



29th Annual Report 2010-2011

Total Hospitality Limited
(Formerly Total Exports Limited)

Board of Directors	Ms. Divya Seengal-Managing Director Mr. Kanad Kashyap-Director Mr. Siddharth Seengal-Director Mr. Anil Kumar-Director
Statutory Auditors	Suresh Goyal & Associates Chartered Accountants SCO 266, Sector 32D Chandigarh
Registered office	C-22, Saket Colony,Katulbod, P.O. SAF Lines, Bhilai, Durg-490020, Chattisgarh
Corporate office	M2 & M3A, Hemkunt Chambers, 89, Nehru Place, New Delhi-110019
Bankers	South Indian Bank
Registrar and Transfer Agents	Beetal Financial & Computer Services Pvt. Ltd. Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre New Delhi- 110062

Venue : C-22, Saket Colony,Katulbod,
P.O. SAF Lines, Bhilai,
Durg-490020, Chattisgarh

Date : 30th day of September 2011

Day : Friday

Time : 12:00 Noon

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NOTICE

NOTICE is hereby given that the Twenty Ninth Annual General Meeting of the shareholders of Total Hospitality Limited (formerly known as Total Exports Limited) will be held on Friday the 30th day of September 2011 at 12:00 Noon at the Registered Office of the Company at C-22, Saket Colony, Katulbod, P.O. SAF Lines, Bhilai, Durg-490020 Chattisgarh to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors and the Auditors thereon
2. To appoint a Director in place of Mr. Kanad Kashyap, who retires from office by rotation and being eligible, offers himself for reappointment.
3. To appoint Rahul Kapoor & Associates, Chartered Accountants, Delhi, in place of Suresh Goyal & Associates, Chartered Accountants, Chandigarh, as the Statutory Auditors of the Company, to hold office from the conclusion of ensuing Annual General Meeting until the conclusion of next Annual General Meeting at a remuneration to be decided by the Board of Directors.

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass with or without modification (s), the following as an **Ordinary Resolution**:
“**RESOLVED THAT** in accordance with the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 including any other statutory modification(s) or re-enactment thereof, for the time being in force, Mr. Siddharth Seengal who was appointed as an Additional Director on 12 January, 2011 pursuant to the provisions of Section 260 of the Companies Act, 1956 and the Articles of Association of the Company, be and is hereby appointed as Director of the Company subject to retirement by rotation.”
5. To consider and, if thought fit, to pass with or without modification (s), the following as an **Ordinary Resolution**:
“**RESOLVED THAT** in accordance with the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 including any other statutory modification(s) or re-enactment thereof, for the time being in force, Ms. Divya Seengal who was appointed as an Additional Director on 15 November, 2010 pursuant to the provisions of Section 260 of the Companies Act, 1956 and the Articles of Association of the Company, be and is hereby appointed as Director of the Company subject to retirement by rotation.”
6. To consider and, if thought fit, to pass with or without modification (s), the following as a **Special Resolution**:
“**RESOLVED THAT** pursuant to the provisions of Section 198, 269, 309 and all other applicable provisions, if any, of the Companies Act, 1956, (**“the Act”**) read with Schedule XIII to the said Act (including any statutory modification(s) or re-enactment(s) thereof, for time being in force) and as per the Articles of Association of the Company and such other approval(s) or sanction(s) as may be required, Ms. Divya Seengal, be and is hereby appointed as Managing Director within the meaning of Section 269 of the Act for a period of three years w.e.f 1 April, 2011 on the following terms and conditions :
 - A. **Consolidated Salary:** Not exceeding Rs. 95,000/- (Rupees ninety five thousand only) per month with the authority granted to the Board of Directors (hereinafter referred to as “the Board” which term shall include a Committee of Directors) to determine the salary and grant increases from time to time.
 - B. **Perquisites:** In addition to the salary, she will be entitled to Petrol Reimbursement of Rs. 5,000/- (five thousand only) p.m.
The value of Perquisite shall be taken as per Income Tax Rules, wherever applicable. In the absence of any applicable rules perquisite shall be valued at actual cost.
The Board may, in its absolute discretion, pay to her such remuneration as it may deem appropriate and revise it from time to time within the limits stipulated in this Resolution.

