

JERAI FITNESS LIMITED

FINANCIAL STATEMENT

F.Y. 2023-24

A.Y. 2024-25

JERAI FITNESS LIMITED
(Formerly known as Jerai Fitness Private Limited)
CIN : U92411MH1994PLC077128

BALANCE SHEET AS AT 31ST MARCH 2024

(Amount in INR Lakhs, unless otherwise stated)

Particulars	Notes	As at 31st March, 2024	As at 31st March, 2023	As at April 1, 2022
ASSETS				
Non-current assets				
Property, plant and equipment	2	3,609.33	3,275.82	2,935.32
Capital work-in-progress	2	13.35	62.55	-
Investment Property		-	-	-
Right of Use Assets	2	539.40	601.80	332.22
Other Intangible assets	2	0.70	0.70	1.32
Financial assets				
Investments		-	-	-
Trade Receivables		-	-	-
Loans		-	-	-
Other financial assets		-	-	-
Deferred tax assets (net)	3	1,390.76	1,258.08	88.50
Other non-current assets		-	-	-
Total non-current assets		5,553.54	5,198.95	3,357.36
Current assets				
Inventories	4	3,026.81	2,800.86	2,220.56
Financial assets				
Investments		-	-	-
Trade receivables	5	283.59	305.93	308.82
Cash and cash equivalents	6	1,370.72	1,348.48	1,865.38
Bank balances other than above	7	1,364.66	362.72	942.96
Loans		-	-	-
Other financial assets	8	59.30	26.97	37.63
Current Tax Assets(Net)	9	55.74	2.43	-
Other current assets	10	430.00	648.26	580.07
Total current assets		6,590.82	5,495.65	5,955.42
Total assets		12,144.36	10,694.60	9,312.78
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	11	1,750.00	1,750.00	1,000.00
Other Equity	12	6,373.28	4,569.79	3,391.77
Total Equity		8,123.28	6,319.79	4,391.77
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	13	138.79	61.01	104.75
Lease Liabilities	32	262.35	354.51	151.89
Trade Payables		-	-	-
Due to Micro, Small & Medium Enterprises		-	-	-
Due to other than Micro, Small & Medium Enterprises		-	-	-
Other financial liabilities		-	-	-
Provisions	14	60.81	57.64	54.85
Deferred tax liabilities (net)	15	181.03	159.91	145.68
Other non-current liabilities	16	130.34	103.27	76.21
Total non-current liabilities		773.32	736.34	533.38
Current liabilities				
Financial liabilities				
Borrowings	17	59.81	716.68	1,269.67
Lease Liabilities	32	352.96	327.80	258.66
Trade payables	18	-	-	-
Due to Micro, Small & Medium Enterprises		302.74	205.82	87.68
Due to other than Micro, Small & Medium Enterprises		359.01	605.00	766.77
Other financial liabilities	19	604.06	400.27	350.33
Other current liabilities	20	1,547.40	1,362.65	1,497.85
Provisions	21	21.78	20.25	8.71
Current Income tax liabilities (net)	22	-	-	147.96
Total current liabilities		3,247.76	3,638.47	4,387.63
Total liabilities		4,021.08	4,374.81	4,921.01
Total Equity and Liabilities		12,144.36	10,694.60	9,312.78

Significant Accounting Policies and Notes on Accounts

1

As per our Report of even date attached
For Viren Gandhi & Co
Chartered Accountants

Chintan Gandhi
Partner

Membership no: 137079

FRN - 111558W

Place: Mumbai

Dated: September 2, 2024

For JERAI FITNESS LIMITED

RAJESH R RAI
Managing Director
(DIN : 01005150)

Govind Rathi
Chief Financial Officer

DILIP DINKAR LAD
Director
(DIN : 02973005)

Ruchi Amit Jain
Company Secretary

JERAI FITNESS LIMITED
(Formerly known as Jerai Fitness Private Limited)
CIN : U92411MH1994PLC077128
PROFIT & LOSS ACCOUNT AS ON 31st March, 2024

(Amount in INR Lakhs, unless otherwise stated)

Particulars	Notes	Year ended 31st March, 2024	Year ended 31st March, 2023
Income			
Revenue from operations	23	10,850.38	11,542.51
Other income	24	204.61	129.68
Total Revenue		11,054.99	11,672.19
Expenses			
Cost of materials consumed	25	3,219.08	3,775.69
Purchases of Stock-in-Trade	25	926.94	1,438.06
Changes in inventories of finished goods, Stock-in -Trade and working-progress	26	279.20	-291.68
Employee benefits expense	27	1,448.84	1,099.92
Finance costs	28	120.97	123.66
Depreciation and amortization expense	29	549.62	454.33
Other expenses	30	2,076.61	2,416.21
Total expenses		8,621.26	9,016.19
Profit Before Tax		2,433.73	2,656.00
Exceptional Items			
Profit/(Loss) before tax		2,433.73	2,656.00
Tax expenses			
Current tax		618.52	671.40
Deferred tax		18.77	14.19
Earlier Year's Provision Written back		-0.05	42.53
Total tax expenses		637.24	728.12
Profit (Loss) for the period from continuing operations		1,796.49	1,927.88
Discontinued Operations			
Profit/(Loss) from Discontinued Operations before tax		-	-
Tax Expense on Discontinued Operations		-	-
Profit/(Loss) from Discontinued Operations		-	-
Profit/(Loss) for the Year (A)		1,796.49	1,927.88
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plans		9.36	0.19
Income tax relating to items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plans		-2.36	-0.05
Other comprehensive income for the year, net of taxes(B)		7.00	0.14
Total comprehensive income for the year (A+B)		1,803.49	1,928.02
Earnings per equity share			
Basic/Diluted (face value of Rs. 10/- each)	31	10.27	11.21
Restated (face value of Rs. 10/- each)		NA	11.02
Weighted No of Equity Shares (Numbers)		17500000	17191781

