



# Total Hospitality Limited


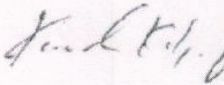
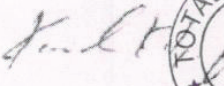
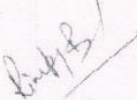

(Formerly Known as Total Exports Limited)

- Unit No. 1152, B-2, Spaze I Tech Park, Sector-49, Sohna Road, Gurgaon  
CIN No. L51102CT1982PLC006773

## FORM A

Clause 31(a) of the Listing Agreement

### Format of covering letter of the annual audit report to be filed with the Stock Exchange

Name of the company	Total Hospitality Limited
Annual financial statements for the year ended	31 <sup>st</sup> March, 2014
Type of Audit observation	Un-qualified
Frequency of observation	Not applicable
To be signed by-	
CEO/Managing Director	 (Divya Seengal) DIN:00507943
CFO	 (Kanad Kashyap) DIN:00508054
Audit Committee Chairman	 (Kanad Kashyap) DIN:00508054
Auditor of the company	For DMRN Associates & Co. Chartered Accountants   CA Rimpay Bansal Membership No. 508503

Regd Office: Saanvi Restaurant, Narsinha Vihar, Katulbod, Bhilai, Chattisgarh-490020

Email: [corp.relations@totalhospitality.in](mailto:corp.relations@totalhospitality.in), Website: [www.totalhospitality.in](http://www.totalhospitality.in)

Phone No.: 0124-4111514. Fax No. 0124-4111514





**TOTAL**  
HOSPITALITY LTD.



**Annual Report**  
**2013-14**



## *Mission and Objectives*

### **MISSION:**

- i. To create a fine balance between our traditions and today's progressive market.
- ii. To present our customers with perfect meal, delivering quality of service, superior hospitality and a perfect friendly environment

### **Objectives:**

- i. Providing an array of services mainly by establishing a chain of fine dining restaurants, Boutique hotels, Spa Resorts, hotels, motels, amenities, etc.
- ii. To carry on business of retailing, franchising and manufacturing food items, bakery products, food and beverages, etc.
- iii. To carry on business of health care, amusement and gaming machines, funfairs, billiard saloons, places of entertainment, etc.
- iv. To ensure customer satisfaction and safeguard customers' interest through continuous improvement in operations and providing the requisite services.
- v. To expand and diversify in the areas as organizers of all form of entertainment, dance bands and entertainers of all kind, etc.



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CIN:L51102CT1982PLC006773

**BOARD OF DIRECTORS:**

Ms. Divya Seengal	Managing Director
Mr. Siddharth Seengal	Non Executive Director
Mr. Kanad Kashyap	Independent Director
Mr. Anil Kumar	Independent Director

**AUDIT COMMITTEE**

Mr. Kanad Kashyap  
Mr. Siddharth Singhal  
Mr. Anil Kumar

**STAKEHOLDERS RELATIONSHIP COMMITTEE**

Mr. Kanad Kashyap  
Mr. Siddharth Seenghal  
Ms. Divya Seengal  
Mr. Anil Kumar

**NOMINATION AND REMUNERATION COMMITTEE**

Mr. Kanad Kashyap  
Mr. Siddharth Seenghal  
Mr. Anil Kumar

**REGISTERED OFFICE**

Saanvi Restaurants,  
Narsinha Vihar, Katulbod,  
Bhilai-490020, Chhattisgarh

**CORPORATE OFFICE**

Unit No. 1152, B-2, Spaze I Tech Park,  
Sector-49, Sohna Road,  
Gurgaon-122018  
Phone No.: 0124-4111514  
Fax No. 0124-4111514

**WEBSITE**

[www.totalhospitality.in](http://www.totalhospitality.in)

**REGISTRAR AND TRANSFER AGENTS**

Beetel Financial & Computer Services Pvt. Ltd.,  
Beetel House, 3<sup>rd</sup> Floor, 99, Madangir,  
Behind Local Shopping Centre  
New Delhi-110062  
Phone: +91-11-29961281, 82, 83  
Fax: +91-11-19961284

**BANKERS:**

South Indian Bank Limited

**STOCK EXCHANGES**

1. BSE Limited
2. DSE Limited
3. Madhya Pradesh Stock Exchange Limited

**INTERNAL AUDITOR:**

Mr. Pankaj Mittal  
Pankaj Shiv & Co.

**STATUTORY AUDITORS**

M/s DMRN & Associates, Chartered Accountants

**SECRETARIAL AUDITOR:**

Nitika & Associates, Company Secretaries

Ladies and Gentlemen,

On behalf of Board of directors of Total Hospitality Limited and on my own behalf, it gives me great pleasure to extend a warm and hearty welcome to you all to the 32<sup>nd</sup> Annual General Meeting of your Company. I also take this opportunity to thank you on my behalf and on behalf of the Board of Directors of your Company for your interest and your presence here today.

It has been a wonderful journey since 1982 when the company has ventured into the business of HOSPITALITY. It is only because we constantly strive for excellence in every sphere. We keep looking for ways through which we can further improve our services to our esteemed guests and attain maximum customer satisfaction so that we can bring greater value to our shareholders.

The hospitality industry in India thrives largely due to the growth in tourism. Tourism is one economic sector in India that has the potential to grow at a high rate and to ensure consequential development of the infrastructure at the destinations. The booming economy of India passed through a challenging phase. The weak global economy, impacted the Indian Hospitality Industry. While India's growth has been impacted by the situation worldwide, there are several factors within India that have led to this drop in GDP. The tightening of the monetary policy, making it more expensive to borrow, is partly responsible for the slowdown in almost all sectors.

This year our company has incur losses and more expenditure but we are looking forward for planning to launch of many hotels & restaurants in different locations in India and continue with our growth model. I am confident that the young and dynamic team of Total Hospitality Limited will continue to deliver its promises and exceed customer expectations. We will continue our practice of value addition for all our stakeholders over the long run with your continuous support and faith in us.

The Indian hospitality sector has been going through a difficult time owing to the economic downturn in Europe and US in business and leisure travel to India. Weak business sentiment and global economic uncertainty may continue to be obstacles but I am convinced that it is a matter of time when the world economy rebounds and we must be prepared for the same. At the same time our restaurants catering to up market continues to be buoyant. The India growth story too is not over. It still continues to be one of the fastest growing countries in the world and we expect that demand will come from a burgeoning domestic market.

As we go about consolidating our position as a major luxury player in the hospitality business, we have begun charting out a new business strategy to exploit the full growth potential of our business. We will grow in an asset-light manner and plan to double our portfolio of hospitality business in the next five years through the management contract route. Our aim is to cover the entire country by spreading our presence in the major metro areas before expanding our foot prints in the overseas markets. This will also enable us to offer our employees and business associates rewarding growth opportunities.

On behalf of the Board, I would like to acknowledge all my associates and colleagues in the company for their dedication and unstinting hard work in a difficult year and look forward to their continued support and their commitment to the future success of our business. I anticipate that the hospitality sector will continue to be difficult in 2014-15 but I am confident that our new asset light business model, service standards and excellent teamwork will indeed give us better opportunities when the upturn in the economy takes place.

I also take this opportunity to thank our valued shareholders, clients, bankers, financial institutions and government authorities for their confidence and support and look forward to their continued support.

Once again, I thank you for resting your trust on me and providing me the opportunity to lead our company in this very dynamic industry. I look forward to sharing success with you in the coming year.

**With Best Wishes,**

Sd/-  
**Divya Seengal**  
Chairman & Director

Notice is hereby given that the Annual General Meeting of the members of the Total Hospitality Limited (*Formerly Known as Total Exports Limited*) will be held on Monday, 29<sup>th</sup> day of September, 2014 at 11:30 A.M at its registered office at Saanvi Restaurants, Narsinha Vihar, Katulbod, Bhilai, Chhattisgarh - 490020 to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider, approve and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2014 and the Profit & Loss Account for the financial year ended on that date, the Reports of the Directors and the Auditors thereon
2. To appoint a Director in place of Mr. Siddharth Seengal, who retires by rotation and being eligible, offers himself for reappointment
3. **Appointment of Auditors**

To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:-

“RESOLVED THAT pursuant to the provisions of Sections 139 of the Companies Act, 2013 (“Act”) and other applicable provisions of the Act, if any and the Rules framed there under, as amended from time to time, M/s DMRN & Associates, Chartered Accountants, be and is hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of 36<sup>th</sup> AGM of the Company to be held in the year 2018 (subject to ratification of their appointment at every AGM), at such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors.”

**SPECIAL BUSINESS:**

4. **Appointment of Mr. Kanad Kashyap as an Independent Director**

To consider and if thought fit, to pass with or without modification, if any, the following resolution as an Ordinary Resolution:-

“RESOLVED THAT pursuant to the provisions of Sections 149,152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed there under as read with Schedule IV to the Act, as amended from time to time, Mr. Kanad Kashyap (DIN:00508054), a non executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, from 29<sup>th</sup> September, 2014 till the Conclusion of 37<sup>th</sup> Annual General Meeting to be held in 2019.

5. **Appointment of Mr. Anil Kumar as an Independent Director**

To consider and if thought fit, to pass with or without modification, if any, the following resolution as an Ordinary Resolution:-

“RESOLVED THAT pursuant to the provisions of Sections 149,152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed thereunder as read with Schedule IV to the Act, as amended from time to time, Mr. Anil Kumar (DIN:02179776), a non executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, with effect 29<sup>th</sup> September, 2014 till the Conclusion of 37<sup>th</sup> Annual General Meeting to be held in 2019.

6. **Appointment of Ms. Divya Seengal as Managing Director**

To consider and if thought fit, to pass with or without modification, if any, the following resolution as Special Resolution:-

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the approval of Central Government or other Government authority/agency/board, if any, reappointment of Ms. Divya Seengal (DIN: 00507943) as Managing Director of the Company be and is hereby approved for a period of five years with effect from 13<sup>th</sup> August, 2014.

“RESOLVED FURTHER THAT Mr. Kanad Kashyap and Mr. Anil Kumar, Directors of the Company be and are hereby severally authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution and to seek such approval / consent from the government departments, as may be required in this regard.”

