,
Chennai - 600 023.

BANKERS

City Union Bank Ltd.,

Karur Vysya Bank Ltd.,

Canara Bank,

Indian Overseas Bank

Union Bank of India

Axis Bank

Equitas Small Finance Bank Ltd.

State Bank of India,

Indian Bank

Karnataka Bank Ltd.,

DCB Bank

Cathetholic Syrian Bank

The Federal Bank

Tamilnad Mercantile Bank Ltd.

RBL Bank

South Indian Bank

Indusind Bank

DBS Bank

IDBI Bank Ltd.,



NOTICE TO SHAREHOLDERS

Notice is hereby given that the **32nd Annual General Meeting** of the Shareholders of **“Alagendran Nidhi Limited”** will be held on **Saturday the 28th September, 2024** at 10.35 am at “Jambu Towers”, Second Floor, No. 99, New Avadi Road, Kilpauk, Chennai – 600010 and also through Video conferencing (the details of the Login will be sent through registered e-mail id and for others, request you to collect the same from your respective branches 10 days before the Meeting) in accordance with the applicable provisions of the Companies Act, 2013 read with the relevant MCA general circular to transact the following business:-

Ordinary Business(es):

1. Adoption of Accounts and Board's Report:

To receive and adopt the Audited Balance Sheet as on **31st March, 2024**, Profit and Loss Account for the yearended as on that date and Reports of Directors and Auditors thereon.

“RESOLVED THAT the audited Financial Statement of the Company for the year ended **31st March, 2024**, the reports of the Director and Auditor's thereon be and are hereby considered and adopted.”

2. To Declare Dividend:

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

“RESOLVED THAT in pursuance with the recommendation of the Board of the Directors and applicable provision of the Companies Act, 2013, the approval of the Members of the Company be and is hereby accorded for declaration and payment of final dividend of Rs.1.50 per “A” Class share and Rs. 0.15 per “B” Class equity share i.e. 15% on the paid up equity share capital of the Company for the year ended **31st March, 2024**, be and is hereby declared and approved for payment to the eligible members of the Company.

3. To elect a Director in the Place of Mr. Kulayan Gandhi Inian (DIN: 01755407) who retires by rotation and being eligible, offers himself for re-election.

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 section 152 of the Companies Act, 2013 and rules made thereunder (including any statutory modification and re-enactment thereof) and other applicable provisions if any of the Companies Act, 2013, **Mr. Kulayan Gandhi Inian (DIN: 01755407)** who is liable to retire by rotation and being eligible has offered himself for reappointment, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

Special Business:

4. Appointment of Mr. Alagendran Rajkumar (DIN:00933724) as Managing Director of the Company with Remuneration:

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Board of Directors through the board meeting dated 27.10.2023 appointed **Mr. Alagendran Rajkumar (DIN:00933724)** as Managing Director of the Company and subject to such other approvals as may be necessary, consent of the members be and is hereby accorded for appointment of him as Managing Director of the Company for a period of five years with effect from 01/10/2023 to 30/09/2028 and payment of remuneration not exceeding Rs.24,00,000/- p.a. for a period of five years with effect from 01/10/2023 to 30/09/2028 and subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.



RESOLVED FURTHER THAT, consent of the board be and is hereby accorded to contribute Provident Fund for a sum of Rs.1800/- p.m. and shall be eligible for sitting fees of Rs. 10,000/- per meeting attended by him.

RESOLVED FURTHER THAT, in the event of no profit or inadequacy of profit, remuneration payable to **Mr. Alagendran Rajkumar, (DIN: 00933724)** Managing Director shall not exceed the limit in Part II of Section V of the Companies Act, 2013 as modified from time to time or such other limits as maybe notified by the Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT, anyone of the directors of the Company, be and is hereby authorised for the purpose of giving effect to this resolution, to do all such acts, deeds, things and matters as it may in its absolute discretion, deem necessary, proper or desirable and to handle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be deemed necessary, proper, desirable and expedient.”

By ORDER OF THE BOARD

Place: Chennai,
Date: 29.07.2024.

ALAGENDRAN RAJKUMAR
MANAGING DIRECTOR
DIN: 00933724

NOTES:-

1. Explanatory Statement setting out the material facts concerning each item of Special Businesses to be transacted at the Annual General Meeting pursuant to Section 102 of the Companies Act, 2013, is annexed hereto and forms part of the Notice.
2. In view of the Second Wave of the COVID-19 pandemic, the Ministry of Corporate Affairs vide its General Circular No.39/2020 and other previous circulars respectively (collectively referred to as 'Circulars'), has introduced certain measures enabling companies to convene their Annual General Meetings (AGM/ Meeting) through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and also send notice of the Meeting and other correspondences related thereto, through electronic mode. In compliance with the provisions of the Companies Act, 2013 read with MCA Circulars, the AGM of the Shareholders will be held through VC/OAVM. Hence, Shareholders can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is explained below.
3. The Share register of the Fund will be closed from 14-09-2024 to 28-09-2024 (both days inclusive) pursuant to Section 91 of the Companies Act, 2013.
4. Any information required by shareholders at the Annual General Meeting with regard to the statement of accounts are requested to leave notice of the particulars of information required at the Registered Office of the Fund at least seven days before the Annual General Meeting.
5. The dividend cheques will be dispatched to members who are eligible for dividend of Rs.100/- or more. For others, Dividend will be credited to their savings account maintained at ALAGENDRAN NIDHI LIMITED and the same can be claimed any time during office hours after declaring dividend.
6. Members are requested to note that unclaimed dividends and matured deposits not encashed/claimed or remaining unclaimed, for a period of Seven (7) years shall be transferred, under section 123 of the Companies Act, 2013 to Investor Education and Protection Fund (IEPF), established under section 123 of the said Act. Members, who have not encashed/claimed the dividend warrants/matured deposits from the financial year ended 31st March 2017 onwards are requested to forward their claims to the Company. It may be noted that once the amount of unclaimed dividend and matured deposits is transferred

to IEPF as mentioned above, no claim shall rest with the Company. It may also be noted that the unclaimed dividend of Rs.35,973.25 and unclaimed matured deposits amount of Rs.63,494/- totally Rs.99,467.25 which were lying with the Company up to the year ended 31st March 2016 has been transferred to IEPF.

7. Meeting ID and Password will be displayed in the notice board of all the branches and members may contact the branches.
8. In line with the various circulars of MCA, the Notice of AGM is being sent only through electronic mode to those Shareholders whose valid e-mail addresses are registered with the Company.
9. The deemed venue for AGM shall be the Registered Office of the Company and the proceedings of the AGM shall be deemed to be made there at.
10. Members who have not yet registered their E-mail IDs with the Company may contact Mr. Alagendran Rajkumar, Managing Director (E-mail : Info@alagendrannidhi.net) for registering their E-mail IDs. The Company shall send the Notice to such members whose e-mail ids get registered enabling them to participate in the meeting and cast their votes at the meeting.
11. 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.
12. Since the AGM is being held in accordance with the Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
13. The attendance of the Shareholders attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
14. In terms of the aforesaid Circulars, the businesses set out in the Notice will be transacted by the members through show of hands where the number of members present is less than 50 unless there is a demand for poll and in all other case through e-voting system.

INSTRUCTIONS FOR ATTENDING THE AGM THROUGH VC

- (i) Members may access the platform to attend the AGM through VC at <https://>
- (ii) After access the platform, members are requested to select the Join Button
- (iii) Enter the meeting information which is provided below and click on "SUBMIT". The facility for joining the AGM shall open 15 minutes before the scheduled time for commencement of the AGM and shall be closed after the expiry of 15 minutes after such schedule time. Members will be required to grant access to the web-cam to enable two-way video conferencing.
- (iv) Members are advised to use stable Wi-Fi or LAN connection to participate at the AGM through VC in a smooth manner. Participants may experience audio / video loss due to fluctuation in their respective networks.
- (v) Members who may require any technical assistance or support before or during the AGM are requested to contact the below mentioned person

Name of the Person: Mr. P. Prakash
Designation : Assistant Manager - EDP
E Mail ID : edp@alagendrannidhi.net
Mobile : 99949 25058

EXPLANATORY STATEMENT

UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4: Appointment of Mr. Alagendran Rajkumar (DIN:00933724) as Managing Director of the Company with Remuneration:

a) Meaning, Scope & Implication of the items of the business:

The Board of Directors of the Company ("Board") had in its Board Meeting held on 27th October, 2023, subject to the approval of members, appointed **Mr. Alagendran Rajkumar, (DIN: 00933724)** as

Managing Director for a period of five years from the expiry of his present term i.e. with effect 01/10/2023 to 30/09/2028 and payment of remuneration not exceeding Rs.24,00,000/- p.a. for a period of five years with effect from 01/10/2023 to 30/09/2028, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof as recommended & approved by the Board.

It is proposed to seek members' approval for the appointment of and remuneration payable to **Mr. Alagendran Rajkumar, (DIN: 00933724)** as Managing Director of the Company, in terms of the applicable provisions of the Act.

Mr. Alagendran Rajkumar, (DIN: 00933724) satisfies all conditions set out in Part I of Schedule V to the Act as also conditions set out under Section 196(3) of the Act for being eligible for his appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Particulars of directors being appointed, as per secretarial standards -2:

| Particulars of Director | |
|---|---|
| Name & Qualification | Mr. Alagendran Rajkumar, MBA., (UK) |
| Age | 54 (11-04-1970) |
| Experience | Business |
| Terms and conditions of appointment and details of remuneration | Managing Director |
| Remuneration last drawn as on 31 st March 2024 | not exceeding Rs.24,00,000/- p.a |
| Shareholding in the company | 2,313,650 Shares |
| Relationship with other directors | NA |
| No of Meeting of Board attended | 1 |
| Directorships in other companies | 1. Alagendran Exports Private Limited 2. Alaghentren Homes & Developers Private Limited 3. Alagendran Supermart Private Limited |
| Other memberships/chairmanships of committees of other boards | NA |



The Board recommends the Special resolution set out at Item No.4 of the Notice for approval by the members.

b) Interest of Director, Key Managerial Personnel and their relatives:

None of the

i. Director and Manager except **Mr. Alagendran Rajkumar, (DIN: 00933724)**

ii. Key Managerial Personnel (CEO, CFO & CS)

iii. Relatives of the persons mentioned in i & ii.

are interested in the above said resolution.

c) Relevance of Resolution in any other Company:

The above resolution does not affect any other company.

d) Inspection of Documents:

There are no Documents required for the inspection for the above said resolution.

DIRECTOR'S REPORT

To the Members,

The Directors have pleasure in submitting their 32nd Annual Report of the Company together with the audited statements of accounts for the year ended, 31st March, 2024.

1. FINANCIAL RESULTS

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

For the Year ended 2023-2024

| PARTICULARS | Rs in Lakhs 31.03.2024 | Rs. in Lakhs 31.03.2023 |
|---|---------------------------|----------------------------|
| Income from Business Operations | 2169.61 | 1824.95 |
| Other Income | 30.77 | 27.73 |
| Total Income | 2200.38 | 1852.68 |
| Less Interest & expenses | 2060.46 | 1733.71 |
| Profit before Depreciation | 139.92 | 118.97 |
| Less Depreciation | 21.76 | 18.50 |
| Profit before Tax | 118.16 | 100.47 |
| Less Current Income Tax | 29.08 | 24.42 |
| Less Deferred Tax | (0.34) | (0.86) |
| Net Profit after Tax | 88.74 | 75.18 |
| Dividend (including Interim if any and final) | 8.62 | 8.32 |
| Net Profit after dividend and Tax | 80.11 | 66.86 |

| | | |
|------------------------------|---------|---------|
| Earnings per share (Basic) | Rs.1.54 | Rs.1.36 |
| Earnings per Share (Diluted) | Rs.1.54 | Rs.1.36 |

2. DIVIDEND

The Directors are pleased to recommend a dividend of 15% of share value aggregating to Rs. 4,58,055/- for "A" class and Rs.4,04,003/-for "B" class shares for the financial year, 2023-24.

The dividend if approved and declared in the forthcoming Annual General Meeting would result a total Dividend outflow of Rs.8,62,058/-

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

In terms of Section 125 of the Companies Act, 2013, any unclaimed or unpaid Dividend relating to the financial year 2016-17 is due for remittance by first week of October 2024 to the Investor Education and Protection Fund established by the Central Government.

4. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

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

Key Initiatives adopted during F.Y., 2023-24:

1. We hosted a series of Melas during the F.Y., 2023-24 and to see how they fared, look into the detailed results as under:

(Amount in Lakhs)

| S.No. | Name of the Mela | Period of Mela | JML Business Achieved | Deposit Business Achieved |
|--------------|---|---|-----------------------------------|----------------------------------|
| 1. | "Akshaya Tritya" Deposit & JML interest Recovery Mela | 22.04.23 to 24.06.23 | 345.86 (JML Interest recovery) | 373.69 |
| 2. | Siruthuli Mela | 27.06.23 to 29.08.23 Further extended till 30.09.23 | 457.78 (JML Interest recovery) | 565.84 |
| 3. | Assorted Dhamaka Mela | 15.10.23 to 06.01.24 | 146.04 | 471.41 |
| 4. | Repeatuu!!! with Bumper incentives | 01.11.23 to 31.03.24 | 578.86 | 421.36 |

A result-oriented environment rewarded high-performing teams and individuals. This spurred friendly competition, driven everyone to exceed expectations and maximize output. Productivity flourished as a shared goal of achieving peak performance united everyone. This not only delivered impressive outcome, but also boosted employee morale by recognizing their contributions.

Employees who demonstrate exceptional contributions during Melas are recognized through their performance appraisals. This recognition is in various forms, such as merit awards, positive performance reviews or increased visibility within the company.

Our branches are like mini-businesses, buzzing with activity. Teams compete with one another to attract deposits, the building blocks of our success. The real treasures are the jewelry loans they secure, each one a victory. To keep them motivated, we offer performance bonus – in the form of cash. These bonus are not given once, it happens the whole year, keeping everyone excited. The Net result !! Our branches are like financial fortresses, year after year, strong and profitable. It is a win-win situation: happy employees get rewarded, and the NIDHI keeps growing!

2. During the financial year, we maintained consistent interest rates for both deposits and gold jewel mortgage loans. This stability reflects a well-balanced demand and supply of funds within our company.
3. Our NIDHI's secret weapon...is the amazing team! We have and believe in empowering them not just with skills, but also with the trust to make important decisions and own their responsibility. This fosters a strong sense of engagement and commitment. We have developed a network of regional supervisors (additional in-charge) who act as our eyes and ears. They tackle crucial tasks like ensuring branches stay within cash and bank limits fixed, approving exceptional deposits, and leading their teams efficiently. This decentralized approach keeps our Head offices operations lean and efficient. It allows them to focus on big-picture strategies while our regional supervisors (additional in-charge) handle the day-to-day operations. Ultimately, it's a win-win situation where our employees feel valued and empowered and our NIDHI runs smoothly and efficiently.
4. Keeping a watchful eye on the risk factor, which is essential for protecting our profits. To achieve this, we've implemented some key changes:
 - **Jewelry Loan Rates:** We've adjusted interest rates on jewelery mortgage schemes to ensure responsible lending practices.

- **Pawn broker Account Management:** We've set clear limits on pawnbroker accounts to minimize potential risk.
- **Overdue and Non-Performing Loans:** Strict guidelines have been established for overdue and non-performing jewel mortgage accounts across all branches.

These adjustments not only promote responsible lending but also factor into performance-based incentives. In other words, even if a branch meets its overall profit or business goals, responsible management of these areas will be crucial for earning performance bonuses. This ensures everyone is aligned with prioritizing both growth and responsible financial practices.

5. We're taking security seriously! We've updated our security protocols (Do's & Don'ts) with a focus on CCTV and alarm systems to prevent any breaches. To ensure all-around protection, all branches are required to:
 - **Perform regular checks** on shutters, collapsible gates, windows, and ventilators to identify any potential negligence/slackness.
 - **Maintain readily accessible contact information** of local police station. This ensures a swift response in case of emergencies.
 - **Develop clear procedures for security inspections during holidays** when normal routines might be disrupted.

By working together and following these updated guidelines, we can create a safer and more secure environment for everyone.

6. To safeguard NIDHI business, we're strengthening internal audits, a critical risk-mitigation tool. Our revamped system combines surprise fortnightly audit, general audit, 100% audit and remote audits for comprehensive coverage. Branches are required to promptly address any audit observations to maintain a strong financial.

Furthermore, we've intensified training programs to equip our staffs with the knowledge to identify and counter fraudulent activities that are prevalent in our industry. This training empowers branches to forecast potential risks and stay vigilant, proactively safeguarding NIDHI. By working together and embracing these enhanced audit procedures, we created a more secured and robust NIDHI environment for all.

7. Ensuring Consistent Jewelry Appraisals! Accurately valuing jewelry is critical for our JML portfolio. Previously, each branch appraiser used their own equipment. To guarantee a standardized appraisal process, we've distributed uniform appraisal kits to all branches. This ensures consistent evaluation of pledged jewelry across all locations, boosting confidence in the mind of our clients about JML credibility JML portfolio's overall strength.

8. Asset Management

Unique Asset Structure of our Nidhi Company

Our Company operates with a specialized asset structure due to their focus on member-driven finance. Given below is the key assets of our Nidhi.

- **Member Deposits:** The foundation of Nidhi Company lies in the deposits collected from its members. These deposits are the primary source of funds for lending activities.
- **Member Loans:** Our Nidhi Company create assets by extending loans primarily through jewel mortgage loans to their members. This focus on secured lending helps manage risk.
- **Statutory Liquidity Ratio (SLR) Investments:** Nidhi Companies are required to invest 10% of their mobilized funds in scheduled commercial banks as per regulations. This ensures liquidity and adherence to financial stability norms.

To proactively manage potential threats, the Company has established a risk management system. This system identifies and assesses risks that the Board deems could significantly impact the Company's viability.

Liquidity Management:

To ensure our Company's smooth expansion, we prioritize effective management of cash flow. This involves bridging the gap between mobilizing funds and meeting operational needs and debt obligations.

A dedicated committee led by the Managing Director regularly reviews our liquidity position. This committee ensures that the maturity profile of our deposits aligns with our loan repayment schedule, promoting a healthy balance between assets and liabilities.

Given our focus on gold jewel loans, which necessitate readily available cash, we have established well-defined retention limits for all branches. These limits are monitored by the controlling office to maintain sufficient liquid assets.

Furthermore, our Asset and Liability Committees strategies encourages depositing excess funds with scheduled banks. This approach mitigates liquidity risks while generating additional interest income.

Credit Risk Management:

We have implemented a robust credit appraisal process for our jewel loans. This process is supplemented by comprehensive training programs to ensure borrowers understand and adhere to business terms.

To minimize credit risks, we have initiated several measures:

- Rigorous loan approval procedures
- Thorough collateral appraisals
- Stringent monitoring of non-performing assets (NPAs) and overdue accounts
- Regular loan performance reviews
- Timely action on defaults, including convenient doorstep collection strategies
- In extreme cases, ready liquidation of pledged gold jewels through auctions to recover dues

These robust processes significantly reduce the likelihood of delinquencies and minimize the possibility of loss for the Company

Interest Rate Risk Management:

While our current focus is on fixed-rate interest products for both assets (loans) and liabilities (deposits), it minimizes immediate exposure to interest rate fluctuations as we recognize the potential impact of future adjustments.

To mitigate this risk, we are actively exploring strategies such as:

- **Diversifying funding source** : We already benefit from a diverse funding base, including internal deposits and surplus fund transfers. We will continue to explore additional options to further reduce dependence on any single source.

- **Asset-liability management (ALM):** We are committed in implementing a robust ALM framework in the future. This framework will help us manage the maturity profile of our assets and liabilities, ensuring better alignment and mitigating interest rate risk over the long term.

Investment Risk Management:

To ensure the safety and liquidity of our investments, we adhere to strict guidelines. We primarily invest Statutory Liquidity Ratio (SLR) deposits, which represent 10% of total member deposits, and any excess company funds, in deposits with scheduled commercial banks.

This approach offers several benefits:

- **Reduced Risk:** Scheduled commercial banks are considered low-risk investment options, minimizing potential losses.
- **Enhanced Liquidity:** Deposits with scheduled commercial banks are readily accessible, allowing us to address unforeseen liquidity needs promptly.

Commitment to Regulatory Compliance

The Company prioritizes strict adherence to all regulations governing Nidhi Companies as outlined in the Nidhi Rules, 2014. This commitment encompasses several key aspects:

- **Maintaining Adequate Reserves:** We maintain robust reserves in accordance with regulatory requirements.
- **Statutory Liquidity Ratio (SLR) Compliance:** We diligently fulfill our SLR obligations by depositing the mandated percentage (10%) of member deposits with scheduled commercial banks.
- **Accurate Financial Reporting:** We consistently prepare accurate financial statements and reports, as required by the Companies Act.
- **Timely Filings:** We ensure the timely submission of all prescribed forms to the Ministry of Corporate Affairs and as per the Nidhi Rules, 2014.

Collateral Risk Management:

Our loan portfolio primarily relies on gold jewels as collateral. While fluctuations in gold prices can potentially impact loan, we have implemented measures to mitigate the risk:

- **Loan-to-Value (LTV) Ratio:** We maintain a conservative LTV ratio, typically between 65% and 70% (converse of 30-35% buffer). This ensures sufficient cushion even if gold prices decline.
- **Exclusion of Gemstone Value:** The value of embedded gemstones is excluded from loan calculations, focusing solely on the intrinsic worth of gold. This approach reduces our risk on potentially volatile gemstone prices.
- **Focus on Repayment Incentives:** We recognize the sentimental value attached to gold jewelry. By fostering a positive loan repayment culture, we encourage borrowers to prioritize repayment and avoid collateral forfeiture.

Robust Operational Risk Management Framework

The Company prioritizes the operational risk management framework to safeguard against potential disruptions. This framework encompasses several key elements:

- **Detailed Guidelines and Procedures:** We have established comprehensive guidelines, systems, and procedures to ensure efficient and secure operations. These guidelines address potential failures in systems, personnel, processes or external events that could significantly impact our business.
- **Centralized Software and Monitoring:** To optimize efficiency and transparency, we utilize centralized software for automating inter-branch transactions. This software allows for central monitoring of branch activities, enhancing control and mitigating operational risks.
- **Surveillance Systems and Internal Audit:** We prioritize security by implementing comprehensive surveillance camera systems across all branches for 24/7 monitoring. Additionally, our robust internal audit system, coupled with dedicated supporting personnel / branches, who provide a comprehensive approach to identifying and mitigating operational risks.

Commitment to Excellence through Risk Management

The Company's dedication to fair business practices fosters a strong foundation for financial stability, profitability and member satisfaction. This commitment is evident in several key areas:

- **Comprehensive Risk Management Framework:** We have implemented a risk management framework that proactively identifies, assesses, and mitigates potential risks across all facets of our operations.

- **Effective Internal Controls:** We have established a strong system of internal controls to safeguard assets, prevent fraud, and ensure adherence to best practices.
 - **Proactive Asset Quality Reviews:** Regularly conducting asset quality reviews allows us to identify potential issues early and take timely corrective actions.
 - **Technology-Driven Efficiency:** We leverage technology to streamline asset management, including loan origination, disbursement, and monitoring processes. This approach enhances efficiency, reduces errors, and promotes better control.
9. Celebrating Loyalty programs at NIDHI! Branches holding anniversary celebrations in respective locations, honoring long-term customers - the backbone of NIDHI. Key members were felicitated for their continued patronage. These events weren't just about celebrating but they also served a vital purpose / gathering feedback. Member input is crucial for refining our processes and policies to better our service. By understanding the needs, we can ensure NIDHI delivers the best possible financial experience.
- 10. Supporting Our Members Through Tough Times:** Following the devastating floods in South Tamil Nadu, particularly impacting Tirunelveli, Thoothukudi, and Vilathikulam, we took immediate action to support our members.
- We reintroduced the 92 paise JML Scheme with a higher rate of Rs. 4,400 per gram in these three branches from 21st December, 2023 to 15th January, 2024. This financial assistance aimed to help members to sustain their livelihoods during this challenging time.
 - Additionally, we distributed 200 relief packages to our members and the public in the Vilathikulam area, providing essential supplies to those affected by the floods. These actions demonstrate our commitment in supporting our members during times of hardship.
11. We prioritize keeping our branches equipped with the latest knowledge. Operational, HR, and CBS manuals are regularly updated whenever processes or systems evolves. This ensures everyone has access to accurate information.

