

T. Spiritual World Ltd.

Board of Directors:	Mr. B. Singh	Whole Time Director
	Mr. A.K. Jain	Director
	Dr. A. A. Sisodia	Director
	Mr. R. Singh	Director
	Mr. M. K. Bothra	Director
Company Secretary	Mr Sashi Sekhor Chowdhury	
Registered Office:	4, N. S. Road, 1 st Floor, Kolkata - 700 001	
Corporate Office:	TSW Centre, A-41/A, Road No.1, Mahipalpur Chowk, New Delhi – 110 037	
Bankers:	HDFC Bank RBS Bank Punjab National Bank	
Auditors:	M/s Mohindra Arora & Co. <i>Chartered Accountants</i> Mumbai	
Registrar & Transfer Agent:	Bigshare Services (P) Ltd. E-2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai – 400 072.	

T. Spiritual World Ltd.

NOTICE

NOTICE is hereby given that the 25th Annual General Meeting of **T. Spiritual World Limited** will be held on Tuesday, 27th September 2011 at 3:00 P.M. at O2 Hotel, VIP Road, Kaikhali, Kolkata – 700 052 to transact the following business:

ORDINARY BUSINESS:

1. To consider, approve, and adopt the Profit and loss Account of the Company for the year ended 31st March, 2011 and the Balance Sheet as on that date, together with Directors' and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Rajendra Singh who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr. Abhishek Kumar Jain who retires by rotation and being eligible offers himself for reappointment.

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass with or without modification the following resolution as a **Special resolution**, relating to the appointment of the auditors of the Company:

“RESOLVED THAT M/s. S. R. Ghedia & Associates, Chartered Accountant, Mumbai (in place of M/s. Mohindra Arora & Co., Chartered Accountants, Delhi who have given notice in writing of their unwillingness to be re-appointed as statutory auditors of the company) be and are hereby appointed as statutory auditors of the Company under Section 224, 224A and other applicable provisions, if any, of the Companies Act 1956, to hold office as such from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the company at such remuneration as may be decided by the Board of Directors of the company.”

**By Order of the Board
For T. Spiritual World Limited**

**Place: Kolkata
Date: 17/08/2011**

**(Baldev Singh)
Whole Time Director**

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NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the company.
2. Proxies in order to be effective must be received at the Company's registered office at 4, Netaji Subhash Road, 1st floor, Kolkata – 700 001 not less than 48 hours before the time fixed for the Annual General Meeting.
3. Members who are holding Company's shares in a Dematerialized form are required to bring details of their depository account number for identification.
4. Register of Members and Share Transfer Books shall remain closed from 21/09/2011 to 27/09/2011 (Both days inclusive)
5. Members are requested to kindly notify immediately change, if any, in their address to the Company.
6. Explanatory statement pursuant to Section 173 (2) of the Companies Act, 1956, in respect of the Business above is annexed hereto.
7. All documents referred to in the accompanying notice are open for inspection at the registered office of the company on all working days, except Sundays between 11.00 A.M. to 1.00 P.M.
8. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions to the Secretary/ Director of the Company so as to reach at least seven days before the date of the meeting, so that the information required may be made available at the meeting to the best extent possible.
9. In terms of circular No 17 / 2011 dated April 21, 2011 and circular No 18 / 2011 dated April 29, 2011, issued by Ministry of Corporate Affairs (MCA), the Company proposes to send you from next financial year 2011– 2012 onwards, all communication including Notices of meetings, Annual Reports and financial Statements etc. or to receive any other document prescribed under any law through Electronic mode to the e-mail addresses, which would be made available to us by the Depositories and also which are registered and /or otherwise available with the Company's registrars and Shares Transfer Agent, M/s. Bigshare Services Private Limited Mumbai from time to time. The full text of all such documents and communication will also be displayed at the website of the Company www.tspiritualworld.com

We seek your kind co-operation and support in our Green initiative and request you to register your e-mail id with your Depository participants. The members still holding the equity shares of the company in physical form are requested to provide / update their e-mails id with the Company's Registrar and Share Transfer Agent at investor@bigshareonline.com or with the Company at info@tspiritualworld.com

If at any time a shareholder desire, you may receive all communication in physical form on written request.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956.

Item No.4

Presently the Company's financial accounts are being audited by M/s. Mohindra Arora & Co., Chartered Accountants, Delhi who hold Office until the conclusion of this meeting. M/s. Mohindra Arora & Co., vide their letter dated 23/05/2011 informed the company about their unwillingness for their re-appointment at ensuing Annual General Meeting of the Company.

The Board places on record its appreciation for the services rendered by M/s. Mohindra Arora & Co., as the statutory auditors of the Company.

The Company has received a special notice from a member of the Company, signifying his intention to propose the name of M/s. S. R. Ghedia & Associates, Chartered Accountants, Mumbai, as the statutory auditors of the Company under the provisions of Companies Act, 1956. Accordingly, the Board of Directors of the Company on the recommendation of the Audit Committee proposes the name of M/s. S. R. Ghedia & Associates, Chartered Accountants, Mumbai, as the statutory auditors of the Company who will hold office as such from the conclusion of this Meeting until the conclusion of the next Annual General Meeting.

M/s. S. R. Ghedia & Associates, Chartered Accountants, Mumbai, have expressed their willingness to act as the statutory auditors of the Company and have further confirmed that their appointment, if made would be within the limits prescribed under Section 224 (1B) of the Companies Act, 1956.

Members' approval is accordingly being sought for the appointment of M/s. S. R. Ghedia & Associates, Chartered Accountants, Mumbai, as the statutory auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting at remuneration to be mutually decided.

The Directors commend the motion set out in the Notice to be passed as a special resolution by the Members. None of the Director is in any way concerned or interested in the Resolution under Item No. 4.

Appointment / Re appointment of Directors

At ensuing Annual General Meeting, **Mr. Rajendra Singh**, Director retiring by rotation and being eligible offers himself for re-appointment. The relevant information as required under clause 49 of the listing agreement concerning Corporate Governance Code in respect of Appointment/ re-appointment of Directors is given below for information of the Members.

Mr. Rajendra Singh, Director of the Company is having lot of experience in the field of corporate laws, Accounts, financial matters etc. The Company is utilizing his experience in all respective field of business operation.

At ensuing Annual General Meeting, **Mr. Abhishek Kumar Jain**, Director retiring by rotation and being eligible offers himself for re-appointment. The relevant information as required under clause 49 of the listing agreement concerning Corporate Governance Code in respect of Appointment/ re-appointment of Directors is given below for information of the Members.

Mr. Abhishek Kumar Jain, Director of the Company is having lot of experience in the field of Accounts, administration etc. The Company is utilizing his experience in all respective field of business operation.

DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the 25th Annual Report together with the Audited Statement of Accounts and the Auditors Report of your company for the year ended 31st March 2011. The Financial highlights for the year under review are given below:

FINANCIAL RESULTS

Particulars	(Rs. In Lacs)	
	31st March, 2011	31st March, 2010
Total Income	1793.35	2788.50
Profit Before Depreciation and Tax	81.90	87.41
Less : Depreciation	52.75	50.49
Profit Before Taxation	29.15	36.92
Less : Provision for Tax	9.01	11.30
Profit after Tax	20.14	25.62
Add: Balance of Profits for earlier years	437.73	412.11
Balance available for Appropriation	457.87	437.73

DIVIDEND

Due to growing requirement of fund for the future business activities, your directors have decided not to recommend dividend for the year under review.

PERFORMANCE

Total Revenue of your Company is Rs.1793.35 lacs in Financial Year 2010–11 compared to Rs. 2788.50 lacs during Financial Year 2009–10. The Net Profit generated by the Company during the year under review is Rs.20.14 lacs, as compared to the previous year Rs. 25.62 lacs.

