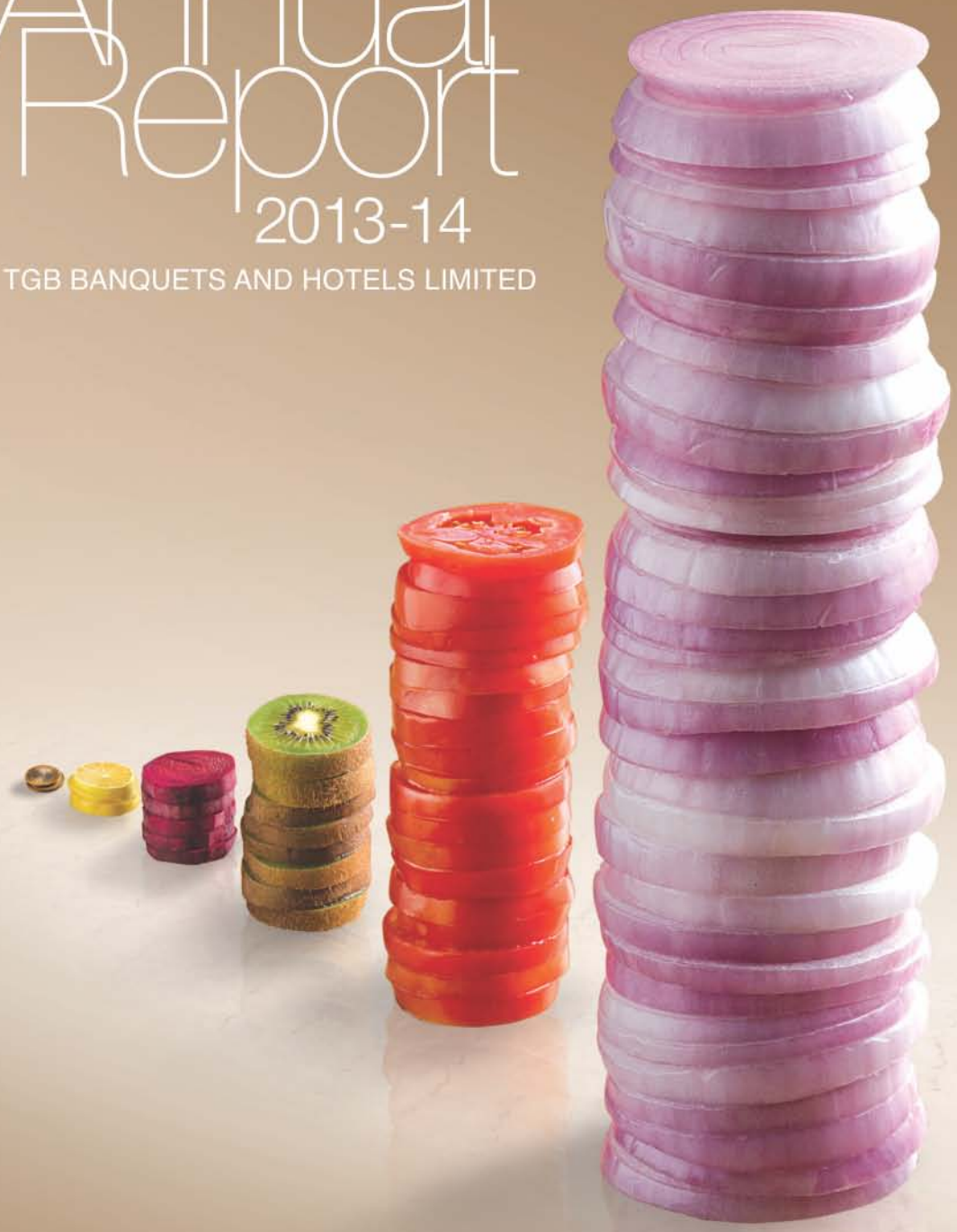
Annual Report 2013-14

TGB BANQUETS AND HOTELS LIMITED



" The pillars of success are built through team work and the desire to excel in all that you do; without the thought of failure."

Dear Shareholder TGBians,

It gives me immense pleasure to welcome you at the 15th Annual General Meeting of your company.

Despite challenging economic environment and Industry exposure, we have expanded our reach and further strengthened ourselves so that we can serve our customers better.

As envisaged, we have stuck to our positive business strategy by focusing on banqueting, a niche segment where your Company is very strong. We will continue to pursue our goals by further focusing on MICE as well as the weddings and celebrations segment this year and beyond.

This strategy has helped us in increasing room and banquet occupancy, thereby being doubly beneficial.

True to our promise of launching a chain of budget hotels, your Company opened two hotels under the name of TGB Express franchisees, one in Ahmedabad and another in Nadiad. Further to this we have signed up two TGB WCRAB – World Cuisine Restaurant & Banquets at Vapi and Jamnagar in Gujarat. Jamnagar is slated to open by this winter and Vapi will begin by early next year.

In the coming year, the business environment will continue to remain challenging and the competition will intensify. With our purpose driven products, passionate employees and your continued support, I am confident that we will continue to deliver growth that is consistent, competitive, profitable and responsible.

I would like to thank you, all our shareholders, for your trust and your wholehearted support.

Narendra Somani
Chairman & Managing Director

CORPORATE INFORMATION

BOARD OF DIRECTORS

Narendra G. Somani	–	*Chairman & Managing Director*
Devanand G. Somani	–	*Whole-time Director*
Hemant G. Somani	–	*Whole-time Director*
Ramesh K. Motiani	–	*Whole-time Director*
Bakul R. Parikh	–	*Director*
Raj Ratan Singhvi	–	*Director (upto 06.08.2014)*
Balveermal Singhvi	–	*Director*
Mangharam Sumani	–	*Director (upto 23.05.2014)*
Anjali Tolani	–	*Additional Director (w.e.f. 09.08.2014)*

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CHIEF OPERATING OFFICER
Chander Sarvagyam

CHIEF FINANCIAL OFFICER
Vishal Palkhiwala

COMPANY SECRETARY
Kalpesh Kumar Mehta

AUDITORS
O. P. Bhandari & Co.
Chartered Accountants

BANKERS
State Bank of India
ICICI Bank Limited
Indian Overseas Bank

REGISTESRED OFFICE
"The Grand Bhagwati"
Plot No. 380, S. G. Road,
Bodakdev, Ahmedabad-380054
Email: cs@tgbhotels.com
Website: www.tgbhotels.com
CIN: L55100GJ1999PLC036830

EQUTY SHARES
ISIN DEMAT CODE : INE797H01018

LISTED ON
BSE SCRIP ID : 532845
NSE SCRIP ID : TGBHOTELS

REGISTRAR & SHARE TRANSFER AGENT
Link Intime India Private Limited
Unit No. 303, 3rd floor, Shopper Plaza V,
Opp Municipal Market, Behind Shoppers Plaza II,
Off C.G. Road, Ahmedabad - 380009
E-mail: ahmedabad@linkintime.co.in

NOTICE

NOTICE is hereby given that the 15th Annual General Meeting of **TGB BANQUETS AND HOTELS LIMITED** (formerly known as BHAGWATI BANQUETS AND HOTELS LIMITED) will be held on **Thursday, September 25, 2014** at **10:30 AM** at **"SINDHU BHAVAN", Plot No.173, 100 ft. Ring Road, off. S. G. Highway, Judges Bungalow Cross Road, Bodakdev, Ahmedabad – 380054** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended March 31, 2014 including Audited Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.

2. To appoint a director in place of Mr. Hemant G. Somani (DIN: 00515853), who retires by rotation and being eligible, offers himself for re-appointment.

3. To appoint the Auditors of the Company and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment thereof for the time being in force, M/s. O.P. Bhandari & Co., Chartered Accountants (Firm Registration No. 112633W), be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting of the Company at such remuneration as shall be fixed by the Audit Committee of the Board of Directors of the Company."

SPECIAL BUSINESS:

4. Appointment of Mr. Bakul R. Parikh as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modification(s) or re-enactment thereof for the time being in force and clause 49 of the Listing Agreement, Mr. Bakul R. Parikh (DIN: 00517975), Director of the Company, whose period of office is liable to determination by retire by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from the date of the 15th Annual General Meeting."

   "RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

5. Appointment of Mr. Balveermal Singhvi as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modification(s) or re-enactment thereof for the time being in force and clause 49 of the Listing Agreement, Mr. Balveermal Singhvi (DIN: 05321014), Director of the Company, whose period of office is liable to determination by retire by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from the date of the 15th Annual General Meeting."

   "RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

6. Appointment of Ms. Anjali Tolani as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modification(s) or re-enactment thereof for the time being in force and clause 49 of the Listing Agreement, Ms. Anjali Tolani (DIN: 06958982), who was appointed as an Additional Director pursuant to provisions of Section 161(1) of the Companies Act, 2013 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of director, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from the date of the 15th Annual General Meeting."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

7. Invitation and acceptance of Fixed Deposits from the Public and Members and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 73 and 76 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 including any statutory modification(s) or re-enactment thereof for the time being in force, the consent of the Members be and is hereby accorded to the Board of Directors of the Company to invite and accept fixed deposits from the public and members, within the limits prescribed in the Act and the overall borrowing limits of the Company, as approved by the Members from time to time."

"RESOLVED FURTHER THAT the Board of Directors or a Committee thereof be and is hereby authorised to finalise the scheme for invitation and acceptance of fixed deposits from the public and members and to sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such other acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

By Order of the Board of Directors
For **TGB BANQUETS AND HOTELS LIMITED**

Place : Ahmedabad
Date : August 09, 2014

Kalpesh Kumar Mehta
Company Secretary

Registered Office:
"The Grand Bhagwati"
Plot No. 380, S. G. Road,
Bodakdev, Ahmedabad-380054
CIN:L55100GJ1999PLC036830

NOTES:

a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Members. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting.

b) Corporate Members are requested to send a certified copy of the Board Resolution authorizing their Representatives to attend and vote at the Annual General Meeting.

c) The Register of Members and Share Transfer Books of the Company shall remain closed from Monday, September 15, 2014 to Thursday, September 25, 2014 (both days inclusive).

d) The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Businesses to be transacted at the Annual General Meeting is annexed hereto.

e) Members are requested to bring their copy of Annual Report.

f) Members who are holding Company's shares in dematerialized form are requested to bring details of their Depository Account Number for Identification.

g) The members intending to seek any information on Annual Accounts at the meeting are requested to kindly inform the Company at least 7 days before the date of meeting.

h) Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail addresses are requested to register their e-mail address with their Depository Participant(s).

i) The Notice of Annual General Meeting and Attendance Slip is being sent in electronic mode to members whose e-mail addresses are registered with the Company or the Depository Participant(s) unless the members have registered their request for a hard copy of the same. Physical copy of the Notice of Annual General Meeting and Attendance Slip is being sent to those members who have not registered their e-mail addresses with the Company or Depository Participant(s).

j) Pursuant to Section 108 of the Companies Act, 2013 read with the Companies (Management & Administration) Rules, 2014, the Company is pleased to provide facility to the members to exercise their right to vote by electronic means. The Company has fixed August 29, 2014 as a cut-off date to record the entitlement of the shareholders to cast their vote electronically at the 15th Annual General Meeting by electronic means under the Companies Act, 2013 and rules thereunder. Consequently the same cut-off date i.e. August 29, 2014 would record entitlement of the shareholders, who do not cast their vote electronically, to cast their vote at the 15th Annual General Meeting to be held on September 25, 2014.

k) The e-voting period will commence on September 19, 2014 (9.00 AM) and will end on September 21, 2014 (6.00 PM). The Company has appointed Mr. R. S. Sharma, Practising Company Secretary to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

(i) Log on to the e-voting website www.evotingindia.com

(ii) Click on "Shareholders" tab.

(iii) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(iv) Next enter the Image Verification as displayed and Click on Login.

(v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. • In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB#	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.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Members holding shares in physical form will then reach directly the Company 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.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN (140819061) of TGB BANQUETS AND HOTELS LIMITED.

(xi) 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.

(xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiii) 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.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to www.evotingindia.com and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

(A) Please follow all steps from sl. no. (i) to sl. no. (xvi) above to cast vote.

(B) The e-voting period will commence on September 19, 2014 (9.00 AM) and will end on September 21, 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 of August 29, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

l) The Scrutinizer shall, within a period not exceeding three (3) 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 and submit forth with to the Chairman of the Company.

m) The Results shall be declared on the date of AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL https://www.evotingindia.com within two days of the passing of the resolutions at the AGM of the Company and communicated to the BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

n) The resolutions shall be deemed to be passed on the date of the Annual General Meeting, subject to receipt of sufficient votes.

o) The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the directors are interested under Section 189 of the Companies Act, 2013 will be available for inspection at the Annual General Meeting.

p) Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to the Company / Registrar and Share Transfer Agent.

q) The Notice of the 15th Annual General Meeting and the Annual Report 2013-14 will also be available on the Company's website. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during 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 to the Company at free of cost. Further, for any communication, the members may also send their request to the Company Secretary of the Company.

r) Pursuant to section 124 of the Companies Act, 2013 (Section 205A of the ertswhile Companies Act, 1956), the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the company shall be transferred to the Investor Education and Protection Fund (the fund) set up by the Government of India and no payments shall be made in respect of any such claims by the fund. Members who have not yet encashed their dividend warrant(s) for the financial year ended 31st March, 2008 onwards, are requested to make their claims to the company accordingly, without any delay.

EXPLANATORY STATEMENTS

Pursuant to Section 102 of the Companies Act, 2013, The following Explanatory Statements set out all material facts relating to the business mentioned at item Nos. 4 to 7 of the accompying Notice dated August 09, 2014:

Item No. 4 and 5

Mr. Bakul R. Parikh and Mr. Balveermal Singhvi are Independent Directors of the Company pursuant to Clause 49 of the Listing Agreement. They have joined the Board of Directors of your Company on May 29, 2006 and August 14, 2012 respectively. Thereafter, members of the Company had appointed them as directors, whose period of office was liable to determination by retire by rotation, as per the applicable provisions of the Companies Act, 1956.

The provisions of the Companies Act, 2013 with respect to appointment and tenure of the Independent Directors have come into force with effect from 1st April, 2014. Accordingly, in terms of provisions of Sections 149, 150, 152, Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, it is proposed to appoint Mr. Bakul R. Parikh and Mr. Balveermal Singhvi as Independent Directors of the Company for a term up to 5 (five) consecutive years commencing from the date of the 15th Annual General Meeting.

Mr. Bakul R. Parikh and Mr. Balveermal Singhvi have given their declarations to the Board of Directors to the effect that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, the Independent Directors fulfill the conditions specified in Sections 149, 152 and Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualifications of Directors) Rules, 2014 including any statutory modification(s) or re-enactment thereof for the time being in force and Clause 49 of the Listing Agreement are independent to the management.

The Company has received notices in writing from member(s) along with deposit(s) of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidatures of Mr. Bakul R. Parikh and Mr. Balveermal Singhvi for the office of the director of the Company.

Brief resume of proposed Independent Directors, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, their shareholding in the Company, relationships amongst directors inter-se as stipulated under Clause 49 of the Listing Agreements with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Draft Letters of Appointment for Independent Directors, setting out terms and conditions of their appointment, are available for inspection at the Registered Office of the Company.

Other than Mr. Bakul R. Parikh and Mr. Balveermal Singhvi, their relatives, for their respective appointments, none of the Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the proposed Ordinary Resolutions as set out in Item No. 4 and 5 of this Notice. This explanatory statement may also be regarded as disclosure under Clause 49 of the Listing Agreement.

The Board considers that the services of Mr. Bakul R. Parikh and Mr. Balveermal Singhvi as an Independent Directors give their continued association and guidance would be immense benefit to the Company. Accordingly, the Board recommends the Ordinary Resolutions as set out at Item No. 4 and 5 of this Notice for approval of the members of the Company.

Item No. 6

The Board of Directors of the Company have appointed Ms. Anjali Tolani as an Additional Director of the Company with effect from August 09, 2014, in accordance with the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company. Further, in terms of the aforesaid provisions, she would hold office as such up to the date of this Annual General Meeting of the Company.

In terms of provisions of Sections 149, 150, 152, Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, it is proposed to appoint Ms. Anjali Tolani as Independent Director of the Company for a term up to 5 (five) consecutive years commencing from the date of the 15th Annual General Meeting.

