

DIRECTORS' REPORT

To
The Members of
PNC Wellness Ltd

Your Directors submit to the shareholders the 15th Annual Report on the business and operations of the Company and the audited financial accounts for the year ended March 31, 2015.

OPERATIONS

	In Rs. Lakh	
	Year ended 31.03.2015	Year ended 31.03.2014
Total income (including other income)	41.78	195.91
Profit before tax	(180.51)	(93.91)
Exceptional and extraordinary items	218.43	0.00
Provision for tax	(12.89)	(20.23)
Profit after tax	50.82	(73.68)

PRESENT ECONOMIC SITUATION AND PERFORMANCE OF THE COMPANY

The environment in the Indian wellness industry is satisfactory. Your directors believe that your company has the capability, skill sets and expertise to be a profitable enterprise.

There has been no material change in the nature of the business of the Company. The Company had to vacate its business premises at Breach Candy, Mumbai and the unit had therefore discontinued operations from the end of day on June 30, 2014. However our Company will continue its business activities and realign its strategy. In view of the realignment, our Company has disposed off its equipment resulting in the loss of Rs. 136.35 lakh thereon. The entire capital of the Company has eroded.

EXCEPTIONAL ITEMS

Exceptional item pertains to writing off of the advance of Rs 218.43 lakh payable to the Holding Company. The Holding Company has, from time to time, given our Company advances totaling Rs 218.43 lakh. To facilitate and support the revival of its business, our Company had requested and the Holding Company has waived the recovery of and written off the advances given.

DIVIDEND

Your directors do not recommend any dividend.

TRANSFER TO RESERVE

Your Company has not transferred any amount to general reserve.

PUBLIC DEPOSITS

There are no public deposits with the Company as at 31st March, 2015.

PNC Wellness Ltd

Registered Office: 87/88, Mittal Chambers, Nariman Point, Mumbai 400 021



PUBLIC DEPOSITS

There are no public deposits with the Company as at 31st March, 2015.

DIRECTORS

Yatender Verma and Rina Prithish Nandy retire by rotation at the forthcoming Annual General Meeting and being eligible offers themselves for reappointment.

NUMBER OF MEETING OF THE BOARDS

During the year the Board of Directors met four times viz May 29, 2014, August 12, 2014, November 11, 2014 and February 10, 2015.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of directors, to the best of their knowledge and ability, confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no 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 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 the 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 such internal financial controls are adequate and operating effectively;
- 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.

AUDITOR'S REPORT


The auditor's report does not contain any qualifications, reservations or adverse remarks.

AUDITORS

K R Khare & Co, Chartered Accountants, Auditors of the Company, hold office until the ensuing Annual General Meeting and have confirmed their willingness to be reappointed for a further term of 4 years and that their appointment, if made, would be within the prescribed limits of section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified from such re-appointment.

PNC Wellness Ltd

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PARTICULARS OF EMPLOYEES:

The Company has no employee in respect of whom information under Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is required to be annexed

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

Information as per section 134(3) (m): the particulars of Energy Conservation, Research and Development and Technology Absorption are not applicable.

There were no Foreign Exchange Earnings and Outgoing during the year under review.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

TRANSACTIONS WITH RELATED PARTIES

All Related Party Transactions entered into during the financial year were on an arm's length basis and in the ordinary course of business. Details of Related Party Transactions are disclosed in note no. 20 of the Audited Financial Statements of the Company.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations.

RISK MANAGEMENT

The Company has a Risk Management Policy, pursuant to the provisions of section 134 of the Act, which identifies and evaluates business risks and opportunities. This Policy seeks to create transparency, minimize adverse impact on business objective and enhance the Company's competitive advantage.

EXTRACT OF ANNUAL RETURN

Under section 92(3) of the Act, the extract of annual return is given in Annexure in the prescribed form MGT-9, which forms part of the report.

CORPORATE SOCIAL RESPONSIBILITY

Under section 135 (1) & (2) of the Act the requirement of developing a policy on CSR activity and implementing the same is not applicable to the Company since the Company does not meet the criteria. Accordingly, the Company has not taken steps relating to CSR activity.

PNC Wellness Ltd

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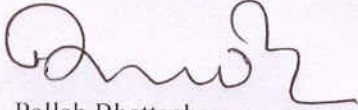
PERSONNEL

There was no employee drawing remuneration of sixty lakh rupees per annum or rupees five lakh per month.

