

SANGHVI FITNESS PRIVATE LIMITED
Balance Sheet as at March 31, 2023

Rs In Thousand

Particulars		Note No.	As at March 31, 2023	As at March 31, 2022
			Amount	Amount
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
(a)	Share capital	1	100.00	100.00
(b)	Reserves and surplus	2	-7,505.93	-10,522.64
1	Non-current liabilities			
(a)	Deferred tax liabilities (Net)			
3	Current liabilities			
(a)	Short-term borrowings	3	10,255.00	11,761.87
(b)	Trade payables	4	-	-
(i)	Total Outstanding dues of Micro enterprises and small enterprises.			
(ii)	Total outstanding dues of creditors other than Micro and small enterprises.			
(c)	Other current liabilities	5	8.10	-
			669.00	330.58
	TOTAL		3,526.18	1,669.80
II.	ASSETS			
	Non-current assets			
1	(a) Property, Plant and Equipment And Intangible Assets	6		
(i)	Tangible assets		7.78	7.78
(i)	Intangible assets		-	-
(b)	Long-term loans and advances	7	673.21	373.21
2	Current assets			
(a)	Trade receivables	8	-	-
(b)	Cash and Bank balances	9	2,845.19	1,288.82
	TOTAL		3,526.18	1,669.80
	See accompanying Notes to The Financial Statements	15-22		

The accompanying notes form an integral part of The Financial Statements.

For B K Khare and Co.
Chartered Accountants

Firm Registration Number - 105102W

A. A. Mahadik

Amit Mahadik

Partner

M.No. 125657

Place: Pune

Date: 26th May, 2023



For and On behalf of Board of Directors
SANGHVI FITNESS PRIVATE LIMITED

Darpan N Sanghvi

Managing Director

DIN: 02912102

Place: Mumbai

Date: 26th May, 2023

Narendra R Sanghvi

Narendra R Sanghvi

Director

DIN: 02912085

Place: Mumbai

Date: 26th May, 2023

SANGHVI FITNESS PRIVATE LIMITED
Profit and loss statement for the period ended March 31, 2023

		Rs In Thousand	
Particulars	Refer Note No	For the period ended March 31, 2023	For the period ended March 31, 2022
1 Revenue from operations	10	3,750.00	750.00
2 Other income	11	76.09	-
3 Total Income (1+2)		3,826.09	750.00
4 Expenses:			
Employee benefits expense	12	35.48	864.22
Finance costs	13	11.37	12.40
Depreciation and amortization expense	6	-	-
Other expenses	14	211.78	51.87
5 Total expenses		258.63	928.48
6 Profit / (Loss) before tax		3,567.46	(178.48)
7 Tax expense:			
(1) Current tax		550.75	-
(2) Deferred tax		-	-
8 Profit / (Loss) after tax		3,016.72	(178.48)
9 Profit (Loss) for the period ended		3,016.72	(178.48)
10 Earnings per equity share:			
(1) Basic [in 000's]		0.30	(0.02)
(2) Diluted [in 000's]		0.30	(0.02)
See accompanying Notes to The Financial Statements	15-22		

The accompanying notes form an integral part of The Financial Statements.

For B K Khare and Co.

Chartered Accountants

Firm Registration Number - 105102W

A.A. Mahadik

Amit Mahadik

Partner

M.No. 125657

Place: Pune

Date: 26th May, 2023



For and On behalf of Board of Directors

SANGHVI FITNESS PRIVATE LIMITED

Darpan N Sanghvi
Managing Director

DIN: 02912102

Place: Mumbai

Date: 26th May, 2023

Narendra R Sanghvi
Director

DIN: 02912085

Place: Mumbai

Date: 26th May, 2023

SANGHVI FITNESS PRIVATE LIMITED
Cash Flow Statement for the year ended March 31, 2023

