

Directors' Report

Dear Members,

1. INTRODUCTION

The Directors of Kendriya Bhandar are pleased to present the Annual Report along with the audited accounts for the cooperative year ending 31st March 2024.

2. PERFORMANCE FOR THE COOPERATIVE YEAR 2023-24

The performance of the Society in terms of sales, profits and overheads during the year 2023-24 is as under:-

Indicators	2023-24	2022-23
Sales (Rs. Lakhs)	593057.40	312292.99
Gross Profit (Rs. Lakhs)	6775.86	4471.46
Overheads (Rs. Lakhs)	5882.79	4926.28
Net Profit (Rs. Lakhs)	5600.98	505.80
Increase/Decrease in Sales (%)	89.90	-22.76
Increase in overheads (%)	19.42	7.84
Gross profit to sales (%)	1.14	1.43
Net profit to sales (%)	0.94	0.16
Overheads to sales (%)	0.99	1.58
Share Capital (Rs. Lakhs)	100.81	100.84
Govt.'s share therein (Rs. Lakhs)	68.18	68.18
Capital employed (Rs. Lakhs)	12690.78	8612.30
Stock (Rs. Lakhs)	2647.51	2459.97
Sales inventory ratio (times)	224.01	126.95
Individual share holders (Nos.)	93445*	93461*
Shares held by Individual shareholders (Nos.)	326370.00	326601
Dividend proposed/declared (%)	10.00	10
Income Tax (Rs. Lakhs)	1374.26	231.83
Dividend to Government (Rs. Lakhs)	6.82	6.82
Employees strength (Nos.)	336	353
Bonus paid (%)	20	20
Stores/office network (Nos.) All India	145	149
Net worth (Rs./Crore)	126.91	86.12

* includes the members who have retired from service.

3. BUSINESS EFFICIENCY

Your Society has achieved sales of Rs.5930.57 crores during the Financial Year 2023-24 against the sales of Rs.3122.93 crores in Financial Year 2022-23.

Kendriya Bhandar has achieved a net profit of Rs.5600.98 lakhs in the F.Y. 2023-24 (after making provision for pay arrears on account of wage revision of Rs.4 crores) against Rs.505.80 lakhs during the F.Y. 2022-23.

Opening of new Kendriya Bhandar Retail Stores:

Kendriya Bhandar has opened new retail stores at 23 Acres Residential Colony Delhi Cantt. , Delhi Technological University Bawana Raod, Delhi and Metro Vihar DMRC Staff Quarters Bahadurgarh.

Sale of Grocery and Consumer Items in Delhi:

Kendriya Bhandar has 97 self-service grocery consumer retail stores in Delhi beside the Institutional Sales Unit (ISU) and five pharmacy shops. Through its Institutional sales unit, Kendriya Bhandar continues to provide goods to institutions like Tihar Jail, JNU/IIT Hostels, Janpath/Samrat Hotels, Hyderabad House, President House, Vigyan Bhawan, Homes of Social Welfare Deptt. of Govt. of Delhi, Govt. Hospitals etc.

4. QUALITY, SERVICES & BENEFITS TO CUSTOMERS

The Society has established rigid quality standards to ensure that goods with assured standards of quality are sold through its outlets. A Quality Control Officer has been appointed in Kendriya Bhandar for monitoring the product quality and for making improvements on an ongoing basis. Packed grocery items are sold after pre-testing in laboratory. On the shelf post-testing is done periodically. The goods sold in the manufacturers packing carry the warranty of the manufacturer. Complaint Books are provided in all the stores for customers to enter their complaints/suggestions, which are acted upon from time to time. CCTV cameras have been provided in a large number of stores/establishments as preventive measure against shop lifting, theft etc. Further, Credit Card Machines have also been provided in the stores of Kendriya Bhandar.

5. COMPUTERIZATION OF RETAIL STORES :

100% computerization of stores has been achieved and also inventory has been computerized.

6. PERFORMANCE OF REGIONAL OFFICES

The performance of the Regional Offices during the year under report are as follows:

(Rs./Lacs)					
S. No.	Regional Office	Sales	Sales	Net profit	Net Profit
		2023-2024	2022-23	2023-2024	2022-23
1.	Delhi Region	76424.34	68608.20	1676.97	(-) 1078.69
2.	Chennai including Cochin*	227900.52	116250.43	1753.75	1050.77
3.	Mumbai	135241.98	12827.99	851.93	68.75
4.	Gandhinagar (Guj.)	28975.66	1753.03	215.98	54.51
5.	Chandigarh	1948.79	1630.30	49.21	31.24
6.	Mussoorie	534.87	267.74	17.32	2.35
7.	Lucknow	41753.88	95035.36	62.47	226.38
8.	Faridabad	1465.39	1295.92	63.88	24.30
9.	Gwalior	21797.50	2926.29	83.59	12.42
10.	Ghaziabad	6202.28	2387.36	76.67	15.14
11.	Jaipur	42789.87	6404.54	370.28	49.50
12.	Kolkatta	1538.48	322.17	85.18	4.55
13.	Ranchi	1945.42	1433.47	100.50	10.07
14.	Bhubaneshwar	4538.43	1150.18	193.24	34.49
	Total	593057.40	312292.99	5600.98	505.80

*Cochin Branch has been closed.

7. CHALLENGES

Kendriya Bhandar was established in 1963 as a Welfare Project and since then, it has been functioning as such almost on "no profit and no loss" concept basis. Rapid changes in technology, policies, market dynamics, retailing strategies have direct bearing on the sales of Kendriya Bhandar. Mushrooming organized/un-organized retail chains/stores coming up in market besides posse of hawkers loitering on every road/mohalla with open food grains are posing direct challenge. So far, retailing activities are being managed as welfare activity in national interest through cross subsidization i.e. running the retail set up by earning from other business activities.

8. EFFORTS/ STRATEGIC TIE-UPS FOR BUSINESS EXPANSION

All out efforts are made to keep high standards of service, which are being extended, to the customers by the Society. Kendriya Bhandar is fully conscious of the confidence reposed by its customers, by the Government and its shareholders. Our tie-up with many organizations like Telangana Govt., HAFED, CSL etc. are continuing and numbers of proposals are under active consideration at the level of different State Governments/ organizations/FI/NGOs/Investors. In order to broaden outreach/connect to masses, we tied up with Prasar Bharati and FSSAI for mass communication. FSSAI has already relayed advertisement on FM Radio about availability of healthy/nutritious food products in Kendriya Bhandar. Efforts are on for tie-up with other places/sectors. We are also forming consortium with other co-operatives working in different fields and also with PSUs to work together. We have, for the first time, started undertaking business of export/import.

9. SERVICE

- Kendriya Bhandar became life-line for service of our members and masses during Covid phase. Kendriya Bhandar has sold Bharat Atta, Bharat Dal (Chana Dal), Bharat Chawal, Onions and Tomatoes during the phase of crisis of these items during the period starting from February, 2023 till date.

10. ACKNOWLEDGEMENT

We wish to thank Government of India, particularly Ministry of Personnel, Public Grievances & Pensions, the Directorate of Estates, Ministry of Urban Development, Ministry of Consumer Affairs, Food & Public Distribution,

Ministry of Agriculture, Ministry of Cooperation, Ministry of Commerce, DGFT, Govt. of India, Government of NCT of Delhi, the print and the electronic media, our bankers, business associates, investors, the suppliers, the employees, the shareholders and the delegates for their all-round contribution to the continued success of the Society.

For & on behalf of the Board of Directors

Sd/-

(Chairman)