By Order of Board of Director  
**For Total Hospitality Limited**

Sd/-

**Divya Seengal**

(Director)

DIN:00507943

Place : Gurgaon

Date : 21.08.2014

CIN: L51102CT1982PLC006773

**NOTES:**

1. ***A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS BEHALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.***

***A proxy, in order to be effective, must be received at the office of the Company’s Registrar and Share Transfer Agent- Beetel Financial & Computer Services Pvt. Ltd., Beetel House, 3<sup>rd</sup> Floor, 99, Madangir, Behind Local Shopping Centre New Delhi-110062 not less than 48 hours before the commencement of the meeting. A blank proxy form is enclosed and can also be downloaded from the website of the company.***

2. An explanatory statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 26<sup>th</sup> September, 2014 (Friday) to 29<sup>th</sup> September, 2014 (Monday) (both days inclusive).
4. The Securities and Exchange Board of India (SEBI) has mandated the submission of copy of PAN card to the Company/ Depository Participants as the case may be. Members holding shares in physical form should submit their PAN details to the Company/RTA.
5. Members are requested to notify any change of address:



- a. To their depository participants (DP) in respect of shares held in dematerialized form, and
  - b. To Registrar and Share Transfer Agent of the Company- Beetel Financial & Computer Services Pvt. Ltd., Beetel House, 3<sup>rd</sup> Floor, 99, Madangir, Behind Local Shopping Centre, New Delhi-110062 in respect of shares in physical form, to notify their change of address/residential status/email-id, bank details etc., if any, under their signatures and quoting respective folio number.
6. Members are requested to bring their Client ID and DP ID or Folio Numbers, as may be applicable, for easy identification of attendance at the meeting.
  7. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
  8. Members desirous of getting any information about the accounts and operations of the Company are requested to submit their queries addressed to the Company Secretary at least 7 days in advance of the meeting so that the information called for can be made available at the meeting.
  9. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
  11. Kindly bring your copies of the Annual Report to the meeting.
  12. Electronic copy of the Annual Report for the financial period ended 31.03.2014 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hardcopy of the same. For members who have not registered their email address, physical copy of the Annual Report is being sent in the permitted mode.
  13. Electronic copy of the Notice of the 32<sup>nd</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Notice of the 32<sup>nd</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
  14. Members may also note that the Notice of the 32<sup>nd</sup> Annual General Meeting and the Annual Report for the financial period ended on 31.03.2014 will also be available on the Company's website [www.totalhospitality.com](http://www.totalhospitality.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Chhatisgarh for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [info@totaltotalhospitality.in](mailto:info@totaltotalhospitality.in).
- 15. Voting through electronic means**
- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 32<sup>nd</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

The instructions for e-voting are as under:

**A) In case of members receiving e-mail:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Click on “Shareholders” tab to cast your votes.
- (iii) Now, select the Electronic Voting Sequence Number - “EVSN” along with “Total Hospitality Limited” from the drop down menu and click on “SUBMIT”
- (iv) If you are holding shares in Demat form and have already voted earlier on [www.evotingindia.com](http://www.evotingindia.com) for a voting of any Company, then your existing login id and password are to be used. If you are a first time user follow the steps given below.
- (v) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
<b>User ID</b>	For NSDL: 8 Character DP ID followed by 8 Digits Client ID For CDSL: 16 digits beneficiary ID	Folio Number registered with the Company
<b>PAN*</b>	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders)	
<b>DOB#</b>	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	

\* Members who have not updated their PAN with the Company/Depository Participant are requested to use the default number: <ABCDE1234F> in the PAN field.

# Please enter any one of the details in order to login. In case either of the details are not recorded with the depository/company, please enter the number of shares held by you as on 22<sup>nd</sup> August, 2014.

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the relevant EVSN on which you choose to vote.
- (x) On the voting page, you will see Resolution Description and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xi) Click on the “Resolutions File Link” if you wish to view the entire Resolutions.
  - (xii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
  - (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
  - (xiv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
  - (xv) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
  - (xvi) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and POA in favour of the Custodian who they have authorized to vote on their behalf, in PDF format in the system for the scrutinizer to verify the vote.
- B) In case of members receiving the physical copy of Notice of AGM [for members whose e-mail IDs are not registered with the company/ depository participant(s) or requesting physical copy]:**  
Please follow all steps from sl. no. (i) to sl. no. (xvi) above, to cast vote.
- C) The voting period begins on 22<sup>nd</sup> September (9.00 am) and ends on 23<sup>rd</sup> September, 2014 (6.00 pm) During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 22<sup>nd</sup> August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- D) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and evoting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- II. a. Ms Nitika Jain, ACS, Practicing Company Secretary (CP No. 11734) has been appointed as Scrutinizer to scrutinize voting process in a fair and transparent manner.
- b. The Scrutinizer shall within a period not exceeding ten (10) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- c. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer’s Report shall be available for inspection and also placed on the website of the Company within prescribed period.
16. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
17. As per the provision of clause 49 of the Listing Agreement, particulars of Directors to be appointed / re-appointed at the 32<sup>nd</sup> Annual General Meeting are given separately in the notice.

18. Notice of Annual General Meeting will be sent to those shareholders/beneficial owners whose name will appear in the register of members/list of beneficiaries received from the depositories as on 22<sup>nd</sup> day of August, 2014.
19. The investors may contact the Company Secretary for redressal of their grievances/queries. For this purpose, they may either write to her at the Registered office address or e-mail their grievances/queries to the Company Secretary at the following e-mail address: info@totalhospitality.in

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (CORRESPONDING TO SECTION 173 OF THE COMPANIES ACT, 1956), IS ENCLOSED WITH THIS NOTICE.**

**Item no.3**

This explanatory statement is provided though strictly not required as per Section 102 of the Act.

M/s DMRN & Associates, Chartered Accountants has been appointed as the Statutory Auditors of the Company in the extra ordinary general meeting held on 08.04.2014 to fill – up the casual vacancy caused due to the resignation of M/s OM Harendra& Co., to hold office till the conclusion of the ensuing Annual General Meeting and, inter alia, conduct audit for the Financial Year ended 31<sup>st</sup> March, 2014. Further, M/s DMRN & Associates, Chartered Accountants have expressed their willingness to be appointed as the Statutory Auditors and if their appointment is approved in the General Meeting, the same would be well within the limits as provided under the related provisions of the Companies Act, 2013. Appointment of the Statutory Auditors requires approval of the members by way of an Ordinary Resolution. Hence, this Resolution is being placed before the members for approval. None of the Directors is concerned or interested in the said resolution.

**Item no. 4 and 5**

The Company had, pursuant to the provisions of Clause 49 of the Listing Agreement entered with the Stock Exchanges, appointed Mr. Kanad Kashyap and Mr. Anil Kumar as Independent Directors at various times, in compliance with the requirements of the said clause. As per the provisions of Section 149(4) which has come into force with effect from 1<sup>st</sup> April, 2014, every listed company is required to have at least one-third of the total number of Directors as Independent Directors. Further, Section 149(10) of the Act provides that an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation pursuant to Section 149(13) read with Section 152 of the Act. The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement which would be effective from October 1, 2014 inter alia stipulates the conditions for the appointment of Independent Directors by a listed company. The Nomination & Remuneration Committee has recommended the appointments of these Directors as Independent Directors from September 29, 2014 till the Conclusion of 37<sup>th</sup> Annual General Meeting to be held in 2019. The above Independent Directors have given a declaration to the Board that they meet the criteria of independence as provided under Section 149 (6) of the Act. In the opinion of the Board, the above Independent Directors fulfill the conditions specified in the Rules made thereunder for appointment as Independent Directors and they are independent of the management. In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of the above Directors as Independent Directors is now being placed before the Members in General Meeting for their approval. The terms and conditions of appointment of Independent Directors shall be open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, during business hours upto the date of the Meeting.

**Item no. 6**

Ms. Divya Seengal, director of the Company was appointed as Managing Director of the Company for a period of three years w.e.f 1<sup>st</sup> April 2011. Since her tenure has been expired, therefore in pursuance of provisions of



Section 196,197, 203 and any other applicable provisions of the Companies Act and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company it is necessary to reappoint Ms. Divya Seengal for a further period of five years.

In terms of the provisions of the Companies Act, and the Articles of Association of the Company, of the Board and the Board of Directors have, at their meeting held on 13<sup>th</sup> August, 2014, re-appointed Ms. Divya Seengal as Managing Director of the Company for a further period of five years with effect from 13<sup>th</sup> August, 2014 subject to approval from shareholders at Annual General Meeting.

Divya Seengal, an eminent personality, holds a Master's Degree in Information Technology, from University of Southampton, UK and passion for new ideas and concepts in the Hotel Industry. Her expertise in execution, management and leadership qualities will ensure smooth and efficient running of the business.

Accordingly the Board recommends the passing of the special resolution as set out in the item no. 6 of the Notice.

By Order of Board of Director  
**For Total Hospitality Limited**

**Place : Gurgaon**  
**Date : 21.08.2014**  
**CIN: L51102CT1982PLC006773**

Sd/-  
**Divya Seengal**  
(Director)  
DIN:00507943

**Annexure pursuant to Clause 49 of the Listing agreement with the Stock Exchanges.**

<b>Name of Director</b>	<b>Ms. Divya Seengal</b>	<b>Mr. Kanad Kashyap</b>	<b>Mr. Siddharth Seengal</b>	<b>Mr. Anil Kumar</b>
<b>Date of Birth</b>	25/11/1983	09/07/1980	31/1/1989	17/11/1970
<b>Date of Appointment</b>	15/11/2010	16/11/2009	12/01/2011	30/09/2008
<b>Qualification &amp; Experience</b>	Master Degree in Information Technology, from University of Southampton, UK	Computer Engineer with a Master's degree in Computer Networks from Middlesex University, UK. Being in UK, he worked with brands like KFC and Nandos, gaining substantial knowledge and experience in managing fast food joints.	Siddharth Seengal, a Purdue University alumni, has worked with the world's 3rd largest communications group, Publicis Groupe.	20 years of experience in varied areas.
<b>Chairman/ Director of other Companies</b>	<ol style="list-style-type: none"> <li>1. Celluloid Dreams Private Limited</li> <li>2. Senfra Limited</li> <li>3. SKD Restaurants Private Limited</li> <li>4. Seengal Capital Advisors Private Limited</li> <li>5. Capitano Health Care Private Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. Celluloid Dreams Private Limited</li> <li>2. Senfra Limited</li> <li>3. SKD Restaurants Private Limited</li> <li>4. Capitano Health Care Private Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. Seengal Capital Advisors Private Limited</li> <li>2. Radiant Films Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. Kanse Healthcare Limited</li> <li>2. CDI Movies Limited</li> </ol>
<b>Members or committees of Board of other Companies in which he/she is a Director</b>	None	None	None	None
<b>No. of Shares held</b>	5,81,850	NIL	4,13,800	NIL

**Dear Shareholders,**

Your directors have pleasure in presenting the 32<sup>nd</sup> Annual Report and Audited Financial Statements of your Company for the financial year ended 31<sup>st</sup> March 2014.

**PERFORMANCE HIGHLIGHTS**

(Rupees in lakhs)

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Total Income	-	-
Total Expenditure	<b>33.10</b>	<b>36.40</b>
Profit / (Loss) before Tax	<b>(33.10)</b>	<b>(36.40)</b>

**OPERATIONAL PERFORMANCE AND FUTURE OUTLOOK**

Global economic uncertainties have affected India's economy including the Hospitality Sector. Macro – economic indicators are not healthy. Fiscal Deficit and interest rates are high and the rupee has been depreciating continuously. All this does not go well for any industry especially the Hospitality Sector.

The Restaurant Industry in India has undergone significant changes. The standard of living of people in India has also increased. The eating habits and preferences of people in India have seen a shift from typical Indian food to continental and various other cuisines. The industry is experiencing a new era because of change in the attitude of the consumers who wishes to try a new variety of dishes and food items.

In spite of losses in Current year, your Company is expecting their sales to be higher in coming months. The Company has put forward a strong foothold in Hospitality Sector. This would enable effective utilization of immovable properties and will provide a larger asset base to the Company. The company prospects are promising.

**DIRECTORS**

Pursuant to Section 149 of the Companies Act, 2013, the Board at its meeting held on 13<sup>th</sup> August, 2014, recommended appointment of Mr. Kanad Kashyap and Mr. Anil Kumar as Independent Directors of the Company, not liable to retire by rotation for a period of five years from the date of its 32<sup>nd</sup> Annual General Meeting subject to approval of the members of the Company. These Directors have given the declarations to the Board that they meet the criteria of independence as provided under Section 149(6) of the said Act and also confirmed that they will abide by the provisions as mentioned in Schedule IV of the Companies Act, 2013.

The Board recommends the resolutions for your approval for the above appointments.

Mr. Siddharth Seengal, Director, retires by rotation and being eligible, has offered himself for re-appointment. The Board recommends the same for your approval.

Pursuant to Section 196, 197, 203 and any other applicable provisions of the Companies Act and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company, the board of directors in its meeting held on 13.08.2014 reappointed Ms. Divya Seengal for a further period of five years w.e.f 13.08.2014 subject to approval of the members of the Company.

**SUBSIDIARY COMPANY**

Your Company had a wholly owned subsidiary Company, SKD Restaurants Private Limited which is no more longer the wholly owned subsidiary company due to sale of equity shares (comprising 1611700 equity share of 10/- each) at par held in SKD Restaurants private limited, Consequently SKD Restaurants private limited ceases to be subsidiary of the company with effect from 13.02.2014.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The Company has not taken any loan or made any investments during the financial year 2013-14.

