

**TOWN BENEFIT FUND (KUMBAKONAM) LIMITED**

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27-01-2010 දිනේ පැවැත්වූ කෙරුම් දීමේ උළුවේදී **ඩී. ඒ. ආනන්දන්** මහතර මහලක් ආරම්භයට පත් කළේය.



02-11-2008 දිනේ පළමු වරට **Harsan Agri Product Ltd., Managing Director** **ඩී. ඒ. ආනන්දන්** මහතර සේවා කළේය.



17-05-2010 දිනේ **කුමාරතුංග මහලක්** සඳහා **ඩී. ඒ. ආනන්දන්** මහතර සේවා කළේය.



02-01-2010 දිනේ **කුමාරතුංග මහලක්** සඳහා **ඩී. ඒ. ආනන්දන්** මහතර සේවා කළේය.

**TOWN BENEFIT FUND (KUMBAKONAM) LIMITED**



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## TOWN BENEFIT FUND (KUMBAKONAM) LIMITED

### SHORT RESUME OF DIRECTORS

The Board of Directors comprises of eminent persons with professional experience in the field of Business, Finance, Accounts and Banking Industry. The strength of the Board as on 31.03.2010 is 12 including the Chairman.

- 1) Name : **Shri. CA. M.RAMAN**  
Age : 55 years  
Qualification : B.Sc., FCA.,  
Occupation : He is a Practicing Chartered Accountant  
Present position : Chairman  
DIN : 00820624  
Category : Independent



Shri. M. Raman, Chairman of TBF Limited, is respected for deep insight with which he leads a strong team of directors and managers with admission of delivery premium value to all members. With a vision and keen understanding of the dynamic Market trend, Mr. Raman has grown T.B.F. Limited, from Kumbakonam based to multiple location benefit Company and is credited with several key strategic interventions which have positioned as a well managed, well governed, value creating, top league company in Tamilnadu. He was vested with the post of president of Rotary Club of Kumbakonam Mahamaham.

As a Chartered Accountant, he is professionally well qualified and equipped with knowledge in company matters, leads the company in a growing path. Shri. M.Raman has been honored with several recognition within Tanjore dist., including the President of an International organization & Rotary Club of Kumbakonam Mahamaham.



- 2) Name : **Shri. N. RENGASAMY**  
Age : 81 Years  
Occupation : Bus Operator  
Present position : President  
DIN : 02711244  
Category : Independent

Shri.N. Rengasamy is associated as a director, is a professionally a bus operator and has keen knowledge about finance business.

- 3) Name : **Shri. S.R.SRIDHARAN**  
Age : 54 years  
Occupation : Civil Contractor  
Present position : Director  
DIN : 02710057  
Category : Independent



Shri. S.R. Sridharan associated as a director, is a Civil Contractor and one of the successful business entrepreneurs in his field.



## TOWN BENEFIT FUND (KUMBAKONAM) LIMITED

### SHORT RESUME OF DIRECTORS

- 10) Name : **Shri. V.MOHAN RAM**  
Age : 55 years  
Occupation : Jewellery Shop  
Present position : Director  
DIN : 01847102  
Category : Independent



Shri. V.Mohanram is associated as a director and He is a leading Jeweller in Kumbakonam. His Valuable Suggestions & Advicers with record to movement of gold prices gives immense value to organisations as it gives jewell loan only.



- 11) Name : **Shri. M.SURESH KUMAR**  
Age : 55 years  
Occupation : Jewellery shop, Tyre dealer (Kundan Tyres)  
Present position: Director  
DIN : 00820567  
Category : Independent

Shri. M. Sureshkumar is associated as a Director. He is also a dealer of Tyres under the name - Kundan Tyres. His Valuable Suggestions & Advice with record to movement of gold prices gives immense value to organisations as it gives jewell loan only.

- 12) Name : **Shri. S. RAJAVEL**  
Age : 43 years  
Occupation : Bus Operator  
Present position : Director  
DIN : 02806374  
Category : Independent



Shri. S. Rajavel is associated as a Director, he is professionally a Bus operator and has one of the leading auto spare sellers. He has vast knowledge in finance business.

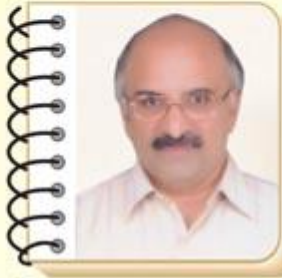
### Change in Directorship/Appointment of New Directors.

Shri. S.Rajavel, the co-opted Director, retires at the annual general meeting and being eligible he offers for himself for re-appointment.



## TOWN BENEFIT FUND (KUMBAKONAM) LIMITED

### SHORT RESUME OF DIRECTORS



- 4) Name : **Shri. DR. PRAVICHANDRAN**  
Age : 56 years  
Qualification : M.B.B.S.,M.S.,  
Occupation : Practicing Doctor and Civil Surgeon  
Present position : Director  
DIN : 02720100  
Category : Independent

Shri. Dr. P. Ravichandran is associated as a Director. He is a famous and leading Doctor and also specialist surgeon at Kumbakonam. He has been honored with several recognition within Tanjore dist., including the President of Indian Medical Association (IMA), Kumbakonam.

- 5) Name : **Shri. B. MUKUNTHA RAMANUJAM**  
Age : 54 years  
Occupation : Business (Opticals)  
Present position : Director  
DIN : 02710054  
Category : Independent



Shri. B. Mukuntha Ramanujam is associated as a Director. He is a dealer of Optical Appliances.



- 6) Name : **Shri. R. VIJAYAKUMAR**  
Age : 43  
Occupation : Marketing  
Present position : Director  
DIN : 02555991  
Category : Independent

Shri. R. Vijayakumar is associated as a director, got commerce graduation from a reputed institution. Vijayakumar is the best Insurance Service provider in Kumbakonam. He has vast knowledge in finance business and special skill in customer maintenance. He was vested with the Post of President of Rotary club of Kumbakonam Mahamaham. He is also one of the trustees of MANAVALAKALAI MANDRAM (YOGA Centre), Kumbakonam.



## TOWN BENEFIT FUND (KUMBAKONAM) LIMITED

### SHORT RESUME OF DIRECTORS



- 7) Name : **Smt. Y. KANNIGA**  
Age : 59 years  
Present position : Director  
DIN : 02556001  
Category : Independent

Smt. Y.Kanniga is associated as a director. She is equipped with vast business knowledge.

- 8) Name : **Shri. T. MANICKAVASAGAM**  
Age : 58 years  
Occupation : Business (Automobile spare parts)  
Present position : Director  
DIN : 01922271  
Category : Independent



Directorship in other Companies : Akkshaya Motors India Ltd., Kumbakonam.  
Shri. T. Manickavasagam associated as a director, is a leading automobile and tractor spare parts seller. He is the Past President of Rotary Club of Kumbakonam Mahamaham. He was vested with the post of Chairman for Membership Development and Zone Chairman of Community Service. He was vested with the post of Advisor of Motor Parts Dealers association, Kumbakonam and secretary of The Tamilnadu Automobile & Allied Industries Federation, Chennai. He is also a Director of Akkshaya Motors India Ltd., Kumbakonam. He is an E.C. Member of The Tamilnadu Tractor Parts Dealers, Association Chennai.



- 9) Name : **Shri. G. BASKARAN**  
Age : 72 YEARS  
Occupation : Business (Automobile spare parts)  
Present position : Director  
DIN : 02710065  
Category : Independent

Shri. G. Baskaran is associated as a director and is a leading automobile spare parts seller at Kumbakonam.



## TOWN BENEFIT FUND (KUMBAKONAM) LIMITED

### SHORT RESUME OF DIRECTORS

- 10) Name : **Shri. V.MOHAN RAM**  
Age : 55 years  
Occupation : Jewellery Shop  
Present position : Director  
DIN : 01847102  
Category : Independent



Shri. V.Mohanram is associated as a director and He is a leading Jeweller in Kumbakonam. His Valuable Suggestions & Advicers with record to movement of gold prices gives immence value to organisations as it gives jewell loan only.



- 11) Name : **Shri. M.SURESH KUMAR**  
Age : 55 years  
Occupation : Jewellery shop, Tyre dealer (Kundan Tyres)  
Present position: Director  
DIN : 00820567  
Category : Independent

Shri. M. Sureshkumar is associated as a Director. He is also a dealer of Tyres under the name - Kundan Tyres. His Valuable Suggestions & Advice with record to movement of gold prices gives immence value to organisations as it gives jewell loan only.

- 12) Name : **Shri. S. RAJAVEL**  
Age : 43 years  
Occupation : Bus Operator  
Present position : Director  
DIN : 02806374  
Category : Independent



Shri. S. Rajavel is associated as a Director, he is professionally a Bus operator and has one of the leading auto spare sellers. He has vast knowledge in finance business.

#### **Change in Directorship/Appointment of New Directors.**

Shri. S.Rajavel, the co-opted Director, retires at the annual general meeting and being eligible he offers for himself for re-appointment.



## OUR BRANCHES



### MAIN OFFICE

157, T.H.S.S. Road, KUMBAKONAM - 612 001.  
Ph: 0435 - 2431908, 2431918

- |  |   |
|--|---|
| ☞ <b>KUMBAKONAM TOWN BRANCH :</b><br>No. 120, Indira Gandhi Salai,<br>KUMBAKONAM - 612 001.<br>Ph:0435 - 2424508 | ☞ <b>MADIPAKKAM BRANCH :</b><br>No. 117, Senthuran Colony,<br>1st Street, Madipakkam, CHENNAI-91.<br>Ph:044 - 22582408                                    |
| ☞ <b>PATTUKKOTTAI BRANCH :</b><br>113/59, Thalayari Street,<br>PATTUKKOTTAI - 614 601.<br>Ph:04373 - 256908      | ☞ <b>MADURAI BRANCH :</b><br>No. 91, Kamarajar Salai,<br>MADURAI - 625 009.<br>Ph:0452 - 2623908  |
| ☞ <b>THANJAVUR BRANCH :</b><br>1/2906, South Street,<br>THANJAVUR - 613 009.<br>Ph:04362 - 276408                | ☞ <b>NANGANALLUR BRANCH :</b><br>No.32, 1st Main Road,<br>(Near Sub Reg. Office),<br>Nanganallur, Chennai - 600 061.<br>Ph: 044 - 2224 6908.              |
| ☞ <b>PANRUTI BRANCH :</b><br>No. 9-A, Rajaji Street,<br>PANRUTI - 607 106.<br>Ph:04142 - 244908                  | ☞ <b>WEST MAMBALAM BRANCH :</b><br>No.13/27, Brindavan Street,<br>Near State Bank of India,<br>West Mambalam, Chennai - 600 033.<br>Ph : 044 - 2474 8908. |
| ☞ <b>MANNARGUDI BRANCH :</b><br>115, Gandhiji Road,<br>MANNARGUDI - 614 001.<br>Ph:04367 - 252992                | ☞ <b>SRI RANGAM BRANCH :</b><br>No. 100, Aishwarya Towers,<br>Gandhi Road, Sri Rangam,<br>Trichirappalli - 620 006.<br>Ph: 0431 - 2436908.                |
| ☞ <b>TIRUVARUR BRANCH :</b><br>No.12, Ellai Amman Kovil East Street,<br>TIRUVARUR - 610 001.                     | ☞ <b>ANNA NAGAR BRANCH :</b><br>Plot No.3335, A-I, 130, 8th Main Road<br>Anna Nagar, Chennai - 600 040.   |

#### AUDITORS :

M/s. ARASU & ARUNACHALAM  
Chartered Accountants

#### LEGAL ADVISOR :

Sri.M.NATARAJAN, B.A., B.L.,

#### COMPANY SECRETARY :

Sri.B.KALYANASUNDARAM,  
B.Com., A.I.C.W.A., A.C.S.

#### BANKERS :

City Union Bank Ltd.,  
Tamilnadu Mercantile Bank Ltd.,  
South Indian Bank Ltd.,  
ICICI Bank Ltd.,  
INDIAN Bank.,

#### REGISTERED OFFICE :

157, T.H.S.S. Road.,  
Kumbakonam - 612 001.  
Ph: 2425226, 2402649  
Website : www.tbf.co.in





## NOTICE

Notice is hereby given that pursuant to section 166 and other applicable provisions of the Companies Act, 1956 that the 17<sup>th</sup> ANNUAL GENERAL MEETING of the company will be held at JANARANJANI HALL, GOPAL RAO LIBRARY BUILDINGS (OPP. GANDHI PARK), TOWN HALL ROAD, KUMBAKONAM at 3.30 PM on Friday 27<sup>th</sup> August, 2010 to transact the following business.

## AGENDA

### ORDINARY BUSINESS

1. To receive, consider, approve and adopt the Audited Balance Sheet as at 31- March 2010 and the Profit and Loss Account for the year ended on that date, the Report of Directors and Auditors thereon and the Compliance Certificate of the Practicing Company Secretary.
2. To declare Dividend for the year ended 31-03-2010.
3. To elect Directors :-
  - a) Shri. Dr. P. Ravichandran retires by rotation and being eligible, he offers himself for reappointment.
  - b) Shri. B.Mukuntha Ramanujam retires by rotation and being eligible, he offers himself for reappointment.
  - c) Smt. Y. Kanniga retires by rotation and being eligible, She offers herself for reappointment.
4. To consider and if thought fit to pass with or without modifications, the following:

“M/s. ARASU & ARUNACHALAM, CHARTERED ACCOUNTANTS, Kumbakonam who retires at this Annual General Meeting, as per Ministry of Company Affairs Notification G.S.R. 202 (E) Dt. 31-3-2006 as they have held office for a continuous period of 4 years”.

Notices has been received from the shareholders proposing the names of Messers. MAHALINGAM AND SRIVATSAN, Chartered Accountants, Chennai and Messers. K. RAMAKRISHNAN AND Co., Chartered Accountants, Chennai being appointed as a Statutory Auditors of the Company to audit the accounts of the year 2010 - 2011.



