



**TIMES GUARANTY LIMITED**

**21st ANNUAL REPORT**

**For the year ended March 31, 2011**

**REPORT AND ACCOUNTS**

*For the year ended March 31, 2011*

**BOARD OF DIRECTORS**

Dr. Bhaskar Das, *Chairman*  
Mr. D. N. Shukla, *Director*  
Mr. S. Sivakumar, *Director*  
Mr. P. M. Rao, *Director*  
*(Upto 16/05/2011)*  
Mr. Avinash Jain, *Director*  
Mr. Arun Arora, *Additional Director*  
*(w.e.f. 16/05/2011)*

**COMPANY SECRETARY**

Mr. Vijay S. Devadiga *(Upto 31/05/2011)*  
Ms. Swapna Ranade *(w.e.f. 01/06/2011)*

**BANKERS**

HDFC Bank Ltd.  
United Bank of India

**AUDITORS**

M/s. V. B. Goel & Co.  
Chartered Accountants

**INTERNAL AUDITORS**

M/s. Shrikant Kulkarni & Associates  
Chartered Accountants

**REGISTRAR & TRANSFER AGENTS**

M/s. Sharepro Services (India) Pvt. Ltd.  
13AB, Samhita Warehousing Complex,  
II<sup>nd</sup> Floor, Sakinaka Telephone Exchange Lane,  
Off Andheri Kurla Road, Sakinaka,  
Andheri (E), Mumbai - 400 072.

**REGISTERED OFFICE**

Trade House 1<sup>st</sup> Floor, Kamala Mills Compound,  
Senapati Bapat Marg, Lower Parel,  
Mumbai - 400 013. Tel. : 65131731

**CONTENTS**

|                               |    |
|-------------------------------|----|
| Notice of Meeting .....       | 1  |
| Directors' Report .....       | 3  |
| Auditors' Report .....        | 14 |
| Balance Sheet .....           | 18 |
| Profit and Loss Account ..... | 19 |
| Cash Flow Statement .....     | 37 |

**NOTICE OF THE ANNUAL GENERAL MEETING**

**TIMES GUARANTY LIMITED**

**Registered Office :** Trade House, 1<sup>st</sup> Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013

**NOTICE** is hereby given that the twenty first Annual General Meeting of the members of Times Guaranty Limited will be held at 11.00 A.M. on Thursday, September 22, 2011, at Babasaheb Dahanukar Hall, Maharashtra Chamber of Commerce, Industry & Agriculture, 'Oricon House', 6th Floor, 12, K. Dubhash Marg, Fort, Mumbai 400 001 to transact the following business :

hereby appointed as Director of the Company, liable to retire by rotation.

**FURTHER RESOLVED THAT** any of the Directors of the Company be and is hereby authorised to do all such acts deeds and things as may be required to give effect to the aforesaid Resolution."

**Ordinary Business:**

By Order of the Board of Directors  
For **TIMES GUARANTY LIMITED**

1. To receive, consider and adopt the Balance Sheet as at March 31, 2011 and the Profit & Loss Account for the financial year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Dr. Bhaskar Das, who retires by rotation and is eligible for re-appointment.
3. To appoint a Director in place of Mr. S. Sivakumar, who retires by rotation and is eligible for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to authorise the Board of Directors to fix their remuneration. M/s. V.B. Goel & Co., Chartered Accountants, whose term expires at this Annual General Meeting, are eligible for re-appointment.

Mumbai  
May 16, 2011

**S. SIVAKUMAR**  
*Director*

**NOTES:**

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 SUCH PROXY NEED NOT BE A MEMBER. THE PROXY FORMS SHOULD BE LODGED WITH THE COMPANY AT ITS CORPORATE OFFICE NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE TIME OF THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and the Share Transfer Book of the Company will remain closed from September 12, 2011 to September 22, 2011 (both days inclusive).
3. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.

**Special Business:**

5. To consider and if thought fit to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** Mr. Arun Arora, who was appointed as an Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956 and whose term of office expires at the ensuing Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, proposing his candidature for the office of Director of the Company, be and is

By Order of the Board of Directors  
For **TIMES GUARANTY LIMITED**

Mumbai  
May 16, 2011

**S. SIVAKUMAR**  
*Director*

## **TIMES GUARANTY LIMITED**

---

### **Brief Details of Directors Seeking Re-Appointment as required under the Listing Agreement**

#### **Item No. 2 & 3**

#### **Details of Directors Seeking Re-Appointment**

**Dr. Bhaskar Das**, 58, has done his Masters in Business Administration with specialization in Marketing. He has been with Bennett, Coleman & Co. Ltd. for the last 31 years and has held several important positions and is currently the Executive President of Bennett, Coleman and Company Limited. He is Director of your Company from June 28, 2007 and is appointed as Chairman of your Company. He is also the Chairman of the Shareholder's Grievance Committee of your Company.

He is also the whole time Director of Bennett, Coleman and Company Limited and the Director of Times Global Broadcasting Co. Ltd, Worldwide Media Private Limited, Mind Games Shows Private Limited, Times VPL Limited, Zoom Entertainment Network Limited, Banhem Estates & IT Parks Limited, Surge Enterprises Limited, Vardhaman Publishers Limited, Bennett Broadcasting & Distribution Services Ltd., Media Research Users Council, Brand Equity Treaties Ltd, Aryabhata Properties Limited. He is Member – Managing Committee in Centre for Excellence in Management Training & Development and Member – Executive Committee in The Indian Newspaper Society. He is also the member of the Investment & Loan Committee of Bennett Coleman & Co. Limited, member of the Audit Committee of Vardhaman Publishers Limited and Zoom Entertainment Network Limited.

**Mr. S. Sivakumar**, 44, M.Com. F.C.A., FICWA has 19 years of experience in Finance and Accounts and is at present Director, Private Treaties in Bennett, Coleman & Co. Ltd. He is Director of your Company from July 30, 1998. He is also Director of Aegon Religare Life Insurance Company Ltd., Alternate Brand Solutions (India) Limited, Bennett Property Holdings Company Limited, Brand Equity Treaties Limited, Mirchi Movies (India) Limited, Bennett Broadcasting & Distribution Services Ltd., Times Infotainment Media Limited, Times Innovative Media Limited, Times of Money Inc, Times of Money Financial Services Limited, Timesofmoney Limited, Times of Money UK. He is Member – Managing Committee in Centre for Excellence in Management Training & Development. He is a member of Audit Committee of Times Innovative Media Limited and Times Infotainment Media Ltd. He is a member of the Audit Committee and Shareholders Grievances' Committee of your Company.

#### **Item No. 5**

#### **Details of Additional Director to be appointed as Director**

**Mr. Arun Arora** : Mr. Arun Arora was appointed as an Additional Director of the Company in the meeting of the Board of Directors held on May 16, 2011. His term of office expires at the ensuing Annual General Meeting of the Company. The Company has received notice under Section 257 of the Act, proposing his appointment as a Director of the Company along with the requisite deposit.

Mr. Arun Arora is a Harvard alumnus, a Chemical Engineer, fellow of Indian Institute of Chemical Engineers, and is currently the Chairman Emeritus – World HR Congress and Founder Chairman – Edvance Pre-schools Pvt. Ltd. He is also Director of Setco Automotive Limited, Worldwide Media Private Limited, Edvance Learning Private Limited, Edvance Online Private Limited and SE TransStadia Private Limited. He is also the member of the Remuneration Committee and Shareholders/Investors' Grievance Committee of Setco Automotive Limited.

Mr. Arun Arora is the former President and Executive Director of Bennett, Coleman & Co. Ltd. (The Times of India Group) and CEO of The Economic Times. He has had a thirty-five year long illustrious career in media and is on the boards of several companies.

Mr. Arun Arora was involved in setting up many new businesses across media platforms in print, radio, television, music and home entertainment. Brands launched by him include Times Music, Zoom, Times Multimedia and Planet M.

He spearheaded the formation of various joint ventures of Bennett, Coleman & Co. Ltd. Worldwide Media Pvt. Ltd. was formed as a JV with BBC Worldwide to become the dominant magazine publishing company in India. Times Global Broadcasting Pvt. Ltd. was established as a JV with Reuters to launch Times Now.

In the past, Mr. Arun Arora was CEO of The Times of India, founder CEO of Sony Entertainment Television, Chairman – United News of India, Vice-Chairman – Radio Mirchi and Vice-Chairman – Times of Money Ltd.

By Order of the Board of Directors  
For **TIMES GUARANTY LIMITED**

Mumbai  
May 16, 2011

**S. SIVAKUMAR**  
*Director*

**DIRECTORS' REPORT**

Your Directors are pleased to present the 21st Annual Report along with the audited accounts for the financial year ended March 31, 2011.

**Management Discussion & Analysis**

The summary of financial results, as indicated below, compares the financial performance of your Company for the year ended March 31, 2011 with the results for the year ended March 31, 2010:

*[Rs. in lacs]*

| <b>Particulars</b>                       | <b>Year ended<br/>March 31,<br/>2011</b> | Year ended<br>March 31,<br>2010 |
|--|--|---------------------------------|
| Total Income                             | <b>61.19</b>                             | 211.91                          |
| Total Expenses                           | <b>34.06</b>                             | 38.05                           |
| Depreciation                             | <b>(0.14)</b>                            | (0.14)                          |
| Gross Profit                             | <b>26.99</b>                             | 173.72                          |
| Prior Period Income<br>and expenses      | <b>0.00</b>                              | 0.54                            |
| Profit Before Tax                        | <b>26.99</b>                             | 174.26                          |
| Provision for Taxation                   | <b>3.24</b>                              | (4.45)                          |
| Profit for the Year after Tax            | <b>30.23</b>                             | 169.81                          |
| Profit for the Year after<br>Adjustments | <b>30.23</b>                             | 169.81                          |

Total Income decreased to Rs.61.19 lacs for the year ended March 31, 2011 as compared to Rs. 211.91 lacs. This is mainly because your Company has adopted a very conservative approach towards investing its funds only in debt funds through fixed maturity plans which was discontinued for a period of almost three to six months by Mutual Fund Industry, which resulted in low income during this financial year.

For the year ended March 31, 2011 expenses were Rs. 34.06 lacs as compared to Rs. 38.05 lacs for the previous year and the Management is trying to reduce the cost of operation to the maximum possible extent.

From last few years, your Company has concentrated on recovery of the asset portfolio. Your Company was successful in recovering amounts to the tune of Rs. 22 Crores due to favorable results in various legal and remedial actions. Now since almost all the recoverable portfolio is recovered, your Company is examining various options of commencing new

activities but the current condition of the economy like increase in interest rates, inflation and political factors compel the management to give second thought before starting any new activity.

Your Company continuously reviews the internal control systems and thereby ensures adequate and appropriate checks and balances in transaction risk management.

In view of the volume of your Company's business, the current employee strength is considered adequate.

**Change of Registered Office of the Company:**

Your Company has shifted its registered office from Ground Floor, Matulya Mills Compound, S.B. Marg, Lower Parel (West), Mumbai- 400 013 to Trade House, 1st Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai- 400 013, a place situated within the jurisdiction of the Registrar of Companies, Mumbai, Maharashtra with effect from June 29, 2010 for operational convenience and efficiency.

**Auditor's Observations**

There are no adverse observations made by the Auditors in their Report to the Members.

**Subsidiary Company**

There are no subsidiaries of your Company.

**Particulars of conservation of energy, technology absorption and foreign exchange earnings**

As your Company is not engaged in any manufacturing activities, there are no particulars to be furnished for conservation of energy and technology absorption. There were no foreign exchange earnings or outgo during the year.

**Personnel**

There are no employees covered by Section 217 (2A) of the Companies Act, 1956.

**Directors' Responsibility Statement**

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- (ii) The Directors had selected such accounting policies and applied them consistently and made

## **TIMES GUARANTY LIMITED**

---

judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2011 and of the profit of the Company for the year ended March 31, 2011

- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) The Directors have prepared the annual accounts on a 'going concern' basis.

### ***Stock Exchanges***

The Equity Shares of your Company are currently listed with the Bombay Stock Exchange Ltd. and The National Stock Exchange of India Ltd. The listing fees for the financial year 2011-12 have been paid to both the Stock Exchanges.

### ***Corporate Governance***

Your Company has taken adequate steps to ensure that all mandatory provisions of Corporate Governance as prescribed under the Listing Agreement of the Stock Exchanges, are complied with.

A separate report on Corporate Governance is attached as annexure to this Report.