“RESOLVED FURTHER THAT in the event of any loss or inadequacy of profits in any financial year of the Company during the tenure of Ms. Divya Seengal, the remuneration and perquisite shall be governed by the limits prescribed in Section II of Part II of Schedule XIII of the Act.”

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 and to sign, execute and file and/ or modify all such forms, papers and documents as may be considered necessary or expedient including appointing attorney(s) or authorised representatives to give effect to this Resolution.”

7. To consider and, if thought fit, to pass with or without modification (s), the following as a **Special Resolution:**

“RESOLVED that pursuant to section 309 and other applicable provisions, if any, of the Companies Act, 1956, Articles of Association of the Company and subject to such approvals as may be necessary, Mr. Siddharth Seengal, Non Executive Director of the Company, be paid Rs. 50,000/- monthly remuneration for a period not exceeding five years, commencing from 1 April 2011

RESOLVED FURTHER THAT Board of Directors of the Company, be and are hereby authorized to do all such acts, deeds and things and to sign, execute and file and/ or modify all such forms, papers and documents as may be considered necessary or expedient including appointing attorney(s) or authorised representatives to give effect to this Resolution.”

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

Sd/-

**Divya Seengal
(Managing Director)**

Place : New Delhi
Date : 10 August, 2011

NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("THE MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE, INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- Members / Proxies should fill in the attendance slip for attending the Meeting.
- The relevant explanatory statement pursuant to Section 173 (2) of the Companies Act, 1956 relating to the special business to be transacted at the Meeting is annexed hereto.
- Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
- The Register of Directors' shareholding, maintained under Section 307 of the Companies Act, 1956 will be available for inspection by the members at the Annual General Meeting.
- The Register of Contracts, maintained under Section 301 of the Companies Act, 1956, will be available for inspection by the Members at Registered Office of the Company.
- The Register of Members and Share Transfer Books of the Company shall remain closed from 26th September 2011 to 29th September 2011 (both days inclusive)
- In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- Shareholders desirous of obtaining any information/ clarification on the accounts and operations of the Company are requested to send in written queries to the Company, at least one week before the date of the meeting.
- Shareholders are requested to notify any change of address (i) to their Depository Participants (DPs) in respect of the shares held in demat form, and (ii) to the Company to its Share Department at Registered Office in respect of the shares held in physical form.

11. Members who are registered under two or more folios are requested to write to company for consolidation of folios.
12. Members are requested to bring the copy of Annual Report along with them to the meeting as copies of Annual Report shall not be distributed at the meeting.
13. Pursuant to the requirement of the Listing Agreement of the Stock Exchanges on Corporate Governance, relating to appointment of the Directors/ reappointment of the retiring Directors, a statement containing the required details of the concerned Directors forms part of the Annual Report.

ANNEXURE TO NOTICE**EXPLANATORY STATEMENT UNDER SECTION 173 OF THE COMPANIES ACT, 1956****ITEM NO. 4**

Mr. Siddharth Seengal was appointed as an Additional Director of the Company with effect from 12 January, 2011 by the Board of Directors of the Company pursuant to the provisions contained in the Articles of Association of the Company and Section 260 of the Companies Act, 1956("the Act"). According to the provisions of the Articles of Association of the Company and Section 260 of the Act, he holds office up to the date of this Annual General Meeting. As required under Section 257 of the Act, notice has been received from a member along with a deposit of Rs. 500 signifying his intension to propose Mr. Siddharth Seengal as a candidate for the office of Director.

Mr. Siddharth Seengal is on the Board of four (4) companies. Considering his knowledge about the industry, his presence on the Board is a great advantage and the Board feels it is beneficial for the Company to continue to avail of his services as a Director of the Company.

Your Directors recommend his continuance as a Director. Except Ms. Divya Seengal, Managing Director and Mr. Siddharth Seengal himself, no other director is interested in this Resolution.

The brief resume in relation to the experience, functional expertise, memberships on other companies' Boards and committees in respect of appointment of the new directors or re-appointment of a director, as required under clause 49 of the Listing Agreement is set out in the Report on corporate governance forming part of the Annual Report.