Ms. Anjali Tolani has given her declaration to the Board of Directors to the effect that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Ms. Anjali Tolani fulfill the conditions specified in Sections 149, 152 and Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualifications of Directors) Rules, 2014 including any statutory modification(s) or re-enactment thereof for the time being in force and Clause 49 of the Listing Agreement and is independent to the management.

The Company has received notice in writing from a member along with deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidature of Ms. Anjali Tolani for the office of director of the Company.

Brief resume of Ms. Anjali Tolani, nature of her expertise in specific functional areas and names of companies in which she holds directorships and memberships /chairmanships of Board Committees, her shareholding in the Company, relationships amongst directors inter-se as stipulated under Clause 49 of the Listing Agreements with the Stock Exchanges, is provided in the Corporate Governance Report forming part of the Annual Report.

A copy of the draft Letter of Appointment of Ms. Anjali Tolani as Independent Director, setting out terms and conditions of her appointment, is available for inspection at the Registered Office of the Company.

Other than Ms. Anjali Tolani and her relatives, none of the Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the proposed Ordinary Resolution as set out in Item No. 6 of this Notice. This explanatory statement may also be regarded as disclosure under Clause 49 of the Listing Agreement.

Keeping in view her expertise and knowledge, it will be in the interest of the Company that Ms. Anjali Tolani is appointed as an Independent Director. Accordingly, the Board recommends the Ordinary Resolution as set out at Item No. 6 of this Notice for approval of the members of the Company.

Item No. 7

The Board of Directors at their meeting held on August 09, 2014, have in-principle approved and recommended the invitation and acceptance of Fixed Deposits from the members and public pursuant to Sections 73 and 76 of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014 including any statutory modification(s) or re-enactment thereof for the time being in force as one of the modes to meet the ongoing fund requirements of the Company. The Fixed Deposit program would be credit rated on an annual basis and the Company may provide deposit insurance cover, if required under the Act read with the said Rules. It is proposed to authorise the Board or a committee thereof to negotiate and finalise the terms of Fixed Deposit Scheme and to do such other acts and deeds as may be necessary or incidental thereto.

In compliance with the provisions of Sections 73 and 76 of the Act, read together with Rule 2(e) of the Companies (Acceptance of Deposits) Rules, 2014, approval of the Members by way of special resolution is being sought. The funds to be borrowed through the Fixed Deposits program would be within the overall borrowing powers approved by the members of the Company. The Board recommends the Special Resolution as set out at Item No.7 of this Notice for approval of the members of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, in the said resolution, except to the extent of any Fixed Deposits that may be placed with company by them, their relatives or by the companies/institutions in which they are directors.

By Order of the Board of Directors
For **TGB BANQUETS AND HOTELS LIMITED**

Place : Ahmedabad
Date : August 09, 2014

Kalpesh Kumar Mehta
Company Secretary

Registered Office:
"The Grand Bhagwati"
Plot No. 380, S. G. Road,
Bodakdev, Ahmedabad-380054
CIN:L55100GJ1999PLC036830

DETAILS OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

Name of the Directors	Mr. Hemant G. Somani	Mr. Bakul R. Parikh	Mr. Balveermal Singhvi	Ms. Anjali Tolani
Date of Birth	06.05.1976	19.02.1956	15.04.1949	09.12.1989
Date of Appointment	22.07.2002	29.05.2006	14.08.2012	09.08.2014
Qualifications	F.Y. B.Com	B. Com, D.T.P., LL.B. Advocate	B.Com, Dip. in Cost & Works Accounts	Bachelor in Interior Designer
Nature Expertise in specific functional area	Hospitality & Event Management	Legal & Taxation	Accounting, Auditing & Banking Services	Interior Architect
Profile of the Director	Mr. Hemant Somani is having more than 18 years of experience in hospitality and event management, he is Whole-time director of the Company, he is managing outdoor catering Business since his appointment with the company.	Mr. Bakul R. Parikh is having more than 33 years of practice as Corporate Lawyer, he is the member of the Bar council of Gujarat and he is member of the Audit committee of the Company and the expertise in direct and indirect taxation.	Mr. Balveermal Singhvi is retired Bank employee having expertise in Accounting and Auditing and Banking related matters.	Ms. Anjali Tolani is freelancer professional in Interior Architect.
Directorships held in other Public Companies (excluding foreign and Private Companies)	NIL	NIL	NIL	NIL
Memberships/Chairmanships of Audit and Stakeholders Relationship committees across Public Companies	NIL	NIL	NIL	NIL
Share holding in the company	775350	NIL	NIL	NIL
Relationship between directors inter se	Relative of Mr. Narendra G. Somani and Mr. Devanand G. Somani	NIL	NIL	NIL

DIRECTORS' REPORT

Dear Members,

Your directors have pleasure in presenting the Fifteenth Annual Report together with the Audited Financial Statements for the financial year ended March 31, 2014.

Financial Results:

The Company's financial performance, for the year ended March 31, 2014 is summarized below:

(₹ in Lacs)

Particulars	FY 2013-14	FY 2012-13
Revenue from Operation	15639.43	16401.10
Other Income	195.37	275.10
Total Revenue	**15834.80**	**16676.20**
Less : Operating Expenditure	11883.63	12529.03
Profit from Operations	**3951.17**	**4147.17**
Less : Financial Charges	2118.10	2095.64
Less: Depreciation and Amortization	1283.73	1292.77
Profit before tax	**549.34**	**758.76**
Less : Provision for taxation	105.00	147.00
Less : Deferred tax Liability	259.35	315.55
Profit after tax	**184.99**	**296.21**
Add : Profit brought forward from previous year	3792.64	3496.43
Profit available for appropriation	**3977.63**	**3792.64**
Profit Carried forward to the Balance Sheet	3977.63	3792.64

* Previous year figures have been regrouped and rearranged wherever considered necessary.

Review of Operations:

This year your company booked total revenue of ₹ 15834.80 Lacs as compared to ₹ 16676.20 Lacs in the previous year, profit from operations stood at ₹ 3951.17 Lacs during the year as compared to previous year's ₹ 4147.17 Lacs.

Name Change:

During the financial year under review, the name of your company has been changed from Bhagwati Banquets and Hotels Limited to TGB Banquets and Hotels Limited w.e.f. April 19, 2013.

Consequent upon the name change, the scrip id of the Company on trading platform of the National Stock Exchange Limited has been changed from BHAGWATIHO to TGBHOTELS, scrip id on Bombay Stock Exchange remains the same (532845).

Dividend:

Looking to the requirement of the funds for internal growth of the Company, the Board of Directors of the Company have decided not to recommend any dividend for the year ended on March 31, 2014.

Corporate Governance Report:

Pursuant to Clause 49 of the Listing Agreement with Stock Exchanges, Corporate Governance Report, Management Discussion & Analysis and Auditors' certificate regarding compliance of Corporate Governance are made part of the Annual Report.

Directors:

Mr. Mangharam Sumani has resigned as a Director of the Company w.e.f May 23, 2014. The Board places on record their appreciation for the valuable guidance and services rendered by him.

Mr. Hemant G. Somani retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment as a director of the Company. His re-appointment is placed before the shareholders of the Company at the ensuing Annual General Meeting.

Pursuant to Section 149 of the Companies Act, 2013, your directors are seeking appointments of Mr. Bakul R. Parikh & Mr. Balveermal Singhvi as Independent Directors of the Company for a term of 5 years from the date of the 15th Annual General Meeting.

Further, in terms of Sections 149 & 161 of the Companies Act, 2013, Ms. Anjali Tolani has been appointed as an additional director of the Company by the Board in its meeting held on August 09, 2014 and to hold office up to date of ensuing Annual General Meeting. A resolution is proposed for her appointment as Independent Director of the Company for a term of 5 years from the date of the 15th Annual General Meeting.

Profile of all these Directors has been given in the Report on the Corporate Governance as well as in the Explanatory Statement to the Notice of the ensuing Annual General Meeting of the Company.

Public Deposits:

During the year under review, the company has accepted ₹ 65.88 Lacs as public deposits within the meaning of Section 58A of the Companies Act, 1956. There were no over dues on account of principal or interest on public deposits. The Company proposes to invite and accept Fixed Deposits from the shareholders and the public in accordance with Sections 73 to 76 of the Companies Act 2013 read with Companies (Acceptance of Deposits) Rules, 2014. Attention of the Members is invited to the relevant item in the Notice of the Annual General Meeting and the Explanatory Statement thereto.

Consolidated Financial Statements:

The Consolidated Financial Statements of the Company are prepared in accordance with relevant Accounting Standards issued by the Institute of Chartered Accountants of India and forms part of this Annual Report.

Conservation of Energy & Technology Absorption and Foreign Exchange Earnings and Outgo:

The particulars required to be disclosed under Section 217(1)(e) of the Companies Act, 1956 read with rules made there under, the company is not required to give the particulars of energy, since the hotel industry is not covered under the list of industries required to provide such information. However the details regarding it are mentioned in "Annexure A" given at the end of the report.

Subsidiary :

Lov Kush Properties Private Limited is the only subsidiary of the Company, during the year under review the subsidiary Company has not commenced any business operations.

In accordance with the General Circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet and other documents of the subsidiary company are not being attached with the Balance Sheet of the Company. However, the financial information of the subsidiary company is disclosed in the Annual Report in compliance with the said circular. The Company will provide a copy of separate annual accounts in respect of its subsidiary to any shareholder of the Company who asks for it and the said annual accounts will also be kept open for inspection at the Registered Office of the Company.

Particulars of Employees:

During the year, your Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

Auditors:

The Auditors of the Company O. P. Bhandari & Co, Chartered Accountants, retire at the conclusion of the ensuing 15th Annual General Meeting and have confirmed their eligibility under the provisions of the Companies Act, 2013 & willingness to accept office, if re-appointed. Your Board recommends their re-appointment as Statutory Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company.

The Auditors' report for the year ended March 31, 2014 and the notes forming part of the accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comment.

Directors' Responsibility Statement:

In accordance with the provisions of Section 217 (2AA) of the Companies Act, 1956, the Directors hereby confirm:

a) That in the preparation of Annual Accounts for the financial year ended March 31, 2014, the applicable Accounting Standards had been followed and there are no material departures;

b) That appropriate accounting policies have been selected and applied consistently and such judgments and estimates have been made that are reasonable and prudent so as to give true & fair view of the state of affairs of the Company as at March 31, 2014 and of the profit of the Company for that period;

c) That the Directors had taken proper & sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956, for safeguarding the assets of the Company and for preventing & detecting frauds and other irregularities;

d) That the Annual Accounts have been prepared on a going concern basis.

Insurance:

All insuranrable assets of the Company, including buildings, furniture and fixtures and other insurable assets are adequately insured by the Company.

Acknowledgments:

Your directors would like to express their appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review.

Your directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board

Place : Ahmedabad
Date : August 09, 2014

Narendra G. Somani
Chairman & Managing Director

ANNEXURE TO THE DIRECTORS REPORT

"Annexure – A"

Particulars pursuant to Section 217 (1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988.

1) Conservation of Energy:

Keeping with the company's commitment to be an environmentally responsible entity and in view of the increasing cost of energy, the company makes continuous efforts towards conservation of energy. In financial year 2013-14, total energy generation forms the 1.25 MW Windmill situated at the Village - Panchetiya, District - Kutch, Gujarat was 1898360 MW and the credit of the same is available to company as per the norms.

2) Technology Absorption:

a. Research and Development -

Your company continues to test and work with technologies and engage in research & development program. Efforts of the Company are directed towards quality control and improvement of in-house expertise.

b. Benefits derived as a result of the above R & D -

The above R&D activities have resulted in improvement of service quality & cost effectiveness. The company has been putting emphasis to train its technical personnel by way of providing training to them for the latest technology available. It has resulted in a better quality of product which has been brought to the International Standard, besides improving the productivity and reducing the wastages.

3) Foreign Exchange Earnings / Outgo : (₹ in Lacs)

Particulars	2013-14	2012-13
Earning in foreign exchange	107.11	94.58
CIF value of import	-	-

MANAGEMENT DISCUSSION AND ANALYSIS

Industry's Structure and Developments:

Tourism has now become a significant role in the Indian economy. It was expected that the tourism industry in India is likely to generate additional US $121.4 bn of economic activity by 2015, and the hospitality sector has the potential to earn US $24 bn in foreign exchange by 2015. The booming tourism industry has had a cascading effect on the hospitality sector with an increase in the occupancy ratios and average room rates. While the occupancy ratio is around 80-85%, up nearly 10% from three years ago, the average increase in room rates over the last one year has hovered around 22-25%.

The Government of India increased budgets on advertising campaigns like **'Incredible India'** and **'Athithi Devo Bhava'** to reinforce the rich variety of tourism in India. The India is promoted as a sate tourist destination worldwide by the Government of India and undertook various measures, such as stepping up vigilance in key cities and at historically important tourist sites.

The Theme & Event based campaign by Gujarat tourism directly attract tourist to travel Gujarat as holiday destination. The digital marketing and social media platform made this easier to comfortable travelling and role of digital marketing cannot be overlooked in the growth in the tourism industry in India. Further the rise in disposable income is also one of the key factor in the development of tourism Industry.

During the Financial year 2013-14, Depreciation of the Indian rupee against the dollar is of great concern to almost every industrial and service sector in the Indian economy. India's current economic woes are good news for tourists. Whether it is foreign traveler arrivals or domestic tourism, India's tourism industry is experiencing a real boom. The rising value of the dollar against the rupee has made quite an impact on the foreign travel plans of many Indian holidaymakers, prompting them to switch to cheaper destinations.

Currently domestic tourists constitute a very small chunk of the total tourist pie, the segment is growing. In the long term, the demand-supply gap in India is very real and that there is need for more hotels in most cities. The shortage is especially true within the budget and the mid market segment. There is an opportunity for budget and mid market hotels in India as travelers look for safe and affordable accommodation. The potential for this segment of hotels becomes more obvious in next year's.

Safety has become a more prominent concern for tourists travelling to India. The Indian tour operators reported drop in business due to the cases like Delhi rap and, are inspiring other victims of sex crimes to bring their stories into the light, Safety and security issues must be taken and well understood in the context f tourism and are vital to providing quality in tourism.

Opportunity and Threats:

The analysts believe that the hospitality industry is having the tremendous opeertunites but it needs to cater and deliver as per the expectation of the customer and the industry to match with the local and international appeal at the different part of the world. The destination with Rich Heritage, Traditional, Cultural and Social Values are most likely travel destination among tourists visiting to India. Accelerating hospitality industry in Gujarat, the Gujarat government have focused on the theme and destination based advertising campaign and effort has been made to give the real leisure's to travelers and has formulated lucrative policy of investment to attract more investors to augment the overall hospitality infrastructure. Further Gujarat government has also provided more assistance for the investors in hospitality sector like tax holidays, interest subsidies, concession in electricity duty and tariff, modification in lending criteria, assistance in land acquisition and allotment, etc.

The major deterrent for the hospitality sector is Gujarat is the fact that it is a dry state - Thus, Gujarat is not able to capitalise on its leisure segment and thereby, hotels are also reluctant in investing at tourist locations and concentrate themselves to the business driven areas.

TGB's Business Outlook:

TGB looks forward to have its strong presence in the travel destination in Gujarat for this the company has adopted the franchisee business model to delight his valuable customers. Further, Gujarat is having privilege for the business hubs for Pharmaceutical, Chemical, Textile, Diamond and Fertilizer and other ancillary industries which create opportunities for the budget hotels in Gujarat. During the year company has started two new budget hotels "TGB Express" in Ahmedabad and Naidad as franchisee model and this year company is going to make its presence in Vapi and Jamnagar through opening of World Cuisine Restaurant in its franchisee model.

The one and half decade expertise in the outdoor catering and the banqueting segment, TGB created a niche for itself in Banqueting and Catering segment. The committed service delivery to the customers makes company to look forward extended support from its customer ahead.

TGB's response to competition is by way of our set-up of Sales & Marketing department with 4 key verticals. Namely – Hotel Sales, Marketing, Central Reservations and Customer Loyalty. Very soon, our business partners will be receiving 7 days reservations and sales support during business hours. By our 2nd year of operations, we will be offering reservations support from 0800-2200hrs and by the 3rd year, we aspire to go 24x7. In the next two years we plan to commission 5 more TGB Express brand hotels that will cater to the budget to mid-market business travel. And a new business Franchisee arm will be additional focusing in expansion of our portfolio of World Cuisine Restaurants and Cafe & Bakery out lets. The recent inclusion of the social media platform and digital marketing and dedicated and integrated sales and marketing effort of the company will adds values in the business to the company and its franchisee in coming years.

