

M/s.SEMPON PERMANENT NIDHI LIMITED

(Formerly Known as M/s.Sempon Pemanent Fund Limited)

Registered Office: No. 111, MADHAVARAM HIGH ROAD, PERAMBUR, CHENNAI - 600 011.

Email id: sempon1990@yahoo.co.in, website: www.semponnidhi.com,

Phone nos. 044-25377520, 25370223.

CIN: U65991TN1990PLC019488

GSTIN: 33AABCS2418L1ZH

NOTICE TO MEMBERS

NOTICE is hereby given that the **THIRTIETH ANNUAL GENERAL MEETING** of the shareholders of **SEMPOON PERMANENT NIDHI LIMITED** will be held on Tuesday the 29th **September, 2020 at 4.30 p.m. at Registered Office Perambur, Chennai - 600 011**, through video conferencing (due to Covid-19) to transact the following business.

AGENDA

ORDINARY BUSINESS:

1. To receive, consider and adopt the Profit and Loss Account for the year ended **31st March, 2020** and Balance Sheet as on the date together with the reports of the Directors and Auditors Report thereon.
2. To declare **Dividend at 25% on Equity Shares** of the Fund. (The Directors have recommended Dividend at 25% on Equity Shares).
3. *To elect a Director in the Place of* **Thiru. T. VELAYUTHAM (DIN - 03577716)** who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
4. *To elect a Director in the Place of* **Thiru. P.KANNAIYAN (DIN - 01263039)** who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
5. To appoint Auditor/Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting and fix his/her remuneration.

Memorandum of Interest:

None of the Directors/Key Managerial Personnel is concerned or interested in the resolution.

The Board recommends the resolution for approval of the shareholders.

By Order of the Board

Place: Chennai
Date: 20-08-2020.

S. HEMANATHAN
Chief Executive.

NOTE:

1. Members may note that the Notice and Annual report 2019-20 will also be available on the company's website www.semponnidhi.com

Members are requested to send their request through their email addressed to the company email ID sempon1990@yahoo.co.in to get the ID and password to participate in the 30th Annual General Meeting to be held through Video Conferencing at least 7 days in advance.

2. Shareholders wishing to have details of information at the General Meeting regarding any items in the statement or in the report are requested to give notice to the Chief Executive at least seven days before the date of the meeting.
3. Consequent upon the amendment to Section 124 and 125 of the Companies Act 2013, the amount of Dividend/Matured Deposits remaining unpaid or unclaimed for a period of seven years shall henceforth be transferred to the Investor Education and Protection Fund. Hence Shareholders to claim the same before the statutory period is over.

Date of AGM/Declaration of Dividend	Due date for transfer to IEPF account of Central Government	Rs.
13-09-2013	13-10-2020	3632.00
12-09-2014	12-10-2021	3657.00
11-09-2015	11-10-2022	3682.00
16-09-2016	16-10-2023	3707.00
15-09-2017	15-10-2024	5105.25
14-09-2018	14-10-2025	4091.25
13-09-2019	13-10-2026	17807.00

4. Members who have been allotted shares up to closing hours of 31.03.2020 are entitled to vote in the Annual General Meeting.
5. Register e-mail address :
To contribute towards greener environment and to receive all documents, notices, including Annual reports and other communications of the Company, members are requested to register their e-mail addresses with the Company immediately.
6. Intimate mobile number:
Members are requested to intimate their mobile numbers and also changes therein, if any, to receive communications on deposit renewals and other information from the Company immediately.
7. a) As per Ministry of Corporate Affairs Notification No. GSR.908(E) dated 23.09.2016, Nidhi Companies are exempt from providing e-voting facility.

b) As per Ministry of Corporate Affairs Notification No. GSR.465(E) dated 05.06.2015, Shareholders holding 1000 and above shares are eligible to get Notice of AGM. Notice of Annual General Meeting and Annual report of 2019-20 will be sent only by email if registered with Company.

c) Due to Covid-19 as per G.C.No.14/2020 Dated 8.4.2020 & G.C.No.17/20 Should conduct AGM meeting through Video Conferencing in case of Nidhi hold Shares of More than one thousand rupees in face value are eligible to attending the Meeting through Video conferencing. The Link will be provided in due course. Member willing to speak at the Video conferencing of Annual General Meeting may register their names before 7 days of Annual General Meeting and send their queries if any before 7 days of Annual General Meeting to the following email "sempon1990@yahoo.co.in". Members may send their votes to the email "sempon1990@yahoo.co.in"

THE THIRTIETH ANNUAL REPORT
OF
M/s.SEMPON PERMANENT NIDHI LIMITED
(Formerly Known as M/s.SEMPON PERMANENT FUND LIMITED)
(Incorporated under the Companies Act, 1956)

Registered office: No. 111, MADHAVARAM HIGH ROAD, PERAMBUR, CHENNAI - 600 011.

CIN: U65991TN1990PLC019488

GSTIN: 33AABCS2418L1ZH

OFFICE BEARERS

PRESIDENT	: Thiru. T.VELAYUTHAM
LEGAL ADVISERS	: Thiru. M.A. LAKSHMIPATHY , B.A.,B.L.,
BOARD OF DIRECTORS	:Thiru. T.VELAYUTHAM , DIN - 03577716 Thiru. P. KANNAIYAN , DIN-01263039 Thiru. M. SIDDARTH , DIN - 03182486 Tmt. S. TAMILARASI , DIN - 02417046 Tmt. H.LALITHAMBAL DIN- 00975819
CHIEF EXECUTIVE	: Thiru. S. HEMANATHAN
AUDITORS	:M/s. M. KARUPPIAH & CO , Chartered Accountant, New No. 4A, Old No.6, Paul Appasamy Street, T. Nagar, Chennai - 600017
INTERNAL AUDITORS	: Thiru K.P.K. SARAVANAN , M.Com., M.B.A., Plot No. 936, TNHB Colony, Sithalapakkam, Chennai - 600 126.
REGISTERED OFFICE	: No.111, Madhavaram High Road, Perambur, Chennai - 600011.
BANKERS	: STATE BANK OF INDIA , Perambur Branch, Chennai - 600 011. : UCO BANK, Seetha Nagar Branch , Chennai - 600 034. : TAMILNADU MERCHANTILE BANK LTD. Perambur Branch, Chennai - 600 011. : CITY UNION BANK LTD Ashok Nagar Branch, Chennai - 600083 & Perambur Branch, Chennai - 600 011

M/s.SEMPON PERMANENT NIDHI LIMITED
(Formerly Known as M/s.SEMPON PERMANENT FUND LIMITED)
111, MADHAVARAM HIGH ROAD, PERAMBUR, CHENNAI-600 011

CIN: U65991TN1990PLC019488

GSTIN: 33AABCS2418L1ZH

DIRECTORS REPORT

Your Directors have pleasure in submitting their 30th **Annual Report** to the Shareholders on the working of the Company for the year ended **31st March 2020**.