Here's how we bridge the information gap:

- **Proactive Updates:** Manuals are revised promptly, reflecting any changes in procedures, keeping branches at the forefront of our operations.
- **Comprehensive Training:** Branches receive thorough training on all updates. This ensures the staff understands the revised procedures and can implement them effectively.

This commitment to ongoing communication fosters a well-informed network of branches. Equipped with the latest knowledge, our staff can deliver efficient and consistent service across all locations.

12. At NIDHI, we cultivate a strong company culture with core values that foster emotional attachment among our staff members. Here's how we ensure everyone feels valued and connected:

- **Culture-Fit Training:** During orientation, the newly recruited once receive proper training that emphasizes our core values and ensures they're a good fit for our culture.
- **Leadership Reinforcement:** Key personnel regularly visit branches to reinforce the importance of our core values and keep the message top-of-mind.
- **Shared Commitment:** We designed a powerful pledge or oath for our NIDHI, read aloud at weekly meetings in both the Head Office and branches.

By fostering a positive and value-driven culture, we create a work environment where employees feel valued and motivated, ultimately contributing to a stronger and more successful NIDHI Team.

13. At NIDHI, we recognize our employees as our most valuable resource. We're dedicated to their growth by providing comprehensive training that equips them with the knowledge, skills, and positive attitude needed to excel.

Our training programs encompass a wide range of topics, including:

- **Leadership Development:** Building strong management skills for future leaders within NIDHI.
- **Exceptional Customer Service:** Equipping staff to provide exceptional service and build lasting relationships with our members.
- **Sales Expertise:** Sharpening sales skills to effectively present NIDHI's products and services.

- **Understanding Company Culture:** Enhancing employee understanding and appreciation of NIDHI's core values.
- **Financial Literacy:** Providing staff with knowledge on wealth management, empowering them to guide our members better.

Being NIDHI's front-line officers, our employees face a diverse clientele. This thorough training empowers them to confidently navigate every interaction and offer personalized solutions to meet each member's needs. By investing on our staff, we foresee the future success of NIDHI and provide an exceptional experience for our members.

14. As NIDHI expands, staying ahead of the curve with technology is crucial. To ensure both efficiency and security, we need a system that allows for immediate retrieval of accurate data when needed. Currently, our branches lack a mechanism to monitor the movement of jewelry bags within safety deposit boxes.

To address this gap and enhance security, we're excited to announce the implementation of "RFID Scanner and Digital Lock System." This innovative technology offers several key benefits:

- **Real-time Monitoring:** Track the lodgement and removal of jewelry bags in real-time, providing a clear audit trail for enhanced security.
- **Improved Efficiency:** Eliminate manual processes and streamline data collection, allowing for faster retrieval of information.
- **Enhanced Data Accuracy:** Reduce the risk of human error and ensure the accuracy of all recorded data.

By embracing this cutting-edge technology, NIDHI demonstrates its commitment to continuous improvement and providing the highest level of security for its members' valuables. This investment is at the initial stage of development and it not only strengthens security but also optimizes processes, allowing us to serve better as we grow.

15. Branches Performance : Strong Growth in Deposits and Loans

Our branches achieved significant growth in both deposits and loans during the financial year ending March 31, 2024.

- **Deposits:** Outstanding deposits reached Rs. 16,515.88 lakhs, reflecting a 13.77% year-over-year increase from Rs. 14,517.53 lakhs. This represents a net increase of Rs. 1,998.35 lakhs.
- **Jewel Mortgage Loans (JML):** JML outstanding balances grew up to Rs. 14,851.58 lakhs as of March 31, 2024, a 15.27% increase compared to Rs.12,884.70 lakhs the previous year. This translates to a net increase of Rs. 1,966.88 lakhs.

The strong demand for JML throughout the year can be attributed to two factors:

- **High Demand for Deposits:** We consistently accepted deposits to meet the overwhelming demand for JML.
- **Gold Price Appreciation:** The continued rise in gold prices fuelled demand for secure loan options backed by gold collateral. The funds generated through deposits were fully utilized to provide JML, ensuring optimal asset utilization.

Financial Highlights: Continued Profitability and Growth

The Nidhi Company achieved a net profit of Rs.88.73 lakhs during the financial year 2023-24, representing increase of Rs.13.55 lakhs compared to the previous year. This demonstrates our ability to achieve reasonable top-line (revenue) and bottom-line (profit) growth despite competition from banks, NBFCs, and other financial institutions.

Looking Forward: to Continued Growth and Improvement

Our Board of Directors remain confident in the Company's future and is committed to put in continuous efforts that will further improve our performance in the entering years

5.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

No material changes and commitments affecting the financial position of the Company during the financial year to which these financial statements relate on the date of this report

6. 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.

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

The Company has adopted the following measures concerning the development and implementation of a Risk Management Policy after identifying the following elements of risks which in the opinion of the Board may threaten the existence of the company.

Alagendran Nidhi Limited: Business Prospectus for F.Y. - 2024-25

Executive Summary

The business prospectus outlines Alagendran Nidhi Limited's (ANL) growth strategies for the Financial year, 2024-25. It explores opportunities to leverage economies of scale and scope to enhance profitability, members satisfaction, and operational efficiency. The document develops into specific areas like marketing, sales, human resources, information technology, finance, accounts, and audit. By implementing these strategies, ANL strives to solidify its position in the NIDHI (Neighbor-hood Small Finance Bank) sector and empower its members.

1. Market Analysis and Growth Strategies

Market Landscape: Tamilnadu is a significant market for Jewel mortgage loans, particularly from rural populations and small businesses. **High Gold Ownership, limited access to formal credit and lower interest rate** contribute to the popularity of gold jewel mortgage loans in Tamil Nadu.

The demand for gold jewel mortgage loans in Tamil Nadu is expected to continue due to factors like increasing gold ownership, financial inclusion and Micro, Small and Medium Enterprises (MSMEs)

Our NIDHI is witnessing a rise in digitalization with faster processing, and doorstep gold loans & collection services. We are increasingly focusing on improving the customer experience by offering flexible repayment options, competitive interest rates, and transparent loan terms.

Target Audience: Anyone who owns gold jewelry, especially those with pieces of significant weight and purity can potentially qualify for a gold loan. Rural residents, self-employed individuals and individuals with low credit scores are the major customers of our NIDHI.

Gold loans are ideal for individuals requiring quick cash for various purposes, such as medical emergencies, education expenses, business needs, agricultural needs and gold as an investment.

Traditional Banks: While traditional banks may not be the primary players, they do offer gold loan products. However, their loan processing can be slower and eligibility criteria might be strict compared to Nidhis. NBFCs specializing in gold loans are known for their competitive rates, flexible terms, and fast processing. Though they pose a significant challenge to NIDHIs, rate of interest offered by us is more competitive.

Focus on Local Communities, lower interest rates and building trust are the major differentiating factors compared to banks and NBFCs.

The Ministry of Corporate Affairs (MCA) regulates NIDHIs (Neighborhood Small Finance Banks) that offer gold loans. NIDHIs have specific regulations regarding loan limits, interest rate caps, and customer due diligence procedures.

2. Gold price outlook during F.Y. - 2024-25:

Analysts predict a range of gold prices for the coming financial year F.Y. - 2024-25. While specific predictions are uncertain, the price is expected to remain volatile. Some analysts predict a range of \$1,900 - \$2,400 per ounce, while others are more cautious. Factors like global economic conditions, geo political instability, and interest rates by central banks will influence gold price.

Some analysts, like those at Mint, predict a bullish outlook with a possibility of MCX gold touching ₹ 69,000 - ₹ 70,000 per 10 grams directly F.Y. - 2024-25. Others remain cautious due to uncertainties around the timing of interest rate cuts globally.

3. Marketing Strategies:

The gold loan market is competitive, with banks, NBFCs and NIDHIs for the same customer base. We rely solely on word-of-mouth to reach our target segment compared to competitors using more proactive strategies. Word-of-mouth primarily spreads through existing customer networks and helps us to attract new customers.

Our target segment is fully aware of processes, procedures and systems and understands gold jewel mortgage loans or the benefits offered by NIDHIs. One of our key marketing strategies is to help educate potential borrowers and address their concerns. Word-of-mouth is a valuable compared to other marketing efforts.

With a satisfied experience of customer, we provide an excellent all round service and competitive rates, and encourage satisfied borrowers to recommend our services to their known circle.

4. Sales Strategies and Growth Projections

Sales Channels : Alagendran Nidhi Limited leverages a robust network of 22 branches across Tamil Nadu to connect with its members. In addition, we provide a user-friendly mobile application to enhance the member experience.

To better serve our growing membership base, we're excited to announce the upcoming expansion of our branch network. New branches are slotted to open soon in Tambaram, Pollachi, Namakkal, Melur, Chengalpet and Karur.

Sales Team Optimization:

- **Economies of Scale** : To maximize efficiency, we strategically deploy our sales force to reach our full market potential. We achieve this by offering competitive interest rates and clear loan terms, ensuring value for both Alagendran Nidhi Limited and our members
- **Economies of Scope** : We prioritize ongoing training for our staff to ensure that, they have a comprehensive understanding of our financial products and services. This empowers them to provide tailor-made recommendations that meet our members' evolving needs
- **Performance Management System** : We foster a culture of continuous improvement through a robust performance management system. This system incentivizes both sales growth and exceptional customer service, ensuring our members receive the best possible support. We empower our team members with clear goals and provide ongoing guidance to help them achieve success. Our meritocratic promotion and incentive system rewards high performers, recognizing their contributions to the company's growth.

- **Sales Targets and Projections** : To drive profitability, we establish achievable and measurable sales goals for each product category and branch. Branches are empowered to analyze their monthly financial performance and identify areas for improvement, ensuring strategic decision-making.

5. Human Resource Strategies

- **Recruitment and Training** : We focus on recruiting skilled and qualified personnel aligned with our culture and growth objectives. We develop comprehensive training programs for newly recruited and existing staff to ensure proficiency in NIDHI regulations, financial products and customer service. To motivate our employees, we implement cost-effective employee motivation programs that recognize and reward high performance, fostering a culture of excellence and also explore offering career development opportunities within our NIDHI to retain skilled personnel and encourage multi-tasking based on employee skill sets.

6. Information Technology (IT) Strategies

- **IT Infrastructure Investment** : Alagendran Nidhi Limited is embracing the future of finance by transitioning from a traditional brick-and-mortar model to a Fin-tech Nidhi. This transformation involves a strategic investment in our core IT infrastructure. This investment will not only support our anticipated business growth but also ensure the highest level of data security for our members.
- **Digital Transformation** : We continue to explore cost-effective cloud-based solutions for data storage, management and core banking operations to optimize IT resources, Develop more features in our user-friendly mobile application to enable convenient access to financial services for members, fostering self-service capabilities and implement robust cyber security measures to protect sensitive member data and ensure system integrity.

7. Finance, Accounts, and Audit

Financial Planning and Budgeting:

- To ensure long-term success, we've developed a comprehensive financial plan for F.Y.- 2024-25. This plan incorporates realistic revenue projections, operating costs, and strategic investment needs.

- We foster a culture of cost-consciousness by regularly reviewing our budget and identifying areas for optimization. This ensures us to allocate resources effectively to support our growth goals.
- We closely monitor revenue targets across all branches and celebrate the achievements of high-performing locations. This recognition motivates our entire team to strive for excellence.
- For branches requiring additional support, we provide targeted guidance and resources to help them improve their performance. Our goal is to empower all branches to achieve their full potential.

Cost Optimization:

- We negotiate better rates with vendors for supplies, technology services, and other operational expenses by leveraging bulk purchasing power, identify and eliminate redundant processes across departments to streamline operations and reduce unnecessary costs.

Accounting Practices:

- Maintain accurate and transparent accounting practices to ensure regulatory compliance and facilitate effective financial reporting.

Internal Audit:

- Conduct regular internal audits to identify potential risks, ensure adherence to internal controls, and recommend areas for improvement.

8. Risk Management and Regulatory Compliance

- **Risk Assessment** : Conduct a comprehensive risk assessment to identify potential financial, operational, and reputational risks. Develop mitigation strategies to address these risks proactively.
- **Regulatory Compliance:** Ensure strict adherence to all NIDHI regulations and guidelines set forth by the Nodal Ministry or RBI.

9. Conclusion

By implementing the strategies outlined in this business prospectus, Alagendran Nidhi Limited aims to achieve sustainable growth, enhance member satisfaction, and strengthen its competitive edge in the NIDHI sector during F.Y. - 2024-25.

8. 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.

