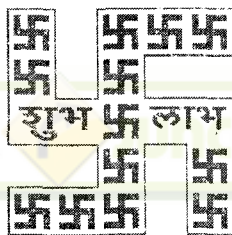


# T. SPIRITUAL WORLD LIMITED



20<sup>th</sup> Annual Report  
2005 - 06

**T. SPIRITUAL WORLD LIMITED**

BOARD OF DIRECTOR	:	Mr. B. Singh	Whole Time Director
		Mr. A. K. Jain	Director
		Mr. A. A. Sisodia	Director
		Mr. R. Singh	Director
		Mr. M. K. Bothra	Director
REGISTERED OFFICE	:	Suite No. 18, 2 India Exchange Place, Kolkata - 700 001.	
CORPORATE OFFICE	:	TSW Centre, A41/A, Road No.1, Mahipalpur Chowk, New Delhi 110 037.	
AUDITORS	:	Messers R. K. Doshi & Associates Chartered Accountants Kolkata	
BANKER	:	HDFC Bank ABN Amro Bank Oriental Bank of Commerce	
REGISTRAR & TRANSFER AGENT	:	Bigshare Services (P) Ltd. E-2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai 400 072.	

## **T. SPIRITUAL WORLD LIMITED**

### **VISION**

To be the complete destination for  
wellness products and services  
for individuals and corporates

### **MISSION**

To be amongst the top 10 organized  
alternative healthcare companies  
in the world by 2011

## **TESTIMONIALS**

"Wonder office yoga is a very comfortable and convenient medium to get rid of severe stress related issues without demanding much of time and space."

- **Ms. Janhavi Rajaraman**, *Continuum Systems*

"Really workable technique in office hours"

- **Mr. Munesh Kumar**, *Xerox*

"Great Relaxation"

- **Ms. Kamakshi Sahai**, *HR, Citibank*,

"Very good & relaxing session. Needed regularly to keep us away from aches and pains".

- **Monisha Sharma**, *Ericsson*

**T. SPIRITUAL WORLD LIMITED**

*From the Chairman's Desk .....*

**Dear Shareholders,**

Year 2005-06 has been a defining year for T. Spiritual World (TSW). The Company set up its first wellness centre at Mahipalpur, New Delhi. The Company further reiterated its commitment through business leadership and creating products and services that win the trust and loyalty of its customers.

Your Company strives to be the complete destination for wellness products and services. The opportunities that the Company has identified are immense and offer great scope for growth and market leadership.

At TSW, our wellness services are designed to make individuals and corporates healthy both physically and mentally, so that they can add value to their families, environment and their respective organizations. We have invested significantly in people, processes and technology.

Our uniquely designed "Wonder Office Yoga" has been well accepted by the corporate community. We have so far held Yoga sessions at some of the leading multinationals and Indian companies Ericsson, Xerox, Citibank, ShareKhan, Prudential ICICI AMC and BHP Billiton to name a few. We believe that this unique package is going to set new trends in the field of Yoga and will establish a leadership position for the Company in corporate wellness services in the coming years.

We are proud of the fact that we have a strong and talented software development team that is designing web sites, creating content and applications to service the growing Internet & Software market in India. We are investing in creating operational modules, content, frameworks and processes to cater to the growing segment of education service providers.

Your Company is now an ISO 9001:2000 Certified Company. This quality accreditation establishes the Company's constant efforts in providing quality services to its customers not just in the field of wellness but also in software and web designing services.

According to Harris Poll study of 2004, Americans spend \$2.95 billion a year on yoga classes and products, including equipment, clothing, vacations and media (DVDs, videos, books and magazines). The study also mentions, that in USA penetration of Yoga is about 7.5 % or 16.5 million people. Such figures are not available in India. However, it will be safe to assume that in India the birthplace of Yoga the penetration of Yoga will be easily 5% or roughly 50 million people. The average yoga practitioner's yearly expenditure on all things yogainstruction, mats, props, clothing, weekend workshops, books, CDs comes to a ballpark Rs.500 conservatively speaking annually, then the total market place for yoga would be worth Rs.2,500 crores every year.