Significant Accounting Policies and Notes on Accounts

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Chartered Accountants

Chintan Gandhi
Partner
Membership no: 137079
FRN - 111558W
Place: Mumbai
Dated: September 2, 2024



For JERAI FITNESS LIMITED

RAJESH R RAI
Managing Director
(DIN : 01005150)

Govind Rathi
Chief Financial Officer

DILIP DINKAR LAD
Director
(DIN : 02973005)

Ruchi Amit Jain
Company Secretary

JERAI FITNESS LIMITED
(formerly known as Jerai Fitness Pvt Ltd)
CIN : U92411MH1994PLC077128

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024 AND MARCH 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

Particular	Year ended 31st March, 2024	Year ended 31st March, 2023
Cash Flows from Operating Activities		
Net Profit Before Tax and Extra Ordinary Items	2,433.73	2,656.00
Adjustment For		
Depreciation	287.41	236.27
OCI Income	9.36	0.19
Amortization of ROU	262.21	218.06
Deferred Income - Government Grant	-37.02	-37.02
Finance Cost	35.98	40.77
Finance cost on ROU- SD	84.99	82.89
Rent Income on Termination of lease	-5.06	-
Rent Payments	-343.13	-289.64
Interest Income on Security Deposits	-5.46	-4.41
Expected Credit Loss	37.80	15.18
Interest received	-143.41	-85.17
Total Adjustment to Profit/Loss (A)	183.67	177.12
Adjustment For working Capital Change :-		
Adjustment for (Increase)/Decrease in Inventories	-225.95	-580.30
Adjustment for (Increase)/Decrease in Trade Receivables	-15.46	-12.29
Adjustment for (Increase)/Decrease in Other Current Assets	-996.82	482.67
Adjustment for Increase/Decrease in Trade Payable	-149.07	-43.63
Adjustment for Increase/Decrease in other current Liabilities	388.54	-85.26
Adjustment for Provisions	4.70	-133.63
Total Adjustment For Working Capital (B)	-994.06	-372.44
Net Cash flow from (Used in) operation	1,623.34	2,460.68
Income Tax Paid/ Refund	-618.47	-713.93
Net Cash flow From operating Activities	1,004.87	1,746.75
Cash Flows from Investing Activities		
Purchase / Construction of Property Plant and Equipments (Including Capital WIP)	-571.72	-638.70
Fixed Deposits with Bank	-134.83	-1,127.33
Interest received	143.41	85.17
Net Cash flow from (Used in) in Investing Activities	-563.14	-1,680.86
Cash Flows from Financial Activities		
Repayment Of Borrowing	-98.56	-137.47
Government Grant Received	195.58	54.72
Interest Paid	-35.98	-40.77
Net Cash flow from (Used in) in Financial Activities	61.04	-123.52
Net increase (decrease) in cash and cash equivalents	502.77	-57.63
Cash and cash equivalents at beginning of period	867.95	925.58
Cash and Bank Balances	1,348.48	1,865.38
Bank Overdraft	-480.53	-939.80
Cash and cash equivalents at end of period	1,370.72	867.95
Cash and Bank Balances	1,370.72	1,348.48
Bank Overdraft	-	-480.53
	1,370.72	867.95

Significant Accounting Policies and Notes on Accounts

As per our Report of even date attached
For Viren Gandhi & Co
Chartered Accountants

Chintan Gandhi
Partner
Membership no: 137079
FRN - 111558W
Place: Mumbai
UDIN: 24137079BKUG15658
Dated: September 2, 2024

For JERAI FITNESS LIMITED

RAJESH R RAI
Managing Director
(DIN : 01005150)

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JERAI FITNESS LIMITED
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CIN : U92411MH1994PLC077128
STATEMENT OF CHANGES IN EQUITY AS ON 31st March, 2024

A. Equity Share Capital

(Amount In INR Lakhs, unless otherwise stated)

Particulars	As at 31st March, 2024	As at 31st March, 2023	As at April 1, 2022
Balance at the beginning of the reporting period / year	1,750.00	1,000.00	250.00
Changes in equity share capital due to prior reporting errors	-	-	-
Restated balance at the beginning of the reporting period/year	1,750.00	1,000.00	250.00
Add: Bonus Shares issued during the year	-	750.00	750.00
Balance at the end of the reporting period/year	1,750.00	1,750.00	1,000.00