FINANCIAL SUMMARY / HIGHLIGHTS:

A summary of the working results of the company for the year ended 31st March, 2020 along with details pertaining to previous year is given below:

GROSS INCOME

Particulars	Current year 2019-2020 Rs.	Previous year 2018-2019 Rs.
Gross Income	8,54,63,787.00	8,13,48,176.00
Less: Employee Benefit, Financial Costs, & Other Expenditure	7,29,05,752.83	6,83,84,403.06
Profit before Depreciation & Taxation	1,25,58,034.17	1,29,63,772.94
Less: Depreciation Provision for Taxation	3,70,308.00 33,90,000.00	3,87,703.00 35,00,000.00
Net Profit for the year	87,97,726.17	90,76,069.94

Necessary Provision had been made for prudential Norms as per the Notification of Government of India, Ministry of Law Justice and Company Affairs, Department of Company Affairs, GSR 556 (E) Dt. 26-07-2001 under the sub-section (1) of 637 of the companies Act. The Company has been provided provision for Income Reversal and Non-Performing Assets of the company as per GSR Notification 309(E) Dt. 30-04-2002 as amended by the Notification GSR 203(E) Dt 31-03-2006 of government of India.

The Management's of opinion that these amounts are recoverable and provided only as an abundant caution and as per the instruction of Central Government.

OPERATIONS, STATE OF AFFAIRS:

INSPECTION AND REPORT:

The Commissioners appointed for the inspection of jewels and other Security duly carried out their work and their report expressed satisfaction.

DIVIDEND AND RESERVES:

Your directors are recommending of 25% dividend on Equity Shares. The company proposed to transfer following amounts to reserves as under:

Transfer to General Reserve	Rs.5,00,000.00
Transfer to General Reserve II	Rs.5,19,382.00

COMPLIANCE TO MCA STIPULATION REGARDING NOF TO DEPOSITS :

The company is maintaining NOF as per Ministry of Corporate Affairs New Delhi Notification No. GSR 258(E) dated 31.03.2014 had stipulated inter alia, that Deposits accepted by the Nidhi Companies shall not be more than twenty (20) times the Net Owned Fund of the Company.

MATERIAL CHANGES:

There is no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year under report and the date of this report.

NATURE OF BUSINESS:

There is no change in the nature of business of the company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

At this Annual General Meeting, the Directors **Thiru. T. VELAYUTHAM (DIN – 03577716)** And **Thiru. P.KANNAIYAN (DIN – 01263039)** retired at this Annual General Meeting by rotation and being eligible, offer themselves for re-appointment.

EMPLOYEES:

The Company has not paid remuneration to employees in excess of limit specified under section 197(12) of the Companies Act, 2013.

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES:

Your Company has no subsidiary, Joint Venture or Associate Companies. Accordingly, there is no need for separate section to report on the performance and financial position of each of the subsidiaries, associates and joint venture companies.

DEPOSITS AND LOANS:

The total Fixed Deposits, Re-Investment Deposits, Saving Deposits and Recurring Deposits as on 31st March 2020 amounted to **Rs. 51,91,39,755.19** as against Rs.49,57,04,059.54 in the previous year. The total loans granted and outstanding as on 31st March, 2020 was **Rs. 50,57,25,558.00** as against Rs. 49,67,60,275.00 in the previous year. Your Company is a NIDHI company complying with Guidelines applicable for acceptance and regulation of public deposits.

The other details pertaining to Deposits are:

Rs.

(a) Accepted during the year;	42,33,71,952.15
b) Remained unpaid or unclaimed as at the end of the year;	1,86,91,659.45

The company has taken necessary steps for repayment/renewal of these deposits and out of this a sum of **Rs. 1,35,30,828.30** has since been renewed/repaid.

(c) whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved-

(i) At the beginning of the year;	No N.A.
(ii) Maximum during the year;	N.A.

(iii) At the end of the year;	N.A.
(iv) The details of deposits which are not in Compliance with the requirements of Chapter V of the Act;	Nil
(v) The details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future;	NIL
(vi) The details in respect of adequacy of internal financial controls with reference to the Financial Statements.	Adequate commensurate With size of company

CORPORATE SOCIAL RESPONSIBILITY:

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

SIGNIFICANT AND MATERIAL ORDERS:

There is no significant and material orders passed by any of the regulators or courts or tribunals impacting the going concern status and company's operations in future.

INTERNAL FINANCIAL CONTROLS:

There is adequate internal financial controls with reference to the Financial Statements during the year under report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE:

As a NIDHI the energy consumption is negligible and for lighting and office purposes only. Wherever possible the energy is conserved by regulating the usage when not required for the operations. The company has computerized its operations for operational efficiency and better service to members of the company and it is an ongoing process. There is no foreign exchange earnings or outgo.

ANNUAL RETURN:

The extract of the Annual Return, in Form No. MGT – 9 pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished as **Annexure-1** to this Report and is attached to this Report.

BOARD MEETINGS:

During the year under report the Company had 12 Board Meetings held on **30.04.2019, 31.05.2019, 30.06.2019, 31.07.2019, 31.08.2019, 13.09.2019, 09.10.2019, 30.11.2019, 31.12.2019, 31.01.2020, 29.02.2020 and 18.03.2020** Details of the Board Meetings are given in '**Annexure-2**' of this report.