**CORPORATE GOVERNANCE**

Your Directors reaffirm their continued commitment to good corporate governance practices. Your Company fully adheres to the standards set out by the Securities and Exchange Board of India for Corporate Governance practices, and has implemented all of its stipulations.

As required by Clause 49 of the Listing Agreement of Stock Exchange, a separate section on Corporate Governance together with a certificate from Company's Statutory Auditors, forms part of this Annual Report.

**GREEN INITIATIVE IN CORPORATE GOVERNANCE**

As a part of the Green Initiative in Corporate Governance, The Ministry of Corporate affairs (MCA), Government of India, through its Circular nos.17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011 respectively, has allowed companies to send official Notices/documents to their shareholders electronically.

As a responsible Corporate Citizen, your Company has actively supported the implementation of Green Initiative and effected electronic delivery of Notice of Annual General Meeting (AGM) to those shareholders whose email IDs were already registered with the Depository Participants.

Shareholders are requested to support the "THINK GREEN, GO GREEN" initiative of your company by registering/ updating e-mail addresses for receiving electronic communications.

**FIXED DEPOSITS**

The Company has not accepted any public deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

**DIVIDEND**

In view of the losses incurred by the Company during the year under review, your directors do not recommend any dividend for the year 2013- 14

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

A Management Discussion and Analysis Report for the year under review, as stipulated under clause 49 of the Listing Agreement with stock exchanges in India, is presented in a separate section forming part of the Annual Report.

**SHARE CAPITAL****Increased in Authorized Capital**

During the Financial Year 2013-14, the Company has an Authorized Capital of Rs. 7, 00, 00,000/- divided into 7000000 no. of equity shares of Rs.10/- each but has accordingly increased the authorized Capital to Rs. 8, 20, 00,000/- divided into 8200000 nos. of equity shares of Rs.10/- each by members' approval in the Extra Ordinary General Meeting held on 08.04.2014

**Issue and Allotment of equity shares during the year 2013-14**

No allotment of Equity Shares was made in the Financial Year 2013-14.

**#Issue and allotment of equity shares on preferential basis:** The Company had issued and allotted 1400000 no. of equity shares having face value of Rs. 10/- each at a premium Rs. 12.33/- per share to M/s Abjit Mercantile Pvt. Ltd. (Non Promoter). In terms of Section 81(1A) of the Companies Act, 1956 and provision of SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009.

Consequently, the paid up equity share capital of the Company has increased to 8,063,400 of equity shares on 11.04.2014 to The above said 8,063,400 no. of equity shares were duly admitted for trading in the stock exchanges, where the equity shares of the Company are listed.

#Issue and Allotment of Equity share on preferential basis was made after 31<sup>st</sup> March 2014.



**LISTING WITH STOCK EXCHANGES**

The Equity Shares of the Company are listed on Bombay Stock Exchange, Delhi Stock Exchange and Madhya Pradesh Stock Exchange. The annual listing fees for the year 2014-15 have been paid to these Stock Exchanges.

**STATUTORY AUDITORS AND AUDIT REPORT**

DMRN & ASSOCIATES, Chartered Accountants, were appointed as statutory auditors of the Company on 13.02.2014 who retires at the conclusion of this 32<sup>nd</sup> Annual General Meeting and being eligible for reappointment, have expressed their willingness to be re-appointed as Statutory Auditors of the Company. They have given certificate to the effect that the appointment, if made, would be within the limit prescribed under section 139 of the Companies Act, 2013. Your directors recommend their appointment for another four year. Accordingly the Statutory Auditors have audited the Annual Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2014. There are no Qualification of auditors on the accounts of the Company for the Financial year ended 31<sup>st</sup> March, 2014 requiring further comment from the Board

**SECRETARIAL AUDITORS**

In Pursuance of provisions of Section 204 of the Companies Act, 2013, M/s Nitika & Associates, Company Secretaries has been appointed as Secretarial Auditor by the Board of your Company for carrying out Secretarial Audit for the Financial Year 2014-15.

**INTERNAL AUDITORS**

In pursuance of provisions of Section 138 of Companies Act, 2013 read with Companies (Account) Rules 2014, M/s Pankaj Shiv & Co., Chartered Accountants has been appointed as Internal Auditor of your Company for carrying out internal audit for the Financial Year 2014-15.

**STATUTORY AND OTHER INFORMATION REQUIREMENTS**

Information required to be furnished as per the Companies Act, Listing Agreement with Stock exchanges, Management Discussion & Analysis Report, Report on Corporate Governance, Auditor's Certificate on Corporate Governance forms the part of this Annual Report.

**DIRECTORS' RESPONSIBILITY STATEMENT**

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

- (i) in the preparation of the Annual Accounts for the financial Year 2013-14, the applicable accounting standards have been followed along with proper explanations relating to material departures, wherever applicable;
- (ii) such accounting policies have been selected and applied consistently and judgements and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit of the Company for that period;
- (ii) proper and sufficient care is taken 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; and
- (iii) the Annual accounts have been prepared on a 'going concern' basis.

**CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION**

In view of the nature of activities which are being carried on by the Company, the particulars as prescribed under Section 217(1)(e) of the Companies Act, 1956 read with Companies' (Disclosures of Particulars in the Report of the Board of Directors) Rules, 1988 regarding Conservation of Energy and Technology Absorption are not applicable to the Company.

**FOREIGN EXCHANGE EARNINGS AND OUTGO**

During the year under review, the Company has neither earned nor used any foreign exchange.

**PARTICULARS OF EMPLOYEES UNDER SECTION 217 (2A) OF THE COMPANIES ACT, 1956**

There is no employee in the company whose particulars are required to be given under section 217 (2A) of the Companies Act, 1956.

**VIGILANCE MECHANISM**

Vigilance Mechanism lays its emphasis on 'Preventive Vigilance' so as to enhance transparency and accountability on systems and procedures.

**INVESTOR RELATIONS**

Your Company always endeavors to keep the timely response to shareholder's request/grievances at a minimum. Priority is accorded to address all the issues raised by the shareholders and provide them satisfactory reply at the earliest possible time. The Stakeholder Relationship Committee (earlier Shareholder's and Investor Grievances committee) of Board meets periodically and reviews the status of redresses of investor's grievances.

**COMPANY'S WEBSITE-REJUVENATED**

Company's official website has been revived in such a way to be a center of information; it is now more of a depiction of your Company on the web. It demonstrates all the relevant information relating to your Company, its story of growth, achievements till date, information of the core business of your Company and also an Investor relation corner, for existing and prospective investors/shareholders etc.

The new website of the Company is trendier and user friendly, it is prepared keeping in mind the layman ship of general users and the relevant information to be obtained by them. It is also ensured that the website is updated with its various progresses, achievements and in terms of investor's information, took place in the Company.

**ACKNOWLEDGEMENT**

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from the stakeholders and business associates who have extended their valuable sustained support and encouragement during the year under review.

Your Directors take this opportunity to recognize and place on record their gratitude and appreciation for the commitment displayed by staff at all levels of the Company. We look forward for your continued support in the future.

By the order of the Board  
For **Total Hospitality Limited**

Sd/-  
**Divya Seengal**  
(Director)  
DIN:00507943

Sd/-  
**Kanad Kashyap**  
(Director)  
DIN: 00508054

Place: Gurgaon  
Date : 21.08.2014

### Overview of Indian Economy

The Restaurant Industry in India is an important industry to the Indian Economy. It is one of the highest foreign exchange earners to the country as well as one of the largest employers both directly and indirectly.

The Restaurant Industry in India is a very profitable business. It is directly linked to tourism industry and growth in the tourism industry leads to growth of Restaurant Industry. The government initiatives and varied business opportunities have acted as boon to Restaurant Business in India. Some initiatives undertaken by the government are “Athithi Devo Bhava” & “Incredible India”.

With the market liberalization policies undertaken by the government, our nation has also become a consumer market with a huge customer base. This has provided a fillip to the restaurant industry in the country. The diverse culinary habit, wide range of Cuisines and diverse cooking techniques are some of the main factors which contribute to this industry. The restaurant industry contributes to the economy in myriad ways, from employment to tax revenues, to being a buyer of goods and services from several other industries. Moreover, its contribution to the overall delight of consumers is undeniable, with eating out being one of the top 3 leisure activities enjoyed by Indians across the country.

### Industry Overview, Outlook

Global economic growth in 2013 has remained subdued at about 3%. This is largely due to weak domestic demand and slow growth in several key emerging market economies coupled with a protracted recession in the euro zone. Furthermore, the year 2013-2014 has not been a year of economic recovery in India. GDP growth in India is estimated at 4.9% for the financial year. This lower GDP growth is driven by high inflation, Low industrial production and investment.

As we look to the future, the hospitality industry has globally emerged as one of the fastest growing sectors, contributing significantly to economic growth and development. The World travel and tourism Council (WttC) in its Annual Economic Impact Report 2014 estimates that the contribution of travel and tourism to the Indian GDP will be 7.3% in 2014. This is expected to grow by 7% p.a. reaching INR 14,000 billion by 2024.

India has potential to become a preferred tourist destination globally. The long term outlook for the Indian hospitality industry continues to be buoyant with growth outperforming the general economy.

The tourism sector in India faces several issues that need to be addressed for the sector to realize its true potential. Visa on arrival from key markets in Europe and America, safety and security of tourists, specially women, infrastructure development, identification of new tourist destinations and regulatory and policy changes need attention from all stakeholders.

The global foodservice sector continues to feel the pressures of the economic recession, unstable food and energy prices, a fragile housing sector and depleted consumer confidence. Industry payers continue to focus on brand differentiation and value-added products to attract consumers.

Fast food outlets are revamping their menus to diversify their product offerings and respond to growing demand for healthy eating options due to growing awareness of heart disease and diabetes. Other outlets, like grocery stores and restaurants, are trying to encroach on the fast food market by offering take-away options to customers. Ethnic cuisine demand will continue to grow, providing a huge market for Asian fast food, with sushi and Chinese food providing particularly popular.

Recently, the Government of India announced a proposal to extend a visa on arrival scheme (VOA) for visitors from 180 countries. A proposal for an electronic travel authorization system will allow foreign travelers to apply for a visa electronically and receive an online confirmation in five working days has also been cleared. Presently, the VOA scheme is available to tourists from eleven countries, mainly from south east Asia and two European countries. Since its introduction, there is a continuous and significant growth of tourist arrivals reconfirming the need to quickly extend this facility to the identified 180 countries. According to a study undertaken by (WttC) and UN WTO, these improvements in the Visa regime could result in up to 6 million more international visitors traveling to India resulting in corresponding growth in revenue.

The National restaurant Association's- Restaurant Performance Index is positive and hence the optimistic is predicted. Your Company is expected their sales to be higher in coming months. Most of the Restaurant operators expect the economic conditions to improve in coming months but at present the market condition is quite stable.

### **The Fine Dining Industry**

The overall Indian restaurant industry is growing at a rate of 5 to 6% per annum with estimated revenues amounting to a sizeable Rs. 43,000 crores (organized and unorganized industry). The relatively new organized segment of the industry is estimated to be between Rs. 7,000 crores and Rs 8,500 crores. ([www.fnbnnews.com](http://www.fnbnnews.com)).

Within this, the industry is broadly classified as fine dining, casual dining, bars and lounges, quick service restaurants, food courts, cafes and kiosks.

Your company operates in the Fine Dining segment and offers patrons the finest in food, service and atmosphere. It may also, in the near future, offer food courts and have highly trained staff members.

Due to the burgeoning middle-class population in cities, the fine dining culture is fast evolving. It has been increasingly paying utmost attention to the quality of food served as well as the ambience which is in line with the changing lifestyle and high standard of living.