B. Other Equity

Particulars	Reserves and Surplus			Total Other Equity
	Securities Premium	Retained Earnings	Other Comprehensive Income	
Balance as at 1st April 2022	-	3,391.77	-	3,391.77
Profit / (Loss) for the year	-	1,927.88	-	1,927.88
Other comprehensive income for the year	-	0.14	-	0.14
Total comprehensive income for the year	-	1,928.02	-	1,928.02
Less : Bonus Shares Issued	-	-750.00	-	-750.00
Balance as at 31st March 2023	-	4,569.79	-	4,569.79
Changes in equity in 2023-24				
Profit / (Loss) for the year	-	1,796.49	-	1,796.49
Other comprehensive income for the year	-	7.00	-	7.00
Total comprehensive income for the year	-	1,803.49	-	1,803.49
Balance as at 31st March 2024	-	6,373.28	-	6,373.28

Significant Accounting Policies and Notes on Accounts

As per our Report of even date attached
For Viren Gandhi & Co
Chartered Accountants

Chintan Gandhi
Partner
Membership no: 137079
FRN - 111558W
Place: Mumbai
Dated: September 2, 2024



For JERAI FITNESS LIMITED

RAJESH R RAI
Managing Director
(DIN : 01005150)

Govind Rathi
Chief Financial Officer

DILIP DINKAR LAD
Director
(DIN : 02973005)

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Company Secretary

JERAI FITNESS LIMITED
(Formerly known as Jera! Fitness Private Limited)

Notes forming part of Accounts for the year ended 31st March, 2024

3 Other Financial Assets

Particulars	As at 31st March, 2024	As at 31st March, 2023	As at April 1, 2022
Security Deposits			
Unsecured, considered good	93.47	95.62	53.37
Term Deposits with Banks	1,297.29	1,162.46	35.13
Total	1,390.76	1,258.08	88.50

4 Inventories

Particulars	As at 31st March, 2024	As at 31st March, 2023	As at April 1, 2022
Stock in Trade			
Raw Materials	1,040.40	535.25	246.64
Work in-progress	289.25	392.07	271.65
Finished Goods			
Manufactured Goods	428.74	273.51	232.30
Traded Goods	1,268.42	1,600.03	1,469.97
Total	3,026.81	2,800.86	2,220.56

5 Trade Receivables

Particulars	As at 31st March, 2024	As at 31st March, 2023	As at April 1, 2022
Trade Receivable			
Secured, considered good:			
Unsecured considered good:			
Within Six Months	90.30	56.28	59.41
Exceeding Six Months	208.43	226.99	219.81
Doubtful	47.71	47.71	39.47
Less- Provision for Doubtful Debts	-62.85	-25.05	-9.87
Total	283.59	305.93	308.82

Note 5.1: Ageing for trade receivables as at March 31 2024 is as follows:

Particular	Outstanding for following periods from date of transaction					Total
	Less Than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More Than 3 Year	
Undisputed Trade Receivables considered good	90.30	42.80	95.12	13.87	56.66	298.75
Undisputed Trade Receivables considered Doubtful	-	-	-	-	47.71	47.71
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered Doubtful	-	-	-	-	-	-
Total	90.30	42.80	95.12	13.87	104.37	346.46

Note 5.2: Ageing for trade receivables as at March 31 2023 is as follows:

Particular	Outstanding for following periods from date of transaction					Total
	Less Than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More Than 3 Year	
Undisputed Trade Receivables considered good	56.28	127.31	23.76	10.00	65.93	283.28
Undisputed Trade Receivables considered Doubtful	-	-	-	-	47.71	47.71
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered Doubtful	-	-	-	-	-	-
Total	56.28	127.31	23.76	10.00	113.64	330.99

Note 5.3: Ageing for trade receivables as at April 1, 2022 is as follows:

Particular	Outstanding for following periods from date of transaction					Total
	Less Than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More Than 3 Year	
Undisputed Trade Receivables considered good	59.41	3.50	20.58	47.84	147.91	279.24
Undisputed Trade Receivables considered Doubtful	-	-	6.51	-	32.97	39.48
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered Doubtful	-	-	-	-	-	-
Total	59.41	3.50	27.09	47.84	180.88	318.72

6 Cash and Cash Equivalents

Particulars	As at 31st March, 2024	As at 31st March, 2023	As at April 1, 2022
Cash in Hand (INR)	7.96	7.29	6.35
Cash in Hand (Forex)	-	13.45	-
Balances With Banks			
Balance With Scheduled Banks	1,362.76	1,327.74	1,859.03
Total	1,370.72	1,348.48	1,865.38

7 Other bank balances

Particulars	As at 31st March, 2024	As at 31st March, 2023	As at April 1, 2022
Term Deposits with Banks	1,364.66	362.72	942.96
Total	1,364.66	362.72	942.96

8 Other Financial assets

Particulars	As at 31st March, 2024	As at 31st March, 2023	As at April 1, 2022
Receivable from staff			
Security Deposits	13.65	10.46	12.45
Unsecured, considered good			
Total	45.65	16.51	25.18
	59.30	26.97	37.63

9 Current Tax Assets(Net)

Particulars	As at 31st March, 2024	As at 31st March, 2023	As at April 1, 2022
Other Assets			
Income Tax Asset			
Total	55.74	2.43	-
	55.74	2.43	-

10 Other current assets

Particulars	As at 31st March, 2024	As at 31st March, 2023	As at April 1, 2022
Other Assets			
Balance With Govt. Authorities	8.15	8.87	39.33
Government Grant Receivable	135.72	267.21	257.86
Prepaid Expenses	134.15	46.97	6.12
Advance to Suppliers	151.98	325.21	276.76
Total	430.00	648.26	580.07