RELATED PARTIES:

The details of contract or arrangement with related parties referred to in S.188 (1) of the Companies Act, 2013 are provided in Form AOC-2 as **Annexure-3**.

DIRECTORS RESPONSIBILITY STATEMENT:

Your Directors statethat:

(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 a going concern basis; and

(e) There is no report required on the adequacy of internal financial controls as your Company is not a listed company. and

(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.

INDEPENDENT DIRECTORS:

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company.

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

The provisions of Section 178 relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013. However, as the company is having more than one thousand members, Company constituted 'Stakeholders Relationship Committee' pursuant to section 178(5) of the Act.

AUDIT REPORT:

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.

STATUTORY AUDITORS:

M/s M. Karupiah & Co., Chartered Accountants, retires at this meeting and being eligible offers himself for re-appointment. The Company has received a certificate from the above Auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

LOANS, GUARANTEES OR INVESTMENTS:

There is no loans, guarantees or investments attracting the provisions of Section 186 of the Companies Act, 2013.

RISK MANAGEMENT POLICY:

The Company has developed and implemented Risk Management Policy for the Company. The risk management includes identifying types of risks and its assessment, risk handling and monitoring and reporting. The elements of risk threatening the Company's existence are very minimal as Nidhi Company. The business of company is restricted among members only, all the loans are fully secured, both the deposits and loans are regulated strictly by the Ministry of Company Affairs and your company is complying with all the guidelines issued for nidhi companies.

EVALUATION OF BOARD'S PERFORMANCE:

The provisions for evaluation of own performance of Board is not applicable for your company.

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM:

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 is not applicable to the Company.

SHARES:

a. Buy back of securities

The Company has not bought 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.

Internal Complaint Committee – Sexual Harassment Of Women At Work Place – section 134, Rule 8(5):

The company has complied with provisions relating to the constitution of Internal Complaints Committee under Sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year no compliance has received in this regard and there is no pending complaint.

ACKNOWLEDGEMENTS:

Your Directors place on record their sincere thanks to the Members, Officers and Staff of Company, bankers, auditors, company secretary, advocates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

By order of the Board

Place: Chennai
Date: 20-08-2020

T. VELAYUTHAM
Director-President

Independent Auditors' Report

**To the members,
SEMPON PERMANENT NIDHI LIMITED
Report on the financial statements**

We have audited the accompanying financial statements of **Sempon Permanent Nidhi Limited** (the "Company"), which comprise the Balance sheet as at March 31st, 2020, and the Statement of Profit and Loss for the year then ended, the Cash flow Statement for the year ended March 31st 2020 and a summary of significant accounting policies and other explanatory information.

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 ("the Act") 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 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.

Auditors' responsibility

Our responsibility is to express an opinion on these standalone 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 there under.

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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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.

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the said financial statements give the information required by the Companies Act, 2013 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 Balance sheet, of the State of Affairs of the Company as at March 31st, 2020; and
- (b) In the case of Statement of profit and loss, of the Profit for the year ended on March 31st 2020; and
- (c) Its cash flow statement for the year ended 31st March 2020.

Emphasis of Matters

Nil

Report on other Legal and Regulatory Requirements

(1) As required by the Companies (Auditor's Report) Order, 2018 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A", statement on the matters specified in paragraphs 3 and 4 of the order to the extent applicable.

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

- (a) We have 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 the books of account;
- (c) The Balance Sheet and Statement of Profit and Loss and Cash Flow statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the balance sheet and statement of profit and loss and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in section 133 of the Act read with rule 7 of Companies (Accounts) Rules, 2014; and

- (f) In our opinion, the comments or observations don't have any adverse effect on functioning of the company.
- (g) On the basis of written representations received from the directors as at March 31, 2020, and taken on record by the Board of Directors, we report that none of the directors is disqualified as at March 31, 2020, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013.
- (h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.
- (i) With respect to the matters to be included in the Auditor' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has no pending litigations affecting its financial statements and hence no disclosure in its financial statements.
 - (ii) The Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses.
 - (iii) There were no amounts which required to be transferred, to the Investor Education and Protection Fund by the Company.

**FOR M. KARUPPIAH & CO.,
Chartered Accountants
Firm Registration No. 06016S**

Place: Chennai
Date: 20.08.2020

**M. Karuppiah
Proprietor
Membership No. 029877**

UDIN: 20029877AAAACN3264

**“Annexure A” to the Independent Auditors’ Report of
Sempon Permanent Nidhi Limited
As of and for the year ended March 31, 2020
(referred to in our report of even date)**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- (j) (b) The fixed assets of the company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
- (c) The title deed of immovable property is held in the name of the company.
- (ii) The Company has no inventory and hence Para 3 (ii) of the Companies (Auditors Report) order, 2018 is not applicable to the Company.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms, limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

The company has not granted any loans, investments, guarantees, and security covered under the provisions of section 185 and 186 of the Companies Act, 2013 and hence this clause is not applicable to the company.
- (v) Since company is a Nidhi Company, section 73 to 76 of the Companies Act, are not applicable to the company. The Company has accepted deposit from its member which are in accordance with Nidhi Rules 2014.
- (vi) 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 services rendered by the company.
- (vii) (a) According to the information and explanations given to us, the Company has been regular in depositing undisputed statutory dues.

(b) According to the information and explanations given to us, there are no dues outstanding of income tax, sales tax, customs duty, service tax, excise duty and Cess on account of any dispute.
- (viii) The Company has not defaulted in repayment of loans or borrowing to a financial institutions or banks.

- (ix) The company has not raised any money by way of public offer or further public offer including debt instruments and term loans and hence this clause is not applicable.
- (x) Managerial Remuneration had been paid by the company during the year in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to Companies Act.
- (xi) The company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability and the Company is maintaining ten per cent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability.
- (xiii) All the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in financial statements, as required by the applicable accounting standards.
- (xiv) Since the company is a Nidhi company, section 42 of the Companies Act 2013 is not applicable to the Company.
- (xv) The company has not entered into any non-cash transactions with Directors or persons connected with him.
- (xvi) The Company was notified as a Nidhi Company under section 406 of the companies Act, 2013 and accordingly exempted from registration under the provisions of Section 451A of the Reserve Bank of India Act, 1934.

