

**Thirty Second Annual Report**  
**OF**  
*Sreevari Benefit Society Limited*

(Registered Under the Companies Act, 1956)

(A NIDHI COMPANY)

For the year ended 31<sup>st</sup> March, 2018.

**BOARD OF DIRECTORS**

- |                                |          |
|--------------------------------|----------|
| ❖ Mr. Chokkalingam Palaniappan | Director |
| ❖ Mrs. Manonmani Ramanathan    | Director |
| ❖ Mr. T. Sockalingam           | Director |

AUDITORS : M/s. P.T.PONNAIAH & CO.,  
Chartered Accountants,  
Old No. 72B, (New No.36), I Floor, L Block  
21st Street, Anna Nagar East, Chennai – 600 102.  
☎ : 044-2620 2221, 044-2628 2221

BANKERS : ICICI Bank  
IDBI Bank  
IOB Bank

REGISTERED OFFICE : Old No.5, New No.9,  
Big Sowrastra Street,  
Woraiyur, Trichy - 620 003.  
☎ : 98402 03924

# SREEVARI BENEFIT SOCIETY LIMITED

Old No.5, New No.9, Big Sowrastra Street, Woraiyur, Trichy - 620 003

CIN: U65991TN1986PLC013217

## NOTICE

Notice is hereby given that the 32<sup>nd</sup> Annual General Meeting of the Share holders of **SREEVARI BENEFIT SOCIETY LIMITED** will be held at the Registered Office of the Company on Saturday, the 29<sup>th</sup> September, 2018 at 11.00 A.M. to transact the following business.

## AGENDA

### AS ORDINARY BUSINESS:

1. To receive and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2018 and the Statement of Profit and Loss and the Cash Flow Statement for the year ended 31st March, 2018 and the reports of the Directors and Auditors thereon.
2. To appoint a Director in the place of **Mrs.Manonmani Ramanathan** who retires by rotation and being eligible, he offers himself for re-appointment.
3. To ratify the appointment of Statutory Auditors  
“RESOLVED that the appointment of M/s P.T.PONNAIAH & CO., Chartered Accountants, Chennai (FR No. 002669-S) for the third consecutive year (in the term of 5 consecutive years approved at the Annual General Meeting held on 30.09.2016), commencing from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to fix the remuneration payable in consultation with M/s. P.T.Ponnaiah & Co., Chartered Accountants, Chennai for the said Financial Year “2018-19”.

4. To declare Dividend. (Your Directors recommend for Declaration of Dividend at 10%).

All the Shareholders are requested to attend the Meeting.

By Order of the Board,

SD ✓



**DIRECTOR**

Place : Chennai  
Date : 31.08.2018.

Note:

1. A member entitled to attend and vote at the Meeting is entitled to appoint a PROXY to Attend and vote instead of himself and a PROXY NEED NOT BE A MEMBER OF THE NIDHI. If it is desired to use a proxy, the instrument appointing the proxy, should be completed in accordance with Section 105(2) of the Companies Act 2013 and delivered at the Registered Office of the Nidhi at least 48 hours before the time fixed for the meeting. Proxy Form may be collected from the Registered Office of the Company.
2. Shareholders are requested to bring the Share Certificate or Share L.F. No for attending the Annual General Meeting.
3. Shareholders wishing to have details of information at the General Meeting regarding any item in the statement or in the Report are requested to give notice to the Trustees at least seven days before the date of meeting.
4. Members are requested to intimate any change in the Door numbers and their addresses with pin code numbers, mobile numbers & E mail ID.
5. Members/Depositors who have not claimed the due amount, if any, on the due dates are requested to claim the amount as otherwise the unclaimed amounts have to be remitted to the Investor Education and Protection Fund of Government of India after 7 years from the date of maturity of the said Deposits as required by the provisions of the Companies Act, 2013.
6. The Ministry of Corporate Affairs has exempted Nidhi Companies from providing the facility of e-voting to the shareholders at the Annual General Meeting. The Company has made arrangements for providing facility to the members of the Company to vote in a fair and transparent manner.

# SREEVARI BENEFIT SOCIETY LIMITED

Old No.5, New No.9, Big Sowrastra Street, Woraiyur, Trichy - 620 003

CIN: U65991TN1986PLC013217

## DIRECTORS' REPORT

Your Directors are happy to present this 32<sup>nd</sup> Annual Report on the workings of the Company along with the Audited Balance Sheet as at 31<sup>st</sup> March 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date.

### 1. Financial Summary and the salient features of the workings of the Company during the year 2017-18 are given below:

The working of the Company has resulted in a Net Profit before Tax of **Rs. 17.51 Lakhs** for the year under report as against a Net Profit before Tax of **Rs. 12.72 Lakhs** in the previous year as shown below:-

PARTICULARS	CURRENT YEAR (Rs.)	PREVIOUS YEAR(Rs.)
Total Income	97,81,082	77,47,548
Total Expenses	80,30,025	64,75,344
Profit Before Tax	17,51,056	12,72,204
Less : Provision for Taxation	4,79,705	4,02,211
Deferred Tax	(17,018)	431
Profit After Tax	12,88,369	8,69,562
Add : Surplus in P & L A/c – Opening	5,78,270	4,37,250
NPA Provision	12,923	-
Amount available for appropriation	18,79,562	13,06,812
Less Transfer to General Reserve	5,35,686	3,20,494
Proposed Dividend	4,42,991	2,65,036
Provision for Dividend tax	92,695	55,458
Provision for NPA loans	2,33,654	87,554
Balance in Profit and Loss Account	5,74,536	5,78,270

### 2. Dividend:

Your Directors have proposed a dividend of 10% for the current year subject to the approval at the Annual General Meeting.