To get business in this competitive environment, the company has focused more on its core competencies and has developed more competitive advantage over its rivals.

Risk and Concern:

- **Human resource**

  Availability of skilled manpower is a major challenge faced by the travel and tourism industry, one of the largest employment generators in the country. To sustain growth in the travel and tourism industry, trained manpower/ workforce is required at every level - managerial, supervisory, skilled or semi-skilled. Challenges faced at each level are different. At mid and senior management levels, the industry faces talent crunch and at the front-line staff level, although human resources are adequate, a boom in other service industries such as banking, retail, airline and BPO have resulted in shortage of manpower at this level for the travel and tourism industry. Thus there is a demand-supply mismatch with respect to manpower in the travel & tourism and hospitality sector in India..

- **Security**

  Security has been a major problem as well for growth of tourism for a number of years. Terrorist attacks or political unrest in different parts of the country have adversely affected sentiments of foreign tourists. Terror attacks at Mumbai in November 2008 dealt a strong blow to tourism in the country. The terror attacks raised concerns of safety. Further the online travel industry has registered robust growth, major concerns relating to security of online transactions persist. The industry has taken measures to make the process of online bookings more secure and transparent and has created awareness for online booking.

Financial Review:

During the financial year 2013-14, the company's total income is ₹ 15834.80 Lacs as compared to ₹ 16676.20 Lacs in the previous year.

Internal Control Systems & Their Adequacy:

An internal control system of your company is very well ordered which consists of qualified and independent Audit Committee managed by our Board of Directors. It ensures the compliance with listing and other legal requirements relating to financial statements. It also ensures that all the assets of the company are fruitful as well as secured against loss from unauthorized use or disposition. The company keeps on developing its systems and procedures on continual basis for effective internal control. Adequate internal control measures are in the form of various policies & procedures issued by the Management covering all critical and important activities viz. Revenue Management, Hotel Operations, Purchase, Finance, Human Resources, Safety, etc.

Industrial Relations and Human Resource:

Hospitality sector emphasizes on good quality of services which requires well behaved employees and warmly welcoming managerial staff, this increases value and reputation of the hotels. Hence, your company believes "The Grass is Greener where you water it". Therefore company ensures its privileged employees' comfortable workplace, security, safety, nourishment, encouragement, freedom to express their innovative ideas, and training effeort has been taken for personality development of the employees. In essence, the human relations approach sees the organization as a cooperative enterprise wherein workers' morale is a primary contributor to productivity, and so seeks to improve productivity by modifying the work environment.

Corporate Social Responsibility:

Your company is inherently associated to the society and environment in which it operates. It upholds the business of TGB with trust, transparency and commitment to human values. It is conscious of its corporate social responsibilities and pursues its social responsibilities intensely. During the year, company with the support and mutual aid of its staff pursued several social activities.

The company has associated with the "YUYA UNSTOPPABLE", a Non Government Organisation who act as a catalyst in the development, improvement and growth of youth and children, the company have adopted two municipal Schools namely Ellis bridge School No. 18 anf Mahatma Gandhi School No. 1situated at ahmedabad.

To serve the society in a better way company regularly provides the financial and non financial support to Approx 400 Students residing in the slum area of Naroda, Ahmedabad. your company also took forward a step to save many lives by organizing a blood donation camp at all Units of TGB in association of the "Prathma". The effort was undertaken by your company to put smiles on the frown faces by making a visit at the Old Age home and spending time with them, Also regularly visit to the orphanage to help underprivileged children to provide them the aids with eatables and other useful items for kids and distributed the same among them.

your company associated for skill development and to trained youth under the "Hunur se Rozgar Tak" training Scheme in association with Institute of Hotel Management for skill development and empowering the youth from among the economically weaker section.

Cautionary Statement:

Statements in this Management Discussion and Analysis describing the company's objectives, projections, estimates and expectations may be "forward looking statement" within the meaning of applicable securities laws and regulations. The actual results may differ from those expected depending upon the economic conditions, changes in Government Regulations and amendments in tax laws and other internal and external factors.

REPORT ON CORPORATE GOVERNANCE

I. CORPORATE GOVERNANCE PHILOSOPHY:

The company's Corporate Governance Philosophy is based on trusteeship, transparency, empowerment, control and ethical corporate citizenship. The company believes that the practice of each of these create a right culture and fulfills the true purpose of Corporate Governance. The company remained committed towards protection and enhancement of overall long term value for its entire stakeholders - Customer, Lenders, Employee and Society.

Your company has consistently aimed at developing and internalizing such policies and implementing best-in-class actions that make it a good model of Corporate Governance. To that effect your company has adopted practice mandated in Clause 49 of Listing Agreement & has established procedure & systems to be fully compliant with it.

II. BOARD OF DIRECTORS:

Composition of the Board:

The Board of Directors of the Company has an optimum combination of executive and non-executive directors as per Clause 49 of the Listing Agreement. The total strength of the board is eight members, comprising of four executive directors and four non-executive directors. All non-executive directors are independent directors. During the year, the board has an adequate combination of executive, non-executive and independent directors. The active participation of the independent directors at the board and committee meetings adds value in decision & gives immense benefits to the company.

Attendance & Other Directorship:

As on March 31, 2014, the details of composition of board, category of directors as well as their directorship/membership in other companies/committees are given below:

Name and Designation	Financial Year 2013-14 Attandance at		Number of other Directorship & Committee member / Chairmanship*		
	Board Meeting	Last AGM	Other Directorships	Committee Membership	Committee Chairmanship
A. Executive Director					
Mr. Narendra G. Somani Chairman & Managing Director	11	Yes	-	-	-
Mr. Devanand G. Somani Whole-time Director	11	No	-	-	-
Mr. Hemant G. Somani Whole-time Director	11	Yes	-	-	-
Mr. Ramesh K. Motiani Whole-time Director	11	Yes	-	-	-
B. Non-Executive Director					
Mr. Bakul R. Parikh Independent Director	10	No	-	-	-
Mr. Raj Ratan Singhvi Independent Director	10	Yes	1	1	-
Mr. Balveermal Singhvi Independent Director	10	Yes	-	-	-
Mr. Mangharam Sumani Independent Director	03	No	-	-	-

*Directorships and Committee member/Chairmanship in other companies mentioned above excludes directorships in private limited companies, unlimited companies, foreign companies and companies incorporated under section 25 of the Companies Act, 1956.

**While calculating the number of Membership / Chairmanship in Committees of other companies, Membership / Chairmanship of only Audit Committee and Shareholders' / Investors' Grievance Committee have been considered pursuant to Clause 49 of the Listing Agreement. None of the Director is a member in more than ten committees and act as a Chairman in more than five committees across all companies in which he is a Director.

Board Meetings:

During the financial year 2013-14, eleven board meetings were held on May 28,2013, May 30,2013, June 21, 2013, July 04, 2013, July 05, 2013, August 05, 2013, August 23, 2013, September 16, 2013, October 24, 2013, November 14, 2013 & February 12, 2014. The maximum gap between any two board meetings is not more than 120 days.

COMMITTEES OF THE BOARD:

III. AUDIT COMMITTEE:

Composition

The Audit Committee constituted as per the Clause 49 of the Listing Agreement read with provisions of Section 292A of the Companies Act, 1956 comprises three independent directors. Mr. Raj Ratan Singhvi is the Chairman of the committee who is an Accounting Consultant, also an independent non-executive director. Mr. Bakul Parikh, independent non-executive director who is a legal advisor in Direct and Indirect taxes and Mr. Mangharam Sumani, independent non-executive director who is a Member of Institute of Chartered Accountants of India are other member of the committee. All members of the committee are financially literate as per meaning of explanation to Clause 49(II) (A) of the Listing Agreement.

The Chief Financial Officer is a permanent invitee to the meeting. The Company Secretary is the Secretary of the Committee.

Terms of Reference

Terms of Reference of Audit Committee are given here under:

1. To oversee the company's financial reporting, process and disclosures of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. To review financial statements and pre-publication announcements before submission to the Board.
3. To recommend the appointment of Statutory Auditors and fixation of their remuneration. To review and discuss with the Auditors about internal control system, the scope of Audit including observations of Auditors, major accounting entries, practice and policies, compliance with accounting standards & listing agreement, related party transactions.
4. To review the company's risk management policies and discussion with Auditors any significant findings and follow up thereon.

Meetings and Attendance

During the financial year 2013-14, four meetings of the Audit Committee were held on May 30, 2013, August 05, 2013, November 14, 2013 and February 12, 2014. During these meetings, the committee, inter alia, reviewed the financial statements including changes in accounting policies and practices before submission to the board, recommended the appointment of Statutory and Internal Auditors including fixation of Audit fee, discussed the Internal Auditors findings and reviewed the company's financial and risk management policies. Generally all items listed in Clause 49 (II)(D) of the Listing Agreement are covered in the terms of reference. The Audit Committee has been granted powers as prescribed under Clause 49 (II)(C).

Necessary information as required by Clause 49(II)(E) of the Listing Agreement is reviewed by the Audit Committee. Details of Attendance at the Audit Committee Meeting:

Name	Designation	Attendance
Mr. Raj Ratan Singhvi	Chairman	4
Mr. Bakul R. Parikh	Member	4
Mr. Mangharam Sumani	Member	0

IV. REMUNERATION COMMITTEE:

Composition

The Remuneration Committee consists of three non-executive independent directors, to comply with and meet the requirements of the Listing Agreement and Schedule XIII of the Companies Act, 1956. Mr. Bakul Parikh is the Chairman and Mr. Balveermal Singhvi & Mr. Raj Ratan Singhvi are members of the Remuneration Committee.

Terms of Reference

The Remuneration Committee has been constituted to recommend and review remuneration package of Executive Directors with reference to their performance, experience and responsibilities.

Meetings and Attendance

The committee met once during the financial year 2013-14 on August 03, 2013.

Details of Remuneration of Directors

The details of remuneration paid to the directors during the financial year ended on March 31, 2014 are as under:

Name	Remuneration	Commission	Sitting Fees
Mr. Narendra G. Somani	₹ 48 Lacs	NIL	NIL
Mr. Devanand G. SomanI	₹ 24 Lacs	NIL	NIL
Mr. Hemant G. Somani	₹ 24 Lacs	NIL	NIL
Mr. Ramesh K. Motiani	₹ 06 Lacs	NIL	NIL
Mr. Bakul R. Parikh	NIL	NIL	₹ 0.50 Lacs
Mr. Raj Ratan Singhvi	NIL	NIL	₹ 0.50 Lacs
Mr. Mangharam Sumani	NIL	NIL	₹ 0.15 Lacs
Mr. Balveermal Singhvi	NIL	NIL	₹ 0.50 Lacs

Shares held by Non-executive Directors

Mr. Mangharam Sumani, non-executive director of the Company holds 494 (0.002%) shares of the Company. No other non-executive directors hold any shares of the Company.

V. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE:

Composition

The committee comprising three members namely Mr. Mangharam Sumani, who is the Chairman of the committee, Mr. Ramesh K. Motiani and Mr. Bakul R. Parikh. The Company Secretary acts as secretary to the committee.

Terms of Reference

The committee inter-alia, oversees and review all matters connected with transfer of shares, the committee also reviews performance of the Registrar and Share Transfer Agents and recommends measures for overall improvement in the quality of investor services, with a view to expedite the process of share transfer / transmission etc. on fast track basis.

Meetings

During the financial year 2013-14, four meetings of the Shareholders' / Investors' Grievance Committee were held, and care has been taken to comply with various Clauses of Listing Agreement.

Details of Shareholders Complaints

The company addresses all complaints, suggestions, grievances and other correspondence expeditiously and replies are sent usually within 7-10 days except incase of legal impediments. The company endeavours to implement suggestions as and when received from shareholders. During the year under review no investor's complaints were received by the company.

VI. SUBSIDIARY COMPANIES:

During the year, the Audit committee reviewed the financial statements of Lov Kush Properties Pvt. Ltd., an unlisted subsidiary company. Copies of the minutes of the Board Meetings of the subsidiary company were regularly placed before the Board of the Company.

VII. GENERAL BODY MEETING:

Details of last three Annual General Meetings:

Year	Venue	Date & Time	Details of Special Resolution Passed
2012-13	14th Annual General Meeting Sindhu Bhavan, Plot No. 173,100 Ft. Ring Road, Off S. G. Highway, Judges Bungalow Cross Road, Bodakdev, Ahmedabad.	25.09.2013 10.30 AM	Appointment of Mr. Narendra G. Somani as Managing Director of the Company.
2011-12	13th Annual General Meeting Sindhu Bhavan, Plot No. 173,100 Ft. Ring Road, Off S. G. Highway, Judges Bungalow Cross Road, Bodakdev, Ahmedabad.	29.09.2012 10.30 AM	-
2010-11	12th Annual General Meeting Sindhu Bhavan, Plot No. 173,100 Ft. Ring Road, Off S. G. Highway, Judges Bungalow Cross Road, Bodakdev, Ahmedabad	30.09.2011 10.30 AM	-

Postal Ballot:

No Special Resolution was passed through Postal Ballot during the financial year 2013-14. None of the business proposed to be transacted in the ensuing General Meeting require passing Special Resolution through Postal Ballot.

VIII. DISCLOSURE:

a) During the year under review, besides the transactions reported in the Notes to the Accounts for the year, there were no other related party transactions of material nature by the company with its promoters, directors, management and subsidiaries or relatives etc.

b) No penalties/strictures have been imposed on the company by the Stock Exchanges or SEBI or any Statutory Authority on any matter related to Capital Markets during the last three years.

c) The company has duly complied with all the mandatory requirements. Compliance with non-mandatory requirements is furnished separately under the heading "Non-mandatory Requirements".

d) The company has adopted a Whistle Blower Policy, which affords protection and confidentiality to Whistle Blower. The Audit Committee Chairman is authorized to receive Protected Disclosure under this Policy. The Audit Committee is also authorized to supervise the conduct of investigation of any disclosure made by whistle blowers in accordance with policy. No personnel have been denied access to the Audit Committee during the year.

e) Company has laid down Risk Management and Administration procedure to inform the Board members about the risk areas relating to the Organization and steps to minimize such risks. These procedures are periodically reviewed to ensure the risk control and minimization by means of properly defined framework.

f) In preparing the Annual Accounts in respect of the financial year ended on March 31, 2014 no accounting treatment was different from that prescribed in the Accounting Standard.

g) The company has a Code of Conduct for prevention of insider trading in the shares of the Company for directors and promoters in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 1992.

IX. MEANS OF COMMUNICATION:

Company's quarterly, half yearly and annual results are being published in Economic Times (Gujarati and English) Newspaper. Management Discussion and Analysis Report forms part of this annual report. The annual report in respect of each financial year is sent to all the shareholders.

X. CODE OF CONDUCT:

The company has a Code of Conduct for prevention of insider trading in place, as prescribed by the Securities and Exchange Board of India. The Code of Conduct is available on the website of the Company. All board members and senior management personnel have affirmed compliance with the Code of Conduct. Declaration by Managing Director regarding Code of Conduct is annexed hereto.

XI. GENERAL SHAREHOLDER'S INFORMATION:

a. Annual General Meeting:

Date : Thursday, September 25, 2014

Time : 10.30 AM

Venue : "Sindhu Bhavan", Plot No. 173, 100 Ft. Ring Road, Off. S. G. Highway, Judges Bunglow Cross Road, Bodakdev, Ahmedabad - 380054.

b. Book Closure Date: From Monday, September 15, 2014 to Thursday, September 25, 2014 (both inclusive)

c. Period : 1st April, 2014 to 31st March, 2015

d. Financial Calendar (tentative) :

Adoption of Quarterly Results for the Quarter ending:

June 30, 2014	1st / 2nd week of August, 2014
September 20, 2014	1st / 2nd week of November, 2014
December 31, 2014	1st / 2nd week of February, 2015
March 31, 2015	4th week of May, 2015

e. Registered Office:

TGB Banquets and Hotels Limited
"The Grand Bhagwati", Plot No. 380, S. G. Road, Boadkdev, Ahmedabad-380 054. Ph. 079-26841000

f. Registrar and Share Transfer Agent:

Link Intime India Private Limited
Unit No. 303, 3rd Floor, Shoppers Plaza- V, Municipal Market, Behind Shoppers Plaza II, off C.G. Road, Ahmedabad -380009. Email: ahmedabad@linkintime.co.in; Ph. : 079-26465179

g. Share Transfer System /Listing:

The Share transfer requests are processed by the company's Registrar and Share Transfer Agents as mentioned above.

h. Listing:

Shares of the Company are listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited. Listing Fees for the financial year 2014-15 has been paid to both stock exchanges.

i. Securities Code:

Securities code for Companies' equity shares on the Stock Exchanges are as follows:
Bombay Stock Exchange: 532845
National Stock Exchange: TGBHOTELS

j. Dematerialization of Shares:

The Shares of the Company are compulsorily tradable in Dematerialised form by all categories of Investors. As on March 31, 2014, 99.99% of the paid-up share capital of the Company has been dematerialized. ISIN of the Company for dematerialization of equity shares is INE797H01018.

k. Location of Hotels:

1) The Grand Bhagwati, Plot No. 380, S. G. Road, Bodakdev, Ahmedabad-380 054
2) The Grand Bhagwati, Magdalla Circle, Dumas Road, Surat-395 007.