11 Equity share capital

Particulars	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Share Capital			
Authorised Capital			
50000000 (2023:50000000, 2022:10000000) Equity Shares of Rs. 10/- Par Value (in Nos.)	5,000.00	5,000.00	1,000.00
Issued, Subscribed and Paid up			
17500000 (2023:17500000, 2022:10000000) Equity Shares of Rs. 10/- Par Value (in Nos.)	1,750.00	1,750.00	1,000.00
Total	1,750.00	1,750.00	1,000.00

The reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period is set out below:

Particulars	31st March, 2024		31st March, 2023		As at 1 April 2022	
	Number	(Amount in Rs)	Number	(Amount in Rs)	Number	(Amount in Rs)
Shares outstanding at the beginning of the year	17500000	1,750.00	10000000	1,000.00	2500000	250.00
Add : Bonus shares Issued during the year	-	-	7500000	750.00	7500000	750.00
Shares outstanding at the end of the year	1,75,00,000	1,750.00	17,50,00,000	1,750.00	10,00,00,000	1,000.00

Details of Shareholders holding more than 5% shares

Name of Shareholder	31st March, 2024		31st March, 2023		As at 1 April 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Rajesh Ramsukh Rai	10500000	60.00%	10500000	60.00%	6000000	60.00%
Rajesh Ramsukh Rai HUF	1749600	9.998%	1749600	9.998%	1000000	10.00%
Rinku Rajesh Rai	5250000	30.00%	5250000	30.00%	3000000	30.00%
TOTAL	17499600	99.998%	17499600	99.998%	10000000	100.00%

Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at March 31, 2024 is as follows :

Name of Shareholder	31st March, 2024		31st March, 2023		As at 1 April 2022	
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
Rajesh Ramsukh Rai	10500000	60.00%	10500000	60.00%	6000000	60.00%
Rajesh Ramsukh Rai HUF	1749600	9.998%	1749600	9.998%	1000000	10.00%
Rinku Rajesh Rai	5250000	30.00%	5250000	30.00%	3000000	30.00%
Total	17499600	99.998%	17499600	99.998%	10000000	100.00%

Name of Shareholder	% Change during the year	
	31st March, 2024	31st March, 2023
Rajesh Ramsukh Rai	0.000%	0.000%
Rajesh Ramsukh Rai HUF	0.000%	-0.002%
Rinku Rajesh Rai	0.000%	0.000%

The company has only one class of Equity Shares having par value of Rs.10 per share. Each holder of Equity Shares is entitled to one vote per share.

12 Other Equity

Particulars	As at 31st March, 2024	As at 31st March, 2023	As at April 1, 2022
Retained Earnings	6,373.28	4,569.79	3,391.77
Total	6,373.28	4,569.79	3,391.77

Surplus / deficit in the Statement of Profit & Loss		Year ended 31st March, 2024	Year ended 31st March, 2023
Opening Balance			
Ind As Adjustments		4,569.79	3,391.77
Less : Bonus Shares Issued			-
Add/ Less : Profit/(Loss) during the year		-	-750.00
Items of other comprehensive income recognised directly in retained earnings		1,796.49	1,927.88
Actuarial gains/(losses) of defined benefit plans		7.00	0.14
Total		6,373.28	4,569.79

Retained earnings

Retained earnings is a free reserve. This is the accumulated profit earned by the Company till date, less transfer to general reserve, dividend and other distributions made to the shareholders.

13 Borrowings

Particulars	As at	As at	As at
	31st March, 2024	31st March, 2023	April 1, 2022
Secured Term Loan			
From Banks			
Vehicle Loan			
Less- Current Maturities	198.60	104.75	163.35
Total	138.79	61.01	104.75

Note - Secured against Hypothecation of Vehicles - Repayable in 60 Monthly instalments - Rate of interest -7.50% to 9.05%

14 Provisions - Long Term

Particulars	As at	As at	As at
	31st March, 2024	31st March, 2023	April 1, 2022
Others			
Provision for Gratuity	60.81	57.64	54.85
Total	60.81	57.64	54.85

15 Deferred Tax Liability (Net)

Particulars	As at	As at	As at
	31st March, 2024	31st March, 2023	April 1, 2022
Deferred Tax Liability	181.03	159.91	145.68
Total	181.03	159.91	145.68

16 Other non-current liabilities

Particulars	As at	As at	As at
	31st March, 2024	31st March, 2023	April 1, 2022
Deferred Income Government Grant	130.34	103.27	76.21
Total	130.34	103.27	76.21

17 Borrowings

Particulars	As at	As at	As at
	31st March, 2024	31st March, 2023	April 1, 2022
Secured			
Bank Overdraft			
Current Maturities of Long Term Borrowings	-	480.53	939.79
Loans repayable on demand	59.81	43.74	58.60
Unsecured			
Loan and Advances From Related Parties	-	192.41	271.28
Total	59.81	716.68	1,269.67

The Credit Facilities/Overdraft taken by the company are availed by the HDFC Bank and secured by the followings:

Primary Security- Plant and Machineries

Collateral Security - Personal guarantees of Directors, Fixed Deposits

The above borrowings carry a rate of Interest - (Interest rate on Fixed Deposit + 1%)

Unsecured

Loan from Related Party - Rate of Interest -12% annually.