### SPECIAL BUSINESS

**5. To consider and if thought fit to pass with or without modification the following resolutions as an ordinary Resolutions :-**

"RESOLVED that the Authorised Share capital of the company be and if hereby increased from Rupees 2,00,00,000/- to Rupees 3,00,00,000/-

"RESOLVED FURTHER that the figures "2,00,00,000/-" as appearing in clauses V of the Memorandum of Association and clause 3 of the Articles of Association be and is hereby altered as "3,00,00,000/-"

**6. To consider and if thought fit to pass with or without modification the following resolution as an ordinary Resolution:**

"RESOLVED THAT Shri. S. Rajavel, the co-opted Director pursuant to Section 260 of the Companies Act, 1956 be and is hereby appointed as Director liable to retire by rotation".

**7. To consider and if thought fit to pass with or without modification the following resolutions as ordinary Resolutions:**

"RESOLVED THAT pursuant to Section 198,269,309,310 read with schedule XIII and other applicable provisions of the companies Act, 1956 and subject to such approvals, if any of the Registrar of Companies, consent of the shareholders be and is hereby accorded to fix the remuneration of SRI. N. Rengasamy, Director (designated as President of the company) at Rs.10,000/- p.m. with effect from 01-10-2009 till his retirement by rotation apart from sitting fees for attending meetings of the Board and Committees thereof, on par with other Directors of the company."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby delegated with powers to revise his remuneration from time to time subject to the condition that the total remuneration should not exceed Rs.20,000/- p.m., apart from sitting fees for attending meetings of the Board and Committees thereof, on par with other Directors of the company."

**8. To consider and if thought fit to pass with or without modification the following resolutions as ordinary Resolutions:**

"RESOLVED THAT pursuant to Section 198,269,309,310 read with schedule XIII and other applicable provisions of the companies Act, 1956 and subject to such approvals, if any of the Registrar of Companies, consent of the Shareholders be and is hereby accorded to revise the remuneration of SRI.C.A.M.RAMAN, Chairman of the company from Rs.20,000 to Rs.25,000/- p.m. with effect from 01-04-2010 till his retirement by rotation apart from sitting fees for attending meetings of the Board and Committees thereof, on par with other Directors of the company."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby delegated with powers to revise his remuneration from time to time subject to the condition that the total remuneration should not exceed Rs.40,000/- p.m., apart from sitting fees for attending meetings of the Board and Committees thereof, on par with other Directors of the company."

FOR AND ON BEHALF OF THE BOARD

PLACE : KUMBAKONAM  
DATE : 11.07.2010

Sd.  
(CA.M. RAMAN)  
CHAIRMAN



**EXPLANATORY STATEMENT PURSUANT TO SECTION 173  
OF THE COMPANIES ACT, 1956**

**Agenda Item No.5 :-**

The Board recommends to increase the Authorised Capital from Rs.2 Crore to Rs.3 Crore and for which the purpose the Memorandum and Articles of Association are to be altered by passing special resolution by the shareholders. None of the Directors are personally interested.

**Agenda Item No. 6 :-**

Mr. S. Rajavel was co-opted by the Board on 23-09-2009. He retires at the ensuing Annual General Meeting pursuant to Section 260 of the Companies Act,1956. Your Board of Directors recommend to appoint him as a Director liable to retire by rotation. Necessary nomination along with deposit has been received by the company.

The shareholders have to elect the Directors and hence the subject matter is placed before the shareholders.

None of the directors is personally interested in the resolution except sri. Shri. S. Rajavel.

**Agenda Item No. 7 :-**

The Board of directors of the company as its meeting held on 23-09-2009 fixed the remuneration of Shri. N. Rengasamy, President at Rs. 10,000/- per month w.e.f. 01-10-2009 subject to the approval of the shareholders. As the appointment of Whole-time Directors and the fixation of their remuneration are to be approved by the shareholders, by passing Ordinary Resolution(s) pursuant to part III of Schedule XIII to the Companies Act, 1956 the subject matter is placed before the shareholders for their approval and ratification.

None of the directors is personally interested in the resolution except Sri. N. Rengasamy.

**Agenda Item No. 8 :-**

The board of directors of the company as its meeting held on 11-04-2010 revised the remuneration of Mr. Raman, Chairman of the Company from Rs.20,000 to Rs.25,000 w.e.f. 01-04-2010. As the appointment of Whole-time Directors and the fixation of their remuneration are to be approved by the shareholders, by passing Ordinary Resolution(s) pursuant to part III of Schedule XIII to the Companies Act, 1956 the subject matter is placed before the shareholders for their approval and ratification.

None of the directors is personally interested in the resolution except Sri. M. Raman.

For and on behalf of the Board

Sd. (M. RAMAN)

Chairman

Place : Kumbakonam

Date : 11.07.2010



## DIRECTORS' REPORT

With the support of members, your Directors have pleasure in presenting the Seventeenth Annual Report and Accounts relating to the financial year ending on 31.03.2010.

### NEW BRANCH EXPANSION :

Your Company had taken its first big step by opening new 3 branches at Chennai and one at Srirangam, Trichy consolidating 4 new branches during the year. We are happy to acknowledge the shareholders and members for co-operating at all corners for opening of new branches at Nanganallur on 30-10-2009, West Mambalam on 2-11-2010, Srirangam on 27-1-2010, and at Anna Nagar, Chennai on 07-02-2010. Your directors are put their best efforts for opening of one more Branch at Virugambakkam Chennai. At present your nidhi company is having 13 branches including Main Office. By Opening New Branches at Cosmopoliten City Chennai Your Company Poised to grow substantially in the coming years.

### 1. FINANCIAL PERFORMANCE AND RESULTS :

#### PARTICULARS

|                                     | 31-03-2010<br>Rs. | 31-03-2009<br>Rs. |
|-------------------------------------|-------------------|-------------------|
| <u>INCOME</u>                       |                   |                   |
| Interest income                     | 6,39,63,818       | 4,32,02,281       |
| Other Income                        | 2,97,916          | 8,01,904          |
| Total Income (A)                    | 6,42,61,734       | 4,40,04,185       |
| <u>EXPENDITURE</u>                  |                   |                   |
| Interest paid                       | 4,48,93,825       | 2,92,47,219       |
| Establishment Expenses              | 60,00,673         | 41,80,496         |
| Operating Expenses                  | 16,13,256         | 4,82,574          |
| Administrative Expenses             | 53,64,039         | 43,04,159         |
| Depreciation                        | 5,06,805          | 4,13,602          |
| Total Expenditure (B)               | 5,83,78,598       | 3,86,28,050       |
| PROFIT BEFORE TAX (A-B)             | 58,83,136         | 53,76,135         |
| Tax Expenses Including Deffered Tax | 19,14,957         | 16,59,689         |
| PROFIT AFTER TAX                    | 39,68,179         | 37,16,446         |

As Could be seen from the above figures the Total Income has increased by **46.04%** The Deposits has increased to **Rs.5083.64** lacs as on 31.03.2010 from **Rs.3334.52** lacs as on 31.03.2009 and the percentage of increase works out to **52.45%** Correspondingly Advances has increased to **Rs.4523.16** as on 31.03.2010 from **Rs.2681.85** as on 31.03.2009 and the percentage of increase works out to **68.65%**. The Equity Capital has also increased by **Rs.62.04** lacs and the paid up capital has reached **Rs.156.50** lacs as on 31.03.2010. Net worth of the Company has increased to **267.34** lacs as on 31.03.2010 from **180.99** lacs as on 31.03.2009 and the percentage of increase works out to **47.71%**.



**2. DIVIDEND :**

Your Directors recommend a dividend at the rate of 15% to the share holders for the year ended 31-03-2010 on pro-rata basis. Rewarding shareholders with rich cash dividends as well as ploughing back of profits to support company's future growth have been the twin objectives of your company over many years. Keeping in mind the overall performance of the company, your directors recommended a dividend of Rs.0.15 paise per equity share of Rs.1/- each. Shareholders are aware that this is the fifth Successive time in a row the company has declared 15% dividend. The out go in the form of dividend (inclusive of dividend tax Rs.2,31,155) during the year 2009-2010.

**3. DIRECTORS :**

The following Directors who retires at the ensuing Annual General Meeting :

Shri. B. Mukuntha Ramanujam, Dr. P. Ravichandran & Smt. Y. Kanniga being eligible offer themselves for reappointment.

**4. AUDITORS :**

On behalf of the members, Board of Directors acknowledge the dedicated services rendered to the Company by M/s. Arasu & Arunachalam, Chartered Accountants, Kumbakonam.

**5. DISCLOSURE UNDER SECTION 217 (2A) AND 217 (1) (E) OF THE COMPANIES ACT, 1956 :**  
The report is NIL so far as our company is concerned.

**6. DIRECTORS RESPONSIBILITY STATEMENT U/S 217 (2AA)**

**The Directors report that :**

- The Annual Accounts have been prepared by applying all applicable accounting standards. Proper explanations have been given wherever material departures have taken place.
- Suitable accounting policies have been selected and consistently followed in making judgments and estimate that are reasonable and prudent so as to give a true and fair view of state of affairs of the company at the end of the financial year 31.03.2010 and of the PROFIT of the company for the year ending on 31.03.2010.
- Proper and sufficient care had been taken for the maintenance of adequate Accounting records in accordance with the provisions of those ACT, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- The Annual Accounts have been prepared on a Going Concern Basis.

**7. COMPLIANCE CERTIFICATE U/S 383 A(1) :**

The compliance certificate dated 11-07-2010 obtained from M/S. B.K. SUNDARAM & ASSOCIATES, PRACTICING COMPANY SECRETARIES, TIRUCHIRAPPALLI is enclosed.

Your Company endeavor their best to adopt good corporate practices to protect the interest of the Company, its Stake Holders, Depositors, Borrowers and Employees.

**8. COMPLIANCE CERTIFICATE U/S 637 A(1) :**

The compliance certificate dated 11-07-2010 obtained from M/S. ARASU & ARUNACHALLAM CHARTERED ACCOUNTANTS, Statutory Auditors of the Company is enclosed.

**9. ACKNOWLEDGEMENT :**

The Board of Directors express their gratitude to various Government agencies for their patronage and support and to the members for their confidence in the company and acknowledge the dedicated services rendered by the employees of the company.

FOR AND ON BEHALF OF THE BOARD

Sd...

(CA.M.RAMAN)

CHAIRMAN

PLACE : KUMBAKONAM.

DATE : 11.07.2010



## Management Discussion & Analysis Report

### NPA MANAGEMENT

Our company lends advances to the members only against Jewels and their Deposits held with us. In case of non repayment of the loans, the company adjusts the loans against the Fixed deposits and Jewels. The jewels are auctioned and the recovery proceedings are adjusted against the balance due on the loans. In case of LADs the Fixed deposit amount is adjusted against the balance due on the loans. Hence there is no chance of failure in recovery of loans and chances of NPA are meager and remote.

### DISCLOSURE AS PER ACCOUNTING STANDARDS :

The company has complied with the Accounting Standards (AS) issued by The Institute of Chartered Accountants of India and the following disclosures are made,

- i) Cash Flow Statement – AS 3 (Revised)  
The cash flow statement has been prepared in accordance with AS 3
- ii) Prior period Items – AS 5  
There are no material prior period items of income/expenditure during the year requiring disclosure.
- iii) Revenue Recognition – AS 9  
Income / Expenditure are recognized as per AS 9 i.e., accrual basis.
- iv) Fixed Assets – AS 10  
The valuation of Fixed Assets is made as per AS 10
- v) Foreign exchange – AS 11 (Revised)  
The company does not deal with any types of foreign exchange transactions and hence the relevant Accounting Standard (AS 11) is not applicable.
- vi) Government Grant – AS 12  
The company receives no Grant from Government in respect of any Revenue or Capital nature and hence there is no necessity for relevant disclosure.
- vii) Investments – AS 13  
The company has NIL investments in shares, debentures etc., during the year. Hence the disclosure in respect of method of valuation is NIL.
- viii) Borrowing Cost – AS 16  
The company does not have any Borrowings attributable directly or indirectly for development of any asset. Hence there is no borrowing cost to be added to the Fixed asset as per AS 16.
- ix) Related party Disclosure – AS 18

### KEY MANAGEMENT PERSONNEL

- 1) **N. RENGASAMY, PRESIDENT**  
Remuneration to Shri N. Rengasamy, (Consolidated)  
₹ 68,000.00 apart from Sitting Fees.
- 2) **CA. M. RAMAN, CHAIRMAN**  
Remuneration to Shri CA. M. Raman (Consolidated )  
₹ 2,40,000.00 apart from Sitting Fees.



- x) Lease – AS 19  
The company does not possess any leased asset.
- xi) Earning per share – AS 20  
EPS has been calculated as per the AS 20.
- xii) Consolidated Financial statements – AS 21  
We have only Branches and don't have any subsidiaries. Hence there is no process of consolidation of Financial Statements as per AS 21.
- xiii) Deferment of Taxes – AS 22  
The deferred tax Asset or Liability is created and shown in the accounts as per AS 22.
- xiv) Intangible Assets – AS 26  
The company has no Assets under the head 'Intangible Asset' for the current financial year.
- xv) Impairment of Assets – AS 28  
In the opinion of the management, there is no impairment of assets to which AS 28 is applicable.

### SHAREHOLDERS' OVERVIEW

TBF Ltd., has consistently paid dividends and it has proven capabilities in creating members value.

TBF Ltd., has about 35,000 shareholders who have reposed faith in the uniquely devised business model of TBF. It maintains a transparency in operation through a regular channel of communication with its family of members.

The main channel of communication to the shareholders is through the Annual Report which inter alia includes the Directors' Report, the Report on Corporate Governance, Management Discussion and Analysis Report, Statutory Auditor's Report, Compliance Certificate from company secretary and Shareholders' information.

The Company holds the Annual General Meeting (AGM) that acts as the principal forum for interaction with members, where the board responds to the specific queries raised by the members. The Board acknowledges its responsibility towards its members and therefore encourages open and active interaction with all its shareholders.

Regular communication with its members are mutually beneficial as it allows the company to understand the perspective of members to all the efforts that are aimed at creating value for the members. It ensures that the corporate strategy is being clearly understood and business model is being clearly defined.

