

## NOTICE

NOTICE is hereby given that the 16th Annual General Meeting of the members of TGB BANQUETS AND HOTELS LIMITED (formerly known as BHAGWATI BANQUETS AND HOTELS LIMITED) will be held on **Wednesday, September 23, 2015 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 including audited Balance Sheet as at and the Statement of Profit and Loss [including consolidated Balance Sheet and Statement of Profit and Loss] for the year ended on March 31, 2015 together with the Reports of the Directors and Auditors thereon.
2. To appoint a director in place of Mr. Devanand G. Somani (DIN: 00515959), 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 [the "Act"] 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 on such remuneration as may be mutually determined between the Auditors and Board of Directors of the Company."

### SPECIAL BUSINESS:

4. Appointment of Mr. Mahendra Kumar Bhandari (DIN: 03035629) as an Independent Director of the Company 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, 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. Mahendra Kumar Bhandari, 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 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 16th Annual General Meeting of the Company.

"**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient and proper in the best interest of the Company."

5. To approve continuation of employment of Mr. Devanand G. Somani (DIN: 00515959) as a Whole-time Director designated as Executive Director and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 196 and 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modifications or re-enactments thereof, for the time being in force and the Articles of Association of the Company, consent of the members of the Company be and is hereby accorded to appoint Mr. Devanand G. Somani as a Whole-time Director of the Company for a period of five years commencing from October 1, 2015 on a remuneration as may be recommended by the Nomination and Remuneration Committee based on his performance evaluation and as approved by the Board of Directors, which shall be within the overall limits prescribed under the provisions of the Companies Act, 2013 from time to time, out of the profits of the Company of the respective financial year as calculated under the provisions of Sections 197 and 198 of the Companies Act, 2013 in any financial year and on the terms and conditions, benefits and perquisites, as set out in the draft agreement proposed to be entered into between the Company and Mr. Devanand G. Somani with an authority to the Board of Directors to finalize and execute it."

"RESOLVED FURTHER THAT notwithstanding anything to the contrary contained hereinabove, where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, remuneration by way of salary and perquisites shall not exceed the aggregate of the annual remuneration as provided above or maximum remuneration payable as per the limits set out in Section II of Part II of Schedule V of the Companies Act, 2013 whichever is lower as the Minimum Remuneration, unless otherwise determined by the Nomination and Remuneration Committee and the Board of Directors."

"RESOLVED FURTHER THAT in case of no profits or if profits of the Company in any financial year is inadequate, in addition to the above, the Whole-time Director shall also be entitled to the following perquisites, which shall not be included in the computation of the ceiling on remuneration stated hereinabove:

- a) Contribution to provident fund to the extent not taxable under the Income Tax Act, 1961,
- b) Gratuity payable at the rate not exceeding half a month's salary for each completed years of service and
- c) Encashment of leave at the end of the tenure.

"RESOLVED FURTHER THAT Mr. Devanand G. Somani shall be liable to retire by rotation and his terms and conditions of the appointment, including remuneration shall be governed as per the Agreement to be entered into for a period of five years."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient and proper in the best interest of the Company."

6. To approve continuation of employment of Mr. Hemant G. Somani (DIN: 00515853) as a Whole-time Director designated as Executive 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 196 and 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modifications or re-enactments thereof, for the time being in force and the Articles of Association of the Company, consent of the members of the Company be and is hereby accorded to appoint Mr. Hemant G. Somani as a Whole-time Director of the Company for a period of five years with effect commencing from October 1, 2015 on a remuneration as may be recommended by the Nomination and Remuneration Committee based on his performance evaluation and as approved by the Board of Directors, which shall be within the overall limits prescribed under the provisions of the Companies Act, 2013 from time to time, out of the profits of the Company of the respective financial year as calculated under the provisions of Sections 197 and 198 of the Companies Act, 2013 in any financial year and on the terms and conditions, benefits and perquisites, as set out in the draft agreement proposed to be entered into between the Company and Mr. Hemant G. Somani with an authority to the Board of Directors to finalize and execute it."

"RESOLVED FURTHER THAT notwithstanding anything to the contrary contained hereinabove, where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, remuneration by way of salary and perquisites shall not exceed the aggregate of the annual remuneration as provided above or maximum remuneration payable as per the limits set out in Section II of Part II of Schedule V of the Companies Act, 2013 whichever is lower as the Minimum Remuneration, unless otherwise determined by the Nomination and Remuneration Committee and the Board of Directors."

"RESOLVED FURTHER THAT in case of no profits or if profits of the Company in any financial year is inadequate, in addition to the above, the Whole-time Director shall also be entitled to the following perquisites, which shall not be included in the computation of the ceiling on remuneration stated hereinabove:

- a) Contribution to provident fund to the extent not taxable under the Income Tax Act, 1961,
- b) Gratuity payable at the rate not exceeding half a month's salary for each completed years of service and
- c) Encashment of leave at the end of the tenure.

"RESOLVED FURTHER THAT Mr. Hemant G. Somani shall be liable to retire by rotation and his terms and conditions of the appointment, including remuneration shall be governed as per the Agreement to be entered into for a period of five years."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient and proper in the best interest of the Company."

