

# **Splendor Fitness Private Limited**

Annual Report

2010 - 11

## DIRECTORS' REPORT

To,  
The Members.  
Splendor Fitness Private Limited

The Directors of your Company are pleased to present the Annual Report of the Company for the financial year ended 31st March, 2011.

### FINANCIALS

	Year Ended March 31, 2011	Year Ended March 31, 2010
Income from Operations	576.41	730.58
Other Income	141.83	57.36
<b>Total Income</b>	<b>728.24</b>	<b>787.94</b>
Expenditure (excluding depreciation)	1078.15	1,251.30
Depreciation	175.61	131.23
<b>Total Expenditure</b>	<b>1253.76</b>	<b>1,382.53</b>
Profit / (Loss) before tax	(535.51)	(594.59)
Tax	(332.15)	183.54
Prior Period Adjustments	Nil	(18.62)
<b>Profit / (Loss) after tax</b>	<b>(867.69)</b>	<b>(429.66)</b>
EPS (Rs.)	(424.07)	(214.83)

### DIVIDEND

In view of loss, your directors do not propose/ recommend any dividend for the year under review.

### FIXED DEPOSIT

Your Company has not accepted any deposit within the meaning of section 58A of the Companies Act, 1956 read together with the Companies (Acceptance of Deposits) Rules, 1975 from the public during the year under review.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- that in the preparation of the Annual Accounts for the financial year ended 31st March, 2011 the applicable accounting standards have been followed along with proper explanations relating to material departures;

- that the Directors 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 loss of the Company for the year ended 31st March, 2011;
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- that the Directors have prepared the accounts for the financial year ended 31st March, 2011 on a 'going concern' basis.

#### **AUDITORS**

M/s. Contractor, Nayak & Kishnadwala; Chartered Accountants, Auditors of the Company who retire at the forthcoming Annual General Meeting are eligible for re-appointment and have expressed their willingness to accept office as such. Members are requested to consider and approve their re-appointment.

#### **PARTICULARS OF EMPLOYEES**

There is no employee in the Company drawing more than the limits specified under section 217(2A) of the Companies Act, 1956 and hence, no information need to be given thereunder.

#### **CHANGE IN THE NAME OF THE COMPANY**

During the year under review, a special resolution passed by the Members of the Company at the extra ordinary general meeting held on January 24, 2011 proposing the change of name of the Company from Talwalkar Pantaloon Fitness Private Limited to **Splendor Fitness Private Limited**. Consequent upon the change of name of the Company, a fresh Certificate of Incorporation dated 7<sup>th</sup> March, 2011 approving the change of name of the Company was received from the Dy. Registrar of Companies, Maharashtra, Mumbai.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND EXPORT INITIATIVE & FOREIGN EXCHANGE EARNINGS AND OUTGO**

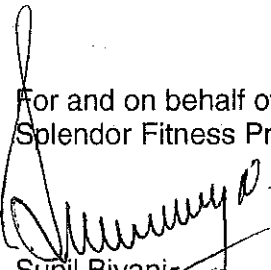
The provisions of Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 are not applicable to your company, hence no information need to be given for the same. The Company at present is concentrating only on domestic market & has no plans for any export initiative.

There are no earnings or outgo of foreign exchange during the year ended on 31<sup>st</sup> March 2011.

## ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation and acknowledge with gratitude for the support and co-operation extended by the Government, clients, bankers, investors and other agencies and look forward to their continued patronage in future.

For and on behalf of the Board of Directors of  
Splendor Fitness Private Limited



Sunil Biyani  
Director



Sanjay Seksaria  
Director

Place: Mumbai

Dated: August 12, 2011

# Contractor, Nayak & Kishnadwala

Chartered Accountants

Jash Chambers, 3rd floor, 7A, Sir P. M. Road, Fort, Mumbai - 400 001.  
Tel. : 6623 0600 / 2266 2603, 6635 9681 • Fax : 2261 5814

1B, 1st floor, Pushpan, K. D. Road, Vile Parle (W), Mumbai - 400 056.  
Tel. : 2628 6909 / 2628 4083 / 6515 9339 • Fax : 2628 6747

## AUDITOR'S REPORT

To the Members of  
**SPLENDOR FITNESS PRIVATE LIMITED**  
(Formerly known as *Talwalkars Pantaloon Fitness Private Limited*)

We have audited the attached Balance Sheet of **SPLENDOR FITNESS PRIVATE LIMITED** ("the company") (Formerly known as *Talwalkars Pantaloon Fitness Private Limited*) as at 31st March, 2011, the related Profit & Loss Account and the Cash Flow Statement of the Company for the year ended on that date, annexed thereto and we report thereto:

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

We Report that:

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
2. In our opinion, proper books of accounts have been kept by the Company, so far as appears from our examination of those books.
3. The Balance Sheet, Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
4. In our opinion, the Balance Sheet, Profit and Loss Account and the Cash Flow Statement comply with the mandatory accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
5. On the basis of the written representations received from the Directors as on 31<sup>st</sup> March 2011, and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31<sup>st</sup> March 2011 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act 1956.
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon in Schedule 'N', give the information required by the Companies Act, 1956, in the manner so required, give a true and fair view in conformity with the accounting principles generally accepted in India:
  - a. In the case of the Balance Sheet of the state of affairs of the Company as at 31st March 2011;
  - b. In the case of the Profit & Loss Account, of the loss of the Company for the year ended on that date; and

# Contractor, Nayak & Kishnadwala

Chartered Accountants

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- c. In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
7. As required by the Companies (Auditor's Report) Order, 2003 and according to the information and explanations given to us during the course of the audit and on the basis of such checks as were considered appropriate, we report that:
- (i) (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As informed to us, the management has physically verified the fixed assets at reasonable intervals and no material discrepancies were found on such verification.
- (c) During the year under review, the Company has disposed certain of its assets (on a lease back arrangement) amounting to Rs.1,36,208 thousands which according to us is a substantial part of its fixed assets. Based on the information & explanation provided to us and based on the various audit procedures performed by us, we are of the opinion that the sale of these assets has not affected the going concern status of the company.
- (ii) (a) As explained to us, stock of traded goods have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification followed by the management for the above inventories are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion, the Company has maintained proper records of inventories. The discrepancies noticed between the physical stocks and book records were not material, having regard to the size of the Company and the nature of its business.
- (iii) (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 and therefore the provisions of Clauses (iii)(b), (iii)(c) and (iii)(d) of the Order are not applicable.
- (b) As per the information and explanations given to us, during the year the company has taken interest bearing unsecured loans from four parties covered in the register maintained under section 301 of the Companies Act, 1956 amounting to Rs. 2,01,600 thousands. The maximum amount involved and the year end balance of all unsecured loans from parties covered in the register maintained under section 301 of the Companies Act, 1956 is Rs. 1,81,961 thousands and Rs. 88,600 thousands respectively.
- (c) The terms and conditions of the loans are prima facie not prejudicial to the interest of the company.
- (d) Since specific repayment schedule has been laid down for repayment of the principal and interest, the company is generally regular in payment of the principal and interest of the interest bearing loan.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventories, fixed assets and for the sale of goods and services. During the course of our audit, no major weaknesses were noticed in internal controls and as such the question of there being a continuing failure to correct such weaknesses does not arise.

