

T. Spiritual World Ltd.



24th Annual Report
2009 - 2010

T. Spiritual World Ltd.

Board of Directors:	Mr. B. Singh	Whole Time Director
	Mr. A.K. Jain	Director
	Dr. A. A. Sisodia	Director
	Mr. R. Singh	Director
	Mr. M. K. Bothra	Director

Company Secretary Mr Sashi Sekhor Chowdhury

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

Corporate Office: TSW Centre, A-41/A, Road No.1,
Mahipalpur Chowk, New Delhi - 110 037

Auditors: M/s Mohindra Arora & Co.
Chartered Accountants
Mumbai

Registrar & Transfer Agent: Bigshare Services (P) Ltd.
E-2, Ansa Industrial Estate,
Sakivihar Road, Sakinaka,
Andheri (E), Mumbai - 400 072.

From the Chairman's Desk

Dear Shareholders,

The biggest killer in the world today, accounting for over 80% death worldwide, is not war, infection or natural calamities; the biggest killer is modern lifestyle. Lifestyle factors such as lack of physical activities, obesity, Diet, stress and tension, alcohol and smoking innocently manifest themselves as High Blood Pressure, Diabetes, Hyper cholesterol and other ailment, and then without warning, strike fatally as Heart Attack (which accounts for 60% deaths) and cancer (which accounts for 20% deaths).

Wellness is for people who are already well and want to stay that way, slow down the aging process, or keep from becoming new customers of the sickness business. Money spent on wellness is investing in making us stronger and fight the symptoms of ageing. In this era beauty, wellness and healthcare have gained a universal appeal in urban India. One of the main reasons of the popularity of these sectors is the rising disposal income and changing lifestyles of the Indians. In an age where looking and feeling beautiful is given prime importance, these sectors have ushered to meet this rising trend. The beauty services industry, largely unorganized is steadily taking the organized route.

Estimating India's market for "wellness" services at Rs.110 billion (\$2.2 billion), a joint report released by FICCI and Ernst & Young, has projected this industry to grow at an annual rate of 30-35 percent. This growth is expected on the back of favourable market demographics, consumerism, globalisation, changing lifestyles, increasing availability across categories and regions and rising awareness among people.

The report classifies the wellness industry into seven core segments within different products and services, such as allopathy, alternative therapies, beauty, counselling, fitness and slimming, nutrition and rejuvenation. The increasing level of activity is arising from the entry of several providers such as organised Indian and international players, expansion by existing companies, strategic alliances and interest among private equity investors and hospitality and realty industries. The report also shows that across segments, on an average more than 50 percent of the market is unorganised and highly segmented with several small and regional players.

This combination of products and services represents the untapped potential that TSW seeks to address with its exclusive wellness products and services. TSW has so far been very successful in creating a novel position for itself. The Company has already established a reputation among the corporate community and created awareness for a healthier corporate lifestyle.

I am confident that with your unstinting support and the commitment and energy of our employees we will be able to live up to the expectations of our stakeholders including shareholders, customers, governments and all members of the community we operate in.

I'd like to extend my gratitude towards all our shareholders, customers and the staff for their support in shaping the success of our company.

Dr. Alam Ali Sisodia
Chairman

NOTICE

NOTICE is hereby given that the 24th Annual General Meeting of T. Spiritual World Limited will be held on Friday, 24th September 2010 at 3:00 P. M. at P- 91, Bangur Avenue, Block 'B', Kolkata - 700 055 to transact the following business:

ORDINARY BUSINESS:

1. To consider, approve, and adopt the Profit and loss Account of the Company for the year ended 31st March, 2010 and the Balance Sheet as on that date, together with Directors' and Auditors' Report thereon.
2. To appoint a Director in place of Mr. A. A.Sisodia who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr. M.K. Bothra who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting, M/s Mohindra Arora & Co, Chartered Accountants, Delhi, the retiring Auditors, being eligible, offer themselves for reappointment and to fix their remuneration.

SPECIAL BUSINESS:

5. To consider and, if thought fit, to pass with or without modification the following resolution as an ordinary resolution:

"**RESOLVED that** pursuant to provisions of Section 198, 269 and 309 and other applicable provisions, if any, of the Companies Act, 1956(herein after referred as the Act)including schedule XIII of the Companies Act, 1956 consent and subject to the approval of the Members be and is hereby accorded to the re-appointment of Mr. Baldev Singh as Whole Time Director of the Company with effect from 01.07.2010 for the period of three years upon the terms & conditions as recommended by the remuneration committee."

Salary & perquisites per month:

Rs. 16000/-Salary.

Rs.5000/- other benefits (perquisites)

"**RESOLVED further that** the Board be and is hereby authorized to execute all such documents writing and agreement and to do all such acts, deeds matters and things as may be required or expedient for giving effect to this resolution".