FUTURE OUTLOOK

The Company's IT services continue to do well despite the challenges of competition and increased costs of manpower. The company has already entered the wellness sector with its products and services. This sector is growing rapidly. The Company intends to further expand in this sector.

DIRECTOR

Mr. Rajendra Singh director of the Company, retire by rotation at the ensuing Annual General Meeting and is eligible for reappointment.

Mr. Abhishek Kumar Jain, Director of the Company, retires by rotation at the ensuing Annual General

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Meeting and is eligible for reappointment.

Necessary resolutions for the reappointment of the aforesaid directors have been included in the notice convening the Annual General Meeting.

AUDITORS & AUDITORS OBSERVATIONS

At 24th Annual General Meeting of the Company held on 24/09/2010, M/s. Mohindra Arora & Co., Chartered Accountants, Delhi, were re-appointed as statutory auditors of the company to hold office as such until the conclusion of the ensuing Annual General Meeting of the company. M/s. Mohindra Arora & Co., Chartered Accountants, Delhi now expressed their unwillingness to be re-appointed as such statutory auditors of the company. It is therefore proposed to appoint in their place M/s. S. R. Ghedia & Associates, Chartered Accountants, Mumbai, as statutory auditors of the company as stated in the relevant resolution on the terms set out therein.

M/s. S. R. Ghedia & Associates, Chartered Accountants, Mumbai, who have given certificate of their eligibility and willingness to act as statutory auditors of the company. It is in the above circumstances that the resolution in these items of the notice is proposed to be passed and is recommended for your acceptance.

The observations of the Auditor's as referred to in the Auditor's Report are suitably explained in the notes to the Accounts.

COMPLIANCE WITH THE ACCOUNTING STANDARDS:

The Company prepares its accounts and other financial statements in accordance with the relevant accounting principles and also complies with the Accounting Standards issued by the Institute of Chartered Accountants of India.

CORPORATE GOVERNANCE:

A separate section on Corporate Governance is included in the Annual Reports and the Certificate from Company's auditors confirming the compliance with the code of Corporate Governance as enumerated in clause 49 of the listing of agreement with the Stock Exchange is annexed hereto.

MANAGEMENT DISCUSSION AND ANALYSIS

In compliance with the provisions of clause 49 of the listing agreement with the stock exchange, detailed review of the operations, performance and future outlook of the company is annexed hereto.

HRD INITIATIVES

It is the endeavour of the company to create in its employees a sense of belonging, and an environment that promotes openness, creativity and innovation. All our manpower initiatives are implemented with the aim of maximizing productivity and aligning organizational needs with employees aspirations. Your Company plans to take requisite steps by bringing in the essential professionals and infrastructure to provide solutions and integrate systems for transacting business across the Internet.

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The provision of section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 are not applicable to the Company.

QUALITY INITIATIVES

The Company has established quality management systems and got its processes examined by certified assessors who have found it to be conforming to the requirements of ISO 9001:2000 in respect of “Retail Sale of products like Religious Books, CDs, Yantras, Candles and Provision of Services for Yoga, Meditation, Astrology, Software Development and Web Designing.”

FIXED DEPOSITS

The company has not accepted any deposit since incorporation and, as such, no amount of principal or interest was outstanding on the date of Balance Sheet.

DIRECTORS RESPONSIBILITY

The Directors confirm that:

- (i) In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departure;
- (ii) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 31st March 2011 and of the profit or loss of the company for that period;
- (iii) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) The directors had prepared the annual accounts on a going concern basis.

TECHNOLOGY, R&D AND FOREIGN EXCHANGE

The provisions of Section 217(1)(e) of The Companies Act, 1956, with regard to conservation of energy and technology absorption are not applicable to the company. The company has not incurred any expenditure or earned any income in foreign exchange during the period under review.

ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation for the contributions made by the employees at all levels, whose continued commitment and dedication helped the company achieve better results. The Directors also wish to thank customers, bankers, Central and State Governments for their continued support. Finally your directors would like to express their sincere & whole-hearted gratitude to all of you for your faith in us, your co-operation & never failing support.

**By Order of the Board
For T. Spiritual World Limited**

Place : Kolkata

Date : 28/07/2011

(Baldev Singh)

Whole Time Director

ANNEXURE TO THE DIRECTORS' REPORT

A. CONSERVATION OF ENERGY

The operations of your company are not energy intensive. Your Company evaluates on an on-going basis new technologies and techniques to make infrastructure more energy efficient. Investments are made on a continuous basis to reduce energy consumption.

Adequate measures have been taken to reduce energy consumption. Efforts are being made on an on-going basis to conserve and optimise the use of energy in regular operations by introducing state-of-art equipment for consumption of energy.

B. RESEARCH AND DEVELOPMENT

a) The Company's R&D Effort

To enhance its capability and customer service, the company continues to make investment in R&D. The R&D activities are carried out in-house in the e-business solutions, knowledge management, Software development, etc.

b) Benefits of R&D Efforts

The benefits of R&D have led to improved performance due to upgradation of existing knowledge. The R&D has resulted in direct benefits in improved productivity and customer service.

c) Future Plan on R&D

The on-going process of R&D will be directed towards creation of new software tools and utilities, development of advanced techniques and process and will help in the development of the company. The company will continue to leverage new technologies and upgrade existing performance. This will enable the company to introduce and implement new technology to meet changing market.

d) Expenditure on R&D

NIL

C. FOREIGN EXCHANGE EARNING AND OUTGO

During the year, the company made consistent efforts to increase its foreign exchange earnings. The total foreign exchange earning of the company was Nil whereas the outgo was Nil during the financial year.

MANAGEMENT DISCUSSION AND ANALYSIS

COMPANY PROFILE

At, T. Spiritual World Ltd., our aim is to be a complete destination for wellness products and services to individuals as well as corporates.

The company is a successfully managed and profit making public limited company. The Company has two main business divisions

- Commodities, Wellness Products & Services
- IT & Software Development

The Company has a state of the art wellness centre at Mahipalpur, New Delhi. This 4- storey wellness centre has

- a fully equipped Yoga Studio
- a Wellness Store
- Alternative Therapy Clinic &
- Corporate Office

WELLNESS PRODUCTS & SERVICES

Products

- Astrology products – yantras, gemstones, rudraksh, horoscopes
- Aromatherapy Candles
- Acupressure instruments
- Yoga accessories
- Books, CDs and audio cassettes
- Feng Shui items
- Health & Fitness – Yoga mats, kits,

Services

- Yoga sessions for individuals, groups & corporates
- Acupressure & Sujok treatments
- Stress management for corporates
- Astrology & Vaastu consultations
- Health, diet & lifestyle counseling
- Naturopathy prescriptions
- Health & Wellness Camps

The Company also has a software development center. This technology center is the hub for technology and IT training services for the Company. The Company derives its revenues from three main services

- IT & Computer Training
- Internet & Web Development
- Software Development

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The Financial performance of the company for the current year is as under :

(Rs. in lacs)

Particulars	31st March, 2011	31st March, 2010
Total Income	1793.35	2788.50
Profit Before Depreciation and Tax	81.90	87.41
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Balance available for Appropriation	457.87	437.73

Total Revenue of your Company is Rs.1793.35 lacs in Financial Year 2010–11 compared to Rs.2788.50 lacs during Financial Year 2009–10. The Net Profit generated by the Company during the year under review is Rs.20.14 lacs, as compared to the previous year Rs.25.62 lacs.