# Contractor, Nayak & Kishnadwala

Chartered Accountants

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- (v) (a) Based on the audit procedures applied by us and according to the information and explanations furnished to us by the management, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies act 1956 have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) As per the explanation and information provided to us, in our opinion the Company has not accepted any public deposits during the year within the meaning of Section 58A and 58AA of the Companies Act, 1956 and rules made there under. Hence, the provisions of clause (vi) of the Order are not applicable.
- (vii) In our opinion, the company's internal audit system is commensurate with the size of the company and the nature of its business.
- (viii) We are informed that the Central Government of India has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for any of the activities of the Company.
- (ix) (a) According to the information and explanations given to us and the records examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including wealth tax, sales-tax, custom duty, excise-duty, cess and other statutory dues excepting tax deducted at source and provident fund. There are no undisputed statutory dues outstanding as at 31st March 2011, for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute.
- x) The Company is registered for a period less than five years and hence the clause (x) of paragraph 4 of the order about accumulated losses and cash losses is not applicable to the company.
- (x) Based on our examination of the records and the information and explanations given to us, the Company does not have any dues payable to financial institutions, debenture-holders or banks.
- (xi) Based on our examination of the records and according to the information and explanations given to us, the Company has not granted any loans and/or advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xii) The Company is not a chit fund, nidhi, mutual benefit fund or a society and therefore the provisions of clause (xiii)(a), (xiii)(b), (xiii)(c) and (xiii)(d) of Paragraph 4 of the Order are not applicable.
- (xiii) The Company is not dealing or trading in shares, securities, debentures and other investments
- (xiv) According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.

**Contractor, Nayak & Kishnadwala**  
Chartered Accountants

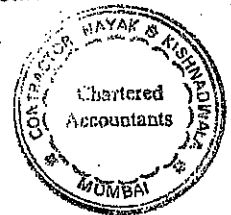
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- (xv) Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (xvi) According to the information and explanations given to us, and on examination of books of account of the company, we are of the opinion that no funds raised on short-term basis have been utilized for long term investments.
- (xvii) During the year under review the company has made preferential allotment of preference shares to two companies covered in the register maintained under section 301 of the Companies Act, 1956 at differential prices. Subsequently these preference shares were converted into equity shares. As per the information and explanation provided to us, in our opinion, the price at which such shares were issued in not prejudicial to the interests of the members of the company.
- (xviii) The Company has not issued any debentures during the year and there are no debentures outstanding at the year end.
- (xix) The Company has not raised any money from public issues during the year covered by our report.
- (xx) As per the information and explanations given to us, no fraud by the Company has been noticed or reported during the course of our audit. As regards frauds on the company during the year under review, we have not come across any instance of material fraud on the company.

For Contractor, Nayak & Kishnadwala  
Chartered Accountants  
ICAI Firm Registration No.101961W

*Manish Sampat*

Manish Sampat  
Partner  
Membership No. 101684



Place: Mumbai

Date: 12 AUG 2011



**SPLENDOR FITNESS PRIVATE LIMITED**  
(Formerly Known as Talwalkars Pantaloon Fitness Pvt Ltd)

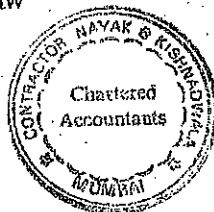
(Rs. In Thousands)

		2011	2010
<b>I SOURCES OF FUNDS:</b>			
<b>1 SHAREHOLDER'S FUNDS:</b>			
Share Capital	A	168,000.00	20,000.00
Share Application Money	B	108,000.00	69,331.00
Reserves and Surplus		276,000.00	89,331.00
<b>2 LOAN FUNDS:</b>			
Secured Loans	C	69,788.77	91,286.02
Unsecured Loans	D	88,600.00	98,700.09
		158,388.77	189,986.11
		434,388.77	279,317.11
<b>TOTAL</b>			
<b>II APPLICATIONS OF FUNDS:</b>			
<b>1 FIXED ASSETS:</b>			
Gross Block	E	234,168.54	262,135.60
Less: Depreciation		20,996.15	21,928.34
Net Block		213,172.39	240,207.26
<b>2 DEFERRED TAX ASSET</b>			
			33,214.97
<b>3 CURRENT ASSETS, LOANS &amp; ADVANCES:</b>			
(a) Inventories	F	775.04	775.04
(b) Sundry Debtors		6,606.33	6,606.33
(c) Cash and Bank Balances		2,595.72	1,938.34
(d) Loans & Advances		180,595.21	19,730.98
		190,572.30	29,045.69
<b>4 LESS: CURRENT LIABILITIES &amp; PROVISION:</b>			
	G	132,945.62	99,977.23
		132,945.62	99,977.23
		57,626.68	(70,931.54)
<b>NET CURRENT ASSETS</b>			
	H		3.25
<b>5 MISCELLANEOUS EXPENDITURE</b> (to the extent not written off or adjusted)			
		163,589.71	76,823.17
<b>6 DEBIT BALANCE IN PROFIT &amp; LOSS A/C</b>			
		434,388.77	279,317.11
<b>TOTAL</b>			
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES TO ACCOUNTS</b>			
Schedules referred to above form an integral part of the Balance Sheet			

As per our report of even date.