Restaurants of TGB Group:

1) Little Italian Restaurant - S. G. Highway, Ahmedabad
2) Mr. & Mrs. Somani - The Grand Bhagwati, Ahmedabad
3) Cafe Piano - The Grand Bhagwati, Ahmedabad
4) Mr. & Mrs. Somani - The Grand Bhagwati, Surat
5) Cafe Piano - The Grand Bhagwati, Surat
6) Ziba Restaurant - The Grand Bhagwati, Surat
7) Crystal Lounge - The Grand Bhagwati, Surat
8) Club Cafe - The Grand Bhagwati, Surat
9) Fever 105 - The Grand Bhagwati, Surat

Restaurants Managed by TGB Group:

1) TGB Patang: The Revolving Restaurant at Ashram Road, Ahmedabad.
2) TGB Karnavati: Karnavati Club, S. G. Highway, Ahmedabad.

Restaurant & Hotels under Franchisee Agreement:

1) TGB Seasons - Rajkot
2) TGB World Cuisine Restaurant - Vadodara
3) TGB World Cuisine Restaurant - Surat
4) TGB Express - Maninagar
5) TGB Express - Nadiad
6) The Grand Bhagwati - Indore*
7) TGB World Cuisine Restaurant - Vapi*
8) TGB World Cuisine Restaurant - Jamnagar*

* Upcoming Franchisee

l. Distribution of Shareholding as on March 31, 2014

Sr. No.	Category	No. of Share	% of Share Holding
A.	**PROMOTERS SHAREHOLDING**		
	1. Promoters and Promoters Group	8267169	28.23
	2. Director and their Relatives	2912123	9.94
B.	**PUBLIC SHAREHOLDING**		
	1. Mutual Funds / UTI / Trusts	2	0.00
	2. Banks/Financial Institutions	0	0.00
	3. Foreign Institutional Investors	0	0.00
	4. Bodies Corporate	9037405	30.86
	5. NRIs	756503	2.58
	6. Clearing Members	649165	2.22
	7. Indian Public	7664033	26.17
	Total	**29286400**	**100.00**

m. Categories of Shareholding as on March 31, 2014:

Shareholding	No. of Shareholders	% of total Shareholders	No. of Shares	% of Shareholding
1-500	3256	83.02	412213	1.40
501-1000	289	7.37	236833	0.81
1001-2000	157	4.00	240176	0.82
2001-3000	46	1.17	118753	0.41
3001-4000	37	0.94	133890	0.46
4001-5000	18	0.46	85167	0.29
5001-10000	26	0.66	201987	0.69
10000 & Above	93	2.37	27857381	95.12
Total	**3922**	**100.00**	**29286400**	**100.00**

n. Deposits:

The company has raised ₹ 65.88 Lacs as deposits from the public during the financial year 2013-14.

o. Outstanding ADRs/GDRs:

The Company has not issued any ADRs and GDRs, Warrants or any Convertible Instrument.

p. Investor's Correspondence:

The shareholder s may address their communication to the Company or the Registrar and Share Transfer Agents at the following address:
Company Secretary,
TGB Banquets and Hotels Limited
301, 3rd Floor, Circle P, Prahaladnagar Garden Road, S. G. Road, Ahmedabad-380051
Phone No.: 079-26937800 Fax: 079-26937900 Email: cs@tgbhotels.com

or

Link Intime India Private Limited
Unit No. 303, 3rd Floor, Shoppers Plaza- V, Municipal Market, Behind Shoppers Plaza II, off C. G. Road, Ahmedabad-380009. Phone No.: 079-26465179 Email: ahmedabad@linkintime.co.in

q. Stock Market Data and Share Price performance in comparision to broadbased indices:

Market price data of Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) for the financial year 2013-14 are given below:

Month	TGBHOTELS(532845) VS BSE SENSEX				TGBHOTELS VS NSE NIFTY			
	TGBHOTELS(532845)		BSE SENSEX		TGBHOTELS		NSE NIFTY	
2013	**High**	**Low**	**High**	**Low**	**High**	**Low**	**High**	**Low**
April	52.45	43.25	19622.68	18144.22	51.80	43.70	5962.30	5477.20
May	51.85	40.30	20443.62	19451.26	51.00	42.50	6229.45	5910.95
June	53.80	42.65	19860.19	18467.16	53.00	44.20	6011.00	5566.25
July	54.00	37.65	20351.06	19126.82	51.90	38.00	6093.35	5675.75
August	50.00	39.60	19569.20	17448.71	50.00	40.00	5808.50	5118.85
September	59.50	41.00	20739.69	18166.17	58.90	40.95	6142.50	5318.90
October	72.75	53.15	21205.44	19264.72	72.85	51.60	6309.05	5700.95
November	78.35	53.55	21321.53	20137.67	78.00	63.05	6342.95	5972.45
Decemebr	74.80	59.65	21483.74	20568.7	78.00	59.10	6415.25	6129.95
2014								
January	68.00	53.30	21409.66	20343.78	69.00	54.00	6358.30	6027.25
February	62.00	50.05	21140.51	19963.12	62.00	50.15	6282.70	5933.30
March	54.00	46.40	22467.21	20920.98	54.00	46.05	6730.05	6212.25

XII. NON MANDATORY REQUIREMENT:

The company has setup a Remuneration Committee in accordance with the Clause 49 of the Listing Agreement which is non mandatory requirement, details of the Committee is given as per the details under the heading "Committees of the Board" in this report.

XIII. COMPLIANCE CERTIFICATE FROM AUDITOR:

Certificate from the Statutory Auditors of the Company, M/s O.P. Bhandari & Co., Chartered Accountants confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is annexed to this report forming part of the Annual Report.

XIV. CERTIFICATE FROM CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER:

In terms of Clause 49 of the Listing Agreement certificate issued by Managing Director and Chief Financial Officer is annexed to this report.

DECLARATION

This is to confirm that the company has adopted a Code of Conduct for its Directors and its Senior Management and Employees. These codes are available on the company's website.

I hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed their compliance with the Code of Conduct as adopted by the Board of Directors in accordance with Clause 49(I)(D) of the Listing Agreement entered into with the Stock Exchanges for the financial year ended March 31, 2014.

Place : Ahmedabad
Date : May 23, 2014

Narendra G. Somani
Chairman & Managing Director

CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER CERTIFICATION

To,
The Board of Directors,
TGB BANQUETS AND HOTELS LIMITED
(Formerly Known as Bhagwati Banquets and Hotels Limited)

Pursuant to the Clause 49 of the Listing Agreement with BSE and NSE, we hereby certify that:

We have reviewed financial statement and the cash flow statement for the year ended on March 31, 2014 and that to the best of our knowledge and belief:

These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

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.

There are to the best of our knowledge and belief, no transactions entered into by the company during the period ending on March 31, 2014 that are fraudulent, illegal or volatile to the company's Code of Conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit committee those deficiency of which we are aware in the design or operation of internal control systems and have taken the required steps to rectify the deficiency.

We have informed the Auditors and the Audit Committee:

I. About Significant changes in internal control over financial reporting during the year;

II. That there have been no Significant changes in accounting policies during the year;

That there have been no instances of significant fraud of which we have become aware and the involvement therein, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Yours Sincerely

Place : Ahmedabad
Date : May 23, 2014

Mr. Narendra G. Somani
Chairman & Managing Director

Mr. Vishal Palkhiwala
Chief Financial Officer

CERTTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
TGB BANQUETS AND HOTELS LIMITED
(Formerly Known as Bhagwati Banquets and Hotels Limited)

We have examined the compliance of conditions of Corporate Governance procedures implemented by TGB Banquets and Hotels Limited ("the Company") for the year ended on March 31, 2014, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

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

For, O. P. Bhandari & Co.
Chartered Accountants
Firm Reg. No.: 112633W

O. P. Bhandari
Partner
Membership No.: 34409

Place : Ahmedabad
Date : May 23, 2014

INDEPENDENT AUDITORS' REPORT

To,
The Members,
TGB BANQUETS AND HOTELS LIMITED
(Formerly Known as Bhagwati Banquets and Hotels Limited)

Report on the Financial Statements

We have audited the accompanying financial statements of TGB Banquets and Hotels Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

The Company's Managment 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 (the "Act") read with the General Circular 15/2013 dated 13th 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.

Auditors' 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 misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 auditors consider 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 companies 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 accompanying 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 the 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', as amended by 'the Companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
   (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act,1956 read with the General Circular 15/2013 dated 13th 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 Act.

For, **O.P. Bhandari & Co**
Chartered Accountants
Firm Reg. No.: 112633W

O.P. Bhandari
Partner
Membership No. 34409

Place : Ahmedabad
Date : May 23, 2014

ANNEXURE TO THE AUDITORS' REPORT

i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) As explained to us, these fixed assets have been physically verified by the management, in accordance with a phased program of verification, which in our opinion, is reasonable, considering the size of the Company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) During the year Company has not disposed off a substantial part of fixed assets, which could affect its continuation as a going concern.

ii. (a) The Physical verification of inventory has been conducted at reasonable intervals by the management.

(b) In our opinion the procedures for physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

(c) The Company is maintaining proper records of inventory and no discrepancies were noticed on verification between the physical stock and book records.

iii. (a) The Company has not taken any loans, secured or unsecured, from Companies, firms, or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.

(b) The Company has not granted any loan to parties covered in the register maintained under Section 301 of the Companies Act, 1956.

iv. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business, for the purchase of inventory, fixed assets and also for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.

v. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.

(b) In our opinion and according to the information and explanations given to us, where such transactions are in excess of Rupees Five Lacs in respect of any party, the transactions have been made at prices which are, prima-facie, reasonable having regard to the prevailing market prices for similar transactions with other parties at the relevant time.

vi. The Company has accepted fixed deposits of ₹ 65.88 Lacs from the public during the year. The deposits are not due for repayment as on 31.03.2014.

vii. In our opinion, the Company has an Internal Audit System commensurate with its size and nature of its business.

viii. The maintenance of cost records pursuant to the companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956, is not applicable to Company. Therefore the provisions of clause (viii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.

ix. According to the information & explanations given to us in respect of statutory and other dues:

(a) The Company is generally regular in depositing undisputed statutory dues with the appropriate authorities.

(b) According to the information and explanations given to us, no amount of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Wealth Tax, Service Tax, Sales Tax or Cess is outstanding as at March 31, 2014 for the period more than six months from the date they become payable except below:

Financial Year	Type of Tax	Amount Outstanding (₹ in Lacs)
2011-2012	TDS	26.20
2012-2013	TDS	73.03
2010-2011	VAT	0.06
2011-2012	VAT	184.02
2012-2013	VAT	42.09
2012-2013	Service Tax	576.78
2013-2014	Service Tax	260.40
2012-2013	Professional Tax	0.04

(c) According to the information and explanations given to us, the dues outstanding of Provident Fund, Employees' State Insurance, Income Tax, Wealth Tax, Service Tax, Sales Tax or Cess on account of any dispute as at the end of the financial year, are as follow:

Assessment Year to which amount relates	Nature of dues	Amount (₹ in lacs)	Forum where dispute is pending
2007-08	Income Tax	146.51	Gujarat High Court
2007-08	Income Tax	211.60	ITAT, Ahmedabad
2008-09	Income Tax	109.88	ITAT, Ahmedabad
2008-09	Income Tax	125.85	Gujarat High Court
2009-10	Income Tax	151.91	ITAT, Ahmedabad
2010-11	Income Tax	95.96	Commissioner of Income Tax (Appeal)
2011-12	Income Tax	244.95	Commissioner of Income Tax (Appeal)

x. The Company has no accumulated losses as at the end of the financial year. The Company has not incurred cash losses in the current and immediately preceding financial year.

xi. In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to a financial institution or a bank.

xii. According to the Information and explanation given to us, the company has not granted any loan and/or advance on the basis of security by way of pledge of shares, debentures and other securities.

xiii. In our opinion, the Company is not a Chit Fund or a Nidhi or Mutual Benefit Fund / Society. Therefore, the provision of clause 4(xiii) of the Companies (Auditors Report) Order, 2003 is not applicable to the Company.

xiv. In our opinion and based on our examination of the records, the company has maintained proper record of transactions and contracts in respect of investments. All investments have been held by the company in its own name.

xv. According to the information and explanations given by the management, the company has not given any guarantee for loan taken by others from the banks or financial institutions.

xvi. According to the information and explanations given to us and records examined by us, the term loans have been applied for the purpose for which they were obtained.

xvii. According to the information and explanations given to us and on the basis of an overall examination of the Balance Sheet and Cash Flow of the company, funds raised on short term basis have, prima-facie, not been used during the year for long term investment.

xviii. According to the Information and explanations given to us, the company has not made preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956 during the year.

xix. During the period the Company has not issued any debentures.

xx. The Company has not raised any money by way of public issue during the year.

xxi. Based on the audit procedure performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the year.

For, **O.P. Bhandari & Co**
Chartered Accountants
Firm Reg. No.: 112633W

O.P. Bhandari
Partner
Membership No. 34409

Place : Ahmedabad
Date : May 23, 2014

BALANCE SHEET AS AT MARCH 31, 2014

(₹ in Lacs)

	Particulars	Note	As at March 31, 2014	As at March 31, 2013
I.	**EQUITY AND LIABILITIES**			
	1 Shareholders' Funds			
	(a) Share Capital	2.1	2,928.64	2,928.64
	(b) Reserves and Surplus	2.2	11,876.48	11,691.49
	2 Non-Current Liabilities			
	(a) Long-Term Borrowings	2.3	10,419.08	9,770.86
	(b) Deferred Tax Liabilities (Net)	2.4	1,686.32	1,426.97
	3 Current Liabilities			
	(a) Short-Term Borrowings	2.5	1,780.67	1,010.09
	(b) Trade Payables	2.6	2,030.65	1,654.59
	(c) Other Current Liabilities	2.7	5,479.03	6,525.46
	(d) Short-Term Provisions	2.8	590.09	635.66
	TOTAL		**36,790.96**	**35,643.76**
II.	**ASSETS**			
	1 Non-Current Assets			
	(a) Fixed Assets	2.9		
	(i) Tangible Assets		23,609.76	23,930.43
	(ii) Intangible Assets		–	–
	(iii) Capital Work-in-Progress		–	–
	(b) Non-Current Investments	2.10	500.01	500.01
	(c) Long-Term Loans and Advances	2.11	544.89	548.04
	(d) Other Non-Current Assets	2.12	277.34	429.04
	2 Current Assets			
	(a) Inventories	2.13	2,631.83	2,476.80
	(b) Trade Receivables	2.14	2,256.21	1,378.52
	(c) Cash and Bank Balances	2.15	2,602.42	1,521.02
	(d) Short-Term Loans and Advances	2.16	4,216.80	4,682.14
	(e) Other Current Assets	2.17	151.70	177.76
	TOTAL		**36,790.96**	**35,643.76**
	Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements.
As per our Report of even date

For, O. P. Bhandari & Co.
Chartered Accountants
Firm Regn. No.: 112633W

O.P. Bhandari
Partner
Membership No.: 34409

Place : Ahmedabad
Date : May 23, 2014

For and on behalf of the Board

Vishal Palkhiwala
Chief Financial Officer

Kalpesh Kumar Mehta
Company Secretary

Narendra G. Somani
Chairman & Managing Director

Devanand G. Somani
Whole-time Director

Hemant G. Somani
Whole-time Director

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2014

(₹ in Lacs)