### 3. Reserves:

As required by the Nidhi Rules, 2014, the Company has transferred a sum of Rs. 5,35,686/- to General Reserve which is equal amount of the Dividend proposed.

### 4. Performance of the Company at a glance:

#### a) Deposits

The Total Fixed Deposits, Re-Investment Deposits, Savings Deposits and Recurring Deposits as at 31.03.2018 amounted to **Rs. 656.77 Lakhs** as against **Rs. 506.92 Lakhs** in the previous year.

**b) Loans**

The Total Secured loans under Property Loans and Jewel Loans as at 31.03.2018 amounted to **Rs. 579.90 Lakhs** as against **Rs. 458.30 Lakhs** in the previous year.

**c) Profitability**

The Company has earned Net Profit of **Rs.17.51 Lakhs** as against **Rs. 12.72 Lakhs** in the Last year.

**5. Compliance to DCA stipulation regarding NOF to Deposits:**

Ministry of Corporate Affairs, New Delhi vide various Notifications as amended from time to time and as per Nidhi Rules, 2014 have stipulated inter alia, that Deposits accepted by the Nidhi Companies shall not be more than twenty (20) times of the Net Owned Funds of the Company. In our case, the same ratio is very sound which is **1:9.64** only.

**6. Change in the nature of business :**

There is no change in the nature of business being carried out by the Company and the existing business of accepting deposits and giving advances only to the Shareholders of the Company as Nidhi Company is being continued.

**7. Material changes and commitments, affecting the financial position of the company which have occurred between the end of the financial year (31.03.2018) of the company to which the financial statements relate and the date of the Report :**

During the current year (2017-18) and upto the date of this Report (01.04.2018 to 31.08.2018), no events have occurred which will have a material bearing on the working of the Company.

**8. Details of Significant & Material orders passed by the Regulators impacting the going concern status and company's operations in future :**

There are no such orders passed by the Regulators impacting the going concern status and the company's operations in future.

**9. Details of Subsidiaries / Associates/ Joint Venture :**

The company does not have any Subsidiary / Associate / Joint Venture.

**10. Deposits :**

Being a Nidhi Company, the Company accepts Deposits only from its own members and has not accepted any Deposits covered under Chapter V of the Companies Act, 2013 and the Company does not have any overdue unpaid deposits as at the end of the year.

**11. Statutory Auditors :**

M/s.P.T. PONNAIAH & Co, Chartered Accountants, were appointed as Statutory Auditors in the Annual General Meeting held on 30.09.2016 for five years and their continuance of appointment and payment of remuneration are to be confirmed and approved in the ensuing Annual General Meeting. The Company has received a certificate from the above auditors to the effect that if they are appointed, it would be in accordance with the provisions of section 141 of the Companies Act, 2013.

**12. Auditors reports :**

The Auditors have not expressed any qualification, reservation or adverse remark in their report.

**13. Share Capital :**

During the year, the Company has issued **1,35,069** Equity Shares of Rs.10/- each.

**14. Extract of the Annual Return**

In accordance with section 134(3)(a) of the Companies Act, 2013, an extract of the Annual Returns in the prescribed format MGT 9 is appended to the Director's Report.

**15. Conservation of Energy, Technology Absorption And Foreign Exchange Outgo :**

The provisions of section 134(m) of the Companies Act, 2013 with regard to Conservation of Energy and Technology Absorption do not apply to our Company. There is no foreign exchange inflow or outflow during the year.

**16. Corporate Social Responsibility :**

The Provisions of CSR as per the Companies Act, 2013 are not applicable to the company.

**17. Directors :****a) Changes in Directors and Key Managerial Personnel :**

There is no change in the Board of Directors of the company.

**b) Independent Directors :**

The provisions of section 149 of the Companies Act, 2013 pertaining to the appointment of independent Directors do not apply to our Company.

**c) Formal Annual Evaluation :**

The provisions of section 134(3)(p) of the Companies Act, 2013 pertaining to the Formal Annual Evaluation do not apply to our Company.

**18. Meetings of the Board :**

There were 9 Board Meetings of the Board during the year ended 31<sup>st</sup> March, 2018 – 12.05.2017, 16.08.2017, 01.09.2017, 16.10.2017, 29.11.2017, 27.12.2017, 29.01.2018, 26.02.2018 and 15.03.2018 and the intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

**19. Audit Committee :**

The provisions of section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 with regard to the constitution of the Audit Committee is not applicable to the Company.

**20. Particulars of Loans, Guarantees or Investments**

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 provisions are not applicable.

**21. Related Party Transactions :**

The Company has accepted Fixed Deposits and other Deposits (unsecured) from Directors amounting to **Rs. 2.61 Lakhs** (Previous Year **Rs. 4.15 Lakhs**).

**22. Managerial Remuneration :**

The Company has not paid any Remuneration to the Directors during the year.

**23. Secretarial Audit Report :**

The Secretarial Audit is not required to be obtained from Company Secretary.

**24. Risk Management Policy:**

Risk Management Policy has been implemented by the Board of Directors by introducing the KYC norms very strictly and by effective screening of the members and the transactions.