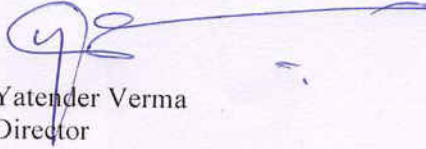
ACKNOWLEDGEMENT

The Board acknowledges the contribution of all associates for their support.

For and on behalf of the Board



Pallab Bhattacharya
Director



Yatender Verma
Director

Mumbai, July 24, 2015

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) CIN –U55100MH1999PLC120196

ii) Registration Date : April 04, 1999

iii) Name of the Company – PNC Wellness Limited

iv) Category / Sub-Category of the Company – Company Limited by shares

v) Address of the Registered office and contact details –

PNC Wellness Limited, 87/88 Mittal Chamber, Nariman Point, Mumbai 400021

Tel: 91-22-42130000

Fax: 91-22-42130033

Website: www.pritishnandycom.com

vi) Whether listed company - No

vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : N.A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Operation & Maintenance of Gymnasium and fitness centre	92411	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Pritish Nandy Communications Limited	L22120MH1993PLC074214	Holding Company	0%	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	D e m a t	Physical	Total	% of Total Shares	D e m a t	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
g) Individual/HUF	0	0	0	0	0	0	0	0	0
h) Central Govt		0	0	0		0	0	0	
i) State Govt (s)	0	0	0	0	0	0	0	0	0
j) Bodies Corp.	0	660,000	660,000	100	0	660,000	660,000	100	0
k) Banks / FI	0	0	0	0	0	0	0	0	0
l) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	0	660,000	660,000	100	0	660,000	660,000	100	0
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	660,000	660,000	100	0	660,000	660,000	100	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	0	660,000	660,000	100	0	660,000	660,000	100	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0

h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	660,000	660,000	100	0	660,000	660,000	100	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	660,000	660,000	100	0	660,000	660,000	100	0

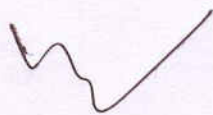
(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Pritish Nandy Communications Limited	660,000	100	0	660,000	100	0	0

Total	660,000	100	0	660,000	100	0	0
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(iii) *Change in Promoters' Shareholding (please specify, if there is no change)*

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	No Change			
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year				

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	It is a 100% wholly owned subsidiary company.			
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	At the End of the year (or on the date of separation, if separated during the year)				

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity	0	0	0	0

	etc):				
	At the End of the year	0	0	0	0

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year <input type="checkbox"/> Addition <input type="checkbox"/> Reduction				
Net Change				
Indebtedness at the end of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due				
Total (i+ii+iii)				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount

1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0	0
2.	Stock Option	0	0	0	0	0
3.	Sweat Equity	0	0	0	0	0
4.	Commission - as % of profit - others, specify...	0	0	0	0	0
5.	Others, please specify	0	0	0	0	0
	Total (A)	0	0	0	0	0
	Ceiling as per the Act	0	0	0	0	0

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
	3. Independent Directors <input type="checkbox"/> Fee for attending board / committee meetings <input type="checkbox"/> Commission <input type="checkbox"/> Others, please specify	0	0	0	0	0

	Total (1)	0	0	0	0	0
	4. Other Non-Executive Directors <input type="checkbox"/> Fee for attending board / committee meetings <input type="checkbox"/> Commission <input type="checkbox"/> Others, please specify	0	0	0	0	0
	Total (2)	0	0	0	0	0
	Total (B)=(1+2)	0	0	0	0	0
	Total Managerial Remuneration	0	0	0	0	0
	Overall Ceiling as per the Act	0	0	0	0	0

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

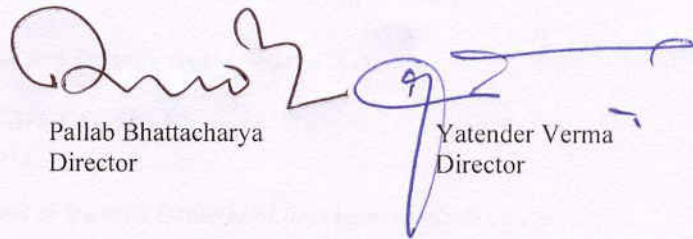
Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax	0	0	0	0

	Act, 1961				
2.	Stock Option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission - as % of profit - others, specify...	0	0	0	0
5.	Others, please specify	0	0	0	0
	Total	0	0	0	0

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment, or compounding of offence during the year ended March 31, 2015.