	Particulars	Note	For the year ended March 31, 2014	For the year ended March 31, 2013
I	Revenue from Operations	2.18	15,639.43	16,401.10
II	Other Income	2.19	195.37	275.10
III	**Total Revenue (I + II)**		**15,834.80**	**16,676.20**
IV	**Expenses:**			
	Cost of Materials Consumed	2.20	3,703.01	3,854.47
	Employee Benefits Expense	2.21	1,972.03	2,027.44
	Finance Costs	2.22	2,118.10	2,095.64
	Depreciation and Amortization Expense	2.09	1,283.73	1,292.77
	Other Expenses	2.23	6,208.59	6,647.12
	Total Expenses		**15,285.46**	**15,917.44**
V	**Profit Before Tax (III-IV)**		**549.34**	**758.76**
VI	**Tax Expense:**			
	(1) Current Tax		105.00	147.00
	(2) Deferred Tax		259.35	315.55
VII	**Profit (Loss) for The Period (V-VI)**		**184.99**	**296.21**
VIII	**Earnings Per Equity Share:**			
	(1) Basic		0.63	1.01
	(2) Diluted		0.63	1.01
	Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements.
As per our Report of even date

For, O. P. Bhandari & Co.
Chartered Accountants
Firm Regn. No.: 112633W

O.P. Bhandari
Partner
Membership No.: 34409

Place : Ahmedabad
Date : May 23, 2014

For and on behalf of the Board

Vishal Palkhiwala
Chief Financial Officer

Kalpesh Kumar Mehta
Company Secretary

Narendra G. Somani
Chairman & Managing Director

Devanand G. Somani
Whole-time Director

Hemant G. Somani
Whole-time Director

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

(₹ in Lacs)

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Cashflow from operating activities		
Profit before tax from continuing operations	549.34	758.76
Add/Less : Adjustments		
Depreciation and amortization expense	1,283.73	1,292.77
Deficit/ (Surplus) on sale of fixed assets	(1.55)	–
Provision for Gratuity	(16.70)	29.43
Provision for Leave Benefits	1.70	8.10
Finance Cost	2,118.10	2,095.64
Interest income	(89.07)	(190.44)
Miscellenous Expenditure Written Off	177.76	177.76
Operating profit before working capital changes	**4,023.31**	**4,172.02**
Movements in working capital :		
Increase/ (decrease) in trade payables	376.06	618.73
Increase/ (decrease) in other current liabilities	194.46	816.99
Decrease / (increase) in current trade receivables	(877.69)	(485.91)
Decrease / (increase) in inventories	(155.03)	(348.21)
Decrease / (increase) in long-term loans and advances	3.15	(28.04)
Decrease / (increase) in short-term loans and advances	465.34	(856.68)
Cash generated from /(used in) operations	**4,029.60**	**3,888.90**
Direct taxes paid (net of refunds)	(133.86)	(200.32)
Net cash flow from/ (used in) operating activities (A)	**3,895.74**	**3,688.58**
Cash flows from investing activities		
Purchase of fixed assets, including CWIP and capital advances	(963.51)	(1,422.81)
Proceeds from sale of fixed assets	2.00	2.76
Interest received	89.07	190.44
Net cash flow from/ (used in) investing activities (B)	**(872.44)**	**(1,229.61)**
Cash flows from financing activities		
Proceeds from long-term borrowings (Net)	(594.38)	669.88
Proceeds from short-term borrowings (Net)	770.58	–
Repayment of short-term borrowings	–	(511.14)
Financial Expenses	(2,118.10)	(2,095.64)
Net cash flow from/ (used in) in financing activities (C)	**(1,941.90)**	**(1,936.90)**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	1,081.40	522.07
Cash and cash equivalents at the beginning of the year	1,521.02	998.95
Cash and cash equivalents at the end of the year (Note 17)	**2,602.42**	**1,521.02**

As per our Report of even date

For, O. P. Bhandari & Co.
Chartered Accountants
Firm Regn. No.: 112633W

O.P. Bhandari
Partner
Membership No.: 34409

Place : Ahmedabad
Date : May 23, 2014

For and on behalf of the Board

Vishal Palkhiwala
Chief Financial Officer

Kalpesh Kumar Mehta
Company Secretary

Narendra G. Somani
Chairman & Managing Director

Devanand G. Somani
Whole-time Director

Hemant G. Somani
Whole-time Director

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

1. Significant Accounting Policies

i. Basis of preparation of Financial Statements:

The financial statements are prepared and presented under the historical cost convention on an accrual basis of accounting in accordance with generally accepted accounting principles in India and are to comply with the applicable accounting standards notified under Section 211 (3C) of the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956, read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. The accounting policies have been consistently applied unless otherwise stated.

ii. Use of Estimates:

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of incomes and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known or materialise.

iii. Fixed Assets:

a) Fixed Assets are stated at cost of construction or acquisition less accumulated depreciation.

b) All other expenses including taxes, duties, freight incurred to bring the fixed assets to working condition is also treated as the cost of the fixed assets. However, cenvat availed in respect of the fixed assets is deducted from the cost of the fixed asset.

c) Depreciation on Fixed Assets is provided on straight line method at the rates and in the manner prescribed in schedule XIV to the Companies Act, 1956.

iv. Investments:

a) Current investments are carried at lower of cost and market value.

b) Long term investments are stated at cost. Provisions for diminution in value of long term investments are made, if the diminution is other than temporary.

v. Impairment of Assets:

As at each Balance Sheet date, the carrying amount of fixed assets is tested for impairment so as to determine:

a) The provision for impairment loss, if any, required or

b) The renewal, if any, required of impairment loss recognized in previous periods. Impairment of loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

vi. Valuation of Inventories:

a) Inventory comprises stock of food and beverages and stores and spares and is carried at lower of cost and net realizable value. Cost includes all expenses incurred in bringing the goods to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and to make the sale.

b) Inventory of Cutlery, crockery, linen & uniform are amortised over the period of twenty four months.

vii. Deferred Revenue Expenditure:

a) Deferred Revenue Expenditure related to windmill has been amortized over a period of twenty years.

b) Deferred Revenue Expenditure other than above (i) is amortized over a period of five years.

viii. Revenue Recognition:

a) Income from Rooms, Banquets, and Restaurant and Other Services represents invoice value of goods sold and services rendered exclusive of all applicable taxes.

b) Revenue from windmill energy generation is accounted for on the basis of units generated against consumption at the Hotel, taking into consideration the energy charges and fuel charges charged by Torrent Power Ltd according to PPA agreement with them.

ix. Foreign Currency Transactions:

Transactions in Foreign Currencies are recorded at the exchange rate prevailing on the date of transaction.

x. Borrowing Cost:

a) Borrowing cost is recognized as expense in the period in which these are incurred.

b) Interest and other borrowing cost on specific borrowings, attributable to qualifying assets are capitalized.

c) Foreign Exchange difference arising on repayment of foreign exchange term loan has been adjusted to interest cost.

xi. Provision for Taxation and Deferred Tax:

a) Provision for Income tax for the current year is based on the estimated taxable income for the period in accordance with the provisions of the Income Tax Act, 1961.

b) Deferred Tax resulting from "timing difference" between book and taxable profit is accounted for using tax rates & tax laws that have been enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset is recognized only to the extent that there is a reasonable certainty that the future taxable profit will be available against which the deferred tax assets can be realized.

xii. Employee Benefits:

a) Gratuity liability is a defined benefit obligation and is recorded based on actuarial valuation on projected unit credit method made at the end of the financial year. The gratuity liability and the net periodic gratuity cost is actuarially determined after considering discount rates, expected long term return on plan assets and increase in compensation levels.

b) Company's contribution to Provident Fund and Employees State Insurance is charged to the statement of profit and loss for the year. The company has no other obligation other than contribution payable.

c) Provision for leave salary has been made as determined by the management.

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

2.1 Share Capital

Particulars	Current Year Number	Current Year ₹ in Lacs	Previous Year Number	Previous Year ₹ in Lacs
Authorised				
Equity Shares of ₹ 10 each	50,000,000	5,000.00	50,000,000	5,000.00
Issued, Subscribed & Paid up				
Equity Shares of ₹ 10 each	29,286,400	2,928.64	29,286,400	2,928.64
Total	29,286,400	2,928.64	29,286,400	2,928.64

2.1.1 Reconciliation of Shares

Particulars	As at March 31, 2014 Number	As at March 31, 2014 ₹ in Lacs	As at March 31, 2013 Number	As at March 31, 2013 ₹ in Lacs
Shares Outstanding at The beginning of the year	29,286,400	2,928.64	29,286,400	2,928.64
Addition/(Deletion) during the year	-	-	-	-
Shares Outstanding at the end of the year	29,286,400	2,928.64	29,286,400	2,928.64

2.1.2 Details of Shareholders Holding more than 5% Shares

Name of Shareholder	As at March 31, 2014 No. of Shares held	As at March 31, 2014 % of Holding	As at March 31, 2013 No. of Shares held	As at March 31, 2013 % of Holding
Narendra Gurmukhdas Somani	5,667,519	19.35	7,897,130	26.97
Rajshah Enterprise Pvt.Ltd.	2,546,648	8.70	2,506,647	8.56
Sanjay Agarwal	2,500,000	8.54	-	-
Real Marketing Pvt. Ltd.	1,725,496	5.89	1,680,031	5.74

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/-, Each holder of equity shares is entitled to one vote per share.

2.2 Reserves & Surplus

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
A. Securities Premium Account		
Opening Balance	7,278.63	7,278.63
Add/(Less) During The Year	-	-
Closing Balance	7,278.63	7,278.63
B. General Reserve		
Opening Balance	620.22	620.22
Add/(Less) During The Year	-	-
Closing Balance	620.22	620.22
C. Surplus		
Opening Balance	3,792.64	3,496.43
Add: Net Profit/(Net Loss) For the current year	184.99	296.21
Closing Balance	3,977.63	3,792.64
Total	11,876.48	11,691.49

2.3 Long Term Borrowing

Particulars	Current Year Non Current Maturities ₹ in Lacs	Current Year Current Maturities ₹ in Lacs	Previous Year Non Current Maturities ₹ in Lacs	Previous Year Current Maturities ₹ in Lacs
Secured Loan				
A) Term Loan				
Indian Rupee Loan from Banks				
- State Bank of India	1,123.52	430.00	450.47	738.48
- ICICI Bank	4,000.00	244.29	3,994.27	250.00
Indian Rupee Loan from Financial Institution	2,652.26	151.31	2,839.02	150.00
Foreign Currency Loan from Banks				
- State Bank of India	2,611.16	–	2,266.23	623.47
	10,386.94	825.60	9,550.00	1,761.95

Particulars	Current Year Non Current Maturities ₹ in Lacs	Current Year Current Maturities ₹ in Lacs	Previous Year Non Current Maturities ₹ in Lacs	Previous Year Current Maturities ₹ in Lacs
B) Other Loan				
Vehicle Loans	32.14	30.52	20.86	37.72
	32.14	30.52	20.86	37.72
Unsecured Loan				
Other Loan	–	222.72	200.00	521.74
	–	222.72	200.00	521.74
Total	10,419.08	1,078.84	9,770.86	2,321.41
Amount disclosed under the head "Other Current Liabilities Current Maturities of Long Term Liabilities" (Note. No. 2.7)		(1,078.84)		(2,321.41)
Total	10,419.08	–	9,770.86	–

2.3.1 Security Particulars of Secured Loans

- **Term Loan from SBI**

i) First pari passu charge over present and future movable and immovable fixed assets at Ahmedabad and Surat properties of the Company.

ii) In addition to the above, the subsidiary company, Lov Kush Properties Pvt. Ltd., has given the corporate guarantee to the limits availed by the company.

iii) The term loans are further guaranteed by the personal guarantee of all executive directors.

- **Term Loan & Working Capital Loan from ICICI**

i) Pari passu charge over present and future movable and immovable fixed assets at Ahmedabad and Surat properties of the Company.

ii) The term loans are further guaranteed by the personal guarantee of all executive directors.

- **Term Loan from Religare Finvest Ltd.**

i) Pari passu charge over present and future movable and immovable fixed assets at Ahmedabad and Surat properties of the Company.

- **Secured Loans from others**

i) Vehicle loans represents loans from Kotak Mahindra Bank Ltd., ICICI Bank Ltd., Kotak Mahindra Prime Ltd., Dhanlaxmi Bank Ltd. and State Bank of India secured by the hypothecation of assets purchased.

2.4 Deferred Tax Liability

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Deferred Tax Liability on account of Accumulated Depreciation	1,686.32	1,426.97
Total	1,686.32	1,426.97

2.5 Short Term Borrowing

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Working Capital Loan		
- Indian Overseas Bank (Secured)	779.38	–
- ICICI Bank (Secured)	1,001.29	1,010.09
Total	1,780.67	1,010.09

2.5.1 Cash Credit from Indian Overseas Bank is secured against guarantee of a sister concern TGB Foods Pvt Ltd and Cash Credit from ICICI Bank is secured by stock and receivable of the Company. The cash credit is repayable on demand. For Further(Refer Point no: 2.3.1)

2.6 Trade Payable

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Trade Payable	2,030.65	1,654.59
Total	2,030.65	1,654.59

2.7 Other Current Liabilities

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
(a) Current Maturities of Long-term Debt	1,048.32	2,283.69
(b) Current Maturities of Vehicle Loan	30.52	37.72
(c) Interest Accrued But Not Due on Borrowings	107.49	127.77
(d) Advances from Customers	1,335.71	1,062.29
(e) Unpaid Dividends	1.06	1.06
(f) Creditors for Capital Expenditure	474.1	492.71
(g) Other Payables *	2,481.83	2,520.22
Total	5,479.03	6,525.46

*other payables include statutory dues and temporary bank o/d

2.8 Short Term Provisions

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
(a) Provision for Taxation	541.45	570.31
(d) Provision for Gratuity	48.64	65.35
Total	590.09	635.66

2.9 Fixed Assets ₹ in Lacs

Sr		GROSS BLOCK				DEPRECIATION				NET BLOCK	
No	PARTICULARS	As on 01/04/13	Addition during the Period	Deduction during the Period	Total as on 31/03/14	Provided Up To 01/04/13	Adjustment	For the Year	Total as on 31/03/14	As on 31/03/14	As on 31/03/13
[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]
	TANGIBLE ASSETS										
1	Land	680.33	–	–	680.33	–	–	–	–	680.33	680.33
2	Building	11,841.65	517.43	–	12,359.08	1,136.21	–	397.25	1,533.46	10,825.62	10,705.44
3	Electrification	2,005.88	6.72	–	2,012.60	270.10	–	95.48	365.58	1,647.02	1,735.78
4	Furniture & Fixtures	7,666.83	272.83	–	7,939.66	1,261.24	–	492.07	1,753.31	6,186.35	6,405.59
5	Plant & Machinery	3,617.97	74.05	–	3,692.02	594.50	–	173.24	767.74	2,924.28	3,023.47
6	Other Equipment	586.87	24.12	–	610.99	77.22	–	28.44	105.66	505.33	509.65
7	Computers & Software	128.70	10.79	–	139.49	73.65	–	21.56	95.21	44.28	55.05
8	Vehicles	389.62	57.57	–	447.18	124.65	–	38.61	163.26	283.92	264.97
9	Television	86.12	–	1.87	84.25	12.56	1.40	4.09	15.25	69.00	73.56
10	Pollution Cont. Plant	6.33	–	–	6.33	1.80	–	0.30	2.10	4.23	4.52
11	Wind Mill Energy	619.21	–	–	619.21	147.12	–	32.69	179.81	439.40	472.08
	TOTAL	27,629.50	963.51	1.87	28,591.14	3,699.05	1.40	1,283.73	4,981.38	23,609.76	23,930.43
	PREVIOUS YEAR	26,857.96	1,444.04	2.76	28,299.24	3,076.19	0.14	1,292.77	4,368.81	23,930.43	23,781.78

2.10 Non-Current Investment

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Non Trade Investment(Unquoted)		
Investment in Subsidiary in Fully Paid Equity Instrument		
31800 (P.Y.31800) Equity Shares of ₹ 10/- Each in Lov Kush Properties Pvt. Ltd.	500.00	500.00
Investment in Others in Fully Paid Equity Instrument		
100 (P.Y.100) Fully Paid Equity Shares of Sheetal Ispat Pvt. Ltd.	0.01	0.01
Total	500.01	500.01
Aggregate amount of unquoted investments	500.01	500.01
Total	500.01	500.01

2.11 Long Term Loans & Advances

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Deposits	544.89	548.04
Total	544.89	548.04

2.12 Other Non Current Assets

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Deferred Revenue Expenditure	277.34	429.04
Total	277.34	429.04