### Social Awareness

We would like to proudly state that ours is the first and only institution recognise the duty it owes to super senior citizen (persons of age 75 and above) by making a special offer if on attractive interest rate 12.5% p.a. on the Depositors placed by them.

**CORPORATE GOVERNANCE REPORT****Attendance of Last AGM, Board Meeting and Committee Meeting, Sitting fees Details**

| DIRECTOR              | Attendance in Last AGM on 23 <sup>rd</sup> Sep 2009 | Attendance in Board Meeting | Sitting fees paid | Attendance in Committee Meeting | Sitting fees paid | Category    |
|-----------------------|---|-----------------------------|-------------------|---------------------------------|-------------------|-------------|
| N. Rangasamy          | YES   | 9                           | 36,000            | 13                              | 52,000            | Independent |
| CA. M. Raman          | YES   | 10                          | 39,000            | 14                              | 57,000            | Independent |
| Dr. P. Ravichandran   | YES   | 5                           | 19,000            | 4                               | 13,000            | Independent |
| T. Manickavasagam     | YES   | 9                           | 36,000            | 13                              | 46,000            | Independent |
| S. Rajavel            | YES   | 3                           | 12,000            | 7                               | 26,000            | Independent |
| G. Baskaran           | YES   | 10                          | 39,000            | 14                              | 57,000            | Independent |
| R. Vijayakumar        | YES   | 9                           | 35,000            | 14                              | 57,000            | Independent |
| S.R. Sridharan        | YES   | 10                          | 39,000            | 14                              | 57,000            | Independent |
| B. Mukuntha Ramanujam | YES   | 10                          | 39,000            | 14                              | 57,000            | Independent |
| V. Mohan Ram          | YES   | 10                          | 39,000            | 14                              | 57,000            | Independent |
| M. Sureshkumar        | YES   | 8                           | 34,000            | 12                              | 46,000            | Independent |
| Y.Kanniga             | YES   | 9                           | 35,000            | 10                              | 41,000            | Independent |
| S.M. Swaminathan      | YES   | 3                           | 12,000            | 3                               | 12,000            | Independent |

Pecuniary relationship of non-executive Directors with the Company.

The non-executive Director are paid a Sitting fee of Rs. 4,000 for attending each Committee Meeting.

**BOARD MEETINGS ARE CONDUCTED ON FOLLOWING DATES:**

12-4-2009, 10-5-2009, 14-6-2009, 12-7-2009, 9-8-2009, 13-09-2009, 23-9-2009, 11-10-2009, 13-12-2009, 10-1-2010

**COMMITTEE MEETING ARE CONDUCTED ON FOLLOWING DATES:**

26-04-2009, 24-05-2009, 28-06-2009, 26-07-2009, 30-08-2009, 25-10-2009, 08-11-2009, 22-11-2009, 27-12-2009, 26-01-2010, 14-02-2010, 28-02-2010, 14-03-2010, 31-03-2010

**COMMITES TO THE BOARD :**

In order to facilitate the decision making process, the Board at its meeting held on 23.09.2009 has constituted the following Four committees and delegated specific powers to them. The minutes of each meeting are subsequently placed before the next meeting of the committee for confirmation and the minutes thus approved are placed before the following meeting of the Board for their information.



**1. ACCOUNTS AND AUDIT COMMITTEE :**

The composition of the Audit Committee is as under

| NAME OF THE DIRECTOR        | DESIGNATION          | POSITION IN THE COMMITTEE |
|-----------------------------|----------------------|---------------------------|
| Shri. M. Raman              | Chairman             | Chairperson               |
| Shri. N. Rengasamy          | President            | Member                    |
| Shri. Dr. P. Ravichandran   | Independent Director | Member                    |
| Shri. B. Mukuntha Ramanujam | Independent Director | Member                    |
| Shri. M. Sureshkumar        | Independent Director | Member                    |
| Shri. G. Baskaran           | Independent Director | Member                    |
| Shri. S. Rajavel            | Independent Director | Member                    |
| Shri. G. Swaminathan        | General Manager      | Member                    |

The General Manager of the company acts as the secretary to the committee.

Shri. CA. M. RAMAN, the Chairman of the Audit Committee, is knowledgeable in all areas of finance, accounts, company law and has vast experience at all corners.

Terms of Reference :

1. Reviewing with the management, the quarterly, half yearly and annual financial statements before submission to the board for approval.
2. Reviewing the overall operations of the Branches.
3. Reviewing the overall internal control systems, functioning of Central office and its departments.
4. Reviewing the short comings found out at the time of inspection of Branches.
5. Reviewing the policies, procedures, and norms, market strategy and any other matter related to all types of loans and Advances.
6. Reviewing the interest rate structure for all types of Deposits based on market condition.

**MEETING HELD :**

Since inception on 23-09-2009, the Committee met twice on 25-10-2009 & 28-2-2010

**2. STAFF WELFARE COMMITTEE :**

The composition of the Staff Welfare Committee is as under

| NAME OF THE DIRECTOR    | DESIGNATION          | POSITION IN THE COMMITTEE |
|-------------------------|----------------------|---------------------------|
| Shri. M. Raman          | Chairman             | Chairperson               |
| Shri. N. Rengasamy      | President            | Member                    |
| Shri. S.R. Sridharan    | Independent Director | Member                    |
| Shri. T. Manickavasagam | Independent Director | Member                    |
| Shri. R. Vijayakumar    | Independent Director | Member                    |
| Shri. V. Manoharan      | Independent Director | Member                    |
| Smt. Y. Kanniga         | Independent Director | Member                    |
| Shri. S. Rajavel        | Independent Director | Member                    |



1. Recruitment of Employees at various level.
2. Reviewing the performance of Employees at all levels.
3. Reviewing the pay structure and fixation of pay scale during the beginning of the accounting year.
4. Recognizing and motivate the talents, rights and dignity of each employee and rewarding them suitably.
5. Maintaining a cordial and healthy industrial relationship with the employees.

MEETING HELD :

Since inception on 23-09-2009, the Committee met twice on 25-10-2009 & 26-1-2010

**3. SHAREHOLDERS COMMITTEE :**

The composition of the Shareholders Committee is as under

| NAME OF THE DIRECTOR      | DESIGNATION          | POSITION IN THE COMMITTEE |
|---------------------------|----------------------|---------------------------|
| Shri. M. Raman            | Chairman             | Chairperson               |
| Shri. N. Rengasamy        | President            | Member                    |
| Shri. Dr. P. Ravichandran | Independent Director | Member                    |
| Shri. M. Sureshkumar      | Independent Director | Member                    |
| Shri. V. Mohanram         | Independent Director | Member                    |
| Shri. G. Baskaran         | Independent Director | Member                    |
| Smt. Y. Kanniga           | Independent Director | Member                    |

1. Approval for allotment of share at the end of every quarter.
2. Approval for Share Transfer, Share Transmission.
3. Share holders grievances if any will be sorted out.

MEETING HELD :

Since inception on 23-09-2009, the Committee met twice on 31-12-2009 & 31-3-2010.

**4. BRANCH OPENING & BUSINESS DEVELOPMENT COMMITTEE :**

The composition of the Committee is as under

| NAME OF THE DIRECTOR        | DESIGNATION          | POSITION IN THE COMMITTEE |
|-----------------------------|----------------------|---------------------------|
| Shri. M. Raman              | Chairman             | Chairperson               |
| Shri. N. Rengasamy          | President            | Member                    |
| Shri. S.R. Sridharan        | Independent Director | Member                    |
| Shri. T. Manickavasagam     | Independent Director | Member                    |
| Shri. B. Mukuntha Ramanujam | Independent Director | Member                    |
| Shri. R. Vijayakumar        | Independent Director | Member                    |

1. Co-ordinating with Chairman for opening of new branches and to get approval from Regional Director, Ministry of Corporate Affairs, Govt. of India at different towns and within the State of TamilNadu.
2. Placement selection and market viability will be the key areas of the committee.
3. Providing infra structure facility to Branches.
4. Preliminary works for branch opening.
5. Members support at Branch level for initiating and strengthening the particular area.

MEETING HELD :

Since inception on 23-09-2009, the Committee met twice on 27-12-2009 & 14-2-2010.

**TOWN BENEFIT FUND (KUMBAKONAM) LIMITED****DATE AND VENUE OF LAST 3 AGMS :**

| Sl | Date of AGM                | Location                                       | Time      |
|----|----------------------------|--|-----------|
| 1  | 27 <sup>th</sup> Sep, 2007 | "Janaranjani Hall", Town Hall Road, Kumbakonam | 4.00 P.M. |
| 2  | 26 <sup>th</sup> Sep, 2008 | "Janaranjani Hall", Town Hall Road, Kumbakonam | 4.00 P.M. |
| 3  | 23 <sup>th</sup> Sep, 2009 | "Janaranjani Hall", Town Hall Road, Kumbakonam | 4.00 P.M. |

**PAPER PUBLICATION :**

| Year        | Date of AGM | News Paper   | Date of Publication                    |
|-------------|-------------|--|--|
| 2006-2007   | 27-09-2007  | The New Indian Express - English<br>Dinamani - Tamil                     | 06-09-2007<br>06-09-2007               |
| 2007 - 2008 | 26-09-2008  | Dinamani - Tamil<br>Times of India - English<br>Economic Times - English | 06-09-2008<br>07-09-2008<br>06-09-2008 |
| 2008 - 2009 | 23-09-2009  | Dinamani - Tamil<br>Times of India - English<br>Economic Times - English | 31-08-2009<br>31-08-2009<br>31-08-2009 |

**Jewel Loan Auction Publication**

| Jewel loan Issued Upto | Date of Auction | News Paper Name | Date of Publication |
|------------------------|-----------------|-----------------|---------------------|
| 31-03-2008             | 27-06-2009      | Dinakaran       | 20-06-2009          |
| 30-09-2008             | 26-12-2009      | Dinakaran       | 19-12-2009          |
| 31-03-2009             | 29-05-2010      | Dinakaran       | 21-05-2010          |

**Jewel loan position for last 2 years :**

| YEAR | OPENING |             | LOAN ISSUED |             | LOAN RELEASED |             | CLOSING |             |
|------|---------|-------------|-------------|-------------|---------------|-------------|---------|-------------|
|      | POCKETS | Rs.in Lakhs | POCKETS     | Rs.in Lakhs | POCKETS       | Rs.in Lakhs | POCKETS | Rs.in Lakhs |
| 2009 | 18658   | 1765.23     | 49461       | 6162.84     | 48624         | 5340.59     | 19495   | 2587.48     |
| 2010 | 19495   | 2587.48     | 57149       | 9474.44     | 53038         | 7778.97     | 23606   | 4282.95     |

**Employees Benefits :****Provident fund :**

Employees receive benefits from a provident fund. The employees and employer each make monthly contributions to the plan equal to 12% of the covered employee's salary.

| YEAR    | Employee's Contribution | Employer's Contribution | No. of Employees |
|---------|-------------------------|-------------------------|------------------|
| 2008-09 | 2,26,367                | 2,26,367                | 46               |
| 2009-10 | 3,39,155                | 3,39,155                | 53               |

**Compensated absence :**

The employees of the Company are entitled compensated absence. The employees can carry-forward a portion of the unutilized accrued compensated absence or receive cash compensation at end of the year.

**Gratuity :**

In accordance with applicable Indian Laws, the company provides for gratuity, a defined benefit retirement plan (Gratuity plan) covering certain categories of Employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company.

| YEAR      | PROVISION |
|-----------|-----------|
| 2008 - 09 | 4,41,800  |
| 2009 - 10 | 6,67,975  |

**Taxes :**

Income Tax : The current charge for income taxes is calculated in accordance with the relevant tax regulations.

**Social Commitments**

Your company being a Nidhi company, apart from our Business motive, we are indulging in social welfare commitments. As a part of our Social commitment, the Company conducts annual programmes to encourage the Meritorious School candidates. Prizes are awarded to the Merit candidates of 9<sup>th</sup> Standard and 11<sup>th</sup> Standard in order to motivate them for the Higher studies.

Last year your company conducted the Annual Programmes at Tiruvarur, Pattukottai and Madurai to honour the meritorious candidates

These awards are given in order to motivate and honor their outstanding performance in the field of Education.

**SPECIAL ATTENTION DRAWN TO MEMBERS:**

- ❖ "The Company's Financial Statements do not carry any Qualification by the Auditors".
- ❖ Since inception, the company has not advanced any loan to its Directors and/or persons or firms or companies referred in the section 295 of the Act.
- ❖ Since inception, the company has complied with the directives issued by the Reserve Bank of India and Central Government as regards to acceptance of deposits. No order has been passed by the Company Law Board or Reserve Bank of India or any court or any other Tribunal u/s58AA.
- ❖ Since inception no prosecution was initiated against or show cause notices received by the company for alleged offences under the Act and no fines and penalties or any other punishment were imposed on the company during the year.



**AUDITOR'S REPORT**

To the members of

**TOWN BENEFIT FUND (KUMBAKONAM) LIMITED**

We have audited the attached Balance Sheet of TOWN BENEFIT FUND (KUMBAKONAM) LTD as at 31 March, 2010, the Profit and Loss Account *AND ALSO THE CASH FLOW STATEMENT FOR THE YEAR ENDED ON THAT DATE* annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with 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.
2. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, and on the basis of such checks of the books and records of the company as was considered appropriate and on the basis of information and explanations given during the course of audit, we report on the matters applicable to the company.

3. In respect of fixed assets :

The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.

As explained to us, all the fixed assets have been physically verified by the management during the year at reasonable intervals, which in our opinion, is reasonable having regard to the size of the company and the nature of assets. No material discrepancies were noticed on such physical verification.

In our opinion the Company has not disposed off any substantial / major part of fixed assets during the year and the going concern status of the company is not affected.