Rs In Thousand

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash flow from Operating Activities		
Profit/Loss before Tax	3,567.46	(178.48)
Adjustments for:		
Depreciation & Amortisation Expenses	-	-
Unrealized Foreign exchange Gain	-	-
Interest income	-	-
Interest Expenses	-	-
Operating profit before working capital changes	3,567.46	(178.48)
Changes in:		
Loans and Advances- short term	-	502.47
Long term loans and advances	(300.00)	(75.00)
Other Current Assets	-	-
Trade and Other Payables	346.53	94.19
Cash generated from operations	3,613.99	343.18
Less: Taxes paid net of refund	(550.75)	-
Net Cash from Operating Activities (A)	3,063.24	343.18
B. Cash flow from Investing Activities		
Purchase of Fixed Assets/Capital Expenditure	-	-
Increase in Investment	-	-
Interest Received	-	-
Increase in Fixed Deposits	-	-
Net Cash used in Investing Activities (B)	-	-
C. Cash flow from Financing Activities		
Change in Borrowings / (Repayment of borrowings)	(1,506.87)	874.77
Interest Paid	-	-
Share issue expenses	-	-
Share issued	-	-
Premium on shares issued	-	-
Net Cash used in Financing Activities (C)	(1,506.87)	874.77
D Net increase/decrease in cash and cash equivalents (A+B+C)	1,556.37	1,217.95
E Opening Balance of Cash and Cash Equivalents	1,288.82	70.86
F Closing Balance of Cash and Cash Equivalents (D+E)	2,845.19	1,288.82
Compunants of Cash And cash equivalents		
cash in hand	-	-
With Banks:		
on Current Accounts	2,845.19	1,288.82
on deposit accounts	-	-

The Significant Accounting Policies and Notes are an intergral part of these financial statements

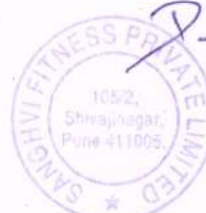
For B K Khare and Co.
Chartered Accountants
Firm Registration Number - 105102W

For and On behalf of Board of Directors
SANGHVI FITNESS PRIVATE LIMITED

A.A. Mahadik



Amit Mahadik
Partner
M.No. 125657
Place: Pune
Date: 26th May, 2023



Darpan N Sanghvi
Managing Director
DIN: 02912102
Place: Mumbai
Date: 26th May, 2023

Narendra R Sanghvi
Director
DIN: 02912085
Place: Mumbai
Date: 26th May, 2023

SANGHVI FITNESS PVT LTD

Notes to the Financial Statements for the year ended March 31, 2023

Note: 1 Share capital

Rs In Thousand

<u>Share Capital</u>	31-Mar-23	31-Mar-22
	Amount	Amount
<u>Authorised</u>		
10,000 Equity shares of 10 each with voting rights	100.00	100.00
Total	100.00	100.00
<u>Issued, Subscribed & Fully Paid up</u>		
10,000 Equity shares of 10 each with voting rights	100.00	100.00
Total	100.00	100.00

NOTE 1A

Reconciliation of number of Shares		As at March 31, 2023		As at March 31, 2022	
Particulars		Number	Amount	Number	Amount
<u>Equity Share</u>					
Shares outstanding at the beginning of the year		10,000.00	100.00	10,000.00	100.00
Shares Issued during the year		-		-	
Shares bought back during the year		-		-	

b) Rights attached to shares

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each Holder of equity shares is entitled to one vote per share. In the unlikely event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Details of Shareholders holding more than 5% of shares in the Company

SR NO	Name of Shareholder	As at March 31, 2023		As at March 31, 2022	
		No. of Shares held		No. of Shares held	
1	Promoters - Holding Company (Sanghvi Brands Pvt Ltd)	9,749	97.49%	9,749	97.49%
2	Shed Design Ltd. U.K.	250	2.50%	250	2.50%
3	Mr Narendra Sanghvi	1	0.01%	1	0.01%
	At the end of the year	10,000	100%	10,000	100%