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

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.

10. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

The particulars of Contracts or Arrangements made with related parties made pursuant to Section 188 of the Companies Act 2013 are annexed with AOC-2

11. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There were no qualifications, reservations or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

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

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independent Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is governed by Nomination and Remuneration Committee in guidance of various sections under Companies Act 2013 and its rules.

13. ANNUAL RETURN

As per Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the annual return of the Company for the financial year ended March 31, 2024 is available at the web address: <http://www.alagendrannidhi.net/investor-information.html>

14. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company had conducted 5 Board meetings on **26.04.2023**, **29.07.2023**, **27.10.2023**, **25.01.2024** and **23.03.2024** during the financial year under review.

The details of attendance of each director at the board meetings along with the number of meeting held during the year.

| Name of the directors | No of board meeting held during the tenure | No of board meeting attended |
|-----------------------|--|------------------------------|
| Sri.R.Alaghentren | 5 | 2 |
| Sri.A.Rajkumar | 5 | 5 |
| Sri.N.Nagarajan | 5 | 5 |
| Sri.S.Sendamarikannan | 5 | 5 |
| Sri.R.Subramanian | 5 | 5 |
| Sri.K.G.Inian | 5 | 5 |

15. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with provisions of Section 134(5) of the Companies Act 2013, the Board hereby submits its responsibility statement

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

(b) 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;

(c) 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;

(d) The directors had prepared the annual accounts on going concern basis; and

(e) The directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating which is not applicable to Private Limited Company.

Internal financial control means the policies and procedures adopted by the Company 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.

(f) 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.

16. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

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

17. DEPOSITS

Nidhi Company Deposits are not covered by the definition of Deposits, as per Rule 2(1)(c)(vii) of the Companies (Deposits) Rules, 2014. Hence, the provisions of Deposits under Chapter V of the Companies Act, 2013 is not applicable to your Nidhi. However, your Company has duly complied with the Nidhi Rules, 2014, as amended from time to time.

18. DIRECTORS

Sri Kulan Gandhi Inian (DIN: 01755407) is retiring at this Annual General Meeting and being eligible to offer him for reelection.

19. DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfill 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

Present Statutory Auditors, M/s Rakesh & Co, Chartered Accountants (FRN:0176905) has been appointed as auditor in the 30th Annual General Meeting on 24/09/2022 for the period of 5 years till the conclusion of the Annual General Meeting for financial year ending 31st March 2027.

21. RISK MANAGEMENT POLICY

The Company has implemented various risk management policies for the protection of the employees. They are:

1. Whistle Blower Policy
2. Installation of alarm and CCTV in all branches
3. Introduction and development of System based operation (CBS) for more accuracy.
4. Concept of Decoy Money
5. JML auctions to counter NPA
6. Periodical Jewel packet audit by qualified appraisers.

22. OTHER COMMITTEES FRAMED UNDER THE NEW/ COMPANIES ACT, 2013:

A) Audit Committee

As per the committee rules and regulations, the members of the committee meet regularly two times in a year to discuss and analyze the subject matter which is relevant to the said committee and disbursed.

During the year under review, one Meeting of the Audit Committee was held on 28-10-2023 & 02-03-2024.

| Name of the Directors | DIN | No. of meetings held | No. of meetings attended |
|--|----------|----------------------|--------------------------|
| Mr. S. Sendamarai Kannan (Chairman of the committee) | 09123907 | 02 | 02 |
| Mr. N. Nagarajan (Member- Independent director) | 00121494 | 02 | 02 |
| Mr. K.G. Inian (Member – Non Independent Director) | 01755407 | 02 | 02 |

The Company has established a vigil mechanism and overseas through the committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of company employees and the Company.

B) Stake holders Relationship Committee (SRC)

The Company has constituted Stake holders Relationship Committee to attend investor complaints/grievances was held on 22-03-2024.

| Name of the Directors | DIN | No. of meetings held | No. of meetings attend |
|--|----------|----------------------|------------------------|
| Mr. S. Sendamarai Kannan (Chairman of the committee) | 09123907 | 01 | 01 |
| Mr. R. Subramanian (Member- Independent director) | 00121494 | 01 | 01 |
| Mr. K.G. Inian (Member – Non independent Director) | 01755407 | 01 | 01 |

C) Nomination & Remuneration Committee (NRC)

The Company has constituted Nomination & Remuneration Committee (NRC) under applicability of 178 of companies Act 2013, (Every other Public company Having Paid up capital of Rs.10 crores OR turnover of 100 crores more; OR Which have, in aggregate, outstanding loans OR borrowings or debentures or deposits exceeding Rs.50 Crores.) which was held on 09-03-2024.

| Name of the Directors | DIN | No. of meetings held | No. of meetings attend |
|--|----------|----------------------|------------------------|
| Mr. N. Nagarajan (Chairman of the Committee) | 00121494 | 01 | 01 |
| Mr. S. Sendamarai Kannan (Member - Independent Director) | 09123907 | 01 | 01 |
| Mr. K. G.Inian (Member – Non Independent Director) | 01755407 | 01 | 01 |

- A) Internal Complaints Committee (ICC) – POSH** – The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and also section 4 of the POSH Act, which was held 23-03-2024.

| Name of the Members | Members | No. of meetings held | No. of meetings attend |
|-----------------------|--------------------------------|----------------------|------------------------|
| Ms. B.S.Vidyaparvathy | Presiding Officer | 01 | 01 |
| Mr. A.Rajkumar | Director | 01 | 01 |
| Mr. C.Chitharanjan | Member | 01 | 01 |
| Mr. K.Pandi | Member | 01 | 01 |
| Ms. D.Y.Vidyalakshmi | Member | 01 | 01 |
| Ms. M.MariyamBeevi | Member from outside (Advocate) | 01 | 01 |

No complaints were received during the financial year 2023-24. None was pending /unresolved as on 31st March, 2024.

23. SHARES

The `paid-up share capital increased by Rs.2,01,200 from 55,45,856 to 57,47,056 as on 31st March 2024.

a. BUY BACK OF SECURITIES

The Company didn't involve in buy back any of its securities during the year under review.

b. SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

c. BONUS SHARES

No Bonus Shares were issued during the year under review.

d. EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.

24. CHANGE IN NATURE OF BUSINESS

There was no change in the nature of business of the Company during the year under review

25.CHANGES IN DIRECTORS

There are no changes in the details of directors or key managerial personnel during the year;

26.BOARD'S OPINION ON INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

During the F.Y. - 2023-24, there were no new Independent Directors appointed to the Board. With regard to proficiency of the Independent Directors, ascertained from the online proficiency self-assessment test conducted by the IICA (Indian Institute of Corporate Affairs), as notified under Section 150(1) of the Act, the Board of Directors have taken on record the declarations submitted by Independent Directors that they have complied with the requirements.

27. MAINTENANCE OF COST RECORDS AND COST AUDIT

Maintenance of cost records and requirements of cost audit as prescribed under the provisions of section 148(1) of the Act is not applicable for the business activities carried out by the Company.

28. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

There is no Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016 (IBC)

29. THE DETAILS OF DIFFERENCE BETWEEN 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 TO:

During the F.Y. 2023-24, there were no the details of difference between 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. Hence this disclosure is not applicable for the Company.

30. TRANSFER TO RESERVES

The Company has transferred a sum of Rs.75.00 Lakhs to general reserve

31. INTERNAL AUDITOR

The Company has appointed Internal Auditor as per sec 138 of Companies (Accounts) Rule 2014.

32. LOAN FROM DIRECTORS

Pursuant to proviso to Rule 2(1)(c)(viii) of The Companies (Acceptance of Deposits) Rules, 2014, the Company has not accepted any Loans from the any of the director of the company.

33. SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards issued by Institute of Company Secretaries of India have been duly complied by the Company.

34. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

No material orders had been passed by the regulators or courts or Tribunals.

35. ACKNOWLEDGMENTS

The Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to the Company's activities during the year under review. and Directors also acknowledges gratefully the shareholders for their support and confidence reposed on the Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Mr. A. RAJKUMAR

Managing Director

DIN : 00933724

Mr. S. SENDAMARAI KANNAN

Director

DIN : 09123907

Date: 27.07.2024,

Place: Chennai.



ALAGENDRAN NIDHI LIMITED

CIN: U65991TN1992PLC023989

ANNEXURE -1

FORMNO.AOC.2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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 arm's length transactions under third provision there to

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

(a) Name(s) of the related party and nature of relationship

(b) Nature of contracts/arrangements/transactions

(c) Duration of the contracts/arrangements/transactions

(d) Salient terms of the contracts or arrangements or transactions including the value, if any

(e) Justification for entering into such contracts or arrangements or transactions

(f) Date of approval by the Board

(g) Amount paid as advances, if any:

(h) Date on which the special resolution was passed in general meeting as required under first provision to section 188.

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

| Sl.No | Name of the Related Party and Nature of Relationship | Nature of Contracts/ Arrangements /Transaction | Duration of the contracts/ arrangement/ transactions | Salient terms of the contracts or arrangements or transactions including the value, if any; | Amount Paid/ Payable |
|-------|--|--|--|---|----------------------|
| 1. | Sri. R. Alaghentren (Chairman) | Remuneration | Ceased from 05-09-2023 | NA | 4,95,000 |
| 1. | Sri. A.Rajkumar (Managing Director) | Remuneration | On going | NA | 19,70,000 |
| 2. | Sri. A.Rajkumar | Interest paid | On going | NA | 7,02,581 |
| 3. | Smt. Sweda Rajkumar (Spouse) | Interest paid | On going | NA | 2,67,397 |
| 4. | Ryka Rajkumar (Daughter) | Interest paid | On going | NA | 61,445 |
| 5. | Arneya Rajkumar (Daughter) | Interest Paid | On going | NA | 32,127 |
| 4. | Sri. N. Nagarajan (Independent Director) | Interest paid | On going | NA | 10,43,745 |

for and ON BEHALF OF THE BOARD OF DIRECTORS

Place: Chennai

Date : 27-07-2024

-sd-

Mr. A.Rajkumar
Managing Director
DIN: 00933724

-sd-

Mr. S Sendamaraikannan
Director
DIN: 00121494



R. RAKESH & CO.,

Chartered Accountants

New No.120, Old No.34/3, Palayakkara Street, Ayanavaram, Chennai - 600 023.

Mobile : 95660 22221

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALAGENDRAN NIDHI LIMITED, CHENNAI.

Opinion

We have audited the accompanying standalone financial statements of **ALAGENDRAN NIDHI LIMITED**, Chennai which comprise the balance sheet as at March 31, 2024, the Statement of Profit and Loss, 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, 2024, its profit and cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit

of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Emphasis of Matter – NIL

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 Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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 standalone 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, 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.

Management's responsibility for the financial statements

The Company's Board of Directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events

or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

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) In our opinion, 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, as amended from time to time;
- (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- (g) 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, the Company has paid remuneration to Directors and the same is in accordance with said provisions.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us, we report that:
 - a. The Company does not have any pending litigations which would impact its financial position.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

- c. The Company has transferred amount required to be transferred to the Investor Education and Protection Fund.
- d. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts,
- i. no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities 'Intermediaries', with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company 'Ultimate Beneficiaries' or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - ii. no funds have been received by the company from any person(s) or entity(ies), including foreign entities 'Funding Parties', with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party 'Ultimate Beneficiaries' or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - iii. Based on audit procedures carried out by us, that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
- e. In our opinion and according to the information and explanations given to us, the company has declared and paid dividend during the year and has complied with the provisions of Section 123 of the Companies Act, 2013 and the dividends have been credited to the individual accounts of the members as per the provisions of the Notifications of the Ministry of Corporate Affairs, New Delhi.

- f. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and we report that the Company is using Accounting Software designed for NIDHI Companies and the same is embedded with the said features.
- (i) As required by the Companies (Auditor's Report) Order, 2020 issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **R.RAKESH & CO.,**
Chartered Accountants,

(R. RAKESH)

Proprietor

ICAI Membership No. :229266.

Firm Registration No.0176905

UDIN : 24229266BKERKL1321

Place : Chennai,
Date : 27.07.2024.



R. RAKESH & CO.,

Chartered Accountants

New No.120, Old No.34/3, Palayakkara Street, Ayanavaram, Chennai - 600 023.