INDIAN ECONOMY

The domestic environment is conducive for growth and private final consumption expenditure is projected to grow by a healthy 7.5 per cent and gross fixed capital formation by 14.6 per cent, the Centre for Monitoring Indian Economy (CMIE) said in its latest monthly review of the country's economy. On the back of such facts, India's GDP is projected to continue to grow at a brisk pace of 8.8 per cent in 2011-12.

The Indian IT-BPO sector continues to be the fastest growing segment of the industry and is estimated to have aggregated revenues of US\$ 76 billion in FY2011 by growing 19 per cent over the previous year, revealed software industry body NASSCOM. Further, NASSCOM predicts that the Indian IT-BPO revenues may touch US\$ 225 billion by 2020.

The data centre services market in the country is estimated to grow at a compound annual growth rate (CAGR) of 22.7 per cent between 2009 and 2011, to touch close to US\$ 2.2 billion by the end of 2011, according to research firm IDC India's report.

As per the Nasscom Strategic Review 2011, the Domestic BPO segment is expected to grow by 16.9 per cent in 2010-11, to reach US\$ 2.8 billion, driven by demand from voice based services, in addition to adoption from emerging verticals, new customer segments, and value based transformational outsourcing platforms.

INDUSTRY STRUCTURE & DEVELOPMENT

Poised to become a US\$ 225 billion industry by 2020, the Indian information technology (IT) industry has played a key role in putting India on the global map. The IT-BPO sector has become one of the most significant growth catalysts for the Indian economy. In addition to fuelling India's economy, this industry is also positively influencing the lives of its people through an active direct and indirect contribution to various socio-economic parameters such as employment, standard of living and diversity. The industry has played a significant role in transforming India's image from a slow moving bureaucratic economy to a land of innovative entrepreneurs and a global player in providing world class technology solutions and business services, according to National Association of Software and Service Companies (NASSCOM).

The sector is estimated to have grown by 19 per cent in the FY2011, clocking revenue of almost US\$ 76 billion. India's outsourcing industry has witnessed a rebound and registered better than expected growth according to NASSCOM.

Strong economic growth, rapid advancement in technology infrastructure, increasingly competitive Indian organisations, enhanced focus by the government and emergence of business models that help provide IT to new customer segments are the key drivers for increased technology adoption in India.

The data centre services market in the country is forecast to grow at a compound annual growth rate (CAGR) of 22.7 per cent between 2009 and 2011, to touch close to US\$ 2.2 billion by the end of 2011, according to research firm IDC India's report. The IDC India report stated that the overall India data centre services market in 2009 was estimated at US\$ 1.39 billion.

India will see its number of internet users triple to 237 million by 2015, from 81 million registered in September 2010, according to a report titled 'Internet's New bn', by the Boston Consulting Group (BCG). BCG said Internet penetration rate in India is expected to reach 19 per cent by 2015, up from the current seven per cent.

Government Initiatives

Government sector is a key catalyst for increased IT adoption- through sectors reforms that encourage IT acceptance, National eGovernance Programmes (NeGP) , and the Unique Identification Development Authority of India (UIDAI) programme that creates large scale IT infrastructure and promotes corporate participation.

Certain crucial steps taken by the Indian government to propel the sector growth are:

- Constitution of the Technical Advisory Group for Unique Projects (TAGUP) under the chairmanship of Nandan Nilekani. The Group would develop IT infrastructure in five key areas, which includes the New Pension System (NPS) and the Goods and Services Tax (GST)

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- Setting up the National Taskforce on Information Technology and Software Development with the objective of framing a long term National IT Policy for the country.
- Enactment of the Information Technology Act, which provides a legal framework to facilitate electronic commerce and electronic transactions.
- Setting up of Software Technology Parks of India (STPIs) in 1991 for the promotion of software exports from the country. There are currently 51 STPI centres where apart from exemption from customs duty available for capital goods, there are also exemptions from service tax, excise duty, and rebate for payment of Central Sales Tax.
- Plans to formulate Information Technology Investment Regions (ITIRs). These regions would be endowed with excellent infrastructure and would reap the benefits of co-siting, networking and greater efficiency through use of common infrastructure and support services.

WELLNESS INDUSTRY

Wellness of the body and mind has become a biological need in the 21st century. Earlier, masses were not so conscious about their looks & body image. Their idea of Wellness was limited to basic skin and hair care. People preferred home cooked food and there were fixed working hours. Then there was a phase which showed a growing obsession with appearance. The focus was shifted to treatment based & beauty enhancing products. Also, junk food was preferred over home food and lifestyle changed with longer working hours. Nowadays, people look at 'holistic wellness' i.e. outward appearance and mental peace.

There are a range of products to use, from natural & organic to ayurvedic & allopathic. The preference to fast food & ready to eat meals and a sedentary lifestyle has resulted in an ever growing need for exercise and body enhancing cosmetic surgeries. Wellness is closely linked to the overall achievement of an individual's needs. Wellness is driven by five main needs – Biological, Esteem, Aesthetic, Cognitive and Self-Actualization. These individual needs are being influenced by changing and evolving lifestyle trends.

Wellness as an offering has been prevalent since the ancient times in India. The pioneering work of our ancestors in the areas of ayurveda and traditional medicine stand as leading lights for many users and practitioners to this date. What has changed since then has been the dedication that entrepreneurs, practitioners and regulators in this space have shown to kick-start the organized industry in India.

The wellness industry is classified into seven core segments within different products and services, such as

- Allopathy
- Alternative therapies
- Beauty
- Counseling
- Fitness and slimming
- Nutrition
- Rejuvenation.

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Wellness offerings have also seen increased demand from corporate clients. A greater corporate focus on employee welfare and a desire to inculcate beneficial wellness practices into employees' lifestyles has resulted in a new breed of corporate clients for wellness players.

Estimating India's market for 'wellness' services at Rs.110 billion (\$2.2 billion), it is projected this industry to grow at an annual rate of 30-35 percent. 'This growth is expected on the back of favourable market demographics, consumerism, globalisation, changing lifestyles, increasing availability across categories and regions and rising awareness among people,' says the joint report of the Federation of Indian Chambers of Commerce and Industry (FICCI) and Ernst and Young. According to the report, the increasing level of activity is arising from the entry of several providers such as organised Indian and international players, expansion by existing companies, strategic alliances and interest among private equity investors and hospitality and realty industries.

OPPORTUNITY AND THREAT

Your Company's products and services enjoy wide acceptance in various user industries. Yet in the ever changing corporate and technology developments, every company is required to update one's system of operation. The dynamic and energetic infusion in company's management team is capable of utilizing every opportunity for the company's benefit.

OUTLOOK

The Indian information technology sector continues to be one of the sunshine sectors of the Indian economy showing rapid growth and promise.

According to a report prepared by McKinsey for NASSCOM called 'Perspective 2020: Transform Business, Transform India', the exports component of the Indian industry is expected to reach US\$ 175 billion in revenue by 2020. The domestic component will contribute US\$ 50 billion in revenue by 2020. Together, the export and domestic markets are likely to bring in US\$ 225 billion in revenue, as new opportunities emerge in areas such as public sector and healthcare and as geographies including Brazil, Russia, China and Japan opt for greater outsourcing.

Barring a few unforeseen, the company is confident to maintain its growth rate and it is definite to accelerate with higher and higher quality services to its customers. In order to attain high growth, the future strategy will be the following:

RISK AND CONCERNS

Unregulated entry of small time operators having no or little technology base may spoil the goodwill of the Indian IT industry in the international market. The attention of the Central Government has already been

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drawn to such possible threats and the Government has already taken necessary regulatory steps to maintain overseas and international acceptance of Indian supremacy in IT sector.

The company may also face competition from small time operators having no or little technology base may affect the goodwill of the spiritual sector nationally and internationally.