Shares held by promoters at the end of the year As at March 31, 2023

S.No.	Name of the Promoter	No. of Shares**	%of total shares**
1	Sanghvi Brands Limited	9,749	97.49
2	Narendra Sanghvi	1	0.01

**** Details shall be given separately for each class of shares**



87

SANGHVI FITNESS PRIVATE LIMITED

Notes to the Financial Statements for the period ended March 31, 2023

Note: 2 Reserves and surplus

Rs In Thousand

Particulars	As at March 31, 2023	As at March 31, 2022
	Amount	Amount
Profit & Loss account		
Opening balance	(10,522.64)	(10,344.16)
Add: Profit/(Loss) for the current period/year	3,016.72	(178.48)
Closing balance of Profit & Loss account	(7,505.93)	(10,522.64)
Total	(7,505.93)	(10,522.64)

Note: 3 Short-term borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
	Amount	Amount
Loans and advances from related parties		
Sanghvi Beauty & Salon Pvt Ltd	-	130.25
Sanghvi Brands Ltd	10,255.00	11,631.62
Total	10,255.00	11,761.87

Note: 4 Trade Payable

Trade payables due for payment **As at March 31, 2023**
Trade Payables ageing schedule

Particulars	Outstanding for following periods from				Total
	Less Than 1 Year	1-2 Years	2 - 3 Years	More than 3 Years	
(i) MSME	-	-	-	-	-
(ii) Others	8.10	-	-	-	8.10
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Trade payables due for payment **As at March 31, 2022**
Trade Payables ageing schedule

Particulars	Outstanding for following periods from				Total
	Less Than 1 Year	1-2 Years	2 - 3 Years	More than 3 Years	
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	-	-
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Note: 5 Other Current Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
	Amount	Amount
Statutory remittances	556.25	174.80
Interest payable on loan from holding company	25.67	25.67
Employee Payables	35.08	-
Other Liabilities	52.00	130.10
Total	669.00	330.58



Handwritten signature and initials.

Note : 7 Long Term Loans and Advances		
Particulars	As at March 31, 2023	As at March 31, 2022
	Amount	Amount
Tax Deducted at Source (net of provisions)	673.21	373.21
Advance/self Ass. Tax FY 2022-23	-	-
Total	673.21	373.21

Note: 8 Trade Receivables

Trade Receivables ageing schedule As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment#					Total
	Less Than 6 Months	6 Months - 1 Year	1-2 Years	2 - 3 Years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	-	-	-	-	3,186	3,186
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	(3,186)	(3,186)
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

Unbilled dues shall be disclosed separately;

Trade Receivables ageing schedule As at March 31, 2022

Particulars	Outstanding for following periods from due date of payment#					Total
	Less Than 6 Months	6 Months - 1 Year	1-2 Years	2 - 3 Years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	-	-	-	3,186	-	3,186
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	(3,186)	-	(3,186)
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

Unbilled dues shall be disclosed separately;

Note: 9 Cash and Bank balances

Particulars	As at March 31, 2023	As at March 31, 2022
	Amount	Amount
Cash and bank balances		
(a) Cash on hand	-	-
(b) Bank Balances	2,845.19	1,288.82
Total	2,845.19	1,288.82



Handwritten signature and initials.

SANGHVI FITNESS PRIVATE LIMITED

Notes to the Financial Statements for the period ended March 31, 2023

Note 10 Revenue from operations

Rs In Thousand

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
	Amount	Amount
Technical Fees	3,750.00	750.00
	3,750.00	750.00
Sale of products (B)	-	-
Total	3,750.00	750.00

Note 11 Other Income

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
	Amount	Amount
Interest on Income tax refund	3.00	-
Sundry Credit Balances Appropriated	73.09	-
Total	76.09	-

Note 12 Employee Costs

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
	Amount	Amount
Salaries and incentives	35.48	864.22
Total	35.48	864.22