### ***Directors***

Mr. P.M. Rao, Director of the Board of Directors of your Company resigned from the Board on May 16, 2011. The Board has accepted his resignation and placed on record its appreciation of the sterling contribution made by Mr. P.M. Rao during his tenure as a Director of your Company.

Dr. Bhaskar Das and Mr. S. Sivakumar, Directors of your Company, retire by rotation at the forthcoming

Annual General Meeting of the Company and being eligible, offer themselves for re-appointment.

Mr. Arun Arora, was appointed as Additional Director of your Company, whose term of office expires at the ensuing Annual General Meeting of the Members. Your Company has received notice under Section 257 of the Companies Act, 1956 along with the requisite deposit in respect of Mr. Arun Arora, proposing his appointment as a Director of the Company. The Board recommends that Members confirm his appointment as Director of your Company, liable to retire by rotation.

### ***Appointment of Auditors***

M/s. V.B. Goel & Co., Chartered Accountants, the Statutory Auditors of the Company retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

### ***Appointment of Internal Auditors***

M/s. Shrikant Kulkarni & Associates, Chartered Accountants, have been re-appointed as Internal Auditors of the Company.

### ***Acknowledgments***

The Board of Directors thank the Company's promoters, customers, bankers and employees for their continued support.

For and on behalf of the Board of Directors

|              |                     |                    |
|--------------|---------------------|--------------------|
| Mumbai       | <b>AVINASH JAIN</b> | <b>S.SIVAKUMAR</b> |
| May 16, 2011 | Director            | Director           |

**REPORT ON CORPORATE GOVERNANCE**

(Pursuant to Clause 49 of the Listing Agreement)

**1 COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

Your Company is committed to the adoption of best governance practices and its adherence in the true spirit, at all times. Our governance practices stem from an inherent desire to improve and innovate and reflect the culture of trusteeship that is ingrained in our value system and forms part of the strategic thought process. Our governance philosophy rests on five basic tenets: Board accountability to the Company and shareholders; strategic guidance and effective monitoring by the Board; protection of minority interests and rights; equitable treatment of all shareholders as well as superior transparency; and, timely disclosure.

In line with this philosophy, your Company continuously strives for excellence through adoption of best governance and disclosure practices. Your Company is fully compliant with all the provisions of the revised Clause 49 of the Listing Agreement with the Stock Exchanges dealing with the Code of Corporate Governance.

**2 BOARD OF DIRECTORS**

***Composition and Size of the Board***

Mr. P.M. Rao has resigned from the directorship with immediate effect in the meeting held on 16th May, 2011 and Mr. Arun Arora has been inducted in the Board of your Company as an Additional Director w.e.f 16th May, 2011. The present strength of the Board is five. All the Directors are non-executive Directors. Three Directors are independent Directors.

| Director                                | Executive / Non-Executive/ Independent | No. of Outside Directorship(s)/Board Committees (Other than Times Guaranty Ltd.) |            |
|---|--|--|------------|
|   |  | Directorships  | Committees |
| Dr. Bhaskar Das                         | Chairman, Non-Executive                | 15   | 3          |
| Mr. S. Sivakumar                        | Non-Executive                          | 13   | 2          |
| Mr. P.M. Rao<br>(Upto May 16, 2011)     | Non-Executive                          | 14   | 5          |
| Mr. D.N. Shukla                         | Non-Executive and Independent          | 5  | -          |
| Mr. Avinash Jain                        | Non-Executive and Independent          | -  | -          |
| Mr. Arun Arora<br>(w.e.f. May 16, 2011) | Non-Executive and Independent          | 6  | 1          |

***Number of Board Meetings***

Five Board Meetings were held during the financial year 2010-2011. The dates on which the Board Meetings were held were as follows:

May 28, 2010, June 29, 2010, July 29, 2010, October 29, 2010 and January 28, 2011.

Attendance of each Director at the Board Meetings held during the financial year 2010-2011 and at the last Annual General Meeting:

| Directors                           | No. of Board Meetings held after the appointment of respective Directors / till resignation of the Directors |          | Attendance at the Last AGM |
|-------------------------------------|--|----------|----------------------------|
|                                     | Held   | Attended |                            |
| Dr. Bhaskar Das                     | 5  | 4        | No                         |
| Mr. S. Sivakumar                    | 5  | 3        | Yes                        |
| Mr. P.M. Rao<br>(Upto May 16, 2011) | 5  | 5        | Yes                        |
| Mr. D.N. Shukla                     | 5  | 4        | Yes                        |
| Mr. Avinash Jain                    | 5  | 5        | Yes                        |

## **TIMES GUARANTY LIMITED**

---

### *Details of Directors Seeking Re-Appointment*

**Dr. Bhaskar Das**, 58, has done his Masters in Business Administration with specialization in Marketing. He has been with Bennett, Coleman & Co. Ltd. for the last 31 years and has held several important positions and is currently the Executive President of Bennett, Coleman and Company Limited. He is Director of your Company from June 28, 2007 and is appointed as Chairman of your Company. He is also the Chairman of the Shareholders' Grievance Committee of your Company.

He is also the whole time Director of Bennett, Coleman and Company Limited and the Director of Times Global Broadcasting Co. Ltd, Worldwide Media Private Limited, Mind Games Shows Private Limited, Times VPL Limited, Zoom Entertainment Network Limited, Banhem Estates & IT Parks Limited, Surge Enterprises Limited, Vardhaman Publishers Limited, Bennett Broadcasting & Distribution Services Ltd., Media Research Users Council, Brand Equity Treaties Ltd, Aryabhata Properties Limited. He is Member – Managing Committee in Centre for Excellence in Management Training & Development and Member – Executive Committee in The Indian Newspaper Society. He is also the member of the Investment & Loan Committee of Bennett Coleman & Co. Limited, member of the Audit Committee of Vardhaman Publishers Limited and Zoom Entertainment Network Limited.

**Mr. S. Sivakumar**, 44, M.Com. F.C.A., FICWA has 19 years of experience in Finance and Accounts and is at present Director, Private Treaties in Bennett, Coleman & Co. Ltd. He is Director of your Company from July 30, 1998. He is also Director of Aegon Religare Life Insurance Company Ltd., Alternate Brand Solutions (India) Limited, Bennett Property Holdings Company Limited, Brand Equity Treaties Limited, Mirchi Movies (India) Limited, Bennett Broadcasting & Distribution Services Ltd., Times Infotainment Media Limited, Times Innovative Media Limited, Times of Money Inc, Times of Money Financial Services Limited, Timesofmoney Limited, Times of Money UK. He is Member – Managing Committee in Centre for Excellence in Management Training & Development. He is a member of Audit Committee of Times Innovative Media Limited and Times Infotainment Media Ltd. He is a member of the Audit Committee and Shareholders' Grievance Committee of your Company.

### *Details of Additional Director to be appointed as Director*

**Mr. Arun Arora** : Mr. Arun Arora was appointed as an Additional Director of the Company in the meeting of the Board of Directors held on May 16, 2011. His term of office expires at the ensuing Annual General Meeting of the Company. The Company has received notice under Section 257 of the Act, proposing his appointment as a Director of the Company along with the requisite deposit.

Mr. Arun Arora is a Harvard alumnus, a Chemical Engineer, fellow of Indian Institute of Chemical Engineers, Chairman Emeritus – World HR Congress and Founder Chairman – Edvance Pre-schools Pvt. Ltd. He is also Director of Setco Automotive Limited, Worldwide Media Private Limited, Edvance Learning Private Limited, Edvance Online Private Limited and SE TransStadia Private Limited. He is also the member of the Remuneration Committee and Shareholders/Investors' Grievance Committee of Setco Automotive Limited.

Mr. Arun Arora is the former President and Executive Director of Bennett, Coleman & Co. Ltd. (The Times of India Group) and CEO of The Economic Times. He has had a thirty-five year long illustrious career in media and is on the boards of several companies.

Mr. Arun Arora was involved in setting up many new businesses across media platforms in print, radio television, music and home entertainment. Brands launched by him include Times Music, Zoom, Times Multimedia and Planet M.

He spearheaded the formation of various joint ventures of Bennett, Coleman & Co. Ltd. Worldwide Media Pvt. Ltd. was formed as a JV with BBC Worldwide to become the dominant magazine publishing company in India. Times Global Broadcasting Pvt. Ltd. was established as a JV with Reuters to launch Times Now.

In the past, Mr. Arun Arora was CEO of The Times of India, founder CEO of Sony Entertainment Television, Chairman – United News of India, Vice-Chairman – Radio Mirchi and Vice-Chairman – TimesofMoney Ltd.

### **3. CODE OF CONDUCT**

The Board of Directors plays an important role in ensuring good governance and has laid down the following Code of Conduct applicable to all Board members and senior executives of your Company.

The Board of Directors vide its Resolution dated January 24, 2006 adopted and approved the Code of Conduct. All Board members and senior executives have confirmed compliance of the Code of Conduct.



The Board Members and Senior Managers shall observe the highest standards of ethical conduct and integrity and shall work to the best of their ability and judgment.

In particular, the Board Members and the Senior Managers shall:

- i. Maintain and help the Company in maintaining the highest degree of Corporate Governance practices;
- ii. Act in utmost good faith and exercise due care, diligence and integrity in performing their official duties;
- iii. Ensure that they use the Company's assets, properties, information and intellectual rights for official purposes only or as per the terms of their appointment;
- iv. Not seek, accept or receive, directly or indirectly, any gift, payment or favour in whatsoever form from the Company's business associates, which can be perceived as being given to gain favour in dealings with the Company and shall ensure that the Company's interests are never compromised;
- v. Maintain confidentiality of information entrusted by the Company or acquired during performance of their duties and shall not use it for personal gain or advantage;
- vi. Not commit any offence involving moral turpitude or any act contrary to law or opposed to public policy;
- vii. Not communicate with any member of the press or publicity media or any other outside agency on matters concerning the Company except through the designated spokesman or as authorised otherwise;
- viii. Not, without the prior approval of the Board, accept employment or a position of responsibility with any other organisation for remuneration or otherwise that are prejudicial to the interests of the Company and shall not allow personal interests to conflict with the interests of the Company;
- ix. In conformity with applicable legal provisions, disclose personal and/or financial interests in any business dealings concerning the Company and shall declare information about their relatives (spouse, dependent children, dependent parents) including transactions, if any, entered into with them;
- x. Ensure compliance of the prescribed safety and environmental related norms and other applicable codes, laws, rules, regulations and statutes, which if not complied with may, otherwise, disqualify him/her from his/her association with the Company; and
- xi. Ensure compliance with all SEBI Regulations as also regulations issued and set by other statutory and regulatory bodies as may be applicable to them from time to time.

The Chairman of the Company has confirmed and certified that all the members of the Board of Directors and Senior Management have affirmed that they have complied with the Code of Conduct for Directors and Senior Managers in respect of the financial year 2010-11.

#### **4. AUDIT COMMITTEE**

Audit Committee comprises of Mr. D.N. Shukla, Mr. S. Sivakumar and Mr. Avinash Jain.

##### **Terms of Reference and Composition:**

The terms of reference of this Committee cover the matters specified for Audit Committees under Clause 49 of the Listing Agreement as well as under Section 292A of the Companies Act, 1956.

During Financial Year 2010-11, the Audit Committee met four times. The Statutory auditors and Internal auditors were invitees to the Meeting. Details of members of the Committee and their attendance are given below:

| <b>Name</b>   | <b>Number of meetings attended</b> |
|---|------------------------------------|
| Mr. D. N. Shukla, Chairman of the Audit Committee<br>(Non-executive and Independent Director) | 4                                  |
| Mr. Avinash Jain (Non-executive and Independent Director)                                     | 4                                  |
| Mr. S. Sivakumar (Non-executive Director)   | 2                                  |

## **TIMES GUARANTY LIMITED**

---

### **5. REMUNERATION COMMITTEE**

No remuneration has been paid to any of the Directors, except sitting fees paid to Mr. D. N. Shukla. Hence, Remuneration Committee, being a non-mandatory requirement, has not been constituted.

### **6 SHAREHOLDERS' GRIEVANCE COMMITTEE**

#### *Composition*

Shareholders' Grievance Committee comprised of its Directors, Dr. Bhaskar Das, Mr. S. Sivakumar and Mr. P. M. Rao to consider transfer of shares and redressing shareholders' and investors' complaints. Dr. Bhaskar Das, a Non-executive Director, is the Chairman of the Committee.

Mr. P.M. Rao has resigned from the Board w.e.f 16th May, 2011 and consequently has ceased to be the member of the Shareholders' Grievance Committee. Presently, the Shareholders' Grievance Committee comprises of Dr. Bhaskar Das as the Chairman and Mr. S. Sivakumar as the member of the Committee.