For Contractor, Nayak & Kishnadwala  
Chartered Accountants  
ICAI Firm Registration No. 101961W

Manish Sampat  
Partner  
Membership No. : 101684  
Place: Mumbai  
Date: 12 AUG 2011



For and on behalf of the Board

SUNIL BIYANI  
Director

Place: Mumbai  
Date:

SANJAY SEKSARIA  
Director

Place: Mumbai

**SPLENDOR FITNESS PRIVATE LIMITED**  
(Formerly Known as Talwalkars Pantaloon Fitness Pvt Ltd)

(Rs. In Thousands)

Particulars	2010-11	2009-10
<b>INCOME:</b>		
Sales & Operating Income	57,641.39	73,057.86
Other Income	14,182.98	5,736.03
	<b>71,824.37</b>	<b>78,793.89</b>
<b>EXPENDITURE:</b>		
Operating and Administrative expenses	83,041.68	92,411.82
Finance cost	21,797.49	26,890.18
Personnel Cost	2,975.99	5,828.04
Depreciation	17,560.72	13,122.79
	<b>125,375.88</b>	<b>138,252.82</b>
<b>LOSS BEFORE TAX</b>	<b>(53,551.52)</b>	<b>(59,458.93)</b>
Provision for - Current Tax		
- Deferred Tax	(33,214.97)	18,354.40
<b>LOSS AFTER TAX BEFORE PRIOR PERIOD ADJUSTMENT</b>	<b>(86,766.49)</b>	<b>(41,104.54)</b>
Prior Period Adjustment		(1,861.78)
<b>LOSS AFTER TAX AFTER PRIOR PERIOD ADJUSTMENT</b>	<b>(86,766.49)</b>	<b>(42,966.32)</b>
Add : Balance Brought Forward	(76,823.22)	(33,856.90)
<b>LOSS AFTER TAX TO BE CARRIED TO BALANCE SHEET</b>	<b>(163,589.71)</b>	<b>(76,823.22)</b>
Earning Per Share in Rs. (Basic & Diluted) of Rs.100/- each	(424.07)	(214.82)
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES TO ACCOUNTS</b>	<b>N</b>	
Schedules referred to above form an integral part of the Profit & Loss Account		

As per our report of even date  
For Contractor, Nayak & Kishnadwala  
Chartered Accountants  
ICAI Firm Registration No. 101961W

Manish Sampat  
Partner  
Membership No.: 101684  
Place: Mumbai  
Date: 12 AUG 2011



For and on behalf of the Board

SUNIL BIYANI  
Director

Place: Mumbai  
Date:

SANJAY SEKSARIA  
Director

Place: Mumbai

**SPLENDOR FITNESS PRIVATE LIMITED**  
(Formerly Known as Talwalkars Pantaloon Fitness Pvt Ltd)

(Rs. In Thousands)

	2017-18	2016-17
<b>SCHEDULE 'A': SHARE CAPITAL AUTHORISED:</b>		
16,80,000 Equity shares of Rs.100 each. (Previous Year 200,000 Equity shares of Rs.100 each)	168,000.00	20,000.00
	<b>168,000.00</b>	<b>20,000.00</b>
<b>ISSUED, SUBSCRIBED &amp; PAID-UP:</b>		
16,80,000 (Previous Year : 2,00,000) Equity shares of Rs.100 each fully paid. Of the total paid up capital 15,40,000 (Previous Year : 100,000 )Equity Shares of Rs. 100 each fully paid up are held by Pantaloon Retail (India) Limited	168,000.00	20,000.00
	<b>168,000.00</b>	<b>20,000.00</b>
<b>SCHEDULE 'B': RESERVES AND SURPLUS</b>		
<b>Securities Premium :</b>		
Balance at the beginning of the year	-	-
Additions during the year	108,000.00	-
Less: Utilized during the year	-	-
Balance at the end of the year	<b>108,000.00</b>	-
	<b>108,000.00</b>	-
<b>SCHEDULE 'C': SECURED LOANS</b>		
From Bank:		
- Term Loan (Refer Note 'C 16' of Schedule 'N')	69,788.77	91,286.02
	<b>69,788.77</b>	<b>91,286.02</b>
<b>SCHEDULE 'D': UNSECURED LOANS</b>		
From Banks	88,600.00	98,700.09
From Others (Refer Note 'C 17' of Schedule 'N')	<b>88,600.00</b>	<b>98,700.09</b>

**SPLENDOR FITNESS PRIVATE LIMITED**  
(Formerly known as Tatwalkars Pentaloop Fitness Private Limited)

Schedules Forming Part of Accounts

(Rs. In thousands)

**SCHEDULE 'E': FIXED ASSETS**

Description	As at 31-03-2024		As at 31-03-2023		As at 31-03-2022		As at 31-03-2021		As at 31-03-2020	
	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation
Computers & Accessories	1,956.11	1,161.13	3,117.24	-	507.72	379.48	887.20	-	-	1,448.39
Air Conditioners	14,519.10	5,838.22	20,157.32	-	1,133.24	772.09	1,905.33	-	-	13,185.86
Office Equipments	1,530.65	1,734.31	1,592.94	1,672.02	179.05	100.82	253.55	26.33	1,645.70	1,351.60
Electrical Equipments	15,954.96	30,615.54	27,668.22	18,902.28	1,357.32	1,240.52	2,300.19	297.65	18,604.63	14,597.64
Gym Equipments	102,165.52	-	102,165.52	-	8,293.78	4,852.86	13,146.64	-	-	-
Furniture & Fixtures	126,209.25	45,845.77	-	172,055.02	10,457.23	8,824.42	-	19,281.66	152,773.36	115,752.02
Building	-	38,234.77	-	38,234.77	-	1,338.49	-	1,338.49	36,896.28	-
Plant & Machinery	-	3,304.45	-	3,304.45	-	52.03	-	52.03	3,252.42	-
<b>Total Rs.</b>	<b>262,135.60</b>	<b>126,734.19</b>	<b>154,701.25</b>	<b>234,168.54</b>	<b>21,928.34</b>	<b>17,560.72</b>	<b>18,492.91</b>	<b>20,996.15</b>	<b>213,172.39</b>	<b>240,207.26</b>
<b>PREVIOUS YEAR (Rs.)</b>	<b>205,902.33</b>	<b>56,233.60</b>	<b>-</b>	<b>262,135.60</b>	<b>8,805.60</b>	<b>13,122.79</b>	<b>-</b>	<b>21,928.34</b>	<b>240,207.26</b>	<b>197,096.74</b>

**SPLENDOR FITNESS PRIVATE LIMITED**  
(Formerly Known as Talwalkars Pantaloon Fitness Pvt Ltd)

(Rs. In Thousands)