Note 13 Finance Costs

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
	Amount	Amount
Interest Expense	-	3.00
Bank Charges	11.37	9.40
Total	11.37	12.40

Note 14 Other Expenses

SR No	Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
		Amount	Amount
1	Rates & Taxes	147.11	-
2	Audit fee (Ref Note 18)	55.00	37.00
3	Legal & professional Fees	9.00	7.50
4	Telephone Expenses	0.67	7.37
	Total	211.78	51.87



27

[Handwritten signature]

SANGHVI FITNESS PVT LTD

Fixed Assets Schedule for period ended March 31, 2023

Note: 6 - Property, Plant and Equipment & Intangible Assets

Rs In Thousand

Fixed Assets	Gross Block		Accumulated Depreciation		Net Block	
	As at March 31, 2022	Additions/ (Disposals)	As at March 31, 2023	Depreciation charge for the year	As at March 31, 2023	As at March 31, 2022
<u>Property, Plant and Equipment</u>						
Computers & Accessories	219.55	-	219.55	-	211.77	7.78
Office Equipments	7.50	-	7.50	-	7.50	-
Total	227.05	-	227.05	-	219.27	7.78

Net 07



SANGHVI FITNESS PVT LTD

Notes to the Financial Statements for the period ended 31 March 2023

15. SIGNIFICANT ACCOUNTING POLICIES:

a) Company overview

Sanghvi Fitness Private Limited (previously known as Evander Holyfield Fitness Pvt Ltd) is a private limited company domiciled in India and incorporated on 15th December 2013 under the provisions of Companies Act, 1956. The Company is in the business of Operating gyms, etc for wellness and health related treatments. The Company has its registered office at Shivajinagar, Pune.

b) Basis of preparation of financial statements

The financial statements are prepared in accordance with the Generally Accepted Accounting Principles ("GAAP") in India under the historical cost convention on an accrual basis, and are in conformity with mandatory accounting standards, as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or to a revision an existing accounting standard requires a change in the accounting policy hitherto in use.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule II to the Companies Act, 2013. The Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

c) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon Management's best knowledge of current events and actions, actual results could differ from these estimates.

d) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Service income is recognized net of duties and taxes, as and when services are rendered. Revenue in respect of Technical fees is recognised as the related services are performed.

As per agreement entered by the Company with certain Franchisees, the Company is obliged to refund technical fees received in case of termination of its licensing arrangement with the licensors of the brand within a specified period which ranges from 1 to 2 years. As per management, refund of technical fees is not likely.

e) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, less accumulated depreciation until the date of the balance sheet and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Such costs include taxes, duties, freight and incidental expenses relating to the acquisition and installation of Property, Plant and Equipment. Cost also includes the



SANGHVI FITNESS PVT LTD

Notes to the Financial Statements for the period ended 31 March 2023

interest paid/ payable during the period of construction in respect of borrowed funds pertaining to construction/ acquisition of qualifying Property, Plant and Equipment.

f) Depreciation and Amortization

Depreciation on Property, Plant and Equipment is provided on the Straight line Method (SLM) over the useful lives of assets as prescribed in Schedule –II of the Companies Act 2013. Depreciation for assets purchased / sold during a period is proportionately charged. Intangible assets are amortized on SLM basis over their estimated useful life.

g) Current Assets, loans & advances

Current Assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business.

h) Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

i) Income Tax

Tax expense comprises of current and deferred. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

j) Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

k) Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.



P7



SANGHVI FITNESS PVT LTD

Notes to the Financial Statements for the period ended 31 March 2023

16. Auditor's Remuneration

Particulars	31.03.2023 (Rs. In Thousand)	31.03.2022 (Rs. In Thousand)
Statutory Audit Fees	0.55	0.55
Total	0.55	0.55

17. Earnings per Share

Sr. No.	Particulars	31.03.2023 (Rs. In Thousand)	31.03.2022 (Rs. In Thousand)
a.	Profit/(Loss) for the year	3,016.72	(178.48)
b.	Weighted Average no. of Equity Shares	10,000	10,000
	Basic EPS (a/b)	0.30	(0.02)

18. Based on the information available with the Company, no creditors have been identified as "supplier" within the meaning of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006.