**25. Directors Responsibility Statement:**

Pursuant to the provisions of Section 134(3)I of the Companies Act, 2013 Act, your Directors confirm that

- i) in the preparation of the Annual Accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures;
- ii) 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 as on 31<sup>st</sup> March, 2018 and of the Profit of the Company for that period;
- iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the Directors had prepared the annual accounts on a going concern basis; and
- v) 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.

**26. Acknowledgment:**

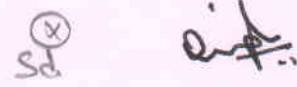
Our thanks are due to all the Shareholders, Staff members and Bankers for their support and continued co-operation in the development of the Company.

**For SREEVARI BENEFIT SOCIETY LIMITED,**

Place : Chennai  
Date : 31.08.2018

 SD. TRR Manmani

**DIRECTOR**

 SD.

**DIRECTOR**

**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN**

**As on financial year ended 31.03.2018**

**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014.**

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	U65991TN1986PLC013217
2.	Registration Date	16.07.1986
3.	Name of the Company	SREEVARI BENEFIT SOCIETY LTD
4.	Category/Sub-category of the Company	Public Company / Limited by Shares
5.	Address of the Registered office & contact details	Old No.5, New No.9, Big Sowrashtra Street, Woraiyur, Trichy – 620 003.
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)**

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Accepting Deposits	99711210	100 %
2	Lending Loans against Jewels and Deposits	99711352	

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

**NIL**

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2017]				No. of Shares held at the end of the year[As on 31-March-2018]				% Change during the year
	De-mat	Physical	Total	% of Total Shares	De-mat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	-	-	-	-	-	-	-	-	-
B. Public Shareholding									
1. Institutions			-				-		
Sub-total (B)(1):-			NIL	NIL			NIL	NIL	NIL



2. Non-Institutions									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	293483	293483	7.33	-	199161	199161	3.72	(3.61)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	3712690	3712690	92.67	-	5157702	5157702	96.28	3.61
Sub-total (B)(2):-									
Total Public Shareholding (B)=(B)(1)+ B)(2)	-	4006173	4006173	100.00	-	5356863	5356863	100.00	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	4006173	4006173	100.00	-	5356863	5356863	100.00	-

B) Shareholding of Promoter- No Shareholdings by Promoters

C) Change in Promoters' Shareholding (please specify, if there is no change) – Not Applicable.

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		Value of shares	% of total shares of the company	Value of shares	% of total shares of the company
1.	Devikala	697770	17.51	937764	17.51
2.	T.R.Ramanathan	348880	8.76	468882	8.75
3.	Meenakshi Chockalingam	348880	8.76	588882	10.99
4.	Ganesh Palaniappan	348880	8.76	348880	6.51
5.	Vallikkannu Sockalingam	348880	8.76	468882	8.75
6.	Ramalingam	223880	5.62	-	-
7.	Vallikkannu Ramalingam	12500	3.14	348882	6.51
8.	G.Kanthimathy	348880	8.76	468882	8.75
9.	K.Ramu	69300	1.74	93298	1.74
10.	T.A.Sankaran	500	0.01	500	0.01
	TOTAL	2860850	71.81	3724852	69.52

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		Value of shares	% of total shares of the company	Value of shares	% of total shares of the company
1.	Chockalingam Palaniappan	348880	8.76	588882	10.99
2.	T.Sockalingam	348880	8.76	468882	8.75
3.	Manonmani Ramanathan	348880	8.76	468882	8.75
	Total	1046640	26.27	1526646	28.49

V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excl. deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	50692287	50692287
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	50692287	50692287
Change in Indebtedness during the financial year				
* Addition	-	-	14984646	14984646
* Reduction	-	-	-	-
Net Change	-	-	14984646	14984646
Indebtedness at the end of financial year				
i) Principal Amount	-	-	65676933	65676933
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	65676933	65676933

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

B. Remuneration to other directors : NIL

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD : NIL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

For SREEVARI BENEFIT SOCIETY LIMITED,

Sd. x  
TRR Ramanmani

DIRECTOR

Sd. x  
S.A.

DIRECTOR.

Place : Chennai  
Date : 31.08.2018

**P.T. PONNAIAH & CO.,**  
*Chartered Accountants*

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*Old No.72B, (New No.36), I Floor, L Block, 21st Street, Anna Nagar East, Chennai – 600 102*  
**☎ : 26202221, 26282221**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**  
**SREEVARI BENEFIT SOCIETY LIMITED, TRICHY - 620 003.**

**1. Report on Financial Statements**

We have audited the accompanying standalone Financial Statements of **SREEVARI BENEFIT SOCIETY LIMITED**, Trichy which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**2. Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**3. Auditors Responsibility**

Our Responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

#### **4. a) Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **b) Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **5. Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- (b) In the case of Statement of Profit and Loss, of the Profit for the year ended on that date ; and
- (c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

#### **6. Emphasis of Matter**

NIL

#### **7. Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016, as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure -A" a statement on the matters specified in Paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that :
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) the Balance Sheet, 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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the Directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 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**"
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us, we report that :
    - i. There is no major pending litigations against the Company and hence not disclosed in the financial statements of the Company.
    - ii. The Company has not made any provision for material foreseeable losses, as there is no such long term contracts including derivative contracts or any other contracts requiring provision.
    - iii. The Company does not have any amount required to be transferred to Investor Education and Protection Fund.



Place : Chennai  
Date : 31.08.2018

For P.T. PONNAIAH & CO.,  
Chartered Accountants,

(P.T. PONNAIAH)  
Partner.