7. To approve continuation of employment of Mr. Ramesh K. Motiani (DIN: 00515913) as a Whole-time Director designated as Executive Director and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 196 and 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modifications or re-enactments thereof, for the time being in force and the Articles of Association of the Company, consent of the members of the Company be and is hereby accorded to appoint Mr. Ramesh K. Motiani as a Whole-time Director of the Company for a period of five years with effect commencing from October 1, 2015 on a remuneration as may be recommended by the Nomination and Remuneration Committee based on his performance evaluation and as approved by the Board of Directors, which shall be within the overall limits prescribed under the provisions of the Companies Act, 2013 from time to time, out of the profits of the Company of the respective financial year as calculated under the provisions of Sections 197 and 198 of the Companies Act, 2013 in any financial year and on the terms and conditions, benefits and perquisites, as set out in the draft agreement proposed to be entered into between the Company and Mr. Ramesh K. Motiani with an authority to the Board of Directors to finalize and execute it."

"**RESOLVED FURTHER THAT** notwithstanding anything to the contrary contained hereinabove, where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, remuneration by way of salary and perquisites shall not exceed the aggregate of the annual remuneration as provided above or maximum remuneration payable as per the limits set out in Section II of Part II of Schedule V of the Companies Act, 2013 whichever is lower as the Minimum Remuneration, unless otherwise determined by the Nomination and Remuneration Committee and the Board of Directors."

"**RESOLVED FURTHER THAT** in case of no profits or if profits of the Company in any financial year is inadequate, in addition to the above, the Whole-time Director shall also be entitled to the following perquisites, which shall not be included in the computation of the ceiling on remuneration stated hereinabove:

- Contribution to provident fund to the extent not taxable under the Income Tax Act, 1961,
- Gratuity payable at the rate not exceeding half a month's salary for each completed years of service and
- Encashment of leave at the end of the tenure.

"**RESOLVED FURTHER THAT** Mr. Ramesh K. Motiani shall be liable to retire by rotation and his terms and conditions of the appointment, including remuneration shall be governed as per the Agreement to be entered into for a period of five years."

"**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient and proper in the best interest of the Company."

8. Approval for entering into Related Party Transactions by the Company and in this regard, to consider and if thought fit, to pass the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with the rules made there under including any statutory modification(s) or re-enactment thereof for the time being in force, the consent of the members of the Company be and is hereby accorded to enter into the related party transactions by the Company with the respective related parties and for the maximum amounts per annum, as mentioned herein below:

Sr. No.	Name of Related Party	Name of the Director/KMP who is related and nature of relationship	Nature of Transaction	Maximum value of Transaction during any financial year (in ₹)
1.	TGB Bakers and Confectioners Private Limited	Mr. Narendra G. Somani, Mr. Devanand G. Somani and Mr. Hemant G. Somani are Director and Shareholder in the Company	sale, purchase or supply of any goods or materials, bakery product and other food items.	15 crores
2.	Bhagwati Sales Corporation	Relative of Mr. Narendra G. Somani	sale, purchase or supply of any goods or materials, food items, furniture and fixture, etc.	15 crores

\* Expected maximum annual value of transaction over the next three to four years.

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient and proper in the best interest of the Company."

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

Place : Ahmedabad  
Date : August 14, 2015

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

**Narendra G. Somani**  
Chairman & Managing Director  
(DIN: 00054229)

**NOTES:**

- 1) **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/HERSELF 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.
- 2) **The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto.**
- 3) Details under clause 49 of the Listing Agreement with the Stock Exchanges in respect of the Directors seeking appointment/reappointment at the Annual General Meeting are annexed to the Notice.
- 4) Corporate members intending to send their authorised representative(s) to attend the Meeting are requested to send a certified copy of the Board Resolution authorising their representative(s) to attend and vote on their behalf at the Meeting.
- 5) Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by members at the Company's Registered Office on all working days (except Saturdays, Sundays and Public Holidays) between **11.00 AM to 1.00 PM** upto the date of this Annual General Meeting.
- 6) The Register of Members and Share Transfer Books of the Company shall remain closed from **Saturday, September 12, 2015 to Wednesday, September 23, 2015 (both days inclusive).**
- 7) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. **September 16, 2015.**
- 8) The e-voting period will commence on **Sunday, September 20, 2015 [9:00 AM]** and ends on **Tuesday, September 22, 2015 [5:00 PM]**. During this period, Members holding shares either in physical form or demat form, as on cut-off date i.e. **September 16, 2015** may cast their vote electronically. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently or cast vote again.
- 9) 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.
- 10) Pursuant to the provisions of Section 205C of the Companies Act, 1956 (which are still applicable as the relevant Sections under the Companies Act, 2013 are yet to be notified), Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unclaimed dividend as on **September 25, 2014** on the website of the Company and also on the website of the Ministry of Corporate Affairs.
- 11) Further, attention of members are invited that the unpaid or unclaimed dividend amount shall be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government if not claimed within Seven Years.
- 12) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or to the Registrar and Share Transfer Agent.