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

Place : Kolkata

Date : 20/08/2010

(B. Singh)

Whole Time Director

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and such proxy need not be a member of the company.
2. Proxies in order to be effective must be received at the Company's registered office at 1st floor, 4, Netaji Subhas Road, Kolkata - 700 001 not less than 48 hours before the time fixed for the meeting.
3. Members who are holding Company's shares a Dematerialized form are required to bring details of their depository account number for identification.
4. Register of Members and Share Transfer Books shall remain closed from 20/09/2010 to 24/09/2010 (Both days inclusive).
5. Member are requested to kindly notify immediately change if any in their address to the Company.
6. All documents referred to in the accompanying notice are open for inspection at the registered office of the company on all working days, except Sundays between 11.00 A.M. to 1.00 P.M.
7. Explanatory statement pursuant to Section 173 (2) of the Companies Act, 1956, in respect of the Business above is annexed hereto.
8. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions to the Secretary/ Director of the Company so as to reach at least seven days before the date of the meeting, so that the information required may be made available at the meeting to the best extent possible.

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

Item No.5

At the meeting of Board of Director of the Company held on 30th July 2010, Mr. Baldev Singh was re-appointment of Whole Time Director for the period of three years and payment terms of remuneration was recommended by remuneration committee. With vast experience in the various fields, the Company has immensely benefitted towards the ongoing growth of the Company. The Directors are of the view that re appointment of Mr. Baldev Singh will be beneficial to the operation of the Company. It is therefore proposed to re appoint him as Whole Time Director for the period of three years thereby approving the terms and conditions of such reappointment.

The terms and conditions of his re appointment are as follows:

Tenure of agreement

The re-appointment of Mr Baldev Singh has been made for the period of three years from 01/07/2010 to 30/06/2013.

Nature of duties

Mr. Baldev Singh shall perform as Director and exercise such powers from time to time be entrusted to him subject to the superintendence and contract of the Board of Directors of the Company.

Remuneration

Salary & Perquisites per month:

Rs.16000/-Salary

Rs.5000/- other benefits (perquisites)

Except for Mr. Baldev Singh no other Directors is in any way concerned or interested in the Resolution.

The Board of Director recommends the resolution(s) set out at Item No. 5 of the accompanying Notice for approval of the Members.

Appointment /Re appointment of Directors

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

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

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

Mr. M.K. Bothra is having vast experience in the field of accounts, financial matters administration, etc.

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DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the 24th Annual Report together with the Audited Statement of Accounts and the Auditors Report of your company for the year ended 31st March 2010. The Financial highlights for the year under review are given below:

FINANCIAL RESULTS

(Rs. In Lacs)

Particulars	31st March, 2010	31st March, 2009
Total Income	2788.50	3134.79
Profit Before Depreciation and Tax	87.41	82.88
Less : Depreciation	50.49	37.68
Profit Before Taxation	36.92	45.20
Less : Provision for Tax	11.30	10.37
Profit after Tax	25.62	34.83
Add: Balance of Profits for earlier years	412.11	377.28
Balance available for Appropriation	437.73	412.11

DIVIDEND

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

PERFORMANCE

Total Revenue of your Company is Rs.2788.50 lacs in Financial Year 2009-10 compared to Rs. 3134.78 lacs during Financial Year 2008-09. The Net Profit generated by the Company during the year under review is Rs.25.62 lacs, as compared to the previous years Rs. 34.83 lacs.

FUTURE OUTLOOK

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

The company has already diversified into the spirituality sector and intends to set-up various business divisions. But, looking at the current economic scenario of the country, the company intends to go slow in setting up its various divisions. Wellness is a capital intensive business. Overall future of wellness sector shall remain positive but with certain restrictions.

DIRECTORS

In accordance with the provision of the Companies Act 1956, Mr. A.A.Sisodia and Mr M.K.Bothra, Directors of the company retires by rotation and eligible for re-appointment.

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AUDITORS & AUDITORS OBSERVATIONS

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

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

CORPORATE GOVERNANCE

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

MANAGEMENT DISCUSSION AND ANALYSIS

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

HRD INITIATIVES

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

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

QUALITY INITIATIVES

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

FIXED DEPOSITS

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

DIRECTORS RESPONSIBILITY

The Directors confirm that:

- (i) In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departure;
- (ii) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are prudent so as to give a true and fair view of the state of affairs of the company

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at the end of the financial year 31st March 2010 and of the profit or loss of the company for that period;

- (iii) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) The directors had prepared the annual accounts on a going concern basis.