**For M. KARUPPIAH & CO.,
Chartered Accountants
Firm Registration No. 06016S**

Place: Chennai
Date: 20.08.2020

**M. Karuppiah
Proprietor
Membership NO. 029877**

UDIN: 20029877AAAACN3264

Annexure B to The Independent Auditor’s Report of Even Date on The Financial Statements of Sempon Permanent Nidhi Limited

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

We have audited the internal financial controls over financial reporting of Sempon Permanent Benefit Nidhi Limited (“the company”) as of 31st March, 20120 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, 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 (the Guidance Note) 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 the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external

Purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company,(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with 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 controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance may 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 31st March,2020,based on the internal financial 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 Institute of Chartered Accountants of India.

**For M. KARUPPIAH & CO.,
Chartered Accountant
Firm Registration No. 06016S**

Place: Chennai
Date: 20.08.2020

**M. Karuppiah
Proprietor
Membership N0. 029877**

UDIN: 20029877AAAACN3264

To

**The Board of Directors
Sempon Permanent Nidhi Limited
Perambur, Chennai**

We have audited the Balance Sheet of Central Madras Benefit Nidhi Limited as at 31st March, 2020, and the annexed statement of Profit and Loss of the Company for the year ended on that date and report that:

1. Pursuant to the Non - Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008 issued by Reserve Bank of India and on the basis of books and records of SEMPON PERMANENT NIDHI LIMITED and the information provided to us during the course of audit, we place our observations on the matters specified in Paragraph 3 and 4 of the aforementioned directions.
 - A. Since the Company is a Nidhi Company, it does not require registration as Non -Banking Finance Company (NBFC) under Section 45 IA of Reserve Bank of India Act – 1934.
 - B. (i) The Company has accepted deposits from its shareholders only and in compliance with the provisions of Nidhi Rules, 2014 and the directions, circulars and guidelines issued by the Central Government from time to time as applicable to a Nidhi company.
 - (ii) The quantum of deposits as laid out under the provisions of Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998 is not applicable to the Company being a Mutual Benefit Financing Company (MBFC).
 - (iii) The Company is not an Asset Finance Company or an Investment Company or Loan company and has not approached any credit rating agency for rating their deposits.
 - (iv) The Company being an MBFC not covered under clause (iii) of Paragraph 3 of the directions, reporting under clause (iv) doesn't arise.
 - (v) The Company has not defaulted in payment to its depositors the interest and / or

principal amount of the deposits after such interest and / or principal became due.

- (vii) The Company has complied with the Prudential Norms on income recognition, asset classification as provided in the Nidhi Rules - 2014. The provisions of prudential norms on income recognition, accounting standards, asset classification, provisioning for bad & doubtful debts and concentration of credit / investments as specified in the directions issued by the Reserve Bank of India in terms of the Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 are not applicable to the Company.
- (viii) The capital adequacy ratio requirement in the terms of the Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 is not applicable to the Company.
- (ix) Maintenance of Statutory Liquidity Ratio as prescribed by Reserve Bank in exercise of powers under Section 45-IB of the Act is not applicable to the Company. However, the Company has continued to keep investing in unencumbered term deposits with a scheduled commercial bank in its own name which amounts to not less than 10% of deposits outstanding at the close of business as on the last working day of the second preceding month as prescribed by the Nidhi Rules, 2014.
- (x) The Company being a MBFC is not required to submit return on deposits in Form NBS-1.
- (xi) Submission of half yearly return on prudential norms as specified in Non- Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 is not applicable to the Company.
- (xii) The Company has not opened any branches / offices nor has appointed any agents during the year under review.

**For M. KARUPPIAH & CO.,
Chartered Accountant**

Place: Chennai
Date: 20.08.2020

**M. Karuppiah
Proprietor
Membership NO. 029877**

UDIN: 20029877AAAACN3264

STATUTORY AUDITORS CERTIFICATE

(Pursuant to Rule 22 of Nidhi Rules, 2014)

This is to certify that, on the basis of books of accounts and other relevant documents verified by us and as per explanations given to us by the management, **SEMPON PERMANENT NIDHI LIMITED** has complied with all the provisions contained in Nidhi Rules – 2014, and have not contravened any of the provisions contained in the said rules.

**For M. KARUPPIAH & CO.,
Chartered Accountants
Firm Registration No. 06016S**

Place: Chennai
Date: 20.08.2020

**M. Karuppiah
Proprietor
Membership NO. 029877**

UDIN: 20029877AAAAACN3264

M/s.SEMPON PERMANENT NIDHI LIMITED
(Formerly Known as M/s. Sempon Permanent Fund Limited).
No.111, MADHAVARAM HIGH ROAD, PERAMBUR, CHENNAI-600 011.
BALANCE SHEET AS AT 31st MARCH 2020

PARTICULARS	NOTE NO	AS ON 31st MARCH 2020	AS ON 31st MARCH 2019
I.EQUITY AND LIABILITES			
(1) Shareholder's Funds			
(a) Share Capital	1	2,077,528.00	2,047,828.00
(b) Reserves and Surplus	2	76,782,972.94	67,147,996.77
(2) Share application money pending allotment			
(3) Non-Current Liabilities			
(a) Long-term borrowings	3	222,336,972.00	226,867,609.00
(b) Other Long term Liabilities	4	12,311,924.28	13,281,699.17
(c) Long term provisions	5	45,573,425.00	38,961,601.00
(4) Current Liabilities			
(a) Short-term borrowings	6	300,974,016.47	271,288,562.69
(b) Other Current Liabilities	7	26,114,407.85	27,135,576.67
Total		686,171,246.54	646,730,873.30
II.Assets			
(1) Non-Current Assets			
(a) Fixed Assets	8	1,855,509.00	2,141,467.00
(b) Long term loans and advances	9	441,561,704.00	429,189,076.00
(2) Current Assets			
(a) Trade Receivables	10	47,225,617.00	34,903,870.00
(b) Cash and cash equivalents	11	91,929,325.54	77,677,125.30
(c) Short-term loans and advances	12	103,599,091.00	102,819,335.00
Total		686,171,246.54	646,730,873.30

The Notes referred to the above form an integral part of Balance Sheet on the basis of the Information Furnished

For Sempon Permanent Nidhi Limited

(T. Velayutham)
Director

(M. Siddarth)
Director

(S. Hemanathan)
Chief Executive

Place: Chennai
Date: 20-08-2020.