- 13) Pursuant to the 101 and 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) and update the same if there is any change in e-mail id.
- 14) Members may also note that the Notice of the 16th Annual General Meeting and the Annual Report for the financial year 2014-15 will also be available on the Company's website for their download. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, free of cost. For any communication, the shareholder may also send request to the Company's investor e-mail id: cs@tgbhotels.com
- 15) **Voting through electronic means:**  
Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Company is pleased to provide its members the facility of Voting by electronic means which includes remote e-voting the facility of casting votes by a member using an electronic voting system from a place other than venue of Annual General Meeting. to exercise their right to vote at the 16th Annual General Meeting (AGM). The business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL). The facility for voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the 16th AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.
- 16) The Company has appointed Mr. R.S. Sharma, Practicing Company Secretary as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.
- 17) The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company and on the website of agency (CDSL) www.evotingindia.com. The results shall simultaneously be communicated to the Stock Exchanges.
- 18) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. **September 23, 2015**.
- 19) The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

**The instructions for shareholders voting electronically are as under:**

- (i) The remote e-voting will commence on **Sunday, September 20, 2015 (9.00 AM)** and will end on **Tuesday, September 22, 2015 (5.00 PM)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **September 16, 2015** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Members holding share in physical or in demat form as on **September 16, 2015** shall only be eligible for e-voting.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) 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.

(viii) 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) <ul style="list-style-type: none"> <li>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 8 digits of the sequence number in the PAN Field. The Sequence Number will be intimated to such member by way of letter.</li> <li>In case the sequence 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 sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
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. <ul style="list-style-type: none"> <li>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 member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatory 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN (150827028) TGB BANQUETS AND HOTELS LIMITED.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non - Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e-mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) 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](http://www.evotingindia.com), under help Section or write an e-mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

## EXPLANATORY STATEMENTS

Pursuant to Section 102(1) of The Companies Act, 2013, The following Explanatory Statements set out all material facts relating to the Special Business mentioned at item Nos. 4 to 8 of the accompanying Notice dated August 14, 2015:

### Item No. 4

The Board of Directors of the Company have appointed Mr. Mahendra Kumar Bhandari (DIN: 03035629) as an Additional Director of the Company with effect from February 10, 2015, 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, he would hold office as such up to the date of this Annual General Meeting of the Company.

In terms of provisions of Sections 149, 152, Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, it is proposed to appoint Mr. Mahendra Kumar Bhandari as Independent Director of the Company for a term up to 5 (five) consecutive years commencing from the date of the 16th Annual General Meeting.

Mr. Mahendra Kumar Bhandari has given his declaration to the Board of Directors to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Mr. Mahendra Kumar Bhandari 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 Mr. Mahendra Kumar Bhandari for the office of director of the Company.

Brief resume of Mr. Mahendra Kumar Bhandari, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships /chairmanships of Board Committees, his 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 Annexure-A at the Notice.

A copy of the draft Letter of Appointment of Mr. Mahendra Kumar Bhandari as Independent Director, setting out terms and conditions of his appointment, is available for inspection at the Registered Office of the Company.

Other than Mr. Mahendra Kumar Bhandari and his 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. 4 of this Notice.

Keeping in view his expertise and knowledge, it will be in the interest of the Company that Mr. Mahendra Kumar Bhandari is appointed as an Independent Director. Accordingly, the Board recommends the Ordinary Resolution as set out at Item No. 4 of this Notice for approval of the members of the Company.

### Item No. 5

Mr. Devanand G. Somani (DIN: 00515959 ), who was appointed as Executive Director of the Company by the members on September 29, 2010 for a period of five years from the October 01, 2010, the present term of Mr. Devanand G. Somani is ending on September 30, 2015.

Keeping in view that Mr. Devanand G. Somani has rich and varied experience in the catering and hotel industry and has been involved in the operations of the Company over a long period of time. It would be in the interest of the Company to continue the employment of Mr. Devanand G. Somani as Whole-time Director designated as Executive Director. Mr. Devanand G. Somani guided the Company through his two decades of experience in the catering and hotel Industry to emerge the Company as a leader in the catering and hotel Industry.

Pursuant to recommendation of the Nomination and Remuneration Committee of the Company, the Board of Directors of the Company passed a resolution on August 14, 2015 approving re-appointment of Mr. Devanand G. Somani as Whole-time Director designated as Executive Director for a further period of five years commencing from October 01, 2015 to September 30, 2020 which is subject to the approval of the members of the Company at this Annual General Meeting.

This explanatory statement may also be read and treated as disclosure in compliance with requirement of Section 196 and as a written memorandum setting out the terms of appointment of Mr. Devanand G. Somani, pursuant to Section 190 of the Companies Act, 2013.

The Details of the remuneration payable to Mr. Devanand G. Somani and the terms and conditions of the re- appointment are given below:

- i. **Salary:** ₹ 2,00,000/- per month which is eligible for revision on a date to be determined by the Nomination and Remuneration Committee.
- ii. **Commission:** The commission will be calculated and payable on the net profits of the Company computed in accordance with the provisions of the Companies Act, 2013.
- iii. **Perquisites:** The Executive Director shall be entitled to all the perquisites listed herein below in addition to the salary and commission mentioned above;
  - a. **Housing:** The Company shall provide rent free furnished residential accommodation, with free gas, electricity and water as per Company policy. In case no accommodation is provided by the Company, the Executive Director shall be entitled to such house rent allowance as may be decided by the Board of Directors from time to time.