ICAI Membership No.019873.  
Firm Registration. No.002669-S

**P.T. PONNAIAH & CO.,**  
*Chartered Accountants*

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*Old No.72B, (New No.36), I Floor, L Block, 21st Street, Anna Nagar East, Chennai – 600 102*

**☎ : 26202221, 26282221**

**ANNEXURE-A TO THE INDEPENDENT AUDITORS' REPORT**

Referred to in paragraph 1 under 'Report on Other Legal & Regulatory Requirement of our report of even date to the financial statements of the Company for the year ended March 31, 2018.

1. a) The Company is maintaining proper records showing full particulars including quantitative details and situation of Fixed Assets.  
b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business.  
c) The Title Deeds of the Immovable Property purchased is in the name of the company.
2. In our opinion, Since the company is a NIDHI Company, the relevant clause of CARO 2016 relating to Inventory is not applicable to the company.
3. a) The Company has not granted any Loans secured or unsecured to the Companies, Firms or other Parties listed in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.  
b) In our opinion and according to the records of the Company, the rate of interest and other terms and conditions of the Fixed Deposits (unsecured) taken by the Company from the Directors, are prima facie not prejudicial to the interest of the Company.  
c) In our opinion and according to the records, the Company is regular in repaying the principal amount as stipulated and has been regular in payment of interest.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
5. The Company, 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. As such, the provisions of section 73 of the Companies Act, 2013 read with Rules made there under are not applicable to the company.
6. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
7. a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues with the appropriate authorities. There is no Employees Provident Fund scheme and according to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2018 for a period of more than six months from the date on when they become payable.  
b) There are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, GST and other statutory liabilities on account of dispute.

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has availed Overdraft against Fixed Deposits from IDBI Bank and has not taken any loan from other financial institutions or from the government and has not issued any debentures.
9. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon. Being a NIDHI Company, Shares are issued to the members for the purpose of transacting with the company.
10. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
11. The Company has not paid any Managerial Remuneration during the year and hence the clause relating to the approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act are not applicable.
12. The Company, being a Nidhi Company, has complied with maintaining 10% of the Total Deposits accepted by the company in unencumbered term deposits with scheduled banks and has maintained the ratio of 1:20 of Net Owned Funds to Deposits as specified in the Nidhi Rules, 2014.
13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.



Place : Chennai  
Date : 31.08.2018

For **P.T. PONNAIAH & CO.,**  
Chartered Accountants,

**(P.T. PONNAIAH)**  
Partner.

ICAI Membership No.019873.  
Firm Registration. No.002669-S

**P.T. PONNAIAH & CO.,**  
*Chartered Accountants*

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*Old No.72B, (New No.36), 1 Floor, L Block, 21st Street, Anna Nagar East, Chennai – 600 102*  
☎ : 26202221, 26282221

**ANNEXURE-B TO THE INDEPENDENT AUDITORS' REPORT**

Referred to in paragraph 1 under 'Report on Other Legal & Regulatory Requirement of our report of even date to the financial statements of the Company for the year ended March 31, 2018

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.**

We have audited the internal financial controls over financial reporting of **SREEVARI BENEFIT SOCIETY LIMITED**, Trichy as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

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



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

### **Meaning of Internal Financial Controls over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.



Place : Chennai  
Date : 31.08.2018

For **P.T. PONNAIAH & CO.**,  
Chartered Accountants,

**(P.T. PONNAIAH)**

Partner.

ICAI Membership No.019873.  
Firm Registration. No.002669-S

**P.T. PONNAIAH & CO.,**  
*Chartered Accountants*

*Old No.72B, (New No.36), I Floor, L Block, 21st Street, Anna Nagar East, Chennai – 600 102*  
**☎ : 26202221, 26282221**

Date : 31.08.2018.

**CERTIFICATE OF STATUTORY AUDITORS**

This is to certify that **SREEVARI BENEFIT SOCIETY LIMITED** has complied with all the directions specified in the Notifications issued by the Ministry of Corporate Affairs from time to time and Nidhi Rules 2014 and the Company has been complying with all the required provisions of the Companies Act, 2013 as applicable to NIDHI Companies and the books of account are maintained in conformity with the accounting principles generally accepted in India.

It is also certified that **SREEVARI BENEFIT SOCIETY LIMITED** has complied with the Prudential Norms as required by the Notifications of the Ministry of Corporate Affairs as amended from time to time and Nidhi Rules 2014 and provision for sub-standard assets has been made to the extent required and detailed in Notes on Accounts forming part of the Audited Statements of Accounts of the Company for the year ended 31<sup>st</sup> March, 2018.



For **P.T. PONNAIAH & CO.,**  
Chartered Accountants,

**(P.T. PONNAIAH)**  
Partner.

ICAI Membership No.019873.  
Firm Registration. No.002669-S

Place : Chennai  
Date : 31.08.2018

# SREEVARI BENEFIT SOCIETY LIMITED, TRICHY.

## BALANCE SHEET AS AT 31ST MARCH, 2018

(Figures in Rupees)