TECHNOLOGY, R&D AND FOREIGN EXCHANGE

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

ACKNOWLEDGEMENT

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

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

**Place : Kolkata
Date : 20/08/2010**

**(B. Singh)
Whole Time Director**

ANNEXURE TO THE DIRECTORS' REPORT

A. CONSERVATION OF ENERGY

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

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

B. RESEARCH AND DEVELOPMENT

a) The Company's R&D Effort

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

b) Benefits of R&D Efforts

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

c) Future Plan on R&D

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

d) Expenditure on R&D

NIL

C. FOREIGN EXCHANGE EARNING AND OUTGO

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

Company Profile

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

The Company initially started from Kolkata but now has offices in Mumbai, Delhi and Meerut also. The company is a successfully managed and profit making public limited company. The Company has two main business divisions

- Wellness Products & Services
- IT & Software Development

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

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

Wellness Products & Services

Products

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

Services

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

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

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

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Our Wellness Programs have been conducted at

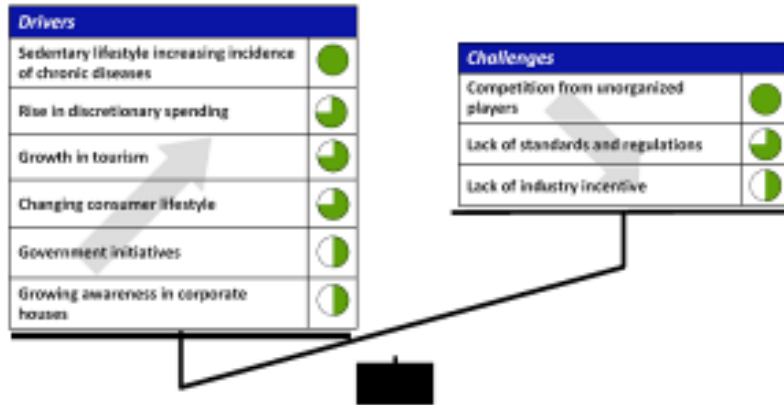


Industry Structure & Development

The rise in discretionary expenditure and changing consumer lifestyle is expected to fuel the demand for wellness services. The wellness sector in India is witnessing the entry of global players to capitalize on the rising growth opportunities in the market. The Wellness Service Market is valued at INR 110 bn in 2009 and is forecasted to grow at about 33%. Market comprises of three segments namely, beauty and rejuvenation, slimming and fitness, and alternative treatments.

Going by World Bank's predictions, the global wellness industry is going to be a trillion-dollar economy and the market size of the herbal medicines alone will be a whopping US\$5 trillion by 2050. Ayurveda, India's contribution to the humanity's total wellbeing and longevity, will be at the forefront of the herbal renaissance. India's potential in Ayurveda space is huge. It has 15 Agroclimatic zones and have about 45,000 plant species.

Currently, the Indian herbal market size is estimated at Rs.7000 crore. The country is exporting Rs.3600 croreworth of herbal raw materials and medicines. There are authentic Ayurveda hospitals and resorts, some of them figuring in top 10 medical tourism destinations of the world. Indian wellness industry is forecast to grow at CAGR of 20-25%. Its spa industry, with over 2,300 spas, generates revenues around US\$ 400 million annually.



OPPORTUNITY AND THREAT

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

OUTLOOK

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

RISK AND CONCERNS

Unregulated entry of small time operators having no or little technology base may spoil the goodwill of the Indian IT industry in the international market. The attention of the Central Government has already been drawn to such possible threats and the Government has already taken necessary regulatory steps to maintain overseas and international acceptance of Indian supremacy in IT sector.

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

RESEARCH AND DEVELOPMENT

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

HUMAN RESOURCE DEVELOPMENT & INDUSTRIAL RELATION

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

CAUTIONARY STATEMENT

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

CORPORATE GOVERNANCE

Company's Philosophy on code of Governance:

The Board has adopted the principles of good Corporate Governance in line with the requirements of the Corporate practices enumerated in clause 49 of the listing agreement entered into by the Company with the Stock Exchange. The Company always believes to achieve optimum performance at all levels in adopting good corporate performance and its aim to achieve greater transparency by making adequate disclosure.

Board of Directors:

The Board of Directors along with its committees provides leadership and guidance to the Company's management and directs, supervises and controls the performance of the Company. The Board of Directors presently comprises of 5 Directors, out of which 4 are Non-Executive Directors and two of them are Non-Executive Independent Directors. The Company has a Non- executive Chairman and members of Independent Directors are more than one third of the total numbers of Directors. The numbers of Non-executive Directors are more than 50% of the total number of Directors. None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees.

During financial year 2009-2010, the meetings of Board of Directors were held on 30/4/2009, 22/05/2009, 29/07/2009, 18/08/2009, 27/10/2009 and 29/01/2010. The meetings of the Board of Directors are generally held once in a quarter and are scheduled well in advance.

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

Number of Directorship held:

Name of Director	Category	No. of Board Meeting Attended	Attendance at Last AGM	No. of Other Directorship	No. of Other Committee Membership
Mr. B. Singh	Whole Time Director	6	Yes	1	Nil
Mr. A. K. Jain	Non-Executive Director	5	Yes	4	4
Dr. A. A. Sisodia	Non-Executive Independent Director	6	Yes	1	1
Mr. R. Singh	Non-Executive Director	4	Yes	1	1
Mr. M. K. Bothra	Non-Executive Independent Director	4	No	2	2

Particulars about the Directors who are retiring by the rotation and eligible for reappointment have been given in the notice.