- b. **Medical Re-imburement:** Reimbursement of medical expenses incurred, including premium paid on health insurance policies, whether in India or abroad, for self and family including hospitalization, surgical charges, nursing charges and domiciliary charges for self and for family.
- c. **Leave Travel Concession:** For self and family every year incurred in accordance with the rules of the Company applicable to its senior managers.
- d. **Club Fees:** Fees of clubs, subject to a maximum of three clubs.
- e. **Personal Accident Insurance/Group Life Insurance:** As per Company's rules.
- f. **Provident Fund/Pension:** as per Company's rules.
- g. **Gratuity:** Gratuity payable shall be in accordance with the provisions of the Payment of Gratuity Act.
- h. **Use of Car with Driver:** The Company shall provide a car with driver for business and personal use. In addition, the Company shall also reimburse running and maintenance expenses of another car owned by, or leased/ rented to, the Executive Directors for business and personal use.
- i. **Telephone facility at residence:** Telephone facility shall be provided at the residence. All personal long distance calls shall be billed by the Company to the Executive Directors.
- j. **Servant:** Reimbursement of servant's salary, subject to a maximum of two servants.
- k. **Watchman:** Reimbursement of watchman's salary, subject to a maximum of two watchmen.

**Other terms and conditions:**

- a. In the event of absence or inadequacy of profits in any financial year during the tenure of Mr. Devanand G. Somani as Executive Director, salary and perquisites subject to the limits stipulated under Schedule V read with Section 196 and 197 of the Companies Act, 2013, are payable.
- b. "Family" means the spouse and dependent children of Mr. Devanand G. Somani.
- c. Leave with full pay and allowances shall be allowed as per the Company's rules.
- d. Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.
- e. No sitting fees shall be paid to the Executive Directors for attending the meetings of the Board of Directors or Committees thereof.
- f. The Executive Directors shall liable to retire by rotation.
- g. The perquisites as listed above shall be valued as per the Income Tax Rules, 1962 as may be applicable.

All other existing terms and conditions for the re-appointment shall remain unchanged and the disclosure under Clause 49 of the Listing Agreement is provided at Annexure A of this Notice. Upon approval by the members, a separate agreement to give effect to the above terms will be executed by and between the Company and Mr. Devanand G. Somani. The Board of Directors recommends the resolution in relation to the re-appointment of Executive Director, for the approval of the Members of the Company.

Except Mr. Narendra G. Somani, Devanand G Somani, Hemant G. Somani and their relatives, none of Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

**Item No. 6**

Mr. Hemant G. Somani (DIN: 00515853), who was appointed as Executive Director of the Company by the members on September 29, 2010 for a period of five years from the October 01, 2010, the present term of Mr. Hemant G. Somani is ending on September 30, 2015.

Keeping in view that Mr. Hemant G. Somani has rich and varied experience in the Hospitality, event Management and outdoor Catering business and has been involved in the operations of the Company over a long period of time. It would be in the interest of the Company to continue the employment of Mr. Hemant G. Somani as Whole- time Director designated as Executive Director. Mr. Hemant G. Somani guided the Company through his two decades of experience in the hotel and catering Industry to emerge the Company as a leader in the Hospitality and Outdoor catering Industry.

Pursuant to recommendation of the Nomination and Remuneration Committee of the Company, the Board of Directors of the Company passed a resolution on August 14, 2015 approving re-appointment of Mr. Hemant G. Somani as Whole-time Director designated as Executive Director for a further period of five years commencing from October 01, 2015 to September 30, 2020 which is subject to the approval of the members of the Company at this Annual General Meeting.

This explanatory statement may also be read and treated as disclosure in compliance with requirement of Section 196 and as a written memorandum setting out the terms of appointment of Mr. Hemant G. Somani, pursuant to Section 190 of the Companies Act, 2013.

The Details of the remuneration payable to Mr. Hemant G. Somani and the terms and conditions of the re- appointment are given below:

- i. **Salary:** ₹ 2,00,000/- per month which is eligible for revision on a date to be determined by the Nomination and Remuneration Committee.



- ii. **Commission:** The commission will be calculated and payable on the net profits of the Company computed in accordance with the provisions of the Companies Act, 2013.
- iii. **Perquisites:** The Executive Director shall be entitled to all the perquisites listed herein below in addition to the salary and commission mentioned above;
  - a. **Housing:** The Company shall provide rent free furnished residential accommodation, with free gas, electricity and water as per Company's policy. In case no accommodation is provided by the Company, the Executive Director shall be entitled to such house rent allowance as may be decided by the Board of Directors from time to time.
  - b. **Medical Re-imbursement:** Reimbursement of medical expenses incurred, including premium paid on health insurance policies, whether in India or abroad, for self and family including hospitalization, surgical charges, nursing charges and domiciliary charges for self and for family.
  - c. **Leave Travel Concession:** For self and family every year incurred in accordance with the rules of the Company applicable to its senior managers.
  - d. **Club Fees:** Fees of clubs, subject to a maximum of three clubs.
  - e. **Personal Accident Insurance/Group Life Insurance:** As per Company's rules.
  - f. **Provident Fund/Pension:** as per Company's rules.
  - g. **Gratuity:** Gratuity payable shall be in accordance with the provisions of the Payment of Gratuity Act.
  - h. **Use of Car with Driver:** The Company shall provide a car with driver for business and personal use. In addition, the Company shall also reimburse running and maintenance expenses of another car owned by, or leased/ rented to, the Executive Directors for business and personal use.
  - i. **Telephone facility at residence:** Telephone facility shall be provided at the residence. All personal long distance calls shall be billed by the Company to the Executive Directors.
  - j. **Servant:** Reimbursement of servant's salary, subject to a maximum of two servants.
  - k. **Watchman:** Reimbursement of watchman's salary, subject to a maximum of two watchmen.