		2014-15	2013-14
<b>SCHEDULE 'F':</b>			
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
Inventories (as certified and valued by the Management)		775.04	775.04
Traded Goods		775.04	775.04
<b>Sundry Debtors</b>			
(Unsecured & considered doubtful)		40.04	40.04
Debits outstanding for more than six months		40.04	40.04
Less : Provision for Doubtful Debts		(40.04)	(40.04)
(Unsecured & considered good by the management)		6,606.33	6,606.33
Debits outstanding for more than six months (Refer Note 'C 18' of Schedule 'N')		6,606.33	6,606.33
<b>Cash &amp; Bank Balances</b>			
(a) Cash in hand		534.91	502.04
(b) Bank Balances (including cheques in hand):			
- in Current a/c with Scheduled banks		1,560.81	931.30
- in Term Deposit		500.00	500.00
		2,595.72	1,933.34
<b>Loans &amp; Advances</b>			
Advances Recoverable in cash or in kind or for value to be received		150,482.73	5,296.14
Advance Payment of Tax (Net of Provisions)		293.39	46.24
Deposits (Refer Note 'C 19' of Schedule 'N')		29,755.24	11,327.68
Balances with Excise Authorities etc.		63.84	3,060.93
		180,595.21	19,730.98
<b>SCHEDULE 'G':</b>			
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>			
<b>Current Liabilities</b>			
Amounts due to Micro, Medium and Small Enterprises (Refer Note C '7' of Schedule 'N')			
Amounts due to other than Micro, Medium and Small Enterprises			
Liabilities for capital goods		4,746.95	3,371.08
Liabilities for expenses		103,088.81	88,470.64
Other Liabilities		17,149.97	1,139.03
Interest Payable		7,705.57	6,521.55
		132,691.29	99,502.30
<b>Provisions</b>			
Provision for Gratuity		20.33	6.93
Provision for Bonus		234.00	468.00
		254.33	474.93
<b>TOTAL</b>		132,945.62	99,977.23
<b>SCHEDULE 'H':</b>			
<b>MISCELLANEOUS EXPENDITURE</b>			
(to the extent not written off or adjusted)			
Preliminary expenses		3.25	16.24
less: written off		3.25	12.99
		-	3.25

**SPLENDOR FITNESS PRIVATE LIMITED**  
(Formerly Known as Talwalkars Pantaloon Fitness Pvt Ltd)

(Rs. In Thousands)

Particulars	2011-12	2010-11
<b>SCHEDULE 'I':</b>		
<b>SALES &amp; OPERATING INCOME</b>		
Sale of Fitness Products	-	1,388.62
Fees & Subscription	63,636.97	79,057.54
Less: Service Tax	5,995.58	7,388.30
<b>Net Sales &amp; Operating Income</b>	<b>57,641.39</b>	<b>73,057.86</b>
<b>SCHEDULE 'J':</b>		
<b>OTHER INCOME</b>		
Miscellaneous Income (including sundry balances written back)	1,523.95	5,620.71
Foreign Exchange Gain	-	72.72
Rent Income (Tax Deducted at Source Rs.2,43,358/- (FY Rs. Nil))	12,621.04	-
Interest on Fixed deposit (Tax Deducted at Source Rs.3,799/- (PY Rs. 4,260/-))	37.99	42.59
	<b>14,182.98</b>	<b>5,736.03</b>
<b>SCHEDULE 'K':</b>		
<b>OPERATING &amp; ADMINISTRATIVE EXPENSES</b>		
Purchase Cost		
Opening Stock	775.04	9,804.44
Add: Purchases	-	-
	<b>775.04</b>	<b>9,804.44</b>
Less: Closing Stock	775.04	775.04
	-	9,029.40
Auditor's Remuneration	180.00	125.00
Rent, Rates & Taxes	23,033.57	19,414.28
Consumables	1,927.04	2,407.72
Electricity & Water Charges	17,256.26	14,055.05
Insurance	450.30	401.60
Mall Maintenance charges / Repairs & Maintenance	11,632.41	10,644.53
Labour Contractor fees	16,473.16	20,749.52
Housekeeping Charges	5,185.06	4,658.07
Legal & Professional Charges	1,321.49	2,532.60
Preliminary expenses written off	3.25	3.25
Advertisement Expenses	1,265.63	2,331.23
Bank Charges	686.11	890.69
Rent (Corporate Office)	876.63	667.57
Miscellaneous Expenses	2,750.76	4,501.32
<b>TOTAL</b>	<b>83,041.68</b>	<b>92,411.82</b>
<b>SCHEDULE 'L':</b>		
<b>FINANCE COST</b>		
Interest on Cash Credit Facility	-	1,461.07
Interest on Term Loan	9,588.19	10,955.88
Interest on Unsecured Loan (incl share application money)	12,209.30	14,473.23
	<b>21,797.49</b>	<b>26,890.18</b>
<b>SCHEDULE 'M':</b>		
<b>PERSONNEL COST</b>		
Salary, Wages & Bonus	2,827.24	5,547.76
Contribution to Gratuity Fund	13.40	6.93
Contribution to Provident Fund & Other Funds	135.35	273.35
	<b>2,975.99</b>	<b>5,828.04</b>

**SPLENDOR FITNESS PRIVATE LIMITED**  
(Formerly Known as Talwalkars Pantaloon Fitness Pvt Ltd)  
Cashflow for the year ended 31st March 2011

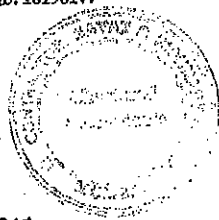
(Rs. In Thousands)

	2010-11	2009-10
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net profit before Taxes & exceptional Items	(53,551.52)	(59,458.93)
Depreciation & Amortization	17,560.72	13,122.79
Preliminary Expenses w/off	3.25	3.25
Finance Cost	21,797.49	27,975.46
Sundry Balances written back	(1,416.28)	(5,573.45)
Interest on FD	(37.99)	-
(Profit)/Loss on foreign exchange rates	-	(72.72)
Prior Period Item	-	(1,861.78)
	37,907.19	33,593.55
Operating Profit before Working capital changes	(15,644.33)	(25,865.38)
Adjustments for working Capital Changes		
(Increase)/Decrease in Current Assets	(160,617.07)	3,841.27
(Increase)/Decrease in Inventories	-	9,029.40
(Increase)/Decrease in Trade and other receivables	-	5.40
Increase/(Decrease) in Trade and other payables	34,384.68	51,625.83
	(126,232.40)	64,501.90
Cash generated from operations	(141,876.73)	38,636.52
Less: Direct taxes paid	247.16	46.11
Net cash from operating activities	(142,123.89)	38,590.41
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(126,734.19)	-
Sale of Fixed Assets	136,208.34	(28,471.83)
Interest on FD	37.99	-
Cash Flow from Investing activities	9,512.14	(28,471.83)
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Share application money received/Share Capital issued	186,669.00	3,356.00
Borrowings	(31,597.34)	12,848.77
Profit/(Loss) on foreign exchange rates	-	72.72
Finance Cost	(21,797.49)	(27,975.46)
Net cash used in Financing Activities	133,274.17	(11,697.97)
Net Increase In Cash And Cash Equivalents	662.38	(1,579.39)
Cash And Cash Equivalents at the beginning of the period	1,433.34	3,012.73
Cash And Cash Equivalents at the end of the period	2,095.72	1,433.34
Components of Cash And Cash Equivalents at the end of the period		
Cash in hand	534.91	502.04
Bank Balances in Current account (excluding Term deposits)	1,560.81	931.30
	2,095.72	1,433.34