For and on behalf of the Board



Pallab Bhattacharya
Director

Yatender Verma
Director

Mumbai, July 24, 2015



Independent Auditors' Report

To
The Members of PNC Wellness Ltd

Report on the Financial Statements

We have audited the accompanying financial statements of PNC Wellness Ltd ("the Company"), which comprise the Balance Sheet as at March 31, 2015 and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

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- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note no 26 to the financial statements;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. as represented by the company, there is no amount required to be transferred to Investor Education and Protection Fund by the company.



For K R Khare & Co.
Chartered Accountants
FRN 105104W

K R Khare

Kishor R Khare
Proprietor
M No 032993

Place: Mumbai
Date: May 25, 2015

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

**(Referred to in paragraph under 'Report on Other Legal and Regulatory requirements'
section of our Report of even date)**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. a. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

b. The fixed assets have been fully disposed of by the company during the year. No material discrepancies were found during the physical verification of the fixed assets undertaken during the year.
2. The Company did not carry on any manufacturing or trading activity and did not have any stock during the year. Hence, clauses a, b and c of paragraph 3 (ii) of the Companies (Auditor's Report) Order, 2015, are not applicable to the Company.
3. As informed to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Consequently, sub clause (a) and (b) are not applicable to the Company for the year under report.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in such internal control systems.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public during the year. Therefore, the provisions of clause 3(v) of the Order are not applicable to the Company.
6. We are informed by the company that provisions of Section 148 (1) of the Act are not applicable.
7. a) The Company is regular in depositing undisputed statutory dues payable in respect of including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it with the appropriate authorities during the year. There were no undisputed statutory dues as mentioned above in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.

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Tel. : 2386 0984 • 2387 2351 • Email : kishorkhare@gmail.com

- b) According to information and explanations given to us, there are no dues of Service Tax and Income tax which have not been deposited on account of any dispute.
- c) According to the information and explanations given to us, there were no requirement for amounts to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under.
8. The Company does not have accumulated losses as at March 31, 2015 and also has not incurred cash losses in the current financial year. However, the company has incurred the losses in the immediately preceding financial year.
9. The Company has not taken any loans from financial institutions and hence question of default in repayment thereof does not arise.
10. According to the information and explanation given to us, the Company has not given any guarantee for loan taken by others from bank or financial institution, the terms and conditions whereof are prejudicial to the interest of the company.
11. The Company has not obtained any term loans during the year.
12. To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For K R Khare & Co.
Chartered Accountants
Firm Registration No. 105104W

Kishor R Khare
Proprietor
Membership No 032993

Place: Mumbai
Date: May 25, 2015



PNC WELLNESS LTD

BALANCE SHEET

AS AT MARCH 31, 2015

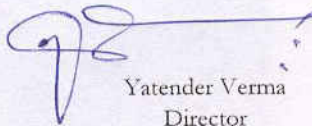
Particulars	Note No	March 31, 2015 Rupees	March 31, 2014 Rupees
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
a. Share capital	2	6,600,000	6,600,000
b. Reserves and surplus	3	2,928,543	(2,153,214)
		<u>9,528,543</u>	<u>4,446,786</u>
2. Current liabilities			
a. Short-term borrowings	4	-	18,868,870
b. Trade payables	5	82,292	465,079
c. Other current liabilities	6	5,188,323	9,058,032
		<u>5,270,615</u>	<u>28,391,981</u>
		<u>14,799,158</u>	<u>32,838,767</u>
II. ASSETS			
1. Non-current assets			
a. Fixed assets			
i. Tangible assets	7	-	19,005,553
b. Deferred tax assets (net)	8	10,911,387	9,621,678
c. Long term loans and advances	9	3,000,000	3,044,812
		<u>13,911,387</u>	<u>31,672,043</u>
2. Current assets			
a. Trade receivables	10	580,374	640,374
b. Cash and bank balances	11	44,187	514,942
c. Short term loans and advances	12	263,210	11,408
		<u>887,771</u>	<u>1,166,724</u>
		<u>14,799,158</u>	<u>32,838,767</u>
Significant accounting policy and Note on financial statement	1 to 27		

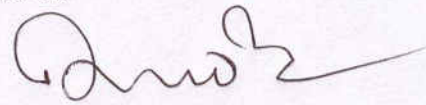
As per our attached report of even date
For K R Khare & Co
Chartered Accountants
Firm Registration No 105104W