Industry trend has been on spending more resources on branding, improving efficiencies and growing economies of scale in order to maintain competitiveness and increase market presence by the industry players.

### **Opportunities**

Indian QSR Industry is growing very rapidly. It is a reflection of the change in the lifestyle, food habits and consumption pattern of the population. The incidence of Dining out, ordering from home as well as takeaways is rising creating an opportunity to cater to a wide mass of population. The incidence and value differ substantially, but penetration of such consumption habits is wide spread and is on the increase. Although largely an urban phenomenon, the pattern is also emerging in rural areas with better road connectivity, increased vehicle ownership and rise in income levels.

#### **1. Changing consumer preferences**

The Restaurant Industry in India has undergone significant changes. The standard of living of people in India has also increased. The eating habits and preferences of people in India have seen a shift from typical Indian food to continental and various other cuisines. The industry is experiencing a new era because of change in the attitude of the consumers who wishes to try a new variety of dishes and food items. Thus, the restaurant Industry now has opportunity for expansion and diversification.

#### **2. Growth in tourism sector**

The growth of the tourism industry has also been a positive factor behind the growth of restaurants in India. An increasing number of foreign tourists prefer going restaurants. Foreigners enjoy the local and authentic traditional food and as a result they can be credited to the tremendous increase in the number of eating joints, restaurants and fast food centers at prime locations throughout the country.

#### **3. Changing demographics**

India is witnessing a changing demographic profile with more people willing to eat at restaurants. The working class and youngsters are increasingly visiting restaurants to have a good time which enhance the prospects of your Company. Further, rising income level have resulted in more disposable incomes, with more people going out and spending at restaurants, thus creating opportunities in Tier II as well as Tier III cities.



**4. Integration of economics**

Integration of economics and the emergence of India as a leading economic hub have resulted in Indians being exposed to global cuisines and the restaurant industry. This has led to an increase in demand for variety of cuisines and rise in overall industry standards.

**5. Growth of Commercial sector**

Increasing high density locations such as shopping malls, travel terminals, office complexes and medical institutions have resulted in rising opportunities for restaurants businesses.

**6. International Brands entering India**

With international restaurant chain entering the Indian foyer and increasing the competitiveness, special attention is being paid to hygiene and cleanliness. Being assured healthy and wholesome food options and quality outlets is a significant crowd puller. Restaurants are located near tourist attractions and offer wide variety of dining options ranging from fine dining to value-for-money food. International players in the Indian hospitality industry have raised tourist expectations. International chains have connotations of quality and hygiene that extend globally and tourists visiting India are comforted by the presence of such outlets in taking care of their basic needs without the mortal fear of having an upset stomach.

**7. Increase importance of online/social media, food website and mobile application**

Consumers' interest in technology continues unabated. Restaurant operators recognize that technology can enhance customer service and appeal to consumers, but they are not fully meeting consumer demand in this area.

At table service restaurants, more than half of consumers say they would use tableside electronic payment options and 44% would use a tableside ordering system. Nearly one-third would use mobile payment options, four in 10 would use tablet menus (such as iPods), and 50% would use a Smartphone app for viewing menus, ordering or making reservations. Less than one in 10 table service restaurants currently offer these options, but 54% say they will invest more resources in customer-facing technology in 2013.

At quick service restaurants, 44% of consumers say they would use self-order terminals; two in five would use Smartphone apps to place orders or view menus, and more than one-quarter would use mobile payment options. Currently, less than 2% of quick service restaurants offer these technologies, though 48% say they plan on investing more in customer-facing technology next year.

**8. Large focus on Value meals**

Also among the strongest consumer trends for 2013 are local sourcing and nutrition. More than seven out of 10 consumers say they are more likely to visit a restaurant that offers locally produced menu items, and more than six out of 10 said locally sourced menus are a key attribute for choosing a restaurant. Currently, a majority of table service restaurants offer locally sourced produce, meat or seafood, with availability being highest in the fine dining segment.

In addition, more than seven out of 10 consumers say they are trying to eat healthier at restaurants now than they did two years ago; women more so than men. Similarly, about three-quarters of consumers say healthy menu options are an important factor when choosing a restaurant. Restaurants are responding to this increasing demand for nutritious options, as 86% of consumers say that restaurants are offering a wider variety now than two years ago.

**9. Increasing interest from private equity and venture capital investors in the industry**

Private Equity in retail has witnessed a steady increase in recent years. Within this industry, the fast food chains, fine/casual dining, QSR, cafes, bars and lounges, food courts, take away kiosak etc has attracted significant investment. As, consumer discretionary spending is on a growth trajectory, venture Capital and Private Equity players with mid to long term plans are increasingly providing capital for these high gestation businesses.

Food demand is rising in tandem with the global population. Increasing urbanization and a general exodus from rural areas to urban areas is causing a change in lifestyle trends, particularly surround eating habits. With increasing numbers of people working in office environments and growing family households with two parents in the workforce, time to prepare food at home is limited. Consumers under time constraints are opting to eat outside in cafes and restaurants, with price-conscious often turning to fast-food options such as mobile trucks and street stalls.

### Challenges

Your Company's business is highly sensitive to changes in guest traffic. Increase in guest traffic typically drives higher sales, which improve the leverage of our fixed operating costs and thus enable us to achieve higher operating margins whereas reduction in guest traffic works vice – versa.

Changes in discretionary spending patterns, economic conditions and consumer tastes have an impact on the restaurant industry. In recent times, due to increased economic pressures, many consumers have changed their discretionary spending patterns. Frequency or spending on meals while dining out guests has reduced than in the past. We continuously update our menu offerings, have food festivals across brands and employ marketing initiatives designed to improve our value-to-price proposition, increase brand awareness and help drive guest traffic.

### Risk Mitigation

The company has developed built-in procedures and a practice to effectively mitigate the adverse affects of the risk involved in the business and has laid down procedures for handling risks in carry out the business to the best advantage of all stakeholders and to improve the stakeholder value and ensure continuity of business.

### Risk management:

The Company is committed to high standards of business conduct and the risk management with a view to:

- Protect the Company's Assets Achieve sustainable business growth
- Avoid major surprises related to the overall control environment
- Safeguard Shareholder investment and
- Ensure compliance with applicable legal and regulator requirements.

### Further the company has divided the overall risk into following categories:

#### 1. Inflation and Cost Pressures

Inflation has resulted in increased food as well as labour costs, but your company has placed strong emphasis on sustaining operational efficiencies. We try to pass on the increased costs by raising menu prices, or by reviewing and implementing alternative processes thereby facilitating cost control.

#### 2. Competition may adversely affect our operations and financial results

The restaurant business is highly competitive as to price, service, restaurant location, nutritional and dietary trends and food quality, and is often affected by changes in consumer tastes, economic conditions and traffic patterns. Your Company competes within each region with local restaurants as well as national

and regional restaurants chains. Maintaining brand standards and consistency over the years has enabled your Company to carve a niche for itself.

### **3. Supply Chain and quality control optimum supply**

Outsourcing opportunities that increase productivity are crucial for the success of any restaurant business. Your company places considerable emphasis on ensuring that it procures high- quality raw materials and equipment, enabling it to provide quality products to its guests. The supplier selection process is centrally controlled to promote consistent quality and timely delivery of raw materials to our restaurants and adherence to strict product and safety specifications.

### **4. Availability of Skilled Manpower**

This is an extremely important aspect of the restaurant business and our ability to attract, motivate and retain sufficient number of qualified employees for our restaurants including restaurant managers, chefs, kitchen and waiting staff is a key success determinant. In addition to setting up its own catering business your Company has put in place several HR initiatives like free meal, housing facilities, organization of staff transportation and bonuses during festivals to ensure staff retention and maintain service standards.

### **5. Lack of certainty in Government Sector**

With no political unanimity over a uniform goods and service tax, patrons of restaurants in organized sector have to pay VAT and Service Tax, which charge even on takeaways and home deliveries. The Association expect to receive the support of the stakeholders and the government so that the sector can grow which in turn would lead to a spurt in development across other industries and be a much larger source of direct and indirect tax revenue to the Government.

### **6. Competition**

Competition between restaurants is intense, since dining options abound. And, while there are certainly dominant players in this industry (especially among fast-food purveyors), no one company has the market cornered. Indeed, virtually every restaurant location must compete not only against other publicly traded chains, but also a wide array of small, local establishments. Competitors include everything from delis and pizzerias to fine-dining restaurants. And, of course, it is relatively easy to forgo prepared foods, altogether, in favor of home cooking, which is usually a less expensive option. Thus, restaurant meals are discretionary purchases, and the industry tends to be highly cyclical..

## **INTERNAL CONTROL & THEIR ADEQUACY**

Internal processes control and systems play a critical role in the health of a company. An effective system of internal controls forms a keystone necessary for building, maintaining and improving shareholder value and helps to enhance the overall quality of the business and enterprises.

We have our own internal control system in place that all assets are protected. Your company is adequately insured.

## **FINANCIAL AND OPERATING PERFORMANCE**

The market condition and various factors have affected the Company Operations and have hugely suffered the performance of the Company.

The Company is yet to make significant recovery. However as the entire industry is dealing with similar problems, it is expected that progress shall be made once the problems faced by the industry are resolved.

**CAUTIONARY STATEMENT**

Statement in this “Management Discussion and Analysis “ describing the company’s objectives, projections, estimates, expectation or predictions may be “forward looking statements” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or

implied. Important factors could make a difference to the company’s operations include global and Indian demand – supply conditions, finished goods prices, feedstock availability and prices, cyclical demand and pricing in the company’s principal markets changes in government regulations, tax regimes, economic developments within India and the countries within which the company conducts business and other factors such as litigation and labour negotiations The company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent development, information or events or otherwise.

As a listed company and a good corporate entity, the company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability paving the way in building confidence among all its stakeholders for achieving sustainable long term growth and profitability. In accordance with Clause 49 of the Listing Agreement with Stock Exchanges, the report containing the details of corporate governance systems and processes at Total Hospitality Limited (“THL”) is given below along with Auditors’ Certificate regarding compliance of conditions of Corporate Governance.

## I. COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance refers to a set of laws, regulations and good practices that enable an organization to perform efficiently and ethically for long term wealth and create value for all its stakeholders.

The Company’s philosophy on Corporate Governance is aimed at strengthening the confidence of the shareholders in the Company and building a long term relationship of trust with them by maintaining transparency and periodical disclosures. The Company believes in maintaining high standards of quality and ethical conduct in its operations.

Corporate Governance at Total Hospitality Limited is an ongoing process and the Company continuously strives to improve upon its practices in line with the changing demands of the business environment. These governance structures and systems are the foundation that provides adequate empowerment across the organization helping leverage opportunities for rapid sustainable growth of the Company. Through the Governance mechanism, the Company’s essential character revolves around values based on transparency, integrity, professionalism and accountability to all its stakeholders and independence in its decision making.

In line with the above philosophy, your Company continuously strives for excellence through adoption of best governance and disclosure practices.

## II. BOARD OF DIRECTORS

The Board of Directors along with its Committees provide leadership and guidance to the Company’s management as also direct, supervise and control the performance of the Company.

The Board has an optimum combination of Executive and Non-Executive Directors. Currently, the Board of the Company consists of four (4) Directors comprising of one (1) Managing Director and three (3) Non-Executive Directors. The Non-Executive Directors comprises of two (2) Independent Directors and one (1) Non-Independent Director. The composition of the Board is in conformity with Clause 49 of the Listing Agreements entered into with the Stock Exchanges. All the Independent Directors have confirmed that they meet the ‘independence’ criteria as mentioned under the existing Clause 49 of the Listing Agreement and Section 149 of the Act.

None of the Directors on the Company’s Board is a Member of more than ten Committees and Chairman of more than five Committees across all the Indian public limited companies in which he/she is a Director. All the Directors have made necessary disclosures regarding Committee positions held by them in other companies and do not hold the office of Director in more than twenty companies, including ten public companies.