PARTICULARS	Note No.	Reporting Period	Reporting Period
		AS AT 31.03.2018	AS AT 31.03.2017
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders Fund</b>			
a. Share Capital	1	5356863.00	4006173.00
b. Reserves & Surplus	2	1782540.63	1250588.27
		7139403.63	5256761.27
<b>(2) Share Application Money pending Allotment</b>		-	-
		7139403.63	5256761.27
<b>(3) Non-current Liabilities</b>			
a. Long-term Borrowings	3	41513465.00	31734529.00
b. Deferred tax Liabilities (Net)	4	75063.00	92081.00
<b>(4) Current Liabilities</b>			
a. Short Term Borrowings	5	24163467.83	19256095.00
b. Other Current Liabilities	6	278244.00	141803.00
c. Short-Term Provisions	7	1323676.00	810259.00
<b>TOTAL</b>		<b>74493319.46</b>	<b>57291528.27</b>
<b>II. ASSETS</b>			
<b>(1) Non-current Assets</b>			
a. Fixed Assets			
Tangible Assets	8	1550575.59	1678331.59
b. Long term Loans & Advances	9	21084260.00	15212050.00
c. Other non-current Assets	10	340000.00	346750.00
<b>(2) Current Assets</b>			
a. Cash & Cash Equivalents	11	12827369.87	8410173.68
b. Short term Loans & Advances	12	36905556.00	30618615.00
c. Other current Assets	13	1785558.00	1025608.00
<b>TOTAL</b>		<b>74493319.46</b>	<b>57291528.27</b>

### Notes to the financial statements

The Accompanying Notes 1 to 13 and Note 20 - Accounting Policies and Notes on Accounts form part of this Balance Sheet.

Sd/-  
T.R.R. Manonmani  
DIRECTOR

Sd/-  
[Signature]  
DIRECTOR

Vide our Report of even date,  
For **P.T. PONNAIAH & CO.,**  
Chartered Accountants,

[Signature]

( P.T. PONNAIAH )

Partner.

ICAI Membership No.019873.  
Firm Registration No.: 002669-S

Place : Chennai  
Date : 31.08.2018



**SREEVARI BENEFIT SOCIETY LIMITED, TRICHY.**

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

(Figures in Rupees)

	<b>PARTICULARS</b>	<b>Note No.</b>	<b>FOR THE YEAR ENDED 31.03.2018</b>	<b>FOR THE YEAR ENDED 31.03.2017</b>
	<b>INCOME</b>			
I	Revenue from operations	14	9355000.60	7471100.10
II	Other Income	15	426081.00	276448.09
III	<b>Total REVENUE (I+II)</b>		<b>9781081.60</b>	<b>7747548.19</b>
	<b>EXPENSES</b>			
IV	a) Employee Benefits Expenses	16	699396.00	642589.00
	b) Finance Costs	17	6164075.24	4914972.77
	c) Depreciation & Amortization Expenses	18	154006.00	170752.00
	d) Other Expenses	19	1012548.00	747030.42
	<b>Total EXPENSES</b>		<b>8030025.24</b>	<b>6475344.19</b>
V	Profit before tax (III-IV)		<b>1751056.36</b>	<b>1272204.00</b>
VI	Tax Expense			
	(1) Current Tax		479705.00	402211.00
	(2) Deferred Tax (Reduced)		(17018.00)	431.00
VII	Profit for the period (V-VI)		<b>1288369.36</b>	<b>869562.00</b>
VIII	Earnings Per Share ( For Share Value of Rs.10/-)			
	(1) Basic		<b>2.41</b>	<b>2.17</b>
	(2) Diluted		<b>2.41</b>	<b>2.17</b>
IX	<b>APPROPRIATION</b>			
	Opening Surplus in Statement of Profit & Loss		578270.27	437250.27
	Profit for the period (VII)		1288369.36	869562.00
	NPA Provision no longer required		12923.00	-
			<b>1879562.63</b>	<b>1306812.27</b>
	Transfer to General Reserve		535686.00	320494.00
	Proposed Dividend		442991.00	265036.00
	Provision for Dividend Tax		92695.00	55458.00
	Provision for NPA Loans		233654.00	87554.00
	Closing Surplus transferred to Balance Sheet		574536.63	578270.27
			<b>1879562.63</b>	<b>1306812.27</b>

**Notes to the financial statements**

The Accompanying Notes 14 to 19 and Note 20 - Accounting Policies and Notes on Accounts form part of this Statement of Profit & Loss.

ST  
\*  
TRRolanonmani  
DIRECTOR

ST  
\*  
DIRECTOR

Vide our Report of even date,  
For **P.T. PONNAIAH & CO.,**  
Chartered Accountants,



(P.T. PONNAIAH)

Partner.

ICAI Membership No.019873.

Firm Registration No.: 002669-S

Place : Chennai  
Date : 31.08.2018



**SREEVARI BENEFIT SOCEITY LIMITED, TRICHY.**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018.**

	PARTICULARS	FOR THE YEAR ENDED 31.03.2018	FOR THE YEAR ENDED 31.03.2017
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit Before Tax	1751056.00	1272204.00
	Adjustments for :		
	Depreciation	154006.00	170752.00
	<b>Operating Profit before Working Capital Changes</b>	1905062.00	1442956.00
	Adjustments for :		
	Increase / (Decrease) in Other Current Liabilities	(136441.00)	48181.00
	Decrease / (Increase) in Other Current Assets	759950.00	(318215.00)
	<b>Cash generated from operations</b>	2528571.00	1172922.00
	Less : Income Tax paid	215458.00	166086.00
	Dividend Tax paid	55458.00	32746.00
	<b>Net Cash flow from Operating activities</b>	<b>2257655.00</b>	<b>974090.00</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Fixed Assets	26250.00	(68010.00)
	<b>Net Cash flow from Investing activities</b>	<b>26250.00</b>	<b>(68010.00)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Proceeds from Issue of Equity Shares	1350690.00	22160.00
	Increase in Unsecured Loans (Deposits from Share holders)	9778936.00	12694829.00
	Decrease / ( Increase ) in Other Non Current Asset	(6750.00)	(23847.00)
	Decrease in Loans granted to Share Holders	6286941.00	(12263858.00)
	<b>Net Cash flow from financing activities</b>	<b>17409817.00</b>	<b>429284.00</b>
	<b>Net increase in Cash &amp; Cash Equivalents during the year</b>	<b>4417196.19</b>	<b>1524900.00</b>
	<b>Cash and Cash equivalents as at beginning of the year</b>	<b>8410173.68</b>	<b>6885273.68</b>
	<b>Cash and Cash equivalents as at end of the year</b>	<b>12827369.87</b>	<b>8410173.68</b>