M/s.SEMPON PERMANENT NIDHI LIMITED
(Formerly Known as M/s. Sempon Permanent Fund Limited).
No.111, MADHAVARAM HIGH ROAD, PERAMBUR, CHENNAI-600 011.
STATEMENT OF PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH 2020

PARTICULARS	NOTE NO	AS ON 31st MARCH 2020	AS ON 31st MARCH 2019
I. REVENUE FROM OPERATION	13	79,475,383.00	75,668,582.00
II. OTHER INCOME		5,988,404.00	5,679,594.00
III. Total Revenue (I + II)		85,463,787.00	81,348,176.00
IV. EXPENSES			
Employee benefit expense	14	9,110,162.00	9,616,704.00
Financial Costs	15	51,895,894.91	50,367,874.64
Depreciation and amortization Expense		370,308.00	387,703.00
Other Expenses	16	11,899,695.92	8,399,824.42
Total Expenses		73,276,060.83	68,772,106.06
V. Profit before tax		12,187,726.17	12,576,069.94
VI. Tax Expenses Current Tax		3,390,000.00	3,500,000.00
VII. Profit for the Period (V-VI)		8,797,726.17	9,076,069.94
VIII. Earning per Equity Share Basic		4.23	4.43

The Notes referred to the above form an integral part of Balance Sheet on the basis of the information furnished

For Sempon Permanent Nidhi Limited

(T. Velayutham)
Director

(M. Siddarth)
Director

(S. Hemanathan)
Chief Executive

Place: Chennai
Date: 20-08-2020.

M/s.SEMPON PERMANENT NIDHI LIMITED
(Formerly Known as M/s. Sempon Permanent Fund Limited),
No.111, MADHAVARAM HIGH ROAD, PERAMBUR, CHENNAI-600 011.
NOTES TO BALANCE SHEET AS AT 31st MARCH,2020

Note No.	PARTICULARS	As at 31.03.2020	As at 31.03.2019
1	SHARE CAPITAL		
	Authorised 40,00,000	4,000,000.00	4,000,000.00
	Equity Shares of Re. 1/- each		
		4,000,000.00	4,000,000.00
	ISSUED, SUBSCRIBED & PAID UP		
	Equity Shares of Re. 1/- each	2,077,528.00	2,047,828.00
		2,077,528.00	2,047,828.00
	Number of Equity Shares		
	At the beginning of the year	2,047,828.00	2,012,024.00
	Alloted during the year	29,700.00	35,804.00
	At the end of the year	2,077,528.00	2,047,828.00
	List of Shareholders holding more that 5% of total share		
	Mrs.Shanthi Manohar	240,000.00	240,000.00
	Mrs.S.Tamilarasi	90,000.00	90,000.00
	Mr.T.Velayutham	150,000.00	150,000.00
		480,000.00	480,000.00
2	RESERVES AND SURPLUS		
	i. General Reserve	10,180,000.00	9,680,000.00
	ii. General Reserve II	6,528,035.02	6,008,653.02
	iii. Contigent Reserve	500,000.00	500,000.00
	iv. Profit & Loss a/c.	59,574,937.92	50,959,343.75
		76,782,972.94	67,147,996.77
	vi. Surplus from profit and loss a/c	12,187,726.17	12,576,069.94
	Add: Surplus for previous year	50,959,343.75	42,538,211.81
		63,147,069.92	55,114,281.75
	Add:Provision for Prudential Norms Writtenback	1,961,302.00	1,593,590.00
		65,108,371.92	56,707,871.75
	LESS: Provision for Taxation	3,390,000.00	3,500,000.00
		61,718,371.92	53,207,871.75
	Less: Transfer to General reseve-	500,000.00	500,000.00
	Less: Transfer to General reseve-II-	519,382.00	511,957.00
	Less: Transfer to proposed dividend -	519,382.00	511,957.00
	Less: Transfer to I.T on Distributive profit-	-	104,224.00
Less: Transfer to Directors remuneration	604,670.00	620,390.00	
Balance in statement of Profit	59,574,937.92	50,959,343.75	

For Sempon Permanent Nidhi Limited

(T.Velayutham)
Director

(M.Siddarth)
Director

(S. Hemanathan)
Chief Executive

Place: Chennai
Date: 20-08-2020.

3	LONG TERM BORROWINGS UNSECURED LOANS		
	Fixed Deposits 18 months	250,000.00	20,000.00
	Fixed Deposits 24 months	29,685,135.00	22,430,150.00
	Fixed Deposits 36 months	75,071,150.00	88,322,860.00
	Fixed Deposits 60 months	7,515,500.00	12,830,600.00
	Re-investment deposits 24 months	31426032.00	17,690,896.00
	Re-investment deposits 36 months	54,878,500.00	62,760,363.00
	Re-investment deposits 60 months	14,923,205.00	14,433,730.00
	Recurring deposits 24 months	1618000.00	1,339,200.00
	Recurring deposits 36 months	2,851,900.00	3,250,900.00
	Recurring deposits 60 months	4,117,550.00	3,788,910.00
		222,336,972.00	226,867,609.00
4	OTHER LONG TERM LIABILITES Accrued Interest on Deposits:		
	Fixed Deposits 18 months	1719.00	154.00
	Fixed Deposits 24 months	236,995.00	186,648.00
	Fixed Deposits 36 months	642,329.00	769,204.00
	Fixed Deposits 60 months	96,297.00	135,092.00
	Re-investment deposits 24 months	1738137.46	915,133.47
	Re-investment deposits 36 months	5,952,342.81	6,040,086.15
	Re-investment deposits 60 months	2,672,715.56	4,309,300.88
	Recurring deposits 24 months	73,334.35	51,705.80
	Recurring deposits 36 months	221,385.10	266,563.20
	Recurring deposits 60 months	676,669.00	607,811.67
		12,311,924.28	13,281,699.17
5	LONG TERM PROVISIONS:		
	Provision for Prudential Norms	9,659,373.00	6,325,030.00
	Provision for taxation	34,790,000.00	31,400,000.00
	Directors remuneration	604,670.00	620,390.00
	Proposed Dividend	519,382.00	511,957.00
	Tax on dividend	-	104,224.00
	45,573,425.00	38,961,601.00	

For Sempon Permanent Nidhi Limited

(T. Velayutham)
Director

(M. Siddarth)
Director

(S. Hemanathan)
Chief Executive

Place: Chennai
Date: 20-08-2020.