Mobile : 95660 22221

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 to the members of **ALAGENDRAN NIDHI LIMITED** of even date)

As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

1. In respect of the Company's Property Plant & Equipment:
 - a) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records showing full particulars, including quantitative details and situation of Property Plant & Equipment. The Company does not have any Intangible Assets.
 - b) The Company has a program of verification to cover all the items of Property Plant & Equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property Plant & Equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us and the records examined by us, there is immovable property owned by the company and the relevant title deeds and documents are held in the name of the company. In respect of the premises held under lease as at the end of the year, the relevant rental/lease agreements are in the name of the Company.
 - d) The Company has not revalued its Property Plant & Equipment during the year. Accordingly, Clause(i)(d) of paragraph 3 of the Order is not applicable to the company.
 - e) In our opinion and according to the information and explanations given to us, there are no proceedings 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. Accordingly, Clause (i)(e) of paragraph 3 of the Order is not applicable to the company.

2. The Company is a NIDHI Company functioning as per the provisions of the NIDHI Rules, 2014. Therefore, it does not hold any physical inventories except Stationery for own use. Accordingly, Clause (ii) of paragraph 3 of the Order is not applicable to the company.
3. a) In our opinion and according to information and explanation given to us, the Company has not made investments In/ provided any guarantee or security/ granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties. Accordingly, Clause (iii) of paragraph 3 of the Order is not applicable to the company.
 - b) The Company does not have any subsidiaries, joint ventures and associates.
 - c) The aggregate amount during the year and balance outstanding at the balance sheet date with respect to loans or advances and guarantees or security to other than subsidiaries, joint ventures and associates is NIL.
 - d) In our opinion and according to information and explanation given to us, 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 and guarantees provided are not prejudicial to the Company's interest.
 - e) In our opinion and according to information and explanation given to us, 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 the repayments or receipts are regular;
 - f) In our opinion and according to information and explanation given to us, there are no amounts overdue over and above the allowed time for more than ninety days.
 - g) In our opinion and according to information and explanation given to us, there are no loans or advances in the nature of loans granted which has fallen due during the year and have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
4. The company has not made any loans, investments, guarantees and security on which provisions of section 185 and 186 of the Companies Act 2013 are applicable. Therefore, the provisions of clause (iv) of paragraph 3 of the Order is not applicable to the company.

5. The Company, being a NIDHI Company, has accepted Deposits from its Shareholders and has complied with the Directions issued as per the Notifications of the Ministry of Corporate Affairs and Nidhi Rules, 2014. Accordingly, the relevant provisions of the Act and Paragraph 3(v) of the Order are not applicable.
6. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.
7. In our opinion and according to the information and explanations given to us:
 - a) Amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited by the Company with the appropriate authorities.
 - b) No undisputed amounts payable in respect of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
 - c) There are no statutory dues referred to in sub-clause (a), which have not been deposited on account of dispute.
8. In our opinion and according to the information and explanations given to us, there are no transactions not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, paragraph 3 (viii) of the Order is not applicable.
9.
 - a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
 - b) In our opinion and according to the information and explanations given to us, the Company is not declared as a wilful defaulter by any bank or financial institution or other lender.

- c) The Company has not obtained any Term Loan during the year and hence the clause relating to application is not applicable.
- d) In our opinion and according to the information and explanations given to us, funds raised on short term basis have not been utilised for long term purposes.
- e) The Company does not have any subsidiaries/ associates/ joint-ventures and accordingly, paragraphs 3 (ix) (e) and 3 (ix) (f) of the Order are not applicable.
- f) Accordingly, the clause relating to raising of loan on the pledge of securities held in its subsidiaries, joint ventures or associate companies is not applicable. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of the aforesaid loans raised.
10. a) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (x) (a) of the Order is not applicable. However, being a NIDHI Company, Shares are issued to the members for the purpose of transacting with the Company and also for raising the Net Owned Fund required for complying with the Notifications of the Ministry of Corporate Affairs.
- b) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, paragraph 3 (x) (b) of the Order is not applicable.
11. a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by any person has been noticed or reported during the year. Accordingly, paragraph 3 (xi) (a) of the Order is not applicable.
- b) Since there is no fraud by the Company or no material fraud on the Company by any person has been noticed or reported during the year, paragraph 3 (xi) (b) of the Order is not applicable.
- c) To the best of our knowledge and according to the information and explanations given to us, no whistle-blower complaints, have been received by the Company during the year.

12. In our opinion and according to the information and explanations given to us, the Company **being a NIDHI Company:**
- a) has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability;
 - b) is maintaining 10% unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability; and
 - c) there has been no default in payment of interest on deposits or repayment thereof for any period
13. In our opinion and according to the information and explanations given to us, the transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system, commensurate with the size and nature of its business.
- b) The reports of the internal audit department of the Company for the year under audit were considered by us, as part of our audit procedures.
15. In our opinion and according to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable.
16. a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. The Company is a NIDHI Company having transactions only with members of the Company and has complied with the provisions of the Nidhi Rules, 2014.
- b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

- c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3 (xvi) (c) of the Order is not applicable.
- d) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) and it does not have any other companies in the Group. Accordingly, paragraph 3 (xvi) (d) of the Order is not applicable.
17. The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3 (xviii) of the Order is not applicable.
19. In our opinion and according to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the board of directors and management plans, there are no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
20. In our opinion and according to the information and explanations given to us, the Company is not liable under the provisions Section 135 of the Act, related to Corporate Social Responsibility. Accordingly, paragraph 3 (xx) of the Order is not applicable.
21. In our opinion and according to the information and explanations given to us, the Company does not have investments in subsidiaries/ associates or joint venture companies. Accordingly, paragraph 3 (xi) of the Order is not applicable.

For **R. RAKESH & CO.**,
Chartered Accountants,

(R. RAKESH)
Proprietor

ICAI Membership No. :229266.
Firm Registration No.0176905
UDIN : 24229266BKERKL1321

Place : Chennai,
Date : 27.07.2024.



R. RAKESH & CO.,

Chartered Accountants

New No.120, Old No.34/3, Palayakkara Street, Ayanavaram, Chennai - 600 023.

Mobile : 95660 22221

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 to the Members of **ALAGENDRAN NIDHI LIMITED** of even date)

Report on the internal financial controls over financial reporting under clause (i) of sub - section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **ALAGENDRAN NIDHI LIMITED** as at March 31, 2024, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

The board of directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, 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") issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of

the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement in 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 control 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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of internal financial controls over financial reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management of 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 control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, 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 **R.RAKESH & CO.,**
Chartered Accountants,

(R. RAKESH)

Proprietor

ICAI Membership No. :229266.

Firm Registration No.017690S

UDIN : 24229266BKERKL1321

Place : Chennai,
Date : 27.07.2024 .



R. RAKESH & CO.,
Chartered Accountants

New No.120, Old No.34/3, Palayakkara Street, Ayanavaram, Chennai - 600 023.
Mobile : 95660 22221

CERTIFICATE OF STATUTORY AUDITORS

This is to certify that **ALAGENDRAN NIDHI LIMITED** has complied with all the directions specified in the Notification GSR No.555(E) dated 26.07.2001 as amended up to date and the Company has been complying with all the required provisions of the Reserve Bank of India Act and the Provisions of the Companies Act, 2013 and NIDHI Rules, 2014 as applicable to NIDHI Companies and the books of account are maintained in conformity with the accounting principles and Accounting standards as applicable and generally accepted in India.

It is also certified that **ALAGENDRAN NIDHI LIMITED** has complied with the Prudential Norms as required by the Ministry of Corporate Affairs Notification GSR No.309(E) dated 30.04.2002 as amended by Notifications from time to time and required provision for sub-standard assets has been made to the extent required and further provision is not required to be made as detailed in Notes on Accounts forming part of the Audited Statements of Accounts of the Company for the year ended 31st March, 2024.

For **R.RAKESH & CO.,**
Chartered Accountants,

(R. RAKESH)

Proprietor

ICAI Membership No. :229266.

Firm Registration No.017690S

UDIN : 24229266BKERKL1321

Place : Chennai,
Date : 27.07.2024 .



ALAGENDRAN NIDHI LIMITED, CHENNAI
BALANCE SHEET AS AT 31ST MARCH, 2024.

| PARTICULARS | Note No. | AS AT 31.03.2024 (₹ in Lakhs) | AS AT 31.03.2023 (₹ in Lakhs) |
|---|----------|----------------------------------|----------------------------------|
| I. EQUITY AND LIABILITIES | | | |
| (1) Shareholders Fund | | | |
| (a). Share Capital | 3 | 57.47 | 55.46 |
| (b). Reserves & Surplus | 4 | 1,114.71 | 1,034.60 |
| | | 1,172.18 | 1,090.06 |
| (2) Share application money pending allotment | 5 | 0.16 | 0.14 |
| (3) Non-current Liabilities | | | |
| (a) Long-term Borrowings | 6 | 1,059.85 | 539.02 |
| (b) Deferred tax Liabilities (Net) | | - | - |
| (c) Other Long-Term Liabilities | | - | - |
| (d) Long-Term Provisions | | - | - |
| (4) Current Liabilities | | | |
| (a) Short Term Borrowings | 7 | 15,324.88 | 13,867.48 |
| (b) Trade Payables | | - | - |
| (c) Other Current liabilities | 8 | 600.52 | 467.36 |
| (d) Short-Term Provisions | 9 | 69.12 | 54.64 |
| TOTAL | | 18,226.71 | 16,018.70 |
| II. ASSETS | | | |
| (1) Non-current Assets | | | |
| (a) Property, Plant & Equipment and Intangible assets | | | |
| (i) Property, Plant & Equipment | 10 | 156.92 | 144.56 |
| (ii) Intangible Assets | | - | - |
| (iii) Capital Work in progress | | - | - |
| (iv) Intangible assets under development | | - | - |
| (b) Non-current Investments | | - | - |
| (c) Deferred Tax Asset (Net) | 11 | 9.02 | 9.36 |
| (d) Long term Loans & Advances | 12 | 70.68 | 70.68 |
| (e) Other non-current Assets | | - | - |
| (2) Current Assets | | | |
| (a) Inventories | | - | - |
| (b) Trade Receivables | | - | - |
| (c) Cash & Cash Equivalents | 13 | 2,090.60 | 1,913.01 |
| (d) Short term Loans & Advances | 14 | 15,735.29 | 13,708.68 |
| (e) Other Current Assets | 15 | 164.19 | 172.41 |
| TOTAL | | 18,226.71 | 16,018.70 |

Notes to the financial statements

The Accompanying Notes 1 to 21 form part of these Financial Statements.

Vide our Report of even date,

For R. RAKESH & CO., Chartered Accountants,

-sd-

(R. RAKESH)

Proprietor

ICAI Membership No. 229286

Firm Registration No.: 0176905

UDIN : 24252668KERKL1921

Place : Chennai

Date : 27.07.2024

-sd-

(A. RAJKUMAR)

Managing Director

DIN : 00933724

Place : Chennai

Date : 27.07.2024

-sd-

(S. SENDAMARAI KANNAN)

Director

DIN : 09123907

Place : Chennai

Date : 27.07.2024



ALAGENDRAN NIDHI LIMITED, CHENNAI
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2024.

| PARTICULARS | | Note No. | FOR THE YEAR ENDED 31.03.2024 (₹ in Lakhs) | FOR THE YEAR ENDED 31.03.2023 (₹ in Lakhs) |
|-------------|--|----------|--|--|
| | INCOME | | | |
| I | Revenue from operations | 16 | 2,169.61 | 1,824.96 |
| II | Other Income | 17 | 30.77 | 27.73 |
| III | Total REVENUE (I+II) | | 2,200.38 | 1,852.69 |
| | EXPENSES | | | |
| | a) Employee Benefits Expenses | 18 | 468.72 | 432.66 |
| | b) Finance Costs | 19 | 1,377.33 | 1,126.15 |
| | c) Depreciation & Amortization Expenses | 20 | 21.76 | 18.51 |
| | d) Other Expenses | 21 | 214.41 | 174.90 |
| | Total EXPENSES | | 2,082.22 | 1,752.22 |
| V | Profit before exceptional and extra ordinary items and tax (III-IV) | | 118.16 | 100.47 |
| VI | Exceptional Items | | - | - |
| VII | Profit before extra ordinary items and tax (V-VI) | | 118.16 | 100.47 |
| VIII | Extraordinary Items | | - | - |
| IX | Profit before tax (VII-VIII) | | 118.16 | 100.47 |
| X | Tax Expense | | | |
| | (1) Current Tax | | 29.08 | 24.43 |
| | (2) Deferred Tax | | (0.34) | (0.86) |
| XI | Profit for the period from continuing operations (IX-X) | | 88.74 | 75.18 |
| XII | Profit/(loss) for the period from discontinuing operations | | - | - |
| XIII | Tax Expense of discontinuing operations | | - | - |
| XIV | Profit/(loss) from discontinuing operations after tax (XI-XII) | | - | - |
| XV | Profit for the period (XI-XIV) | | 88.74 | 75.18 |
| XVI | Earnings Per Share (Per Equity Share Rs.10/-) | | | |
| | (1) Basic (In Rupees) | | 1.54 | 1.36 |
| | (2) Diluted (In Rupees) | | 1.54 | 1.36 |

Notes to the financial statements

The Accompanying Notes 1 to 21 form part of these Financial Statements.