#### *Name and Designation of Compliance Officer:*

Mr. Vijay S. Devadiga, Company Secretary of your company resigned from the post of Company Secretary with effect from 31/05/2011, in the Board Meeting held on 16/05/2011. Consequently it was proposed to appoint Ms. Swapna Ranade as the Company Secretary of your company with effect from 01/06/2011.

Mr. Vijay S. Devadiga, Company Secretary (*upto 31/05/2011*)

Ms. Swapna Ranade, Company Secretary (*w.e.f. 01/06/2011*)

#### *Number of Complaints:*

During the year 2010-11, Company's Registrar & Share transfer agent, M/s. Sharepro Services (India) Pvt. Ltd. received 25 complaints, and all have been resolved. There was no transfer of shares pending as on March 31, 2011.

### **7. DISCLOSURES**

- (A) There are no materially significant related party transactions made by the Company with its Promoters, Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large. The transactions with the related parties are disclosed to Note No.10 of Schedule 13 to the Accounts.
- (B) Your Company has followed all relevant Accounting Standards while preparing the financial statements.
- (C) Your Company has a comprehensive risk management policy and the Board of Directors periodically reviews the same.
- (D) During the last three years no penalty/strictures have been imposed on the Company by either SEBI or the Stock Exchanges or any statutory authority on any matter relating to the capital markets for non-compliance of any laws.

### **8. FINANCE FUNCTION HEAD'S CERTIFICATE**

Senior Manager, Accounts & Finance of your Company has certified to the Board of Directors that:

- a) She has reviewed the financial statements and the cash flow statement for the year and to the best of her knowledge and belief :
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of her knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) She accepts responsibility for establishing and maintaining internal controls for financial reporting and that she has evaluated the effectiveness of the internal control systems of the Company, pertaining to financial reporting and she has disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation or internal controls, if any, of which she is aware and the steps she has taken or proposes to take to rectify these deficiencies.

- d) She has indicated to the Auditors and the Audit Committee:
- i. Significant changes in internal control over financial reporting during the year;
  - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the Notes to the financial statements; and
  - iii. Instances of significant fraud of which she has become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

The above Certificate was placed before the meeting of the Board of Directors held on May 16, 2011.

**9. GENERAL BODY MEETINGS:**

| <b>AGM/<br/>EGM</b> | <b>Date</b>        | <b>Venue</b>   | <b>Time</b> | <b>No. of Special<br/>Resolutions passed</b> |
|---------------------|--------------------|--|-------------|--|
| AGM                 | September 21, 2010 | Babasaheb Dahanukar Hall, Maharashtra Chamber of Commerce, Industry & Agriculture, 'Oricon House', 6th Floor, 12, K. Dubash Marg, Fort, Mumbai 400 001 | 11.00A.M.   | Nil  |
| AGM                 | September 18, 2009 | Babasaheb Dahanukar Hall, Maharashtra Chamber of Commerce, Industry & Agriculture, 'Oricon House', 6th Floor, 12, K. Dubash Marg, Fort, Mumbai 400 001 | 11.00A.M.   | One  |
| AGM                 | September 23, 2008 | Babasaheb Dahanukar Hall, Maharashtra Chamber of Commerce, Industry & Agriculture, 'Oricon House', 6th Floor, 12, K. Dubash Marg, Fort, Mumbai 400 001 | 11.00A.M.   | Nil  |
| AGM                 | September 12, 2007 | Babasaheb Dahanukar Hall, Maharashtra Chamber of Commerce, Industry & Agriculture, 'Oricon House', 6th Floor, 12, K. Dubash Marg, Fort, Mumbai 400 001 | 11.00A.M.   | Nil  |

All Resolutions were passed on show of hands and polls were not asked for. No postal ballots were used for voting at these meetings. At the forthcoming Annual General Meeting, there is no item on the agenda that needs approval by postal ballot.

**10. MEANS OF COMMUNICATION**

- Half-yearly report sent to each shareholder : No
- Quarterly results : No
- Which newspaper normally published : 1. The Economic Times  
2. Maharashtra Times
- Any website, where results are displayed : No
- Whether it also displays any official news releases : No
- Presentations made to Institutional Investors or to Analyst: : No
- Whether Management Discussion & Analysis is a part of Annual Report or not : Yes

# **TIMES GUARANTY LIMITED**

## **11. GENERAL SHAREHOLDER INFORMATION**

### **AGM Date and Time**

September 22, 2011 – Thursday  
11.00 a.m.

### **Venue**

Babasaheb Dahanukar Hall  
Maharashtra Chamber of Commerce,  
Industry & Agriculture  
'Oricon House', 6th Floor  
12, K. Dubash Marg  
Fort, Mumbai 400 001

### **Financial Calendar**

First Quarter results

July 2011

Half yearly results

October 2011

Third quarter results

January 2012

Results for the last quarter & for the  
year ending March 31, 2012

May 2012

### **Date of Book Closure**

September 12 to September 22, 2011 (both days  
inclusive)

### **Dividend Payment Date**

Dividend not declared

### **Listing on Stock Exchanges**

The Company's securities are listed on the following 2  
Stock Exchanges in India:

### **Name of Stock Exchange**

Stock Code

Bombay Stock Exchange Ltd.

511559

National Stock Exchange of India Ltd.

TIMESGTY

The Company has paid annual listing fees to each of the above Stock Exchanges for the Financial Year 2011-2012.

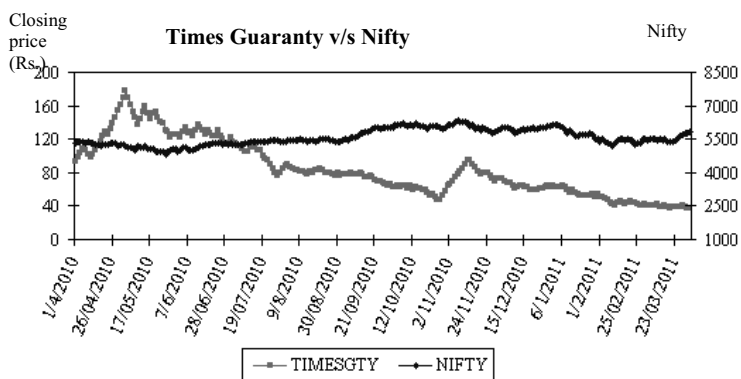
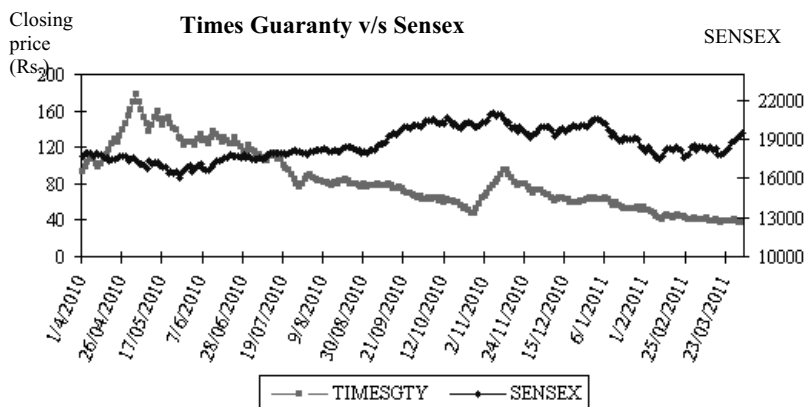
The Demat ISIN No. for NSDL and CDSL is: INE289C01025

### **Market Price Data:**

#### **Monthly Highs and Lows for the period April 2010 to March 2011**

| Month    | Bombay Stock Exchange Limited |           |          | National Stock Exchange of India Ltd. |           |          |
|----------|-------------------------------|-----------|----------|---------------------------------------|-----------|----------|
|          | High (Rs.)                    | Low (Rs.) | Volume   | High (Rs.)                            | Low (Rs.) | Volume   |
| Apr-2010 | 169.75                        | 93.10     | 4,33,146 | 169.35                                | 93.40     | 1,75,235 |
| May-2010 | 187.10                        | 123.00    | 2,51,782 | 186.75                                | 117.60    | 65,683   |
| Jun-2010 | 140.00                        | 110.10    | 1,66,278 | 143.50                                | 113.20    | 63,153   |
| Jul-2010 | 123.90                        | 75.10     | 1,70,443 | 124.35                                | 73.20     | 80,135   |
| Aug-2010 | 92.15                         | 74.25     | 89,520   | 93.05                                 | 75.10     | 51,234   |
| Sep-2010 | 81.35                         | 60.15     | 55,383   | 85.10                                 | 60.30     | 35,979   |
| Oct-2010 | 69.80                         | 47.00     | 85,238   | 67.00                                 | 47.60     | 47,747   |
| Nov-2010 | 99.75                         | 58.45     | 1,27,905 | 99.05                                 | 62.40     | 91,676   |
| Dec-2010 | 77.00                         | 57.55     | 28,098   | 76.70                                 | 58.00     | 10,006   |
| Jan-2011 | 66.95                         | 48.70     | 23,567   | 66.15                                 | 49.00     | 6,124    |
| Feb-2011 | 53.45                         | 41.20     | 17,547   | 51.85                                 | 40.00     | 9,854    |
| Mar-2011 | 45.25                         | 37.15     | 44,816   | 45.00                                 | 36.50     | 13,191   |

**Stock Performance in Comparison to BSE SENSEX & NSE Nifty**



**Registrar and Transfer Agents:**

M/s. Sharepro Services (India) Pvt. Ltd.,  
 13AB, Samhita Warehousing Complex, Second Floor, Sakinaka Telephone Exchange Lane,  
 Off Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai 400 072.  
 Tel:022- 28511872, 67720300, 67720400 Fax No: 022-28591568/28508927  
 E-mail:sharepro@shareproservices.com

**OR**

912, Raheja Center, Free Press Journal Road, Nariman Point, Mumbai 400 021. Tel: 022-22825163

**Share Transfer System:**

All the transfers received are processed by the Registrar and Transfer Agents and are approved by “Shareholders’ Grievances Committee”, which meets at frequent intervals. Share transfers are registered and returned within 15 to 30 days from the date of receipt, if the relevant documents are complete in all respects.

## TIMES GUARANTY LIMITED

### Distribution of Shareholding as on March 31, 2011:

| Shareholding of Nominal Value of | Share Holders |                | Share Holding    |                |
|----------------------------------|---------------|----------------|------------------|----------------|
|                                  | Number        | %              | Shares           | %              |
| Up to 500                        | 21599         | 98.195         | 13,79,480        | 15.339         |
| 501 to 1000                      | 196           | 0.891          | 1,47,601         | 1.641          |
| 1001 to 2000                     | 98            | 0.446          | 1,45,980         | 1.623          |
| 2001 to 3000                     | 44            | 0.200          | 1,11,208         | 1.237          |
| 3001 to 4000                     | 16            | 0.073          | 59,529           | 0.662          |
| 4001 to 5000                     | 18            | 0.082          | 82,576           | 0.918          |
| 5001 to 10000                    | 16            | 0.073          | 1,19,212         | 1.326          |
| 10001 to 9999999998              | 9             | 0.041          | 69,47,563        | 77.254         |
| <b>TOTAL</b>                     | <b>21,996</b> | <b>100.000</b> | <b>89,93,149</b> | <b>100.000</b> |

### Shareholding Pattern as on March 31, 2011:

| Category  | No. of Shares Held | (%)           |
|---|--------------------|---------------|
| <b>A. PROMOTERS HOLDING</b>   |                    |               |
| 1. Promoters  |                    |               |
| - Indian Promoters  | 67,37,399          | 74.92         |
| - Foreign Promoters   | NIL                | -----         |
| 2. Person(s) Acting in Concert  | NIL                | -----         |
| <b>Sub - Total</b>  | <b>67,37,399</b>   | <b>74.92</b>  |
| <b>B. NON-PROMOTERS HOLDING</b>   |                    |               |
| 3. Institutional Investors  |                    |               |
| a. Mutual Funds and UTI   | 500                | 0.01          |
| b. Banks, Financial Institutions / Insurance Companies, Central / State Govt. Institutions, Non-Government Institutions | 8,345              | 0.09          |
| c. Foreign Institutional Investors  | NIL                | -----         |
| <b>Sub-Total</b>  | <b>8,845</b>       | <b>0.10</b>   |
| 4. Others   |                    |               |
| a. Private Corporate Bodies   | 1,62,060           | 1.80          |
| b. Indian Public  | 20,79,346          | 23.12         |
| c. NRIs / OCBs  | 5,499              | 0.06          |
| d. Any other (shares in transit)  | -                  | -             |
| <b>Sub - Total</b>  | <b>22,46,905</b>   | <b>24.98</b>  |
| <b>GRAND TOTAL</b>  | <b>89,93,149</b>   | <b>100.00</b> |

### Dematerialisation of Shares and Liquidity

As on March 31, 2011, 88.85% of the Equity Share Capital is held in demat form.