6	SHORT TERM BORROWINGS		
	I. Secured Loan :		
	(overdraft from State Bank of India against deposits)	1,466,937.13	-
	Total (A)	1,466,937.13	-
	UNSECURED LOANS		
	Fixed deposits 6 months	1,720,240.00	1,389,000.00
	Fixed deposits 12 months	40,638,380.00	54,074,070.00
	Fixed deposits 18 months (due within 12 months)	230,000.00	186,000.00
	Fixed deposits 24 months (due within 12 months)	22,240,800.00	15,083,200.00
	Fixed deposits 36 months (due within 12 months)	55,778,900.00	42,700,750.00
	Fixed deposits 60 months (due within 12 months)	7,830,100.00	3,803,000.00
	R.I.deposit 6 Months	12,997,437.00	7,841,254.00
	R.I. deposits 12 months	69,971,713.00	65,906,202.00
	R.I. deposits 24 months (due within 12 months)	16,640,682.00	10,757,605.00
	R.I. deposits 36 months (due within 12 months)	28,181,650.00	21,607,700.00
	R.I. deposits 60 months (due within 12 months)	4,441,400.00	9,170,510.00
	Recurring deposits 12 months	17,122,100.00	17,339,050.00
	Recurring deposits 24 months (due within 12 months)	4,093,100.00	4,881,800.00
	Recurring deposits 36 months (due within 12 months)	4,374,300.00	4,184,700.00
	Recurring deposits 60 months (due within 12 months)	1,869,900.00	1,552,250.00
	Locker deposit	1,733,000.00	1,709,000.00
R.D.Maturity & expelled	959,191.00	731,007.00	
Savings deposits & inoperative saving a/c	8,684,186.34	8,371,464.69	
Total (B)	299,507,079.34	271,288,562.69	
Grand Total (A + B)	300,974,016.47	271,288,562.69	
7	OTHER CURRENT LIABILITIES		
	i. ACCRUED INTEREST ON		
	Fixed deposits 6 months	9,749.00	9,659.00
	Fixed deposits 12 months	305,713.00	497,668.00
	Fixed deposits 18 months (due within 12 months)	1,773.00	1,434.00
	Fixed deposits 24 months (due within 12 months)	185,279.00	141,423.00
	Fixed deposits 36 months (due within 12 months)	472,070.00	401,677.00
	Fixed deposits 60 months (due within 12 months)	76,911.00	39,970.00
	R.I.deposit 6 Months	2,786,572.70	1,656,310.57
	R.I. deposits 12 months	3,380,687.58	2,993,063.07
	R.I. deposits 24 months (due within 12 months)	2,574,343.02	1,585,599.44
	R.I. deposits 36 months (due within 12 months)	7,886,450.43	6,936,944.55
	R.I. deposits 60 months (due within 12 months)	3,212,312.60	6,452,304.83
	Recurring deposits 12 months	743,261.45	739,846.00
	Recurring deposits 24 months (due within 12 months)	352,725.80	456,425.50
	Recurring deposits 36 months (due within 12 months)	645,921.60	681,237.10
	Recurring deposits 60 months (due within 12 months)	513,979.67	443,223.95
	Savings deposit interest	24758.95	25,984.55
	iv. OTHERS		
	Unpaid dividends	41,681.50	318,656.50
	v. Other payables: Sundry creditors for expenses	2,679,205.00	3,613,449.00
sundry creditors others	221,012.55	140,700.61	
	26,114,407.85	27,135,576.67	

For Sempon Permanent Nidhi Limited

(T. Velayutham)
Director

(M. Siddarth)
Director

(S. Hemanathan)
Chief Executive

Place: Chennai
Date: 20-08-2020.

9	LONG TERM LOANS AND ADVANCES		
	Loans and Advances		
	i. Secured, considered good		
	Loan against on Fixed deposits	3260396.00	3,433,333.00
	Loan against on Reinvestment deposits	7,145,862.00	9,899,487.00
	Loan against on Recurring deposits	303,200.00	128400.00
	Loan against on mortgage of house property	388733776.00	377838219.00
	Loan to staff (house & vehicle)	2,683,233.00	2,641,501.00
	TOTAL (A)	402,126,467.00	393,940,940.00
	Advances : Secured & considered good		
	TDS on interest from Bank FD's & TCS	5,228,581.00	4,641,480.00
	Income tax paid in advance	30,846,170.00	27,246,170.00
	Self assessment tax paid	2,913,994.00	2,913,994.00
	Tax on regular assessment	71,012.00	71,012.00
	Tax on dividend (tax on regular)	13,550.00	13,550.00
	FBT paid in advance	4,200.00	4,200.00
	FBT tax on regular	4,730.00	4,730.00
	Rental advance	350,000.00	350,000.00
	Telephone deposit	3,000.00	3,000.00
	TOTAL (B)	39,435,237.00	35,248,136.00
	GRAND TOTAL (A + B)	441,561,704.00	429,189,076.00
10	CURRENT ASSETS		
	TRADE RECIEVABLES		
	Accrued interest on Loans Against		
	Interest o/s on loans jewels and deposits	5,034,320.00	3,848,316.00
	Interest o/s on loans on Recurring deposits	4,132.00	8,380.00
	Default interst o/s on TSL instalments	5,338,235.00	4,391,036.00
	instalments o/s on mortgage loans	35,460,636.00	26,033,905.00
	Accrued interest on bank deposit	1,076,666.00	594,241.00
Bank Interest o/s	311,628.00	27,992.00	
	47,225,617.00	34,903,870.00	
11	CASH AND CASH EQUIVALENTS		
	Balance with banks-In current accounts	3,109,174.79	1,119,907.55
	Balance with banks-unpaid dividend a/c	54,757.75	331,842.75
	Fixed deposit with banks (Short Term)	88,027,265.00	75,479,044.00
	Cash on hand	738,128.00	746,331.00
	91,929,325.54	77,677,125.30	
12	SHORT-TERM LOANS AND ADVANCES		
	Loans and Advances		
	Loans against on mortgage of house property	1,118,630.00	789,465.00
	Loans against jewels	102480461.00	102029870.00
	103,599,091.00	102,819,335.00	