RESEARCH AND DEVELOPMENT

The company is in the process of setting up a state-of-art research system to be manned by widely experienced professionals to develop new and value-added services to cater various industrial, academic and research needs of the country.

HUMAN RESOURCE DEVELOPMENT & INDUSTRIAL RELATION

The company continues to maintain excellent industrial relation while ensuring development of its human resources through appropriated training and further educational programs. The company believes that its employees are the real strength of the organization.

CAUTIONARY STATEMENT

Statements made in the management discussion and analysis describing the Companies' objectives, expectations or predications may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement important factors that influence the Company's operations, include global and domestic supply and demand conditions.

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CORPORATE GOVERNANCE

Company's Philosophy on code of Governance:

The philosophy of the Company in relation to Corporate Governance is to ensure fairness, transparency, integrity, equity, honesty, and accountability in its dealings with its customers, employees, stakeholders including shareholders, lenders and the government. The Company is committed to achieve and maintain the highest standards of Corporate Governance. During the year the Company has fine tuned its corporate practices to bring them in line with the revised clause 49 of the listing agreement. The Company will continue to focus its resources and strengths for maximizing the benefits to the stake holders of the Company

Board of Directors:

The Board of Directors along with its committees provides leadership and guidance to the Company's management and directs, supervises and controls the performance of the Company.

The Board of Directors presently comprises of 5 Directors, out of which 4 are Non-Executive Directors and two of them are Non-Executive Independent Directors. The Company has a Non-executive Chairman and members of Independent Directors are more than one third of the total numbers of Directors. The numbers of Non-executive Directors are more than 50% of the total number of Directors. None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees.

During financial year 2010–2011, the meetings of Board of Directors were held on 27/05/2010, 30/07/2010, 20/08/2010, 13/11/2010 and 04/02/2011. The meetings of the Board of Directors are generally held once in a quarter and are scheduled well in advance.

The attendance of the Directors at the Board Meetings, Annual General Meeting, directorship held by them in other Companies and also membership of the committees of the Boards of such Companies are as follows:

Number of Directorship held:

Name of Director	Category	No. of Board Meeting Attended	Attendance at Last AGM	No. of Other Directorship	No. of Other Committee Membership
Mr. Baldev Singh #	Whole Time Director	5	Yes	2	4
Mr. Abhishek Kumar Jain	Non-Executive Director	4	Yes	5	6
Dr. Alam Ali Sisodia	Non-Executive Independent Director	5	Yes	4	2
Mr. Rajendra Singh	Non-Executive Director	3	No	3	Nil
Mr. Manoj Kumar Bothra	Non-Executive Independent Director	3	Yes	2	4

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- # Mr. Baldev Singh was re-appointed as a Whole Time Director w.e.f. 01/07/2010.
- None of the Directors is related to any other Director.

Code of conduct:

The Board of Directors have adopted the code of Business conduct and ethics for directors and senior Management. The said code has been communicated to the director and the members of the senior management. The code has also been posted on the company's website at www.tspiritualworld.com.

Audit Committee:

Your Company has an audit committee at the Board level which acts as a links between the management, the statutory Auditors and the Board of Directors and oversees the financial reporting process. The Audit committee has three Non executive independent directors as members out of which two are independent Directors. All the members are financially literate. Dr. Aalm Ali Sisodia is the Chairman of the Audit Committee and was present at the Annual General meeting of the Company. During the period, the audit committee met four times to deliberate on various matters. The meeting was held on 25/05/2010, 29/07/2010, 11/11/2010 and 01/02/2011.

Recommending to the Board, the appointment and / or re-appointment and, if any required, the replacement or removal of statutory auditor and the fixation of audit fee and also approval for payment for any other services.

The scope of the activities of the Audit Committee is set out the provision of revised Clause No. 49 of the Listing Agreement with the Stock Exchange read with section 292A of the Companies Act, 1956. The terms of reference of the Audit Committee are broadly as follows:

- To oversee the financial reporting process and disclosures of financial information.
- To review of the quarterly/ half yearly and annual financial statements of the Company before submission to the Board with special emphasis on accounting policies, compliance of accounting standards and other legal requirements relating to financial statements.
- To review with the management and statutory auditors the annual financial statements before submission to the Board.
- To review the Company financial and risk management policies
- To consider such other matters as may be required by the Board
- To hold periodical discussions with statutory Auditors on the scope and content of the audit.

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The composition of the constituted Audit Committee along with the details of the meetings attended by the members are given below:

Name of the Members	Category	No. of Meeting Attended
Dr. Alam Ali Sisodia	Non-Executive Independent Director	4
Mr. Abhishek Kumar Jain	Non-Executive Director	4
Mr. Manoj Kumar Bothra	Non-Executive Independent Director	3

Share Holders / Investors Grievances Committee:

The Investors Grievance committee consists of three Directors as its members, viz., Mr. Manoj Kumar Bothra, Mr. Abhishek Kuma Jain and Dr. Alam Ali Sisodia. Dr. Alam Ali Sisodia, an Independent Director is the Chairman of shareholders/ investor grievance committee and Mr. Shasi Sekhor Chowdhary, Company Secretary is Compliance Officer of the Company. The committee is responsible to oversee and review all matters connected with transfer and transmission of shares, issue of duplicate share certificates etc. The committee monitors replies to investor's complaints, queries and requests relating to transfer of shares, non-receipt of share certificates, non receipt of declared dividends, Annual Reports, etc. The committee met time to time as when required. The committee has sorted out all complaints, queries received from shareholders / investors during the year ended 31/03/2011.

Remuneration Committee:

The Remuneration Committee comprising of 2 Independent Directors and 1 Non-executive Director, reviews the performance of the Whole Time Director and senior executives one level below the Board, and also reviews the remuneration package offered by the Company to different grades/ levels of its employees. While reviewing the remuneration of senior management personnel, the Committee takes into account the following:

- Financial position of the Company;
- Trends in the industry;
- Appointee's qualifications and experience;
- Past performance;
- Past remuneration; etc.

The Chief of Human Resources makes periodic presentations to the Remuneration Committee on organization structure, performance appraisals, increments and performance bonus recommendations. The Committee keeps the Directors updated on various Human Resources matters.

T. Spiritual World Ltd.

During FY 2010-2011, the remuneration committee met two times and the attendance record of the Compensation Committee is given in below table.

Name of the Members	Category	No. of Meeting Attended
Dr. Alam Ali Sisodia	Non-Executive Independent Director	2
Mr. Abhishek Kumar Jain	Non-Executive Director	2
Mr. Manoj Kumar Bothra	Non-Executive Independent Director	1

Remuneration of Director

Apart from sitting fees @ Rs. 500/- per meeting that is paid to the Directors for attending Board / committee meetings, no significant material transaction have been made with the non executive Director vis-a vis the Company. Sri Baldev Singh was re-appointed as Whole Time Director of the Company with effect from 01/07/2010 for the period of three years and the remuneration fixed @ Rs. 21000/- P.M. including perquisites as approved by the members of the Company. The details of remuneration of the whole time Director is as follows: -

Name of Director	Salary cum Allowances	Stock Benefits	Service Contract Tenure
Mr. Baldev Singh	Rs.219000/-	Nil	3Years

General Body Meeting:

Details of location and time of last three Annual General Meetings and Extra Ordinary General Meeting are as follows:

Year	AGM/ EGM	Date	Time	Place
2009-2010	AGM	24/09/2010	3:00 P.M.	P- 91, Bangur Avenue, Block "B", Kolkata – 700 055
2008 - 2009	AGM	24/09/2009	10:00 A.M.	Shivam Conference Hall, B-267 Bangur Avenue, Kolkata – 700 055
2007 - 2008	AGM	30/09/2008	10:00 A.M.	Shivam Conference Hall, B-267 Bangur Avenue, Kolkata – 700 055
2007 - 2008	EGM	14/02/2008	10:00 A.M.	Shivam Conference Hall, B-267 Bangur Avenue, Kolkata – 700 055

No special Resolution was put through postal ballot last year nor is it proposed to put any special resolution to vote through postal ballot.