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Code of conduct:

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

Audit Committee:

The Audit Committee comprises of three Non-Executive/ Independent Directors, all of them are financially literate and have relevant finance and /or audit exposure. The committee appointed Dr. A. A. Sisodia as Chairman of the Audit Committee who has knowledge of finance and accounting. The quorum of the committee is two members or one third of its members, whichever is higher. During financial year 2009 - 2010, the audit committee meeting was held four times i.e., 28/04/2009, 20/05/2009, 27/07/2009, 23/10/2009 and 27/01/2010.

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

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

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

Name of the Members	Category	No. of Meeting Attended
Dr. A. A. Sisodia	Non-Executive Independent Director	4
Mr. A. K. Jain	Non-Executive Director	4
Mr. M. K. Bothra	Non-Executive Independent Director	3

Share Holders / Investors Grievances Committee:

The Investors Grievance committee consists of three Directors as its members, viz., Mr. M. K. Bothra, Mr. A.K.Jain, and Dr. A.A. Sisodia. Dr. A.A. Sisodia, an Independent Director is the Chairman of shareholders/ investor grievance committee and Mr. B. Singh, Whole Time Director is acting as Compliance Officer at present. The committee is responsible to oversee and review all matters connected with transfer and transmission of shares, issue of duplicate share certificates etc. The committee monitors replies to investor's

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complaints, queries and requests relating to transfer of shares, non-receipt of share certificates, non receipt of declared dividends, Annual Reports, etc. During the year, the committee met four times with all the members attending the meeting. The committee has sorted out all complaints queries received from shareholders / investors during the year ended 31/03/2010.

Remuneration Committee:

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

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

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

During FY 2009-2010, the remuneration committee met two times and all the members of the committee were present in each of the meeting.

The composition and attendance record of the Compensation Committee is given in below table.

Name of the Members	Category	No. of Meeting Attended
Dr. A. A. Sisodia	Non-Executive Independent Director	2
Mr. A. K. Jain	Non-Executive Director	2
Mr. M. K. Bothra	Non-Executive Independent Director	1

Remuneration of Director

The sitting fees for attending of each meeting of the Board of Directors of the Non-executive/ Independent Directors of the Company will be decided by the remuneration committee. During the year under review, company has paid remuneration to its Non-executive/ Independent Directors. There is no pecuniary relationship or transaction of the Company with its Non-executive Directors/ Independent Director other than payment of sitting fees @ Rs 500/- per meeting to them for attending of board and committee meeting. The details of remuneration of Mr. B. Singh (Whole-Time Director) are as under:

Name of Director	Salary cum Allowances	Stock Benefits	Service Contract Tenure
Mr. Baldev Singh	Rs.120000/-	Nil	3Year

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General Body Meeting:

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

Year	AGM/ EGM	Date	Time	Place
2008 - 2009	AGM	24/09/2009	10:00 A.M.	Shivam Conference Hall, B-267 Bangur Avenue, Kolkata - 700 055
2007 - 2008	AGM	30/09/2008	10:00 A.M.	Shivam Conference Hall, B-267 Bangur Avenue, Kolkata - 700 055
2007 - 2008	EGM	14/02/2008	10:00 A.M.	Shivam Conference Hall, B-267 Bangur Avenue, Kolkata - 700 055
2006 - 2007	AGM	21/12/2007	10:00 A.M.	Shivam Conference Hall, B-267 Bangur Avenue, Kolkata - 700 055

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

Disclosure

There is no non-compliance with the regulations; no penalties or strictures have been imposed on the company by the Stock Exchanges, SEBI or any other authority on any matter relating to the capital markets during the last three years.

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

The Company has not issued any GDRs /ADRs /Warrants/ Equity share or any Convertible instruments during the year.

Non - Mandatory Requirements

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

Means of Communication

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

CEO Declaration

As required by Clause 49 of the Listing Agreement, the CEO i.e., the Whole Time Director's declaration on

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compliance of the Company's code of conduct is provided as an Annexure to this Report.

General Share Holder Information:

1. Compliance Officer
Mr. B. Singh (Whole Time Director)
4, N.S.Road, 1st Floor,
Kolkata - 700 001

2. Annual General Meeting
 - a. Date & Time
Friday, 24/09/2010 At 3.00 P.M.

 - b. Venue
P-91, Bangur Avenue, Block - "B"
Kolkata - 700 055

 - c. Financial Calendar
Quarterly Results
First Quarter
Second Quarter
Third Quarter
Fourth Quarter
1st April to 31st March
July
October
January
April

 - d. Date of Book Closure
20/09/2010 to 24/09/2010

 - e. Listing on Stock
1. The Calcutta Stock Exchange
Association Limited, Kolkata
2. Bombay Stock Exchange Ltd., Mumbai
Listing fees in respect of all the above Stock
Exchange have been paid for the year 2010 - 2011

 - f. Stock Code
532444 (At BSE)
15091 (At CSE)