4. The company has neither granted nor taken any loans – secured or unsecured, to from companies, firms or other parties covered in the register maintained under Sec. 301 of the Companies Act.
5. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business with regard to purchase of fixed assets.
6. The company has not accepted deposits from public but only from its members. The provisions of Section 58A are not applicable to this company. The company has complied with the directives issued by the Reserve Bank of India and Central Government as regards to acceptance of deposits. No order has been passed by the Company Law Board or Reserve Bank of India or any court or any other Tribunal U/s. 58AA.
  - A. According to the information and explanations given to us, the company was generally regular in depositing dues in respect of Employees Provident Fund, Income Tax, and other statutory dues with the appropriate authority during the year.
  - B. According to the records examined by us and the information and explanations given to us, there are no disputed amounts due in respect of income tax, wealth tax, sales tax, excise duty.
7. Based on our audit procedures and on the basis of information and explanations given by the management, the Company has not defaulted in the repayment of dues to banks, financial institutions. The company has not issued any debentures.
8. Based on our examination of documents and records, we are of the opinion that the company has maintained adequate records for recording of data on advances against immovable properties, jewels and its own Fixed Deposits.
9. The company is Nidhi Company.
  - a. The net owned funds to deposit liability ratio is more than 1:20 as at 31.03.2010.
  - b. Based on the information and explanations and on the basis of our audit procedures we are of the opinion that the company has complied with the principles of prudential norms on income recognition and provisioning against sub-standard, doubtful/loss assets.



10. According to the information and explanations given to us and on examination of balance sheet, funds raised on short term basis have, prima facie, not been used during the year for long term investment and vice versa.

We further report that clauses (ii), (v), (vi), (viii), (x), (xiv), (xv), (xvi) and (xviii) to (xxi) of Companies (Auditor Report) order, 2003 are not applicable to the company.

We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.

In our opinion, proper books of account, as required by the law, have been kept by the company, so far as appears from our examination of those books.

The Balance Sheet, the Profit & Loss Account and *THE CASH FLOW STATEMENT* dealt with by this report are in agreement with the books of account.

In our opinion, the Balance Sheet, the Profit & Loss Account and *THE CASH FLOW STATEMENT* dealt with by this report comply with the mandatory Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act 1956

In our opinion, and based on information and explanation given to us, none of Directors are disqualified as on 31-March, 2010 from being appointed as Directors in term of section 274(1) (g) of The Companies Act, 1956.

In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required, and present a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) In so far as it relates to Balance Sheet, of the state of affairs of the company as at 31st March, 2010;
- (ii) In so far as it relates to the Profit & Loss Account, the profit of the company for the year ended on that date; and
- (iii) In so far as it relates to the cash flow statement, of the cash flow of the company for the year ended on that date.

Place : Kumbakonam  
Date : 11-07-2010

**For Arasu & Arunachalam**  
Chartered Accountants  
Sd.  
**CA. AR. VISWANATHAN**  
Partner  
Membership No. 209435

**TOWN BENEFIT FUND (KUMBAKONAM) LIMITED**

B.K.SUNDARAM & ASSOCIATES  
COMPANY SECRETARIES.  
B.KALYANASUNDARAM,  
B.Com.,AICWA.,ACS.,

OFFICE :  
29, PANDAMANGALAM, AGRAHARAM,  
WORIUR, TRICHY - 620003.  
PHONE : 0431- 2761590

To  
The Members  
M/s. TOWN BENEFIT FUND (KUMBAKONAM) LIMITED.

Sub : Compliance Certificate.

Ref : TOWN BENEFIT FUND (KUMBAKONAM) LTD. CIN : U65991TN1993PLC025555

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We have examined the registers, records, books and papers of the above said company as required to be maintained under the Companies Act, 1956, (the Act) and the Rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2010. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities under the Act and the Rules made there under.
3. The Company being a Public Limited company has the minimum prescribed paid-up capital.
4. The Board of Directors duly met 10 (TEN) times on 12/04/2009, 10/05/2009, 14/06/2009, 12/07/2009, 09/08/2009, 13/09/2009, 23/09/2009, 11/10/2009, 13/12/2009 and 10/01/2010 in respect of which meetings proper notices were given and the proceedings were duly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The company has closed its Register of Members from 16/09/2009 to 23/09/2009 (both days inclusive) during the year under scrutiny.
6. The Annual General Meeting for the financial year ended on 31st March 2009 was held on 23/09/2009 after giving notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No extra ordinary meeting was held during the financial year under scrutiny.
8. The Company has not advanced any loan to its Directors and/or persons or firms or Companies referred in the section 295 of the Act.
9. The Company has not entered into contract attracting the provisions of section 297 of the Act during the year under scrutiny.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. The company did not attract the provisions of Section 314 of the Act during the year under scrutiny.
12. No duplicate Share Certificate was issued during the year under scrutiny.
13. (i) The company has delivered all certificates on allotment of securities and on lodgement thereof for transfer/ transmission or any other purpose in accordance with the provisions of the Act.





- (ii) The dividend declared during the year under Scrutiny [Declared at the AGM held on 23/09/2009] was paid in full on 24/09/2009 (ie within 5 days of declaration) and no separate Bank Account was opened.
  - (ii) The dividend declared during the year under Scrutiny [ Declared at the AGM held on 23/09/2009 ] was paid in full on 24/09/2009 (ie within 5 days of declaration ) and no separate Bank Account was opened.
  - (iii) The Company paid the dividend by cash / by cheques / by credit to the S.B. Accounts of the concerned members with the company, to all the members within a period of 30 days (thirty days) from the date of declaration and there was no unclaimed or unpaid dividend.
  - (iv) The Company has no amount in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon remaining unclaimed or unpaid for a period of seven years to warrant transfer to Investor Education and Protection Fund.
  - (v) The Company has complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted and the appointments of Directors, Additional Directors, Alternate Directors and Directors to fill casual vacancies have been duly made. Proof of filing of Form No.32 not available for cessation of a Director and appointment of a Director during the year under scrutiny.
  15. The appointments of Whole-time Directors have been made in compliance with the provisions of Sec. 269 read with Schedule XIII to the Act. Proof of filing of Form No.25-C not available for scrutiny.
  16. The Company has no sole-selling agents.
  17. The Company had obtained approval from the Regional Director for opening of new branches during the year under scrutiny.
  18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
  19. The company has issued 62,04,711 Equity Shares of Re. 1/-each during the financial year.
  20. The company has bought back NIL shares during the financial year ending on 31/3/2010.
  21. The company has redeemed NIL preference shares/debentures during the year under scrutiny.
  22. The company had no occasion to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares in compliance with the provisions of the Act.
  23. The Department of Company Affairs has notified the company as NIDHI under Section 620A of the Companies Act, 1956 with effect from 3/2/2004. The Company has received deposits only from its members in compliance with the directives issued by the Reserve Bank of India with regard to acceptance of deposits by NIDHI Companies.
  24. The amount borrowed by the Company from directors, members, Banks and others during the financial year ending on 31-3-2010 are within the borrowing limits of the company.
  25. The company has not made any loans and investments, or given guarantees or provided securities to other bodies corporate during the year under scrutiny.
  26. The Company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
  27. The Company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
  28. The Company has not altered the provisions of the Memorandum with respect to name of the company during the year under scrutiny
  29. The Company has altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.



30. The Company has altered its Articles of Association of the Company with respect to the share capital of the Company during the year under scrutiny.
31. No prosecution was initiated against or show cause notices received by the company for alleged offences under the Act and No fines and penalties or any other punishment were imposed on the company during the year under scrutiny.
32. The company has not received any money as security from its employees during the year under scrutiny.
33. The Company does not attract the provisions of Section 418 of the Companies Act, 1956.

### **ANNEXURE A**

#### **REGISTERS AS MAINTAINED BY THE COMPANY**

1. REGISTER OF MEMBERS U/S. 150.
2. BOARD MEETING MINUTES BOOK U/S 193 AND ATTENDANCE.
3. SHAREHOLDERS' MEETING MINUTES BOOK U/S 193 AND ATTENDANCE
4. REGISTER OF DIRECTORS, MANAGING DIRECTOR & SECRETARY U/S 303.
5. REGISTER OF DIRECTORS' SHARE HOLDINGS U/S 307.
6. REGISTER OF SHARE TRANSFERS
7. REGISTER OF INVESTMENTS
8. REGISTER OF ISSUE OF DUPLICATE SHARE CERTIFICATE
9. BOOKS OF ACCOUNTS.

### **ANNEXURE B**

#### **Forms and Returns as filed by the Company with the Registrar of Companies :-**

| Sl.No | FORM No.   | F.YEAR /<br>EVENT DATE | CHALLAN No. | DATE OF<br>PAYMENT | FEES PAID<br>Rs. |
|-------|------------|------------------------|-------------|--------------------|------------------|
| 1     | 23AC & ACA | 2007-08                | P43959204   | 21/12/2009         | 4,500            |
| 2     | 20B        | 26/09/08               | P43929082   | 21/12/2009         | 4,500            |
| 3     | 66         | 2007-08                | P43860626   | 19/12/2009         | 4,500            |
| 4     | 2          | 2007-08                | A67203844   | 14/08/2009         | 4,500            |
| 5     | 2          | 2007-08                | A67209478   | 14/08/2009         | 3,500            |
| 6     | 2          | 2007-08                | A67211813   | 14/08/2009         | 3,500            |
| 7     | 2          | 2007-08                | A67212712   | 14/08/2009         | 2,500            |
| 8     | 25C        | 2007-08                | A67247411   | 15/08/2009         | 4,500            |
| 9     | 23         | 2008-09                | A80599111   | 16/03/2010         | 2,500            |
| 10    | 5          | 2008-09                | A80619653   | 16/03/2010         | 54,678           |
| 11    | 23AC & ACA | 2008-09                | P44364891   | 30/12/2009         | 1,500            |
| 12    | 20B        | 23/09/09               | P44234250   | 28/12/2009         | 1,500            |
| 13    | 66         | 2007-08                | P44231231   | 28/12/2009         | 1,500            |
| 14    | 2          | 2008-09                | A81931230   | 31/03/2010         | 3,500            |
| 15    | 2          | 2008-09                | A81859100   | 30/03/2010         | 2,500            |
| 16    | 2          | 2008-09                | A81859357   | 30/03/2010         | 1,500            |
| 17    | 64         | 2008-09                | A65050072   | 10/07/2009         | 1,000            |

Place : TRICHY  
Date : 10-07-2010

Signature : Sd/-  
Name of Company Secretary : B.KALYANASUNDARAM  
C. P. No. : 2209

**TOWN BENEFIT FUND (KUMBAKONAM) LIMITED****BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2010**  
**31-03-2010 தேதி வரையிலான இருப்பு நிலைக்குறிப்பு**

| <b>Sources of Funds</b><br>மூலாதார நிதி                                       | Sch<br>Ref | As At<br>31-03-2010 | As At<br>31-03-2009 |
|---|------------|---------------------|---------------------|
| Share Capital (பங்கு மூலதனம்)   | 1          | 1,56,50,754         | 94,46,043           |
| Reserves & Surplus (காப்பு பணமும், உபரிகளும்)                                 | 2          | 1,10,80,574         | 86,53,427           |
| Secured loans - Bank (வங்கி கடன்கள்)  | 3          | 52,68,008           | 31,06,285           |
| Unsecured loans - Deposits (வைப்பு நிதி)                                      | 4          | 50,83,64,017        | 33,34,51,838        |
| Deffered Tax Liability (ஒத்திவைக்கப்பட்ட வரி)                                 |            | 1,54,168            | 1,34,087            |
| <b>Total (மொத்தம்)</b>  |            | <b>54,05,17,521</b> | <b>35,47,91,680</b> |
| <b>Application of Funds</b><br>பயன்பாட்டு நிதி                                |            | As At<br>31-03-2010 | As At<br>31-03-2009 |
| <b>APPLICATION OF FUNDS</b>   |            |                     |                     |
| Fixed Assets (நிரந்தர சொத்து)   | 5          |                     |                     |
| Gross Block (அசல் அடக்க விலை)   |            | 1,83,18,985         | 1,55,70,405         |
| Less: Depreciation (தேய்மானம்)  |            | 22,83,532           | 19,33,829           |
| Net Block (நிகர மதிப்பு)  |            | 1,60,35,453         | 1,36,36,576         |
| <b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>                                   |            |                     |                     |
| Cash & Balance with Banks (கையிருப்பு மற்றும் வங்கியிருப்பு)                  | 6          | 7,40,28,046         | 7,46,72,646         |
| Loans & Advances (கடன்களும், முன்பணமும்)                                      | 7          | 45,23,15,647        | 26,81,85,338        |
| Other Current Assets (இதர நடைமுறை சொத்துக்கள்)                                | 8          | 65,78,483           | 38,99,840           |
| Less: Current Liabilities & Provisions<br>(இதர பொறுப்புகளும், ஒதுக்கீடுகளும்) | 9          | 84,40,108           | 56,02,720           |
| NET CURRENT ASSETS (நிகர நடைமுறை சொத்துக்கள்)                                 |            | 52,44,82,068        | 34,11,55,104        |
| <b>Total (மொத்தம்)</b>  |            | <b>54,05,17,521</b> | <b>35,47,91,680</b> |

Signature to Balance Sheet and Schedules there to and notes of accounts  
As per our report of even date.