The required information as enumerated in Annexure IA to Clause 49 of the Listing Agreement is made available to the Board of Directors for discussions and consideration at Board Meetings. The Board reviews the declaration made by the Management regarding compliance with all applicable laws on a quarterly basis as also steps taken to remediate instances of non-compliance.

During the year under review, six Board Meetings were held on 30<sup>th</sup> May, 2013, 14<sup>th</sup> August, 2013, 14<sup>th</sup> September, 2013, 14<sup>th</sup> November, 2013, 13<sup>th</sup> February, 2014 and 28<sup>th</sup> February, 2014. The maximum time-gap between any two consecutive meetings did not exceed four months. The composition of the Board, attendance at Board Meetings held during the Financial Year under review and at the last Annual



General Meeting, number of directorships, memberships/chairmanships of the Board and Committees of public companies and their shareholding as on March 31, 2014 in the Company are as follows:

	<b>Ms. Divya Seengal</b>	<b>Ms. Siddharth Seengal</b>	<b>Mr. Kanad Kashyap</b>	<b>Mr. Anil Kumar</b>
<b>DIN</b>	00507943	02182275	00508054	02179776
<b>Category</b>	Executive Director	Non – Executive Director	Non – Executive Independent Director	Non – Executive Independent Director
<b>No. of Board Meetings attended in the year</b>	6	6	6	6
<b>Attendance in the Last AGM</b>	Yes	Yes	Yes	Yes
<b>Directorships<sup>(1)</sup></b>	1	1	1	2
<b>Committees<sup>(2)</sup></b>	<b>Chairman</b>	Nil	Nil	Nil
	<b>Member</b>	Nil	Nil	Nil
<b>Shares held</b>	5,81,850	NIL	4,13,800	NIL

(1) excludes Directorships in private companies, foreign companies and associations

(2) includes only Audit Committee, Nomination and Remuneration Committee (earlier Remuneration Committee) and Stakeholder Relationship Committee (previously Investor's Grievances and Securities Transfer Committee Share Transfer and Investors' Grievance Committee)

The Agenda is circulated by the Company secretary well in advance to the Board members along with comprehensive background information on the items in the Agenda to enable the Board to deliberate on relevant points and arrive at an informed decision. All relevant information relating to working of the Company, including the information required as per the Listing Agreement is made available to the Board.

Information on other significant matters in addition to the matters which are required to be placed before the Board for its noting and/or approval is also required.

The proceedings of the Meetings of the Board and its Committees are recorded in the form of Minutes and the draft minutes are circulated to the Board for perusal.

The important decisions taken by the Board/Committees' Meeting are communicated to the Concerned departments/divisions promptly.

### III. COMMITTEES OF THE BOARD

The Board has constituted various committees' as given below:

- A. Audit Committee
- B. Remuneration Committee (Reconstituted as Nomination and Remuneration committee w.e.f.13.08.2014)
- C. Investor's Grievances and Securities Transfer Committee (Reconstituted as Stakeholder Relationship Committee w.e.f.13.08.2014)

All decisions pertaining to the constitution of Board Committees, appointment(s) of members and fixation of terms of service for members of Committees are taken by the Board of Directors.

- A. AUDIT COMMITTEE:** To oversee the Company's financial reporting process and disclosure of its financial information including Internal Control System, reviewing the Accounting Policies and Practices, report of the Company's Internal Auditor and quarterly/Half Yearly/ Yearly Financial Statements as also to review financial management & policies. The terms of reference of Audit Committee are in accordance with Section 177 of the Companies Act, 2013 and the guidelines set out in Clause 49 of the Listing Agreement. The Committee relies on the expertise and knowledge of the management and the independent Statutory Auditor in carrying out its oversight responsibilities. It also uses external expertise, if required. The management is responsible for the preparation, presentation and integrity of the Company's financial statements including consolidated statements, accounting and financial reporting principles.

**The terms of reference of the Audit Committee are broadly as under:**

- i) Review of the quarterly/annual financial results with the management and the statutory auditors.
- ii) Review with the management and statutory auditors about the nature and scope of audit and of the adequacy of internal control systems.
- iii) Consideration of the reports of the internal auditors and the discussion about their findings with the management and suggesting corrective actions, wherever necessary.
- iv) Reviewing the company's risk and its mitigation plan.
- v) Review of the financial reporting process and disclosure of financial information.
- vi) Recommending the appointment of Statutory and Internal Auditors, fixation of audit fee and approval for payment for any other services.
- vii) Reviewing major accounting policies and practices and adoption of applicable Accounting Standards.
- viii) Reviewing the findings of any internal investigations by the Internal Auditors and reporting the matters to the Board.
- ix) Reviewing the compliance with Listing Agreement and various other legal requirements concerning financial statements and related party transactions.
- x) Disclosure of Contingent liabilities.
- xi) Review the independence of Auditors.
- xii) Ensure that adequate safeguards have been taken for legal compliance for the Company.

**Composition, names of Members and Chairperson, its meetings and attendance:**

**Composition:** The Audit Committee comprises of executive and non executive Directors viz. Mr. Kanad Kashyap (Chairman), Mr. Siddharth Seengal (Member) and Mr. Anil Kumar (Member). The Company Secretary of the Company acts as the Secretary of the Committee. A representative of Statutory Auditors is invited as required. All the members of the committee possess financial and accounting knowledge. The minutes of meetings of Audit Committee are placed before the Board

During the period under review, four Audit Committee meetings were held on 30<sup>th</sup> May, 2013, 14<sup>th</sup> August, 2013, 14<sup>th</sup> November, 2013 and 13<sup>th</sup> February, 2014. The composition of the Audit Committee and attendance at its meetings is as follows:

Committee Member	Category	No. of Meetings held	No. of Meetings attended
Mr. Kanad Kashyap	Independent director	4	4
Mr. Siddharth Seengal	Non-executive Director	4	4
Mr. Anil Kumar	Independent Director	4	4

- B. REMUNERATION COMMITTEE\*:** Remuneration Committee is constituted to review the market practices and decide appointment and remuneration packages to Executive and Non- executive Directors. The Remuneration Committee comprises of Non- Executive Directors viz. Mr. Kanad Kashyap, Mr. Siddharth Seengal and Mr. Anil Kumar as Members of the Committee.

\* Remuneration Committee was reconstituted to Nomination and Remuneration Committee w.e.f. 13<sup>th</sup> August, 2014 with terms of reference as per the provisions of the Companies Act, 2013.

**Terms of reference of Remuneration Committee:**

Terms of reference of the Governance Committee include:

1. To consider all payments to Directors and Senior Executives one level below the Board.
2. Making recommendations regarding the composition of the Board.
3. To identify the Independent Directors and to refresh the composition of Board from time to time.

**Remuneration Committee Meetings and attendance during the year:**

During the year, one meeting of Remuneration Committee was held on 10<sup>th</sup> August, 2013.

The composition of the Remuneration Committee and number of meetings attended by the Members during the year are given below:

Name of the Director	Category	Meeting held in the Year	Attendance
Mr. Kanad Kashyap	Independent Director	1	1
Mr. Siddharth Seengal	Non- Executive Director	1	1
Mr. Anil Kumar	Independent Director	1	1

**Remuneration policy**

The Remuneration policy of your Company is a comprehensive policy which is competitive, in consonance with the industry practices and rewards good performance of the employees of the Company. The policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives. The Company has a System which aims at focusing and aligning the performance of the individual employees to the organizational objectives. The system involves a comprehensive process which includes different stages like goal setting exercise, performance review ratings and rewards. It ensures that all employees know what is expected of them in their job and are able to measure their performance. The Company endeavors to attract, retain, develop and motivate a high performance workforce. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process.

**Remuneration to Managing Director**

- (a) The remuneration of the Managing Director & CEO is recommended by the Remuneration Committee to the Board of Directors based on criteria such as industry Benchmarks, the Company's performance vis-à-vis the industry, performance track record of the Managing Director & CEO.
- (b) Ms. Divya Seengal is the Managing Director of the Company. No salary was paid to her during the Financial Year- 2013-14.

**Remuneration to Non-Executive Director**

Payment of sitting fee and Commission to the Non-Executive Directors for the year ended 31<sup>st</sup> March, 2014 are as under:

Name of the Director	Sitting Fees	Commission
Mr. Kanad Kashyap	Nil	Nil
Mr. Siddharth Seengal	Nil	Nil
Mr. Anil Kumar	Nil	Nil

**Directors' Shareholding:**

Details of the Shares of the Company held by the Directors as on 31<sup>st</sup> March, 2014:

Name of the Director	Category	No. of Shares held
Ms. Divya Seengal	Executive Director	5,81,850
Mr. Kanad Kashyap	Non- Executive Independent Director	Nil
Mr. Siddharth Seengal	Non- Executive Director	4,13,800
Mr. Anil Kumar	Non- Executive Independent Director	Nil

- C. INVESTOR'S GRIEVANCES AND SECURITIES TRANSFER COMMITTEE\***: The Company has a "Shareholders' Grievance/Allotment and Transfer Committee" at the Board level to look into various issues relating to shareholders/investors including transfer and transmission of shares as well as non receipt of Annual report, shares after transfers and delay in transfer of shares. In addition, the Committee looks into other issues including status of dematerialization/ rematerialisation of shares and debentures as well systems and procedures following to track investor complaints and suggest measures for improvement from time to time.

\* Investor's grievances and securities transfer committee was reconstituted to Stakeholder Relationship Committee w.e.f.13<sup>th</sup> August, 2014 with terms of reference as per the provisions of the Companies Act, 2013.

**Composition, names of Members and Chairman, its meetings and attendance:**

The investor's grievances and securities transfer committee comprises of Mr. Kanad Kashyap, Mr. Siddharth Seengal and Mr. Anil Kumar, all of whom are Non-Executive Directors. Ms. Divya Seengal is also a member of investor's grievances and securities transfer committee who is an executive director. The Committee is headed by a Non- Executive Independent Director, Mr.Kanad Kashyap.

During the financial year 2013-2014, eleven (11) meetings of the Committee were held on 15<sup>th</sup> April, 2013, 22<sup>nd</sup> April, 2013, 7<sup>th</sup> June, 2013, 21<sup>st</sup> June, 2013, 15<sup>th</sup> July, 2013, 29<sup>th</sup> July, 2013, 7<sup>th</sup> September, 2013, 7<sup>th</sup> November, 2013, 28<sup>th</sup> December, 2013, 14<sup>th</sup> January, 2014, 28<sup>th</sup> February, 2014.

The attendance of present members of the Committee is given below:

Committee Member	Category	No. of Meetings held	Number of Meetings attended
Mr. Kanad Kashyap	Non- Executive Independent Director	11	11
Mr. Siddharth Seengal	Non- Executive Director	11	11
Ms. Divya Seengal	Executive Director	11	11
Mr. Anil Kumar	Non- Executive Independent Director	11	11

Details of Queries/grievances/requests received and redressed by the investor's grievances and securities transfer committee during the financial year 2013-14 are as follows:

Nature of Complaints/request	Received during the financial year 2013-14	Resolved during the financial year 2013-14	Pending as on 31.03.2014
Transfer/Transmission	5	5	Nil
Non-receipt of Share Certificates	2	2	Nil
Others	1	1	Nil

#### IV GENERAL BODY MEETINGS:

##### (A) Location and time of Annual General Meetings held in the last 3 years:

Year	Date	Time	Venue	Special Resolution passed
2012-2013	25.09.2013	12.00 Noon	Saanvi Restaurant, Narsinha Vihar, Katulbod, Bhilai, Chhattisgarh-490020	Nil
2011-2012	21.09.2012	12.00 Noon	Saanvi Restaurant, Narsinha Vihar, Katulbod, Bhilai, Chhattisgarh-490020	1
2010-2011	30.09.2011	12.00 Noon	C-22, Saket Colony, Katulbod, P.O. SAF Lines, Bhilai, Durg, Chhattisgarh-490020	1

##### (B) Extra-ordinary General Meeting

During the financial year 2013-14, no Extra Ordinary General Meeting of Members was held.