For Sempon Permanent Nidhi Limited

(T. Velayutham)
Director

(M. Siddarth)
Director

(S. Hemanathan)
Chief Executive

Place: Chennai
Date: 20-08-2020.

M/s.SEMPON PERMANENT NIDHI LIMITED
(Formerly Known as M/s.Sempon Permanent Fund Limited)
No.111,MADHAVARAM HIGH ROAD, PERAMBUR, CHENNAI - 600 011
DETAILS OF FIXED ASSETS AND THE DEPRECIATION STATEMENT FOR THE YEAR ENDED 31st MARCH 2020 (AS PER THE COMPANIES ACT 1956)

Note: 8

SL. No.	PARTICULARS	%	GROSS BLOCK					DEPRECIATION				NET BLOCK		
			AS ON 1-Apr-2019	ADDITIONS/	DELETION	LIFE	USED LIFE	AS ON 31-Mar-2020	Up to 31.03.2019	For the Year	Deletion for the year	Up to 31.03.2020	W.D.V.As on 31.03.2019	W.D.V.As on 31.03.2020
1	Furniture & Fittings	9.50%	105,419.00	-		10	6	105,419.00	47,659.00	8,906.00		56,565.00	57,760.00	48,854.00
2	Jewel Weighing Machine	9.50%	18,000.00	-	-	10	10	18,000.00	14,748.00	2,353.00		17,101.00	3,252.00	899.00
3	Plant & Machinery	9.50%	504,008.91	-		10	8	504,008.91	375,819.91	21,530.00		397,349.91	128,189.00	106,659.00
4	Generator	9.50%	41,884.00			10	-	41,884.00	40,266.00	-		40,266.00	1,618.00	1,618.00
5	Water Cooler	9.50%	15,311.00			10	-	15,311.00	14,545.00	-		14,545.00	766.00	766.00
6	Computers	31.67%	578,050.00	84,350.00		3	1	662,400.00	535,232.00	44,254.00		579,486.00	42,818.00	82,914.00
7	Air Conditioners	9.50%	532,156.00	-		5	2	532,156.00	439,310.00	16,560.00		455,870.00	92,846.00	76,286.00
8	Coffee Vending Machine	9.50%	11,500.00			10	10	11,500.00	10,926.00	-		10,926.00	574.00	574.00
9	Motor Cylce	15.83%	154,837.00	-	-	10	4	154,837.00	56,055.00	9,636.00		65,691.00	98,782.00	89,146.00
10	Car-Innova	15.83%	2,249,000.00	-		8	3	2,249,000.00	534,138.00	267,069.00		801,207.00	1,714,862.00	1,447,793.00
			4,210,165.91	84,350.00	-			4,294,515.91	2,068,698.91	370,308.00	-	2,439,006.91	2,141,467.00	1,855,509.00
	Previous year		4,067,609.91	142,556	-			4,210,165.91	1,680,995.57	387,703.00	154,837.00	2,068,698.57	2,386,614.34	2,141,467.00

For Sempon Permanent Nidhi Limited

(T. Velayutham)
Director

(M. Siddarth)
Director

(S.Hemanathan)
Chief Executive

M/s.SEMPON PERMANENT NIDHI LIMITED.
(Formerly Known as M/s. Sempon Permanent Fund Limited).
No.111, MADHAVARAM HIGH ROAD, PERAMBUR, CHENNAI-600 011.
NOTES TO PROFIT AND LOSS FOR THE YEAR 31st MARCH 2020

Note	Particulars	As at 31.03.2020	As at 31.03.2019
13	REVENUE FROM OPERATIONS:		
	i. Interest Income From :		
	Mortgage Loans	62472800.00	57520199.00
	Special loan (jewels, Deposit)	16911344.00	18029316.00
	Recurring deposit Loan	35456.00	21347.00
	Def int on Recurring deposit subscription	55783.00	97720.00
		79475383.00	75668582.00
	ii, Other Financial services		
	Interest on Deposit with banks	5870499.00	5552210.00
	Other Income		
Insurance & Notice charges collected	112905.00	123884.00	
Locker Maintenance Fee	5000.00	3500.00	
	5988404.00	5679594.00	
14	EXPENSES : EMPLOYEE BENEFITS		
	Salary and Allowances	5608248.00	5261068.00
	Bonus to staff	896875.00	1953275.00
	Staff gratuity with LIC	700000.00	700000.00
	Staff Insurance premium	13492.00	22191.00
	Staff Medical Aid	626500.00	519500.00
	Staff Welfare P & L	876150.00	778570.00
	Contribution to Provident fund & other funds	362007.00	341040.00
	Contribution to ESIC	26890.00	41060.00
		9110162.00	9616704.00
15	FINANCE COST - INTEREST ON :		
	Fixed deposits	23189330.00	23397496.00
	Reinvestment deposits	24095247.80	22363289.64
	Savings deposits	308695.45	298288.50
	Recurring deposits	4174889.75	4151742.95
	Overdraft from banks	127731.91	157057.55
	51895894.91	50367874.64	

For Sempon Permanent Nidhi Limited

(T. Velayutham)
Director

(M. Siddarth)
Director

(S. Hemanathan)
Chief Executive

Place: Chennai
Date: 20-08-2020.