For Contractor, Nayak & Kishnadwala  
Chartered Accountants  
ICAI Firm Registration No. 101961W

Manish Sampat  
Partner

Membership No. : 101684  
Place: Mumbai  
Date: 12 AUG 2011



For and on behalf of the Board

SUNIL BIYANI  
Director

Place: Mumbai  
Date:

SANJAY SEKSARIA  
Director

Place: Mumbai

**SPLENDOR FITNESS PRIVATE LIMITED**  
(Formerly known as Talwalkars Pantaloon Fitness Private Limited)

**SCHEDULE 'N':**  
**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS FOR THE**  
**YEAR ENDED 31<sup>ST</sup> MARCH 2011**

**A) BACKGROUND:**

Splendor Fitness Private Limited (formerly known as Talwalkars Pantaloon Fitness Private Limited) is a private limited company, incorporated on December 19, 2006 registered with the Registrar of Companies, Maharashtra. During the year the name of the company was changed from Talwalkars Pantaloon Fitness Private Limited to Splendor Fitness Private Limited.

The company is engaged in the business of running & operating of Gymnasium and wellness spas.

During the year the company has become a subsidiary company of Pantaloon Retail India Limited by virtue of allotment of additional equity shares on preferential basis.

**B) SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of preparation of financial statements:**

- The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards notified by the Companies (Accounting Standard) Rules, 2006 and the other relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on the accrual basis of accounting. The accounting policies have been consistently applied by the Company.
- The Preparation of the financial Statements in conformity with the Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual result could differ from these estimates.

**(b) Fixed assets and depreciation:**

- Fixed assets are stated at historical costs less accumulated depreciation. The cost of the fixed assets includes incidental expenditure incurred until the assets are put to use.
- Depreciation on fixed assets is provided on pro-rata basis from date of acquisition using the straight line method at the rates prescribed by schedule XIV of the Companies Act, 1956.

**(c) Leases:**

- Operating Lease: Lease arrangements where the risks and rewards incidental to the ownership of an asset substantially vest with the lessor are recognized as operating lease.
- Finance Lease: Lease arrangements where the risks and rewards incidental to the ownership of an asset substantially vest with the lessee are recognized as finance lease.

**(d) Impairment:**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**(e) Inventories:**

Finished goods are valued at lower of cost or net realizable value.



**SPLENDOR FITNESS PRIVATE LIMITED**  
(Formerly known as Takwalkars Pantaloon Fitness Private Limited)

**SCHEDULE 'N':**  
**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS FOR THE**  
**YEAR ENDED 31<sup>ST</sup> MARCH 2011**

- (f) **Revenue Recognition:**  
Revenue is recognized to the extent that it is probable that the economic benefit will flow to the company, there is reasonable certainty of collection and it can be reliably estimated.
- Revenues from sales of products are recognized on transfer of significant risk and reward of ownership to the customers.
  - Revenues from the Gymnasium are recognized at the time of admission/renewal of membership since there is no policy of refunds.
  - Revenues from the spas and renting of equipment are recognized on accrual basis as and when the services are rendered.
- (e) **Foreign Currency Transactions :**
- Transactions in Foreign Currency are accounted at the exchange rates prevailing at the date of the transaction.
  - Foreign currency assets and liabilities outstanding as at the date of the Balance Sheet are restated at the exchange rate prevailing as on that date.
  - Gains and losses resulting from the settlement of such transactions and from the restatement of foreign currencies monetary assets and liabilities are recognized in the Profit and Loss Account.
- (f) **Taxes on Income:**
- Current Tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.
  - Deferred Tax is recognized on timing differences being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- (g) **Borrowing Costs:**  
Interest and other cost incurred in connection with borrowing of the funds are charged to revenue except costs which are directly attributable to the acquisition or construction of those fixed assets, which necessarily take a substantial period of time to get ready for their intended use. Such costs are capitalized with the fixed assets.
- (h) **Employee Benefits:**
- Short term Employee benefits are recognized as an expense in the profit and loss account for the period in which the related services are rendered.
  - Other long term employee benefits & retirement benefits are recognized as an expense in the profit and loss account for the period in which the employee has rendered services.
- (i) **Contingent Liabilities:**  
Contingent Liabilities are not provided for and are disclosed by way of notes.  
(Refer Point No. C (1) of Schedule 'N' below)

**SPLENDOR FITNESS PRIVATE LIMITED**  
(Formerly known as Takwalkars Pantaloon Fitness Private Limited)

**SCHEDULE 'N':  
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS FOR THE  
YEAR ENDED 31<sup>ST</sup> MARCH 2011**

**C) NOTES TO THE ACCOUNTS:**

**1. Contingent Liabilities:**

Sl. No.	Particulars	Current Year	Previous Year
1	In respect of Value Added Tax	Refer Note below **	Nil
2	In respect of Rent, CAM, etc payable	Nil	Rs. 3,100.00 thousands

**\*\* Note:-**

The contingent liability for the current year includes amounts payable in respect of Value Added Tax on rent income accrued for certain class of assets. The amount for the same is not ascertainable by the management.

**2. Capital Commitments :**

Estimated amounts of contracts remaining to be executed on capital accounts and not provided for are NIL (Previous Year - NIL)

**3. Auditors Remuneration include the following:**

- Statutory Audit Fees	Rs 100 thousands	(Previous Year Rs. 80 thousands)
- Tax Audit Fees	Rs 20 thousands	(Previous Year Rs. 20 thousands)
- Other Services	Rs 60 thousands	(Previous Year Rs. 25 thousands)

**4. Segment Information:**

**Primary Segment:** The Company operates in a single reporting business segment of running and operating of Gymnasium and wellness spas (training and providing Health club services, Spa Services and other such related service).