 - g. Demat ISIN in NSDL & CDSL
for equity shares
INE541C01037

 - h. Registrar and Share Transfer Agent
(For Physical & Dmat Segment)
Bigshare Services Pvt.Ltd.
E/2, Ansa Ind. Estate, Sakivihar Road,
Sakinaka, Andheri (E), Mumbai - 400 072
Tel. : 28470652
Fax : 28475207

 - i. Dividend
No dividend has been recommended by the
Board of Directors for the FY 2009-10

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- j. Market Price data high, low & Volume at BSE during each month in last financial year is given below :

Months	High	Low	Volume
April 2009	2.21	1.17	189223
May 2009	3.58	1.55	486228
June 2009	4.02	2.35	433471
July 2009	2.79	1.93	268644
August 2009	2.60	2.07	279244
September 2009	2.95	2.04	510313
October 2009	3.68	2.20	555510
November 2009	2.68	2.10	367662
December 2009	3.39	2.35	424321
January 2010	3.98	2.53	1001591
February 2010	3.40	2.41	252036
March 2010	3.10	2.03	308573

Share Transfer System:

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

Dematerialisation of Shares:

The Company's shares are compulsorily traded in dematerialised form and are available for trading on both the depositories with NSDL/ CDSL. About 99.987% (approx) of total equity share capital is held in Dmat form with NSDL & CDSL as at 31st March 2010.

Distribution of Shareholdings

Categories of Shareholders as on 31/03/2010

Category	No. of Shareholders	No. of Shares	% of Equity Capital
Promoters	7	3316280	16.580
Other Bodies Corporate	344	3133583	15.666
Individual / Others	16421	13552137	67.754
Total	16772	2,00,02,000	100.00%

T. Spiritual World Ltd.

Distribution of Shareholdings as on 31/03/2010

Amount of Equity Share held	No. of Shareholders	% of Shareholders	Total Holding	% of Shares
1 - 500	11531	68.75	2368638	11.84
501 - 1000	2764	16.48	2300007	11.50
1001 - 2000	1347	8.03	2220983	11.10
2001 - 3000	372	2.22	967368	4.84
3000 - 4000	236	1.41	879212	4.40
4001 - 5000	127	0.76	602953	3.01
5001 - 10000	217	1.29	1628418	8.14
10001 - above	178	1.06	9034421	45.17
Total	16772	100	20002000	100

DECLARATION

As required under Clause 49 of the Listing Agreement, I, Baldev Singh, Whole Time Director of the Company hereby affirm that all the Board members and Senior Management personnel have confirmed compliance with the code of conduct, as applicable to them for the year ended 31st March 2010.

Place: Kolkata
Date : 27 May 2010

(Baldev Singh)
Whole Time Director

T. Spiritual World Ltd.

Certificate on Corporate Governance
(under Clause 49 of the Listing Agreement)

To
The Members of
T. Spiritual World Limited

We have examined the compliance of conditions of Corporate Governance by T. Spiritual World Limited for the year ended 31st March 2010, as stipulated in Clause No.49 of the listing agreement of the said company with stock exchanges.

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

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

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

For Mohindra Arora & Co.
(Chartered Accountants)

Place : Mumbai
Date : 27 May 2010

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

T. Spiritual World Ltd.

AUDITORS' REPORT

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

We have audited the attached Balance Sheet of M/s. T. Spiritual World Ltd. Kolkata as at 31st March, 2010, Profit & Loss Account and also the cash flow statement for the period ended on that date annexed thereto. These financial statements are the responsibility of the management of the company. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Company Law Board in terms of Section 227 (4-A) of the Companies Act, 1956, we enclosed in the Annexure a statement on the matters specified in Paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above:
 - a) We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our Audit.
 - b) In our opinion, proper books of account as required by Law have been kept by the Company so far as appears from our examination of the books.
 - c) The attached Balance Sheet, Profit and Loss Account and cash flow statement dealt with by this report are in agreement with the books of accounts.
 - d) In our opinion, the Balance Sheet, the Profit and Loss Account and cash flow statement dealt with this report comply with the Accounting Standard referred to in section 211 (3C) of the Companies Act, 1956 to the extent applicable.
 - e) On the basis of written representations received by us from the Directors of the Company as at 31st March 2010 and taken on record by the Board of Directors. We report that none of directors are disqualified as on 31st March 2010 from being appointed as Director of the Company under clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

T. Spiritual World Ltd.

- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies, Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principle generally accepted in India: -
- (i) In the case of the Balance Sheet, of the State of Affairs of the Company as at 31st March 2010 and
 - (ii) In the case of Profit & Loss Account, of the Profit of the Company for the period ended on that date.
 - (iii) In case of Cash-flow statement of the cash flows for the period ended on that date.