Vide our Report of even date,

For R. RAKESH & CO., Chartered Accountants,

-sd-

(R. RAKESH)

Proprietor

ICAI Membership No.229286

Firm Registration No.: 0176905

UDIN : 24225266BKERKL1921

Place : Chennai

Date : 27.07.2024

-sd-

(A. RAJKUMAR)

Managing Director

DIN : 00933724

Place : Chennai

Date : 27.07.2024

-sd-

(S. SENDAMARAI KANNAN)

Director

DIN : 09123907

Place : Chennai

Date : 27.07.2024

ALAGENDRAN NIDHI LIMITED, CHENNAI

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024.

| PARTICULARS | FOR THE YEAR ENDED 31.03.2024 (₹ in Lakhs) | FOR THE YEAR ENDED 31.03.2023 (₹ in Lakhs) |
|--|--|--|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit Before Tax | 118.16 | 100.47 |
| Adjustments for: | | |
| Depreciation | 21.76 | 18.51 |
| Interest on Deposits | (122.76) | (93.69) |
| Operating Profit before Working Capital Changes | 17.16 | 25.29 |
| Adjustments for: | | |
| (Decrease) / Increase in Interest accrued but not due on Deposits from members | 99.22 | (19.83) |
| Increase / (Decrease) in Short Term Borrowings | | |
| Increase / (Decrease) in Unpaid matured deposits and interest accrued thereon | 20.16 | 46.86 |
| Increase in Other Payables | 13.75 | 7.31 |
| Increase in Provision for Employees' Benefits | 9.52 | (1.76) |
| Decrease / (Increase) in Other Current Assets | 8.21 | 3.78 |
| Cash generated from operations | 168.02 | 61.64 |
| Less: Income Tax paid | (24.43) | (22.95) |
| Net Cash flow from Operating activities | 143.59 | 38.68 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Fixed Assets | (34.90) | (23.99) |
| Sale of Fixed Assets | 2.02 | - |
| (Profit)/Loss on sale of Fixed Assets | (1.25) | - |
| Interest on Deposits | 122.76 | 93.69 |
| Net Cash flow from Investing activities | 88.65 | 69.70 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Issue of Equity Shares | 2.01 | 2.21 |
| Share Application money received | 0.16 | 0.14 |
| Transfer of Share Application money to Equity Share Capital | (0.14) | (0.17) |
| Increase in Unsecured Loans (Deposits from members) (Net) | 1,978.21 | 2,107.08 |
| Dividend Paid | (8.32) | (7.99) |
| Increase in Unpaid Dividend | 0.03 | 1.42 |
| Dividend Distribution Tax Paid | | |
| Increase in Loans to members (Net) | (2,026.62) | (2,126.04) |
| Net Cash flow from financing activities | (54.65) | (23.35) |
| NET INCREASE IN CASH & CASH EQUIVALENTS DURING THE YEAR | 177.59 | 85.03 |
| CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE YEAR | 1,913.01 | 1,827.98 |
| CASH AND CASH EQUIVALENTS AS AT END OF THE YEAR | 2,090.60 | 1,913.01 |

Notes to the financial statements

The Accompanying Notes 1 to 21 form part of these Financial Statements.

Vide our Report of even date.

For R. RAKESH & CO., Chartered Accountants,

-sd-

(R. RAKESH)
Proprietor
ICAI Membership No. 229266
Firm Registration No.: 0176905
UDIN : 24229266BKERKL1321

Place : Chennai
Date : 27.07.2024

-sd-

(A. RAJKUMAR)
Managing Director
DIN : 00933724

Place : Chennai
Date : 27.07.2024

-sd-

(S. SENDAMARAI KANNAN)
Director
DIN : 09123907

Place : Chennai
Date : 27.07.2024

ALAGENDRAN NIDHI LIMITED, CHENNAI
Notes Forming Part of the Financial Statements as at 31st March, 2024.

| | | AS AT 31.03.2024 (₹ in Lakhs) | AS AT 31.03.2023 (₹ in Lakhs) | | | | |
|---|----------------|-------------------------------|-------------------------------|--------------------------|-----------------|-------------------|--------------------------|
| NOTE NO. 3 | | | | | | | |
| SHARE CAPITAL : | | | | | | | |
| A. AUTHORISED : | | | | | | | |
| A Class | | | | | | | |
| 7,00,000 Equity Shares of Re.10/- each | | 70.00 | 70.00 | | | | |
| B Class | | | | | | | |
| 30,00,000 Equity Shares of Rs. 1/- each: | | 30.00 | 30.00 | | | | |
| | | 100.00 | 100.00 | | | | |
| B. ISSUED, SUBSCRIBED & FULLY PAID-UP : | | | | | | | |
| 305370 Equity Shares (A Class) of Re.10/- each | | 30.54 | 28.53 | | | | |
| 2693356 Equity Shares (B Class) of Rs.1/- each | | 26.93 | 26.93 | | | | |
| | | 57.47 | 55.46 | | | | |
| Number of Equity Shares (A Class) - Rs.10/- each | | 31.03.2024 | 31.03.2023 | | | | |
| At the beginning of the year | | 2.85 | 2.63 | | | | |
| Allotted during the year | | 0.20 | 0.22 | | | | |
| At the end of the year | | 3.05 | 2.85 | | | | |
| Shares held by shareholders holding more than 5% shares | | | | | | | |
| Equity Shares of Re.1 and Rs.10 Each Fully Paid | Current Year | | Previous Year | | | | |
| | Value (Rs.) | % Held | Value (Rs.) | % Held | | | |
| Mr.A. Rajkumar | 23.25 | 41.92 | 23.25 | 43.66 | | | |
| Total | 23.25 | 41.92 | 23.25 | 43.66 | | | |
| Disclosures of Shareholding of Promoters - Shares held by the Promoters: As on 31 March 2024 | | | | | | | |
| S.NO | Promoter Name | 2023-24 | | | 2022-23 | | |
| | | Value of Shares | % of total shares | % Change during the year | Value of Shares | % of total shares | % Change during the year |
| 1 | R. Alaghentren | 0.05 | 0.09 | - | 0.05 | 0.09 | - |
| 2 | A. Rajkumar | 23.25 | 41.92 | 1.74 | 23.25 | 43.66 | - |
| | TOTAL | 23.30 | 42.01 | 1.74 | 23.30 | 43.75 | - |
| NOTE NO.4 | | | | | | | |
| RESERVES AND SURPLUS : | | | | | | | |
| A. Capital Reserve | | | | | | | |
| Opening balance | | | | 1,015.00 | | | 950.00 |
| Add : Transferred for the year | | | | 75.00 | | | 65.00 |
| | | | | 1,090.00 | | | 1,015.00 |
| Less : Deduction during the year | | | | - | | | - |
| Closing Balance | | | (A) | 1,090.00 | | | 1,015.00 |
| B. Profit & Loss Account | | | | | | | |
| Balance at the beginning of the year | | | | 19.60 | | | 17.73 |
| Add : Profit after tax for the Year | | | | 88.74 | | | 75.18 |
| | | | | 108.33 | | | 92.92 |
| Less: Appropriations | | | | | | | |
| Transfer to Capital Reserve | | | | 75.00 | | | 65.00 |
| Proposed Dividend | | | | 8.62 | 24.71 | 8.32 | 19.60 |
| | | | (B) | 24.71 | | | 19.60 |
| TOTAL (A+B) | | | | 1,114.71 | | | 1,034.60 |

| | AS AT 31.03.2024 (₹ in Lakhs) | AS AT 31.03.2023 (₹ in Lakhs) |
|---|----------------------------------|----------------------------------|
| NOTE NO. 3 | | |
| SHARE APPLICATION MONEY PENDING ALLOTMENT | | |
| | 0.16 | 0.14 |
| | 0.16 | 0.14 |
| NOTE NO. 6 | | |
| LONG-TERM BORROWINGS | | |
| i) Secured Loans | - | - |
| ii) Unsecured Loans (Deposits from Members) | | |
| Fixed Deposits | 9,296.75 | 9,935.18 |
| Re investments Deposits | 5,164.05 | 2,396.32 |
| Recurring Deposits | 1,544.45 | 1,674.85 |
| Savings Deposits | 439.48 | 410.15 |
| | 16,384.73 | 14,406.50 |
| Less : Deposits maturing within 12 months transferred to Short-term Borrowings | 15,324.88 | 13,867.48 |
| | 1,059.85 | 539.02 |
| The above Unsecured Loans are received by the Company from the Shareholders and being a NIDHI Company, the company is entitled to accept deposits against NOF at 1:20 ratio. The Deposits maturing within a period of 12 months and Savings Deposits are transferred and shown under Short-term Borrowings. | | |
| NOTE NO. 7 | | |
| SHORT-TERM BORROWINGS | | |
| i) Secured Loans | - | - |
| ii) Unsecured Loans (Deposits from Members) | | |
| Deposits maturity within 12 months | 15,324.88 | 13,867.48 |
| Total | 15,324.88 | 13,867.48 |
| NOTE NO. 8 | | |
| OTHER CURRENT LIABILITIES : | | |
| a) Interest accrued but not due on borrowings | 400.43 | 301.21 |
| b) Unpaid Dividend | | |
| 2015-2016 | 0.00 | 0.36 |
| 2016-2017 | 0.49 | 0.49 |
| 2017-2018 | 0.75 | 0.75 |
| 2018-2019 | 0.78 | 0.78 |
| 2019-2020 | 1.68 | 1.69 |
| 2020-2021 | 1.82 | 1.82 |
| 2021-2022 | 1.79 | 1.79 |
| 2022-2023 | 0.40 | 7.67 |
| c) Unpaid matured deposits and interest accrued thereon | 131.17 | 111.02 |
| d) Other Payables | | |
| i) Other Liabilities | 48.94 | 30.04 |
| ii) Tax Deducted at Source | 3.08 | 3.07 |
| iii) Local Cheque for Collection | 6.00 | 0.80 |
| iv) Outstanding Expenses | 3.19 | 13.54 |
| | 600.52 | 467.36 |
| | AS AT 31.03.2024 (₹ in Lakhs) | AS AT 31.03.2023 (₹ in Lakhs) |
| NOTE NO. 9 | | |
| SHORT-TERM PROVISIONS : | | |
| a) Provision for employee benefits | | |
| Bonus & Ex-gratia | 25.39 | 15.86 |
| b) Others | | |
| i) Provision for Taxation | 29.08 | 24.43 |
| ii) Proposed Dividend | 8.62 | 8.32 |
| iii) Provision for NPA Loans: | | |
| Loans against Immovable Properties | 6.03 | 6.03 |
| | 69.12 | 54.64 |