18 Trade Payables

Particulars	As at	As at	As at
	31st March, 2024	31st March, 2023	April 1, 2022
Creditors Due Small Micro Enterprises	302.74	205.82	87.68
Creditors Due others	359.01	605.00	766.77
Total	661.75	810.82	854.45

Ageing for trade payables outstanding as at March 31, 2024 is as follows:

Particular	Outstanding for following periods from date of transaction				Total
	Less Than 1 Year	1-2 Years	2-3 Years	More Than 3 Year	
Trade Payables					
MSME	289.70	10.54	2.52	-	302.76
Others	307.99	8.15	3.50	4.03	323.67
Disputed Dues- MSME	-	-	-	-	-
Disputed Dues- Others	-	-	-	35.36	35.36
Total	597.69	18.69	6.02	39.39	661.79

Ageing for trade payables outstanding as at March 31, 2023 is as follows:

Particular	Outstanding for following periods from date of transaction				Total
	Less Than 1 Year	1-2 Years	2-3 Years	More Than 3 Year	
Trade Payables					
MSME	172.54	33.30	-	-	206
Others	551.09	5.94	0.57	12.06	569.66
Disputed Dues- MSME	-	-	-	-	-
Disputed Dues- Others	-	-	-	35.36	35.36
Total	723.63	39.24	0.57	47.42	810.86

Ageing for trade payables outstanding as at March 31, 2022 is as follows:

Particular	Outstanding for following periods from date of transaction				Total
	Less Than 1 Year	1-2 Years	2-3 Years	More Than 3 Year	
Trade Payables					
MSME	87.59	0.11	-	-	87.70
Others	699.07	9.58	41.65	16.49	766.79
Disputed Dues- MSME	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-
Total	786.66	9.69	41.65	16.49	854.49

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006

Disclosure as required under the Micro, Small and Medium Enterprises Development Act, 2006, to the extent ascertained and receipt of declaration from the respective parties, and as per notification number GSR 679 (E) dated 4th September, 2015:

Particulars	31st March, 2024	31st March, 2023	April 1, 2022
(a) Principal amount remaining unpaid to any supplier at the year end	302.76	205.84	87.70
(b) Interest due thereon remaining unpaid to any supplier at the year end	-	-	-
(c) Amount of interest paid and payments made to the supplier beyond the appointed day during the year	-	-	-
(d) Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the	-	-	-
(e) Amount of interest accrued and remaining unpaid at the year end	-	-	-
(f) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest	-	-	-

19 Other Financial Liabilities

Particulars	As at 31st March, 2024	As at 31st March, 2023	As at April 1, 2022
Outstanding Expenses	552.50	380.34	329.67
Payable to staff	51.56	19.93	20.66
Total	604.06	400.27	350.33

20 Other Current Liabilities

Particulars	As at 31st March, 2024	As at 31st March, 2023	As at April 1, 2022
Statutory Dues Payable	76.82	95.58	59.66
Advances from Customers	1,443.51	1,240.00	1,403.18
Deferred Income Government Grant	27.07	27.07	27.06
Other Payable	-	-	7.95
Total	1,547.40	1,362.65	1,497.85

21 Provisions - Short Term

Particulars	As at 31st March, 2024	As at 31st March, 2023	As at April 1, 2022
Others			
Provision for Expenses	6.00	6.00	5.50
Provision for Gratuity	15.78	14.25	3.21
Total	21.78	20.25	8.71

22 Current Income tax liabilities (net)

Particulars	As at 31st March, 2024	As at 31st March, 2023	As at April 1, 2022
Others			
Provision for Taxation	-	-	147.96
Total	-	-	147.96

JERAI FITNESS LIMITED
(Formerly known as Jerai Fitness Private Limited)

Notes forming part of Accounts for the year ended 31st March, 2024

23 Revenue from Operations

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Sale of Products		
Sale of Services	10,761.33	11,426.00
Installation & Maintenance Services		
Lease Rent of Equipments	44.79	80.63
Other Operating Revenue	26.38	20.09
	17.88	15.79
Total	10,850.38	11,542.51

24 Other Income

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Interest Received		
From Bank	142.66	85.17
From Others	0.75	-
Misc. Income	0.12	3.08
Profit on Exchange Rate	13.54	-
Deferred Income	37.02	37.02
Rent Income On Termination of lease	5.06	-
Interest Income - Ind As	5.46	4.41
Total	204.61	129.68

25 Cost of Materials Consumed and Changes in inventories

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Cost of Materials Consumed		
Opening balance of Raw Material	535.25	246.64
Add : Purchase of Raw material	3,724.23	4,064.30
Less: Closing Stock of Raw material	-1,040.40	-535.25
Cost of Materials Consumed	3,219.08	3,775.69
Opening Stock in Trade	2,265.62	1,973.94
Finished Goods	1,873.55	1,702.28
WIP	392.07	271.66
Closing Stock in Trade	1,986.42	2,265.62
Finished Goods	1,697.17	1,873.55
WIP	289.25	392.07
Increase/Decrease in Stock in Trade	279.20	-291.66

26 Purchases of Stock-in-Trade

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Purchases of Stock-in-Trade	926.94	1,438.06
Total	926.94	1,438.06