2.13 Inventories

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Raw Material	1,079.98	1,049.08
Other Material		
Cutlery and Crockery	714.96	692.49
Linen	326.56	297.72
Uniforms	235.53	213.09
Utensils	274.80	224.42
Total	2,631.83	2,476.80

2.14 Trade Receivables

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Unsecured and considered good		
(a) Debtors Outstanding for a Period Exceeding Six Months	665.77	574.07
(b) Other Debtors	1,590.44	804.45
Total	2,256.21	1,378.52

2.15 Cash & Bank Balances

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Cash and Bank Balance	2,602.42	1,521.02
Total	2,602.42	1,521.02
Balance with bank includes:		
(i) Bank Guarantee Margin Money With Maturities of More Than 12 month	243.23	130.71
(ii) Bank Deposits With Maturities of More Than 12 Months	121.14	112.25
(iii) Unpaid Dividend	1.06	1.06
Total	365.43	244.02

2.16 Short Term Loans & Advances

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Unsecured and considered good		
Loans & Advances		
- Related Party	884.38	879.30
- Others	373.95	1,662.49
Others *	2,958.47	2,140.35
Total	4,216.80	4,682.14

* Includes Advance to Sundry Creditors, Advance to Staff, Prepaid Expenses, Advance Tax & Tax Credit Receivable

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Private Company in which director is a member (Ref. Note No. 2.24.F)	884.38	879.30
Total	884.38	879.30

2.17 Other Current Assets

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Deferred Revenue Expenditure	151.70	177.76
Total	151.70	177.76

2.18 Revenue from Operation

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Sale of services	15,234.87	15,750.77
Other operating revenues	404.56	650.33
Total	15,639.43	16,401.10

Sale of Services

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Rooms Revenue	2,899.79	1,814.72
Food & Beverage	12,335.08	13,936.05
Total	15,234.87	15,750.77

Other Operating Revenue

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Club Income	104.56	344.04
Scrap Sales	12.54	12.58
Windmill Energy Income	61.27	65.60
Profit on Sale of Fixed Asset	1.55	–
Other Operating Income	224.64	228.11
Total	404.56	650.33

2.19 Other Income

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Interest Received	89.07	190.44
Other Income	106.30	84.66
Total	195.37	275.10

2.20 Food & Beverages Consumed

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Opening Stock	1,049.08	1,019.65
Add: Purchase (Net of Goods Returned)	3,733.92	3,883.90
Less: Closing Stock	1,079.99	1,049.08
Total	3,703.01	3,854.47

2.21 Employees' Emoluments

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Salary Wages & Allowances	1,710.67	1,741.71
Directors Remuneration	102.00	114.00
Contribution to PF, ESI and other fund	91.74	90.82
Leave salary	4.43	10.79
Gratuity	(16.70)	29.43
Welfare Expenses	79.89	40.69
Total	1,972.03	2,027.44

2.22 Finance Cost

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Interest Expenses	2,103.83	2,016.08
Other Borrowing Cost	14.27	79.56
Total	2,118.10	2,095.64

2.23 Other Expenses

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
A. Administrative and Selling Expenses:		
Advertisement and Publicity Charges	228.48	251.32
Assets Discarded	160.14	151.98
Auditor Remuneration	3.00	2.50
Bank Charges	10.78	8.12
Decoration Expenses	613.01	668.90
House Keeping Expenses	134.11	166.98
Insurance Expenses	13.97	21.76
Rates and Taxes	789.83	780.83
Rent	1,000.54	1,118.77
Sitting Fees	1.65	1.60
Miscellaneous Expenses	130.04	178.79
Other Expenses	929.47	967.61
Sub Total (A)	4,015.02	4,319.16
B. Upkeep and Services Cost Expenses:		
Cleaning and Laundry Expenses	255.33	246.62
Upkeeping Charges	524.56	633.49
Power and Fuel	926.66	922.57
Hire Charges	137.42	152.22
Repairs and Maintenance		
- Building	50.53	67.58
- Plant and Machinery	134.03	121.05
- Others	165.04	184.43
Sub Total (B)	2,193.57	2,327.96
Grand Total (A+B)	6,208.59	6,647.12

2.24 Additional Information to Financial Statement

A) Contingent Liabilities :

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
(i) Bank Guarantee Issued to Custom Department for Import Purpose	520.12	520.12
(ii) Demand of Income Tax Raised by the authorities disputed and not acknowledged as due	718.85	110.32
Total	1,238.97	630.44

B) **Auditors Remuneration :**

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
a. Audit Fees	2.50	2.15
b. Tax Audit	0.40	0.25
c. Certification Matters	0.10	0.10
d. Service Tax	0.37	0.31
Total	3.37	2.81

C) **Details of Foreign Currency Transactions :**

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
a. C.I.F. Value of Import	-	-
b. Earning in Foreign Exchange	107.11	94.58
Total	107.11	94.58

D) **Earning Per Share :**

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
a. Net Profit after tax as per Statement of Profit & Loss attributable To Equity Shareholders	184.99	296.21
b. Weighted Average No. of Equity Shares	2,92,86,400	2,92,86,400
c. Face Value Per Equity Share (₹)	10	10
d. Basic & Diluted Earning Per Share	0.63	1.01

E) Employee Benefits :

Consequent upon adoption of Accounting Standard 15 (revised 2005) on "Employee Benefits" issued by the institute of chartered Accountants of India, as required by the standards, the following disclosures are made:

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
1. Expenses recognized in the statement of Profit and Loss account for the year ended 31.03.2014		
Current Service Cost	30.97	18.88
Interest Cost	7.76	5.47
Expected return on plan assets	(2.72)	(2.97)
Net Actuarial (gain) / Loss recognised in the year	(52.71)	8.05
Expenses recognised in statement of profit and Loss	(16.70)	29.43
2. The amounts to be recognised in the balance sheet and statements of Profit and Loss Account		
Present Value of obligations as at the end of year	(79.00)	96.97
Fair value of plan assets as at the end of the year	30.36	31.62
Funded status : Surplus / (Deficit)	(48.64)	(65.35)
Net Asset / (Liability) recognised in balance sheet	(48.64)	(65.35)
3. Changes in present value of obligation		
Present value of obligations as at beginning of year	96.97	68.37
Interest cost	7.76	5.47
Current service cost	30.97	18.88
Benefits paid	(3.29)	(3.27)
Acturial (gain) / Loss on obligations	(53.41)	7.52
Present value of obligations as at the end of the year	79.00	96.97
4. Actuarial Table showing changes in the fair value of Plan Assets		
Fair Value of plan assets at beginning of year	31.62	32.45
Expected return on plan assets	2.72	2.97
Contributions	0.00	0.00
Benefits Paid	(3.29)	(3.27)
Actuarial gain / (Loss) on Plan assets	(0.69)	(0.53)
Fair Value of plan assets at the end of year	30.36	31.62
5. Assumptions used to determine the benefit obligations:		
Discounting Rate	9.31%	8.00%
Expected rate of increase in Salary	5.00%	7.00%
Expected rate of return on Plan Assets	8.70%	9.15%
Indian Assured Lives Mortality (2006-08)		

F) Related Party Transactions :

a) Related Parties and their Relationship:

Name of Related Party	Relationship
New Ramesh Kirana Stores	Entities over which Key Management Personnel are able to exercise significant influence
TGB Foods Pvt. Ltd	Entities over which Key Management Personnel are able to exercise significant influence
TGB Bakers & Confectioners Pvt. Ltd.	Entities over which Key Management Personnel are able to exercise significant influence
Devanand G. Somani HUF	Entities over which Key Management Personnel are able to exercise significant influence
Narendra G. Somani	Key Management Personnel
Devanand G. Somani	Key Management Personnel
Hemant G. Somani	Key Management Personnel
Ramesh K. Motiani	Key Management Personnel
Harshita D. Somani	Relative of Key Management Personnel
Sunita N. Somani	Relative of Key Management Personnel
Neeta H. Somani	Relative of Key Management Personnel
Bhagwati Sales Corporations	Relative of Key Management Personnel

b) Transaction with Related Parties:

Nature of transaction	Entity Under Significant Influence		Key Management Personnel		Relative of Key Mgt. Personnel		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
F & B Purchase	311.44	263.53	–	–	146.09	166.11	457.53	429.64
Rent	–	2.40	–	16.80	150.33	155.12	150.33	174.32
Director's Remuneration	–	–	102.00	114.00	–	–	102.00	114.00
Commercial Transaction	884.38	879.30	–	–	–	–	884.38	879.30

(c) Statement of Material Transactions:

Name of Company	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Purchase of Goods		
Bhagwati Sales Corporations	146.09	166.11
TGB Bakers & Confectioners Pvt. Ltd.	311.44	263.28
Advance given for purchase (Net)		
TGB Bakers & Confectioners Pvt. Ltd.	884.38	366.00
TGB Foods Pvt. Ltd	–	513.30
Rent		
Harshita D. Somani	33.11	37.91
Sunita N Somani	84.11	84.11
Neeta H Somani	33.11	33.11
Devanand G. Somani	–	16.80
Director's Remuneration		
Narendra G. Somani	48.00	60.00
Devanand G. Somani	24.00	24.00
Hemant G. Somani	24.00	24.00
Ramesh K. Motiani	6.00	6.00

G) Segment Reporting :

Since the company has only one segment, there is no separate reportable segment as required in AS-17 issued by the ICAI.

H) Movement of Provision Tax

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Opening Provision	570.31	623.63
Provision made during the year (net off excess provision written back & provision for earlier year)	105.00	147.00
Adjustment during the year with advance tax	(133.86)	(200.32)
Closing Provision	541.45	570.31

I) Since the business of the Company is by way of Food and Beverages, the quantity wise details of purchase, consumption, turnover, stock etc. are not furnished as the items are so large in number that it is not practicable to present.

J) The company had not received any intimation from suppliers regarding their status under the Micro, Small & Medium Enterprise Act, 2006, and hence disclosures, if any, relating to amounts unpaid as the year end together with interest paid or payable as required under said Act, have not been given.

K) In the opinion of the Board, the Current Assets, Loans and Advances are approximately of the value stated, if realized, in the ordinary course of business. Provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.

L) Previous years figures have been regrouped wherever necessary to confirm current year groups.

As per our Report of even date

For, O. P. Bhandari & Co.
Chartered Accountants
Firm Regn. No.: 112633W

O.P. Bhandari
Partner
Membership No.: 34409

Place : Ahmedabad
Date : May 23, 2014

For and on behalf of the Board

Vishal Palkhiwala
Chief Financial Officer

Kalpesh Kumar Mehta
Company Secretary

Narendra G. Somani
Chairman & Managing Director

Devanand G. Somani
Whole-time Director

Hemant G. Somani
Whole-time Director

INDEPENDENT AUDITORS' REPORT

To,

The Board of Directors,

TGB BANQUETS AND HOTELS LIMITED

(Formerly Known as Bhagwati Banquets and Hotels Limited)

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of TGB Banquets and Hotels Limited (the "Company") and its subsidiary Lov Kush Properties Pvt. Ltd., which comprise the consolidated Balance Sheet as at March 31, 2014 and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 presentation of the consolidated financial statements that give true and fair-view 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 consolidated 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 accompanying consolidated 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 consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2014;

(b) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and

(c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For, **O.P. Bhandari & Co**
Chartered Accountants
Firm Reg. No.: 112633W

O.P. Bhandari
Partner
Membership No. 34409

Place : Ahmedabad
Date : May 23, 2014

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2014

(₹ in Lacs)

	Particulars	Note	As at March 31, 2014	As at March 31, 2013
I.	**EQUITY AND LIABILITIES**			
	1. Shareholders' Funds			
	(a) Share Capital	2.1	2,928.64	2,928.64
	(b) Reserves and Surplus	2.2	11,379.66	11,194.67
	2. Non-Current Liabilities			
	(a) Long-Term Borrowings	2.3	10,429.58	9,781.17
	(b) Deferred Tax Liabilities (Net)	2.4	1,686.32	1,426.97
	3. Current Liabilities			
	(a) Short-Term Borrowings	2.5	1,780.67	1,010.09
	(b) Trade Payables	2.6	2,030.65	1,654.59
	(c) Other Current Liabilities	2.7	5,479.61	6,525.96
	(d) Short-Term Provisions	2.8	590.09	635.66
	TOTAL		36,305.22	35,157.75
II.	**ASSETS**			
	1. Non-Current Assets			
	(a) Fixed Assets	2.9		
	(i) Tangible Assets		23,622.48	23,943.15
	(ii) Intangible Assets			
	(iii) Capital Work-in-Progress			
	(b) Non-Current Investments	2.10	0.01	0.01
	(c) Long-Term Loans and Advances	2.11	544.89	548.04
	(d) Other Non-Current Assets	2.12	278.72	430.25
	2. Current Assets			
	(a) Inventories	2.13	2,631.83	2,476.80
	(b) Trade Receivables	2.14	2,256.21	1,378.52
	(c) Cash and Bank Balances	2.15	2,602.58	1,521.08
	(d) Short-Term Loans and Advances	2.16	4,216.80	4,682.14
	(e) Other Current Assets	2.17	151.70	177.76
	TOTAL		**36,305.22**	**35,157.75**
	Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements.
As per our Report of even date

For, O. P. Bhandari & Co.
Chartered Accountants
Firm Regn. No.: 112633W

O.P. Bhandari
Partner
Membership No.: 34409

Place : Ahmedabad
Date : May 23, 2014

For and on behalf of the Board

Vishal Palkhiwala
Chief Financial Officer

Kalpesh Kumar Mehta
Company Secretary

Narendra G. Somani
Chairman & Managing Director

Devanand G. Somani
Whole-time Director

Hemant G. Somani
Whole-time Director

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2014

(₹ in Lacs)

	Particulars	Note	For the year ended March 31, 2014	For the year ended March 31, 2013
I	Revenue from Operations	2.18	15,639.43	16,401.10
II	Other Income	2.19	195.37	275.10
III	**Total Revenue (I + II)**		**15,834.80**	**16,676.20**
IV	**Expenses:**			
	Cost of Materials Consumed	2.20	3,703.01	3,854.47
	Employee Benefits Expense	2.21	1,972.03	2,027.44
	Finance Costs	2.22	2,118.10	2,095.64
	Depreciation and Amortization Expense	2.09	1,283.73	1,292.77
	Other Expenses	2.23	6,208.59	6,647.12
	Total Expenses		**15,285.46**	**15,917.44**
V	**Profit Before Tax (III-IV)**		**549.34**	**758.76**
VI	**Tax Expense:**			
	(1) Current Tax		105.00	147.00
	(2) Deferred Tax		259.35	315.55
VII	**Profit (Loss) for The Period (V-VI)**		**184.99**	**296.21**
VIII	**Earnings Per Equity Share:**			
	(1) Basic		0.63	1.01
	(2) Diluted		0.63	1.01
Significant Accounting Policies		1		

The accompanying notes are an integral part of the financial statements.
As per our Report of even date

For, O. P. Bhandari & Co.
Chartered Accountants
Firm Regn. No.: 112633W

O.P. Bhandari
Partner
Membership No.: 34409

Place : Ahmedabad
Date : May 23, 2014

For and on behalf of the Board

Vishal Palkhiwala
Chief Financial Officer

Kalpesh Kumar Mehta
Company Secretary

Narendra G. Somani
Chairman & Managing Director

Devanand G. Somani
Whole-time Director

Hemant G. Somani
Whole-time Director

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

(₹ in Lacs)

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Cashflow from operating activities		
Profit before tax from continuing operations	549.34	758.76
Add/Less : Adjustments		
Depreciation and amortization expense	1283.73	1292.77
Deficit/ (Surplus) on sale of fixed assets	(1.55)	–
Provision for Gratuity	(16.70)	29.43
Provision for Leave Benefits	1.70	8.10
Finance Cost	2118.10	2095.64
Interest income	(89.07)	(190.44)
Miscellenous Expenditure Written Off	177.76	177.76
Operating profit before working capital changes	**4023.31**	**4172.02**
Movements in working capital :		
Increase/ (decrease) in trade payables	376.06	618.73
Increase/ (decrease) in other current liabilities	194.52	817.05
Decrease / (increase) in current trade receivables	(877.69)	(485.91)
Decrease / (increase) in inventories	(155.03)	(348.21)
Decrease / (increase) in long-term loans and advances	3.15	(28.04)
Decrease / (increase) in short-term loans and advances	465.34	(856.68)
Cash generated from /(used in) operations	4029.66	3888.96
Direct taxes paid (net of refunds)	(133.86)	(200.32)
Net cash flow from/ (used in) operating activities (A)	**3895.80**	**3688.64**
Cash flows from investing activities		
Purchase of fixed assets, including CWIP and capital advances	(963.51)	(1422.81)
Proceeds from sale of fixed assets	2.00	2.76
Increase in other non-current assets	(0.19)	(0.09)
Interest received	89.07	190.44
Net cash flow from/ (used in) investing activities (B)	**(872.63)**	**(1229.70)**
Cash flows from financing activities		
Proceeds from long-term borrowings	(594.15)	669.88
Proceeds from short-term borrowings	770.58	–
Repayment of short-term borrowings	–	(511.14)
Financial Expenses	(2118.10)	(2095.64)
Net cash flow from/ (used in) in financing activities (C)	**(1941.67)**	**(1936.90)**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**1081.50**	**522.04**
Cash and cash equivalents at the beginning of the year	1521.08	999.04
Cash and cash equivalents at the end of the year (Note 17)	**2602.58**	**1521.08**