**Secondary Segment:** The Company operates only in the Indian market representing a single economic environment with similar risk and rewards and hence, there are no reportable geographical segments.

**5. Earnings Per Share**

Earning per share is calculated by dividing the (loss)/profit attributed to the Equity Shareholders by the weighted average number of Equity Shares outstanding during the period. The numbers used in calculating basic and diluted earnings per Equity Share are as below:

(Rs. in Thousands)

Particulars	Rs. in Thousand	Current Year	Previous Year
Profit/(Loss) for Equity Shareholders		(86,766.49)	(42,966.27)
Numbers of equity shares outstanding at the beginning of the period	No of share	200,000	200,000
Numbers of equity shares outstanding at the end of the period	No of share	16,80,000	200,000
Weighted average numbers of equity shares outstanding during the period	No of share	204,603	200,000
Basic & diluted Earnings per Share (of Rs. 100/- each)	Rs.	(424.07)	(214.83)

**SPLENDOR FITNESS PRIVATE LIMITED**  
(Formerly known as Takwalkars Pantaloon Fitness Private Limited)

**SCHEDULE 'N':  
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS FOR THE  
YEAR ENDED 31<sup>ST</sup> MARCH 2011**

**6. Deferred Tax:**

Deferred Tax (asset)/ liability are calculated on timing differences as under.

Particulars	Opening Balance	Further recognized/ Accrued during the year	Closing Balance
<b>Deferred Tax Liability</b>			
Depreciation	11,046.15	(5,938.39)	5,107.76
<b>Deferred Tax Asset</b>			
Carry Forward accumulated Loss and unabsorbed depreciation	(44,100.41)	39,011.31	(5,089.10)
Provision for Doubtful Loss	(12.37)	Nil	(12.37)
Expenses Disallowed to be allowed in future years	(148.34)	142.05	(6.29)
<b>Total</b>	<b>(33,214.97)</b>	<b>33,214.97</b>	<b>Nil</b>

In compliance with the requirements of Accounting Standard 22 on "Accounting for Taxes on Income" (AS 22), notified by the Companies (Accounting Standard) Rules, 2006 and based on the principles of general prudence, the company has written back the deferred tax assets amounting to Rs. 44,100.41 thousands (provided as on March 31, 2010) as there is no virtual certainty of profits that will be available in future. During the year the company has recognized deferred tax asset only to the extent of deferred tax liability.

7. The Company has not received intimation from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amounts unpaid as at the year end together with interest paid / payable under this act have not been given.

**8. Employee Benefits:**

**a) Defined Contribution Plan:**

Company's Contribution paid/payable during the year to Provident Fund, Employee State Insurance Corporation and Labour Welfare Fund are recognized in the profit and loss account.

- Employer's Contribution to Employees Provident Fund Rs. 112.84 thousand (Previous year Rs. 270.13 thousand)
- Employer's Contribution to Labour welfare fund Rs. 0.64 Thousand (Previous year Rs. 0.47 thousand)
- Employer's Contribution to Employee State Insurance Corporation Rs.21.88 Thousand (Previous year Rs. 3.34 thousand)

**b) Defined Benefit Plan:**

Gratuity liability is defined benefit obligation and is provided on the basis of an actuarial valuation on projected unit method at the end of each year.

**SPLENDOR FITNESS PRIVATE LIMITED**  
(Formerly known as Talwalkars Pantaloon Fitness Private Limited)

**SCHEDULE 'N':**  
**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2011**

I. The Principal assumptions made for determining Defined Benefit Obligations for Gratuity are as under:

Sl. No	Particulars (P.A.)	Assumptions (Current Year)	Assumptions (Previous Year)
1	Increment Rate	5 %	5 %
2	Discounting Rate	8.25 %	8 %
3	Attrition Rate	2 %	2 %

II. Particulars of Changes in the present value of Defined Benefit Obligation:-

(Rs. in Thousands)

Particulars	As at March 31, 2011	As at March 31, 2010
Defined Benefit obligation at the beginning of the year	6.93	-
Current Service Cost	11.96	6.93
Interest Cost	0.55	-
Actuarial (gain)/loss on obligations	0.89	-
Benefit Paid	-	-
Settlement Cost	-	-
<b>Defined Benefit obligation at the year end</b>	<b>20.33</b>	<b>6.93</b>

III. Particulars of Expenses recognized in the profit / loss account:-

(Rs. in Thousands)

Particulars	As at March 31, 2011	As at March 31, 2010
Current Service Cost	11.96	6.93
Interest Cost	0.55	-
Actuarial (gain)/loss on obligations	0.89	-
Benefit Paid	-	-
Settlement Cost	-	-
<b>Expense Recognized in Profit &amp; Loss Account</b>	<b>13.40</b>	<b>6.93</b>

c) Actuarial gains/losses are immediately taken to profit and loss account during the year.

d) The Company has an unfunded gratuity liability amounting to Rs. 20.33 thousand (Previous year Rs. 6.93 thousand) as on March 31, 2011 (March 31, 2010), as per the actuarial valuation. Amount recognized as expenses in the financial statements of the current year is Rs.13.40 thousand (Previous year Rs. 6.93 thousand)

e) The company does not have any post employment and other long term employee benefits other than gratuity.

9. The accounts and financial statements of the company are prepared on the basic accounting principle of going concern, in spite of having accumulated losses of more than 50% of its net worth, since the management is of the opinion that the promoters are fully committed to the business.

10. Value of Imports on CIF Basis

(Rs. in Thousands)

Particulars	Current Year	Previous Year
Gymnasium Equipments	Nil	Rs.2,539.12

**SPLENDOR FITNESS PRIVATE LIMITED**  
(Formerly known as Talwalkars Pantaloon Fitness Private Limited)

**SCHEDULE 'N':**  
**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2011**

11. Expenditure in Foreign Currency                      Rs.Nil (Previous Year Rs. Nil)
12. Earnings in Foreign Currency                         Rs.Nil (Previous Year Rs. Nil)
13. Operating Leases:
- A) The company has taken various commercial premises under cancelable operating leases. These lease agreements are normally renewed on expiry.