**Other terms and conditions:**

- a. In the event of absence or inadequacy of profits in any financial year during the tenure of Mr. Hemant G. Somani as Executive Director, salary and perquisites subject to the limits stipulated under Schedule V read with Section 196 and 197 of the Companies Act, 2013, are payable
- b. "Family" means the spouse and dependent children of Mr. Hemant G. Somani.
- c. Leave with full pay and allowances shall be allowed as per the Company's rules.
- d. Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.
- e. No sitting fees shall be paid to the Executive Directors for attending the meetings of the Board of Directors or Committees thereof.
- f. The Executive Directors shall liable to retire by rotation.
- g. The perquisites as listed above shall be valued as per the Income Tax Rules, 1962 as may be applicable.

All other existing terms and conditions for the re-appointment shall remain unchanged and the disclosure under Clause 49 of the Listing Agreement is provided at Annexure A of this Notice. Upon approval by the members, a separate agreement to give effect to the above terms will be executed by and between the Company and Mr. Hemant G. Somani. The Board of Directors recommends the resolution in relation to the re-appointment of Executive Director, for the approval of the Members of the Company.

Except Mr. Narendra G. Somani, Devanand G. Somani, Hemant G. Somani and their relatives, none of Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

**Item No. 7**

Mr. Ramesh K. Motiani (DIN: 00515913) who was appointed as Executive Director of the Company by the members on September 29, 2010 for a period of five years from the October 01, 2010, the present term of Mr. Ramesh K. Motiani is ending on September 30, 2015.

Keeping in view that Mr. Ramesh K. Motiani has been involved in the operations of the Company from last 13 years with an over a four decades expertise in the retail and wholesale business. He takes care of the general administration of the company. Pursuant to recommendation of the Nomination and Remuneration Committee of the Company, the board of Directors of the Company passed a resolution on August 14, 2015 approving re-appointment of Mr. Ramesh K. Motiani as Whole-time Director designated as Executive Director for a further period of five years commencing from October 01, 2015 to September 30, 2020 which is subject to the approval of the members of the Company at this Annual General Meeting.

This explanatory statement may also be read and treated as disclosure in compliance with requirement of Section 196 and as a written memorandum setting out the terms of appointment of Mr. Ramesh K. Motiani, pursuant to Section 190 of the Companies Act, 2013.

The Details of the remuneration payable to Mr. Ramesh K. Motiani and the terms and conditions of the re- appointment are given below:

- i. **Salary:** ₹ 50,000/- per month which is eligible for revision on a date to be determined by the Nomination and Remuneration Committee.
- ii. **Perquisites:** shall be entitled to all the perquisites as applicable to the senior employees of the company.

**Other terms and conditions:**

- a. In the event of absence or inadequacy of profits in any financial year during the tenure of Mr. Ramesh K. Motiani as Executive Director, salary and perquisites subject to the limits stipulated under Schedule V read with Section 196 and 197 of the Companies Act, 2013 are payable.
- b. "Family" means the spouse and dependent children of Mr. Ramesh K. Motiani.
- c. Leave with full pay and allowances shall be allowed as per the Company's rules.
- d. Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.
- e. No sitting fees shall be paid to the Executive Directors for attending the meetings of the Board of Directors or Committees thereof.
- f. The Executive Directors shall liable to retire by rotation.
- g. The perquisites as listed above shall be valued as per the Income Tax Rules, 1962, as may be applicable.

All other existing terms and conditions for the re-appointment shall remain unchanged and the disclosure under Clause 49 of the Listing Agreement is provided at Annexure A of this Notice. Upon approval by the members, a separate agreement to give effect to the above terms will be executed by and between the Company and Mr. Ramesh K. Motiani. The Board of Directors recommends the resolution in relation to the re-appointment of Executive Director, for the approval of the Members of the Company.

Except Mr. Ramesh K. Motiani and their relatives, none of Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

**Item No. 8**

The Provisions of Section 188 (1) (a) of the Companies Act, 2013 that govern the related party transactions for entering into any contract and arrangement as mentioned herein below with related parties, the Company shall require prior approval of members by way of ordinary resolution for sale, purchase or supply of any goods or materials directly or through appointment of agent exceeding ten percent of the turnover of the Company or Rupees one hundred crore whichever is lower. Whereas as per the Clause 49 of the listing agreement, all material related party transactions shall require approval of the members through Special Resolution.

Since the Company is engaged in banqueting, hotels and restaurant business and maintenance and delivery of the quality foods and services to customers is a very essential part of the business. To maintain the better quality foods, beverages, modern furniture & fixtures for interiors & exteriors and to sustain in this highly competitive market and to achieve & maintain the competitive advantage of the food quality and retain with the satisfied customer it is required to purchase of bulk quality of goods and required to ensure on time delivery of the food items during the peak seasons.