Sd.  
Sri.CA. AR.VISWANATHAN  
Partner. M.No.209435

Sd.  
Sri. CA. M.RAMAN  
Chairman

Sd.  
Sri. N. RENGASAMY  
President

ARASU & ARUNACHALAM  
Chartered Accountants

Sd.  
Sri. G.SWAMINATHAN  
General Manager

Place : Kumbakonam  
Date : 11.07.2010

Directors:

Sd. Sri. Dr. P. RAVICHANDRAN M.S.,  
Sd. Sri. B. MUKUNTHARAMANUJAM  
Sd. Sri. G. BASKARAN  
Sd. Sri. S. RAJAVEL

Sd.Sri. T. MANICKAVASAGAM  
Sd.Sri. M. SURESHKUMAR  
Sd.Sri. V. MOHANRAM

Sd. Sri. S.R. SRIDHARAN  
Sd. Sri. R. VIJAYAKUMAR  
Sd. Smt. Y. KANNIGA



**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31-3-2010**  
**31-03-2010 தேதி வரையிலான இலாப நஷ்ட கணக்கு**

| Income<br>வருமானங்கள்  | Sch<br>Ref   | 31-03-2010         | 31-03-2009         |
|--|--------------|--------------------|--------------------|
| Interest Earned (வட்டி வருமானம்)   | 10           | 6,39,63,818        | 4,32,02,281        |
| Other Income (இதர வருமானம்)  | 11           | 2,97,916           | 8,01,904           |
| <b>Total</b>   | <b>(A)</b>   | <b>6,42,61,734</b> | <b>4,40,04,185</b> |
| Expenditure<br>(செலவுகள்)  |              | 31-03-2010         | 31-03-2009         |
| Interest paid (வட்டி செலவு)  | 12           | 4,48,93,825        | 2,92,47,219        |
| Establishment expenses (பணிக்கொடைசெலவுகள்)   | 13           | 60,00,673          | 41,80,496          |
| Operating Expenses (நடைமுறை செலவுகள்)  | 14           | 16,05,256          | 4,82,574           |
| Administration Expenses (நிர்வாகச் செலவுகள்)   | 15           | 53,72,039          | 43,04,159          |
| Depreciation (தேய்மானம்)   |              | 5,06,805           | 4,13,602           |
| <b>Total</b>   | <b>(B)</b>   | <b>5,83,78,598</b> | <b>3,86,28,050</b> |
| Profit Before Tax (வரிக்கு முந்தைய லாபம்)  | <b>(A-B)</b> | 58,83,136          | 53,76,135          |
| Less: Provision for Taxes & Dividend tax<br>(வருமானம் மற்றும் பங்காதாயத்தின் வரி)                |              | 19,14,957          | 16,59,689          |
| Profit After Tax (வரிக்கு பிந்தைய லாபம்)   |              | 39,68,179          | 37,16,446          |
| Opening Balance (ஆரம்ப இருப்பு)  |              | 26,09,365          | 12,80,525          |
| Appropriation (ஒதுக்கீடுகள்)   |              | 65,77,544          | 49,96,971          |
| General Reserve (பொது ஒதுக்கீடுகள்)  |              | 15,41,032          | 11,00,053          |
| Dividend Equalisation & Charitable Reserves<br>(லாப சமீப ஒதுக்கீடு மற்றும் சகை காப்பு ஒதுக்கீடு) |              | 1,87,500           | 1,87,500           |
| Proposed Dividend (சமீப ஒதுக்கீடு)   |              | 15,41,032          | 11,00,053          |
| Total Appropriation (மொத்த ஒதுக்கீடுகள்)   |              | 32,69,564          | 23,87,606          |
| Surplus Transferred to Balance Sheet   |              | 33,07,980          | 26,09,365          |

Signature to Profit and Loss Account and Schedules there to and notes of accounts  
As per our report of even date.

Sd.  
Sri.CA. AR.VISWANATHAN  
Partner. M.No.209435

Sd.  
Sri. CA. M.RAMAN  
Chairman

Sd.  
Sri. N. RENGASAMY  
President

ARASU & ARUNACHALAM  
Chartered Accountants

Sd.  
Sri. G.SWAMINATHAN  
General Manager

Place : Kumbakonam  
Date : 11.07.2010

Directors:

Sd. Sri. Dr. P. RAVICHANDRAN M.S.,  
Sd. Sri. B. MUKUNTHARAMANUJAM  
Sd. Sri. G. BASKARAN  
Sd. Sri. S. RAJAVEL

Sd.Sri. T. MANICKAVASAGAM  
Sd.Sri. M. SURESHKUMAR  
Sd.Sri. V. MOHANRAM

Sd. Sri. S.R. SRIDHARAN  
Sd. Sri. R. VIJAYAKUMAR  
Sd. Smt. Y. KANNIGA

**SCHEDULES TO BALANCE SHEET AS AT 31st MARCH 2010****31-03-2010 தேதி வரையிலான கணக்குகளுக்கான அட்டவணை****1. Share Capital (பங்கு மூலதனம்)**

[₹ in Thousands]

|   | As At<br>31-03-2010 | As At<br>31-03-2009 |
|---|---------------------|---------------------|
| Authorised : 2,00,00,000 Equity Shares of Re.1 each<br>அங்கீகரிக்கப்பட்ட மூலதனம் : பங்கு ஒன்றுக்கு ரூ. 1 மதிப்புள்ள 2 கோடி சம உரிமை பங்குகள்  | 2,00,00,000         | 1,00,00,000         |
| Issued,Subscribed, Paidup - 1,56,50,754<br>Shares of Re.1 each (Previous year- 94,46,043shares)<br>வழங்கப்பட்டும் மற்றும் செலுத்தப்பட்டும் பங்கு ஒன்றுக்கு ரூ. 1 மதிப்புள்ள 94,46,043 சம உரிமை பங்குகள் | 1,56,50,754         | 94,46,043           |

**2. Reserves and Surplus (காப்பு பணமும், உபரிகளும்)**

|   | As At<br>31-03-2010 | As At<br>31-03-2009 |
|---|---------------------|---------------------|
| <b>General Reserve</b> (பொது காப்புத்தொகை)            |                     |                     |
| Opening Balance (ஆரம்ப இருப்பு)                       | 42,99,053           | 31,99,000           |
| (add) Appropriation of the year (இந்த வருட ஒதுக்கீடு) | 15,41,032           | 11,00,053           |
| <b>Closing Balance</b> (முடிவிறுப்பு)                 | 58,40,085           | 42,99,053           |
| <b>Other Revenue Reserves</b> (இதர காப்புத்தொகை)      |                     |                     |
| Opening Balance (ஆரம்ப இருப்பு)                       | 10,43,840           | 8,56,340            |
| (add) Appropriation of the year (இந்த வருட ஒதுக்கீடு) | 1,87,500            | 1,87,500            |
| <b>Closing Balance</b> (முடிவிறுப்பு)                 | 12,31,340           | 10,43,840           |
| <b>Bad Debts Reserve</b> (வாராக்கடன் காப்புத்தொகை)    | 7,01,169            | 7,01,169            |
| <b>Profit and Loss Account</b> (லாப நஷ்ட கணக்கு)      | 33,07,980           | 26,09,365           |
| <b>Total</b> (மொத்தம்)                                | <b>1,10,80,574</b>  | <b>86,53,427</b>    |

**3. Secured Loan (நிச்சயமான கடன்கள்)**

|                            | As At<br>31-03-2010 | As At<br>31-03-2009 |
|----------------------------|---------------------|---------------------|
| Loan Against Bank Deposits | 52,68,008           | 31,06,285           |
| <b>Total</b> (மொத்தம்)     | <b>52,68,008</b>    | <b>31,06,285</b>    |

**4. Unsecured Loan - Deposits (வைப்பு நிதி)**

|   | As At<br>31-03-2010 | As At<br>31-03-2009 |
|---|---------------------|---------------------|
| Fixed Deposits (நிரந்தர வைப்பு)                   | 20,01,70,054        | 12,66,67,842        |
| Cumulative Deposits (தீரண்ட வைப்பு)               | 25,33,78,523        | 17,30,66,919        |
| Savings Deposits (சேமிப்பு வைப்பு)                | 3,74,75,269         | 2,13,67,260         |
| Recurring Deposits (தொடர் வைப்பு)                 | 1,44,42,138         | 98,64,555           |
| Special Savings Deposit (சிறப்பு சேமிப்பு வைப்பு) | 28,98,033           | 24,85,262           |
| <b>Total</b> (மொத்தம்)                            | <b>50,83,64,017</b> | <b>33,34,51,838</b> |



## SCHEDULES TO BALANCE SHEET AS AT 31st MARCH 2010

31-03-2010 தேதி வரையிலான கணக்குகளுக்கான அட்டவணை

## 6. Cash &amp; Bank Balances (கையிருப்பு மற்றும் வங்கியிருப்பு)

[₹ in Thousands]

|  | As At 31-03-2010   | As At 31-03-2009   |
|--|--------------------|--------------------|
| Cash on Hand (ரொக்க கையிருப்பு)                              | 87,47,694          | 37,26,049          |
| Balance with Bank Current A/c (நடைமுறை கணக்கு வங்கியிருப்பு) | 75,17,192          | 61,08,641          |
| Term Deposits with Banks (வைப்பு நிதி)                       | 4,67,06,200        | 5,70,06,200        |
| Interest Accrued on Bank Deposits (திரண்ட வட்டி)             | 1,10,56,960        | 78,31,756          |
| <b>Total (மொத்தம்)</b>                                       | <b>7,40,28,046</b> | <b>7,46,72,646</b> |

## 7. Loans &amp; Advances (கடன்களும், முன்பணமும்)

|   | As At 31-03-2010    | As At 31-03-2009    |
|---|---------------------|---------------------|
| Jewell Loans (நகைக்கடன்)                      | 42,82,95,506        | 25,87,48,040        |
| Mortgage loans (பெந்தக கடன்)                  | 2,20,779            | 2,53,748            |
| Loans Against Deposits (வைப்புகள் மீதான கடன்) | 2,37,92,296         | 91,67,792           |
| Staff Loans (ஊழியர் கடன்)                     | 7,066               | 15,759              |
| <b>Total (மொத்தம்)</b>                        | <b>45,23,15,647</b> | <b>26,81,85,338</b> |

## 8. Other Current Assets (இதர நடைமுறை சொத்துக்கள்)

|  | As At 31-03-2010 | As At 31-03-2009 |
|--|------------------|------------------|
| Deposits (வைப்பு நிதி)   | 70,090           | 64,535           |
| Premises Advance (இடமுன்பணம்)  | 22,59,500        | 14,50,000        |
| Staff Advance (ஊழியர் முன்பணம்)  | 1,10,516         | 95,348           |
| Advance Others - Unsecured (இதர முன்பணம்)  | 1,11,500         | 13,000           |
| Income Tax - Refund (AY2002-03) (தீரும் பெற வேண்டிய வருமான வரி)                    | 46,578           | 46,578           |
| Income Tax - Refund (AY2006-07) (தீரும் பெற வேண்டிய வருமான வரி)                    | 0                | 5,32,204         |
| Income Tax - Refund (AY2007-08) (தீரும் பெற வேண்டிய வருமான வரி)                    | 52,717           | 52,717           |
| Income Tax - ADV (AY2009-10) (வருமான வரி முன்பணம்)                                 | 7,00,000         | 7,00,000         |
| Income Tax - ADV (AY2010-11) (வருமான வரி முன்பணம்)                                 | 7,50,000         | 0                |
| T.D.S. (AY2009-10) (வருமான வரி பிடித்தம்)  | 7,29,488         | 7,29,488         |
| T.D.S. (AY2010-11) (வருமான வரி பிடித்தம்)  | 8,56,452         | 0                |
| Pre-paid Expenses (முன்சுட்டி செலுத்திய செலவு)                                     | 1,41,000         | 89,363           |
| Suit Account Expenses - Recoverable (தீரும் பெற வேண்டிய செலவு)                     | 51,819           | 51,569           |
| Stock of Stationary & Complements (எழுதுபொருள் இருப்பு மற்றும் அன்பளிப்பு இருப்பு) | 6,98,823         | 75,038           |
| <b>Total</b>   | <b>65,78,483</b> | <b>38,99,840</b> |



## SCHEDULES TO BALANCE SHEET AS AT 31st MARCH 2010

31-03-2010 தேதி வரையிலான கணக்குகளுக்கான அட்டவணை

[₹ in Thousands]

## 9. Current Liabilities &amp; Provisions (நடைமுறை பொறுப்புகளும், ஒதுக்கீடுகளும்)

|  | As At 31-03-2010 | As At 31-03-2009 |
|--|------------------|------------------|
| Interest Accrued But not Due (வைப்பீட்டிற்கு பாக்கியில்லாத திரண்ட வட்டி) | 13,37,807        | 8,12,370         |
| Creditors for Expenses (செலவினங்களுக்கான கடனீந்தோர்)                     | 16,58,770        | 17,21,395        |
| Locker Deposit (பாதுகாப்பு பெட்டக வைப்பு)                                | 1,000            | 1,500            |
| Provision for Grauity (ஒதுக்கி வைக்கப்படல பணிக்கொடை)                     | 6,67,974         | 4,41,799         |
| Income Tax Provision (AY2009-10)<br>(ஒதுக்கி வைக்கப்படல வருமானவரி)       | 13,38,649        | 13,38,649        |
| Income Tax Provision (AY2010-11)<br>(ஒதுக்கி வைக்கப்படல வருமானவரி)       | 16,63,721        | 0                |
| Dividend Tax Provision (ஒதுக்கி வைக்கப்படல பங்காதாய வரி)                 | 2,31,155         | 1,86,954         |
| Proposed Dividend (உத்தேசிக்கப்படல பங்காதாயம்)                           | 15,41,032        | 11,00,053        |
| <b>Total (மொத்தம்)</b>   | <b>84,40,108</b> | <b>56,02,720</b> |