19. Related Party Disclosure

Names of related party and nature of relationship

Relationship	Name of the Party
Key Managerial Personnel	Mr. Darpan Sanghvi
Relative of Key Managerial Personnel	Mr Narendra R Sanghvi
Holding Company	Sanghvi Brands Ltd
Fellow Subsidiary	Sanghvi Beauty & Salon Pvt Ltd.

Transaction with related parties

Particulars	Nature of Transaction	31.03.2023 (Rs. In Thousand)	31.03.2022 (Rs. In Thousand)
1. Sanghvi Brands Ltd	Loan Taken	(668.18)	(771.32)
	Repayment of Loan	2,044.80	-
2. Sanghvi Beauty and Salon Pvt Ltd	Loan Taken	(272.21)	(103.45)
	Repayment of Loan	309.01	-

Closing Balances with related parties [Receivable/(Payable)]

Particulars	Relationship	31.03.2023 (Rs. In Thousand)	31.03.2022 (Rs. In Thousand)
1. Sanghvi Brands Ltd	Holding Company	(10,255.00)	(11,631.62)
2. Sanghvi Beauty and Salon Pvt Ltd	Fellow Subsidiary	-	(130.25)

20. Trade receivables and trade payables are subject to confirmation from and reconciliation with counterparties. Management does not expect any impact of such procedures on stated balances as at the year-end.



SANGHVI FITNESS PVT LTD

Notes to the Financial Statements for the period ended 31 March 2023

21.(A) The business of the Company for previous period was impacted due to outbreak of Covid 19. During the current year the company witnessed good recovery in the business aided by leisure travel and gradual pickup in the business segment. Management has secured cash reserve to enable the Company to meet its obligations as they fall due and for its operational need. The Company has assessed future projections and based on estimates, expects to recover the carrying amount of these assets. Even though material uncertainty about going concern exists, considering various mitigating factors, the management does not see any risks in the ability to continue as a going concern and meeting its liabilities as and when payable. Accordingly, financials have been prepared on going concern basis.

21.(B) Additional Regulatory Information

(i) Following Ratios to be disclosed: -

Ratio	Numerator	Denominator	31st March 2023	31st March 2022	% Variance	Reason for Variance
Current ratio	Current assets	Current liabilities	0.26	0.11	1.44	Due to increase in turnover in C Y
Debt Equity ratio	Total debt	Shareholders equity	(1.38)	(1.13)	0.22	Due to increase in profit with increased turnover
Return on equity ratio	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	(0.34)	0.02	-20.59	Due to increase in profit in CY
Net capital turnover ratio	Net Sales	Working Capital	(0.46)	(0.07)	5.67	
Net profit ratio	Net Profit	Net Sales	0.80	(0.24)	(4.38)	Due to increase in turnover in CY
Return on capital employed	Earning before interest and taxes	Capital Employed	(0.48)	0.02	(28.66)	Due to increase in turnover in CY



SANGHVI FITNESS PVT LTD

Notes to the Financial Statements for the period ended 31 March 2023

22. The Previous figures are rearranged/ regrouped wherever necessary.

As per our attached report on even date

For B K Khare and Co.

Chartered Accountants

Firm Registration Number - 105102W

A. A. Mahadik

Amit Mahadik

Partner

M.No. 125657

Place: Pune

Date: 26th May 2023



For and on behalf of Board of Directors of
SANGHVI FITNESS PVT LTD

Darpan N Sanghvi

Darpan N Sanghvi

Managing Director

DIN: 02912102

Place: Mumbai

Date: 26th May 2023

Narendra R Sanghvi

Narendra R Sanghvi

Director

DIN: 02912085

Place: Mumbai

Date: 26th May 2023