The Board of Directors of the Company has approved the contract and arrangement with Bhagwati Sales Corporation and TGB Bakers and Confectioners Private Limited, which are on the arms length basis. Looking toward the future prospects of the Company, the transaction with these related party may exceed the limit which are considered as material in terms of the listing agreement, as a matter of precaution the board has recommend to the members to approve the following limits during any financial year as Special Resolution for the transaction with following related parties:

Sr. No.	Name of Related Party	Name of the Director/KMP who is related and nature of relationship	Nature of Transaction	Maximum value of Transaction during any any financial year (in ₹)
1.	TGB Bakers and Confectioners Private Limited	Mr. Narendra G. Somani, Mr. Devanand G. Somani and Mr. Hemant G. Somani are Director and Shareholder in the Company	sale, purchase or supply of any goods or materials, bakery product and other food items.	15 crores
2.	Bhagwati Sales Corporation	Relative of Mr. Narendra G. Somani	sale, purchase or supply of any goods or materials, food items, furniture and fixture, etc.	15 crores

\* Expected maximum annual value of transaction over the next three to four years.

The members are further informed that no member/s of the Company being a related party or having any interest in the resolution as set out at item No.8 shall be entitled to vote on this Special Resolution.

The Board of Directors recommends the resolution set forth in item No. 8 for approval of the Members. Except Promoters, Directors and their relatives (to the extent of their shareholding interest in the Company), none of Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

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

Place : Ahmedabad  
Date : August 14, 2015

**Narendra G. Somani**  
Chairman & Managing Director  
(DIN: 00054229)

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

ANNEXURE-A

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

Name of the Directors	Mr. Devanand G. Somani	Mr. Hemant G. Somani	Mr. Ramesh K. Motiani	Mr. Mahendrakumar Bhandari
Date of Birth	22.04.1971	06.05.1976	22.05.1949	13.11.1951
DIN	00515959	00515853	00515913	03035629
Date of Appointment	13.04.2000	22.07.2002	22.07.2002	10.02.2015
Qualification	F.Y B.com	F.Y B.com	9th Pass	B.E. (Mechanical)
Nature Expertise in specific functional Area	Catering & Hotel Industry	Hospitality & Event Management	Retail & Wholesale Business	Project Management
Profile of the Director	Mr. Devanand Somani is having more than 20 years Experience in Catering and Hotel Industry.	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. Ramesh Motiani is having enriched and m u l t i f a r i o u s experience of about 40 years in retail and wholesale business.	Mr. Mahendra Kumar Bhandari has Experience of 40 years in Ceramic line for producing Sanitary wares, Tiles & High Voltage Insulators held various posts in the ceramic Industry.
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	909800	775350	491500	NIL
Relationship between directors inter se	Relative of Mr. Narendra G. Somani and Mr. Hemant G. Somani	Relative of Mr. Narendra G. Somani and Mr. Devanand G. Somani	NIL	NIL

## DIRECTORS' REPORT

To,

The Members,

Your directors have pleasure in presenting their 16th Annual Report with the Audited Financial Statements for the financial year ended March 31, 2015.

### FINANCIAL RESULTS

The financial performance of the Company, for the year ended on March 31, 2015 is summarized below:

(₹ in Lacs)

Particulars	Year ended 31st March 2015	Year ended 31st March 2014
Revenue from Operation	13969.49	15639.43
Other Income	214.88	195.37
<b>Total Revenue</b>	<b>14184.37</b>	<b>15834.80</b>
Less : Operating Expenditure	11135.48	11883.63
<b>Profit from Operations</b>	<b>3048.89</b>	<b>3951.17</b>
Less : Financial Charges	2131.01	2118.10
Less: Depreciation and Amortization	2111.21	1283.73
<b>Profit before tax</b>	<b>(1193.33)</b>	<b>549.34</b>
Less : Provision for taxation	50.00	105.00
Less : Deferred tax Liability	(122.61)	259.35
<b>Profit after tax</b>	<b>(1120.72)</b>	<b>184.99</b>
Add : Profit brought forward from previous year	3977.63	3792.64
Less: Adjustment of Fixed Assets	(215.46)	0.00
<b>Profit available for appropriation</b>	<b>2641.45</b>	<b>3977.63</b>
Profit Carried forward to the Balance Sheet	2641.45	3977.63

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

### REVIEW OF OPERATIONS

During the financial year 2014-15, your Company booked total revenue of ₹ 14184.37 Lacs as compared to ₹ 15834.80 Lacs in financial year 2013-14, This year your Company booked operating profit of ₹ 3048.89 Lacs as compared to ₹ 3951.17 Lacs in the previous financial year.

### 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, 2015.

### MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis, for the year under review, as stipulated under clause 49 of Listing Agreement, is included in this report as Annexure-"A".

### PERFORMANCE OF SUBSIDIARY COMPANY

Lov Kush Properties Private Limited, Wholly Owned subsidiary Company of the Company has not commenced any business operations during the financial year 2014-15. The performance and financial position of the subsidiary are given in Form AOC-1 attached to the Financial Statements for the year ended March 31, 2015.