## SCHEDULE 5 : FIXED ASSETS (நிலையான சொத்து)

## DEPRECIATION SCHEDULE FOR THE YEAR ENDED 31-3-2010

| ASSET<br>சொத்து                              | GROSS BLOCK (அசல் அடக்கவிலை) |                      |                      |                   | DEPRECIATION (தேயமானம்)  |                          |                             |                    | NET BLOCK (நிகர மதிப்பு) |                    |
|--|------------------------------|----------------------|----------------------|-------------------|--------------------------|--------------------------|-----------------------------|--------------------|--------------------------|--------------------|
|  | OPENING<br>ஆரம்பம்           | ADDITIONS<br>கூடுதல் | DELETION<br>கழித்தல் | CLOSING<br>முடிய  | 01-04-2009<br>01-04-2009 | CURRENT<br>YEAR<br>முடிய | WITHDRAWN<br>(கிடைபு பெறல்) | 31-3-2010<br>முடிய | 31-3-2010<br>முடிய       | 31-3-2010<br>முடிய |
|  | Rs.                          | Rs.                  | Rs.                  | Rs.               | Rs.                      | Rs.                      | Rs.                         | Rs.                | Rs.                      | Rs.                |
| Land<br>(நிலம்)                              | 54,08,693                    | -                    | -                    | 54,08,693         | -                        | -                        | -                           | -                  | 54,08,693                | 54,08,693          |
| Building<br>(கூட்டம்)                        | 47,46,519                    | -                    | -                    | 47,46,519         | 3,12,223                 | 72,279                   | -                           | 3,84,502           | 43,62,017                | 44,34,296          |
| Furniture &<br>Fixtures<br>(குளவாடங்கள்)     | 30,18,934                    | 15,12,840            | 79,253               | 44,52,521         | 8,23,609                 | 1,22,110                 | 58,478                      | 8,87,241           | 35,65,280                | 21,95,325          |
| Vehicle<br>(வாகனம்)                          | 2,71,290                     | 53,004               | 5,560                | 3,18,734          | 70,938                   | 19,033                   | 5,438                       | 84,533             | 2,34,201                 | 2,00,352           |
| Computers &<br>Equipments<br>(கணினி பொறிகள்) | 21,24,969                    | 13,85,299            | 1,17,750             | 33,92,518         | 7,27,059                 | 2,93,383                 | 93,186                      | 9,27,256           | 24,65,262                | 13,97,910          |
| <b>TOTAL (மொத்தம்)</b>                       | <b>1,55,70,405</b>           | <b>29,51,143</b>     | <b>2,02,563</b>      | <b>18,318,985</b> | <b>19,33,829</b>         | <b>5,06,805</b>          | <b>1,57,102</b>             | <b>22,83,532</b>   | <b>1,60,35,453</b>       | <b>1,36,36,576</b> |

**TOWN BENEFIT FUND (KUMBAKONAM) LIMITED****SCHEDULES TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2009****31-03-2010 தேதி வரையிலான லாப நஷ்ட கணக்குகளுக்கான அட்டவணை****10. Interest Earned (வட்டி வரவு)**

[₹ in Thousands]

|   | As At<br>31-03-2010 | As At<br>31-03-2009 |
|---|---------------------|---------------------|
| Interest on Advances (கடன்கள் மீதான வட்டி)                | 5,74,93,451         | 3,95,13,241         |
| Interest on Bank Deposits (வங்கி வைப்புகளின் மீதான வட்டி) | 64,52,251           | 34,61,509           |
| Income Tax Refund (interest) (வருமானவரி மீதான வட்டி)      | 18,116              | 0                   |
| <b>TOTAL (மொத்தம்)</b>                                    | <b>6,39,63,818</b>  | <b>4,32,02,281</b>  |

**11. Other Income (இதர வருமானங்கள்)**

|  | As At<br>31-03-2010 | As At<br>31-03-2009 |
|--|---------------------|---------------------|
| Documentation Fees (ஆய்வுக் கட்டணம்)                 | 28,998              | 25,182              |
| Sale of Application Form (படிவங்கள் விற்பனை வகையில்) | 2,42,890            | 2,15,170            |
| Expenses Recovered (திரும்பப்பெற்ற செலவினங்கள்)      | 3,125               | 1,178               |
| Miscellaneous Income (இதர வருமானங்கள்)               | 22,903              | 5,60,374            |
| <b>Total (மொத்தம்)</b>                               | <b>2,97,916</b>     | <b>8,01,904</b>     |

**12. Interest Expended (வட்டி செலுத்தியது)**

|  | As At<br>31-03-2010 | As At<br>31-03-2009 |
|--|---------------------|---------------------|
| Term Deposits (வைப்பு நிதி)                                  | 4,17,09,723         | 2,72,39,514         |
| Saving and Recurring Deposit (சேமிப்பு மற்றும் தொடர் வைப்பு) | 25,02,602           | 17,76,409           |
| Bank Over Draft (வங்கிக் கடன்)                               | 6,81,500            | 2,31,296            |
| <b>Total (மொத்தம்)</b>                                       | <b>4,48,93,825</b>  | <b>2,92,47,219</b>  |

**13. Establishment Expenses (பணிக்கொடை)**

|  | As At<br>31-03-2010 | As At<br>31-03-2009 |
|--|---------------------|---------------------|
| Salary and Stipend (ஊழியர் சம்பளம்)                  | 39,05,739           | 28,02,673           |
| Bonus and Incentives (ஊழியர் ஊக்கத்தொகை)             | 8,80,687            | 4,59,915            |
| Contribution to PF. and E.S.I. (ஊழியர் வைப்புத்தொகை) | 4,85,846            | 3,14,688            |
| Provision for Gratuity (பணிக்கொடை செலவு)             | 2,26,175            | 1,91,555            |
| Welfare and Amenties (சிப்பந்தி நல செலவுகள்)         | 1,54,226            | 1,35,665            |
| Directors Remuneration (இயக்குநர்கள் ஊதியம்)         | 3,48,000            | 2,76,000            |
| <b>Total (மொத்தம்)</b>                               | <b>60,00,673</b>    | <b>41,80,496</b>    |



**TOWN BENEFIT FUND (KUMBAKONAM) LIMITED****SCHEDULES TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2010**  
**31-03-2010 தேதி வரையிலான லாப நஷ்ட கணக்குகளுக்கான அட்டவணை****14. Operating Expenses (நடைமுறை செலவுகள்)**

[₹ in Thousands]

|  | As At<br>31-03-2010 | As At<br>31-03-2009 |
|--|---------------------|---------------------|
| Business Development (தொழில் வளர்ச்சி)   | 9,17,500            | 2,55,047            |
| Branch Inaugural & Shifting Expenses<br>(கிளை துவக்கம் மற்றும் இடமாற்றம் செலவுகள்) | 5,26,493            | 1,68,619            |
| S.S.D. Collection and Re-Appraising Charges<br>(S.S.D. வசூல் கட்டணம்)              | 1,38,994            | 58,908              |
| Bad Debts (வாராக்கடன்)   | 22,269              | 0                   |
| <b>Total (மொத்தம்)</b>   | <b>16,05,256</b>    | <b>4,82,574</b>     |

**15. Administrative Expenses (நிர்வாகச் செலவுகள்)**

|  | As At<br>31-03-2010 | As At<br>31-03-2009 |
|--|---------------------|---------------------|
| Rent (வாடகை)   | 6,99,516            | 4,95,226            |
| Electricity (மின் கட்டணம்)                               | 2,52,975            | 2,37,331            |
| Rates, Taxes & Filing Fees (இதர வரிகள்)                  | 1,52,860            | 1,09,100            |
| Insurance (காப்பீடு)                                     | 99,203              | 1,20,575            |
| Travelling and Conveyance (பயணச் செலவு)                  | 3,72,112            | 1,90,200            |
| Telephone and Communications (தகவல் தொடர்பு)             | 2,37,939            | 1,97,358            |
| Printing and Stationeries (அச்ச மற்றும் எழுது பொருள்)    | 5,57,760            | 3,78,004            |
| Directors sitting Fees (இயக்குநர் அமர்வு கட்டணம்)        | 10,00,000           | 7,44,000            |
| Audit Fees (தணிக்கை ஊதியம்)                              | 50,000              | 36,000              |
| Internal Audit Fees (தணிக்கை ஊதியம்)                     | 57,541              | 64,925              |
| Legal and Professional Charges (சட்ட ஆலோசகர் கட்டணம்)    | 23,000              | 28,500              |
| Repairs to assets (கட்டிட பழுதுபார்ப்பு)                 | 4,91,024            | 4,85,123            |
| Loss on Sale of Fixed Assets (சொத்து விற்பனையில் நஷ்டம்) | 45,461              | 70,940              |
| Bank Charges (வங்கித் தரகு செலவு)                        | 41,804              | 1,45,467            |
| Miscellaneous Expenses (இதர செலவுகள்)                    | 12,90,844           | 10,01,410           |
| <b>Total (மொத்தம்)</b>                                   | <b>53,72,039</b>    | <b>43,04,159</b>    |



## CASH FLOW STATEMENT (பண நடமாட்டம் பற்றிய அட்டவணை)

|  | 2009-10              | 2008-09              |
|--|----------------------|----------------------|
| <b>Cash from Operating activity</b><br>(செயல் முறை நடவடிக்கை மூலம் பணநடமாட்டம்)                          |                      | [₹ in Thousands]     |
| Retained Earnings (சேமிக்க வைத்து கொண்ட வருவாய்)   | 24,27,147            | 26,16,393            |
| Depreciation (தேன்மானம்)   | 3,49,704             | 4,13,602             |
| Deferred tax liability (ஒதுக்கீடு செய்யப்பட்ட வரி)   |                      |                      |
| Funds advanced to Members (உறுப்பினர்களுக்கு வழங்கப்பட்ட கடன்)   | (18,41,30,308)       | (8,42,15,955)        |
| Deposits from Members (உறுப்பினர்களிடமிருந்து பெறப்பட்ட வைப்பு)  | 17,49,12,179         | 10,33,73,412         |
| Operating profit before working capital<br>(செயல் முறைமுன்னிட்டு மாறுதலுக்கு முன் இயக்க லாபம்)           | (64,41,278)          | 22,187,452           |
| Working capital changes (செயல் முறை மாற்றம்)   |                      |                      |
| Bank account (வங்கி கணக்கு)  | (14,08,551)          | (54,07,342)          |
| Current Assets (நடைமுறை சொத்துகள்)   | (59,03,846)          | 10,53,282            |
| Current liabilities (நடைமுறை பொறுப்புகள்)  | 28,57,469            | 14,25,438            |
| <b>Cash from operations</b><br>(செயல்முறை நடவடிக்கையில் நிகர ரொக்க பயன்பாடு)                             | <b>(1,08,96,206)</b> | <b>1,92,58,830</b>   |
| <b>Cash from Investment activity</b><br>(முதலீடு செய்த நடவடிக்கையிலிருந்து பண நடமாட்டம்)                 |                      |                      |
| Purchase of Fixed Assets (நிலையான சொத்துக்களின் கொள்முதல்)   | (29,51,143)          | (28,44,178)          |
| Sale of Fixed Assets (நிலையான சொத்தின் மீது விற்பனை)   | 2,02,563             | 1,16,240             |
| Redemption of Investments (திரும்ப பெற்ற முதலீடுகள்)   | 0                    | 12,72,469            |
| Bank Fixed Deposits (வங்கி வைப்பு நிதி)  | 1,03,00,000          | (2,15,00,000)        |
| <b>Net cash used in Investment Activities</b><br>(முதலீடு நடவடிக்கையில் நிகர ரொக்க பயன்பாடு)             | <b>75,51,420</b>     | <b>(2,29,55,469)</b> |
| <b>Cash from Financing activity</b><br>(நிதி நடவடிக்கையிலிருந்து பண நடமாட்டம்)                           |                      |                      |
| Proceeds from Issue of Share capital (மூலதனம் மீதான பண வரவு)   | 62,04,711            | 29,92,596            |
| Bank Loan (வங்கி கடன்)   | 21,61,723            | 18,76,800            |
| <b>Net cash flow from Financing activities</b><br>(நிதி நடவடிக்கையில் நிகர ரொக்க பயன்பாடு)               | <b>83,66,434</b>     | <b>48,69,396</b>     |
| Net increase in cash and cash equivalents<br>(பணம் மற்றும் பணத்திற்கு சமமானவற்றின் நிகர அதிகரிப்பு)      | 50,21,648            | 11,72,757            |
| Cash balance during beginning of the year<br>(பணம் மற்றும் பணத்திற்கு சமமானவற்றின் வருட ஆரம்ப இருப்பு)   | 37,26,046            | 25,53,289            |
| <b>Cash balance at the closing of year</b><br>(பணம் மற்றும் பணத்திற்கு சமமானவற்றின் வருட முடிவு இருப்பு) | <b>87,47,694</b>     | <b>37,26,046</b>     |



**TOWN BENEFIT FUND (KUMBAKONAM) LIMITED  
ACCOUNTING POLICIES & NOTES ON ACCOUNTS**

**A. SIGNIFICANT ACCOUNTING POLICIES**

1. **GENERAL :-**

Accounting Policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

2. **REVENUE RECOGNITION :-**

The company follows historical cost convention and adopts mercantile system of accounting, recognizing income and expenditure on their accrual.

3. **FIXED ASSETS :-**

Fixed Assets are stated at their original cost of acquisition less depreciation till date.

4. **DEPRECIATION ON FIXED ASSETS :-**

Depreciation on Fixed Assets has been provided on straight-line method, on the cost of Fixed Assets as per the rates, provided in Schedule XIV of the Companies Act, 1956.

5. **INVESTMENTS :-**

No investment as on the balance sheet date.

6. **INVENTORIES :-**

At cost or net realisable value whichever is less.

7. **MISCELLANEOUS EXPENDITURE :-**

Preliminary expenses have been amortised over a period of ten years.

8. **RETIREMENT BENEFITS :-**

The liabilities towards retirement benefits are accounted for in according with AS-15, The provision for gratuity made on accrual basis

9. **FOREIGN CURRENCY TRANSACTIONS :-**

No foreign currency transactions.

10. **TAXES ON INCOME :-**

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961. The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as on the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realized in future.

**(B) NOTES ON ACCOUNTS**

1. Sundry Creditors, Sundry Debtors, Loans & Advances have been taken at their book value subject to confirmation and reconciliation.

2. Payment to Auditors

| Auditors Remuneration               | 2009-2010<br>₹ | 2008-2009<br>₹ |
|-------------------------------------|----------------|----------------|
| Audit Fees including Tax Audit Fees | 50,000         | 36,000         |

3. Payment to Director

| Directors Remuneration | 2009-2010<br>₹ | 2008-2009<br>₹ |
|------------------------|----------------|----------------|
| Remuneration           | 3,48,000       | 2,76,000       |
| Sitting fees           | 10,00,000      | 7,44,000       |
| Total                  | 13,48,000      | 10,20,000      |

4. Major components of Deferred tax

| Particulars                                   | As at(Rs.)<br>31.03.2009<br>₹ | As at<br>31.03.2010<br>₹ |
|---|-------------------------------|--------------------------|
| A) <i>Deferred Tax Liability</i> Depreciation | 1,86,430                      | 89,969                   |
| B) <i>Deferred Tax Assets : Gratuity</i>      | (52,343)                      | (69,888)                 |
| Net Deferred Tax liabilities/(assets) (A-B)   | 1,34,087                      | 20,081                   |

5. The SSI status of the creditors is not known to the company; hence the information is not given.

Previous year figures have been regrouped or rearranged whenever necessary.