Outstanding GDRs/ADRs/Warrants : Not Issued  
or any Convertible Instruments,  
Conversion dates and likely impact  
on equity:

Plant Locations : There is no manufacturing operation. Office is situated at  
Mumbai.

**Address for correspondence:** Shareholders correspondence should be addressed to our Registrars & Transfer Agents at the address mentioned below:

**M/s. Sharepro Services (India) Pvt. Ltd.**

13AB, Samhita Warehousing Complex, Second Floor, Sakinaka Telephone Exchange Lane,  
Off Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai 400 072.

Tel: 022-28511872/ 67720300/67720400 • Fax: (022)28591568 /28508927

E-mail: Sharepro@shareproservices.com

**OR**

912, Raheja Center, Free Press Journal Road, Nariman Point, Mumbai 400 021.Tel: 022-22825163.

In terms of BSE Circular no. DCS/COMP/SD/110/2007 dated February 21, 2007; your Company has designated the following e-mail ID of the Compliance Officer for the purpose of registering complaints by investors and also for taking necessary follow-up action.

**swapna.ranade@timesgroup.com**

Shareholders are urged to use this facility for registering their grievances and having them redressed. Shareholders may also contact the Company at its Secretarial Department, The Times of India Building, Dr. D N Road, Mumbai – 400 001, for any assistance.

Contact Person - Ms. Gladys Vaz -Tel No. (022) 22731386

For and on behalf of the Board of Directors

Place : Mumbai  
Date : May 16, 2011

**AVINASH JAIN**  
Director

**S. SIVAKUMAR**  
Director

---

**CERTIFICATE ON CORPORATE GOVERNANCE**

Corporate Identity No. of the Company – **L65920MH1989PLC054398**

Nominal Capital : Rs. 25 Crores

**To,**

**The Members of  
Times Guaranty Limited**

We have examined the compliance of conditions of corporate governance by **Times Guaranty Limited**, for the year ended March 31, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of information and explanations provided to us, we certify that the Company has complied with the mandatory conditions of Clause 49 as stipulated in the abovementioned Listing Agreement *except in regards with maintenance of the official website of the Company. However the company has started taking necessary steps in this regard.*

We further state that such compliance is neither an assurance to the future visibility of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Mehta & Mehta**  
*Company Secretaries*

**Dipti Mehta**  
*Partner*

*Membership No. 3667*

*Certificate of Practice No. 3202*

Place : Mumbai  
Date : 16<sup>th</sup> May, 2011

## **AUDITOR'S REPORT**

The Board of Directors  
Times Guaranty Ltd.  
The Times of India Building  
Dr. D. N. Road,  
Mumbai - 400 001.

We have audited the attached Balance Sheet of TIMES GUARANTY LTD.('the Company') as at March 31, 2011 and the related Profit and Loss Account and the Cash Flow Statement for the year ended on that date, annexed thereto, and issued our audit opinion dated 16/5/2011 thereon. These financial statements are the responsibility of the Company's management. Our responsibility was to express an opinion on these financial statements based on our audit. Our audit was conducted in the manner specified in paragraph 2 of the audit report.

As required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008, issued by the Reserve Bank of India('Bank') and amended from time to time('Directions'),based on our audit referred to in paragraph 1 above and based on the information and explanations given to us which to the best of our knowledge and belief were necessary for this purpose, we report hereunder on the matters specified in Paragraphs 3 of the Directions:

- a) The company is engaged in the business of Non Banking Financial Institution ('NBFI') as defined in Section 45-1(a) of the Reserve Bank of India Act,1934('the Act') during the year ended 31st March 2011 and it has obtained Certificate of Registration No.N-13.01863 dated May 17,2007 from the Reserve Bank of India;
- b) Based on, the Asset/Income pattern as on March 31,2011 determined by the Management in accordance with the audited financial statements for the year ended as on that date, and with reference to paragraph 15 of the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms(Reserve Bank)Directions,2007, the company is entitled to continue to hold such Certificate of Registration;
- c) The Board of Directors in their meeting held on 30.06.2009 has passed a resolution for non-acceptance of any public deposits without prior approval of Reserve Bank of India in writing;
- d) The company has not accepted any public deposit during the year ended March 31,2011;
- e) The Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 for the year ended March 31, 2011;
- f) The Clause 3B (iv) (a) and (b) of the Directions are not applicable, as the asset size of the company is less than Rs.100 crores and hence not commented upon.

This report is issued solely for reporting on the matters specified in paragraphs 3 of the Directions, to the Board of Directors and is not to be used or distributed for any other purpose.

For **V. B. GOEL & CO.**  
Chartered Accountants  
FRN : 115906W

**(Vikas Goel)**  
Partner

Place : Mumbai  
Date : 16/05/2011

Membership No. 39287



**AUDITORS' REPORT TO THE MEMBERS OF TIMES GUARANTY LIMITED**

1. We have audited the attached Balance Sheet of **TIMES GUARANTY LTD.** ("the company") as at March 31, 2011 and also the Profit and Loss Account and Cash Flow Statement for the year ended on that date, annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Management of the Company. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003, issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 (the Act) and on the basis of such checks as we considered appropriate, and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable to the Company.
4. Further to our comments in the Annexure referred to in paragraph 3 above, 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 purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) The Balance Sheet, Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report have been prepared in compliance with the applicable accounting standards referred to in Section 211 (3C) of the Act.
  - e) On the basis of the written representations received from the Directors and taken on record by the Board of Directors of the Company, none of the Directors is disqualified as on March 31, 2011 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said Financial Statement read with the Notes thereon and attached thereto given in the prescribed manner, the information required by the Companies Act, 1956 in the manner so required and also gives a true and fair view in conformity with the accounting principles generally accepted in India;
    - i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011
    - ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date ;
    - iii) in so far it relates to the Cash Flow Statement, of the cash flows for the year ended on that date.

For **V. B. GOEL & CO.**  
Chartered Accountants  
FRN : 115906W

**(Vikas Goel)**  
Partner

Membership No. 39287

Place : Mumbai  
Date : 16/05/2011

## **TIMES GUARANTY LIMITED**

### **Annexure referred to in paragraph 3 of Auditors' Report of even date to the members of Times Guaranty Limited on the Accounts for the year ended March 31, 2011.**

1. a) The Company has maintained proper records to show full particulars, including quantitative details and situation, of its fixed assets.
  - b) The Management has physically verified the fixed assets of the Company during the year and no discrepancies between the book records and the physical inventory were noticed.
  - c) During the year, the Company has not disposed off substantial parts of fixed assets.
2. a) The inventory (excluding stocks with the third parties) has been physically verified by the management during the year. In respect of inventory lying with the third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
  - b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c) The company is maintaining proper records of inventory and no material discrepancy was noticed on physical verification.
3. a) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. As the company has not granted any loans, secured or unsecured, to parties listed in the Register maintained under the Section 301 of the Companies Act, 1956, paragraph (iii)(b), (c) and (d) of the Order, are not applicable.
  - b) As informed, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. As the company has not taken any loans, secured or unsecured, to parties listed in the Register maintained under the Section 301 of the Companies Act, 1956, paragraph (iii)(f) and (g) of the Order, are not applicable.
4. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for the sale of services. During the course of our audit, we have neither come across nor have we been informed of any instance of continuing failure to correct major weaknesses in the aforesaid internal control procedures.
5. According to the information and explanation given to us and on the basis of audit procedures performed by us, there are no contracts referred to in Section 301, of the Companies Act, 1956, entered into by the company that has to be entered into in the register required to be maintained under this section, and paragraph (b) of the Order is not applicable.
6. According to the information and explanation given to us and on the basis of audit procedures performed by us, the company has not accepted any deposits from the public to which the directives issued by Reserve Bank of India and the provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under apply.
7. According to the information and explanation given to us and on the basis of audit procedures performed by us, we are of the opinion that the Company's present internal audit system is commensurate with its size and the nature of its business.
8. The Central government has not prescribed the maintenance of cost records by the Company under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956.
9. a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service-tax, customs duty, excise duty, cess and other material statutory dues applicable to it.
  - b) According to the information and explanations given to us, there is no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service-tax, sales-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from which they became payable.

- c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service-tax, customs-duty, excise duty and cess on account of any dispute, are as follows:

| <b>Name of the statute</b> | <b>Nature of the dues</b> | <b>Amount (Rs. in Lakhs)</b> | <b>Period to which the amount relates</b> | <b>Forum where dispute is pending</b> |
|----------------------------|---------------------------|------------------------------|---|---------------------------------------|
| Income Tax Act 1961        | Income Tax Liability      | 113.06                       | 1993-94                                   | ITAT                                  |
| Bombay Sales Tax Act,1959  | Sales Tax Liability       | 3.92                         | 1998-99                                   | Tribunal                              |
| Bombay Sales Tax Act,1959  | Lease Tax Liability       | 15.67                        | 1998-99                                   | Tribunal                              |

10. The company has no accumulated losses as at the end of the financial year. The company has not incurred any cash losses either during the current financial year, and in the immediately preceding financial year.
11. According to the information and explanation given to us and on the basis of audit procedures performed by us, no amount was borrowed from any financial institutions or bank and no debentures were issued by the company.
12. According to the information and explanation given to us and on the basis of audit procedures performed by us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities;
13. In our opinion, considering the nature of activities carried on by the Company during the year, the provisions of any special statute applicable to chit fund/ nidhi/ mutual benefit fund/ societies are not applicable to it.
14. According to the information and explanations given to us and on the basis of audit procedures performed by us, in respect of dealing or trading in securities, debentures and other investments, we report as under :
- a) The company has maintained proper records for the transaction and contract made for purchase and sale of shares, securities, debentures or other investments during the year;
- b) The company has timely entered the transaction and contracts in their records;
- c) On verification of record and according to the information given to us the investments are held in the company's name only.
15. As informed to us, the Company has not given any guarantee for the loans taken by others from banks or financial institutions during the year.
16. According to the information and explanation given to us, the Company have not taken any term loans during the year.
17. According to the information and explanation given to us, the Company has not raised any short-term loans during the year.
18. According to the information and explanation given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. According to the information and explanation given to us, the Company has not issued debentures during the year.
20. The Company has not raised any money by way of public issue during the year.
21. During the course of our examination of the books of accounts and records of the company, carried out in accordance with the generally accepted Auditing Standards in India, according to the information and explanations given to us and to the best of our knowledge and belief we have neither come across any instance of fraud on or by the company has been noticed or reported during the year.