Disclosure

There were no instances of non – compliance or penalty, strictures imposed on your Company by Stock Exchange, SEBI or any statutory authorities on any matter related to capital markets during the last three years.

There are no significant transaction with the related parties namely, promoters/ Directors or the management & their Associates or relatives etc. that may have a conflict with the interest of the company.

The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and in the preparation of Financial Statements, the Company has not adopted a treatment different from that prescribed in an Accounting Standards.

The Company does not have any subsidiary.

The Company has complied with all mandatory requirements of clause 49 of the listing agreement. The non-mandatory requirements, to the extent followed by the company have been stated in this report.

Your Company does not have any whistle blower policy.

Details of Directors seeking appointment/ re appointment at the ensuing Annual General meeting as required under clause 49 of listing agreement is annexed to notice convening the Annual General Meeting.

During the year under review, your Company has not raised any proceeds from public issue, rights issue, preferential issue or any other instruments etc.

Non – Mandatory Requirements

The company has adopted the non mandatory provisions relating to the various clauses of listing agreement of Stock Exchange. The quarterly/ half yearly and audited financial results are published in financial newspapers, posted on the company’s website and sent to the shareholders on request. The company is also moving towards a regime of unqualified financial statements. The Company shall endeavour to adopt the other non mandatory requirements as and when necessary.

Means of Communication

The quarterly results of the company are published in leading English / Bengali (regional) newspapers. No half yearly report is sent to the shareholders directly. Such financial are covered by limited review reports by the statutory auditors. The quarterly results as well as the proceedings of the AGM / EGM are submitted to BSE / CSE immediately after conclusion of the respective meeting.

T. Spiritual World Ltd.

The management discussion and analysis is a part of the Annual Report and annexed separately.

CEO Declaration

As required by Clause 49 of the Listing Agreement, the CEO i.e., the Whole Time Director's declaration on compliance of the Company's code of conduct is provided as an Annexure to this Report.

General Share Holder Information:

- | | |
|---------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Compliance Officer | Mr. Shasi Sekhor Chowdhary
4, N. S. Road, 1 st Floor, Kolkata – 700 001 |
| 2. Annual General Meeting | |
| a. Date & Time | Tuesday, 27/09/2011 At 3.00 P.M. |
| b. Venue | O2 Hotel, VIP Road, Kaikhali,
Kolkata – 700 052 |
| c. Financial Calendar | 1 st April to 31 st March |
| <u>Quarterly Results</u> | |
| First Quarter | July 2011 |
| Second Quarter | October 2011 |
| Third Quarter | January 2011 |
| Fourth Quarter | April 2012 |
| d. Date of Book Closure | 21/09/2011 to 27/09/2011 |
| e. Listing on Stock Exchange | 1. The Calcutta Stock Exchange
Association Limited, Kolkata
2. Bombay Stock Exchange Ltd., Mumbai
Listing fees in respect of all the above Stock
Exchanges have been paid for the financial year
2011 – 2012 |
| f. Stock Code | 532444 (At BSE)
15091 (At CSE) |
| g. Demat ISIN in NSDL & CDSL
for equity shares | INE541C01037 |

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- h. Registrar and Share Transfer Agent (For Physical & Dmat Segment) Bigshare Services Pvt.Ltd.
E/2, Ansa Ind. Estate, Sakivihar Road,
Sakinaka, Andheri (E), Mumbai – 400 072
Tel. : 28470652 Fax : 28475207
- i. Dividend No dividend has been recommended by the Board of Directors for the FY 2010-11
- j. Market Price data high, low & Volume at BSE during each month in last financial year is given below :

Months	High	Low	Volume
April 2010	3.10	2.28	385770
May 2010	2.79	2.01	255894
June 2010	2.69	2.16	273787
July 2010	2.78	2.20	392313
August 2010	2.72	1.87	454541
September 2010	2.69	2.12	411979
October 2010	3.00	1.90	812438
November 2010	2.40	1.82	555502
December 2010	2.14	1.52	304553
January 2011	2.20	1.46	239396
February 2011	1.62	1.03	156372
March 2011	1.29	1.03	194778

Share Transfer System:

Shares of the Company are compulsorily traded in demat mode. Shares in physical mode which are lodged for transfer with Transfer Agent, i.e., M/s Bigshare Services Pvt. Ltd, at the above addresses are processed within 15 days from the date of receipt, if the documents are complete in all respects The share certificates are returned to the investors within the prescribed time.

Dematerialisation of Shares:

The Company's shares are compulsorily traded in dematerialised form and are available for trading on both the depositories with NSDL/ CDSL. About 99.986% (approx) of total equity share capital is held in Demat form with NSDL & CDSL as at 31st March 2011.

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Distribution of Shareholdings

Categories of Shareholders as on 31/03/2011

Category	No. of Shareholders	No. of Shares	% of Equity Capital
Promoters	7	3316280	16.580%
Other Bodies Corporate	299	2603559	13.017%
Individual / Others	15796	14082161	70.403%
Total	16102	2,00,02,000	100.00%

Distribution of Shareholdings as on 31/03/2011

No. of Equity Share held	No. of Shareholders	% of Shareholders	Total Holding	% of Shares
1 – 500	10971	68.14	2249093	11.25
501 – 1000	2673	16.60	2227454	11.14
1001 – 2000	1284	7.97	2110987	10.55
2001 – 3000	366	2.27	953938	4.77
3001 – 4000	238	1.48	876429	4.38
4001 – 5000	158	0.98	750802	3.75
5001 – 10000	236	1.47	1787614	8.94
10001 – above	176	1.09	9045683	45.22
Total	16102	100	20002000	100.00

DECLARATION

As required under Clause 49 of the Listing Agreement, I, Baldev Singh, Whole Time Director of the Company hereby affirm that all the Board members and Senior Management personnel have confirmed compliance with the code of conduct, as applicable to them for the year ended 31st March 2011.

Place: Kolkata
Date: 19/05/2011

(Baldev Singh)
Whole Time Director

T. Spiritual World Ltd.

To
The Members of
T. Spiritual World Limited
Kolkata

We have examined the compliance of conditions of Corporate Governance by T. Spiritual World Limited for the year ended 31st March 2011, as stipulated in Clause No.49 of the listing agreement of the said company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the certificate of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate Governance as stipulated in the above mentioned Listing agreements.

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

**For Mohindra Arora & Co.
(Chartered Accountants)
FRN. 006551 N**

**Place: Mumbai
Date: 19/05/2011**

**(A. K. Katial)
Partner
FCA No. 09096**

T. Spiritual World Ltd.

AUDITORS' REPORT

To
The Members of
M/s. T. Spiritual World Ltd.