Kishor R Khare
Proprietor
Membership No 032993
Mumbai, May 25, 2015

Authenticated by us
PNC Wellness Ltd


Yatender Verma
Director


Pallab Bhattacharya
Director


Mumbai, May 25, 2015



STATEMENT OF PROFIT AND LOSS
FOR THE PERIOD ENDED MARCH 31, 2015

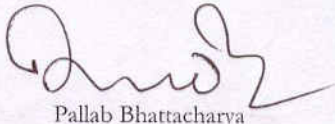
Particulars	Note No.	March 31, 2015 Rupees	March 31, 2014 Rupees
Revenue from operations	13	3,077,541	18,846,685
Other income	14	1,100,504	744,142
Total revenue		<u>4,178,045</u>	<u>19,590,827</u>
Expenses			
a. Finance cost	15	0	860,960
b. Depreciation and amortisation expense	16	2,870,252	1,442,638
c. Other expenses	17	19,358,747	26,678,132
Total expenses		<u>22,228,999</u>	<u>28,981,730</u>
Profit/ (loss) before exceptional and extra ordinary items and tax		(18,050,954)	(9,390,903)
Exceptional and extra ordinary items			
Waiver of advance from holding company - written back		21,843,002	0
Profit/ (loss) after exceptional and extra ordinary items and before tax		3,792,048	(9,390,903)
Tax expense			
i. Current tax		0	0
ii. Deferred tax		(1,289,709)	(2,023,315)
Profit/ (loss) for the period		5,081,757	(7,367,588)
Earning per equity share			
i. Basic and diluted	18	7.70	(11.16)
Significant accounting policy and Note on financial statement	1 to 27		

As per our attached report of even date
For K R Khare & Co
Chartered Accountants
Firm Registration No 105104W


Kishor R Khare
Proprietor
Membership No 032993
Mumbai, May 25, 2015

Authenticated by us
PNC Wellness Ltd


Yatender Verma
Director


Pallab Bhattacharya
Director

Mumbai, May 25, 2015



Note 1

SIGNIFICANT ACCOUNTING POLICIES

1.1 General

- a) The financial statements have been prepared as per historical cost convention and in accordance with generally accepted accounting policies.
- b) Expenses and revenue are generally accounted for on accrual basis, except those associated with significant uncertainties which are accounted on cash basis.

1.2 Revenue recognition

- a) Income from membership fee is recognised over the period of membership.
- b) In respect of services rendered, income is recognized as and when services are rendered.

1.3 Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. Cost comprises purchase price including any attributable cost of bringing the asset to its working condition for its intended use and any other identifiable direct expenses.

1.4 Depreciation

- a) Depreciation has been provided on Straight Line Method at the rates specified in schedule XIV of the Companies Act, 1956 except as specified in item (c) below.
- b) Depreciation on addition/ deletion to assets is calculated on a pro-rata basis considering the month of such addition/ deletion. No depreciation is charged on the asset if the same is not put to use during the year.
- c) Depreciation on improvement to leased premises including furniture and fixtures is provided over the period of leave and licence.

1.5 Taxation

Tax expense comprises both current and deferred tax at the applicable enacted/substantially enacted rates. Current tax represents the amount of income tax payable in respect of the taxable income for the reporting period. Deferred tax represents the effect of timing difference between taxable incomes and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods.

1.6 Investments

Long term investments are stated at cost. Current investments are stated at lower of cost or market value.

1.7 Retirement benefits

Provision for retirement benefits, if any, is made in accordance with the applicable law.

1.8 Provisions and contingencies

Provisions are recognized when the Company has legal and constructive obligation as a result of past event, for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed when the Company has possible but no or present obligation where it is probable that an outflow of resources will be required to settle it. Contingent assets are neither recognized nor disclosed.



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1.9 Foreign currency transactions

- a) Transactions in foreign currency are recorded at the rate prevailing on the date when the amount is received or remitted.
- b) Foreign currency assets and liabilities are converted into rupee at the exchange rate prevailing on the balance sheet date; gains/ losses are reflected in the profit and loss account.
- c) Exchange difference on account of acquisition of fixed assets is adjusted to carrying cost of fixed assets.

1.10 Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of such assets. The qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

1.11 Impairment of Assets

At Balance Sheet Date, the Company assesses whether there is any indication that any asset may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the assets exceeds the recoverable amount, an impairment loss is recognised in the accounts to the extent the carrying amount exceeds, the recoverable amount.