16	OTHER EXPENSES :		
	(A) Administrative expenses		
	Rent	2265600.00	2124000.00
	Electricity charges	200688.00	216547.00
	Printing & stationery	427656.00	396621.00
	Telephone charges & Postage & Courier Charges	72497.00	79572.00
	Auditor's remuneration	110000.00	105000.00
	conveyance to directors	180000.00	120000.00
	conveyance to others	11900.00	8500.00
	computer software maintainance charges	44309.00	37583.00
	Fuel for Generator & Vechile Maintenance	238964.00	182622.00
	Repair & Maintenance	270871.00	318504.00
	Meeting expenses	234965.00	212433.00
	Sitting fees	1372800.00	1259400.00
	Professional fees	98700.00	77247.00
	Registration & filing fee	23634.00	12836.00
	Bank charges	65309.92	55244.42
	Company professional tax	2500.00	2657.00
	GST P & L	298582.00	267012.00
	Auction Charges	10625.00	23550.00
	Legal fees	0.00	104000.00
	Chamber of Nidhis subscription	7000.00	31500.00
	Labour fund	0.00	360.00
	Refreshment	128867.00	155204.00
	Pooja expense	95849.00	99128.00
	Misc.expenses	245902.00	204648.00
	Insurance premium paid	196832.00	196646.00
		6604050.92	6290814.42
	(B) Others		
	Provision for Prudential Norms:		
	Sub Stanadar Assets	408683.00	338127.00
	Doubtful Assests	552728.00	431295.00
	Loss Assets	4334234.00	1339588.00
		11899695.92	8399824.42

For Sempon Permanent Nidhi Limited

(T. Velayutham)
Director

(M. Siddarth)
Director

Place: Chennai
Date: 20-08-2020.

(S. Hemanathan)
Chief Executive

M/s.SEMPON PERMANENT NIDHI LIMITED
(Formerly Known as M/s.Sempon Permanent Fund Limited)
No.111,MADHAVARAM HIGH ROAD, PERAMBUR, CHENNAI - 600 011

NOTE No.17

Notes forming part of the Audited Financial Statement as at 31st March 2020

A. Significant Accounting Policies

1. The accounts are prepared on a historical cost basis and with revenue and expenses wherever possible on their accrual including provisions/adjustments for committed obligations.
2. Depreciation on Assets has been provided on straight line metho adopting the rates prescribed in schedule XIV of the Companies Act, and on pro-rata basis with reference to the date of acquisition of the assets.
3. Fixed Deposit with Banks for Rs.6,50,00,000/- Under Current Assets represents investments made as per DCA Notification GSR 308 (E) dated 30.04.2002.

B. Other Notes

1. During the year under review there was no employee drawing a remuneration aggregating Rs.36,00,000/- or more for the financial year or Rs.3,00,000/- or more per month
2. Computation of Net Profit in accordance with Section 197 of the Companies Act, 2013 is given below:

Net Profit as per Profit and Loss Account		8,797,726.17
ADD: Provision for Taxation	3,390,000.00	
Depreciation as per Companies Act	370,308.00	3,760,308.00
		<hr/> 12,558,034.17
LESS: Depreciation as per Section 350 of the Companies Act		464,569.00
		<hr/> 12,093,465.17
For other Directors (Other than Managing Director)		
5% on Rs. 12,093,470		604,670.00

- 3).As per the Government of India Notification GSR-309(E) Dated 30.04.2002 as amended by the Notification GSR 203 (E) Dated 31.03.2006, there is no Non Performing Assests
- 4) Other Particulars required by Schedule III of Companies Act, 2013 are not furnished since the same are not applicable
- 5) Previous year figures are regrouped wherever necessary.

For Sempon Permanent Nidhi Limited

(T. Velayutham)
Director

(M.Siddarth)
Director

S. Hemanathan)
Chief Executive

Place: Chennai
Date: 20-08-2020.

SEMPON PERMANENT NIDHI LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2020

Particulars	31.03.2020	
	Rs.	Rs.
<u>A. CASH FLOW FROM OPERATING ACTIVITES</u>		
Net Profit		12,187,726.17
Adjustment for		
Transfer to I.T on Distributive profit-	-	
Transfer to Directors remuneration	(604,670.00)	
Transfer to proposed dividend -	(519,382.00)	
Provision for Prudential Norms Writtenback	1,961,302.00	
	-	837,250.00
Operating profit before working capital changes		13,024,976.17
Adjustments for:		
Depreciation	370,308.00	
Insurance Premium collected	(112,905.00)	
Locker Maintenance Fee	(5,000.00)	
- Increase in trade receivables	(12,321,747.00)	
- Increase in receipt short term loans & advances	(779,756.00)	
- increase in short term borrowings	29,685,453.78	
- Decrease in other current liabilities	(1,021,168.82)	
		15,815,184.96
		28,840,161.13
Cash generated from Operations		
Direct Taxes paid	-	(3,390,000.00)
NET CASH FLOW FROM OPERATING ACTIVITES (A)		25,450,161.13
<u>B. CASH FLOW FROM INVESTING ACTIVITES</u>		
Purchase of Fixed Assets	(84,350.00)	
NET CASH FLOW FROM INVESTING ACTIVITES (B)		(84,350.00)
<u>C. CASH FLOW FROM FINANCING ACTIVITES</u>		
- Insurance premium collected	112,905.00	
- Locker Maintenance Fee	5,000.00	
Repayment of long term borrowings	(4,530,637.00)	
Repayment of other long term borrowings	(969,774.89)	
Proceeds from issuance of long term provision	6,611,824.00	
Proceeds from receipt of long term loans and advances	(12,372,628.00)	
Proceeds from Change in Share Capital	29,700.00	
NET CASH FLOW FROM FINANCING ACTIVITES (C)		(11,113,610.89)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		14,252,200.24
CASH AND CASH EQUIVANLENTS - OPENING BALANCE		77,677,125.30
CASH AND CASH EQUIVANLENTS - CLOSING BALANCE		91,929,325.54