



ANNUAL REPORT
OF
POWERHOUSE GYM & WELLNESS
LIMITED
2015-2016

“We are driven by the vision to implement growth initiatives with speed and surety leading to growth in revenues and in the profits.”



Cautionary statement

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



a

strong

track

record



Our Strategy

Powerhouse Gym's strategy is to continue our strong track record of opening and operating high quality, low cost gyms and deliver profitable growth and strong returns on capital. The key elements of the strategy

An attractive membership proposition

- Flexible membership options
 - 24/7 access
 - No fixed term contract
 - Transparent, low pricing
- High quality gym experience
 - Wide range of high specification equipment
 - Well lit, safe, clean and well maintained facilities
 - Professional, helpful staff
- Easy online joining and member management process

Driven by technology

- Online services enhance the member experience
- Automated access control and 24 hour CCTV enhances safety and reduces staff costs
- Comprehensive data drives better commercial decisions
- Electronic monitoring of gym equipment usage means fit-outs are tailored to member requirements

CORPORATE INFORMATION

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MANAGEMENT DISCUSSION AND ANALYSIS

REPORT ON CORPORATE GOVERNANCE

FINANCIAL OVERVIEW

FEEDBACK



POWERHOUSE GYM & WELLNESS LIMITED

(Formerly Known as Powerhouse Fitness & Realty Limited)

101, Swati Building, North Avenue Road, Behind Kotak Mahindra Bank, Near Arayan Samaj, Santacruz (West) MUMBAI
Mumbai City MH 400054 IN

CIN: L85190MH2013PLC240311, EMAIL ID: akshat.gupta1987@googlemail.com

To,

The Members,

Your Directors have pleasure in presenting their 3RD Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2016.

1. Financial summary or highlights/Performance of the Company (Standalone)

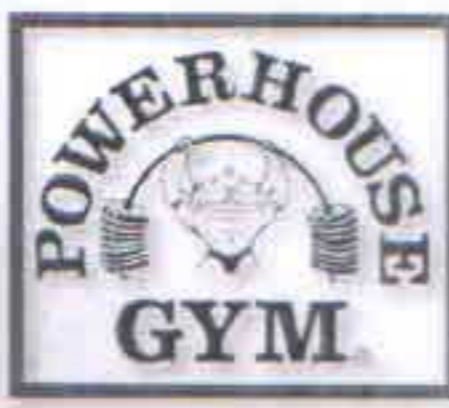
The Board's Report shall be prepared based on the stand alone financial statements of the company.

Particulars	2015-2016	2014-2015
Gross Profit	14,60,839	16,93,189
Net Profit Before Tax	14,60,839	16,93,189
Provision for Tax	42,73,644	8,26,492
Net Profit After Tax	(28,12,805)	8,66,697
Balance of Profit brought forward	8,66,697	8,29,371

2. Brief description of the Company's working during the year/State of Company's affair

The Company is involved in the gymming business in India, committing itself in making India Healthy and Fit. Its USP providing world class gymming experience, facilitated by the professional trainers. Your Company provides the diverse fitness services apart from the standard gymming and fitness solutions like Zumba Programme, Spa, Massage, Aerobics, Yoga, Physiotherapy and many more.





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3. Change in the nature of business, if any

There is no Change in the nature of Business.

The company got Listed on SME IPO Platform on 21st October, 2014.

4. Dividend

Due inadequate profit the Company has not declared dividend.

5. Share Capital

The Company allotted 24,00,000 equity shares of Rs.20 each at premium on 18th October, 2014.

No change in the Share Capital of the Company.

6. Directors and Key Managerial Personnel

Mr. Ankush Gupta (DIN: 02265108) and Mr. Akshat Gupta (DIN: 02265121) Directors retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment.

Mr. Ankush Gupta (DIN: 02265108) was appointed as Whole-time director of the Company for a period of three years w.e.f. June 18th, 2014 to 17th June, 2017 on a remuneration of ₹. 11,50,000/- (Rupees Eleven Lac Fifty Only).