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

**Place: Mumbai
Date: 27 May 2010**

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

T. Spiritual World Ltd.

Annexure to Auditors' Report

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

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

T. Spiritual World Ltd.

- b. In absence of competitive quotations and comparable prices and having regards to the specialised nature of items purchased or sold, we are unable to comment upon the reasonableness of prices at which such transactions have been entered, having value exceeding Rs.500,000/- or more in the financial year under audit.
6. The Company has not accepted any deposit from the public to which the provision of Sec 58A and 58AA of the Companies Act, 1956, and the Companies (Acceptance of Deposit) Rules, 1975 apply
7. In our opinion, the company has an adequate internal audit system commensurate with the size of the Company and nature of its business.
8. We are informed that the Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 for any of the services rendered by the Company.
9. In respect of statutory dues:
 - a. According to the records of the Company, undisputed statutory dues including provident fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as on 31st March 2010 for a period of more than six months from the date of becoming payable.
 - b. In our opinion and according to the information and explanations given to us, there is no disputed statutory dues' pending before appropriate authorities.
10. The Company has not having any accumulated losses and has not incurred any cash losses during the financial year and the immediate preceding financial year covered by our audit.
11. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulter in repayment of dues to financial institutions, bank or debenture holder.
12. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on basis of security by way or pledge of shares, debentures and other securities.
13. In our opinion the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
14. According to the information and explanation given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.

T. Spiritual World Ltd.

15. The Company has not given any guarantees for loans taken by other from banks or financial institutions.
16. The Company has not raised any term loans during the year.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that the Company has not utilized the funds raised on short term basis towards long-term borrowings and investment and vice versa.
18. During the year, the Company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not issued any debenture.
20. The Company has not raised the Money through ADRs/ GDRs/ FCCB or Convertible warrants etc during this period.
21. The Company has not raised any money by way of public issue during the year.
22. According to the information and explanation given to us no fraud on or by the Company has been noticed or reported during the year.

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

**Place: Mumbai
Date: 27 May 2010**

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

T. Spiritual World Ltd.

BALANCE SHEET AS ON 31st MARCH, 2010

	SCHEDULE	31st March 2010 Rupees	31st March 2009 Rupees
<u>SOURCES OF FUNDS</u>			
SHARE HOLDERS' FUND			
Share Capital	A	200,020,000	200,020,000
Reserve & Surplus	B	54,937,934	52,376,000
	TOTAL	254,957,934	252,396,000
<u>APPLICATION OF FUNDS</u>			
FIXED ASSETS			
Gross Block	C	40,055,834	31,140,507
Less: Depreciation		26,587,415	21,538,491
NET ASSETS		13,468,418	9,602,016
INVESTMENTS		42,888,000	42,888,000
CURRENT ASSETS, LOANS & ADVANCES			
Inventories & Work in Progress	D	94,643,305	94,397,451
Sundry Debtors		41,450,224	46,102,365
Cash & Bank Balances		985,716	922,964
Loans & Advances		64,901,826	62,192,608
		201,981,071	203,615,388
Less: Current Liabilities & Provisions	E	3,379,556	3,709,403
NET CURRENT ASSETS		198,601,515	199,905,984
	TOTAL	254,957,934	252,396,000
Significant Accounting Policies & Notes to the Accounts	I		

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

As per our attached report on even date

For Mohindra Arora & Co.
Chartered Accountants

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

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

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

Place: Mumbai
Date: 27 May 2010

(Sashi Sekhor Chowdhury)
Company Secretary

T. Spiritual World Ltd.

PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED ON 31st MARCH, 2010

	SCHEDULE	31st March 2010 Rupees	31st March 2009 Rupees
INCOME			
Software Sales & Services	F	277,685,029	310,906,746
Other Income	G	919,196	899,782
Increase/ (Decrease) in Stock		245,854	1,672,092
		278,850,079	313,478,620
EXPENDITURE			
Purchases / Cost of Operation		261,635,138	296,687,125
Administration & Selling Exp.	H	8,473,817	8,503,910
		270,108,955	305,191,035
Profit Before Depreciation		8,741,124	8,287,585
Less: Depreciation		5,048,924	3,767,823
Profit Before Taxation		3,692,199	4,519,761
Less : Provision for Taxation		1,247,127	1,536,267
Provision for Fringe Benefit Tax		-	44,146
Provision for Deferred Tax		(116,861)	(543,352)
Profit After Taxation		2,561,933	3,482,700
Add: Profit brought forward from Previous Year		41,210,586	37,727,886
Add : Previous Year Adjustments		-	-
BALANCE CARRIED TO BALANCE SHEET		43,772,520	41,210,586
EARNING PER SHARE			
- Face Value (Rs.)		10.00	10.00
- Basic and Diluted (Rs.)		0.13	0.17
Significant Accounting Policies & Notes to the Accounts	I		