**For V. B. GOEL & CO.**  
Chartered Accountants  
FRN : 115906W

**(Vikas Goel)**

Partner

Membership No. 39287

Place : Mumbai  
Date : 16/05/2011

**TIMES GUARANTY LIMITED****BALANCE SHEET AS AT 31ST MARCH, 2011**

|  | Schedule<br>No. | As at 31.03.11<br>Rs. in lacs | As at 31.03.10<br>Rs. in lacs |
|--|-----------------|-------------------------------|-------------------------------|
| <b>SOURCES OF FUNDS</b>  |                 |                               |                               |
| <b>SHAREHOLDERS' FUNDS</b>                                       |                 |                               |                               |
| a. Share Capital   | 1               | 900.21                        | 900.21                        |
| b. Reserves and Surplus  | 2               | 1,102.70                      | 1,072.46                      |
| <b>TOTAL</b>   |                 | <b>2,002.91</b>               | <b>1,972.67</b>               |
| <b>APPLICATION OF FUNDS</b>                                      |                 |                               |                               |
| <b>FIXED ASSETS</b>  |                 |                               |                               |
| a. Gross Block   | 3               | 1.73                          | 1.73                          |
| b. Less : Accumulated Depreciation                               |                 | 0.94                          | 0.80                          |
| c. Net Block   |                 | 0.79                          | 0.93                          |
| <b>INVESTMENTS</b>   | 4               | 1,943.76                      | 1,901.31                      |
| <b>CURRENT ASSETS, LOANS &amp; ADVANCES:</b>                     |                 |                               |                               |
| a. Current Assets :  | 5               |                               |                               |
| Inventories  | 5A              | 0.06                          | 0.06                          |
| Sundry Debtors   | 5B              | -                             | 0.00                          |
| Cash and Bank Balance  | 5C              | 4.16                          | 8.41                          |
| Other Current Asset  | 5D              | -                             | 0.01                          |
| b. Loans and Advances  | 5E              | 312.55                        | 317.74                        |
|  |                 | 316.77                        | 326.22                        |
| <b>LESS : CURRENT LIABILITIES &amp; PROVISIONS</b>               |                 |                               |                               |
| a. Current Liabilities   | 6               | 68.10                         | 58.02                         |
| b. Provisions  |                 | 190.31                        | 197.77                        |
|  |                 | 258.41                        | 255.79                        |
| <b>Net Current Assets</b>  |                 | <b>58.36</b>                  | <b>70.43</b>                  |
| <b>TOTAL</b>   |                 | <b>2,002.91</b>               | <b>1,972.67</b>               |
| <b>SIGNIFICANT ACCOUNTING POLICIES AND<br/>NOTES TO ACCOUNTS</b> |                 |                               |                               |
|  | 13              |                               |                               |

The Schedule referred to above form an integral part of Balance Sheet

As per our attached Report of even date

**For V B Goel & Co**  
*Chartered Accountants*  
FRN :115906W

**Vikas Goel**  
*Partner*  
M.No.:39287

Place : Mumbai  
Dated : May 16, 2011

**For and on behalf of the Board of Times Guaranty Ltd.**

**Avinash Jain**  
*Director*

**S.Sivakumar**  
*Director*

**Vijay S Devadiga**  
*Company Secretary*

## Annual Report 2010-2011

### PROFIT AND LOSS ACCOUNT AS ON 31ST MARCH, 2011

|  | Schedule<br>No. | For the Year<br>Ended 31.03.11<br>Rs. in lacs | For the Year<br>Ended 31.03.10<br>Rs. in lacs |
|--|-----------------|---|---|
| <b>INCOME</b>  |                 |   |   |
| Income from operation  | 7               | 0.23  | 7.98  |
| Income from Trading and Investment Activities                      | 8               | 60.66   | 199.47  |
| Other Income   | 9               | 0.30  | 4.46  |
| <b>TOTAL INCOME</b>  |                 | <b>61.19</b>                                  | <b>211.91</b>                                 |
| <b>EXPENDITURE</b>   |                 |   |   |
| Personnel expenditures   | 10              | 18.45   | 21.48   |
| Depreciation   |                 | 0.14  | 0.14  |
| Administration expenditures  | 11              | 15.59   | 16.56   |
| Finance Charges  | 12              | 0.02  | 0.01  |
| <b>TOTAL EXPENDITURE</b>   |                 | <b>34.20</b>                                  | <b>38.19</b>                                  |
| Prior Period Income  |                 | 0.00  | 0.56  |
| Prior Period Expenses  |                 | 0.00  | 0.02  |
| <b>PROFIT BEFORE TAX AND PRIOR PERIOD</b>                          |                 | <b>26.99</b>                                  | <b>174.26</b>                                 |
| Provision for Income Tax   |                 | 0.00  | 0.00  |
| Provision for Wealth Tax   |                 | 0.00  | 0.19  |
| Provision of Tax for earlier years                                 |                 | -3.24   | 4.26  |
| <b>PROFIT AFTER TAX</b>  |                 | <b>30.23</b>                                  | <b>169.81</b>                                 |
| Profit Brought Forward   |                 | 354.52  | 218.67  |
| <b>PROFIT AVAILABLE FOR APPROPRIATION</b>                          |                 | <b>384.75</b>                                 | <b>388.48</b>                                 |
| Less: Transfer to Statutory Reserve as per RBI Act 1934            |                 | 6.05  | 33.96   |
| <b>PROFIT CARRIED TO BALANCE SHEET</b>                             |                 | <b>378.71</b>                                 | <b>354.52</b>                                 |
| <b>Earnings per Share (Refer note no. 11 of Schedule 13) (Rs.)</b> |                 |   |   |
| Basic and Diluted EPS  |                 | 0.34  | 1.89  |
| Face Value Per Share   |                 | Rs. 10  | Rs. 10  |

### SIGNIFICANT ACCOUNTING POLICIES AND

### NOTES TO ACCOUNTS

13

The Schedule referred to above form an integral part of Balance Sheet

As per our attached Report of even date

**For V B Goel & Co**  
*Chartered Accountants*  
FRN :115906W

**Vikas Goel**  
*Partner*  
M.No.:39287

Place : Mumbai  
Dated : May 16, 2011

**For and on behalf of the Board of Times Guaranty Ltd.**

**Avinash Jain**  
*Director*

**S.Sivakumar**  
*Director*

**Vijay S Devadiga**  
*Company Secretary*

# TIMES GUARANTY LIMITED

## SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

|   | As at<br><b>31.03.11</b><br>Rs.in Lacs | As at<br><b>31.03.10</b><br>Rs. in Lacs |
|---|--|---|
| <b>SCHEDULE "1" - SHARE CAPITAL</b>   |  |   |
| <b>Authorised</b>   |  |   |
| 1,90,00,000 (1,90,00,000) Equity Shares of Rs.10 each   | <b>1900.00</b>                         | 1900.00                                 |
| 6,00,000 (6,00,000) Preference Shares of Rs.100 each  | <b>600.00</b>                          | 600.00                                  |
|   | <b>2500.00</b>                         | 2500.00                                 |
| <b>Issued , Subscribed and Paid up</b>  |  |   |
| 89,93,149 (89,93,149) Equity Shares of Rs.10 each, fully paid up<br>[Of the above 67,37,399(67,37,399) shares are held by the Holding<br>Company BENNETT, COLEMAN & CO. LTD.] | <b>899.31</b>                          | 899.31                                  |
| <b>Add Forfeited Shares :</b><br>24,900 (24900) Equity Shares of Rs. 10 each, Rs. 5 Paid up<br>(including 7,000 (7000) Equity Shares of Rs. 10 each, Nil Paid up)             | <b>0.90</b>                            | 0.90                                    |
| <b>TOTAL</b>  | <b>900.21</b>                          | <b>900.21</b>                           |

## SCHEDULE "2" - RESERVES & SURPLUS

|  |                |                |
|--|----------------|----------------|
| a Capital Redemption Reserve                   | <b>600.00</b>  | 600.00         |
| b Security Premium                             | <b>47.64</b>   | 47.64          |
| c Statutory Reserve as per RBI Act 1934        |                |                |
| Opening Balance                                | <b>70.30</b>   | 36.34          |
| Additions during the year                      | <b>6.05</b>    | 33.96          |
| Closing Balance                                | <b>76.35</b>   | 70.30          |
| d Contingent Provision against Standard Assets |                |                |
| Opening Balance                                | -              | -              |
| Additions during the year                      | -              | -              |
| Closing Balance                                | -              | -              |
| e Profit and Loss Account                      | <b>378.71</b>  | 354.52         |
| <b>TOTAL</b>                                   | <b>1102.70</b> | <b>1072.46</b> |

## SCHEDULE "3" - FIXED ASSETS (At Cost)

(Rs. In Lacs)

| Description of Assets | Gross Block       |                             |                              |                   | Depreciation      |                   |                              | Net Block         |                   |                   |
|-----------------------|-------------------|-----------------------------|------------------------------|-------------------|-------------------|-------------------|------------------------------|-------------------|-------------------|-------------------|
|                       | As on<br>01.04.10 | Additions<br>for the Period | Deductions<br>for the Period | As on<br>31.03.11 | As on<br>01.04.10 | For the<br>Period | Deductions<br>for the Period | As on<br>31.03.11 | As on<br>31.03.11 | As on<br>31.03.10 |
| <b>OWNED ASSETS</b>   |                   |                             |                              |                   |                   |                   |                              |                   |                   |                   |
| Furniture & Fixtures  | <b>0.33</b>       | 0.00                        | 0.00                         | <b>0.33</b>       | 0.28              | 0.02              | 0.00                         | <b>0.30</b>       | <b>0.03</b>       | 0.05              |
| Computers             | <b>0.50</b>       | 0.00                        | 0.00                         | <b>0.50</b>       | 0.11              | 0.08              | 0.00                         | <b>0.19</b>       | <b>0.31</b>       | 0.39              |
| Office Equipments     | <b>0.90</b>       | 0.00                        | 0.00                         | <b>0.90</b>       | 0.41              | 0.04              | 0.00                         | <b>0.45</b>       | <b>0.45</b>       | 0.49              |
| <b>TOTAL</b>          | <b>1.73</b>       | 0.00                        | 0.00                         | <b>1.73</b>       | 0.80              | 0.14              | 0.00                         | <b>0.94</b>       | <b>0.79</b>       | 0.93              |
| Previous Year         | <b>1.73</b>       | 0.00                        | 0.00                         | <b>1.73</b>       | 0.66              | 0.14              | 0.00                         | <b>0.80</b>       | <b>0.93</b>       | 1.07              |

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS (Continued)**

|   | As at 31.03.11     |                 | As at 31.03.10     |                 |
|---|--------------------|-----------------|--------------------|-----------------|
|   | Quantity<br>(Nos.) | Rs. in<br>lacs  | Quantity<br>(Nos.) | Rs. in<br>lacs  |
| <b>SCHEDULE "4"-INVESTMENTS (Unquoted) Fully Paid Up</b>  |                    |                 |                    |                 |
| <b>OTHER THAN TRADE - LONG TERM (At Cost)</b>   |                    |                 |                    |                 |
| <b>Investment in Property (Asset received under settlement)</b>   |                    | <b>14.88</b>    |                    | <b>14.88</b>    |
| <b>Investment in Mutual Fund</b>  |                    |                 |                    |                 |
| Pru.ICICI FMP Series 50 - 18 Months Plan B<br>[NAV Rs. 10.9110 per unit (Rs. 10.2576)]                  | 500000             | 50.00           | 500000             | 50.00           |
| Pru.ICICI Interval Fund IV Quarterly Interval plan<br>[NAV Rs. per unit (Rs.10.0077)]                   | 0                  | 0.00            | 1500000            | 150.00          |
| Pru.ICICI FMP Series 49- 1 Year Plan A<br>[NAV Rs. per unit (Rs. 10.4651)]                              | 0                  | 0.00            | 1000000            | 100.00          |
| Pru.ICICI FMP Series 52-1 Year Plan C<br>[NAV Rs. 10.3526 per unit (Rs. Nil)]                           | 5000000            | 500.00          | 0                  | -               |
| Pru.ICICI FMP Series 53-1 Year Plan A<br>[NAV Rs. 10.3140 per unit (Rs. Nil)]                           | 1500000            | 150.00          | 0                  | -               |
| Pru.ICICI FMP Series 53-1 Year Plan B<br>[NAV Rs. 10.2692 per unit (Rs. Nil)]                           | 1000000            | 100.00          | 0                  | -               |
| Pru.ICICI FMP Series 53-1 Year Plan C<br>[NAV Rs. 10.0699 per unit (Rs. Nil)]                           | 1000000            | 100.00          | 0                  | -               |
| Pru.ICICI FMP Series 54-18 Month Plan A<br>[NAV Rs. 10.2285 per unit (Rs. Nil)]                         | 994760             | 99.48           | 0                  | -               |
| Pru ICICI Annual Interval Plan IV<br>[NAV Rs. 10.2867 per unit (Rs. Nil)]                               | 1000000            | 100.00          | 0                  | -               |
| Pru.ICICI FMP Series 55-1 Year Plan A<br>[NAV Rs. 10.0434 per unit (Rs. Nil)]                           | 120000             | 12.00           | 0                  | -               |
| Pru ICICI Annual Interval Plan III<br>[NAV Rs. 10.3026 per unit (Rs. Nil)]                              | 3545784            | 354.58          | 0                  | -               |
| HDFC FMP 14 M March 2010 Series XII Qtr<br>Dividend Payout<br>[NAV Rs. 10.0145 per unit (Rs. 10.01999)] | 1500000            | 150.00          | 1500000            | 150.00          |
| HDFC FMP 370 Day September 2010 (2)<br>[NAV Rs. 10.3002 per unit (Rs. Nil)]                             | 2000000            | 200.00          | 0                  | -               |
| HDFC FMP 370D November 2010 (1)<br>[NAV Rs. 10.2748 per unit (Rs. Nil)]                                 | 1000000            | 100.00          | 0                  | -               |
| <b>OTHER THAN TRADE - SHORT TERM</b>  |                    |                 |                    |                 |
| Pru.ICICI Medium Term Plan Premium Plus<br>[NAV Rs. per unit (Rs. 10.0100)]                             | 0                  | 0.00            | 8999400            | 900.00          |
| Pru ICICI Flexible Income Plan Premium Daily Dividend<br>[NAV Rs. 105.7350 per unit (Rs. 105.7350)]     | 260                | 0.27            | 115371             | 121.99          |
| HDFC Cash Management Fund Treasury Adv Plan<br>[NAV Rs. 10.0315 per unit (Rs. Nil)]                     | 125075             | 12.55           | 143957             | 14.44           |
| HDFC Short Term Plan - Dividend<br>[NAV Rs. per unit (Rs. 10.3368)]                                     | 0                  | 0.00            | 3874918            | 400.00          |
| <b>TOTAL</b>  |                    | <b>1,928.88</b> |                    | <b>1,886.43</b> |
|   |                    | <b>1,943.76</b> |                    | <b>1,901.31</b> |