Mr. Akshat Gupta (DIN: 02265121) was appointed as Managing Director of the Company for a period of three years w.e.f. June 18th, 2014 to 17th June, 2017 on a monthly remuneration of ₹. 11,50,000/- (Rupees Eleven Lac Fifty Only).

Mr. VISHNU PRATAP DHANMAN DWIVEDI (DIN: 02090054), Mr. Priyank Shishir Nevatia (DIN: 06902330) and Ms. Shreya Suday Bagayatkar (DIN: 06902343) was appointed as Independent Director of the Company for a period of Five years w.e.f. June 18th, 2014 to 17th June, 2019

As per the provisions of the Companies Act, 2013, Independent Directors are required to be appointed for a term of five consecutive years, but shall be eligible for reappointment on passing of a special resolution by the Company and shall not be liable to retire by rotation. All other Directors, except the Managing Director, will retire at the ensuing Annual General Meeting and, being eligible, offer themselves for re-election. The Independent





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Directors of your Company have given the certificate of independence to your Company stating that they meet the criteria of independence as mentioned under Section 149 (6) of the Companies Act, 2013.

Mr. Ankush Gupta who was appointed as Compliance Officer of the Company.

Also, Mr. Ankush Gupta (DIN: 02265108) and Ms. Shrishti Deora has been appointed as Chief Executive Officer, Chief Financial Officer with effect from June 18th, 2014 and June 23rd, 2014 respectively.

7. Report On Corporate Governance

As per SEBI's Circular No.-CIR/CFD/Policy Cell/7/2014 dated 15th September 2014, the provisions of Clause 49 of the Listing Agreement are not mandatory, hence no such report is required for the Company.

8. Particulars of Employees

As required under the provision of Section 197 of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 in respect of employees of the Company is not given, as there were no employees drawing remuneration beyond the prescribed limit under the above referred provisions.

9. Board Evaluation

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

10. Remuneration Policy

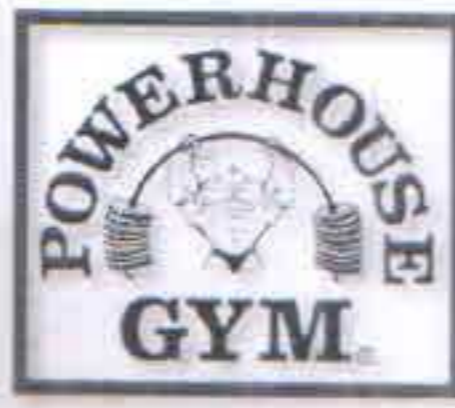
The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

Managerial Remuneration:

A) Details of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. **(Annexure III)**

B) Details of the every employee of the Company as required pursuant to 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.





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C) Any director who is in receipt of any commission from the company and who is a Managing Director or Whole-time Director of the Company shall receive any remuneration or commission from any Holding Company or Subsidiary Company of such Company subject to its disclosure by the Company in the Board's Report.

D) The following disclosures shall be mentioned in the Board of Director's report under the heading "Corporate Governance", if any, attached to the financial statement:—

(i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors;

(ii) Details of fixed component and performance linked incentives along with the performance criteria;

(iii) Service contracts, notice period, severance fees;

(iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

11. Auditors:

M/s. Jain Anil & Associates, Chartered Accountants (Firm Registration No. 115987W), the retiring Statutory Auditors of the Company be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting ("AGM"), until the conclusion of the fifth consecutive AGM of the Company to be held in the year 2020 (subject to ratification of their appointment by the Members at every AGM held after this AGM), at a remuneration to be determined by the Board of Directors of the Company, as Auditor and for other professional services rendered by them as may be mutually agreed between the Company and the Auditor along with reimbursement of travelling and other out of pocket expenses as may be incurred by them during the course of the Audit.

AUDITORS' REPORT

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments

12. Secretarial Audit Report

In terms of Section 204 of the Act and Rules made there under **M/s Rohit Singhi & Co.**, Practicing Company Secretary have been appointed Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as **Form No. MR-3** to this report. The report is self-explanatory and do not call for any further comments.