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

As per our attached report on even date

For Mohindra Arora & Co.
Chartered Accountants

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

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

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

Place: Mumbai
Date: 27 May 2010

(Sashi Sekhor Chowdhury)
Company Secretary

T. Spiritual World Ltd.

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

	31st March 2010 Rupees	31st March 2009 Rupees
SCHEDULE 'A'		
SHARE CAPITAL		
AUTHORISED CAPITAL		
23,010,000 Equity Shares of Rs.10/-each	230,100,000	230,100,000
	230,100,000	230,100,000
ISSUED, SUBSCRIBED & PAID UP		
20,002,000 Equity Shares of Rs.10/-each fully paid up	200,020,000	200,020,000
	200,020,000	200,020,000
SCHEDULE 'B'		
RESERVE & SURPLUS		
Share Premium	9,985,000	9,985,000
General Reserve	1,180,414	1,180,414
Profit & Loss Account	43,772,520	41,210,586
	54,937,934	52,376,000
SCHEDULE 'D'		
CURRENT ASSETS, LOANS & ADVANCE		
A) CURRENT ASSETS		
INVENTORIES		
(As valued, certified & taken by the management)		
i) Finished Goods	68,903,745	69,462,750
ii) Work in Progress (Software Projects under Development)	25,739,560	24,934,701
SUNDRY DEBTORS		
(Unsecured Considered Good)		
Others	30,754,489	33,896,350
More than six months	10,695,735	12,206,015
CASH AND BANK BALANCE		
(as certified by the management)		
Cash in Hand &	925,056	922,964
Balance in Current A/c with Scheduled Banks	60,661	
TOTAL (A)	137,079,245	141,422,780
B. LOANS & ADVANCES		
Unsecured Loan (Considered good)	7,928,750	8,671,500
Advances recoverable in cash or in kind or for the value to be received		
Advances (Others)	56,443,790	52,991,822
Income Tax & TDS	529,286	529,286
TOTAL (B)	64,901,826	62,192,608
TOTAL (A + B)	201,981,071	203,615,388

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

FIXED ASSETS	Cost as on 1.4.2009	Addition during the year	Total as on 31.3.2010	Depreciation as on 1.04.2009	Depreciation for the year	Depreciation as on 31.03.2010	Net Assets as on 31.03.2010	Net Assets as on 31.03.2009
Computers & Accessories	22384833	4539200	26924033	18259979	3465622	21725601	5198432	4124854
Furniture & Fixtures	3970291	2839425	6809716	1733099	918868	2651967	4157749	2237192
Air Conditioners	1556963	866230	2423193	477969	270581	748549	1674644	1078994
Office Equipments	3228420	670472	3898892	1067444	393854	1461299	2437593	2160976
Total	31140507	8915327	40055834	21538491	5048924	26587415	13468418	9602016
Previous Year	27061152	4079355	31140507	17770667	3767823	21538491	9602016	

T. Spiritual World Ltd.

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

	31st March 2010 Rupees	31st March 2009 Rupees
SCHEDULE 'E'		
CURRENT LIABILITIES & PROVISIONS		
A) CURRENT LIABILITIES		
Creditors for Expenses	385,110	264,810
B) PROVISIONS		
For Taxation	1,247,127	1,536,267
For Fringe Benefit Tax	-	44,146
For Deferred Taxation	1,747,319	1,864,180
	3,379,556	3,709,403
SCHEDULE 'F'		
INCOME FROM SOFTWARE SALES		
Domestic Software Sales	186,525,610	209,618,435
Software Consultancy	6,503,852	7,194,247
Software System Services	1,593,627	1,706,524
Spiritual Software & Products Sales	83,061,940	92,387,540
	277,685,029	310,906,746
SCHEDULE 'G'		
OTHER INCOME		
Misc. Income	205,608	119,347
Interest Income	713,588	780,435
	919,196	899,782
SCHEDULE 'H'		
ADMINISTRATIVE & GENERAL EXPENSES		
Advertisement Expenses	393,150	276,470
Auditors Remuneration	60,665	22,060
Bank Charges	3,568	6,271
Books & Periodicals	116,310	117,047
Conveyance & Travelling	389,351	373,492
Consultancy Fees	352,500	325,750
Directors Remuneration	120,000	120,000
Filing Fees	220,226	2,500
General Expenses	341,931	371,005
Listing Fees	91,825	86,417
Professional Fees	264,720	240,000
Postage & Courier	264,920	239,347
Printing & Stationary	258,317	210,743
R&T, Connectivity and Dmat Charges	215,109	117,104
Rent, Taxes & Service Charges	422,816	478,694
Salary & Bonus	3,407,806	4,036,705
Selling & Distribution Expenses	702,634	692,753
Software Maintenance	316,372	278,319
Staff Welfare Expenses	237,278	223,471
Telephone & Connectivity Expenses	294,319	285,762
	8,473,817	8,503,910

SCHEDULE - 'I'

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS:

(A) SIGNIFICANT ACCOUNTING POLICIES:

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

T. Spiritual World Ltd.

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

10. Provisions, Contingent Liabilities and Contingent Assets :

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

(B) NOTES ON ACCOUNTS:

1. Related Party Disclosures

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

2. Key Management Personnel

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

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

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

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

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

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

8. The Company is developing software for marketing in domestic markets. Out of many software projects under development at the commencement of the financial year 2009-2010, the company has

T. Spiritual World Ltd.

completed some projects and sold / delivered the same, the cost of which has been taken to the profit and loss account. Since the revenue generation begins after the completion of the software projects / products, the company is of the view that development expenditure on the unfinished / incompleted software should be treated as part of inventory under the head 'Software Projects under Development'.