### CONSOLIDATED FINANCIAL STATEMENTS

The accounts of the Lov Kush properties Private Limited are consolidated with the accounts of the Company in accordance with the provisions of Accounting Standards AS-21 on consolidated financial statement issued by the Institute of Chartered Accountants of India, Companies Act, 2013 read with Schedule III of the Companies Act, 2013 and rules made thereunder and the Listing Agreement with Stock Exchanges. The audited consolidated financial statements are provided in this Annual Report.

## **RELATED PARTY TRANSACTIONS**

All transactions entered by the Company during the financial year 2014-15 with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any transactions with related parties which could be considered as material in accordance with the policy of the Company on materiality of related party transactions. The consent of the members of the Company to be accorded for entering into Related Party Transactions by the Company by way of Special Resolution at the ensuing Annual General Meeting of the Company.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: [http://www.tgbhotels.com/wp-content/uploads/2015/02/RPT\\_Po.pdf](http://www.tgbhotels.com/wp-content/uploads/2015/02/RPT_Po.pdf) Disclosures on related party transactions are set out in note no. 2.24 to the financial statements.

## **DEPOSIT**

During the year under review the Company have not accepted and renewed any deposit from Public within the meaning of Section 73 and 76 of the Companies Act, 2013. The Company has repaid the amount of ₹ 55.39 Lacs as principle and interest thereon from time to time. As on March 31, 2015, Deposits of worth ₹ 10.49 Lacs were yet not matured.

## **PARTICULARS OF LOAN, GUARANTEE OR INVESTMENT UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The details of loans given, investments made, guarantees given and securities provided under Section 186 of the Companies Act, 2013 have been provided in the notes to the standalone financial statements.

## **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There have been no material changes and commitments affecting the financial position of the Company which have occurred between March 31, 2015 and the date of this Report. Further, the Company has passed Special Resolution u/s 180(1)(a) of the Companies Act, 2013 for Sale of undertaking and assets of the Company by way of Postal Ballot dated April 27, 2015.

## **DIRECTORS AND OTHER KEY MANAGERIAL PERSONNEL**

### **1. CHANGES IN THE COMPOSITION OF BOARD OF DIRECTORS**

Mr. Mahendra Kumar Bhandari (DIN 03035629) was appointed as Independent Additional Directors on Board of the Company in place of Mr. Rajratan Singhvi, whose office is vacated due to his demise on August 06, 2014. The Board placed on record its appreciation of the valuable contribution and guidance provided by Mr. Rajratan Singhvi to the Company.

Mr. Bakul R. Parikh (DIN: 00517975), Mr. Balveermal Singhvi (DIN: 05321014) and Ms. Anjali Tolani (DIN: 06958982) were appointed as Independent Directors of the Company at the last Annual General Meeting (AGM) held on September 25, 2014 for a term of five years from the date of the 15th Annual General Meeting.

### **2. INDEPENDENT DIRECTORS**

The Independent Directors have submitted their declarations of independence, as required pursuant to the Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. The Board recommends to the members for their approval for Appointment of Mr. Mahendra Kumar Bhandari as an Independent Director of the Company at the ensuing Annual General Meeting of the Company.

### **3. RETIREMENT BY ROTATION**

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and in terms of Articles of Association of the Company, Mr. Devanand G. Somani (DIN: 00515959) will retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. The board recommends his appointment.

### **4. RE-APPOINTMENTS/APPROVALS FOR EXECUTIVE DIRECTORS**

The present term of appointment of Mr. Devanand G. Somani, Mr. Hemant G. Somani and Mr. Ramesh K. Motiani as Whole-time directors of the Company is completing on September 30, 2015. The consent of the members of the Company to be accorded for continuation of employment of Mr. Devanand G. Somani (DIN: 00515959), Mr. Hemant G. Somani (DIN: 00515853) and Mr. Ramesh K. Motiani (DIN: 00515913), as a Whole-time Directors, designated as Executive Director of the Company, for a period of 5(five) years commencing form October 1, 2015 at the 16th Annual General Meeting of the Company.

### **5. PROFILE OF THE DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT**

As required under Clause 49 of the Listing Agreement, Particulars of the Directors retiring by rotation and seeking appointment / re-appointment at the ensuing Annual General Meeting is annexed to the notice convening 16th Annual General Meeting.

### **6. CHANGES IN OTHER KEY MANAGERIAL PERSONNEL**

- i. Mr. Prem Pareek, who have joined the Company as Chief Financial Officer have resigned on April 15, 2015,
- ii. Mr. Kalpesh Mehta, who have joined the Company as Company Secretary have resigned on July 22, 2015, and there was no other appointment or cessation of key managerial personnel during the financial year.

## **AUDITORS**

### **STATUTORY AUDITORS**

At the Annual General Meeting held on September 25, 2014 the Members approved the appointment of M/s. O. P. Bhandari & Co., Chartered Accountants, (Firm Registration No. 112633W) as Statutory Auditors to hold office commencing from the Fifteenth Annual General Meeting till the conclusion of the Sixteenth Annual General Meeting of the Company. The Board has proposed the re-appointment of M/s O. P. Bhandari & Co., Chartered Accountants as Statutory Auditors of the Company to hold office commencing from the this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company. The appointment is accordingly proposed in the Notice of the current Annual Meeting vide item no. 3 for approval by Members.