We have audited the attached Balance Sheet of M/s. T. Spiritual World Ltd. Kolkata as at 31st March, 2011, Profit & Loss Account and also the cash flow statement for the period ended on that date annexed thereto. These financial statements are the responsibility of the management of the company. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Company Law Board in terms of Section 227 (4-A) of the Companies Act, 1956, we enclosed in the Annexure a statement on the matters specified in Paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above:
 - a) We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our Audit.
 - b) In our opinion, proper books of account as required by Law have been kept by the Company so far as appears from our examination of the books.
 - c) The attached Balance Sheet, Profit and Loss Account and cash flow statement dealt with by this report are in agreement with the books of accounts.
 - d) In our opinion, the Balance Sheet, the Profit and Loss Account and cash flow statement dealt with this report comply with the Accounting Standard referred to in section 211 (3C) of the Companies Act, 1956 to the extent applicable.
 - e) On the basis of written representations received by us from the Directors of the Company as at 31st March 2011 and taken on record by the Board of Directors, we report that none of directors

T. Spiritual World Ltd.

are disqualified as on 31st March 2011 from being appointed as Director of the Company under clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies, Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principle generally accepted in India: -
- (i) In the case of the Balance Sheet, of the State of Affairs of the Company as at 31st March 2011 and
 - (ii) In the case of Profit & Loss Account, of the Profit of the Company for the period ended on that date.
 - (iii) In case of Cash-flow statement of the cash flows for the period ended on that date.

**For Mohindra Arora & Co.
(Chartered Accountants)
FRN. 006551 N**

**Place: Mumbai
Date: 12/04/2011**

**(A. K. Katial)
Partner
FCA No. 09096**

T. Spiritual World Ltd.

Annexure to Auditors' Report

Referred to in Paragraph 1 of our report of even date:

1. In respect of its fixed assets:
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b. As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c. As explained to us, the Company has not disposed of substantial part of fixed assets during the year and the going concern status of the Company is not affected.
2. In respect of its inventories:
 - a. As explained to us, inventories have been physically verified by the management at regular intervals during the year.
 - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
 - c. The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventory as compared to the book records.
3. In our opinion and according to the information and explanations given to us, there is no loans, secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence the requirement of Clause (iii) of paragraph 4 of the order is not applicable to the Company.
4. In our opinion and according to the information and explanation given to us, there is adequate internal control procedure commensurate with the size of the company and nature of its business for purchase of inventory, fixed assets and also for sale of goods. During the course of our audit, we have not observed any major weaknesses in internal controls.
5. In respect of transaction covered under section 301 of the Companies Act, 1956:

T. Spiritual World Ltd.

- a. In our opinion and according to the information and explanation given to us, the transaction that needs to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - b. In absence of competitive quotations and comparable prices and having regards to the specialised nature of items purchased or sold, we are unable to comment upon the reasonableness of prices at which such transactions have been entered, having value exceeding Rs.500,000/- or more in the financial year under audit.
6. The Company has not accepted any deposit from the public to which the provision of Sec 58A and 58AA of the Companies Act, 1956, and the Companies (Acceptance of Deposit) Rules, 1975 apply
 7. In our opinion, the company has an adequate internal audit system commensurate with the size of the Company and nature of its business.
 8. We are informed that the Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 for any of the services rendered by the Company.
 9. In respect of statutory dues:
 - a. According to the records of the Company, undisputed statutory dues including provident fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as on 31st March 2011 for a period of more than six months from the date of becoming payable.
 - b. In our opinion and according to the information and explanations given to us, there is no disputed statutory dues' pending before appropriate authorities.
 10. The Company does not have any accumulated losses and has not incurred any cash losses during the financial year and the immediate preceding financial year covered by our audit.
 11. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, bank or debenture holder.

T. Spiritual World Ltd.

12. In our opinion and according to the information and explanations given to us no loans and advances have been granted by the Company on the basis of security by way or pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore clause 4 (xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
14. According to the information and explanation given to us, The Company is not dealing or trading in shares, securities, debentures and other investments.
15. The Company has not given any guarantees for loans taken by other from banks or financial institutions.
16. The Company has not raised any term loans during the year.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that the Company has not utilized the funds raised on short term basis towards long-term borrowings and investment and vice versa.
18. During the year, the Company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not issued any debenture.
20. The Company has not raised the Money through ADRs/ GDRs/ FCCB or Convertible warrants etc during this period.
21. The Company has not raised any money by way of public issue during the year.
22. According to the information and explanation given to us no fraud on or by the Company has been noticed or reported during the year.

**For Mohindra Arora & Co.
(Chartered Accountants)
FRN. 006551 N**

**Place: Mumbai
Date: 12/04/2011**

**(A. K. Katial)
Partner
FCA No. 09096**

T. Spiritual World Ltd.

BALANCE SHEET AS ON 31st MARCH, 2011

	SCHEDULE	31st March 2011 Rupees	31st March 2010 Rupees
<u>SOURCES OF FUNDS</u>			
SHAREHOLDERS' FUND			
Share Capital	A	200,020,000	200,020,000
Reserve & Surplus	B	56,952,160	54,937,934
	TOTAL	256,972,160	254,957,934
<u>APPLICATION OF FUNDS</u>			
FIXED ASSETS			
Gross Block	C	46,791,327	40,055,834
Less: Depreciation		31,862,731	26,587,415
NET ASSETS		14,928,596	13,468,418
INVESTMENTS			
		42,888,000	42,888,000
CURRENT ASSETS, LOANS & ADVANCES			
Inventories & Work in Progress	D	81,409,175	94,643,305
Sundry Debtors		45,784,516	41,450,224
Cash & Bank Balances		421,579	985,716
Loans & Advances		74,551,236	64,901,826
		202,166,506	201,981,071
Less: Current Liabilities & Provisions	E	3,010,941	3,379,556
NET CURRENT ASSETS		199,155,565	198,601,515
	TOTAL	256,972,160	254,957,933
Significant Accounting Policies & Notes to the Accounts	I		

Schedules referred to above form an integral part of the Balance Sheet

As per our attached report on even date

For Mohindra Arora & Co.
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD
For T. Spiritual World Limited.

(A. K. Katial)
Partner
FCA No. 09096

(B.Singh)
Whole Time Director

(A.K.Jain)
Director

Place: Mumbai
Date:12/4/2011

Sashi Sekhor Chowdhury
(Company Secretary)

T. Spiritual World Ltd.

PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED ON 31st MARCH, 2011

	SCHEDULE	31st March 2011 Rupees	31st March 2010 Rupees
INCOME			
Software Sales & Services	F	191,430,979	277,685,029
Other Income	G	1,137,865	919,196
Increase/ (Decrease) in Stock		(13,234,130)	245,854
		179,334,714	278,850,079
EXPENDITURE			
Purchases / Cost of Operation		163,364,490	261,635,138
Administration & Selling Exp.	H	7,779,964	8,473,817
		171,144,454	270,108,955
Profit Before Depreciation		8,190,260	8,741,124
Less: Depreciation		5,275,316	5,048,924
Profit Before Taxation		2,914,944	3,692,199
Less : Provision for Taxation		1,036,604	1,247,127
Provision for Fringe Benefit Tax		-	-
Provision for Deferred Tax		(135,886)	(116,861)
Profit After Taxation		2,014,226	2,561,933
Add: Profit brought forward from Previous Year		43,772,520	41,210,586
Add : Previous Year Adjustments		-	-
BALANCE CARRIED TO BALANCE SHEET		45,786,746	43,772,520
EARNING PER SHARE			
- Face Value (Rs.)		10.00	10.00
- Basic and Diluted (Rs.)		0.10	0.13
Significant Accounting Policies & Notes to the Accounts	I		

Schedules referred to above form an integral part of the Balance Sheet

As per our attached report on even date

For Mohindra Arora & Co.
Chartered Accountants

(A. K. Katial)
Partner
FCA No. 09096

Place: Mumbai
Date: 12/4/2011

FOR AND ON BEHALF OF THE BOARD
For T. Spiritual World Limited.