Vide our Report of even date,  
For **P.T. PONNAIAH & CO.**  
Chartered Accountants,

Sd/-  
T.R. Ramanamani

**DIRECTOR**

Sd/-  
[Signature]

**DIRECTOR**

[Signature]

**( P.T. PONNAIAH )**

Partner.

Place : Chennai  
Date : 31.08.2018

ICAI Membership No.019873  
Firm Registration No.: 002669-



**SREEVARI BENEFIT SOCIETY LIMITED, TRICHY.**

**NOTES ATTACHED TO BALANCE SHEET AS AT 31ST MARCH, 2018**

	<b><u>AS AT 31.03.2018</u></b>	<b><u>AS AT 31.03.2017</u></b>
	Rs. P.	Rs. P.
<b>NOTE NO. 1</b>		
<b>SHARE CAPITAL :</b>		
<b>A. AUTHORISED :</b>		
10,00,000 Equity Shares of Re. 1/- each	1000000.00	1000000.00
6,50,000 Equity Shares of Rs. 10/- each	6500000.00	3500000.00
	<b><u>7500000.00</u></b>	<b><u>4500000.00</u></b>
<b>B. ISSUED, SUBSCRIBED &amp; FULLY PAID-UP :</b>		
8,98,473 Equity Shares of Re. 1/- each	898473.00	898473.00
4,45,839 Equity Shares of Rs. 10/- each	4458390.00	3107700.00
	<b><u>5356863.00</u></b>	<b><u>4006173.00</u></b>
<b>NOTE NO. 2.</b>		
<b>RESERVES AND SURPLUS :</b>		
General Reserve - Opening	618123.00	
Add : Transferred during the year	535686.00	1153809.00
Reserve for Bad and Doubtful debts	54195.00	54195.00
Surplus in Profit & Loss A/c.	574536.63	578270.27
	<b><u>1782540.63</u></b>	<b><u>1250588.27</u></b>
<b>NOTE NO. 3</b>		
<b>LONG-TERM BORROWINGS</b>		
<b>Unsecured Loans (Deposits from Share holders)</b>		
<b>- Including Interest Accrued</b>		
Fixed Deposits	34100557.00	21771027.00
Cumulative Deposits	29857084.00	28182842.00
Recurring Deposits	842264.00	567165.00
Savings Deposits	877027.83	171253.00
	<b><u>65676932.83</u></b>	<b><u>50692287.00</u></b>
<b>Less : Deposits maturing within a period of 12 months</b>		
transferred to Short-term Borrowings	24163467.83	18957758.00
	<b><u>41513465.00</u></b>	<b><u>31734529.00</u></b>
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.		
<b>NOTE NO. 4</b>		
<b>DEFERRED TAX LIABILITY</b>		
Deferred Tax Liability	<b><u>75063.00</u></b>	<b><u>92081.00</u></b>
<b>NOTE NO. 5</b>		
<b>SHORT-TERM BORROWINGS</b>		
<b>a. Secured Loans</b>		
IDBI Bank - Current A/c. (OD against FD)	-	298337.00
<b>b. Unsecured Loans (Deposits from Share holders)</b>		
Deposits maturing within a period of 12 months	24163467.83	18957758.00
	<b><u>24163467.83</u></b>	<b><u>19256095.00</u></b>
<b>NOTE NO. 6</b>		
<b>OTHER CURRENT LIABILITIES :</b>		
Sundry Creditors / Advances	177479.00	23636.00
T.D.S. Payable	30415.00	49317.00
Outstanding Expenses	42900.00	41400.00
Locker Caution Deposits	27450.00	27450.00
	<b><u>278244.00</u></b>	<b><u>141803.00</u></b>

NOTE NO. 7

SHORT-TERM PROVISIONS :

Provision for Income-tax	479705.00	402211.00
Proposed Dividend	442991.00	265036.00
Provision for Dividend Tax	92695.00	55458.00
Provision for NPA Loans	308285.00	87554.00
	<u>1323676.00</u>	<u>810259.00</u>

NOTE NO. 8 NON-CURRENT ASSETS :

FIXED ASSETS

Tangible Assets as per the Schedule of Fixed Assets with details of Gross Block, Depreciation Block and Net Block separately enclosed.