As per our Report of even date
For, O. P. Bhandari & Co.
Chartered Accountants
Firm Regn. No.: 112633W

O.P. Bhandari
Partner
Membership No.: 34409

Place : Ahmedabad
Date : May 23, 2014

For and on behalf of the Board

Vishal Palkhiwala
Chief Financial Officer

Kalpesh Kumar Mehta
Company Secretary

Narendra G. Somani
Chairman & Managing Director

Devanand G. Somani
Whole-time Director

Hemant G. Somani
Whole-time Director

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

1. Significant Accounting Policies

i. Basis of preparation of Financial Statements:

The financial statements are prepared and presented under the historical cost convention on an accrual basis of accounting in accordance with generally accepted accounting principles in India and are to comply with the applicable accounting standards notified under Section 211 (3C) of the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956, read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. The accounting policies have been consistently applied unless otherwise stated.

ii. Use of Estimates:

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of incomes and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known or materialise.

iii. Principles of Consolidation:

a) The financial statements of the Company and its subsidiary company is combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra group transactions in accordance with Accounting standard(AS) 21 - "Consolidated Financial Statements".

b) The difference between the costs of investment in the subsidiary, over the net assets at the time of acquisition of shares in the subsidiary is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.

c) Company holds certain rights in immovable property by virtue of equity shares held in an associate enterprise as stated in note no.2.9. Since the equity shares so held do not really present financial investment simplicities but rather the means to acquire and hold the properties for use in company's operations, the cost of acquisition of the shares is treated as cost of fixed assets and is dealt with in accordance with Accounting Standard -10. Accordingly the requirements of Accounting Standard-13 on Accounting for Investments Standard -23 on Accounting for Investments in Associates in consolidated financial statements are considered to be not applicable. Even otherwise, the actual effect on consolidated financial statement will not be contextually significant.

iv. Fixed Assets:

a) Fixed Assets are stated at cost of construction or acquisition less accumulated depreciation.

b) All other expenses including taxes, duties, freight incurred to bring the fixed assets to working condition is also treated as the cost of the fixed assets. However, cenvat availed in respect of the fixed assets is deducted from the cost of the fixed asset.

c) Depreciation on Fixed Assets is provided on straight line method at the rates and in the manner prescribed in schedule XIV to the Companies Act, 1956.

v. Investments:

a) Current investments are carried at lower of cost and market value.

b) Long term investments are stated at cost. Provisions for diminution in value of long term investments are made, if the diminution is other than temporary.

vi. Impairment of Assets:

As at each Balance Sheet date, the carrying amount of fixed assets is tested for impairment so as to determine:

a) The provision for impairment loss, if any, required or

b) The renewal, if any, required of impairment loss recognized in previous periods. Impairment of loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

vii. Valuation of Inventories:

a) Inventory comprises stock of food and beverages and stores and spares and is carried at lower of cost and net realizable value. Cost includes all expenses incurred in bringing the goods to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and to make the sale.

b) Inventory of Cutlery, crockery, linen & uniform are amortised over the period of twenty four months.

viii. Deferred Revenue Expenditure:

a) Deferred Revenue Expenditure related to windmill has been amortized over a period of twenty years.

b) Deferred Revenue Expenditure other than above (i) is amortized over a period of five years.

ix. Revenue Recognition:

a) Income from Rooms, Banquets, and Restaurant and Other Services represents invoice value of goods sold and services rendered exclusive of all applicable taxes.

b) Revenue from windmill energy generation is accounted for on the basis of units generated against consumption at the Hotel, taking into consideration the energy charges and fuel charges charged by Torrent Power Ltd according to PPA agreement with them.

x. Foreign Currency Transactions:

Transactions in Foreign Currencies are recorded at the exchange rate prevailing on the date of transaction.

xi. Borrowing Cost:

a) Borrowing cost is recognized as expense in the period in which these are incurred.

b) Interest and other borrowing cost on specific borrowings, attributable to qualifying assets are capitalized.

c) Foreign Exchange difference arising on repayment of foreign exchange term loan has been adjusted to interest cost.

xii. Provision for Taxation and Deferred Tax:

a) Provision for Income tax for the current year is based on the estimated taxable income for the period in accordance with the provisions of the Income Tax Act, 1961.

b) Deferred Tax resulting from “timing difference” between book and taxable profit is accounted for using tax rates & tax laws that have been enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset is recognized only to the extent that there is a reasonable certainty that the future taxable profit will be available against which the deferred tax assets can be realized.

xiii. Employee Benefits:

a) Gratuity liability is a defined benefit obligation and is recorded based on actuarial valuation on projected unit credit method made at the end of the financial year. The gratuity liability and the net periodic gratuity cost is actuarially determined after considering discount rates, expected long term return on plan assets and increase in compensation levels.

b) Company’s contribution to Provident Fund and Employees State Insurance is charged to the statement of profit and loss for the year. The company has no other obligation other than contribution payable.

c) Provision for leave salary has been made as determined by the management.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

2.1 Share Capital

Particulars	Current Year Number	Current Year ₹ in Lacs	Previous Year Number	Previous Year ₹ in Lacs
Authorised				
Equity Shares of ₹ 10 each	50,000,000	5,000.00	50,000,000	5,000.00
Issued, Subscribed & Paid up				
Equity Shares of ₹ 10 each	29,286,400	2,928.64	29,286,400	2,928.64
Total	29,286,400	2,928.64	29,286,400	2,928.64

2.1.1 Reconciliation of Shares

Particulars	As at March 31, 2014 Number	As at March 31, 2014 ₹ in Lacs	As at March 31, 2013 Number	As at March 31, 2013 ₹ in Lacs
Shares Outstanding at The beginning of the year	29,286,400	2,928.64	29,286,400	2,928.64
Addition/(Deletion) during the year	-	-	-	-
Shares Outstanding at the end of the year	29,286,400	2,928.64	29,286,400	2,928.64

2.1.2 Details of Shareholders Holding more than 5% Shares

Name of Shareholder	As at March 31, 2014 No. of Shares held	As at March 31, 2014 % of Holding	As at March 31, 2013 No. of Shares held	As at March 31, 2013 % of Holding
Narendra Gurmukhdas Somani	5,667,519	19.35	7,897,130	26.97
Rajshah Enterprise Pvt.Ltd.	2,546,648	8.70	2,506,647	8.56
Sanjay Agarwal	2,500,000	8.54	-	-
Real Marketing Pvt. Ltd.	1,725,496	5.89	1,680,031	5.74

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/-, Each holder of equity shares is entitled to one vote per share.

2.2 Reserves & Surplus

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
A. Securities Premium Account		
Opening Balance	7,278.63	7,278.63
Add/(Less) During The Year	-	-
Closing Balance	7,278.63	7,278.63
B. General Reserve		
Opening Balance	620.22	620.22
Add/(Less) During The Year	-	-
Closing Balance	620.22	620.22
C. Surplus		
Opening Balance	3,295.82	2,999.61
Add: Net Profit/(Net Loss) For the current year	184.99	296.21
Closing Balance	3,480.81	3,295.82
Total	**11,379.66**	**11,194.67**

2.3 Long Term Borrowing

Particulars	Current Year Non Current Maturities ₹ in Lacs	Current Year Current Maturities ₹ in Lacs	Previous Year Non Current Maturities ₹ in Lacs	Previous Year Current Maturities ₹ in Lacs
Secured Loan				
A) Term Loan				
Indian Rupee Loan from Banks				
- State Bank of India	1,123.52	430.00	450.47	738.48
- ICICI Bank	4,000.00	244.29	3,994.27	250.00
Indian Rupee Loan from Financial Institution	2,652.26	151.31	2,839.02	150.00
Foreign Currency Loan from Banks				
- State Bank of India	2,611.16	0.00	2,266.23	623.47
	10,386.94	**825.60**	**9,550.00**	**1,761.95**

Particulars	Current Year Non Current Maturities ₹ in Lacs	Current Year Current Maturities ₹ in Lacs	Previous Year Non Current Maturities ₹ in Lacs	Previous Year Current Maturities ₹ in Lacs
B) Other Loan				
Vehicle Loans	32.14	30.52	20.86	37.72
	32.14	**30.52**	**20.86**	**37.72**
Unsecured Loan				
Other Loan	10.50	222.72	210.31	521.74
	10.50	222.72	210.31	521.74
Total	**10,429.58**	**1,078.84**	**9,781.17**	**2,321.41**
Amount disclosed under the head "Other Current Liabilities Current Maturities of Long Term Liabilities" (Note. No. 2.7)		(1,078.84)		(2,321.41)
Total	**10,429.58**	**0.00**	**9,781.17**	**0.00**

2.3.1 Security Particulars of Secured Loans

- **Term Loan from SBI**

i) First pari passu charge over present and future movable and immovable fixed assets at Ahmedabad and Surat properties of the Company.

ii) In addition to the above, the subsidiary company, Lov Kush Properties Pvt. Ltd., has given the corporate guarantee to the limits availed by the company.

iii) The term loans are further guaranteed by the personal guarantee of all executive directors.

- **Term Loan & Working Capital Loan from ICICI**

i) Pari passu charge over present and future movable and immovable fixed assets at Ahmedabad and Surat properties of the Company.

ii) The term loans are further guaranteed by the personal guarantee of all executive directors.

- **Term Loan from Religare Finvest Ltd.**

i) Pari passu charge over present and future movable and immovable fixed assets at Ahmedabad and Surat properties of the Company.

- **Secured Loans from others**

i) Vehicle loans represents loans from Kotak Mahindra Bank Ltd., ICICI Bank Ltd., Kotak Mahindra Prime Ltd., Dhanlaxmi Bank Ltd. and State Bank of India secured by the hypothecation of assets purchased.

2.4 Deferred Tax Liability

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Deferred Tax Liability on account of Accumulated Depreciation	1,686.32	1,426.97
Total	**1,686.32**	**1,426.97**

2.5 Short Term Borrowing

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Working Capital Loan		
- Indian Overseas Bank (Secured)	779.38	0.00
- ICICI Bank (Secured)	1,001.29	1,010.09
Total	**1,780.67**	**1,010.09**

2.5.1 Cash Credit from Indian Overseas Bank is secured against guarantee of a sister concern TGB Foods Pvt Ltd and Cash Credit from ICICI Bank is secured by stock and receivable of the Company. The cash credit is repayable on demand.For Further(Refer Point no: 2.3.1)

2.6 Trade Payable

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Trade Payable	2,030.65	1,654.59
Total	**2,030.65**	**1,654.59**

2.7 Other Current Liabilities

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
(a) Current Maturities of Long-term Debt	1,048.32	2,283.69
(b) Current Maturities of Vehicle Loan	30.52	37.72
(c) Interest Accrued But Not Due on Borrowings	107.49	127.77
(d) Advances from Customers	1,335.72	1,062.29
(e) Unpaid Dividends	1.06	1.06
(f) Creditors for Capital Expenditure	474.10	492.71
(g) Other Payables *	2,482.40	2,520.72
Total	**5,479.61**	**6,525.96**

* other payables include statutory dues and temporary bank o/d

2.8 Short Term Provisions

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
(a) Provision for Taxation	541.45	570.31
(d) Provision for Gratuity	48.64	65.35
Total	**590.09**	**635.66**

2.9 Fixed Assets

Sr		GROSS BLOCK				DEPRECIATION				NET BLOCK	
No	PARTICULARS	As on 01/04/13	Addition during the Period	Deduction during the Period	Total as on 31/03/14	Provided Up To 01/04/13	Adjustment	For the Year	Total as on 31/03/14	As on 31/03/14	As on 31/03/13
[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]
	TANGIBLE ASSETS										
1	Land	693.05	–	–	693.05	–	–	–	–	693.05	693.05
2	Building	11,841.65	517.43	–	12,359.08	1,136.21	–	397.25	1,533.46	10,825.62	10,705.44
3	Electrification	2,005.88	6.72	–	2,012.60	270.10	–	95.48	365.58	1,647.02	1,735.78
4	Furniture & Fixtures	7,666.83	272.83	–	7,939.66	1,261.24	–	492.07	1,753.31	6,186.35	6,405.60
5	Plant & Machinery	3,617.97	74.05	–	3,692.02	594.50	–	173.24	767.74	2,924.28	3,023.46
6	Other Equipment	586.87	24.12	–	610.99	77.22	–	28.44	105.66	505.33	509.65
7	Computers & Software	128.70	10.79	–	139.49	73.65	–	21.56	95.21	44.28	55.05
8	Vehicles	389.62	57.57	–	447.18	124.65	–	38.61	163.26	283.92	264.97
9	Television	86.12	–	1.87	84.25	12.56	1.40	4.09	15.25	69.00	73.56
10	Pollution Cont. Plant	6.33	–	–	6.33	1.80	–	0.30	2.10	4.23	4.52
11	Wind Mill Energy	619.21	–	–	619.21	147.12	–	32.69	179.81	439.40	472.08
	TOTAL	27,642.22	963.51	1.87	28,603.86	3,699.05	1.40	1,283.73	4,981.38	23,622.48	23,943.15
	PREVIOUS YEAR	27,367.50	1,444.04	2.76	28,808.78	3,573.01	0.14	1,292.77	4,865.63	23,943.15	23,794.50

2.10 Non-Current Investment

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Non Trade Investment (Unquoted)		
Investment in Others in Fully Paid Equity Instrument		
100 (P.Y.100) Fully Paid Equity Shares of Sheetal Ispat Pvt. Ltd.	0.01	0.01
Total	**0.01**	**0.01**

2.11 Long Term Loans & Advances

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Deposits	544.89	548.04
Total	**544.89**	**548.04**

2.12 Other Non Current Assets

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Deferred Revenue Expenditure	278.72	430.25
Total	**278.72**	**430.25**

2.13 Inventories

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Raw Material	1,079.98	1,049.08
Other Material		
Cutlery and Crockery	714.96	692.49
Linen	326.56	297.72
Uniforms	235.53	213.09
Utensils	274.80	224.42
Total	**2,631.83**	**2,476.80**

2.14 Trade Receivables

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Unsecured and considered good		
(a) Debtors Outstanding for a Period Exceeding Six Months	665.77	574.07
(b) Other Debtors	1,590.44	804.45
Total	**2,256.21**	**1,378.52**

2.15 Cash & Bank Balances

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Cash and Bank Balance	2,602.58	1,521.08
Total	**2,602.58**	**1,521.08**
Balance with bank includes:		
(i) Bank Guarantee Margin Money With Maturities of More Than 12 month	243.23	130.71
(ii) Bank Deposits With Maturities of More Than 12 Months	121.14	112.25
(iii) Unpaid Dividend	1.06	1.06
Total	**365.43**	**244.02**

2.16 Short Term Loans & Advances

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Unsecured and considered good		
Loans & Advances		
- Related Party	884.38	879.30
- Others	373.95	1,662.49
Others *	2,958.47	2,140.35
Total	**4,216.80**	**4,682.14**

* Includes Advance to Sundry Creditors, Advance to Staff, Prepaid Expenses, Advance Tax & Tax Credit Receivable

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Private Company in which director is a member (Ref. Note No. 2.24.F)	884.38	879.30
Total	**884.38**	**879.30**

2.17 Other Current Assets

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Deferred Revenue Expenditure	151.70	177.76
Total	**151.70**	**177.76**

2.18 Revenue from Operation

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Sale of services	15,234.87	15,750.77
Other operating revenues	404.56	650.33
Total	**15,639.43**	**16,401.10**