(B.Singh) (A.K.Jain)
Whole Time Director Director

Sashi Sekhor Chowdhury
(Company Secretary)

T. Spiritual World Ltd.

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

	31st March 2011 Rupees	31st March 2010 Rupees
SCHEDULE 'A'		
SHARE CAPITAL		
<u>AUTHORISED CAPITAL</u>		
23,010,000 Equity Shares of Rs.10/-each	230,100,000	230,100,000
	230,100,000	230,100,000
ISSUED, SUBSCRIBED & PAID UP		
20,002,000 Equity Shares of Rs.10/-each fully paid up	200,020,000	200,020,000
	200,020,000	200,020,000
SCHEDULE 'B'		
RESERVE & SURPLUS		
Share Premium	9,985,000	9,985,000
General Reserve	1,180,414	1,180,414
Profit & Loss Account	46,786,746	43,772,520
	56,952,160	54,937,934
SCHEDULE 'D'		
CURRENT ASSETS, LOANS & ADVANCE		
A) CURRENT ASSETS		
INVENTORIES		
(As valued, certified & taken by the management)		
i) Finished Goods	61,039,605	68,903,745
ii) Work in Progress (Software Projects under Development)	20,369,570	25,739,560
SUNDRY DEBTORS		
(Unsecured Considered Good)		
Others	36,251,956	30,754,489
More than six months	9,532,560	10,695,735
CASH AND BANK BALANCE	421,579	985,716
(as certified by the management)		
Cash in Hand &	296,970	
Balance in Current A/c with Scheduled Banks	124,610	
TOTAL (A)	127,615,270	137,079,245
B. LOANS & ADVANCES		
Unsecured Loan (Considered good)	7,802,100	7,928,750
Advances recoverable in cash or in kind or for the value to be received		
Advances (Others)	66,219,850	56,443,790
Income Tax & TDS	529,286	529,286
TOTAL (B)	74,551,236	64,901,826
TOTAL (A + B)	202,166,506	201,981,071
SCHEDULE 'E'		
CURRENT LIABILITIES & PROVISIONS		
A) CURRENT LIABILITIES		
Creditors for Expenses	362,905	385,110

**SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT
SCHEDULE 'C'**

FIXED ASSETS	Cost as on 1.4.2010	Addition during the year	Total as on 31.3.2011	Depreciation as on 1.04.2010	Depreciation for the year	Depreciation as on 31.03.2011	Net Assets as on 31.03.2011	Net Assets as on 31.03.2010
Computers & Accessories	26924033	3251745	30175778	21725601	3380071	25105672	5070106	5198432
Furniture & Fixtures	6809716	2054671	8864387	2651967	1124448	3776415	5087972	4157749
Air Conditioners	2423193	494375	2917568	748549	301710	1050260	1867308	1674644
Office Equipments	3898892	934702	4833594	1461299	469086	1930385	2903209	2437593
Total	40055834	6735493	46791327	26587415	5275316	31862731	14928596	13468418
Previous Year	31140507	8915327	40055834	21538491	5048924	26587415	13468418	

T. Spiritual World Ltd.

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

	31st March 2011 Rupees	31st March 2010 Rupees
B) PROVISIONS		
For Taxation	1,036,604	1,247,127
For Deferred Taxation	1,611,432	1,747,319
	3,010,941	3,379,556
SCHEDULE 'F'		
INCOME FROM OPERATIONS		
Software Sales	49,987,115	186,525,610
Software Consultancy	6,295,780	6,503,852
Software System Services	971,946	1,593,627
Sales of Commodities & Products	134,176,138	83,061,940
	191,430,979	277,685,029
SCHEDULE 'G'		
OTHER INCOME		
Misc. Income	201,613	205,608
Interest Income	936,252	713,588
	1,137,865	919,196
SCHEDULE 'H'		
ADMINISTRATIVE & GENERAL EXPENSES		
Advertisement Expenses	192,543	393,150
Auditors Remuneration	71,695	60,665
Bank Charges	4,136	3,568
Books & Periodicals	101,675	116,310
Conveyance & Travelling	357,739	389,351
Consultancy Fees	358,500	352,500
Directors Remuneration	219,000	120,000
Directors Sitting Fees	11,500	12,500
Donation	60,000	-
Filing Fees	1,000	220,226
General Expenses	353,953	329,431
Listing Fees	91,825	91,825
Professional Fees	327,090	264,720
Postage & Courier	258,315	264,920
Printing & Stationary	258,637	258,317
R&T, Connectivity and Demat Charges	210,497	215,109
Rent, Taxes & Service Charges	417,988	422,816
Salary & Bonus	3,271,041	3,407,806
Selling & Distribution Expenses	490,225	702,634
Software Maintenance	201,143	316,372
Staff Welfare Expenses	232,433	237,278
Telephone & Connectivity Expenses	289,029	294,319
	7,779,964	8,473,817

SCHEDULE - 'I'

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS:

(A) SIGNIFICANT ACCOUNTING POLICIES:

1.
 - a) The accounts of the Company are prepared on historical cost basis and on the accounting principle of a going concern.
 - a) The Company recognizes income on accrual basis income from Software Sale, Software Consultancy and Software System Services is recognized up on completion of the job.
 - c) In respect of other heads of income, the company follows the practice of accounting of such income on accrual basis.
2.
 - a) Closing stock of software project / products under development as certified by company's technical expert and that of consumable has been valued at cost.
 - b) Finished goods i.e. Software Packages are valued at lower of cost or net realisable value.
3.
 - a) Fixed Assets are stated at cost, which includes expenditure on installation / construction and preoperative expenses wherever applicable.
 - b) Depreciation on Fixed Assets is provided block-wise on written down value method as per rates prescribed in Schedule XIV to the Companies Act, 1956.
4. There has been no foreign exchange income or outflow during the year.
5. Investments are valued at cost.
6. Provision for current tax is made on the basis of the estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961.
7. Provision for Deferred Tax is made using the liability method at the current rate of taxation on all timing difference & the extent that it is probable that a liability or assets will crystallize.
8. **Retirement Benefits :**
Gratuity, Leave Encashment and other retirement benefits are accounted for on cash basis.
9. **Impairment of assets :**
An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value

being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful life of the assets.

An impairment loss is recognized as an expense in the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been an improvement in recoverable amount.

10. Provisions, Contingent Liabilities and Contingent Assets :

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

(B) NOTES ON ACCOUNTS:

1. Related Party Disclosures

There is no other company, which is under the same management in which the directors of the company are interested as directors and / or shareholders. There is no transaction with any firm and / or proprietor firm in which the directors of the company are interested as a partners or proprietor.

2. Key Management Personnel

The Key management personnel are the directors, whose names are mentioned in the corporate governance report.

3. The names of Micro Small and Medium Enterprisers suppliers defined under 'The Micro Small and Medium Enterprises Development Act, 2006' could not be identified, as the necessary evidence is not in the possession of the Company.

4. Liabilities in respect of gratuity & leave encashment and other retirement benefits are accounted for on cash basis which is not in conformity with Accounting Standard (AS) 15 (Revised 2005) on Employee Benefits as issued by the Institute of Chartered Accountants of India which requires that Gratuity and Leave Encashment Liabilities be accounted for on accrual basis.

5. Valuation of investment in quoted shares can not be ascertained as the shares are not traded due to suspension at stock exchange where the shares are listed and audited Balance Sheet of these companies are not available. With regards to unquoted equity shares, balance sheets are not available for verification.

6. In the opinion of the management, there is no impairment of assets and no contingent liabilities as on Balance Sheet date.

7. Purchase/ Sale/ expenses have been verified on test check basis.

T. Spiritual World Ltd.

8. The Company is developing software for marketing in domestic markets. Out of many software projects under development at the commencement of the financial year 2010-2011, the company has completed some projects and sold / delivered the same, the cost of which has been taken to the profit and loss account. Since the revenue generation begins after the completion of the software projects / products, the company is of the view that development expenditure on the unfinished / incompletd software should be treated as part of inventory under the head 'Software Projects under Development'.