27 Employee benefits expense

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Salary, Wages & Bonus	824.12	669.34
Directors Remuneration	561.70	391.46
Contribution to Provident Fund	29.87	10.54
Gratuity Expense	19.06	15.02
Staff Welfare Expenses	14.09	13.56
Total	1,448.84	1,099.92

28 Finance Cost

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Interest to Bank	17.80	13.41
Interest Expenses to Others	18.18	27.36
Interest Exp -Ind As	84.99	82.89
Total	120.97	123.66

29 Depreciation and amortisation expense

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Depreciation on Property, Plant and Equipment	287.41	235.65
Amortization of other intangible assets (Refer Note 2)	-	0.62
Amortization of Right of Use assets (Refer Note 2)	262.21	218.06
	549.62	454.33

30 Other Expenses

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Direct Expenses		
Contract Labour expenses	447.11	508.35
Works contract expenses	29.45	42.00
Rent - factory Premises	12.00	12.00
Power and Fuel	131.15	130.10
Other Factory Expenses	26.88	25.59
Freight And Forwarding Charges	90.65	164.18
Other Expenses		
Water Charges	0.30	0.35
Installation Visit Charges	89.14	87.22
Freight Outward	104.60	98.30
Repairs Maintenance Charges Of Other Assets	32.12	4.14
Insurance	31.48	22.25
Rent - Office	8.65	20.37
Taxes and Others Levies By Government, Local Authorities	12.13	135.22
Brokerage & Commission	57.92	99.06
Telephone Charges	12.60	12.95
Internet charges	3.09	1.69
Sale Promotion Expenses	262.87	190.37
Franchise fees	163.77	235.74
Society maintenance charges	5.92	7.43
Courier charges	19.15	16.23
Printing Stationery	12.89	8.80
Audit Fees	6.50	6.00
Repairs Maintenance Expenses	90.46	95.60
Electricity Expenses	19.69	16.14
Travelling Conveyance	46.36	12.07
Legal and Professional Charges	145.44	192.31
Vehicle Running Expenses	39.95	26.55
Donations Subscriptions	41.94	26.59
Bank Charges	4.79	10.01
Other Administrative and General Expenses	23.55	33.85
Loss (Profit) on Exchange Rate	-	1.18
Advertising	59.57	61.32
Director Sitting Fees	2.20	1.00
Expected Credit Loss	37.80	15.18
Bad Debts	4.49	96.07
Total	2,076.61	2,416.21

Payment to Auditor	Year ended 31st March, 2024	Year ended 31st March, 2023
Audit Fees	6.00	6.00
Total	6.00	6.00

31 EPS

Basic and Diluted EPS has been computed as per AS 20 issued by the ICAI i.e. by dividing the net profit after tax for the year attributable to equity shareholders by weighted average number of equity shares.

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Net Profit / (Loss) considered for basic EPS calculation	1,796.49	1,927.88
Weighted average number of equity shares (in Nos.)	17500000	17191781
Number of Equity Shares (in Nos.)	17500000	17191781
Nominal Value per share (in INR)	10	10
Basic / Diluted EPS (in INR)	10.27	11.21
Restated EPS (in INR)	NA	11.02

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32 Disclosure Pursuant to Ind AS 116 "Leases"

Following are the changes in the carrying value of right of use assets for the period ended March 31, 2024:

Particulars	31st March 2024	31st March 2023
Balance as at 01 April, 2023		
Additions during the year	601.80	332.23
Amortization charge for the year	219.31	487.63
Deletions during the year	262.21	218.06
Balance as at March 31, 2024	19.50	-
	539.40	601.80

The following is the movement in lease liabilities during the year ended March 31, 2024:

Particulars	31st March 2024	31st March 2023
Balance as at 01 April, 2023		
Additions during the year	682.31	410.56
Deletion during the year	215.70	478.50
Finance cost accrued during the year	-24.56	-
Payment of lease liabilities	84.99	82.89
Balance as at March 31, 2024	-343.12	-289.64
	615.32	682.31

Following is the break up value of the Current and Non - Current Lease Liabilities for the period ended March

Particulars	31st March 2024	31st March 2023	1st April, 2022
Current lease liabilities			
Non-current lease liabilities	352.96	327.80	258.66
Total	262.35	354.51	151.89
	615.31	682.31	410.55

Contractual maturities of lease liabilities

Particulars	31st March 2024	31st March 2023	1st April, 2022
Less than one year			
One to five years	275.09	361.78	289.64
More than five years	473.58	744.26	1,088.63
Total undiscounted lease liabilities at 31 March 2024	-	4.41	21.81
	748.67	1,110.45	1,400.08

Amounts recognised in profit or loss

Particulars	31st March 2024	31st March 2023
Interest on Lease Liabilities		
Depreciation relating to leases	84.99	82.89
Total	219.31	487.63
	304.30	570.52

Amounts recognised in the statement of cash flows

Particulars	31st March 2024	31st March 2023
Total cash outflow for leases		
	343.12	289.64

33 Financial risk management

Risk Management Framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

The has exposure to the following risks arising from financial instruments:

- a) Market risk
- b) Credit risk
- c) Liquidity risk

The Company's primary focus is to foresee the unpredictability of financial markets & seek to minimize potential adverse effects on its financial performance.

a) Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include loans and other financial instruments.

1) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate risk can also impact the provision for retirement benefits. The Company generally utilises fixed rate borrowings and therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of change in the market interest rates. The Company is not exposed to significant interest rate risk as at the respective reporting dates.

2) Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency). The Company's exposure to currency risk (carrying amounts of the Company's foreign currency denominated monetary assets and liabilities) at the end of the reporting period are as follows:

	Currency	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Financial Assets				
	Trade Receivable	USD (in Lakhs)	29.54	-
Financial liabilities				
	Trade Payables	USD (in Lakhs)	29.54	-
			12.57	35.75
			12.57	35.75
				2.60
				2.60

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in foreign currency, with all other variables held constant relating to unhedged foreign currency exposure. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in the foreign currency rates. The impact on the Company's profit before tax is as follows:

	Effect on profit before tax	
	Strengthening	Weakening
As at March 31, 2024 USD (10% Movement)	1.70	-1.70
As at March 31, 2023 USD (10% Movement)	-3.58	3.58
As at April 1, 2022 USD (10% Movement)	-0.26	0.26

3) Credit Risk:

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. The credit risk for the Company primarily arises from credit exposures to trade receivables and other receivables.

Trade Receivables

The Company classifies its financial assets in three stages having the following characteristics:

- Stage 1:- Unimpaired and without significant increase in credit risk since initial recognition on which a 12 months allowance for ECL is recognised;
Stage 2 :- a significant increase in credit risk since initial recognition on which a lifetime ECL is recognised; and
Stage 3 :-Objective evidence of impairment, and are therefore considered to be in default or otherwise credit impaired on which lifetime ECL is recognised.

Unless identified at an earlier stage, all financial assets are deemed to have suffered a significant increase in credit risk when they are 12 months past due (DPD) on the reporting date and are accordingly transferred from stage 1 to stage 2.

Reconciliation of loss allowance for Trade Receivables:

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as at beginning of the year	25.05	9.87
Additions during the year	37.80	15.18
Amounts written off during the year..		
Impairment losses reversed / written back		
Balance as at end of the year	62.85	25.05

b) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to maintain optimum levels of liquidity and ensure that funds are available for use as per requirement.

The liquidity risk principally arises from obligations on account of financial liabilities viz. borrowings, trade payables and other financial liabilities.

The finance department of the Company is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

Exposure to liquidity

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

Particulars	Carrying Amount/ Fair value	As at March 31, 2024			
		Less than 1 year	1-5 years	More than 5 years	Total
Borrowings					
Trade Payable	198.60	59.81	138.79		198.60
Other Financial Liabilities	661.75	661.75	-	-	661.75
Lease Liabilities	604.06	604.06	-	-	604.06
	615.31	352.96	258.03	4.32	615.31
	2,079.72	1,678.58	396.82	4.32	2,079.72

Particulars	Carrying Amount/ Fair value	As at March 31, 2023			
		Less than 1 year	1-5 years	More than 5 years	Total
Borrowings					
Trade Payable	777.69	716.68	61.01	-	777.69
Other Financial Liabilities	810.82	810.82	-	-	810.82
Lease Liabilities	400.27	400.27	-	-	400.27
	682.31	327.80	354.51	-	682.31
	2,671.09	2,255.57	415.52	-	2,671.09

Particulars	Carrying Amount/ Fair value	As at April 1, 2022			
		Less than 1 year	1-5 years	More than 5 years	Total
Borrowings					
Trade Payable	1,374.42	1,269.67	104.75	-	1,374.42
Other Financial Liabilities	854.45	854.45	-	-	854.45
Lease Liabilities	350.33	350.33	-	-	350.33
	410.55	258.66	139.79	12.10	410.55
	2,989.75	2,733.11	244.54	12.10	2,989.75

JERAJ FITNESS LIMITED
Notes to Financial Statements for the year ended March 31, 2024

i) Categories of financial instruments and fair value thereof

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	As at March 31, 2024		
	Fair value through profit and loss	Carrying amount Amortised cost	Total
Investments (Note 1)	-	-	-
Cash and Cash Equivalents (Note 3)	-	1,370.72	1,370.72
Bank balances other than above (Note 3)	-	1,364.66	1,364.66
Trade Receivables (Note 2)	-	283.59	283.59
Other Financial Assets	-	1,450.06	1,450.06
Total Financial Assets	-	4,469.03	4,469.03
Borrowings (Note 4)	-	198.60	198.60
Trade Payable (Note 2)	-	661.75	661.75
Other Financial Liabilities	-	604.06	604.06
Lease Liabilities	-	615.31	615.31
Total Financial Liabilities	-	2,079.72	2,079.72

	As at March 31, 2023		
	Fair value through profit and loss	Carrying amount Amortised cost	Total
Investments (Note 1)	-	-	-
Cash and Cash Equivalents (Note 3)	-	1,348.48	1,348.48
Bank balances other than above (Note 3)	-	362.72	362.72
Trade Receivables (Note 2)	-	305.93	305.93
Other Financial Assets	-	1,285.05	1,285.05
Total Financial Assets	-	3,302.18	3,302.18
Borrowings (Note 4)	-	777.69	777.69
Trade Payable (Note 2)	-	810.82	810.82
Other Financial Liabilities	-	400.27	400.27
Lease Liabilities	-	682.31	682.31
Total Financial Liabilities	-	2,671.09	2,671.09