ITEM NO. 5

Mr. Divya Senegal was appointed as an Additional Director of the Company with effect from 15 November, 2010 by the Board of Directors of the Company. Pursuant to the provisions contained in the Articles of Association of the Company and Section 260 of the Companies Act, 1956("the Act"). According to the provisions of the Articles of Association of the Company and Section 260 of the Act, she holds office up to the date of this Annual General Meeting. As required under Section 257 of the Act, notice has been received from a member along with a deposit of Rs. 500 signifying his intension to propose Ms. Divya Seengal as a candidate for the office of Director.

Ms. Divya Seengal is on the Board of three (3) companies. Considering her knowledge about the industry, her presence on the Board is a great advantage and the Board feels it is beneficial for the Company to continue to avail of her services as a Director of the Company.

Your Directors recommend her continuance as a Director. Except Mr. Siddharth Seengal, Director and Ms. Divya Seengal herself, no other director is interested in this Resolution.

The brief resume in relation to the experience, functional expertise, memberships on other companies' Boards and committees in respect of appointment of the new directors or re-appointment of a director, as required under clause 49 of the Listing Agreement is set out in the Report on corporate governance forming part of the Annual Report.

ITEM NO. 6

Based on the recommendations of the Remuneration Committee, the Board of Directors at its meeting held on 14 March, 2011 approved the remuneration payable to Ms. Divya Seengal, as stated in the Resolution. The Board believes that her proposed remuneration is commensurate with her role and responsibility as Managing Director of the Company.

The Directors recommend the Resolution for approval of Shareholders by way of a Special Resolution.

None of the Directors except Mr. Siddharth Seengal and Ms. Divya Seengal are interested or concerned in the proposed Resolution

The terms of appointment of Ms. Divya Seengal as stated in the notice may be treated as abstract under Section 302 of the Companies Act, 1956. The copies of relevant resolution of Board in respect of appointment are available for inspection by members at registered office of the company.

STATEMENT PURSUANT TO THE PROVISIONS OF SCHEDULE XIII OF THE COMPANIES ACT, 1956 IS GIVEN BELOW:

I. GENERAL INFORMATION:

1. Nature of Industry:

The Company was originally incorporated under the name "Total Exports Private Limited" on 24 June, 1982. Subsequently, the Company was converted into Public Limited Company and on 28 December, 2010 the name of the Company changed to "Total Hospitality Limited". The Company is basically in hospitality business.

2. Date or expected date of commencement of commercial production:

The Company has identified hospitality business as core area of operations and keeping in view the revival and diversification plans, Company is planning to open restaurants and kiosks at various locations. Company is also planning to purchase brands of restaurants and hotels. The Company has already w.e.f 29 June, 2011 through its group company has started All Day café and Bakery in Gurgaon

3. Expected date of commencement of activities as per project approved by financial institutions:

Not Applicable

4. Financial performance:

(Rupees in lakhs)

Particulars	For the year ended March 31, 2011	For the year ended March 31, 2010
Total Income	31.53	Nil
Total Expenditure	20.47	2.01
Profit /(Loss) before Tax	11.05	(2.01)

5. Export performance and net foreign exchange collaborations:

In the recent years, no foreign exchange dealings/ transactions have taken place in the Company.

6. Foreign Investments or collaborators:

Not Applicable.

II. INFORMATION ABOUT THE APPOINTEE:

1. Background Details:

Ms. Divya Seengal, an eminent personality, holds a Master's Degree in Information Technology and Management from University of Southampton, UK and passion for new ideas and concepts in the Hotel Industry. With her expertise in execution, management and leadership qualities, Divya brings to the table a fresh a global perspective. Prior to her appointment as Managing Director, she was acting as an Additional Director of the Company and under her leadership the Company has achieved a growth in a very short span.

2. Past Remuneration:

Prior to her appointment as Managing Director of the Company, she was drawing an annual remuneration of Rs. 1,00,000/- (Rupees one lac only) by holding the office of Whole Time Director in SKD Restaurants Private Limited.

3. Recognition or Awards:

None

4. Job Profile and Suitability of the Appointee:

Ms. Divya Seengal, with her passion for new ideas and concepts in the Hotel Industry, is best suited to the said position.