The future lease payments in respect of the aforesaid leases as at 31<sup>st</sup> March, 2011 are as follows:

(Rs. in Thousands)

Sr. No.	Particulars	As at March 31, 2011 Amounts	As at March 31, 2010 Amounts
(i)	Payable not later than 1 year	11,797.25	9,091.26
(ii)	Payable later than 1 year and not later than 5 years	47,188.99	45,456.30
(iii)	Payable later than 5 years	12,780.35	45,456.30
	<b>TOTAL</b>	<b>71,766.58</b>	<b>1,00,003.86</b>

- B) The Company pays the lease rent @ 20% of Revenue for its Bangalore, Mumbai Central, Nagpur & Siliguri Branch. However with respect to Nagpur Branch the Company pays lease rent @ 10% of revenue effective with effect from August 2010.
- C) Lease rental expense in respect of operating leases: Rs.19,173.08 thousands (Previous Year Rs. 19,253.07 thousands) have been charged to the profit and loss account for the year.
14. The Directors have waived sitting fees for meetings attended to by them during the year.
15. Amounts recoverable in cash or in kind for the value to be received under the head Loans and Advances; include a sum of Rs. 3,777.85 thousands (last year Rs. 3,777.85 thousands) as payment made to Nagpur Octroi Authorities under protest towards a dispute. The same is shown as receivable since the company is confident of recovering the same from the Government Department.
16. Secured Loans :
- The term loan facility availed by the company is Secured against primary charge on Fixed Assets of gymnasium division and collateral charge on current assets of the gym and corporate guarantee of Pantaloon Retail (India) Limited and Talwalkar Better Value Fitness Private Limited equally. Amount repayable within one year Rs. 21,250 thousands, (Previous Year Rs. 21,497 thousands). This term loan has been prepaid in May 2011.
17. Unsecured Loans: -
- Of the total unsecured loans the following loans are
- Future Corporate Resources Limited Rs. 43,600 thousands (Previous Year Rs. Nil).
  - Future Ventures Limited Rs. 45,000 thousands (Previous Year Rs. 45,000 thousands).
  - Better Value Leasing & Finance Limited Rs. Nil (Previous Year Rs. 14,514 thousands)
  - Pantaloon Retail India Limited Rs. Nil (Previous Year Rs. 20,125 thousands).

**SPLENDOR FITNESS PRIVATE LIMITED**  
(Formerly known as Talwalkars Pantaloon Fitness Private Limited)

**SCHEDULE 'N':  
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS FOR THE  
YEAR ENDED 31<sup>ST</sup> MARCH 2011**

**18. Debtors:**

Sundry Debtors includes amount due from the following companies under the same management :

- Pantaloon Retail (India) Limited Rs. 3469.49 thousands (Previous Year Rs. 3469.49 thousands)
- Future Value Retail Limited Rs. 1900. 83 thousands (Previous Year Rs. 1900. 83 thousands)
- Home Solution Retail India Limited Rs. 1236.01 thousands (Previous Year Rs. 1236.01 thousands)

**19. Deposits:**

Of the total deposits the following deposits is from companies under same management:  
Pantaloon Retail (India) Limited Rs. 6777.77 thousands (Previous Year Rs. 6777.77 thousands).

**20. Capital Work in Progress:**

Capital Work in Progress includes cost of Gymnasium equipment, Air conditioners, Electrical fittings, Computers, Furniture and office equipments and the pre operative expenses allocated in the ratio of cost of fixed assets. The capital work in progress break up is as follows:

Particulars	(Rs. in Thousands)	
	As at March 31, 2011	As at March 31, 2010
Capital Work in Progress for the year	Nil	28,846.42
Add: Capital Work in Progress at the beginning of the year	Nil	27,761.43
Less: Capitalized during the year	Nil	56,607.85
Capital Work in Progress at the end of the year	Nil	Nil

**21. Related Party Disclosure:**

(A) List of related Parties is as under:

1. Holding Company  
Pantaloon Retail (India) Limited
2. Fellow Subsidiaries :
  - Future Value Retail Limited
  - Home Solutions Retail (India) Limited
3. Associate Concerns & Firms :
  - Galaxy Entertainment Corporation Limited
  - Shreya Mall Management Private Limited.
  - Future venture India Limited
  - Future Generali Insurance India Limited.
  - Future E-Commerce Infrastructure India Limited
  - Future Corporate Resources Limited
  - Agre Developers Limited
  - Agre Properties & Services Limited
  - Talwalkars Better Value Fitness Private Limited
  - Better Value Leasing & Finance Limited
  - Talwalkar SPA system Private Limited

**SPLENDOR FITNESS PRIVATE LIMITED**  
(Formerly known as Talwalkars Pantaloon Fitness Private Limited)

**SCHEDULE 'N':**  
**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2011**

4. Key Managerial personnel:  
Mr. Sunil Biyani  
Mr. Sanjay Seksaria

Note: The information disclosed is based on the names of the parties as identified by the management.

**(B) Transactions with Related Parties:**

(Rs. in Thousands)

NATURE OF TRANSACTIONS	HOLDING COMPANY	ELLOW SUBSIDIARIES	ASSOCIATE COMPANIES & FIRMS
Sale of goods & services	NIL (1,353.06)	NIL (NIL)	NIL (NIL)
Interest Expenses (including capitalized)	1,772.14 (7,353.01)	NIL (NIL)	7,131.70 (7,154.26)
Purchase of Fixed Assets	6078.26 (NIL)	1,20,132.14 (108)	NIL (1088.25)
Expenditure on Rent, CAM, Insurance Electricity, Advertisement, water charges, Property Tax & Other Expense	10,387.03 (20,292.84)	7829.01 (1892.91)	12657.45 (14299.26)
Shared Expenditures	NIL (1,895.01)	NIL (NIL)	NIL (NIL)
Share Application Money Received	1,76,000 (NIL)	NIL (NIL)	10,669 (3,356.00)
Issue of Share Capital	1,44,000 (NIL)	NIL (NIL)	4,000 (NIL)
Unsecured Loans/Inter-Company Deposit taken	90,000 (1,54,125.09)	NIL (NIL)	3,13,600 (1,95,000.00)
Unsecured Loans/Inter-Company Deposit repaid	1,10,125.09 (1,50,000.00)	NIL (NIL)	2,25,000 (1,55,450.00)
Interest Payable	1,554.24 (4,892.52)	NIL (NIL)	1258.81 (1,629.42)
Debtors outstanding	3,469.49 (3,469.49)	3,136.93 (3,136.93)	NIL (NIL)
Creditors outstanding/Advance Received	2,625.09 (63,177.54)	33,083 (1,889.30)	57,587.84 (12,494.80)

(Figures in bracket pertains to previous year)