We see that this marketplace is completely unorganized, and moreover the awareness on Yoga is on its way up as a means for keeping healthy as well as a curative mechanism. This clearly suggests that the sector in the coming years is going to get redefined.

We believe that we have a very qualified and experienced team that will help us to manage and grow this Company and help achieve its mission.

**- Dr. Alam Ali Sisodia**  
Chairman

**T. SPIRITUAL WORLD LIMITED****NOTICE**

NOTICE is hereby given that the 20th Annual General Meeting of T. Spiritual World Limited will be held on Saturday, 30th December, 2006 at 10:00 A. M. at Shivam Conference Hall, B-267, Bangur Avenue, Kolkata 700 055 to transact the following business:

**Ordinary Business:**

1. To consider, approve, and adopt the Profit and loss Account of the Company for the year ended 30th June, 2006 and the Balance Sheet as on that date, together with Directors' and Auditors' Report thereon.
2. To appoint a Director in place of Mr. A.A. Sisodia who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Auditors of the Company, to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting, and to fix their remuneration.

By Order of the Board

For T. Spiritual World Limited

Place : Kolkata

Date : 28th November, 2006

A. K. Jain  
(Director)

**NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and such proxy need not be a member of the company.
2. Proxies in order to be effective must be received at the Company's registered office at Suite No.18, 2 India Exchange Place, Kolkata 700 001 not less than 48 hours before the time fixed for the meeting.
3. Members who are holding Company's shares a Dematerialized form are required to bring details of their depository account number for identification.
4. Register of Members and Share Transfer Books shall remain closed from 26.12.2006 to 30.12.2006 (Both days inclusive).
5. Member are requested to kindly notify immediately change if any in their address to the Company.
6. Shareholders desiring any information as regards the accounts are requested to write to the company at least seven days in advance of the date of the meeting so as to enable the information to be kept ready.

**T. SPIRITUAL WORLD LIMITED****DIRECTOR'S REPORT**

Dear Shareholder,

Your Directors are pleased to present the 20th Annual Report together with the Audited Statement of Accounts and the Auditors Report of your company for the Year ended 30th June 2006. The Financial highlights for the year under review are given below:

**Financial Results**

(Rs. in Lacs)

Particulars	31 <sup>st</sup> March, 2006	31 <sup>st</sup> March, 2005
Total Income	4610.16	5465.73
Profit Before Depreciation & Tax	132.13	204.44
Depreciation	45.74	59.71
<b>Profit Before Taxation</b>	<b>86.39</b>	<b>144.73</b>
Provision for Tax	56.61	(36.64)
<b>Profit after Tax</b>	<b>29.78</b>	<b>108.09</b>
Add : Previous Year Adjustments	29.73	0.00
Add: Balance of Profits for earlier years	278.34	170.25
<b>Balance available for Appropriation</b>	<b>337.85</b>	<b>278.34</b>

**DIVIDEND**

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

**PERFORMANCE**

Total Revenue of your Company has is Rs.4610.16 lacs in FY 2005-2006 compared to Rs.5465.73 lacs during FY 2004-2005. The Net Profit generated by the Company during the year under review is Rs.29.78 lacs, as compared to the previous years Rs. 108.09 lacs.

**FUTURE OUTLOOK**

Your company successfully executed orders during the year and foresees a large business opportunity in the area of Managed Services. With skilled manpower, years of experience, database and applications, the company is now poised to offer its Managed Services to medium and large organisations.

The company has taken major initiatives in restructuring its business, with a greater focus and thrust in improvement of operational efficiencies and reduction of costs. Your directors are of the opinion that considering the sound order booking position and the various initiatives that are under way, the company's operational performance is expected to be better in the current financial year, barring unforeseen circumstances.

As the company has diversified into the spirituality sector and intends to set-up various business divisions. These divisions will be set up in a phased manner.

Your company had already started its portal and receiving encouraging public response. The Company aims to provide spiritual solace to thousands via alternative medicine and therapies in a professional and organized manner. TSW wants to reach out through a network of Spiritual World outlets all over India.