<u>1550575.59</u>	<u>1678331.59</u>
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NOTE NO. 9 LONG TERM LOANS AND ADVANCES :

Property Loans - Recoverable after a period of 12 months transferred from Short term Loans and Advances

<u>21084260.00</u>	<u>15212050.00</u>
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NOTE NO. 10 OTHER NON-CURRENT ASSETS :

Advance for Expenses / Assets	40000.00	40000.00
Rental Advance	300000.00	300000.00
Salary Advance	-	6750.00
	<u>340000.00</u>	<u>346750.00</u>

NOTE NO. 11 CASH AND CASH EQUIVALENTS

Cash in Hand	1085014.00	585331.00
<u>Cash at Banks</u>		
ICICI Bank, Trichy	312578.68	195481.23
ICICI Bank, Chennai	12420.71	15528.71
IDBI Bank - Trichy	419949.59	83767.78
Indian Bank - Trichy	8485.00	-
Indian Bank - Pugaliyapillai	-	5885.00
Indian Overseas Bank - Palakarai Branch	58416.99	27500.96
Fixed Deposit with Bandhan Bank	1930000.00	1730000.00
Fixed Deposit with IDBI Bank Limited	3836679.00	3236679.00
Fixed Deposit with Lakshmi Vilas Bank	2560000.00	1530000.00
Short-term Deposit with IDBI Bank	2603825.90	1000000.00
	<u>12827369.87</u>	<u>8410173.68</u>

NOTE NO. 12 SHORT TERM LOANS & ADVANCES

(Secured Loans granted to the Shareholders against Security of Immovable Properties and Gold Jewellery)

Property Loans	24150294.00	19008354.00
Jewel Loans (Including Interest Accrued)	32868274.00	24873075.00
Deposit Loans - LOD	971248.00	1949236.00

<u>57989816.00</u>	<u>45830665.00</u>
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Less : Recoverables after 12 months transferred

<u>21084260.00</u>	<u>15212050.00</u>
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<u>36905556.00</u>	<u>30618615.00</u>
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NOTE NO. 13 OTHER CURRENT ASSETS

Stock of Stationery	29490.00	56320.00
Interest Accrued on Bank Deposits	1313385.00	726952.00
Advance Income-tax	315000.00	125000.00
Tax Deducted at Sources	72100.00	61753.00
Income-tax Refundable	28963.00	28963.00
Interest Tax Refundable	11620.00	11620.00
Prepaid Expenses	15000.00	15000.00
	<u>1785558.00</u>	<u>1025608.00</u>

**SREEVARI BENEFIT SOCIETY LIMITED, TRICHY.**

**NOTES ATTACHED TO STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018**

	<b><u>YEAR ENDED</u></b> <b><u>31.03.2018</u></b>	<b><u>YEAR ENDED</u></b> <b><u>31.03.2017</u></b>
	Rs. P.	Rs. P.
<b><u>NOTE NO. 14</u></b>		
<b><u>REVENUE FROM OPERATIONS</u></b>		
Interest on Loans	8627945.00	6844343.00
Bank Interest Received	719530.60	613874.10
Locker Rent Received	7525.00	12883.00
	<b><u>9355000.60</u></b>	<b><u>7471100.10</u></b>
<b><u>NOTE NO. 15</u></b>		
<b><u>OTHER INCOME</u></b>		
Miscellaneous Income	426081.00	276448.09
	<b><u>426081.00</u></b>	<b><u>276448.09</u></b>
<b><u>NOTE NO. 16</u></b>		
<b><u>EMPLOYEE BENEFIT EXPENSES</u></b>		
Establishment Charges	689048.00	633509.00
Staff Refreshments	10348.00	9080.00
	<b><u>699396.00</u></b>	<b><u>642589.00</u></b>
<b><u>NOTE NO. 17</u></b>		
<b><u>FINANCE COSTS</u></b>		
Interest paid to Shareholders on the Deposits accepted by the Company under Unsecured Loans	6158126.00	4913668.00
Interest & Bank Charges	5949.24	1304.77
	<b><u>6164075.24</u></b>	<b><u>4914972.77</u></b>
<b><u>NOTE NO. 18</u></b>		
<b><u>DEPRECIATION &amp; AMORTIZATION EXPENSES</u></b>		
Depreciation	<b><u>154006.00</u></b>	<b><u>170752.00</u></b>
<b><u>NOTE NO. 19</u></b>		
<b><u>OTHER EXPENSES</u></b>		
Building Rent Paid	282000.00	279500.00
Electricity Charges	19947.00	16506.00
Filing Fees & Expenses	81750.00	23605.00
Legal & Professional Fees	11400.00	2730.00
Printing & Stationery	52399.00	20296.00
Postage & Couriers	10420.00	5474.00
Telephones	31031.00	33843.00
Jewel Auction Expenses	1190.00	-
Travelling & Conveyance	184085.00	139068.00
Insurance	45201.00	39404.00
Meeting / Inauguration Expenses	83125.00	33000.00
Repairs & Maintenance	52059.00	76563.00
Audit Fees - As Auditor	17700.00	17700.00
- Tax Matters	17700.00	17700.00
- Expenses	7500.00	6000.00
Subscriptions Paid	24120.00	5000.00
Computer Maintenance	30150.00	18890.00
Rates & Taxes	950.00	-
Advertisements	38189.00	-
General Expenses	21632.00	11751.42
	<b><u>1012548.00</u></b>	<b><u>747030.42</u></b>