**TIMES GUARANTY LIMITED****SCHEDULES FORMING PART OF FINANCIAL STATEMENTS (Continued)**As at 31.03.2011 As at 31.03.2010  
Rs. in Lacs Rs. in Lacs**SCHEDULE "5" - CURRENT ASSETS, LOANS AND ADVANCES****Current Assets****5A Inventories**31.03.2011 31.03.2010  
Qty (Nos.) Qty (Nos.)**Quoted Stock of Securities****Equity Shares of Rs. 10 each fully paid up**

|                |   |   |      |      |
|----------------|---|---|------|------|
| JSW Steels Ltd | 8 | 8 | 0.06 | 0.06 |
|                |   |   | 0.06 | 0.06 |

**Unquoted Stock of Securities****Equity Shares of Rs. 10 each fully paid up**

|                      |        |        |      |      |
|----------------------|--------|--------|------|------|
| Hindustan Times Ltd. | 700    | 700    | 2.98 | 2.98 |
| LMP Gujarat Agro Ltd | 29,400 | 29,400 | 2.94 | 2.94 |
| Surya Murphy         | 400    | 400    | 0.00 | 0.00 |
| Flex Industry        | 20     | 20     | 0.00 | 0.00 |

**Sub total**

5.92 5.92

**Less : Provision for Diminution in value**

5.92 5.92

**TOTAL****0.00 0.00**

## Market Value

0.10 0.10

**5B Sundry debtors : (Unsecured)**

## More than six months -

|                     |  |  |      |      |
|---------------------|--|--|------|------|
| Considered good     |  |  | 0.00 | 0.00 |
| Considered doubtful |  |  | 0.00 | 0.00 |

0.00 0.00

## Less : Provision for Doubtful Debts

0.00 0.00

**Sub Total****0.00 0.00**

## Freehold Land (Rs. 7.07 Lacs fully provided for)

0.00 0.00

(Refer Schedule '13' Notes to Account 4th Point)

**5C Cash and Bank Balances :**

|              |  |  |      |      |
|--------------|--|--|------|------|
| Cash on Hand |  |  | 0.03 | 0.02 |
|--------------|--|--|------|------|

## Balances with Scheduled Banks:

|                     |  |  |      |      |
|---------------------|--|--|------|------|
| In Current Accounts |  |  | 4.13 | 8.19 |
|---------------------|--|--|------|------|

|   |  |  |      |      |
|---|--|--|------|------|
| In Fixed Deposit (Lien with Sales Tax Department) |  |  | 0.00 | 0.20 |
|---|--|--|------|------|

**Sub Total****4.16 8.41**



**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS (Continued)**

|   | As at 31.03.2011<br>Rs. in Lacs | As at 31.03.2010<br>Rs. in Lacs |
|---|---------------------------------|---------------------------------|
| <b>SCHEDULE "5" - CURRENT ASSETS, LOANS AND ADVANCES</b>              |                                 |                                 |
| <b>5D Other Current Assets</b>  |                                 |                                 |
| Interest Accrued but not due  | 0.00                            | 0.01                            |
| <b>5E Loans and Advances</b>  |                                 |                                 |
| Other Loans, considered good  | 2.70                            | 3.60                            |
| Deposits - Others   | 0.39                            | 0.39                            |
| Advances recoverable in cash or kind<br>or for value to be received : |                                 |                                 |
| Considered Good   | 0.95                            | 0.06                            |
| Advance tax (Including Tax Deducted at Source)                        | 306.29                          | 310.14                          |
| Advance Wealth Tax  | 0.27                            | 0.40                            |
| Advance Sales Tax   | 1.58                            | 1.58                            |
| Gratuity Fund   | 0.37                            | 1.57                            |
|   | <u>312.55</u>                   | <u>317.74</u>                   |
| <b>SCHEDULE "6" - CURRENT LIABILITIES AND PROVISIONS</b>              |                                 |                                 |
| <b>A Current Liabilities</b>  |                                 |                                 |
| Other Liabilities   | 68.10                           | 58.02                           |
| Due to MSME Parties   | 0.00                            | 0.00                            |
| <b>TOTAL</b>  | <u>68.10</u>                    | <u>58.02</u>                    |
| <b>B Provisions for</b>   |                                 |                                 |
| Income Tax  | 190.00                          | 197.21                          |
| Wealth Tax  | 0.32                            | 0.56                            |
| <b>TOTAL</b>  | <u>190.31</u>                   | <u>197.77</u>                   |

**TIMES GUARANTY LIMITED****SCHEDULES FORMING PART OF FINANCIAL STATEMENTS (Continued)**

|  | <b>For the Year<br/>Ended 31.03.11<br/>Rs. in lacs</b> | For the Year<br>Ended 31.03.10<br>Rs. in lacs |
|--|--|---|
| <b>SCHEDULE "7"</b>                                  |  |   |
| <b>INCOME FROM OPERATION</b>                         |  |   |
| Recovery from the fully provided clients             | 0.23   | 7.85  |
| Service Charges for Recovery                         | 0.00   | 0.13  |
|  | <b>0.23</b>  | <b>7.98</b>                                   |
| <b>SCHEDULE "8"</b>                                  |  |   |
| <b>INCOME FROM TRADING AND INVESTMENT ACTIVITIES</b> |  |   |
| Profit on Sale of Investment - long term             | 3.56   | 17.47   |
| Dividend on Non trade Investments - Long Term        | 17.72  | 111.06  |
| Dividend on Non trade Investments - Short Term       | 35.88  | 70.93   |
| Dividend from securities held as stock in trade      | 0.00   | 0.01  |
| Profit on Sale of Securities held as stock in trade  | 3.50   | 0.00  |
|  | <b>60.66</b>   | <b>199.47</b>                                 |
| <b>SCHEDULE "9" - OTHER INCOME</b>                   |  |   |
| Interest on Bank Deposits<br>[TDS Rs. NIL (Rs. NIL)] | <b>0.00</b>  | 0.03  |
| Interest on other loans                              | 0.04   | 0.05  |
| Interest on Income Tax Refund                        | 0.00   | 3.65  |
| Misc Income  | 0.26   | 0.73  |
| <b>TOTAL</b>   | <b>0.30</b>  | <b>4.46</b>                                   |
| <b>SCHEDULE "10" - PERSONNEL EXPENSES</b>            |  |   |
| Personnel Cost                                       |  |   |
| Salaries   | 6.52   | 6.93  |
| House Rent Allowance                                 | 2.04   | 2.64  |
| Other Allownaces                                     | 7.18   | 10.14   |
| Contribution to Provident Fund and other Funds       | 1.52   | 1.77  |
| Acturial Loss (Gratuity)                             | 1.19   | 0.00  |
|  | <b>18.45</b>   | <b>21.48</b>                                  |

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS (Continued)**

|  | <b>For the Year<br/>Ended 31.03.11<br/>Rs. in lacs</b> | <b>For the Year<br/>Ended 31.03.10<br/>Rs. in lacs</b> |
|--|--|--|
| <b>SCHEDULE "11" - ADMINISTRATION EXPENSES</b> |  |  |
| Staff Welfare                                  | 0.01   | 0.02   |
| Legal and Professional Charges                 | 5.96   | 6.97   |
| Rates & Taxes                                  | 0.22   | 0.22   |
| Internal Audit Fees                            | 0.21   | 0.22   |
| Telephone Expenses                             | 0.13   | 0.18   |
| Auditors' Remuneration (Including Service Tax) |  |  |
| Statutory Audit                                | 0.30   | 0.83   |
| Tax Audit                                      | 0.10   | 0.22   |
| Certification                                  | 0.20   | 0.30   |
| Other  | 0.12   | 0.25   |
| Loss on TGFL Trust                             | 0.64   | 0.00   |
| Advertisement                                  | 0.82   | 0.57   |
| Conveyance and Travelling                      | 0.06   | 0.21   |
| Printing and Stationery                        | 0.49   | 2.32   |
| Repairs and Maintenance - Others               | 0.95   | 1.38   |
| Postage and courier charges                    | 0.03   | 0.03   |
| Membership Fees                                | 0.39   | 0.38   |
| Director's Sitting Fees                        | 0.12   | 0.12   |
| Listing Fees                                   | 0.97   | 0.99   |
| Registrar & Transfer expenses                  | 1.81   | 1.35   |
| Other Expenses                                 | 2.06   | 0.00   |
| <b>TOTAL</b>                                   | <b>15.59</b>   | <b>16.56</b>   |
| <b>SCHEDULE "12" - FINANCE CHARGES</b>         |  |  |
| Bank Charges                                   | 0.02   | 0.01   |
| <b>TOTAL</b>                                   | <b>0.02</b>  | <b>0.01</b>  |

# **TIMES GUARANTY LIMITED**

---

## **SCHEDULE :13**

### **SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**

#### **A) SIGNIFICANT ACCOUNTING POLICIES**

##### **1. Basis of Accounting**

The accompanying financial statements are consistently prepared under the historical cost convention, on the accrual basis of accounting and comply with the accounting standards (to the extent applicable) and in accordance with the generally accepted accounting principles, the provisions of the Companies Act, 1956 and regulations of Reserve Bank of India to the extent applicable.

##### **2. Method of Accounting**

The company follows the mercantile system of accounting.

##### **3. Use of Estimates**

The preparation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent assets and liabilities. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any differences of actual results to such estimates are recognized in the period in which the results are known/ materialized. Examples of such estimates include future obligations under employee retirement benefit plans, provision for income taxes.

##### **4. Investment**

Investments are classified into long-term investments and current investments. Investments that are intended to be held for one year or more are classified as long-term investments and investments that are intended to be held for less than one year are classified as current investments.

Long term investments are valued at cost. Provision for diminution in value of long term investments is made if in the opinion of management such a decline is other than temporary.

Current investments are valued at cost or market/fair value, whichever is lower.

Net asset value of units declared by mutual funds is considered at market value.

##### **5. Inventories**

Inventories are valued at cost or fair value whichever is lower.

##### **6. Fixed Assets**

Fixed Assets are stated at cost less accumulated depreciation thereon. The cost of fixed assets comprises purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use.

Profit or loss on disposal of the assets is determined as the difference between the carrying amount of the assets at the time of the disposal and the proceeds, and is accounted for in the year of disposal.

##### **7. Depreciation**

The Company provides pro-rata depreciation from the date on which asset is acquired / put to use. In respect of assets sold, prorata depreciation is provided up to the date on which the asset is sold. On all assets, except as mentioned below, depreciation has been provided using the Straight-line method at the rates specified in Schedule XIV to the Companies Act, 1956.

Assets costing Rs. 5,000/- or less are fully depreciated in the year of purchase.

**8. Revenue Recognition :**

- a) Dividend Income is accounted when the right to receive the dividend is established.
- b) Profit/loss on sale of Investment is determined based on the Weighted Average cost of the investments sold.
- c) All expenses and other income are accounted for on accrual basis.
- d) In case of Non Performing Assets, interest income is recognized on receipt basis, as per prudential norms issued by Reserve Bank of India (RBI).

**9. Borrowing Cost**

Borrowing cost attributable to the acquisition and construction of qualifying assets are capitalized as part of the cost of respective assets upto the date when such asset is ready for its intended use. Other borrowing cost are charged to revenue.

**10. Taxation**

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law), deferred tax charge or credit (reflecting the tax effect of timing differences between accounting income and taxable income for the period) and fringe benefit tax.

**Current Tax: :**

Provision for current tax is made on the basis of estimated taxable income for the accounting year in accordance with the Income Tax Act, 1961.

**Deferred Tax**

The deferred tax charge or credit and the corresponding deferred tax liabilities and assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the asset can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of the assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonable/virtually certain (as the case may be) to be realized.