Signature to Schedule 1 to 16 In terms of Our Separate Report of Even Date Attached

For ARASU & ARUNACHALAM

(CA. AR.Viswanathan)  
Partner  
Membership No. 209435

FOR AND ON BEHALF OF THE BOARD  
Sd...

(CA. M.Raman)  
Chairman

Place : Kumbakonam  
Date : 11-07-2010



**ARASU & ARUNACHALAM**  
CHARTERED ACCOUNTANTS

33 (13), Kamashi Josier Street,  
Kumbakonam - 612 001.  
Tel : 0435-2420907, 2430990  
Mobile : 94434 29092

**CERTIFICATE AS SPECIFIED IN THE CENTRAL GOVERNMENTS' NOTIFICATION  
ISSUED IN EXERCISE OF THE POWERS CONFERRED ON IT UNDER  
SECTION 637A (1) OF THE COMPANIES ACT, 1956.**

Ref : Notification GSR 347(E) dated 25.04.2000 as amended by GSR 555 (E) and 556 (E) dated 26.09.2001, GSR 308(E) & GSR 309(E) dated 30.04.2002 GSR 202(E) & GSR 203(E) dated 31.03.2006 & directions of MCA.

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During the course of Statutory Audit of Town Benefit Fund (Kumbakonam) Limited for the Financial year 2009-10, we have verified the relevant records of the company and also obtained all the relevant information and explanations with reference to the various directions contained in the notifications referred to above.

We hereby certify :

- that the said company had complied with the directions referred as per the notifications referred above.
- that the said company had complied with the directions of Ministry of Corporate affairs issued from time to time.
- that the accounts for the year ended 31.03.2010 the Company has complied the provisions in respect of non-performing asset in accordance with the prudential norms laid down
- that the company has maintained its books of accounts and prepared the financial statement in accordance with recognised principles of accounting.

Place : Kumbakonam

Date : 11.07.2010

For ARASU & ARUNACHALAM

Chartered Accountants

Sd...

CA.AR.VISWANATHAN

Partner

Membership No. 209435

**BALANCE SHEET ABSTRACT AND  
COMPANY'S GENERAL BUSINESS PROFILE****I. REGISTRATION DETAILS**

Registration No. 18/25555 (1993)      CIN No : U65991 TN 1993 PLC 025555  
Balance Sheet Date : 31.03.2010

**II. CAPITAL RAISED DURING THE YEAR :**

|              |     |                   |           |
|--------------|-----|-------------------|-----------|
| Public Issue | Nil | Right Issue       | Nil       |
| Bonus Issue  | Nil | Private Placement | 62,04,714 |

**III. POSITION OF MOBILIZATION AND DEPLOYMENT OF FUNDS**

(Amount ₹ in Thousands)

|                         |         |                    |         |
|-------------------------|---------|--------------------|---------|
| Total Liabilities       | 5405.17 | Total Assets       | 5405.17 |
| <b>SOURCES OF FUNDS</b> |         | <b>APPLICATION</b> |         |
| Paid-up-Capital         | 156.50  | Net Fixed Assets   | 160.35  |
| Reserves & Surplus      | 110.81  | Current Assets     | 5244.82 |
| Secured Loans           | 52.68   |                    |         |
| Un Secured Loans        | 5083.64 |                    |         |
| Deferred Tax Liability  | 1.54    |                    |         |

**IV. PERFORMANCE OF COMPANY (Amount Rs. in Thousands)**

|                   |   |        |                   |   |        |
|-------------------|---|--------|-------------------|---|--------|
| Turnover          | ₹ | 642.61 | Total Expenditure | ₹ | 583.78 |
| Profit before tax | ₹ | 58.83  | Profit after tax  | ₹ | 39.68  |
| Earning per share |   | 0.38   | Dividend @ %      |   | 15%    |

**V. GENERIC NAMES OF THREE PRINCIPAL PRODUCT / SERVICES OF COMPANY**

(As per monetary items)

Items Code No. (ITC Code)  
Product Description

Not Applicable as the company is engaged deposit only in accepting from members and lending monies to them against Security of Immovable properties, Jewels and the member's own deposits

Sd.  
Sri. CA. AR. VISWANATHAN  
Partner. M.No.209435

Sd.  
Sri. CA. M. RAMAN  
Chairman

Sd.  
Sri. N. RENGASAMY  
President

ARASU & ARUNACHALAM  
Chartered Accountants

Sd.  
Sri. G. SWAMINATHAN  
General Manager

Place : Kumbakonam  
Date : 11.07.2010

Directors:

Sd. Sri. Dr. P. RAVICHANDRAN M.S.,  
Sd. Sri. B. MUKUNTHARAMANUJAM  
Sd. Sri. G. BASKARAN  
Sd. Sri. S. RAJAVEL

Sd. Sri. T. MANICKAVASAGAM  
Sd. Sri. M. SURESHKUMAR  
Sd. Sri. V. MOHANRAM

Sd. Sri. S. R. SRIDHARAN  
Sd. Sri. R. VIJAYAKUMAR  
Sd. Smt. Y. KANNIGA



## NOTES

1. Any member entitled to attend and vote at the meeting is entitled to appoint a proxy and such proxy need not be a member of the company.
2. The record date for the purpose of the meeting and declaration and payment of dividend is 19-8-2010.
3. The register of members and the share transfer books of the company shall remain closed from Thursday the 19<sup>th</sup> August, 2010 to Friday 27<sup>th</sup> August, 2010 (both days inclusive)
4. Members are requested to intimate immediately to the company, quoting Registered Folio Number, changes in their address, if any with the Pincode Number.
5. Members holding shares in the same name(s) and in the same order under different ledger folios are requested to apply for consolidation of such folios enclosing the relevant share certificates.
6. Members desirous of obtaining any information concerning the accounts and operations of the company are requested to send their queries to the Chairman of the company at least seven days before the date of the meeting, so that the information required by the members may be made available at the meeting.
7. Members attending the meeting are requested to bring with them the Attendance Slip attached to the Annual Report and hand over the same at the entrance of the hall duly filled in and signed.
8. No instrument of proxy shall be valid unless in the case of an individual shareholder it is signed by him or by his attorney duly authorized in writing or in the case of holders it is signed by the shareholders first named in the Register or his attorney duly authorized in writing, or in the case of our Company it is executed under its common seal, if any, or signed by its attorney duly authorized in writing.
9. Provided that in instrument of proxy shall be sufficiently signed by any shareholder, who is, for any reason, unable to write his name, if his mark is affixed hereto and attested by a Judge, Magistrate, Justice of the peace, Registrar, or Sub-Registrar of Assurances, or other Government Gazetted Officer or an Autorised Signatory of the Town Benefit Fund (Kumbakonam) Limited.
10. A Proxy, unless appointed by our Company, should be a Shareholder of the Town Benefit Fund (Kumbakonam) Limited.
11. No proxy shall be valid unless it is duly stamped and unless it, together with the power of attorney or other authority (if any) under which it is signed, or a copy of that power of attorney or authority certified by a Notary Public or a Magistrate is deposited with the Central Office or other office designed from time to time by the Chairman or President in his behalf, not less than 48 hours before the date fixed for the meeting. (In case a power of attorney is already registered with the Company the Folio No. and Registration No. of the power of attorney be also mentioned)

The following are authorized to accept the proxy form, power of attorney or other authority :

Attendance Slip and Proxy Form Separately attached.



## TOWN BENEFIT FUND (KUMBAKONAM) LIMITED

### உறுப்பினர்களின் கவனத்திற்கு!

வணக்கம். நமது நிறுவனம் 31.03.2010 முடிவடைந்த ஆண்டிற்கான ஈவுத்தொகையாக 15% வழங்க பொதுக்குழுவிற்கு பரிந்துரை செய்துள்ளது. பொதுக்குழு கூட்டம் முடிந்தவுடன் மேற்படி ஈவுத்தொகை பங்குதாரர்களின் சேமிப்புக் கணக்கில் வரவு வைக்கப்படும். உறுப்பினர்களின் தங்கள் சேமிப்புக் கணக்கை உடனே சரிபார்த்துக் கொள்ள வேண்டுகிறோம். கடந்த ஆண்டுகளிலும் இதேபோல் வரவு வைக்கப்பட்டுள்ளது என்பதையும் தெரிவித்துக் கொள்கிறோம்.

நன்றி

இப்படிக்கு,

தலைவர் **N.ரெங்கசாமி**

மற்றும் **இயக்குநர்கள்**

### உறுப்பினர்களுக்கு ஓர் அரிய வாய்ப்பு

நமது நிதி நிறுவனம் 29-08-1993 முதல் உறுப்பினர்களுக்கு பல நல்ல திட்டங்களை அறிமுகப்படுத்தி மிக வேகமாக வளர்ந்து வருவதை தாங்கள் அறிவீர்கள்.

கடந்த ஆண்டில் நங்கநல்லூர், மேற்கு மாம்பலம், ஸ்ரீ ரங்கம் மற்றும் அண்ணா நகர் ஆகிய இடங்களில் புதிய கிளைகளை துவக்கி உறுப்பினர்களின் சேவையை விரிவுபடுத்தியுள்ளது. புதிதாக துவக்கப்பட்ட கிளைகள் தங்களின் பேராதரவுடன் சிறப்பாக இயங்கி வருகிறது. இதன் விளைவாக வரும் ஆண்டுகளில் நிறுவனத்தின் வளர்ச்சி கணிசமாக உயர வாய்ப்புள்ளது.

நமது நிதி நிறுவனம் கடந்த ஐந்து ஆண்டுகளாக 15% ஈவுத்தொகை (Dividend) வழங்கி வருகிறது. ஈவுத் தொகைக்கான வருமான வரியை நிறுவனமே செலுத்துவதால் உறுப்பினர்களின் ஈவுத்தொகை வருமானத்திற்கு வருமான வரி கிடையாது. வரும் ஆண்டுகளில் ஈவுத்தொகை அதிகரிக்க வாய்ப்புள்ளது.

நமது நிறுவனத்தில் முதுகீடு செய்வது முற்றிலும் பாதுகாப்பானது. ஏனெனில் நமது நிறுவனம் உறுப்பினர்களின் நகைகள் மற்றும் வைப்பு நிதிகளின் மேல் மட்டுமே கடன் வழங்குகிறது. ரூ. 100/- நகை கடனுக்கு குறைந்தபட்சம் ரூ. 125/- மதிப்புள்ள தங்க நகைகள் ஈடாக பெறப்படுவதால் வாராக்கடன் (Bad Debts) ஏற்பட வாய்ப்புகள் மிக சொற்பமே.

நமது நிறுவனத்தின் பங்கின் புத்தக மதிப்பு ரூ. 1.71 ஆக உள்ளது. கும்பகோணம் புதிவு அலுவலகம் நகர கிளை மற்றும் திருவாரூர் கிளை ஆகியவை நிறுவனத்தின் சொந்த கட்டிடத்தில் இயங்கி வருகிறது. மேலும் பட்டுக்கோட்டை கிளைக்காக இடம் வாங்கப்பட்டுள்ளது. மேற்படி சொத்துக்களின் இன்றைய மதிப்பினையும் சென்னை போன்ற நகரங்களில் இயங்கிவரும் கிளைகளில் வருங்கால வருமானங்களையும் கணக்கிட்டால் நமது நிறுவனத்தின் பங்கு மதிப்பு மேலும் பல மடங்காக வாய்ப்புள்ளது.

நமது நிறுவனத்தின் நன்மதிப்பு (Goodwill) உறுப்பினர்களின் ஆதரவு மற்றும் ஊழியர்களின் மனிதவள ஆதரவின் (Human Resource) மதிப்பையும் கணக்கிட்டால் இது மேலும் பல மடங்கு உயரும். நமது நிறுவனம் நடப்பு நிதி ஆண்டில் பங்கு மூலதனத்தை ரூ. 2 கோடியிலிருந்து ரூ. 3 கோடியாக உயர்த்த பொதுக்குழுவிற்கு பரிந்துரை செய்யப்பட்டுள்ளது.

நமது நிதிநிறுவனம் ஒவ்வொரு உறுப்பினர்களுக்கும் ஒரு ரூபாய் முக மதிப்புள்ள 50,000 பங்குகளை வழங்கிவருகிறது. உறுப்பினர்கள் அனைவரும் இந்த அரிய வாய்ப்பினை பயன்படுத்தி ஒரு ரூபாய் முக மதிப்புள்ள 50,000 பங்குகளை (இன்றைய Market Value - ரூபாய் 2,00,000) வாங்கி, பாதுகாப்பான வரிநீக்கப்பட்ட ஆண்டு வருமானம் ரூ. 7,500 பெற்று பயன் பெறுவதுடன், நிறுவனத்தின் வளர்ச்சிக்கும் பேராதரவு தரும்படி நிறுவனத்தின் சார்பில் உங்களை கேட்டுக் கொள்கிறோம்.