Particulars of Sale of Services

Sales & Services	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Rooms Revenue	2,899.79	1,814.72
Food & Beverage	12,335.08	13,936.05
Total	**15,234.87**	**15,750.77**

Particulars of Other Operating Revenue

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Club Income	104.56	344.04
Scrap Sales	12.54	12.58
Windmill Energy Income	61.27	65.60
Profit on Sale of Fixed Asset	1.55	–
Other Operating Income	224.64	228.11
Total	**404.56**	**650.33**

2.19 Other Income

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Interest Received	89.07	190.44
Other Income	106.30	84.66
Total	**195.37**	**275.10**

2.20 Food & Beverages Consumed

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Opening Stock	1,049.08	1,019.65
Add: Purchase (Net of Goods Returned)	3,733.92	3,883.90
Less: Closing Stock	1,079.99	1,049.08
Total	3,703.01	3,854.47

2.21 Employees' Emoluments

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Salary Wages & Allowances	1,710.67	1,741.71
Directors Remuneration	102.00	114.00
Contribution to P F, ESI and other fund	91.74	90.82
Leave salary	4.43	10.79
Gratuity	(16.70)	29.43
Welfare Expenses	79.89	40.69
Total	**1,972.03**	**2,027.44**

2.22 Finance Cost

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Interest Expenses	2,103.83	2,016.08
Other Borrowing Cost	14.27	79.56
Total	**2,118.10**	**2,095.64**

2.23 Other Expenses

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
A. Administrative and selling expenses:		
Advertisement and Publicity Charges	228.48	251.32
Assets Discarded	160.14	151.98
Auditor Remuneration	3.00	2.50
Bank Charges	10.78	8.12
Decoration Expenses	613.01	668.90
House Keeping Expenses	134.11	166.98
Insurance Expenses	13.97	21.76
Rates and Taxes	789.83	780.83
Rent	1,000.54	1,118.77
Sitting Fees	1.65	1.60
Miscellaneous Expenses	130.04	178.79
Other Expenses	929.47	967.61
Sub Total (A)	**4,015.02**	**4,319.16**
B. Upkeep and services cost expenses:		
Cleaning and Laundry Expenses	255.33	246.62
Upkeeping Charges	524.56	633.49
Power and Fuel	926.66	922.57
Hire Charges	137.42	152.22
Repairs and Maintenance		
- Building	50.53	67.58
- Plant and Machinery	134.03	121.05
- Others	165.04	184.43
Sub Total (B)	**2,193.57**	**2,327.96**
Grand Total (A+B)	**6,208.59**	**6,647.12**

2.24 Additional Information to Financial Statement

A) Contingent Liabilities :

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
(i) Bank Guarantee Issued to Custom Department for Import Purpose	520.12	520.12
(ii) Demand of Income Tax Raised by the authorities disputed and not acknowledged as due	718.85	110.32
Total	**1,238.97**	**630.44**

B) Auditors Remuneration :

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
a. Audit Fees	2.50	2.15
b. Tax Audit	0.40	0.25
c. Certification Matters	0.10	0.10
d. Service Tax	0.37	0.31
Total	**3.37**	**2.81**

C) Details of Foreign Currency Transactions :

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
a. C.I.F. Value of Import	-	-
b. Earning in Foreign Exchange	107.11	94.58
Total	107.11	94.58

D) Earning Per Share :

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
a. Net Profit after tax as per Statement of Profit & Loss attributable To Equity Shareholders	184.99	296.21
b. Weighted Average No. of Equity Shares	2,92,86,400	2,92,86,400
c. Face Value Per Equity Share (₹)	10.00	10.00
d. Basic & Diluted Earning Per Share	0.63	1.01

E) Employee Benefits :

Consequent upon adoption of Accounting Standard 15 (revised 2005) on "Employee Benefits" issued by the institute of chartered Accountants of India, as required by the standards, the following disclosures are made:

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
1. Expenses recognized in the statement of Profit and Loss account for the year ended 31.03.2014		
Current Service Cost	30.97	18.88
Interest Cost	7.76	5.47
Expected return on plan assets	(2.72)	(2.97)
Net Actuarial (gain) / Loss recognised in the year	(52.71)	8.05
Expenses recognised in statement of profit and Loss	(16.70)	29.43
2. The Amounts to be recognised in the balance sheet and statements of Profit and Loss Account		
Present Value of obligations as at the end of year	(79.00)	96.97
Fair value of plan assets as at the end of the year	30.36	31.62
Funded status : Surplus / (Deficit)	(48.64)	(65.35)
Net Asset / (Liability) recognised in balance sheet	(48.64)	(65.35)
3. Changes in present value of obligation		
Present value of obligations as at beginning of year	96.97	68.37
Interest cost	7.76	5.47
Current service cost	30.97	18.88
Benefits paid	(3.29)	(3.27)
Acturial (gain) / Loss on obligations	(53.41)	7.52
Present value of obligations as at the end of the year	79.00	96.97
4. Actuarial Table showing changes in the fair value of Plan Assets		
Fair Value of plan assets at beginning of year	31.62	32.45
Expected return on plan assets	2.72	2.97
Contributions	0.00	0.00
Benefits Paid	(3.29)	(3.27)
Actuarial gain / (Loss) on Plan assets	(0.69)	(0.53)
Fair Value of plan assets at the end of year	30.36	31.62

5. Assumptions used to determine the benefit obligations:

Particulars	Current Year	Previous Year
Discounting Rate	9.31%	8.00%
Expected rate of increase in salary	5.00%	7.00%
Expected rate of return on Plan Assets	8.70%	9.15%
Indian Assured Lives Mortality (2006-08)		

F) Related Party Transactions :

a) Related Parties and their Relationship:

Name of Related Party	Relationship
New Ramesh Kirana Stores	Entities over which Key Management Personnel are able to exercise significant influence
TGB Foods Pvt. Ltd	Entities over which Key Management Personnel are able to exercise significant influence
TGB Bakers & Confectioners Pvt. Ltd.	Entities over which Key Management Personnel are able to exercise significant influence
Devanand G. Somani HUF	Entities over which Key Management Personnel are able to exercise significant influence
Narendra G. Somani	Key Management Personnel
Devanand G. Somani	Key Management Personnel
Hemant G. Somani	Key Management Personnel
Ramesh K. Motiani	Key Management Personnel
Harshita D. Somani	Relative of Key Management Personnel
Sunita N. Somani	Relative of Key Management Personnel
Neeta H. Somani	Relative of Key Management Personnel
Bhagwati Sales Corporations	Relative of Key Management Personnel

b) Transaction with Related Parties:

Nature of transaction	Entity Under Significant Influence		Key Management Personnel		Relative of Key Mgt. Personnel		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
F & B Purchase	311.44	263.53	–	–	146.09	166.11	457.53	429.64
Rent	–	2.40	–	16.80	150.33	155.12	150.33	174.32
Director's Remuneration	–	–	102.00	114.00	–	–	102.00	114.00
Commercial Transaction	884.38	879.30	–	–	–	–	884.38	879.30

c) Statement of Material Transactions:

Name of Company	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Purchase of Goods		
Bhagwati Sales Corporations	146.09	166.11
TGB Bakers & Confectioners Pvt. Ltd.	311.44	263.29
Advance Given For Purchase (Net)		
TGB Bakers & Confectioners Pvt. Ltd.	884.38	366.00
TGB Foods Pvt. Ltd	–	513.30
Rent		
Harshita D. Somani	33.11	37.91
Sunita N. Somani	84.11	84.11
Neeta H. Somani	33.11	33.11
Devanand G. Somani	–	16.80

Name of Company	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Director's Remuneration		
Narendra G. Somani	48.00	60.00
Devanand G. Somani	24.00	24.00
Hemant G. Somani	24.00	24.00
Ramesh K. Motiani	6.00	6.00

G) Segment Reporting :

Since the company has only one segment, there is no separate reportable segment as required in AS-17 issued by the ICAI.

H) Movement of Provision Tax

Particulars	Current Year ₹ in Lacs	Previous Year ₹ in Lacs
Opening Provision	570.31	623.63
Provision made during the year (net off excess provision written back & provision for earlier year)	105.00	147.00
Adjustment during the year with advance tax	(133.86)	(200.32)
Closing Provision	541.45	570.31

I) Since the business of the Company is by way of Food and Beverages, the quantity wise details of purchase, consumption, turnover, stock etc. are not furnished as the items are so large in number that it is not practicable to present.

J) The company had not received any intimation from suppliers regarding their status under the Micro, Small & Medium Enterprise Act, 2006, and hence disclosures, if any, relating to amounts unpaid as the year end together with interest paid or payable as required under said Act, have not been given.

K) In the opinion of the Board, the Current Assets, Loans and Advances are approximately of the value stated, if realized, in the ordinary course of business. Provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.

L) Previous years figures have been regrouped wherever necessary to confirm current year groups.

As per our Report of even date
For, O. P. Bhandari & Co.
Chartered Accountants
Firm Regn. No.: 112633W

O.P. Bhandari
Partner
Membership No.: 34409

Place : Ahmedabad
Date : May 23, 2014

For and on behalf of the Board

Vishal Palkhiwala
Chief Financial Officer

Kalpesh Kumar Mehta
Company Secretary

Narendra G. Somani
Chairman & Managing Director

Devanand G. Somani
Whole-time Director

Hemant G. Somani
Whole-time Director

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO COMPANY'S INTEREST IN THE SUBSIDIARY COMPANY

	Name of Subsidiary Company	**Lov Kush Properties Pvt. Ltd.**
1.	**Financial year of the Subsidiary Company ends on**	March 31, 2014
2.	**Shares of the subsidiary company held on the above date and extent of holding**	
	a. Equity Shares of ₹ 10 Face Value	31800
	b. Extent of holding	100%
3.	**The Net aggregate amount of the Subsidiary Profit / (Loss) so far as it concerns with the members of TGB Banquets And Hotel Limited**	
	i) Not dealt within the holding company's accounts	
	a) For the financial year of the subsidiary	Not Applicable*
	b) For the previous financial years of the subsidiary/since it became the holding company's subsidiary	Not Applicable*
	ii) Date within the holding company's accounts	
	a) For the financial year of the subsidiary	Not Applicable*
	b) For the previous financial years of the subsidiary/since it became the holding company's subsidiary	Not Applicable*

* The company has not carried out any business activity during the financial year 2012-13 & 2013-14

DETAILS OF SUBSIDIARY COMPANY:

Subsidiary Company particulars as at March 31, 2014. Pursuant to General Circular No. 2011 Dt. 08/02/2011 issued by Ministry of Corporate Affairs

(₹ in Lacs)

Name of Subsidiary Company	Capital	Reserve	Total Assets	Total Liabilities	Turnover	Profit / (Loss) before Tax	Profit after Tax	Proposed Dividend
Lov Kush Properties Pvt. Ltd.	3.18	–	14.24	11.06	–	–	–	–

For and on behalf of the Board

Vishal Palkhiwala
Chief Financial Officer

Narendra G. Somani
Chairman & Managing Director

Kalpesh Kumar Mehta
Company Secretary

Devanand G. Somani
Whole-time Director

Hemant G. Somani
Whole-time Director

Place : Ahmedabad
Date : May 23, 2014

THE GRAND BHAGWATI
HOTELS • BANQUETS • CONVENTIONS • CLUB

TGB BANQUETS AND HOTELS LIMITED

(Formerly Known as Bhagwati Banquets and Hotels Limited)
CIN: L55100GJ1999PLC036830
Registered Office: "The Grand Bhagwati", Plot No. 380, S. G. Road, Bodakdev, Ahmedabad-380054
Ph: 079 26841000 • **Fax:** 079 26840915 • **E mail:** cs@tgbhotels.com • **Website:** www.tgbhotels.com

ATTENDANCE SLIP

NAME AND ADDRESS OF THE SHAREHOLDER :

_____

_____

_____

Folio No.: _____

DP ID: _____

Client ID: _____

No. of Shares: _____

I hereby record my presence at the **15th ANNUAL GENERAL MEETING** of the Company held on Thursday, September 25, 2014 at 10.30 a.m. at "SINDHU BHAVAN" Plot No. 173, 100 ft. Ring Road, off. S. G. Highway, Judges Bungalow Cross Road, Bodakdev, Ahmedabad - 380054.

Name of the Shareholder / Proxy*

_____

Signature of Shareholder / Proxy*

_____

* Strike out whichever is not applicable.

Note: Please fill up this attendance slip and hand over at the entrance of the metting hall.

TGB BANQUETS AND HOTELS LIMITED

(Formerly Known as Bhagwati Banquets and Hotels Limited)

CIN: L55100GJ1999PLC036830

Registered Office: "The Grand Bhagwati", Plot No. 380, S. G. Road, Bodakdev, Ahmedabad-380054

Ph: 079 26841000 • **Fax:** 079 26840915 • **E mail:** cs@tgbhotels.com • **Website:** www.tgbhotels.com

PROXY FORM

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

Name of the Member(s) : _____

Registered address : _____

E-mail Id : _____

Folio No./ Client Id : _____

DP id : _____

I/ We, being Member(s) holding _____ shares of the above named company, hereby appoint:

1. Name :_____ Address :_____

   E-mail Id :_____ Signature :_____or failing him / her

2. Name :_____ Address :_____

   E-mail Id :_____ Signature :_____or failing him / her

3. Name :_____ Address :_____

   E-mail Id :_____ Signature :_____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 15th Annual General Meeting of the Company, to be held on Thursday, September 25, 2014 at 10.30 a.m. at "SINDHU BHAVAN" Plot No. 173, 100 ft. Ring Road, off. S. G. Highway, Judges Bungalow Cross Road, Bodakdev, Ahmedabad- 380054 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description of Resolution
	Ordinary Business
1.	Ordinary Resolution for adoption of the Financial Statements for the financial year ended March 31, 2014 and Reports of the Board of Directors and Auditors thereon
2.	Ordinary Resolution for appointment of a Director in place of Mr. Hemant G. Somani who retires by rotation and being eligible, offers himself for re-appointment
3.	Ordinary Resolution for appointment of M/s O.P. Bhandari & Co., Chartered Accountants, as Statutory Auditors of the Company and to fix their remuneration
	Special Business
4.	Ordinary Resolution for appointment of Mr. Bakul R. Parikh as an Independent Director of the Company
5.	Ordinary Resolution for appointment of Mr. Balveermal Singhvi as an Independent Director of the Company
6.	Ordinary Resolution for appointment of Ms. Anjali Tolani as an Independent Director of the Company
7.	Special Resolution for invitation and acceptance of Fixed Deposits from the Public and Members

Signed this _____ day of _____ 2014

Affix ₹ 1/- Revenue Stamp

Signature of Shareholder :_____

Signature of Proxy holder(s) :_____

_____

Signature of Member

Notes:

A Member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote insted of himself and the Proxy need not be a Member of the Company. The Instrment appointing a Proxy must be received at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

Limitless Luxury with Gujarat's Largest and Most Premium Hospitality Group

TGB Surat is Gujarat's first five-star deluxe hotel with a built up area of 6 lakhs sq.ft., 170 opulent rooms including 8 suites, India's largest in-hotel convention centre with 1 lakh sq.ft. of pillar-less convention space, ballrooms, banquets, decorated conference rooms, impeccably manicured lawns, five restaurants, spa, discotheque, mini theatre and an elite club.

TGB's four-star category hotel in Ahmedabad offers 30,000 sq.ft. of banqueting facilities, the largest in the city, a specialized restaurant and a 24 hours coffee shop.

TGB Seasons, Rajkot offers 7,000 sq.ft. of banqueting space, 2,00,000 sq.ft. of lush green landscaped gardens, 62 luxurious rooms with 5 suites, a speciality restaurant and a coffee shop.

TGB Express - Chain of budget hotels

Well appointed rooms, gourmet restaurant, beautifully decorated and fully equipped banquets serviced with the signature warmth and efficiency of TGB.

Upcoming 5 Star Deluxe Hotel

TGB Indore, a 120-room luxury haven would also have one of the largest banqueting and convention centres in Central India with 40,000 sq.ft. of banqueting space, conference and party halls, 1 lakh sq.ft. of lush green party lawns, 2 restaurants, swimming pool, spa and more such luxury facilities.

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Ahmedabad-380054, Gujarat, INDIA, Ph: 079 26841000, Fax: 079 26840915

Corporate Office:
301, Circle P, Prahaladnagar Garden Road, S.G. Road,
Ahmedabad-380051, Gujarat, INDIA, Ph: 079 26937800, Fax: 079 26937900

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