Notes on Financial Statements for the year ended 31st March, 2015

	March 31, 2015 Rupees	March 31, 2014 Rupees
Note 2		
SHARE CAPITAL		
Authorised Share Capital	7,500,000	7,500,000
750,000 (L Y 750,000) Equity Shares of Rs 10 each		
Issued, subscribed and fully paid-up		
660,000 (L Y 660,000) Equity Shares of Rs 10 each (Wholly owned by Prithish Nandy Communications Ltd - Holding Company)	6,600,000	6,600,000
	<u>6,600,000</u>	<u>6,600,000</u>

Note 2.1

The Reconciliation of the number of shares outstanding is set out below:

Particulars	As at March 31, 2015		As at March 31, 2014	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
Opening balance as at April 1, 2014	660,000	6,600,000	660,000	6,600,000
Add: Issued during the year	0	0	0	0
Closing balance as at March 31, 2015	<u>660,000</u>	<u>6,600,000</u>	<u>660,000</u>	<u>6,600,000</u>

Note 2.2

Details of shareholders holding more than 5% shares:

Name of the shareholder	March 31, 2015		March 31, 2014	
	No. of shares	% held	No. of shares	% held
Prithish Nandy Communications Ltd	660,000	100.00	660,000	100.00

Note 3

RESERVES AND SURPLUS

Securities premium reserve				
Opening balance as at April 1, 2014	22,500,000		22,500,000	
Additions during the year	-		-	
Deductions during the year	-		-	
Closing balance as at March 31, 2015	<u>22,500,000</u>	22,500,000	<u>22,500,000</u>	22,500,000
Surplus as per statement of profit and loss				
Opening balance as at April 1, 2014	(24,653,214)		(17,285,626)	
Net profit/ (loss) after tax during the year	<u>5,081,757</u>		<u>(7,367,588)</u>	
Closing balance as at March 31, 2015	<u>(19,571,457)</u>	<u>(19,571,457)</u>	<u>(24,653,214)</u>	<u>(24,653,214)</u>
		<u>2,928,543</u>		<u>(2,153,214)</u>



Note 4

SHORT TERM BORROWINGS

Unsecured advance from Holding Company
Pritish Nandy Communications Ltd

-	18,868,870
<u>-</u>	<u>18,868,870</u>

Note 5

TRADE PAYABLES

Micro Small and Medium Enterprises
Others

-	-
82,292	465,079
<u>82,292</u>	<u>465,079</u>

Note 5.1

The Company has not received any intimation from suppliers regarding the status under The Micro, Small And Medium Enterprises Development Act, 2006. Accordingly, disclosure as required by the said Act is made on that basis.

Note 6

OTHER CURRENT LIABILITIES

Advance membership received
Advance dancing class fees
Deposits
Statutory dues
Other liabilities

-	2,717,215
-	144,705
2,493,000	3,513,000
-	212,967
2,695,323	2,470,145
<u>5,188,323</u>	<u>9,058,032</u>



Note 7

TANGIBLE ASSETS as at March 31, 2015

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As At April 1, 2014	Additions	Deductions	As At March 31, 2015	As At April 1, 2014	For the period	Deductions	Total	As at March 31, 2015	As at March 31, 2014
Lease premises and fixtures	18,368,825	-	-	18,368,825	18,368,825	-	-	18,368,825	0	0
Gym and other Equipments	26,379,467	33,440	26,412,908	-	7,373,915	2,870,252	10,244,167	-	0	19,005,552
Total Rs	44,748,292	33,440	26,412,908	18,368,825	25,742,739	2,870,251	10,244,166	18,368,824	0	19,005,553



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Note 8

DEFERRED TAX ASSETS

Opening balance as on April 1, 2014	9,621,678		7,598,363	
Add: Adjustment for current year	<u>1,289,709</u>	10,911,387	<u>2,023,315</u>	9,621,678
		<u>10,911,387</u>		<u>9,621,678</u>

Note 8.1

The Company is expecting revenue to accrue from franchise network expansion and hence deferred tax assets created is retained.