5. Remuneration Proposed:

Consolidated Salary: Not exceeding Rs. 95,000/- (Rupees ninety five thousand only) per month with the authority granted to the Board of Directors (hereinafter referred to as "the Board" which term shall include a Committee of Directors) to determine the salary and grant increases from time to time within the aforesaid limit.

Perquisites : In addition to salary, she will be entitled to petrol reimbursement.

The value of Allowances & Perquisites shall be taken as per Income Tax Rules, wherever applicable. In the absence of any applicable rules, allowances & perquisites shall be valued at actual cost.

The Board may, in its absolute discretion, pay to her such remuneration as it may deemed appropriate and revise it from time to time within the limits stipulated in this Resolution.

6. Comparative remuneration profile with respect to the industry, size of the Company, profile of the position and person:

The proposed remuneration is justified in comparison with the general market trends and remuneration package of top level managerial persons having comparative qualifications and experience.

7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:

Ms. Divya Seengal is holding 55,700 (fifty five thousand seven hundred only) Equity Shares of the Company.

III. OTHER INFORMATION**1. Reasons of loss or inadequate profits:**

Keeping in view the losses incurred by the Company in previous years and the future expansion plans; revenues are inadequate to pay the proposed remuneration of Ms. Divya Seengal as Managing Director of the Company.

However, the Company wishes to pay upto Rs. 1,00,000/- (Rupees One Lacs) including Rs. 5,000 (five thousand only) per month as remuneration to Ms. Divya Seengal as Managing Director of the Company.

2. Steps taken or proposed to be taken for improvement:

Company has identified hospitality business as core area of operations. Company is initiating revival and diversification plans and is planning to open restaurants and kiosks at various locations. Company is also planning to purchase brands of restaurants and hotels.

3. Expected increase in productivity and profits

(Rs. in lacs)

Projected Income and PAT				
	Period ended March 31, 2012	Period ended March 31, 2013	Period ended March 31, 2014	Period ended March 31, 2015
INCOME	892.13	1216.54	1297.64	1493
PROFIT AFTER TAX	220.49	269.12	284.86	316

ITEM NO. 7

Based on the recommendations of the Remuneration Committee, the Board of Directors at its meeting held on 14 March, 2011 approved the remuneration payable to Mr. Siddharth Seengal, as stated in the Resolution. The Board believes that his proposed remuneration is commensurate with his role and responsibility as Director of the Company.

The Directors recommend the Resolution for approval of Shareholders by way of a Special Resolution.

Except Ms. Divya Seengal, Managing Director and Mr. Siddharth Seengal himself, no other director is interested in this Resolution.

The brief resume in relation to the experience, functional expertise, memberships on other companies' Boards and committees, shareholding of Mr. Siddharth Seengal, as required under clause 49 of the Listing Agreement is set out in the Report on corporate governance forming part of the Annual Report.

By the order of the board
For Total Hospitality Limited

Place : New Delhi
Date : 10 August, 2011

Sd/-
Divya Seengal
(Managing Director)

DIRECTORS' REPORT

Dear Shareholders,

Your directors have pleasure in presenting the 29th Annual Report and Audited Accounts of the Company for the year ended 31 March 2011.

FINANCIAL HIGHLIGHTS

(Rupees in lakhs)

Particulars	For the year ended March 31, 2011	For the year ended March 31, 2010
Total Income	31.53	Nil
Total Expenditure	20.47	2.01
Profit /(Loss) before Tax	11.05	(2.01)

FUTURE OUTLOOK

Hotel industry in India has witnessed tremendous boom in recent years. Hotel Industry is inextricably linked to the tourism industry and growth in Indian Tourism industry has fuelled the growth of Indian Hotel Industry.

Your company has identified hospitality business as core area of operations. Keeping in view the revival and diversification plans, your Company is planning to open restaurants and kiosks at various locations. For this it is also planning to purchase brands of restaurants and hotels.

DIRECTORS

Mr. Suresh Kumar, Director & Ms. Santosh Grover, Director of the Company have resigned from the Board of the Company with effect from 15 November, 2010. The Board of Directors place on record their appreciation for the valuable services and guidance provided by them during their tenure as Directors of the Company.