| | AS AT 31.03.2024 (₹ in Lakhs) | AS AT 31.03.2023 (₹ in Lakhs) |
|---|-------------------------------|-------------------------------|
| NOTE NO. 10 | | |
| <u>PROPERTY, PLANT & EQUIPMENT AND INTANGIBLES</u> | | |
| Property, Plant and Equipments as per the Schedule of Property, Plant & Equipments and Intangibles with details of Gross Block, Depreciation Block and Net Block separately enclosed. | 156.92 | 144.56 |
| NOTE NO. 11 | | |
| <u>DEFERRED TAX ASSET</u> | | |
| Deferred Tax Asset - Opening | 9.36 | 10.22 |
| Less : Reduction for the year | (0.34) | (0.86) |
| | 9.02 | 9.36 |
| NOTE NO. 12 | | |
| <u>LONG-TERM LOANS & ADVANCES</u> | | |
| Secured - Considered Good Realisable after a period of 12 months | | |
| a) Other Loans & Advances | | |
| Loans against Immovable Properties (Fully Secured) | 64.65 | 64.65 |
| Loans against Immovable Properties (Under Dispute) (100% provision made) | 6.03 | 6.03 |
| | 70.68 | 70.68 |
| NOTE NO. 13 | | |
| <u>CASH AND CASH EQUIVALENTS</u> | | |
| Cash In Hand | 129.75 | 176.06 |
| <u>Cash at Banks</u> | | |
| In Current Accounts | 109.51 | 137.62 |
| In Deposit Accounts | 1,851.35 | 1,599.33 |
| | 2,090.61 | 1,913.01 |
| NOTE NO. 14 | | |
| <u>SHORT-TERM LOANS AND ADVANCES</u> | | |
| (Secured Loans granted to the Shareholders against Security of Gold Jewellery and Deposits with the Company) | | |
| a) Loans to Members (Fully Secured) | | |
| Loans against Immovable Properties | 70.68 | 70.68 |
| Loans against Jewels | 14,913.70 | 13,019.41 |
| Loans against Deposits | 123.04 | 91.91 |
| Interest Accrued & Receivable on Loans and Deposits | 698.55 | 397.35 |
| | 15,805.97 | 13,779.35 |
| Less : Loan realisable after 12 months transferred to Long Term Loans & Advances - Housing Loan | 70.68 | 70.67 |
| | 15,735.29 | 13,708.68 |

| | AS AT 31.03.2024 (₹ in Lakhs) | AS AT 31.03.2023 (₹ in Lakhs) |
|--|-------------------------------|-------------------------------|
| NOTE NO. 15 | | |
| OTHER CURRENT ASSETS | | |
| TDS / TCS for the Year | 48.23 | 38.36 |
| Advance Income Tax | 3.50 | 5.00 |
| Income Tax Refund Due | 5.48 | 35.39 |
| Rent Advance | 63.14 | 45.13 |
| Telephone Deposit | 0.56 | 0.70 |
| Prepaid Expenses | 21.23 | 19.55 |
| Electricity Deposit | 1.03 | 0.79 |
| Staff Loans & Advances | 7.67 | 15.54 |
| Input - CGST / SGST & IGST | 1.65 | 5.88 |
| Stock of Stationery | 11.70 | 6.08 |
| | 164.19 | 172.42 |
| NOTE NO. 16 | | |
| REVENUE FROM OPERATIONS | | |
| Interest on Loans | 2,046.84 | 1,731.27 |
| Interest on Bank Deposits | 122.76 | 93.69 |
| | 2,169.61 | 1,824.96 |
| NOTE NO. 17 | | |
| OTHER INCOME | | |
| Miscellaneous Receipts / Processing fees / Folio Charges | 19.50 | 17.48 |
| Notice Charges | 7.44 | 7.06 |
| Interest on IT Refund | 2.59 | 3.18 |
| Profit on sale of Asset | 1.25 | - |
| | 30.77 | 27.73 |
| NOTE NO. 18 | | |
| EMPLOYEE BENEFIT EXPENSES | | |
| Salaries and Wages | 305.58 | 291.70 |
| Remuneration to Wholetime Directors | 24.65 | 30.38 |
| Contribution to Provident and Other Fund | | |
| Employees Provident Fund | 25.27 | 22.26 |
| Employees Group Gratuity | 5.88 | 9.92 |
| Employees State Insurance | 5.28 | 5.33 |
| Group Superannuation Pension Scheme | 10.76 | 9.93 |
| Staff Welfare & Refreshments | | |
| Bonus & Exgratia | 30.74 | 23.48 |
| Staff Group personal accident policy | 0.86 | 1.09 |
| Refreshment to Employees | 8.17 | 5.07 |
| Labour Welfare Fund | 0.05 | 0.05 |
| Employee Welfare | 25.25 | 12.81 |
| Performance Incentive to Staff | 26.24 | 20.66 |
| | 468.72 | 432.66 |
| NOTE NO. 19 | | |
| FINANCE COSTS | | |
| Interest paid to Members on the Deposits accepted by the Company under Unsecured Loans | 1,377.33 | 1,126.15 |
| | - | - |
| NOTE NO. 20 | | |
| DEPRECIATION AND AMORTIZATION EXPENSES | | |
| As per Schedule of Property, Plant, Equipments and Intangibles separately enclosed | 21.76 | 18.51 |
| | | |

| | FOR THE YEAR ENDED 31.03.2024 (₹ in Lakhs) | FOR THE YEAR ENDED 31.03.2023 (₹ in Lakhs) |
|--|---|---|
| NOTE NO. 21 | | |
| OTHER EXPENSES | | |
| Electricity Charges | 13.62 | 11.77 |
| Rent & Amenities | 72.85 | 64.96 |
| Repairs to Buildings | 0.31 | 1.73 |
| Insurance | 5.89 | 5.83 |
| Rates and Taxes (Including GST Reversal) | 8.44 | 0.97 |
| Travelling & Conveyance | 23.12 | 13.93 |
| Bank Charges | 0.65 | 0.50 |
| Postage & Telegram | 3.57 | 4.37 |
| Advertisement | 1.25 | 1.74 |
| Registration & Filing Fees | 0.26 | 0.17 |
| Printing & Stationery | 14.82 | 10.97 |
| Telephone Charges | 6.96 | 8.60 |
| Professional Charges | 5.98 | 6.93 |
| Books & Periodicals | 0.08 | 0.10 |
| Air Conditioner Maintenance | 0.33 | 0.92 |
| Vehicle maintenance expenses | 6.62 | 7.98 |
| Generator maintenance Expenses | 0.35 | 0.44 |
| Reimbursement of Jewel Inspection Exp. | 0.94 | 0.76 |
| Professional tax | 0.47 | 0.44 |
| Director's Travelling Expenses | 5.19 | 2.94 |
| Computer Maintenance | 7.78 | 9.48 |
| Director's Sitting Fees | 3.20 | 2.59 |
| (Profit)/Loss on sale of Assets | - | - |
| Subscription to Chamber of Nidhis | 0.05 | 0.33 |
| Office shifting/Branch opening Expenses | 16.96 | 4.67 |
| Remuneration to Other Directors | 1.19 | 1.01 |
| Payment to Auditors | | |
| - As Auditor | 0.35 | 0.30 |
| - For Taxation Matters | 0.35 | 0.30 |
| - For reimbursement of expenses | 0.20 | 0.18 |
| Miscellaneous Expenses | 12.62 | 10.18 |
| | 214.41 | 174.90 |

ALAGANDRAN NIDHI LIMITED, CHENNAI
NOTE NO.11 & 20 - SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLES FOR THE YEAR ENDED 31ST MARCH, 2024.

| Sl. No. | Description | GROSS BLOCK | | | | Useful Life (in yrs) | DEPRECIATION | | | | NET BLOCK | | |
|---------|-------------------------------------|------------------|--------------|--------------|------------------|----------------------|-----------------|--------------|---------------|-----------------|------------------|------------------|---------------|
| | | As at 01.04.2023 | Additions | Deletions | As at 31.03.2024 | | Upto 01.04.2023 | For the Year | Deletions | Upto 31.03.2024 | As at 31.03.2024 | As at 31.03.2023 | |
| 10.1 | Property, Plant and Equipments | | | | | | | | | | | | |
| (a) | Land | 9.77 | - | - | 9.77 | - | - | - | - | - | - | 9.77 | 9.77 |
| (b) | Buildings | 62.71 | 4.15 | - | 66.86 | 60 | 0.88 | - | 18.24 | 0.88 | - | 47.74 | 44.47 |
| (c) | Furniture & Fixtures | 89.70 | 8.45 | - | 98.14 | 10 | 3.51 | - | 68.94 | 3.51 | - | 25.70 | 20.76 |
| (d) | Vehicles | | | | | | | | | | | | |
| | i) Motor Cars | 43.17 | - | 14.98 | 28.18 | 8 | 3.35 | 14.00 | 21.19 | 3.35 | - | 17.88 | 21.97 |
| | ii) Two Wheelers | 0.56 | - | 0.56 | - | 10 | 0.01 | 0.53 | 0.52 | 0.01 | - | - | 0.04 |
| (e) | Office Equipments | 34.34 | 7.62 | - | 41.96 | 5 | 4.65 | - | 19.34 | 4.65 | - | 17.97 | 15.00 |
| (f) | Others | | | | | | | | | | | | |
| | i) Electrical Fittings | 55.34 | 5.58 | - | 60.92 | 10 | 2.41 | - | 36.86 | 2.41 | - | 21.66 | 18.49 |
| | ii) Computer | 79.92 | 9.10 | - | 89.02 | 3 | 6.97 | - | 65.85 | 6.97 | - | 16.20 | 14.07 |
| | Total | 375.51 | 34.90 | 15.54 | 394.86 | | 21.76 | 14.76 | 230.95 | 21.76 | 14.76 | 156.92 | 144.56 |
| | (Previous Year) | 351.52 | 23.99 | - | 375.51 | | 18.51 | - | 212.44 | 18.51 | - | 144.56 | 139.08 |
| 10.2 | Intangible Assets | - | - | - | - | - | - | - | - | - | - | - | - |
| 10.3 | Capital Work-in-Progress | - | - | - | - | - | - | - | - | - | - | - | - |
| 10.4 | Intangible Assets under development | - | - | - | - | - | - | - | - | - | - | - | - |



ALAGENDRAN NIDHI LIMITED, CHENNAI

Notes Forming Part of the Financial Statements as at 31-03-2024.

Note No. 1 : Corporate Information

ALAGENDRAN NIDHI LIMITED is a Public Limited Company domiciled in India and was incorporated under the provisions of the Companies Act, 1956 on 08.12.1992. The company is a notified NIDHI Company and is complying with the provisions of NIDHI Rules, 2014 and also the provisions of the Companies Act, 2013 in the Company's business of Accepting Deposits and Lending Secured Loans against Jewels, Immovable Properties and against the Deposits with the Company. The Company has been carrying on the transactions only with the members of the Company as required by the provisions of NIDHI Rules, 2014 and also the stipulations and conditions in the Notifications of the Ministry of Corporate Affairs, New Delhi amended from time to time.

Note No. 2 : Significant Accounting Policies

A. Basis of Accounting :

These financial statements have been prepared in accordance with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India under the historical cost convention on accrual basis, the provisions of the Companies Act, 2013 and guidelines issued from time to time and applicable to the Company.

B. Inventories :

The Company being a Nidhi Company does not have any inventory except Stationery for own use.

C. Property, Plant & Equipment and Depreciation :

Property, Plant and Equipments are stated at cost in compliance with relevant Indian Accounting Standards. Depreciation on all assets has been provided as per Schedule II of the Companies Act, 2013 based on the useful life and on pro-rata basis with reference to the Assets acquired during the year. The intangible assets (Computer Software acquired for internal use) are capitalized and included with the Cost of Computers.

D. Revenue Recognition

The Revenue of the company includes Interest on Loans granted to Members which has been

recognized on Accrual basis and as per the Nidhi Rules, 2014 as amended upto date. In respect of Loans against Immovable Properties, provision has been made in respect of disputed accounts at 100%. In respect of Other Accounts, the Company is hopeful of recovery and they are fully secured. Hence, provision in respect of Other Accounts has not been made.

E. Expenditure

Expenditure towards Interest on Deposits and all other expenditures of revenue are accounted on accrual basis and provision has been made for all known losses and liabilities.

F. Employee Benefits

(i) The employees are covered under ESI and EPF and the Company is regular in the contributions.

a) Gratuity to eligible employees on death/retirement is covered by Group Gratuity - cum - Life Assurance Policy from Life Insurance Corporation of India. The annual premium claimed by/paid to Life Insurance Corporation of India, based on demand notice, is charged to revenue.

b) Pension to eligible employees on death/retirement is covered by Super Annuation Pension Scheme from Life Insurance Corporation of India. The annual premium claimed by/paid to Life Insurance Corporation of India, based on demand notice, is charged to revenue.

c) Liability for leave encashment has been accounted on accrual basis for eligible employees as per the policy of the company.

(iii) Employee Benefits includes Remuneration and Allowances whole time directors of Rs.24,65,000/-.

G. Foreign Exchange Transactions

There are no Foreign Currency transactions during the year.

H. Investments

The company, being a NIDHI Company, is required to maintain 10% of its total deposits (Unsecured Loans) accepted from the Members with Scheduled Banks as per the directives contained in Notification GSR No.555 (E) dated 26.07.2011 and GSR No.308 (E) dated 30.04.2002 and Nidhi Rules 2014. The company is holding total Fixed Deposits of Rs.185134740/- with Banks which is in excess of 10% of the Deposits accepted by the Company (10% of Rs.1638472703/- as at 31.03.2024).