##### (C) Postal Ballot

No resolution was passed through Postal Ballot in the Financial Year 2013-14

#### V DISCLOSURES

- A. Code of Conduct: The Code has been laid down by the Board, which has been circulated to all the concerned and the same is also hosted on the website of the Company [www.totalhospitality.in](http://www.totalhospitality.in). As required under clause 49 of the Listing Agreement, all board members and senior management have affirmed compliance with this code. A declaration signed by the Managing Director to this effect is forming part of this report.
- B. Risk Assessment: Procedures for assessment of risk and its minimization have been laid down by the Company and reviewed by the Board. These procedures are periodically reassessed to ensure that executive management controls risks through means of properly defined framework.
- C. CEO/CFO Certification: The Executive Chairman and Managing Director have given a certificate to the Board as contemplated in Clause 49 of the Listing Agreement.
- D. Related Party Transactions: During the year, there was no related party transaction i.e. transactions of the Company of material nature entered with its Promoters, the Directors or the management or relatives etc. that may have potential conflict with the interest of Company at large. The details of the related party transactions are disclosed under the notes on accounts, as required under the Accounting Standards 18 issued by the Institute of Chartered Accountants of India.



- E. Accounting treatment in preparation of Financial Statements: The Company has followed the Accounting Standards prescribed by the Company (Accounting Standards Rules 2006) in preparation of its financial statements.
- F. Details of Non- Compliance: The Company has complied with all the requirements of SEBI and the Stock Exchanges on the matters relating to the capital markets as applicable from time to time. There has been no instance of non-compliance by the company or penalty or strictures imposed on the company by the stock exchanges or SEBI or any statutory authority on any matter related to capital market.
- G. Management Discussion and Analysis: The Annual report has a detailed section on Management Discussion and Analysis.
- H. Code for prevention of Insider Trading in equity Shares/securities of Total Hospitality Limited: In terms of Securities and Exchange Board of India (Prohibition of Insider Trading Regulations, 1992, the Company has formulated a comprehensive Code for prevention of Insider Trading in equity Shares/securities of Total Hospitality Limited to preserve confidentiality and to prevent misuse of unpublished price sensitive information.
- I. Reconciliation of Share Capital Audit: As stipulated by SEBI, a qualified Practicing Company Secretary carries out share capital audit to reconcile the total admitted capital with Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit is carried out every quarter and report thereon is submitted to the Stock Exchange.

## VI SUBSIDIARY COMPANIES

The Company had a wholly owned subsidiary Company, SKD Restaurants Private Limited which is no more longer the wholly owned subsidiary company due to sale of equity shares (comprising 1611700 equity share of 10/- each) at par held in SKD Restaurants private limited, Consequently SKD Restaurants private limited ceases to be subsidiary of the company with effect from 13.02.2014.

## VII. MEANS OF COMMUNICATION

The Company's website i.e. "www.totalhospitality.in" is a comprehensive reference on Company's management, vision, mission, policies, corporate governance, investor relations, updates and news. The section on Investors serves to inform the shareholders, by giving complete financial details, Shareholding Patterns, Dividend Policy, information relating to Stock Exchanges, Registrars & Share Transfer Agents.

The Company regularly interacts with the shareholders through the multiple channels of communication such as publication of results, Annual Report, Press Releases, and the Company's website. The Company also informs the Stock Exchanges in a prompt manner, all price sensitive information and all such other matters which in its opinion, are material and relevant for the shareholders.

## VIII. GENERAL SHAREHOLDERS INFORMATION

### Annual General Meeting:

- (i) Date, time and Venue : Monday, 29<sup>th</sup> September, 2014 at 11:30 A.M., Regd. Off.- Saanvi Restaurants, Narsinha Vihar, Katulbod, Bhilai, Chhattisgarh-490020
- (ii) Financial Year : 1<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2015
- (iii) Date of Book Closure : Friday, 26<sup>th</sup> September, 2014 to Monday, 29<sup>th</sup> September 2014 (both days inclusive)

(iv) Dividend : No Dividend is recommended by the Board since the Company has incurred losses

(V) Tentative Calendar for financial year ending 31 March, 2015:

Quarterly Financial Results	Date of Board Meeting
First Quarterly Results	On 14 <sup>th</sup> August, 2014
Second Quarterly Results	On or before 14 <sup>th</sup> November, 2014
Third Quarterly Results	On or before 14 <sup>th</sup> February, 2015
Fourth Quarterly Results	On or before 30 <sup>th</sup> May, 2015

**(vii) Corporate Identification Number:**

All the forms, returns, balance sheets, charges and all other documents, paper, etc. filed by the Company with the Registrar of companies are available for inspection on the official website of of MCA: [www.mca.gov.in](http://www.mca.gov.in), under the Corporate Identification Number – L51102CT1982PLC006773

**(viii) Listing**

The Stock Exchanges on which the Company's shares are listed:

- BSE Limited
- Delhi Stock Exchange Limited
- Madhya Pradesh Stock Exchange Limited

Annual Listing fees for the Financial Year 2014-15 have been paid to Bombay Stock Exchange Limited, Delhi Stock Exchange Limited and Madhya Pradesh Stock Exchange Limited

**(ix) Stock Code**

BSE Limited: 523878, TOTEX

Delhi Stock Exchange Limited: 6263

The ISIN of the Company for its shares: INE109E01013

**(x) Market price information**

The reported high and low closing prices and trading volume during the year ended 31<sup>st</sup> March, 2014 on the Bombay Stock Exchange are given below:

Month (2013-14)	Company's Share		Volume ( No. of Shares)
	High (Rs.)	Low (Rs.)	
April	24.80	24.80	100
June	23.60	23.60	40900
July	24.00	24.00	100
September	25.00	23.80	200
October	22.65	22.65	2000
January	21.55	19.50	3000
March	18.55	18.55	100

**(xi) Registrars and Share Transfer Agents:**

The Members are requested to correspond to the Company’s Registrars & Share Transfer Agents – Beetal Financial & Computer Services Private Limited quoting their Folio Number, Client ID and DP ID at the following address:

**Beetal Financial & Computer Services Private Limited**

Beetal House, 3rd Floor, 99, Madangir,  
Behind Local Shopping Centre, New Delhi-110062  
Phone No: 011-29961281, 82  
Fax: 011-29961284  
Email: beetal@beetalfinancial.com

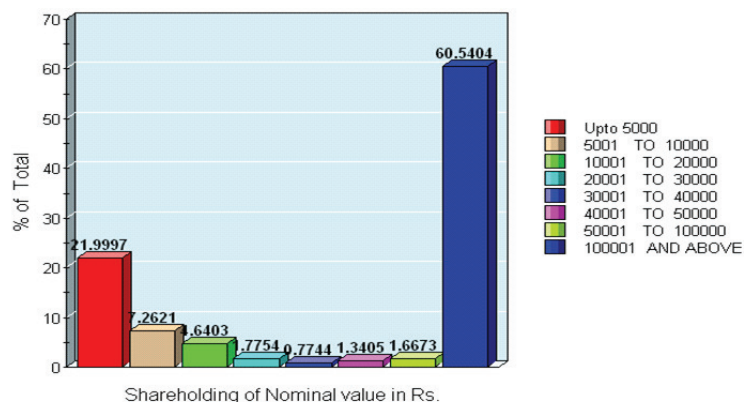
**Share Transfer System:** The Company processes the Share Transfer and other related Shareholders services through Registrar and Share Transfer Agent (RTA) on a fortnight basis. The share transfer in physical form is registered within 15 days from the date of receipt, provided the documents are complete in all respects. The Company has a Stakeholder Relationship Committee, which considered and approve the share transfers and to resolve any query or problem in relation there to.

**(xii) Shareholding as on 31<sup>st</sup> March, 2014:**

**(a) Distribution of shareholding as on 31<sup>st</sup> March, 2014**

Shareholding of Nominal value in Rs.	No. of Shareholders	% to Total	No. of shares held	% of Total
Upto 5000	7,407	89.45	14,65,930	21.9997
5001 TO 10000	561	6.77	4,83,900	7.2621
10001 TO 20000	205	2.48	3,09,200	4.6403
20001 TO 30000	45	0.54	1,18,300	1.7754
30001 TO 40000	15	0.18	51,600	0.7744
40001 TO 50000	19	0.23	89,320	1.3405
50001 TO 100000	15	0.18	1,11,100	1.6673
100001 AND ABOVE	14	0.17	40,34,050	60.5404
Total	8,281	100.00	66,63,400	100.0000

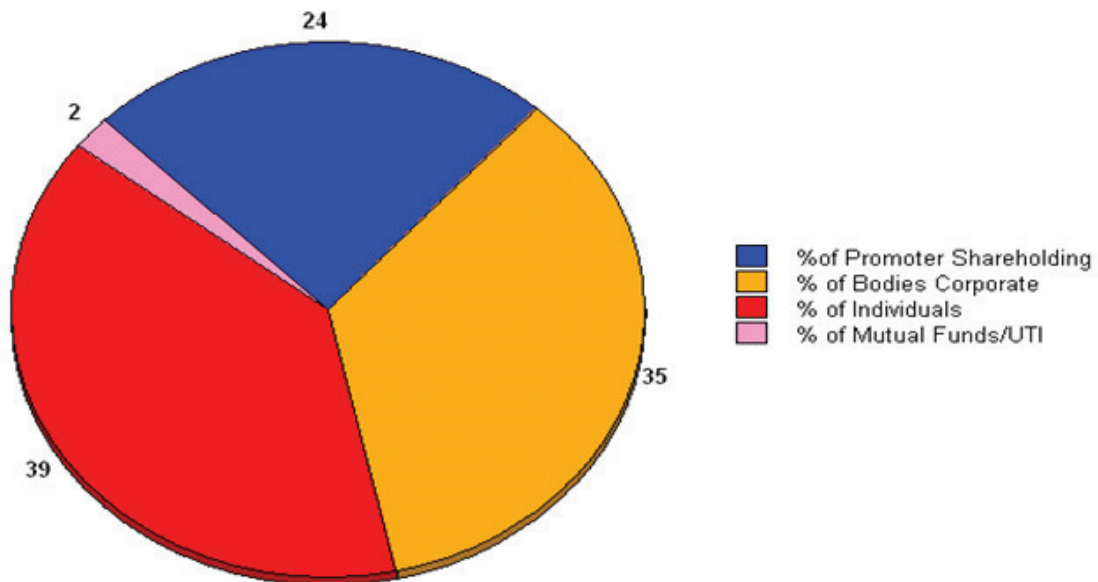
**Distribution of shareholding as on 31st March, 2014**



b) Shareholding pattern as on 31<sup>st</sup> March, 2014

Category of Shareholder	Total No. of Shares	Total shareholding as a percentage of total no. of Shares
<b>A) Promoter Holding</b>		
Individuals	995650	14.95
Bodies Corporate	590000	8.85
<b>B) Public Shareholding</b>		
Mutual Funds/ UTI	119500	1.79
Bodies Corporate	2310720	34.68
Individual shareholders holding nominal share capital upto Rs. 1 Lac	2563810	38.48
Individual shareholders holding nominal share capital in excess of Rs. 1 Lac	79820	1.20
Hindu Undivided Families	900	0.01
Clearing Members	3000	0.05
<b>Total shareholding of Public</b>	<b>5077750</b>	<b>76.20</b>
<b>Total (A) + (B)</b>	<b>6663400</b>	<b>100</b>

**Shareholding pattern as on 31st March, 2014**



**(C) Capital of the Company**

The authorized capital of your Company is Rs. 7,00,00,000 as on 31<sup>st</sup> March, 2014 and paid-up capital of your company is Rs. 6,66,34,000 as on 31<sup>st</sup> March, 2014.