9. SALES	CURRENT YEAR AMOUNT (RS.)	PREVIOUS YEAR AMOUNT (RS.)
Software Sales	191,430,979	277,685,029
Purchase	163,364,490	261,635,138
Closing Stock:		
Finished Goods	61,039,605	68,903,745
Work in Progress	20,369,570	25,739,560

10. Remuneration to Auditors:

a) Audit fee	71,695	60,665
b) As advisor, or in any other capacity in respect of		
i) Taxation matters	Nil	Nil
ii) Company Law matters & certifications	10,000	18,000

11. Remuneration to Directors 219,000 120,000

12. Deferred Tax: The break-up of net deferred tax liability as on 31/03/2011 is as under:

Particulars	Deferred Tax Liability
Difference between book and Tax Depreciation	Rs.(1,35,886 /-)

13. Paise have been rounded off to the nearest rupee.

14. Schedule A to I form an integral part of Balance Sheet and Profit & Loss Account.

15. Previous year figures have re grouped or rearranged wherever necessary.

For Mohindra Arora & Co.
Chartered Accountants

(A. K. Katial)
Partner
FCA No. 09096

Place: Mumbai
Date:12/4/2011

FOR AND ON BEHALF OF THE BOARD
For T. Spiritual World Limited.

(B.Singh) **(A.K.Jain)**
Whole Time Director **Director**

Sashi Sekhor Chowdhury
(Company Secretary)

T. Spiritual World Ltd.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No. L63040WB1986PLC040796 State Code. 21
Balance Sheet Dt. 31 March, 2011.

II. Capital Raised During the Year (Amount in Rs. Thousands)

Public Issue	Nil	Right Issue	Nil
Private Placement	Nil	Bonus Issue	Nil

III. Position of Mobilization and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities	259,983	Total Assets	259,983
Sources of Funds		Applications of Funds	
Paid-up Capital	200,020	Net Fixed Assets	14,929
Reserves and Surplus	56,952	Currents Assets	202,166
Current Liabilities	3,011	Investments	42,888

IV. Performance of Company (Amount in Rs. Thousands)

Total Income	179,335	Total Expenditure	176,420
Profit before tax	2,915	Profit after tax	2,014
Earning per share (Rs.)	0.10	Dividend Rate (%)	Nil

V. Generic Names of Three Principal Products /Services of Company (as per monetary terms)

Item Code no. (ITC Code)	NA
Product Description	Software Product / Services

**For Mohindra Arora & Co.
Chartered Accountants**

**(A. K. Katial)
Partner
FCA No. 09096**

**Place: Mumbai
Date:12/4/2011**

**FOR AND ON BEHALF OF THE BOARD
For T. Spiritual World Limited.**

**(B.Singh) (A.K.Jain)
Whole Time Director Director**

**Sashi Sekhor Chowdhury
(Company Secretary)**

T. Spiritual World Ltd.

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st March, 2011
(Pursuant to the Listing Agreement Clause 32 with the Stock Exchange)

(Amount in Rs.)

	2010-11	2009-10
(A) Cash Flow From Operating Activities		
Net Profit before Tax as per P&LA/c after adjustments	2914944	3692199
Adjusted for		
Misc Income	201613	205608
Interest Income	936252	713588
Depreciation	5275316	5048924
Operating Profit Before Working Capital Changes	7052395	7821928
Adjusted for		
Finished Goods	7864140	559005
Work in Progress	5369990	-804859
Sundry Debtors	-4334292	4652141
Loans & Advances	-9649410	-2709219
Current Liabilities	-22205	120300
Cash Generated From Operations	6280618	9639297
Payment of Tax	-1247127	-1580413
Net Cash Inflow / Outflow From Operations	5033491	8058884
(B) Cash Flow From Investing Activities		
Sale of Investments	0	0
Purchases of Fixed Assets	-6735493	-8915327
Misc Income	201613	205608
Interest Income	936252	713588
Net Cash Flow From Purchasing Activities (B)	-5597628	-7996132
(C) Cash Flow From Financing Activities	NIL	NIL
Net Cash Increase in Cash & Cash Equivalents (A+B+C)	-564137	62752
Cash & Cash Equivalents at the Beginning of the Year	985716	922964
Cash & Cash Equivalents at the End of the Year	421579	985716

For Mohindra Arora & Co.
Chartered Accountants

(A. K. Katial)
Partner
FCA No. 09096

Place: Mumbai
Date: 12/4/2011

FOR AND ON BEHALF OF THE BOARD
For T. Spiritual World Limited.

(B.Singh) (A.K.Jain)
Whole Time Director Director

Sashi Sekhor Chowdhury
(Company Secretary)

T. Spiritual World Ltd.

AUDITORS' CERTIFICATE

We have examined the above cash flow statement of T.Spiritual World Limited, derived from the Audited Financial statements for the period ended 31st March 2011, and found the same to be drawn in accordance there with and also the requirements of the amended Clause 32 of the Listing Agreement with various stock exchanges.

**For Mohindra Arora & Co
(Chartered Accountants)**

**Place : Mumbai
Date : 12/04/2011**

**(A. K. Katial)
Partner
FCA No. 09096**

T. Spiritual World Ltd.

Regd. Office : 1st Floor, 4, Netaji Subhash Road, Kolkata - 700 001

ATTENDANCE SLIP

I hereby record my presence at the 25th Annual General Meeting held at O2 Hotel, VIP Road, Kaikali, Kolkata - 700 052. on Tuesday, 27th September, 2011 at 3.00 p.m.

1. L. F. No. _____
 2. Depository : NSDL/CDSL _____
 3. DP ID. _____
 4. Client ID _____ * For shares held in electronic form
 5. FULL NAME OF SHAREHOLDER _____ (IN BLOCK LETTERS)
 6. NO. OF EQUITY SHARES HELD : _____
 7. SIGNATURE OF THE SHAREHOLDER OR PROXY ATTENDING : _____
- (PLEASE GIVE FULL NAME OF THE 1ST JOINT HOLDER) MR./MRS./MISS _____

(TO BE USED ONLY WHEN FIRST NAMED SHAREHOLDER IS NOT ATTENDING)

NOTE : PLEASE FILL IN THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE HALL.

T. Spiritual World Ltd.

Regd. Office : 1st Floor, 4, Netaji Subhash Road, Kolkata - 700 001

FORM OF PROXY

I/We _____ of _____ in the District of _____
being the member/members of the above named Company hereby appoint _____ of in _____
the District of _____ or failing him _____ of or failing him _____ of _____ in the district of _____
as my/our proxy to vote for me/us on my/our behalf at the 25th Annual General Meeting of the
Company to be held on Tuesday, 25th September 2011, at 3.00 p.m. and at any adjournment thereof. Signed
this ____ day of _____ 2011.

Signature _____

Affix
a revenue
stamp

LF No. _____ * Depository : NSDL / CDSL _____ *DP ID _____ *Client ID _____

*For Shares held in Electronic Form No. of Shares held

Note : (1) A member is entitled to attend and vote is entitled a proxy to attend and vote instead himself. (2) A proxy need not be a member. (3) The complete form should be deposited at the Registered Office of the Company, 1st Floor, 4, Netaji Subhash Road, Kolkata - 700 001 not less than 48 hours before the time of holding the meeting.

T. SPIRITUAL WORLD LIMITED



25th Annual Report
2010 - 2011

BOOK-POST

To,

T. Spiritual World Ltd.

Regd. Office : 4, N. S. Road, 1st Floor, Kolkata - 700 001