Note 8.2

The company has reversed the deferred tax liability arised in past out of the timing differences on account of depreciation on fixed assets as per Companies act and as per Income Tax Act as the entire fixed assets have been sold during the year under audit. The final deferred tax calculation as on March, 31, 2015 is as follows:

Particulars	As at 1.4.2014	Created during the year	Reversed during the year	As at 31.3.2015
Deferred tax asset				
Depreciation	(1,289,709)	0	1,289,709	0
Unabsorbed business loss	<u>10,911,387</u>	0	0	<u>10,911,387</u>
	<u>9,621,678</u>	0	1,289,709	<u>10,911,387</u>

Note 9

LONG TERM LOANS AND ADVANCES

(Unsecured, considered good)

Deposits	3,000,000	3,000,000
Income tax receivable	-	44,812
	<u>3,000,000</u>	<u>3,044,812</u>

Note 10

TRADE RECEIVABLE

(Unsecured, considered good)

Over six months	580,374	441,200
Others	-	199,174
	<u>580,374</u>	<u>640,374</u>

Note 11

CASH AND BANK BALANCES

Cash at bank - current account	30,372	490,328
Cash and imprest accounts	13,815	24,614
	<u>44,187</u>	<u>514,942</u>

Note 12

SHORT TERM LOANS AND ADVANCES

(Unsecured, considered good)

Pre-paid expenses	-	1,557
Service tax input credit unutilised	263,210	6,851
Other advances	-	3,000
	<u>263,210</u>	<u>11,408</u>



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Note 13**Revenue from operations**

Membership fees	2,932,836	18,391,377
Other operating revenue	144,705	455,308
	<u>3,077,541</u>	<u>18,846,685</u>

Note 13.1

Income in foreign currency	Nil	Nil
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Note 14**OTHER INCOME**

Interest on fixed deposit (TDS Rs Nil (L Y Rs 13,072))	-	137,843
Interest on income tax refund	28,308	26,113
Miscellaneous income	17,366	45,062
Sundry creditors balance written back	1,054,830	535,124
	<u>1,100,504</u>	<u>744,142</u>

Note 15**FINANCE COST**

Interest on term loan from Yes Bank	-	860,960
	<u>-</u>	<u>860,960</u>

Note 17**OTHER EXPENSES**

Rent, rates and taxes	2,459,250	9,837,000
Electricity charges	747,873	2,859,065
Professional fees & remuneration	1,093,827	6,436,137
Repairs and maintenance	11,008	305,581
ROC filing fees	7,000	1,000
Business Promotion Expenses	-	254,750
Legal fees and stamp duty	453,630	543,590
Office expenses & other liability	33,789	321,306
Parking charges	12,000	48,000
Internet expenses	-	71,000
Printing and stationery	9,807	50,492
Security Charges	43,176	366,473
Washing charges	-	17,811
Loss on sale of assets	13,635,302	-
Assets Written off	-	2,846,412
Property tax	639,244	1,698,418
Water charges	11,610	437,530
Advances written off	17,891	11,969
Housekeeping charges	-	142,016
Auditors' remuneration	44,944	44,944
General Expenses	138,396	384,638
	<u>19,358,747</u>	<u>26,678,132</u>

Note 17.1

Payment to Auditors as		
i. Statutory audit fees	33,708	33,708
ii. Fees for tax audit and other services	11,236	11,236
	<u>44,944</u>	<u>44,944</u>

Note 17.2

Expenditure in foreign currencies	Nil	Nil
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Note 18**EARNING PER SHARE**

i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	5,081,757	(7,367,588)
ii) Weighted average number of equity shares used as denominator for calculating EPS	660,000	660,000
iii) Basic and diluted Earning per Share	7.70	(11.16)
iv) Face value per Equity Share	10	10

Note 20**RELATED PARTY DISCLOSURE**

In accordance with Accounting Standard (AS) 18 "Related Party Disclosure", the disclosure in respect of transactions with the companies related parties are as given below:

Holding Company: Pritish Nandy Communications Ltd

Details relating to parties referred to in above item are as under:

<u>Holding Company</u>	<u>Nature of transaction</u>
Pritish Nandy Communications Ltd (PNC)	Advance received (net) 2,974,132
	Advances written back (waived by PNC) 21,843,002

Note: Related Party relationship is as identified by the Company and relied upon by the Auditors.

Note 21

Lease commitments

Operating lease

The Company had taken premises under operating lease which expired in June 2014. Gross rental expense net of service tax credit availed for the year ended March 31, 2015, aggregated to Rs 2,459,250 (L Y Rs 9,837,000). The minimum rental payments to be made in future in respect of this lease are as follows:

	<u>As at March 31, 2015</u>	<u>As at March 31, 2014</u>
Not later than one year	Nil	2,459,250



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NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

Note 22

Particulars	2014-15	2013-14
Estimated amount of contracts to be executed on capital account. Net of capital advances)	Nil	Nil

Note 23

There being no employees during the year, no provision for retirement benefits is made in the accounts.