**(xiv) Dematerialisation of shares and liquidity**

The Company's shares are compulsorily traded in the dematerialized form and are available for trading on Central Depository Services (India) Limited (CDSL). Equity Shares of the Company representing 61.189% of the Company's Equity Share Capital are dematerialized as on 31<sup>st</sup> March, 2014.

**(xiii) Outstandings GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity**

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

**(xv) Plant locations**

The Company is not a manufacturing unit and thus not having any Plant.

**(xvi) Address for correspondence****Corporate Office**

Total Hospitality Limited  
Unit No. 1152, B-2, Spaze I Tech Park, Sector-49,  
Sohna Road, Gurgaon-122018  
Telephone: 0124-4111514  
Website: www.totalhospitality.in  
E-mail: corp.relations@totalhospitality.in

**Registrar and Share Transfer Agent**

Beetal Financial & Computer Services Private Limited  
Beetal House, 3rd Floor, 99, Madangir,  
Behind Local Shopping Centre  
New Delhi- 110062

For and on behalf of Board of Directors

Sd/-  
**Divya Seengal**  
(Director)  
DIN:00507943



**DECLARATION BY THE MANAGING DIRECTOR REGARDING  
COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the company has adopted a code of conduct for its Board members and senior management of the company.

I hereby confirm that the Board Members and Senior Management team of the company have affirmed the compliance of the Code of conduct as applicable to them in respect of the financial year ended March 31, 2014.

Place : Gurgaon  
Date : 30.05.2014

Sd/-  
**Divya Seengal**  
(Director)  
DIN:00507943

**CERTIFICATE AS PER CLAUSE 49 OF THE LISTING AGREEMENT**

To,  
The Members  
Total Hospitality Limited  
(Formerly Total Exports Limited)

We have examined all relevant records of TOTAL HOSPITALITY LIMITED (formerly Total Exports Limited), ("the Company") for the purpose of certifying compliance of the conditions of Corporate Governance under Clause 49 of the Listing Agreement with Bombay Stock Exchange, Madhya Pradesh Stock Exchange Limited and Delhi Stock Exchange Limited for the Financial Year ended March 31, 2014. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

On the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied with all the mandatory conditions of the said Clause 49 of the Listing Agreement.

**For DMRN Associates & Co.**  
Chartered Accountants  
Firm Reg No. 008100N

Sd/-  
**CA Rimpay Bansal**  
Partner  
Membership No. 508503

Place : Gurgaon  
Date : 30.05.2014

**CERTIFICATION BY DIRECTOR OF THE COMPANY**

We hereby certify that:

- a. We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March 2014 and that to the best of their knowledge and belief :
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. To the best of their knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violating of the company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee
  - i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Total Hospitality Limited**

Place: Gurgaon  
Date : 30.05.2014

Sd/-  
**Divya Seengal**  
(Director)  
DIN:00507943

(in Rs.)

Particulars	Note	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share capital	1	66,634,000	66,634,000
(b) Reserves and surplus	2	(59,796,870)	(56,487,329)
<b>Current liabilities</b>			
(a) Short-term borrowings	3	5,944,010	5,944,010
(b) Other current liabilities	4	10,512,323	10,804,166
(c) Short-term provisions	5	—	—
<b>TOTAL</b>		<b>23,293,463</b>	<b>26,894,847</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Non-current investments	6	—	16,117,000
(b) Long-term loans and advances	7	160,136	—
<b>Current assets</b>			
(a) Cash and cash equivalents	8	1,045,298	4,356,177
(b) Short-term loans and advances	9	495,000	—
(c) Other current assets	10	21,593,029	6,421,670
<b>TOTAL</b>		<b>23,293,463</b>	<b>26,894,847</b>

The notes to accounts referred to above form an integral part of the Financial Statements. 1 to 15

As per our report of even date attached

**For DMRN & Associates**  
Chartered Accountants

Sd/-  
**Rimpy Bansal**  
Partner  
Membership No. 508503

**For and on behalf of the Board**

Sd/-  
**Divya Seengal**  
(Director)  
DIN: 00507943

Sd/-  
**Kanad Kashyap**  
(Director)  
DIN: 00508054

Place : Gurgaon  
Date : 30<sup>th</sup> May, 2014

## Statement of Profit &amp; Loss for the year ended on March 31, 2013

2013-2014

(in Rs.)

Particulars	Note	For the year ended 31 <sup>st</sup> March, 2014	For the year ended 31 <sup>st</sup> March, 2013
Revenue from operations		–	–
Other income		–	–
<b>Total Revenue</b>		–	–
Expenses:			
Employee benefits expense	11	1,729,222	2,882,500
Other expenses	12	1,580,319	757,070
<b>Total Expenses</b>		<b>3,309,541</b>	3,639,570
<b>Profit before exceptional and extraordinary items and tax</b>		<b>(3,309,541)</b>	(3,639,570)
Exceptional items		–	–
<b>Profit before extraordinary items and tax</b>		<b>(3,309,541)</b>	(3,639,570)
Extraordinary Items		–	–
Profit before tax		<b>(3,309,541)</b>	(3,639,570)
Tax expense:			
(1) Current tax		–	–
(2) Deferred tax		–	–
<b>Profit (Loss) for the period from continuing operations</b>		<b>(3,309,541)</b>	(3,639,570)
Profit/(loss) from discontinuing operations		–	–
Tax expense of discontinuing operations		–	–
<b>Profit/(loss) from Discontinuing operations (after tax)</b>		–	–
<b>Profit (Loss) for the period</b>		<b>(3,309,541)</b>	(3,639,570)
Earnings per equity share:			
(1) Basic		(0.50)	(0.55)
(2) Diluted		(0.50)	(0.55)

Significant Accounting Policies 1 to 15  
Notes on Financial Statements

As per our report of even date attached

**For DMRN & Associates**  
Chartered Accountants

**For and on behalf of the Board**

Sd/–  
**Rimpy Bansal**  
Partner  
Membership No. 508503

Sd/–  
**Divya Seengal**  
(Director)  
DIN: 00507943

Sd/–  
**Kanad Kashyap**  
(Director)  
DIN: 00508054

Place : Gurgaon  
Date : 30<sup>th</sup> May, 2014

**SIGNIFICANT ACCOUNTING POLICIES****1. Accounting Convention:**

- (i) The accounts are prepared on a going concern basis under the historical cost convention in accordance with the provisions of The Companies Act, 1956 and materially comply with mandatory accounting standards issued by The Institute of Chartered Accountants of India.
- (ii) In our opinion, the value on realization of Current Assets and Loans & advances in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.

**2. Revenue Recognition:**

- (i) The income is accounted for on accrual basis unless referred otherwise.

**3. Fixed Asset, Depreciation / Amortisation:**

- (i) There are no Fixed Assets in the Company, hence no depreciation provided during the year.

**4. Investments**

- (i) Investments are stated at cost or realizable value, whichever is less.

**5. Inventory Valuation**

- (i) There is no inventory as the company is not in operation.

**NOTES ON FINANCIAL STATEMENTS FOR THE  
YEAR ENDED 31<sup>st</sup> MARCH, 2014**

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

**1. SHARE CAPITAL**

Particulars	As at 31 March 2014		As at 31 March 2013	
	Number	Amount	Number	Amount
<b>AUTHORISED</b> Equity Shares of Rs. 10/- each	7,000,000	70,000,000	7,000,000	70,000,000
<b>ISSUED</b> Equity Shares of Rs. 10/- each	6,663,400	66,634,000	6,663,400	66,634,000
<b>SUBSCRIBED &amp; PAID UP</b> Equity Shares of Rs. 10/- each fully paid	6,663,400	66,634,000	6,663,400	66,634,000
<b>Total</b>	<b>6,663,400</b>	<b>66,634,000</b>	<b>6,663,400</b>	<b>66,634,000</b>

**i. The reconciliation of the number of shares outstanding is set out below :**

Particulars	As at 31 March 2014		As at 31 March 2013	
	Number	Rs.	Number	Rs.
Equity Shares outstanding at the beginning of the year	6,663,400	6,663,4000	556,732	5,567,320.00
Equity Shares Issued during the year	-	-	1,146,668	11,466,680.00
Equity Shares bought back during the year	-	-	-	-
Equity Shares outstanding at the end of the year	<b>6,663,400</b>	<b>6,663,4000</b>	<b>6,663,400</b>	<b>66,634,000.00</b>



## ii. Shareholders holding more than 5% shares :

Name of Shareholder	As at 31 March 2014		As at 31 March 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Divya Seengal	5,81,850	8.73	3,13,550	4.71
Siddharth Seengal	4,13,800	6.21	4,13,800	6.21
Seengal Capital Advisors Private Limited	5,90,000	8.85	5,90,000	8.85
Kartigya Trading Private Limited	15,94,520	23.93	15,94,520	23.93
Abjit Mercantile Private Limited	5,90,000	8.85	5,90,000	8.85

Particulars	As at 31 March 2014 Rs.	As at 31 March 2013 Rs.
<b>2. RESERVES &amp; SURPLUS</b>		
<b>Surplus</b>		
Opening balance	(60,296,829)	(56,657,259)
(+) Net Profit/(Net Loss) For the current year	(3,309,541)	(3,639,570)
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Transfer to Reserves	-	-
Closing Balance	(63,606,370)	(60,296,829)
Share Premium	3,809,500	3,809,500
<b>Total</b>	<b>(59,796,870)</b>	<b>(56,487,329)</b>
<b>3. SHORT TERM BORROWINGS</b>		
<b>Unsecured</b>		
Others:		
Abjit Mercantile Pvt. Ltd.	1,655,000	1,655,000
Seengal Capital Advisors Pvt Ltd.	3,324,010	3,324,010
Laser Infomedia Ltd.	965,000	965,000
<b>Total</b>	<b>5,944,010</b>	<b>5,944,010</b>
<b>4 OTHER CURRENT LIABILITIES</b>		
(i) Statutory Liability		
TDS Payable	1,910	782
(ii) Other Payables*	481,602	767,592
(iii) Advance from Customers	10,000,000	10,000,000
(iv) Other Liabilities	28,811	35,792
<b>Total</b>	<b>10,512,323</b>	<b>10,804,166</b>
* Other Payable includes expenses payable		
<b>5 SHORT TERM PROVISION</b>		
(a) Others (Specify nature)		
Income Tax Provision	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Particulars	As at 31 March 2014 Rs.	As at 31 March 2013 Rs.
<b>6 NON-CURRENT INVESTMENTS</b>		
Shares in SKD Restaurants Private Limited (1611700 Equity Share of Rs. 10/- each)	-	16,117,000
<b>Total</b>	<b>-</b>	<b>16,117,000</b>
<b>7 LONG TERM LOANS AND ADVANCES</b>		
<b>a. Security Deposits</b>		
Secured, considered good		
Security Deposit (Rent)	159,636	-
Security Deposit (Telephone)	500	-
<b>Total</b>	<b>160,136</b>	<b>-</b>
<b>8 CASH AND CASH EQUIVALENTS</b>		
Cash and Cash Equivalents	1,045,298	4,356,177
<b>Total</b>	<b>1,045,298</b>	<b>4,356,177</b>
<b>9 SHORT-TERM LOANS AND ADVANCES</b>		
Kanse Health Care Limited	495,000	-
<b>Total</b>	<b>495,000</b>	<b>-</b>
<b>10 OTHER CURRENT ASSET</b>		
TDS	7,739	-
SKD Restaurants Private Limited	5,468,291	6,421,670
Naksh Media Pvt. Ltd.	16,117,000	-
<b>Total</b>	<b>21,593,029</b>	<b>6,421,670</b>
<b>11 EMPLOYEE COST</b>		
<b>(i) Salary &amp; Wages</b>		
Salary & Wages	1,717,640	1,931,919
Director Remuneration	-	945,000
<b>Sub Total</b>	<b>1,717,640</b>	<b>2,876,919</b>
<b>(ii) Staff Welfare</b>	<b>11,582</b>	<b>5,581</b>
<b>Sub Total</b>	<b>11,582</b>	<b>5,581</b>
<b>Total</b>	<b>1,729,222</b>	<b>2,882,500</b>
<b>12 OTHER EXPENSE</b>		
Power and Fuel	37,050	63,750
Rent	551,000	101,562
Rates & Taxes	274,194	236,207
Payment to the auditor as		
(i) auditor	30,000	25,000
(ii) for taxation matters	-	-
(iii) for other services	-	-
Other Expenses	688,075	330,551
<b>Total</b>	<b>1,580,319</b>	<b>757,070</b>

**13. (i) Related Party Disclosure**

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

Name of Related Parties	Relationship
SKD Restaurants Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives
Seengal Capital Advisors Pvt. Ltd.	Enterprises owned or significantly influenced by key management personnel or their relatives
Laser Infomedia Ltd.	Enterprises owned or significantly influenced by key management personnel or their relatives
Kanse Healthcare Limited	Enterprises owned or significantly influenced by key management personnel or their relatives

**(ii) Transaction during the year with related party**

Nature of Transaction	Related party	Amount (Rs.) 31st March, 2014
Advance Given	Kanse Healthcare Limited	495,000
Amount received back	SKD Restaurants Pvt. Ltd.	953,380

**(iii) Balances as at 31<sup>st</sup> March 2014****Due from Related Parties:**

(Amount in Rs.)

Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
SKD Restaurants Pvt. Ltd.	5,468,291	6,421,671
Kanse Healthcare Limited	495,000	—
<b>Total</b>	<b>5,963,291</b>	<b>6,421,671</b>

**Due to Related Parties:**

Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
Seengal Capital Advisors Pvt Ltd.	3,324,010	3,324,010
Laser Infomedia Ltd.	965,000	965,000
<b>Total</b>	<b>4,289,010</b>	<b>4,289,010</b>

14. On 13<sup>th</sup> Feb, 2014, Investments in SKD Restaurants Pvt. Ltd. sold to Naksh Media Pvt. Ltd. for Rs. 16117000/- and as a result of it there is no profit or loss on transfer of Investment and SKD Restaurants Pvt. Ltd. ceased to be subsidiary of Total Hospitality limited.

15. The balances of parties are subject to confirmation.

**For DMRN & Associates**

Chartered Accountants

Sd/-

**Rimpy Bansal**

Partner

Membership No. 508503

Place : Gurgaon

Date : 30<sup>th</sup> May, 2014

For and on behalf of the board

Sd/-

**Divya Seengal**

Director

DIN : 00507943

Sd/-

**Kanad Kashyap**

Director

DIN : 00508054

	(in Rs.)	
	March, 2014	March, 2013
<b>A. Cash flows from operating activities</b>		
Profit before tax and after prior period items	(3,309,541)	(3,639,570)
Adjustments for:		
Depreciation	-	-
Bad debts and advances written off	-	-
<b>Cash flow from operating activities before working capital changes</b>	<b>(3,309,541)</b>	<b>(3,639,570)</b>
Changes in working capital		
Decrease/ (increase) in sundry debtors	-	-
Decrease/(increase) in loans and advances and other current assets	(15,826,495)	380,267
Increase in inventories	-	-
Increase in current liabilities and provisions	(291,843)	(4,096,300)
Cash flow from operating activities	(19,427,879)	(7,355,603)
Provision for Income Tax	-	-
<b>Net cash generated from operating activities</b>	<b>(19,427,879)</b>	<b>(7,355,603)</b>
<b>B. Cash flows from investing activities</b>		
(Purchase)/Sale of Fixed Assets	-	-
Purchase of investment	-	-
Sale of Investment	16,117,000	-
<b>Net cash used in investing activities</b>	<b>16,117,000</b>	<b>-</b>
<b>C. Cash flows from financing activities</b>		
Issue of equity share capital	-	11,466,680
Money received against Share Warrants	-	(491,680)
Share premium	-	3,809,500
Repayment of unsecured loans	-	(3,295,990)
Proceeds from unsecured loans	-	-
<b>Net cash (used in)/generated from financing activities</b>	<b>-</b>	<b>11,488,510</b>
<b>Net increase in cash and cash equivalents</b>	<b>(3,310,879)</b>	<b>4,132,907</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>4,356,177</b>	<b>223,270</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>1,045,298</b>	<b>4,356,177</b>

Note : The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard – 3 on Cash Flow Statements of the Companies (Accounting Standard) Rules, 2006. This is the Cash flow statement referred to in our report of even date.

**For DMRN & Associates**

Chartered Accountants

Sd/-

**Rimpy Bansal**

Partner

Membership No. 508503

Place: Gurgaon

Date : 30<sup>th</sup> May, 2014

For and on behalf of the board

Sd/-

**Divya Seengal**

Director

DIN : 00507943

Sd/-

**Kanad Kashyap**

Director

DIN : 00508054

To,  
The Members of,  
**Total Hospitality Limited**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **Total Hospitality Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss for the year then ended and the Cash Flow Statement and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13<sup>th</sup> September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:
- a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the Balance Sheet the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.;
  - e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**For DMRN Associates & Co.**  
Chartered Accountants

Sd/-

**CA Rimpy Bansal**  
Firm Reg No. 008100N  
Partner  
Membership No. 508503  
Chartered Accountant

Place: Gurgaon  
Date : 30.05.2014



(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- I. Having regard to the nature of the company's business/ activities during the year, clause (xiii) of paragraph 4 of the order is not applicable to the company.
- II. Company has no fixed assets, hence this clause of the order is not applicable.
- III. No inventory is held by the company, hence this clause of the order is not applicable.
- IV. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted/taken any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c), iii (d), iii(e) and iii(f) of the order are not applicable to the Company.
- V. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
- VI. According to the information and explanations given to us, there are no contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered in the register required to be maintained under that section. Accordingly, Clause (VI) of the Order is not applicable to the Company.
- VII. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
- VIII. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
- IX. As per information & explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act for the activities carried on by the company.
- X. (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, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31<sup>st</sup> March, 2014 for a period of more than six months from the date they became payable.  
(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
- XI. The Company has accumulated losses and has incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
- XII. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- XIII. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIV. According to information and explanations given to us, the Company is not trading in Shares, Mutual funds & other Investments. Proper records & timely entries have been maintained in this regard & further investments specified are held in their own name.

- XV. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
- XVI. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
- XVII. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31<sup>st</sup> March, 2014, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
- XVIII. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made preferential allotment of equity shares during the year and the price at which shares have been issued are not prejudicial to the interest of the company.
- XIX. The Company has no outstanding debentures during the period under audit.
- XX. The Company has not raised any money by public issue during the year.
- XXI. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

Chartered Accountants

Sd/-

**Rimpy Bansal**

Partner

Membership No. 508503

Chartered Accountant

Place : Gurgaon  
Date : 30th May, 2014

## PROXY FORM

[Pursuant to Section 105 (6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

# TOTAL HOSPITALITY LIMITED

(Formerly Known as Total Exports Limited)

**Regd Office:** Saanvi Restaurant, Narsinha Vihar, Katulbod, Bhilai, Chattisgarh-490020  
Email: corp.relations@totalhospitality.in, Website: www.totalhospitality.in

**Corp Off:** Unit No. 1152, B-2, Spaze I Tech Park, Sector-49, Sohna Road, Gurgaon  
Phone No.: 0124-4111514, Fax No. 0124-4111514  
CIN No. L51102CT1982PLC006773

### 32<sup>ND</sup> ANNUAL General Meeting- 29<sup>th</sup> September, 2014

<b>Name of member(s)</b>	:
<b>Registered address</b>	:
<b>E Mail Id</b>	:
<b>Folio No. / DP ID - Client ID</b>	:

I / We, being the member(s) of .....shares of the above named Company, hereby appoint:

- 1) Name: .....E-mail:.....  
Address:.....  
.....Signature.....Or failing him / her
- 2) Name: .....E-mail:.....  
Address:.....  
.....Signature.....Or failing him / her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **32<sup>nd</sup> Annual General Meeting** of the Company to be held on **Monday, 29<sup>th</sup> September, 2014 at 11.30 A.M** at **Saanvi Restaurants, Narsinha Vihar, Katulbod, Bhilai, Chhattisgarh - 490020** and at any adjournment thereof in respect of such resolutions as are indicated below

Resolutions	Optional*	
	For	Against
<b>Ordinary Business</b>		
1. Adoption of Balance Sheet, Statement of Profit and Loss and the Reports of the Board of Directors and Auditors thereon for the financial year ended 31 <sup>st</sup> March, 2014.		
2. Appoint a Director in place of Mr. Siddharth Seengal, who retires by rotation and being eligible, offers himself for reappointment.		
3. Reappointment of Statutory Auditors and fixation of audit fee		
<b>Special Business</b>		
4. Appointment of Mr. Kanad Kashyap as an Independent Director.		
5. Appointment of Mr. Anil Kumar as an Independent Director.		
6. Reappointment of Ms. Divya Seengal as Managing Director.		

Signed this ..... day of ..... 2014.

Affix  
Revenue  
stamp not  
less than  
Rs. 0.15

.....  
**Signature of the member**

.....  
**Signature of the Proxy Holder(s)**

1. This form of proxy in order to be effective should be duly completed and deposited at the Company's Registrar and Share Transfer Agent- Beetel Financial & Computer Services Pvt. Ltd., not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 32<sup>nd</sup> Annual General Meeting.
- \*3. It is optional to put a 'X' in the appropriate column against the Resolution indicated in the Box. If you leave the 'For' and 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he / she think appropriate
4. Please complete all details including detail of member(s) in above box before submission.

## ATTENDANCE SLIP

# TOTAL HOSPITALITY LIMITED

*(Formerly Known as Total Exports Limited)*

**Regd Office:** Saanvi Restaurant, Narsinha Vihar, Katulbod, Bhilai, Chattisgarh-490020  
Email: corp.relations@totalhospitality.in, Website: www.totalhospitality.in

**Corp Off:** Unit No. 1152, B-2, Spaze I Tech Park, Sector-49, Sohna Road, Gurgaon  
Phone No.: 0124-4111514, Fax No. 0124-4111514  
CIN No. L51102CT1982PLC006773

<b>Folio No./ DP ID / Client ID:</b>
<b>Number of shares held:</b>

I certify that I am a member / proxy for the member of the Company.

I hereby record my presence at the **32<sup>nd</sup> Annual General Meeting** of the Company at **Saanvi Restaurants, Narsinha Vihar, Katulbod, Bhilai, Chhattisgarh - 490020 on Monday, 29<sup>th</sup> September, 2014 at 11.30 A.M.**

.....  
Name of the Member / Proxy  
(in BLOCK letters)

.....  
Signature of the Member / Proxy

**Note:**

1. Please complete the Folio/DP ID-Client ID No. and name, sign the Attendance Slip and hand it over at the Attendance Verification counter at the entrance of the Meeting Hall.
2. Electronic copy of the Annual Report for the financial year ended 31<sup>st</sup> March, 2014 and Notice of the Annual General Meeting (AGM) alongwith Attendance Slip and Proxy Form is being sent to all the members whose e-mail address is registered with the Company / Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
3. Physical copy of Annual Report for the financial year ended 31<sup>st</sup> March, 2014 and Notice of Annual General Meeting alongwith Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email is not registered or have requested for a hard copy.

BOOK POST



*If undelivered, please return to:*

**TOTAL HOSPITALITY LIMITED**

*(FORMERLY TOTAL EXPORTS LIMITED)*

**Corp. Office** : Unit No. 1152, B-2,  
Spaze I-Tech Park, Sector-49  
Sohna Road, Gurgaon-122018