**(C) Significant Related Party Transactions:**

- Interest Expenses includes Pantaloon Retail (India) Limited Rs 1772.14 thousands (PY Rs 7353.01 thousands) & Future Venture India Limited Rs 6633.12 thousands (PY Rs 4849.31 thousands).
- Purchase of Fixed Asset includes Future Value Retail Limited Rs 1,20,132.14 thousands (PY NIL) & Pantaloon Retail (India) Limited Rs 6078.26 thousands (PY NIL).
- Expenditure on Rent, CAM, insurance, Electricity, Advertisement, water charges, property tax & other expense includes Pantaloon Retail (India) Limited Rs 10,387.03 thousands (PY Rs 20,292.84 thousands) & Future Value Retail Limited Rs 7829.01 thousands (PY Rs 1887.46 thousands)

**SPLENDOR FITNESS PRIVATE LIMITED**  
(Formerly known as Talwalkars Pantaloon Fitness Private Limited)

**SCHEDULE 'N':**  
**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2011**

- 4) Issue of share capital includes Pantaloon Retail (India) Limited Rs 1,44,000 thousands (PY NIL) and Talwalkars Better Value Fitness Private Limited Rs. 4000 thousands (PY NIL)
- 5) Unsecured loans taken includes future Corporate resources Ltd Rs 88,600 thousands (PY NIL) and Future ventures India Ltd Rs 2,25,000 thousands (PY Rs 1,95,000 thousands)
- 6) Unsecured Loan repaid includes Pantaloon Retail (India) Limited Rs 1,10,125.09 thousands (PY Rs 1,50,000 thousands) & Future venture India Limited Rs 2,25,000 thousands (PY Rs 1,55,000 thousands)
- 7) Creditors outstanding includes Future Value Retail Limited Rs 33,083 thousands (PY Rs 1889.30 thousands) & Agre Properties & Services Limited Rs 21,636.37 thousands (PY NIL).

**22. Quantitative Details:**

Installed Capacity: Not Applicable (Previous Year Not Applicable)

**A. Stocks of Traded Items**

(Rs. In Thousands)

Particulars	Opening Stock				Closing Stock			
	Current Year		Previous Year		Current Year		Previous Year	
	Qty (Nos)	Rs.	Qty (Nos)	Rs.	Qty (Nos)	Rs.	Qty (Nos)	Rs.
Bike	48	74.24	48	74.24	48	74.24	48	74.24
Cycle	1	1.36	1	1.36	1	1.36	1	1.36
Elliptical	28	161.82	28	161.82	28	161.82	28	161.82
Multi Gym	7	35.85	7	35.85	7	35.85	7	35.85
Rack	1	0.60	1	0.60	1	0.60	1	0.60
Treadmill	49	500.36	49	500.36	49	500.36	49	500.36
Accessories	6	0.82	6	0.82	6	0.82	6	0.82
<b>Total</b>	<b>140</b>	<b>775.04</b>	<b>140</b>	<b>775.04</b>	<b>140</b>	<b>775.04</b>	<b>140</b>	<b>775.04</b>

**(B) Sales of Traded Goods:**

(Rs. In Thousands)

Particulars	Current Year		Previous Year	
	Qty (Nos)	Rs.	Qty (Nos)	Rs.
Bike	Nil	Nil	4	43.20
Elliptical	Nil	Nil	6	298.12
Treadmill	Nil	Nil	30	1,047.38
<b>Total</b>	<b>Nil</b>	<b>Nil</b>	<b>40</b>	<b>1,388.7</b>

23. Balances with Sundry Debtors, Loans and Advances and Sundry Creditors are subject to confirmation by the concerned parties and subsequent reconciliation/adjustments if any.

24. Balance Sheet Extract

The information required by Part IV of schedule VI to the Companies Act, 1956 is given in an annexure.




**SPLENDOR FITNESS PRIVATE LIMITED**  
(Formerly known as Talwalkars Pantaloon Fitness Private Limited)

**SCHEDULE N:  
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS FOR THE  
YEAR ENDED 31<sup>ST</sup> MARCH 2011**

25. Previous year's figures have been recast/restated, wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current years' financial statements.

For Contractor, Nayak & Kishnadwala  
Chartered Accountants  
ICAI Firm Registration No.101961W


  
Manish Sampat  
Partner  
Membership No.101684  
Place: Mumbai  
Date:



For and on behalf of Board

  
Sunil Biyani  
Director

Place: Mumbai  
Date:

  
Sanjay Seksaria  
Director



**SPLENDOR FITNESS PRIVATE LIMITED**  
(Formerly Known as Talwalkars Pantaloon Fitness Pvt Ltd)

Schedules Forming Part of Accounts  
Schedules'N':

(Rs. In Thousands)

**COMPANY'S REGISTRATION DETAILS :**

- Registration No.	U93020MH2006PTC166332
- State Code	MH
- Balance Sheet Date	31-Mar-11

**CAPITAL RAISED DURING THE YEAR :**

- Public Issue	Nil
- Right Issue	Nil
- Bonus Issue	Nil
- Private Placement	148,000.00

**DETAILS OF MOBILISATION AND DEPLOYMENT OF FUNDS :**

- Total Liabilities	434,388.77
- Total Assets	434,388.77

**SOURCES OF FUNDS :**

- Paid-up Capital	168,000.00
- Reserves & Surplus	108,000.00
- Share Application Money	69,788.77
- Secured Loan	88,600.00
- Unsecured Loan	

**APPLICATION OF FUNDS :**

- Net Fixed Assets	213,172.39
- Deferred Tax Balance	
- Net Current Assets	57,626.68
- Misc. Expenditure	
- Accumulated Losses	163,589.71

**PERFORMANCE OF COMPANY :**

- Turnover		57,641.39
- Total Expenditure		125,375.88
- Profit before Tax		(53,551.52)
- Profit after Tax		(86,766.49)
- Earning per share	Rs.	(424.07)
- Statutory Dividend rate	%	NIL

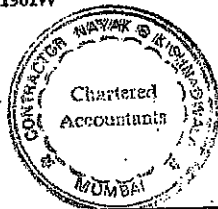
**GENERIC NAMES OF THREE PRINCIPAL PRODUCTS / SERVICES OF COMPANY (AS PER MONETARY TERMS):**

- Item Code No.	N.A.
- Service Description	-GYM SERVICES

For Contractor, Nayak & Kishnadwala  
Chartered Accountants  
ICAI Firm Registration No. 101961W

*Manish Sampat*

Manish Sampat  
Partner  
Membership No. : 101684  
Place: Mumbai



For and on behalf of the Board

*Sunil Bhani*      *Sanjay Seksaria*

SUNIL BHANI  
Director

SANJAY SEKSARIA  
Director

Place: Mumbai

Place: Mumbai

12 AUG. 2011