## **T. SPIRITUAL WORLD LIMITED**

These unique outlets will showcase quality spiritual products including herbal products, publishing material, and accessories.

The outlets will also feature trained personnel to provide holistic healing using therapies like Reiki, Ayurveda, Acupuncture, Meditation & services like Astrology, Vaastu Shastra, Counselling & special Spiritual discourses.

TSW is developing a spiritual resort in Mehrauli, New Delhi apart from setting-up R & D Center. The resort will have vast panel of Consultants like Yoga teachers & therapists, etc, and tie up for publication of spiritual / motivational books. The company has developed meditation & yoga package, i.e., "Wonder", which is a unique concept to relieve an individual from all ailments & stress in short time.

### **DIRECTORS**

In accordance with the provision of the companies Act 1956, Mr. A. A. Sisodia Director of the company retires by rotation and eligible for reappointment.

### **AUDITORS & AUDITORS OBSERVATIONS**

M/s R. K. Doshi & Associates, Chartered Accountants, the auditors of the company who hold office until the conclusion of the forthcoming Annual General Meeting, being eligible, offer themselves for re-appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956.

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

### **CORPORATE GOVERNANCE**

Your company has always strived to incorporate appropriate standards for good corporate governance. Being a listed company, necessary measures are taken to comply with the listing requirements with the stock exchange. A separate report on corporate governance alongwith a certificate of compliance from the auditors forms part of the report.

### **MANAGEMENT DISCUSSION AND ANALYSIS**

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

### **HRD INITIATIVES**

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

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

### **QUALITY INITIATIVES**

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

### **FIXED DEPOSITS**

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

**T. SPIRITUAL WORLD LIMITED****DIRECTORS RESPONSIBILITY**

Pursuant to Section 217(2AA) of the Companies (Amendment) Act, 2000 the Directors confirm that:

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

**TECHNOLOGY, R&D AND FOREIGN EXCHANGE**

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

**ACKNOWLEDGEMENT**

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

By Order of the Board  
For T. Spiritual World Limited

Place : Kolkata  
Date : 30th October, 2006

**Baldev Singh**  
(Whole time Director)



**T. SPIRITUAL WORLD LIMITED****ANNEXURE TO THE DIRECTORS' REPORT****(A) CONSERVATION OF ENERGY**

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

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

**(B) RESEARCH AND DEVELOPMENT****(a) The Company's R&D Effort**

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

**b) Benefits of R&D Efforts**

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

**(c) Future Plan on R&D**

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

**d) Expenditure on R&D**

NIL

**(C) FOREIGN EXCHANGE EARNING AND OUTGO**

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

**T. SPIRITUAL WORLD LIMITED****MANAGEMENT DISCUSSION AND ANALYSIS****COMPANY PROFILE**

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

Wellness is more than being and feeling healthy. 'Wellness' is our ability to live a satisfying and balanced life through the combined use of our physical, mental, spiritual, social and material resources. Your Company strives to provide and promote effective use of these resources to meet the challenges of daily life.

The Company initially started from Kolkata but now has offices in Mumbai, Delhi and Meerut also. The company is a successfully managed and profit making public limited company. The Company has two main business divisions Wellness Solutions (spiritual) & Software Development

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

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

**Wellness Products & Services**

Products	Services
❖ Astrology products - yantras, gemstones, malas,	Yoga sessions for individuals, groups & corporates
❖ Aromatherapy Candles	Acupressure & Sujok treatments
❖ Acupressure instruments	Stress management
❖ Yoga accessories	Astrology & Vaastu consultations
❖ Books, CDs and audio cassettes	Health, diet & lifestyle counseling
❖ Feng Shui items	Naturopathy prescriptions

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

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

**Main Events**

The year 2005-06 was a path defining year in the history of T. Spiritual World Ltd., as it established its wellness center at Mahipalpur, New Delhi. This year the Company took several important steps towards achieving its vision of being a complete destination for wellness products and services. The following are some of the key events of this financial year