**11. Retirement Benefit**

**A.** Short term employee benefit are recognized as an expenses at undiscounted amount in the Profit & Loss Account of the year in which the relevant services are rendered.

**B. Retirement Benefit**

**Provident Fund :**

Company's contribution paid/payable for the year on account of Provident Fund and Family Pension Fund are charged to Profit and Loss Account.

**Gratuity:**

Gratuity is post employment benefit and is in the nature of Defined Benefit Plan. The Liability recognized in the balance sheet in respect of gratuity is the present value of defined benefit obligation at the balance sheet date together with the adjustments for unrecognized actuarial gain or losses and the past service costs. The defined benefit obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method.

**Superannuation:**

During the year, the Company has contributed to the Employees Superannuation Fund as per the LIC Scheme in that behalf.

**Leave Encashment:**

As per company's leave encashment policy employee may encash all unavailed leaves at the end of the financial year accrued to him/her and it is not carried forward.

**12. Provisions, Contingent Liabilities and Contingent Assets**

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognized in the period in which the change occurs.

**B) NOTES TO ACCOUNTS :****1. Contingent Liabilities**

Claims not acknowledged as debts Rs. 34.28 lakhs. (Previous year Rs.34.28 lakhs)

**Tax Demand***Income Tax*

The income tax assessment for the assessment year 1993-94 was completed resulting in demand of Rs. 113.06 lakhs, (Previous year Rs.113.06 lakhs) against which the Company is in appeal.

*Sales Tax*

Sales tax assessment under the Bombay Sales Tax Act for the assessment year 1998-99, was completed in respect of Bombay Sales Tax and Lease Tax and resulted in demand for Rs.3.92 lakhs and Rs.15.67 lakhs respectively (Previous year Rs.3.92 lakhs and Rs.15.67 lakhs respectively). The company has preferred an appeal against the orders with Deputy Commissioner.

2. In accordance with the asset classification and provisioning requirements as per Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007 issued by the Reserve Bank of India, the following provisions have been made against Sub-standard and Doubtful Assets.

(Rs. in lacs)

| <b>Particulars</b>                   | <b>Amount of<br/>Standard<br/>Assets</b> | <b>Amount of<br/>Sub-Standard,<br/>doubtful assets<br/>and Loss Assets</b> | <b>Total</b> | <b>Provisioning<br/>as on<br/>31/3/2011</b> |
|--------------------------------------|--|--|--------------|---|
| Sundry Debtors                       | Nil                                      | Nil  | Nil          | Nil   |
| Advances Recoverable in cash or kind | 0.39                                     | Nil  | 0.39         | 0.00  |
| Loans to Others                      | 2.70                                     | Nil  | 2.70         | 0.01  |

**3. Impairment of Assets**

There is no such impairable Assets at the year ended in term of AS – 28. Hence company has not made any provision for impairment loss.

**4. Assets Received under Settlement**

The Company in the past had written-off amounts recoverable from certain debtors as the recovery of the same was uncertain.

In earlier years, the company had received land under the settlement in case of a debtor which was fully written off. However, the ownership of this land has still not been transferred to the company and hence being shown under debtors at NIL value.

In case of a debtor, the Company in Oct 1997, had received under a settlement, the right to receive property to be developed in future. These assets were treated as fixed assets from October 1997 until March 31st, 2005 and accordingly depreciated in the books of account for the above said period.

It had been decided to dispose off such assets in the financial year 2005-06 and were accordingly transferred from April 1st, 2005 to current assets at its written down value as 'assets held for sale' and hence no further depreciation charged on it.

The assets as per the requirement of Accounting Standard -13 “Accounting for Investments” have been disclosed under Investments. The depreciation needs to be provided from April 1st, 2005 to date. The additional cumulative depreciation works out to Rs. 2,02,153 of which the prior period amounts to Rs. 1,68,461 and current year charge amounts to Rs. 33,692, the effect of which not being material has not been provided in the books of account.

**5. Current Assets ,Loans and Advances**

The current assets, loans and advances and the investments of the Company are expected to be realized at values not less than those stated in the Balance Sheet. Hence no impairment loss recognized on such assets.

During the earlier years, on account of non-availability of share certificates in respect of certain equity shares and transfer of shares for settlement of PMS account, relevant book value of such shares were written off / adjusted. Subsequently, after proper scrutiny and wherever the shares were available or shares have not been transferred, they have been included as part of stock of security by assigning a value of Re. 1 to each of such securities by crediting to profit & loss account of such year. Such value of Re. 1 is considered as cost for the purpose of valuation of relevant securities.

| <b>Scrip Name</b>        | <b>31.03.2011</b> | <b>31.03.2010</b> |
|--------------------------|-------------------|-------------------|
| Shree Krishna Petro Ltd  | <b>67</b>         | 67                |
| Hindustan Lever Limited  | <b>4450</b>       | 4450              |
| Gujarat Ambuja Cements   | <b>450</b>        | 750               |
| Lupin Laboratories       | <b>50</b>         | 100               |
| Ceat Ltd                 | <b>75</b>         | 75                |
| CHI Investments Ltd      | <b>4</b>          | 25                |
| Great Offshore Ltd       | <b>Nil</b>        | 64                |
| G E Shipping             | <b>159</b>        | 259               |
| Triton Corp              | <b>4200</b>       | 4200              |
| Vinyl Chemicals          | <b>0</b>          | 200               |
| Pacific Industries       | <b>20</b>         | 20                |
| Jindal Steel & Power Ltd | <b>600</b>        | 900               |
| Reliance Industries      | <b>250</b>        | 250               |

## **TIMES GUARANTY LIMITED**

### **6. Employee Benefits :**

#### **Defined Contribution Plans**

The Company has recognized the following amounts in the Profit and Loss Account for the year ended March 31, 2011

| <b>Particulars</b>                      | <b>Amount in (Rs.)</b> |
|---|------------------------|
| Contribution to Provident Fund          | 55,345                 |
| Contribution to Super Annuation Fund    | 60,906                 |
| Contribution to Employee Pension Scheme | 31,116                 |
| Contribution to Gratuity Fund           | 1,294                  |

#### **Defined Benefit Plans**

Valuations in respect of Gratuity have been carried out by independent actuary, as at the Balance Sheet date on Projected Unit Credit Method, based on the following assumptions:

| <b>Actuarial Assumptions for the year</b> | <b>Current Year</b> | <b>Previous Year</b> |
|---|---------------------|----------------------|
| Discount Rate                             | 8%                  | 8%                   |
| Rate of Returns on Plan Assets            | 8%                  | 8%                   |
| Salary Escalation Rate                    | 6.5%                | 6.5%                 |
| Attrition Rate                            | 1%                  | 1%                   |

#### **Change in Benefit Obligation:**

| <b>Particulars</b>                     | <b>Current Year</b> | <b>Previous Year</b> |
|--|---------------------|----------------------|
| Liability at the beginning of the year | 4,54,045            | 4,50,488             |
| Interest Cost                          | 36,324              | 33,787               |
| Current Service Cost                   | 28,713              | 29,865               |
| Benefit Paid                           | (1,89,614)          | -                    |
| Actuarial (gain)/loss on obligations   | 99,595              | (60,094)             |
| Liability at the end of the year       | 4,29,062            | 4,54,045             |

#### **Fair Value of Plan Assets:**

| <b>Particulars</b>                                     | <b>Current Year</b> | <b>Previous Year</b> |
|--|---------------------|----------------------|
| Fair Value of Plan Assets at the beginning of the year | 6,09,872            | 559,516              |
| Expected Return on Plan Assets                         | 48,790              | 41,964               |
| Contributions  | 1,294               | -                    |
| Benefit Paid   | (1,89,614)          | -                    |
| Actuarial gain/(loss) on Plan Assets                   | (3,412)             | 8,392                |
| Fair Value of Plan Assets at the end of the year       | 4,66,930            | 609,872              |
| Total Actuarial Gain/Loss) to be Recognized            | (1,03,006)          | 68,486               |





## **TIMES GUARANTY LIMITED**

---

### **10. Related Party Disclosures**

*Related Party* *Relationship*

Bennett, Coleman & Company Ltd. Holding Company

(Holds 74.92% of the Equity Share Capital as at March 31, 2011)

#### **Fellow Subsidiaries**

Dharmayug Investments Limited, Satyam Properties & Finance Ltd., Rajdhani Printers Ltd., Surge Enterprises Ltd., Banhem Estates & I T Parks Ltd., 21st Century Constructions Ltd., Times Journal India. Ltd., Times Global Broadcasting Company Ltd., Times Business Solutions Ltd., Suryashankar Properties Ltd., Shubhan Properties Ltd., Aadidev Properties Ltd., Aryabhata Properties Ltd., Anagha Estates Ltd., Sushena Properties Ltd., Vaidehi Estates Ltd., Zoom Entertainment Network Ltd., Zoom Movies (TV) Ltd., Times Digital Ltd., Times Yoga Ltd., PT Ventures Private Ltd., Bennett Broadcasting & Distribution Services Ltd., (Earlier known as Times Goa Media Ltd.) Centre for Excellence in Management Training and Development, Speaking Tree Properties Ltd., Nandeshwar Properties Ltd., Ativeer Properties Ltd., Media Network & Distribution (India) Ltd., Bennett Property Holdings Company Ltd., Times Innovative Media Ltd., Brand Equity Treaties Ltd., Mind Games Shows Pvt. Ltd., Vardhaman Publishers Limited, Times VPL Ltd., Times Infotainment Media Limited, Mirchi Movies (India) Ltd., Entertainment Network (India) Limited, Alternate Brand Solutions (India) Ltd., TIML Global Ltd., TIML Golden Square Ltd., TIML Radio Holdings Ltd., One Golden Square Creative Ltd., TIML Radio Ltd., TIML Digital Radio Ltd., Artha Financial Services Ltd., Artha Broking Services Ltd., Artha Commodities Ltd., Artha Distribution Services Ltd., Artha Forex Services Ltd., Artha Insurance Broking Services Ltd., Artha Credit Pvt. Ltd., Times Internet Limited, Times Internet Inc., USA, Times Internet (UK) Limited, UK, Times Websol Ltd., Times Mobile Ltd., a2zShopping Ltd., TimesofMoney Limited, TimesofMoney Inc. (USA), TimesofMoney UK-PLC(UK), TOM Payment Solutions Ltd.

#### **Key Management Personnels:**

Dr. Bhaskar Das - Chairman

Mr. S. Sivakumar – Director

Mr. P. M. Rao – Director (up to 16/05/2011)

Related party relationships are as identified by the management.

#### **Transactions with Holding Company, Bennett, Coleman & Co. Ltd.**

| <b>Particulars</b> | <b>Rs. In Lacs</b>        |                 |
|--------------------|---------------------------|-----------------|
|                    | <b>For the Year Ended</b> |                 |
|                    | <b>31.03.11</b>           | <b>31.03.10</b> |
| Printing Expenses  | <b>0.82</b>               | 0.57            |

#### **Transactions with Director**

| <b>Particulars</b>              | <b>Rs. In Lacs</b>        |                 |
|---------------------------------|---------------------------|-----------------|
|                                 | <b>For the Year Ended</b> |                 |
|                                 | <b>31.03.11</b>           | <b>31.03.10</b> |
| Sitting fees to Mr. D.N. Shukla | <b>0.12</b>               | 0.12            |

**11. Earnings Per Share**

The earning considered in ascertaining the Company's earning per share comprises the net profit after tax. The number of shares used in calculation of basic/diluted EPS is the weighted average number of shares outstanding during the period which is calculated as below :

| <b>Particulars</b>   | <b>Rs. In Lacs</b>        |                 |
|--|---------------------------|-----------------|
|  | <b>For the Year Ended</b> |                 |
|  | <b>31.03.11</b>           | <b>31.03.10</b> |
| Number of Equity shares outstanding at the end of the year<br>(Face Value Rs.10/-) (Rs.in lakhs) | <b>899.31</b>             | 899.31          |
| Net Profit/(Loss) after tax (Rs.in lakhs)  | <b>30.23</b>              | 169.81          |
| Basic and Diluted earning per share before extra ordinary items                                  | <b>0.34</b>               | 1.89            |

**12. Reserve Fund**

In accordance with the provisions of section 45- IC of the RBI Act, 1934, the Company has created a Reserve Fund & during the year, the Company has transferred an amount of Rs6.05 lakhs (Previous Year Rs. 33.96 lakhs) to Reserve Fund, it being 20% of the Profit after Tax.