Note 24

In the opinion of the management, investments, current assets and loans and advances are of the value stated in the financial statements and realisable in the ordinary course of business. The provisions for all known liabilities are adequate and are not in excess of the amounts considered, reasonably necessary.

Note 25

During the year, Company operated only in one business segment, i.e. Wellness Segment.

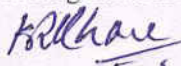
Note 26

All known liabilities have been provided in the books of account. Legal proceedings relating to dispute in respect of compliance and performance of the conditions of the license for the use of the premises from where Moksh Zip was operating are ongoing between the Company and the Licensor of the premises. The licensor is claiming Rs 9,025,000 being compensation from 1.4.2012 till 10.11.2013 in a suit filed with the Small Causes Court, Mumbai. The company has filed a suit in the Bombay High Court for compensation for an amount of Rs 17,053,133 on the grounds that the leave & license agreement stands vitiated by fraud by the licensor and be declared void ab initio and that the same is not enforceable against or binding upon the company. Pending the outcome of the aforesaid legal proceedings the impact on the financial statements of the Company cannot be ascertained.

Note 27


Figures in respect of previous year have been re-grouped and re-arranged wherever necessary.

As per our attached report of even date
For K R Khare & Co
Chartered Accountants
Firm Registration No. 105104W



Kishor R Khare
Proprietor
Membership No. 032993
Mumbai, May 25, 2015

Authenticated by us
For PNC Wellness Ltd



Pallab Bhattacharya
Director



Yatender Verma
Director

Mumbai, May 25, 2015



CASH FLOW STATEMENT
FOR THE YEAR ENDED MARCH 31, 2015

	As at March 31, 2015	As at March 31, 2014
	Rupees	Rupees
A Cash Flow from operating activities:		
Profit/ (loss) before taxes and prior years adjustments	3,792,048	(9,390,903)
Depreciation	2,870,252	1,442,638
Finance charges	-	860,960
Assets written off	-	2,846,412
Loss on sale of assets	13,635,302	-
Advances written off	17,891	11,969
Advances from Holding Company written off	(21,843,002)	-
Interest on fixed deposit	-	(137,843)
Sundry creditors balance written back	(1,054,830)	-
Operating cash flow before working capital changes	(2,582,339)	(4,366,767)
Adjusted for:		
Trade receivable	60,000	(199,174)
Trade payable	672,043	(844,515)
Other Current liabilities	(3,869,709)	(3,310,665)
Changes in long term loans and advances	26,920	361,338
Changes in short term loans and advances	(251,803)	302,831
Changes in other current assets	-	203,793
Cash generated from operations before prior period items:	(5,944,888)	(7,853,159)
Direct taxes paid	-	-
Net Cash from operating activities	(5,944,888)	(7,853,159)
B Cash Flow from Investing activities:		
Purchase of fixed assets	-	(195,940)
Sale of fixed assets	2,500,000	-
Interest on fixed deposit	-	137,843
Net cash used in investing activities	2,500,000	(58,097)
C Cash flow from financing activities		
Addition to long term borrowings	-	-
Repayment of borrowings	-	(7,125,000)
Short term borrowing net	2,974,132	13,499,117
Finance and other charges paid	-	(860,960)
Net cash used in financing activities	2,974,132	5,513,157
Net changes in cash and cash equivalents (A+B+C)	(470,756)	(2,398,099)
Cash and cash equivalents- opening balance	514,943	2,913,042
Cash and cash equivalents- closing balance	44,187	514,943
Notes:		
1) The above cash flow statement has been prepared as per indirect method.		
2) Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities		
3) Figures in brackets represents deductions/ outflows.		
4) Previous year's figures have been regrouped wherever necessary.		

As per our attached report of even date

For K R Khare & Co

Chartered Accountants

F R N 105104W



Kishor R Khare

Proprietor

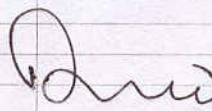
M No 032993

Mumbai, May 25, 2015



Authenticated by us

For PNC Wellness Ltd


Pallab Bhattacharya
Director

Yatender Verma
Director

Mumbai, May 25, 2015