Observations of the auditors in their report together with the notes on accounts are self explanatory and therefore, in the opinion of Directors, do not call for any further explanation.

### **SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company with the approval of its Board, appointed M/s. R. S. Sharma & Associates, Practising Company Secretary to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2015. The Secretarial Audit Report is annexed herewith as Annexure- "B". The report of the Secretarial Auditor is self explanatory.

### **BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Nomination and Remuneration Committee has carried out an annual performance evaluation of the Board as well as the working of its Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

### **REMUNERATION POLICY**

The Board has, on the recommendation of Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the provisions of the Section 134 of the Companies Act, 2013, the directors confirm that:

- a) in the preparation of the annual accounts for the year ended March 31, 2015, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **BOARD MEETINGS**

During the year, Six Board and four Audit Committee Meetings were convened and held. The details of which are provided in the Corporate Governance Report, forming part of the Directors' Report. The gap between two consecutive meetings was not more than one hundred and twenty days as provided in Section 173 of the Companies Act, 2013.

### **CORPORATE GOVERNANCE**

The Company has complied with the Corporate Governance requirements under the Act and as stipulated under clause 49 of the Listing Agreement. A separate Section on detailed report on the Corporate Governance practices followed by the Company under the Listing Agreement along with a certificate from M/s. O. P. Bhandari & Co., Chartered Accountants, confirming the compliance, is part of the Annual Report.

### **CORPORATE SOCIAL RESPONSIBILITY [CSR]**

The Board of Directors of the Company has constituted a Corporate Social Responsibility [CSR] Committee under the Chairmanship of Mr. Narendra G. Somani. Other members of the Committee are Mr. Hemant G. Somani and Mr. Balveermal Singhvi. CSR Committee has recommended to the Board, a CSR Policy, indicating the activities to be undertaken by the Company, which is approved by the Board. The CSR Policy is posted on the website of the Company.

As part of its initiatives under Corporate Social Responsibility [CSR], the Company has contributed for education and eradicating poverty and malnutrition for the year under review. Other details of the CSR activities as required under Section 135 of the Act are given in the CSR Report at Annexure-"C".

#### **INTERNAL CONTROL AND ITS ADEQUACY**

The Company has adequate internal controls and processes in place with respect to its financial statements which provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements. These controls and processes are driven through various policies, procedures and certifications. The processes and controls are reviewed periodically. The Company's internal control system is commensurate with its size, scale and complexities of its operations

#### **MANAGING THE RISKS OF FRAUD, CORRUPTION AND UNETHICAL BUSINESS PRACTICES:**

##### **I. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has established vigil mechanism and framed whistle blower policy for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct or Ethics Policy. Whistle Blower Policy is disclosed on the website of the Company.

##### **II. TGB BUSINESS CONDUCT POLICY**

The Company has framed "TGB Business Conduct Policy". Every employee is required to review and sign the policy at the time of joining and an undertaking shall be given for adherence to the Policy. The objective of the Policy is to conduct the business in an honest, transparent and in an ethical manner.

#### **BUSINESS RISK MANAGEMENT**

A well-defined risk management mechanism covering the risk mapping, risk exposure, potential impact and risk mitigation process is in place. The objective of the mechanism is to minimize the impact of risks identified and taking advance actions to mitigate it. The mechanism works on the principles of probability of occurrence and impact, if triggered. Discussion on risks and concerns are covered in the Management Discussion and Analysis Report, which forms part of this Annual Report

#### **INFORMATION REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

The Company has a policy against sexual harassment and a formal process for dealing with complaints of harassment or discrimination. The said policy is in line with relevant Act passed by the Parliament in 2013. The Company, through the policy ensures that all such complaints are resolved within defined timelines. During the year, no cases were reported to the Company.

#### **RECONSTITUTION OF AUDIT COMMITTEE**

The Board has reconstituted the Audit Committee which comprises of Mr. Bakul R. Parikh as the Chairman and Mr. Balveermal Singhvi and Mr. Narendra G. Somani as the members. More details on the Committee are given in the Corporate Governance Report.

#### **PARTICULARS OF EMPLOYEES**

The information required under Section 197 of the Act read with Rule 5[1] of The Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014 are given in Annexure-"D".

#### **EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of Annual Return in Form MGT-9 as required under Section 92 of the Companies Act, 2013 is included in this Report as Annexure-"E" and forms an integral part of this Report.

#### **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 134[3][m] of the Act read with the Companies [Accounts] Rules, 2014, are provided in the Annexure-"F" and forms part of this Report.

#### **ACKNOWLEDGMENTS**

TGB Banquets and Hotels Limited is grateful to the financial institutions, banks, Government authorities for their continued cooperation, support and guidance. The Company would like to take this opportunity to express sincere thanks to its valued customers for their continued patronage. The Directors express their deep sense of appreciation of all the employees, whose outstanding professionalism, commitment and initiative have made the organisation's growth and success possible and continues to drive its progress. Finally, the Directors wish to express their gratitude to the Members for their trust and support.

For and on behalf of the Board

Place : Ahmedabad  
Date : August 14, 2015

**Narendra G. Somani**  
Chairman & Managing Director