Ms. Divya Seengal has been appointed as an Additional Director of the Company on 15 November 2010 and was appointed as Managing Director of the Company within the meaning of Section 269 read with Section 2(26) and Schedule XIII to the Companies Act, 1956 effective from 1 April, 2011 in accordance with the provisions of the Companies Act, 1956, the appointment of Ms. Divya Seengal is required to be approved by the shareholders at the ensuing Annual General Meeting.

Mr. Siddharth Seengal has been appointed as an Additional Director of the Company with effect from 12 January, 2011. In accordance with the provisions of the Companies Act, 1956, Mr. Siddharth Seengal in his capacity as Additional Director, will cease to hold office at the ensuing Annual General Meeting.

The Company has received notices along with requisite fee from Members under Section 257 of the Companies Act, 1956 proposing the candidature of Ms. Divya Seengal and Mr. Siddharth Seengal for the office of Director(s) of the Company. The Board recommends their appointment which is required to be approved by the Shareholders at the ensuing Annual General Meeting.

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Mr. Kanad Kashyap is liable to retire by rotation as Director at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment.

Brief resume of the Directors proposed to be appointed and re-appointed, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships/chairmanships of Board Committees and number of shares held in the company, as stipulated under Clause 49 of Listing Agreement entered into with Stock Exchanges, are provided in the Report on Corporate Governance forming part of the Annual Report.

CORPORATE GOVERNANCE

As required by Clause 49 of the Listing Agreement of Stock Exchanges, a detailed report on Corporate Governance forms part of this Annual Report. The Company's Statutory Auditor's Certificate dated 10 August, 2011 in terms of Clause 49 of the Listing Agreement is annexed to and forms part of the Directors' Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is presented in a separate section forming part of the Directors' Report.

FIXED DEPOSITS

Your Company has neither invited nor accepted any deposits from public within the meaning of Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposit) Rules, 1975 during the year under review.

CHANGE OF NAME OF THE COMPANY

Keeping in view the business prospects and diversification plans of the Company, your Company with the approval of shareholders and upon receipt of all relevant approvals, Fresh certificate of Incorporation consequent to change of name dated 28 December 2010 changed its name from Total Exports Limited to Total Hospitality Limited.

CHANGE IN OBJECT CLAUSE OF COMPANY

Keeping in view the revival and diversification plans, your Company with the approval of shareholders substituted the object clause of Memorandum of Association of the company by inserting carrying on business of hotels, motels, restaurants, food and beverages in its main object.

DIVIDEND

In view of the losses incurred by the Company during the year under review, your directors do not recommend any dividend for the financial year ended on 31 March 2011.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures, wherever applicable;
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March, 2011, and of the profit of the Company for the year;
- (iii) The Directors have 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; and
- (iv) The Directors have prepared the annual accounts on a 'going concern' basis.

PREFERENTIAL ALLOTMENT

During the year under review your directors with the approval of shareholders in the Extraordinary General Meeting held on 25 February 2011 approved offering, issuing and allotting up to 590,000 warrants at a price of Rs. 10/- each to Seengal Capital Advisors Private Limited, 590,000 equity shares at a price of Rs. 10/- each to Abjit Mercantile Private Limited and 590,000 equity shares at a price of Rs. 10/- each to Kartigya Trading Private Limited.

LISTING WITH STOCK EXCHANGES

The Equity Shares of the Company are listed on Bombay Stock Exchange, Delhi Stock Exchange and Madhya Pradesh Stock Exchange. Trading on these Stock Exchanges were suspended for quiet sometime. However the Company has received the approval for revocation of suspension in trading of shares from Bombay Stock Exchange. Approvals from Delhi Stock Exchange and Madhya Pradesh Stock Exchanges are still awaited.

The annual listing fees for the year 2011-12 have been paid to these Stock Exchanges.

AUDITORS AND AUDITORS REPORT

Rahul Kapoor & Associates, Chartered Accountants, being eligible for appointment are appointed as Statutory Auditors of the Company in place of Suresh Goyal & Associates, Chartered Accountants, who retired at the