**SREEVARI BENEFIT SOCIETY LIMITED - TRICHY**

**SCHEDULE OF FIXED ASSETS - 31.03.2018**

Sl. No.	Description	GROSS BLOCK			Useful Life (Yrs)	DEPRECIATION			NET BLOCK	
		As at 01.04.2017	Additions	Deletions		As at 31.03.2018	Upto 01.04.2017	For the Year	Upto 31.03.2018	As at 31.03.2018
1	Land	353310.00	-	-	-	-	-	-	353310.00	353310.00
2	Furniture & Fittings	746799.59	-	-	10	236447.00	67855.00	304302.00	442497.59	510352.59
3	Electrical Fittings	91298.00	-	-	10	28524.00	8333.00	36857.00	54441.00	62774.00
4	Office Equipments	58090.00	-	-	5	17826.00	11193.00	29019.00	29071.00	40264.00
5	Safe Vault - Civil Works	741083.00	-	-	30	84801.00	22864.00	107665.00	633418.00	656282.00
6	Computers & Accessories	206700.00	26250.00	-	3	151351.00	43761.00	195112.00	37838.00	55349.00
		2197280.59	26250.00	-		518949.00	154006.00	672955.00	1550575.59	1678331.59

Place : Trichy  
Date : 31.08.2018

*TR Ramammanj*

**DIRECTOR**

*[Signature]*

**DIRECTOR**

# SREEVARI BENEFIT SOCIETY LIMITED

Old No.5, New No.9, Big Sowrastra Street, Woraiyur, Trichy - 620 003

CIN :U65991TN1986PLC013217

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## **NOTE NO.20**

**Notes on Accounts forming part of Audited Balance Sheet as at 31<sup>st</sup>.March, 2018 and Statement of Profit and Loss Account for the year ended on that date.**

### **1. Significant Accounting Policies :**

#### **(a) Basis of Preparation**

The accompanying financial statements have been prepared in compliance with the requirements under section 133 of the Companies Act,2013(to the extent) read with Rule7 of the Companies(Accounts)Rules,2014, and other generally accepted accounting principles(GAAP) in India, to the extent applicable under the historical cost convention, on accrual basis of accounting. GAAP comprises mandatory accounting standards as specified in Companies(Accounting Standards)Rules,2006.

#### **(b) Use of Estimates**

The preparation of Financial statement 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.

#### **(c) Fixed Assets**

Fixed Assets are stated at cost in compliance with AS 10 (Accounting for Fixed Assets). Cost includes taxes, duties, freight and other incidental expenses related to acquisition, improvements and installation of the assets.

#### **(d) Depreciation**

Depreciation on all assets has been provided as per Schedule II of the Companies Act, 2013.

#### **(e) Investments**

i) The company is required to maintain 10% of its total deposits (Unsecured Loans) accepted from the Members with Scheduled Banks on month to month basis as per regulatory 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 deposits of Rs.83,26,679/- with Scheduled Banks, which is in excess of 10% of the Total Deposits of Rs. 6,56,76,932/-.

#### **(f) Revenue Recognition**

The Revenue of the company includes Interest on loans which are recognized as per the various Notifications of the Ministry of Corporate Affairs and NIDHI Rules, 2014 on accrual basis.

#### **(g) Employee Benefits**

- (i) The employees are not covered under ESI or PF, as the number of employees is within the limit and the company is not contributing towards any other Welfare Fund.
- (ii) The Company has not made provision towards Gratuity and the Company is following the procedure of making payments on actual basis at the time of retirement or termination of services at the allowable amount.

#### **(h) Treatment of Prior Period and Extra Ordinary Items**

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

**(i) Taxation**

Current tax has been provided to the extent of the amount of tax payable in respect of taxable income for the year for Rs. 4,79,705/-. Deferred Tax Liability (Reduction) is provided for Rs. (17018) being the tax impact of Non cash charge of Depreciation.

**(j) Borrowing Cost**

No Borrowing cost has been capitalized during the year.

**(k) Foreign Currency Transactions**

There are no Foreign Currency transactions during the year.

**(l) Provisions, Contingent liabilities and Contingent Assets**

The company has not recognized any contingent liability or contingent asset. Provision for NPA Assets in respect of Property Loans has been made to the extent required for Rs. 2,33,654/-.

**(m) Investor Education and Protection Fund**

The Company has no amounts pending and required to be transferred to the Investor Education and Protection Fund for the year under review.

**(n) Remuneration to Directors**

The Directors of the company have waived the Remuneration.

**(o) Auditor's Remuneration include:**

Particulars	2017-18	2016-17
Amount payable to auditors		
i) Statutory Audit	17700	17700
ii) Tax Matters	17700	17700
Total	35400	35400

**(p) Related Parties Disclosure:**

The Company has accepted Deposits from Directors which amounts to Rs.2.61 Lakhs as at 31.03.2018 (Previous Year Rs. 3.17 Lakhs).

**(q) Earnings Per share (EPS):**

The Earning Per Share (Rs.10/-) of the company is Rs.2.41 as against Re. 2.17 in the previous year.

**(r) Segment Reporting:**

Disclosure is not required/made in terms of AS-17 - Segment Reporting issued by the Institute of Chartered Accountants of India, considering the nature of the Company's business and its activities/operations which are based on financing activities, in the domestic market.

2. The clauses relating to Inventory, Quantitative Details, Sundry Debtors, Sundry Creditors and Payables to SSI Units are not applicable to the Company.

For **P.T. PONNAIAH & CO.,**  
Chartered Accountants,



**(P.T. PONNAIAH)**  
Partner.

ICAI Membership No.019873.  
Firm Registration. No.002669-S

Place : Chennai  
Date : 31.08.2018

*SR*  
*IRR* *Manoj*

**DIRECTOR**

*SR* *SA*

**DIRECTOR**