9. SALES

	CURRENT YEAR AMOUNT (RS.)	PREVIOUS YEAR AMOUNT (RS.)
Software Sales	277,685,029	310,906,746
Purchase	261,635,138	296,687,125
Closing Stock:		
Finished Goods	68,903,745	69,462,750
Work in Progress	25,739,560	24,934,701

10. Remuneration to Auditors:

a) Audit fee	60,665	22,060
b) As advisor, or in any other capacity in respect of		
i) Taxation matters	Nil	Nil
ii) Company Law matters & certifications	18,000	18,000

11. Remuneration to Directors 120,000 120,000

12. Deferred Tax: The break-up of net deferred tax liability as on 31/03/2010 is as under:

Particulars	Deferred Tax Liability
Difference between book and Tax Depreciation	Rs.(1,16,861/-)

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

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

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

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

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

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

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

Place : Mumbai
Date : 27 May 2010

(Sashi Sekhor Chowdhury)
Company Secretary

T. Spiritual World Ltd.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No. L63040WB1986PLC040796 State Code. 21
Balance Sheet Dt. 31 March, 2010.

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

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

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

Total Liabilities	258,337	Total Assets	258,337
Sources of Funds		Applications of Funds	
Paid-up Capital	200,020	Net Fixed Assets	13,468
Reserves and Surplus	54,938	Currents Assets	201,981
Current Liabilities	3,379	Investments	42,888

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

Turnover	277,685	Total Expenditure	275,158
Profit before tax	3,692	Profit after tax	2,562
Earning per share (Rs.)	0.13	Dividend Rate (%)	Nil

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

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

As per our attached report on even date.

For Mohindra Arora & Co.
Chartered Accountants

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

Place: Mumbai
Date: 27 May 2010

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

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

(Sashi Sekhor Chowdhury)
Company Secretary

T. Spiritual World Ltd.

**CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st March, 2010
(Pursuant to the Listing Agreement Clause 32 with the Stock Exchange)**

(Amount in Rs.)

	2009-10	2008-09
(A) Cash Flow From Operating Activities		
Net Profit before Tax as per P&L A/c after adjustments	3692199	4519762
Adjusted for		
Misc Income	205608	119347
Interest Income	713588	780435
Depreciation	5048924	3767823
Operating Profit Before Working Capital Changes	7821928	7387803
Adjusted for		
Finished Goods	559005	374760
Work in Progress	-804859	-2046852
Sundry Debtors	4652141	-2626392
Loans & Advances	-2709219	1283329
Current Liabilities	120300	-43835
Cash Generated From Operations	9639297	4328813
Payment of Tax	-1580413	-2063950
Net Cash Inflow / Outflow From Operations	8058884	2264863
(B) Cash Flow From Investing Activities		
Sale of Investments	0	2000
Purchases of Fixed Assets	-8915327	-4079355
Misc Income	205608	119347
Interest Income	713588	780435
Net Cash Flow From Purchasing Activities (B)	-7996132	-3177573
(C) Cash Flow From Financing Activities	NIL	NIL
Net Cash Increase in Cash & Cash Equivalents (A+B+C)	62752	-912710
Cash & Cash Equivalents at the Beginning of the Year	922964	1835674
Cash & Cash Equivalents at the End of the Year	985716	922964

For T. Spiritual World Limited

	(B.Singh) Whole Time Director	(A.K.Jain) Director	(Sashi Sekhor Chowdhury) Company Secretary
Place : Mumbai			
Date : 27 May 2010			

AUDITORS' CERTIFICATE

We have examined the above cash flow statement of T.Spiritual World Limited, derived from the Audited Financial statements for the period ended 31st March 2010, and found the same to be drawn in accordance there with and also the requirements of the amended Clause 32 of the Listing Agreement with various stock exchanges.

For Mohindra Arora & Co
(Chartered Accountants)

		(A. K. Katial) Partner	
Place : Mumbai			
Date : 27 May 2010			FCA No. 09096

T. Spiritual World Ltd.

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

ATTENDANCE SLIP

I hereby record my presence at the 24th Annual General Meeting held at P-91, Bangur Avenue, Block - "55", Kolkata - 700055, on Friday, 24th September, 2010 at 3.00 p.m.

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

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

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

T. Spiritual World Ltd.

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

FORM OF PROXY

I/We _____ of _____ in the District of _____ being the member/members of the above named Company hereby appoint _____ of _____ in _____ the District of _____ or failing him _____ of _____ or failing him _____ of _____ in the district of _____ as my/our proxy to vote for me/us on my/our behalf at the 24th Annual General Meeting of the Company to be held on Friday, 24th September 2010, at 3.00 p.m. and at any adjournment thereof. Signed this _____ day of _____ 2010.

Signature _____

Affix
a revenue
stamp

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

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

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

BOOK-POST

To,

T. Spiritual World Ltd.

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