I. Taxation

Income tax for the current year has been provided u/s.115BAA for Rs.2908464/- and there is reduction in Deferred Tax Asset for Rs.34001/- towards timing difference.

J. Borrowing Costs

No Borrowing cost has been capitalized during the year.

K. Segment Reporting

Disclosure is not required for Segment Reporting, considering the nature of the Company's business and its activities/operations which are based on financing activities in the domestic market.

L. Provisions, Contingent Liabilities and Contingent Assets

The Company has not made any provision towards contingent liability or contingent asset during the year. The company has made 100% Provision for Loans against Immovable Properties advanced in earlier years amounting to Rs.6,03,087/- which is under dispute. The Company had exercised the option u/s 115BAA @ 22% for tax provision amounting to Rs. 21,60,356/- for the year ended 31.03.2021 relevant to AY 2021-22. But, the assessment was completed by levying Income tax at the normal rates applicable to Companies and the tax liability was Rs. 26,78,127/-. Hence, there is difference in Tax provision to the extent of Rs. 5,17,771/- to be provided in the accounts after knowing the result of rectification application submitted in the Income Tax portal.

M. Earning Per Share

The Earnings Per Share (Rs. 10/-) for the year is Re.1.54 as against Re. 1.36 in the previous year.

N. Use of estimates

The preparation of Financial statements of the company require management to make estimates that affect the reported amount of assets and liabilities as at the date of the Financial Statement and the reported amounts includes revenue and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from these estimates, which are recognized in the period in which the results are materialized.

O. Investor Education and Protection Fund

In terms of Section 125 of the Companies Act, 2013, any unclaimed or unpaid Dividend relating to the financial year 2015-16 is due for remittance on first week of October to the Investor Education and Protection Fund established by the Central Government.

P. Remuneration to Directors :

The Company has paid Remuneration to whole time directors amounting to Rs.2465000/- and the same has been included in the Employee Benefit Expenses. Remuneration to Other Directors has been provided at 1% of the Profit before providing the remuneration.

Q. Auditor's Remuneration

| Particulars (In Rs.) | FY | FY |
|-----------------------|--------------|--------------|
| | 2023-24 | 2022-23 |
| i) Statutory Audit | 35000 | 30000 |
| ii) Taxation Services | 35000 | 30000 |
| iii) Audit Expenses | 20000 | 18000 |
| Total | 90000 | 78000 |

R. Related Party Disclosures

The Company has accepted Deposits from Directors amounting to Rs. 268.68 Lakhs as at 31.03.2024. (Previous Year Rs.300.85 Lakhs).

S. Treatment of Prior Period and Extra Ordinary Items

There are no Prior Period Items and Extra-Ordinary Items occurred during the year.

T. General

The clauses relating to Inventory, Quantitative Details, Sundry Debtors, Sundry Creditors and payables to MSME Units are not applicable to the Company.

ALAGENDRAN NIDHI LIMITED, CHENNAI

Additional Regulatory Information for the year ended 31.03.2024.

I. Title deeds of immovable Property not held in name of the Company

| Relevant line items in the Balance sheets | Descriptions of item of property | Gross carrying Value | Title deeds of Immovable Property not held in name of the Company | Whether title deed holder is a promotor, director or relative of Promotor/ director or employee of promoters/ director | Property held since which date | Reason for not being held in the name of company |
|---|----------------------------------|----------------------|---|--|--------------------------------|--|
| | | NIL | | | | |

II Where the Company has revalued its Property, Plant and Equipment, the company shall disclose as to whether the revaluation is based on the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 - NIL

III Where Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are - NIL

(a) repayable on demand or

(b) without specifying any terms or period of repayment

| Type of Borrower | Amount of loan and Advance in the nature of Loan outstanding | Percentage to the total Loans and Advances in the nature of loans |
|---|--|---|
| Promoters Directors KMPs Related Parties | NIL | NIL |

IV Capital Work In Progress (CWIP)

(a) For Capital-work-in progress, following ageing schedule shall be given

| CWIP | Amount in CWIP for a period of | | | | Total |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 Years | More than 3 years | |
| Projects in progress | NIL | | | | |
| Projects temporarily suspended | | | | | |

(b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, following

| CWIP | To be Completed in | | | | Total |
|-----------|--------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 Years | More than 3 years | |
| Project 1 | NIL | | | | |
| Project 2 | | | | | |

V Intangible assets under development:

(a) For Intangible assets under development

| Intangible Assets under Development | Amount in CWIP for a period of | | | | Total |
|-------------------------------------|--------------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 Years | More than 3 years | |
| Project 1 | NIL | | | | |
| Project 2 | | | | | |

(b) Intangible assets under development completion schedule

| Intangible Assets under Development | To be Completed in | | | | Total |
|-------------------------------------|--------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 Years | More than 3 years | |
| Project 1 | NIL | | | | |
| Project 2 | | | | | |

VI Details of Benami Property held - NIL

VII Where the Company has borrowings from banks or financial institutions on the basis of current assets

(a) whether quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts. - **NIL**

(b) if not, summary of reconciliation and reasons of material discrepancies, if any to be adequately disclosed - **NIL**

VIII Wilful Defaulter - NIL

- Date of declaration as wilful defaulter,
- Details of defaults (amount and nature of defaults)

IX Relationship with Struck off Companies - NIL

Where the company has any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, the Company shall disclose the following details:

| Name of struck off Company | Nature of transactions with struck-off Company | Balance outstanding | Relationship with the Struck off company, if any, to be disclosed |
|----------------------------|--|---------------------|---|
| NIL | Investments in securities | | NIL |
| | Receivables | | |
| | Payables | | |
| | Shares held by struck-off Company | | |
| | Other outstanding balances (to be specified) | | |

X Registration of charges or satisfaction with Registrar of Companies - NIL

Where any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period, details and reasons thereof shall be disclosed.

XI Compliance with number of layers of companies - NIL

Where the company has not complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies

(Restriction on number of Layers) Rules, 2017, the name and CIN of the companies beyond the specified layers and the relationship/extent of holding of the company in such downstream companies shall be disclosed.

XII Financial Ratios

| Ratios | Numerator | Denominator | Current Reporting Period | Previous reporting period | % of Change |
|----------------------------------|----------------------------------|------------------------------|--------------------------|---------------------------|-------------|
| Current Ratio | Current Assets | Current Liabilities | 1.12 | 1.10 | 0.03 |
| Debt Equity Ratio | Debt Capital | Shareholder's Equity | 14.49 | 13.65 | 0.85 |
| Debt Service coverage ratio | EBIT | Debt Service (Int+Principal) | - | - | - |
| Return on Equity Ratio | Profit for the year | Average Shareholder's Equity | 7.84% | 0.00% | 7.84% |
| Inventory Turnover Ratio | COGS | Average Inventory | - | - | - |
| Trade Receivables turnover ratio | Net Sales | Average trade receivables | - | - | - |
| Trade payables turnover ratio | Total Purchases | Closing Trade Payables | - | - | - |
| Net capital turnover ratio | Sales | Working capital (CA-CL) | 2.05 | 1.87 | 0.18 |
| Net profit ratio | Net Profit | Sales | 5.37% | 5.42% | -0.05% |
| Return on Capital employed | Earnings before interest and tax | Capital Employed | 10.08% | 9.22% | 0.86% |
| Return on Investment | Net Profit | Investment | 7.57% | 6.90% | 0.67% |

XIII Compliance with approved Scheme(s) of Arrangements - NIL

Where any Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013, the Company shall disclose that the effect of such Scheme of Arrangements have been accounted for in the books of account of the Company 'in accordance with the Scheme' and 'in accordance with accounting standards' and deviation in this regard shall be explained.

XIV Utilisation of Borrowed funds and share premium: - NIL

Vide our Report of even date
For **R. RAKESH & CO.,**
Chartered Accountants

(R. RAKESH)
Proprietor
ICAI Membership No.229266
Firm Registration No.: 0176905
UDIN : 24229266BKERKL1321

Place : Chennai
Date : 27.07.2024

(A. RAJKUMAR)
Managing Director
DIN : 00933724

Place : Chennai
Date : 27.07.2024

(S. SENDAMARAI KANNAN)
Director
DIN : 09123907

Place : Chennai
Date : 27.07.2024



**ALAGENDRAN
NIDHI LIMITED**

Family



Grand Opening of Tambaram Branch



New Head office inauguration



JML / Deposit Target Achievers



Since 1960



New Head office



JML / Deposit Target Achievers



Women's Day Celebration



100th Birthday Celebration with Customer



Women's Day Celebration

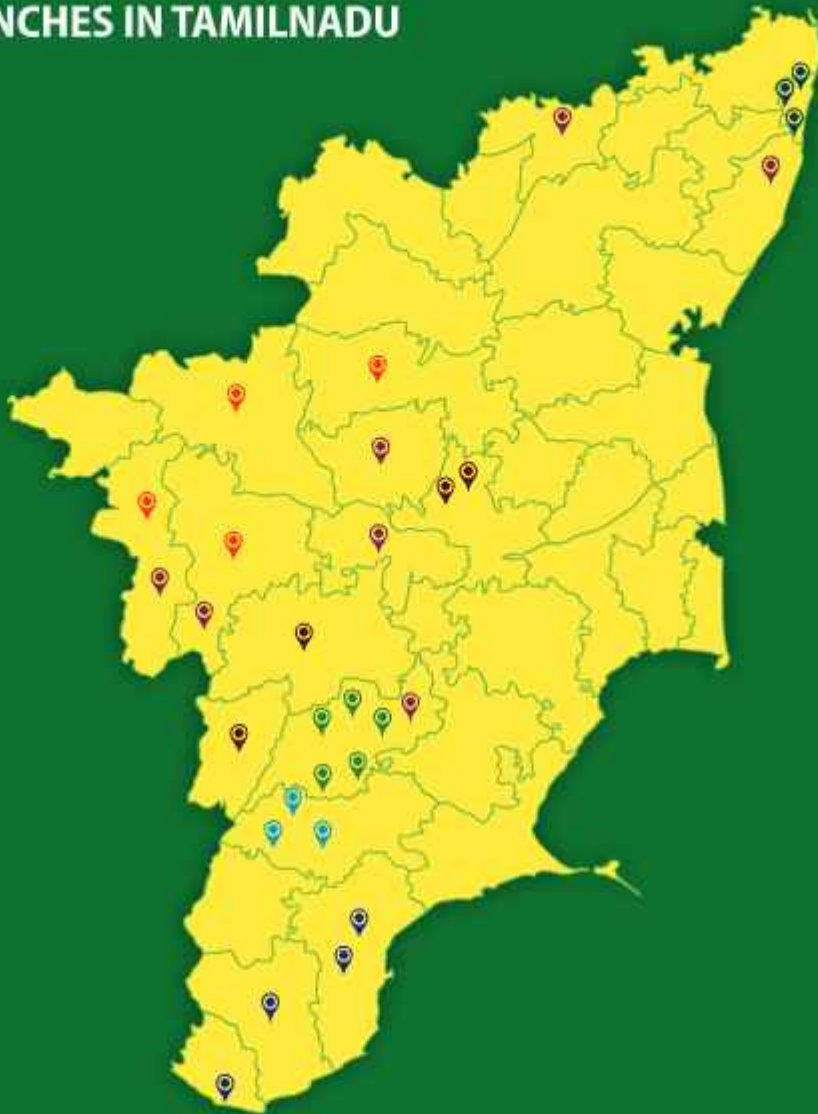


Pongal Celebration



Zoom Meeting With Branches

OUR BRANCHES IN TAMILNADU



OUR BRANCHES

MADURAI

- Northveli
- Gnanaolivupuram
- K.Pudur
- Villapuram
- Tirumangalam

COIMBATORE

- Salem
- Coimbatore
- Erode
- Tirupur

SIVAKASI

- Rajapalayam
- Sivakasi
- Srivilliputhur

NAGERCOIL

- Tirunelveli
- Nagercoil
- Vilathikulam
- Thoothukudi

TRICHY

- Thillainagar
- Varaganeri
- Theni
- Dindigul

CHENNAI

- Kilpauk
- West Mambalam
- Tambaram

UPCOMING BRANCHES

Chengalpet • Melur • Pollachi • Karur • Vellore • Namakkal • Udumalpet



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