**13. Tax**

The Company has made adequate provision of Income Tax of Rs Nil (P. Y. Rs. Nil) payable under the provision of Income Tax Act, 1961. The Company has unabsorbed depreciation and carried forward losses available for set off under the Income Tax Act 1961. In view of uncertainty regarding generation of sufficient future taxable income, on prudent basis, deferred tax assets have not been recognized in the accounts.

**14. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006**

Disclosures, relating to amounts unpaid as at the year end together with interest paid / payable as required under the Micro, Small and Medium Enterprise Development Act, 2006 have been given to the extent Group has received intimation from "Suppliers" regarding their status under the said Act.

**15. Contingent Provision against Standard Assets**

In accordance with the notification dated 17.01.2011 issued under the Non Banking (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, the Company has created a Contingent Provision against Standard Asset and during the year, the Company has transferred an amount of Rs 771 (Previous Year Nil) to Reserve Fund, it being 0.25% of the Standard Assets.

**16. Previous Year's Figures**

Previous year figures have been rearranged, regrouped & recast wherever necessary.





## **TIMES GUARANTY LIMITED**

---

- (6) Investor group-wise classification of all investments  
(current and long term) in shares and securities  
(both quoted and unquoted):

| Category                        | Market Value/Break<br>up or fair value or<br>NAV | Book Value<br>(Net of Provisions) |
|---------------------------------|--|-----------------------------------|
| 1. Related parties              | Nil  | Nil                               |
| (a) Subsidiaries                |  |                                   |
| (b) Companies in the same group |  |                                   |
| (c) Other related parties       |  |                                   |
| 2. Other than related parties   | 1984.05  | 1,928.88                          |
| Total                           |  |                                   |

---

- (7) Other information

| Particulars                                   | Amount |       |
|---|--------|-------|
| (i) Gross Non-performing Assets               | Nil    | Nil   |
| (a) Related Parties                           |        |       |
| (b) Other than related parties                | 0      | 0     |
| (ii) Net Non-Performing Assets                | Nil    | Nil   |
| (a) Related Parties                           |        |       |
| (b) Other than related parties                |        |       |
| (iii) Assets acquired in satisfaction of debt | 14.88  | 14.88 |

Mumbai  
May 16,2011

**Avinash Jain**  
Director

**S. Sivakumar**  
Director

**Vijay S Devadiga**  
Company Secretary

## Annual Report 2010-2011

### CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2011

|   | For The<br>Year ended<br>31.03.2011<br>(Rs. in Lacs) | For The<br>Year ended<br>31.03.2010<br>(Rs. in Lacs) |
|---|--|--|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                           |  |  |
| Profit before Tax and Extraordinary Items                               | 26.99  | 174.26   |
| Adjustments for   |  |  |
| Depreciation  | 0.14   | 0.14   |
| Excess Provision Written Back   | 0.00   | 0.00   |
| <b>Operating profit before working capital changes</b>                  | <b>27.13</b>   | <b>174.40</b>  |
| Adjustments for   |  |  |
| Changes in Current Assets   |  |  |
| Sundry debtors  | 0.00   | 0.00   |
| Change In stock of securities   | 0.00   | (0.06)   |
| Change In Fixed Deposit   | 0.20   | 0.00   |
| Interest accrued but not due  | 0.01   | 0.27   |
| Loans and advances  | 1.21   | (0.64)   |
|   | 1.42   | (0.43)   |
| Changes in Current Liabilities & Provisions                             |  |  |
| Current liabilities & Provisions  | 10.08  | 4.41   |
|   | 10.08  | 4.41   |
| <b>Cash generated from operations</b>                                   | <b>38.63</b>   | <b>178.38</b>  |
| Less : Taxes Paid/ Refund   | (0.23)   | 27.30  |
| <b>Cash flow from operating activities Before Prior Period Expenses</b> | <b>38.40</b>   | <b>205.68</b>  |
| Less : Prior Period Expenses  | 0.00   | 4.26   |
| <b>Cash flow from operating activities</b>                              | <b>38.40</b>   | <b>201.42</b>  |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                           |  |  |
| Purchase of investment  | (42.45)  | (193.38)   |
| <b>Net cash used in investing activities</b>                            | <b>(42.45)</b>                                       | <b>(193.38)</b>                                      |
| <b>Net Decrease in cash or cash equivalents</b>                         | <b>(4.05)</b>  | <b>8.04</b>  |
| Closing balance of cash & cash equivalents                              | 4.16   | 8.21   |
| Opening balance of cash & cash equivalents                              | 8.21   | 0.17   |
| <b>Change in cash balance</b>   | <b>(4.05)</b>  | <b>8.04</b>  |

As per our attached Report of even date

**For V B Goel & Co**  
*Chartered Accountants*  
FRN :115906W

**Vikas Goel**  
*Partner*  
M.No.:39287

Place : Mumbai  
Dated : May 16, 2011

**For and on behalf of the Board of Times Guaranty Ltd.**

**Avinash Jain**  
*Director*

**S.Sivakumar**  
*Director*

**Vijay S Devadiga**  
*Company Secretary*

## **TIMES GUARANTY LIMITED**

### **STATEMENT PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956 BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

#### **I. Registration details**

|                    |            |            |    |
|--------------------|------------|------------|----|
| Registration No.   | 1154398    | State Code | 11 |
| Balance Sheet Date | 31.03.2011 |            |    |

#### **II Capital raised during the year (Amount in Rs. Lacs)**

|              |     |                   |     |
|--------------|-----|-------------------|-----|
| Public Issue | Nil | Rights Issue      | Nil |
| Bonus Issue  | Nil | Private Placement | Nil |

#### **III Position of mobilisation and deployment of funds (Amount in Rs. Lacs)**

|                   |         |              |         |
|-------------------|---------|--------------|---------|
| Total Liabilities | 2002.91 | Total Assets | 2002.91 |
|-------------------|---------|--------------|---------|

##### **Sources of Funds**

|                 |        |                    |         |
|-----------------|--------|--------------------|---------|
| Paid up Capital | 900.21 | Reserves & Surplus | 1102.70 |
| Secured Loans   | Nil    | Unsecured Loans    | Nil     |

##### **Application of funds**

|                    |       |                           |         |
|--------------------|-------|---------------------------|---------|
| Net Fixed Assets   | 0.79  | Investments               | 1943.76 |
| Net Current Assets | 58.36 | Miscellaneous expenditure | Nil     |
| Accumulated losses | Nil   |                           |         |

#### **IV Performance of the Company (Amount in Rs. Lacs)**

|                    |       |                  |       |
|--------------------|-------|------------------|-------|
| Income             | 61.19 | Total Expenses   | 34.20 |
| Profit before tax  | 26.99 | Profit after tax | 30.23 |
| Earnings per share | 0.34  | Dividend rate %  | Nil   |

#### **V Generic names of three principal services of the Company (as per monetary terms)**

|               |                       |
|---------------|-----------------------|
| Item code no. | N.A.                  |
| Service       | Recovery of past dues |
| Item code no. | N.A.                  |
| Service       | Advisory services     |
| Item code no. | N.A.                  |
| Service       | Investment Services   |

As per our attached Report of even date

**For V B Goel & Co**  
*Chartered Accountants*  
**FRN :115906W**

**Vikas Goel**  
*Partner*  
**M.No.:39287**

Place : Mumbai  
Dated : May 16, 2011

**For and on behalf of the Board of Times Guaranty Ltd.**

**Avinash Jain**  
*Director*

**S.Sivakumar**  
*Director*

**Vijay S Devadiga**  
*Company Secretary*



# TIMES GUARANTY LIMITED

Registered Office : Trade House, 1<sup>st</sup> Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013

## Green Initiative in Corporate Governance

Dear Shareholder,

As part of the "Green Initiative in Corporate Governance", the Ministry of Corporate Affairs (MCA), Government of India, through the Circular Nos. 17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011 respectively, has allowed companies to send official documents to their shareholders electronically considering its legal validity under the Information Technology Act, 2000.

Ecological sustainability is an increasing need of the modern world. The much welcomed initiative of MCA, taken in cognizance of the need, offers you the benefit of receiving communications faster and does away with the risk of loss of documents in postal transit. Your conscious decisions to opt for electronic form of communication will actively contribute in your Company's Corporate Social Responsibility initiatives and help in reduction of paper consumption resulting in a greener environment.

Being a Company with strong focus on green initiatives, Times Guaranty Ltd. proposes to send all shareholder communications such as the notice of General Meetings, Audited Financial Statements, Director's Report, Auditors' Report, etc. henceforth to shareholders in electronic form to the E-Mail Id provided by its shareholders and made available to us by the Depositories.

Currently, we do not have your E-mail Id on our records. Keeping in view the spirit of the MCA directive, we request you to register yourself for receiving electronic communications in lieu of physical form by either returning (by post or emailing) the duly filled-in and signed form appended below directly to your Company or by mailing your details to our depositories, Central Depository Services (India) Limited and National Securities Depository Ltd. Alternatively, you may also call the Company on Tel. No. (022) 22731386 and speak to Ms. Gladys Vaz and notify your email id. The Company shall then take further steps to confirm the information provided by you. Any changes to your email address details may also be notified to us in writing from time to time.

In case you desire to receive future communications in physical form, please email the duly filled-in form appended below after selecting your preference to that effect.

We are sure, that as a responsible citizen, you will whole-heartedly support this initiative by opting for electronic receipt of future communications.

**For Times Guaranty Limited**

Place : Mumbai

**Company Secretary**

Form for registration of E-mail Id for receiving documents/notices through electronic mode

I/We, shareholder(s) of Times Guaranty Limited hereby agree to receive documents/notices from Times Guaranty Limited through electronic mode and my E-mail Id(s) for receiving such documents/notices is/are given below :

YES

NO

|   |  |
|---|--|
| Name (in block letters) (including joint holders, if any) |  |
| Registered Folio Number/DP ID/Client ID                   |  |
| E-Mail Id   |  |
| Communication Address :                                   |  |

Place :

Signature

Date :





# TIMES GUARANTY

## Times Guaranty Limited

### ATTENDANCE SLIP

**Registered Office :** Trade House, 1<sup>st</sup> Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL. Joint Shareholders may obtain additional Attendance Slip at the Venue of the meeting

|        |  |
|--------|--|
| DP.Id* |  |
|--------|--|

|           |  |
|-----------|--|
| Folio No. |  |
|-----------|--|

|            |  |
|------------|--|
| Client Id* |  |
|------------|--|

NAME AND ADDRESS OF THE SHAREHOLDER

No. of Shares(s) held :

I hereby record my presence at the 21st ANNUAL GENERAL MEETING of the Company held on Thursday, September 22, 2011 at 11.00 a.m. at Babasaheb Dahanukar Hall, Maharashtra Chamber of Commerce, Industry & Agriculture, 'Oricon House', 6th Floor, 12, K. Dubash Marg, Fort, Mumbai 400001.

Signature of the shareholder/proxy

\*Applicable for investors holding shares in electronic form.



# TIMES GUARANTY

## Times Guaranty Limited

**Registered Office :** Trade House, 1<sup>st</sup> Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013

### PROXY FORM

|        |  |
|--------|--|
| DP.Id* |  |
|--------|--|

|           |  |
|-----------|--|
| Folio No. |  |
|-----------|--|

|            |  |
|------------|--|
| Client Id* |  |
|------------|--|

|               |  |
|---------------|--|
| No. of Shares |  |
|---------------|--|

I/We \_\_\_\_\_ of

\_\_\_\_\_ being member/member(s) of Times Guaranty Limited

hereby appoint \_\_\_\_\_ of

\_\_\_\_\_ or failing him

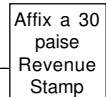
\_\_\_\_\_ of \_\_\_\_\_

as my/our proxy to vote for me/us and on my/our behalf at the 21st Annual General Meeting to be held on Thursday, September 22, 2011 at 11.00 a.m. at Babasaheb Dahanukar Hall, Maharashtra Chamber of Commerce, Industry & Agriculture, 'Oricon House', 6th Floor, 12, K. Dubash Marg, Fort, Mumbai 400001 or at any adjournment thereof.

Signed this \_\_\_\_\_ day \_\_\_\_\_ 2011.

\*Applicable for investors holding shares in electronic form.

Signature \_\_\_\_\_



Notes : (1) The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The proxy need not be a member of the Company

(2) Members holding shares under more than one folio may use photocopy of this Proxy Form for other folios. The Company shall provide additional forms on request.

**BOOK - POST**

*If undelivered, please return to :*

**Times Guaranty Limited**

The Times of India Building,  
Dr. D. N. Road,  
Mumbai - 400 001.