இப்படிக்கு

தலைவர் **N.ரெங்கசாமி**

மற்றும் **இயக்குநர்கள்.**





## TOWN BENEFIT FUND (KUMBAKONAM) LIMITED

### FINANCIAL PERFORMANCE & RATIOS FOR THE PAST 10 YEARS

(₹ in Lakhs)

| PARTICULARS / YEAR                | 2000-01      | 2001-02      | 2002-03      | 2003-04      | 2004-05      | 2005-06      | 2006-07      | 2007-08       | 2008-09       | 2009-10       |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|---------------|
| Interest Income                   | 55.49        | 69.14        | 84.39        | 119.85       | 163.43       | 202.51       | 256.84       | 314.97        | 432.02        | 639.64        |
| Interest Expense                  | 36.29        | 45.48        | 56.89        | 76.78        | 101.23       | 123.26       | 165.84       | 217.37        | 292.47        | 448.94        |
| <b>Net Interest Income</b>        | <b>19.21</b> | <b>23.66</b> | <b>27.50</b> | <b>43.08</b> | <b>62.20</b> | <b>79.26</b> | <b>90.99</b> | <b>97.60</b>  | <b>139.55</b> | <b>190.70</b> |
| Other Income                      | 1.65         | 1.67         | 2.95         | 3.23         | 3.58         | 7.12         | 2.56         | 4.69          | 8.02          | 2.98          |
| <b>Net Revenue</b>                | <b>20.85</b> | <b>25.33</b> | <b>30.45</b> | <b>46.31</b> | <b>65.78</b> | <b>86.37</b> | <b>93.56</b> | <b>102.29</b> | <b>147.57</b> | <b>193.68</b> |
| Establishment Expense             | 6.07         | 6.75         | 9.45         | 11.70        | 15.71        | 19.87        | 23.64        | 30.35         | 41.80         | 60.01         |
| Operating Expense                 | 5.27         | 7.04         | 6.61         | 12.62        | 14.26        | 5.42         | 6.20         | 4.13          | 4.83          | 16.05         |
| Administration Expense            | 4.43         | 5.04         | 6.87         | 10.49        | 15.23        | 22.07        | 24.79        | 29.26         | 43.04         | 53.72         |
| Depreciation                      | 0.59         | 1.17         | 1.20         | 1.55         | 1.68         | 3.49         | 5.69         | 4.98          | 4.14          | 5.07          |
| <b>Operating Cost</b>             | <b>16.36</b> | <b>20.00</b> | <b>24.13</b> | <b>36.36</b> | <b>46.88</b> | <b>50.85</b> | <b>60.32</b> | <b>70.88</b>  | <b>93.81</b>  | <b>134.85</b> |
| <b>Profit Before Taxes</b>        | <b>4.49</b>  | <b>5.33</b>  | <b>6.32</b>  | <b>9.95</b>  | <b>18.90</b> | <b>35.52</b> | <b>33.24</b> | <b>31.42</b>  | <b>53.76</b>  | <b>58.83</b>  |
| Provision For Taxation            | 0.14         | 1.40         | 1.38         | 3.30         | 6.26         | 10.81        | 11.68        | 12.33         | 16.60         | 19.14         |
| <b>Profit After Taxes</b>         | <b>4.35</b>  | <b>3.94</b>  | <b>4.94</b>  | <b>6.65</b>  | <b>12.64</b> | <b>24.71</b> | <b>21.55</b> | <b>19.09</b>  | <b>37.16</b>  | <b>39.69</b>  |
| <b>Funds :</b>                    |              |              |              |              |              |              |              |               |               |               |
| Paid up Capital                   | 19.72        | 20.57        | 23.49        | 31.78        | 38.35        | 44.28        | 57.39        | 64.53         | 94.46         | 156.51        |
| Reserves & Surplus                | 5.18         | 6.97         | 7.57         | 11.62        | 20.00        | 29.12        | 43.23        | 60.37         | 86.53         | 110.80        |
| Net Worth                         | 24.90        | 27.54        | 31.06        | 43.40        | 58.35        | 73.39        | 100.63       | 124.90        | 180.99        | 267.31        |
| Deposits                          | 393.89       | 442.06       | 650.60       | 863.13       | 1128.00      | 1452.51      | 1883.60      | 2300.78       | 3334.52       | 5083.64       |
| Loans                             | 156.97       | 215.69       | 395.64       | 633.77       | 851.14       | 1158.93      | 1481.41      | 1839.69       | 2681.85       | 4523.16       |
| Investments                       | 77.14        | 59.00        | 33.00        | 29.00        | 30.00        | 12.72        | 12.72        | 12.72         | 0             | 0.00          |
| <b>Key Ratios</b>                 |              |              |              |              |              |              |              |               |               |               |
| Earnings per Shares (EPS)         | 0.08         | 0.07         | 0.09         | 0.12         | 0.22         | 0.43         | 0.38         | 0.29          | 0.39          | 0.38          |
| Return on Average Networth        | 18.37%       | 15.01%       | 16.87%       | 17.87%       | 24.85%       | 37.52%       | 24.77%       | 17.39%        | 24.29%        | 17.72%        |
| Dividend per Shares (Rs.)         | 0.10         | 0.10         | 0.10         | 0.10         | 0.12         | 0.15         | 0.15         | 0.15          | 0.15          | @ 0.15        |
| Dividend Pay Out Ratio            | 1.32         | 1.46         | 1.16         | 0.86         | 0.54         | 0.35         | 0.40         | 0.49          | 0.38          | 2.51          |
| Book Value Per Share              | 1.26         | 1.34         | 1.32         | 1.37         | 1.52         | 1.66         | 1.75         | 1.93          | 1.92          | 1.71          |
| Price to Earning Ratio (PE Ratio) | 12.5         | 14.28        | 11.11        | 8.33         | 4.54         | 2.32         | 2.63         | 3.29          | 2.54          | 2.66          |
| <b>Incremental Ratios</b>         |              |              |              |              |              |              |              |               |               |               |
| Deposits in %                     | 28.36%       | 12.23%       | 47.17%       | 33.44%       | 29.93%       | 28.77%       | 29.68%       | 22.15%        | 44.93%        | 52.45%        |
| Advances in %                     | -0.68%       | 37.41%       | 83.43%       | 60.19%       | 34.30%       | 36.16%       | 27.83%       | 24.18%        | 45.78%        | 68.66%        |
| Cost of Fund procurement          | 9.21%        | 10.29%       | 8.74%        | 8.84%        | 8.97%        | 8.49%        | 8.80%        | 9.45%         | 10.30%        | 8.83%         |
| Revenue from Deployment of Funds  | 16.63%       | 16.43%       | 15.79%       | 15.25%       | 16.55%       | 15.75%       | 13.85%       | 14.34%        | 17.48%        | 14.14%        |
| <b>Net yield</b>                  | <b>7.42%</b> | <b>6.14%</b> | <b>7.05%</b> | <b>6.41%</b> | <b>7.58%</b> | <b>7.26%</b> | <b>5.05%</b> | <b>4.89%</b>  | <b>7.18%</b>  | <b>5.31%</b>  |
| <b>No. of Branches</b>            | <b>2</b>     | <b>3</b>     | <b>4</b>     | <b>4</b>     | <b>4</b>     | <b>6</b>     | <b>6</b>     | <b>8</b>      | <b>9</b>      | <b>13</b>     |

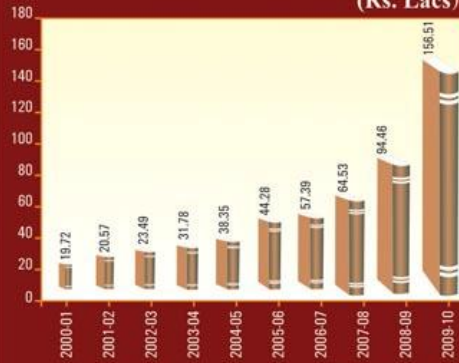
@ As recommended by the Board of Directors.



# TOWN BENEFIT FUND (KUMBAKONAM) LIMITED

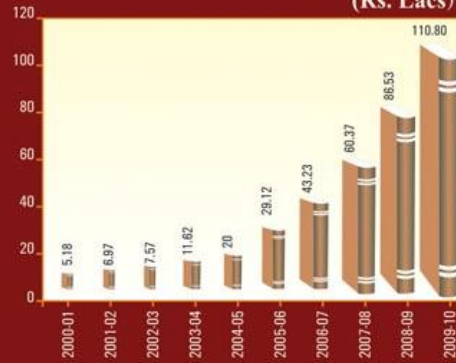
## PAID UP CAPITAL

(Rs. Lacs)



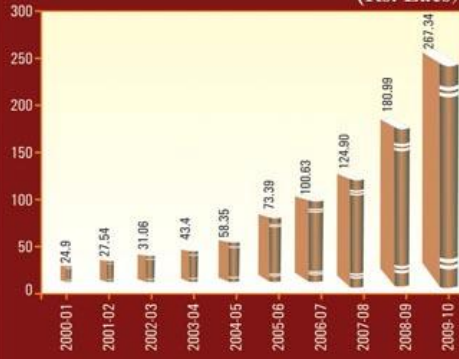
## RESERVES & SURPLUS

(Rs. Lacs)



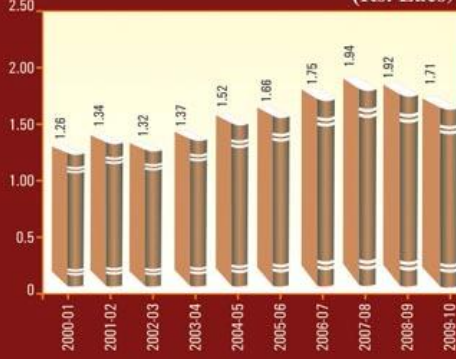
## NETWORTH

(Rs. Lacs)



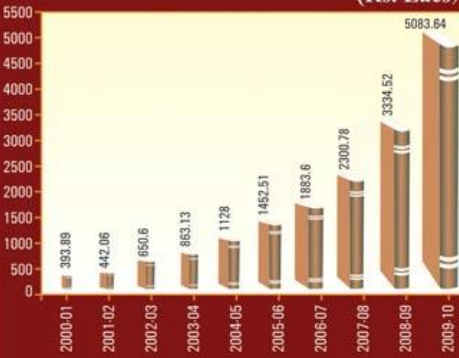
## INTRINSIC VALUE OF RE1/SHARE

(Rs. Lacs)



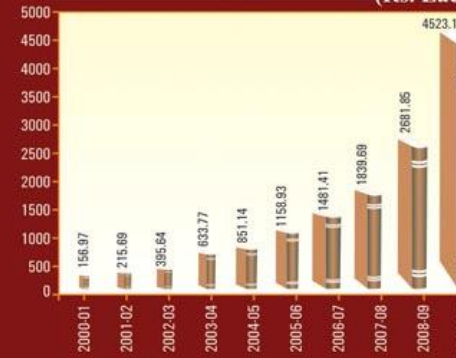
## DEPOSITS

(Rs. Lacs)



## ADVANCES

(Rs. Lacs)



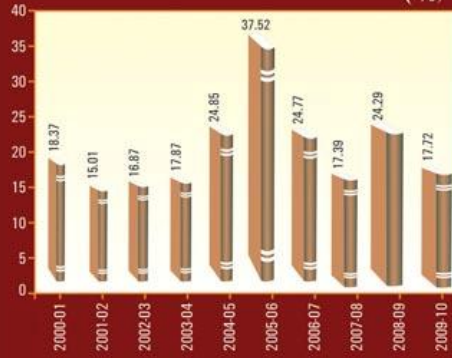
# VISION

Many may Come and Many may Go But We Serve You forever

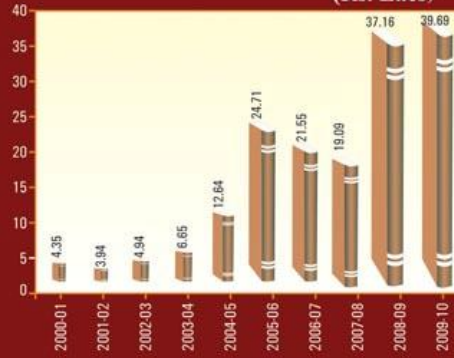


## TOWN BENEFIT FUND (KUMBAKONAM) LIMITED

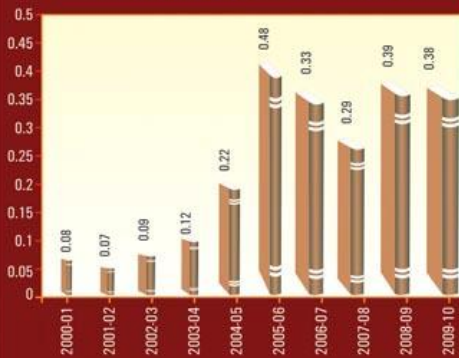
**RETURN ON AVERAGE NETWORKTH (%)**



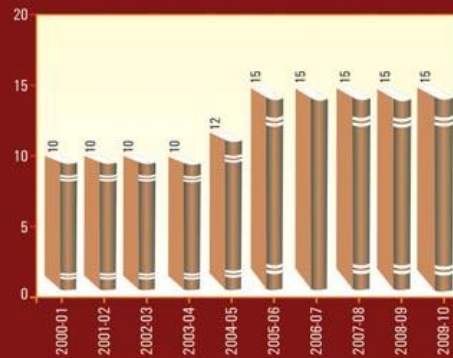
**PROFIT AFTER TAX (Rs. Lacs)**



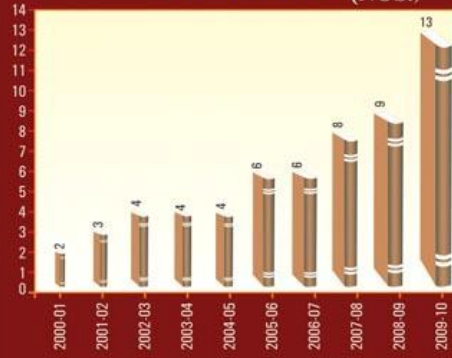
**EARNING PER SHARE (EPS)**



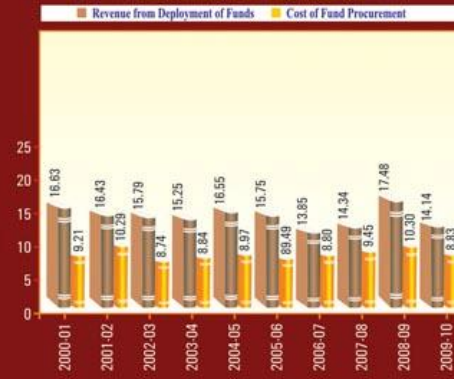
**DIVIDEND PERCENTAGE**



**NO OF BRANCES (NOS.)**



**COST OF DEPOSIT Revenue for Advances**



**M I S S I O N**  
Mutuality Among Humanity