	As at April 1, 2022		
	Fair value through profit and loss	Carrying amount Amortised cost	Total
Investments (Note 1)	-	-	-
Cash and Cash Equivalents (Note 3)	-	1,865.38	1,865.38
Bank balances other than above (Note 3)	-	942.96	942.96
Trade Receivables (Note 2)	-	308.82	308.82
Other Financial Assets	-	126.13	126.13
Total Financial Assets	-	3,243.29	3,243.29
Borrowings (Note 4)	-	1,374.42	1,374.42
Trade Payable (Note 2)	-	854.45	854.45
Other Financial Liabilities	-	350.33	350.33
Lease Liabilities	-	410.56	410.56
Total Financial Liabilities	-	2,989.76	2,989.76

JERAI FITNESS LIMITED
Notes to Financial Statements for the year ended March 31, 2024

ii. Fair value hierarchy

Since all the financial assets and financial liabilities, other than disclosed above, are measured at amortised cost, hence the fair value disclosure has not been done.

34 Capital Management

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by adjusted equity. Net debt is calculated as total liabilities (as shown in the balance sheet) less cash and cash equivalents and other bank balances. The Company's net debt to adjusted equity ratio i.e. capital gearing ratio as at March 31 2024, March 31 2023 and April 1 2022 was as follows:

The amount managed as capital by the Company are summarised as follows:

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Total borrowings	198.60	777.69	1,374.42
Less: Cash & cash equivalents	-1,370.72	-1,348.48	-1,865.38
Adjusted net debt	-1,172.12	-570.79	-490.96
Total Equity	8,123.28	6,319.79	4,391.77
Total Capital deployed (Adjusted Equity)	6,951.16	5,749.00	3,900.81
Adjusted net debt to adjusted equity ratio	-0.17	-0.10	-0.13

The Company's key objective in managing its financial structure is to maximize value for shareholders, reduce cost of capital, while at the same time ensuring that the Company has the financial flexibility required to continue its expansion.

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(formerly known as Jerai Fitness Pvt Ltd)

35 First-time adoption of Ind AS

Transition to Ind AS

These are the first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 March 2024, the comparative information presented in these financial statements for the year ended 31 March 2023 and in the preparation of an opening Ind AS balance sheet at 1 April 2022 (the company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (Previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions:

A.1.1 Deemed Cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties.

Accordingly, the company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

A.2 Ind AS mandatory exceptions

A.2.1 De-recognition of assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the time of initially accounting for those transactions.

The company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

A.2.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

A.2.3 Impairment of financial assets

An entity has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition rather an entity has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised.

A.2.4 Estimates:

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies). Ind AS estimates as at 1 April 2022 are consistent with the estimates as at the same date made in conformity with previous GAAP. The company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVPL or FVOCI;
- Impairment of financial assets based on expected credit loss model.

B. Reconciliations

Standalone Reconciliation of total equity as at 31 March 2022 and 1 April 2022

	Notes to first time adoption	As at 31st March, 2023	As at 1st April, 2022
Opening Equity Balance as per Indian GAAP			
Fair Valuation of Deposits Given	1	4,638.63	3,338.79
Measurement of Government Grant	2	-6.88	-6.79
IND AS 116 - Lease Accounting	3	0.001	154.59
Deferred Tax	4	-85.14	-78.34
Actuarial gain/(loss) on employee defined benefit funds recognised in PNL	5	23.20	-17.49
		-0.03	1.00
Closing Equity Balance as per Ind AS		4,569.78	3,391.76

Standalone Reconciliation of total comprehensive income for the year ended 31st March 2022

	For the year ended March 31, 2023
Opening Reconciliation	
Net profit (loss) as per Previous GAAP (Indian GAAP)	2,049.84
Add/Less : Adjustment	-
Fair valuation of Security Deposits Given	-0.10
Measurement of Government Grant	-154.59
IND AS 116 - Lease Accounting	-6.80
Deferred Tax	40.69
Actuarial gain/(loss) on employee defined benefit funds recognised in other Comprehensive Income	-1.16
Net profit/loss as per Ind AS	1,927.88
Other comprehensive income	
Actuarial gain/(loss) on employee defined benefit funds recognised in other Comprehensive Income	0.19
Fair Valuation of Equity Investments other than Investments in subsidiaries, Associates and Joint Ventures	-
Income tax relating to items that will not be reclassified to profit or loss	
Remeasurements of net defined benefit plans	-0.05
Equity instruments through other comprehensive income	-
Total comprehensive income for the period	1,928.02

C. Notes to first time adoption:

Note 1. Security deposits/advances given

Under the previous GAAP, interest free lease security deposits/advances (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the company has fair valued these security deposits/advances under Ind AS. Difference between the fair value and transaction value of the security deposit/advances has been recognised as prepaid rent/deferred interest. Consequent to this change, the amount of total net equity is decreased by **INR 6.88 Lakhs** as at 31 March 2023 (1 April 2022 **INR 6.78 Lakhs**) and net profit for the year ended March 31, 2023 is decreased by **INR 0.09 Lakhs**.

Note 2. Government Grant under IND 21

As per IND AS 21, Government grants shall be recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. The Company recognizes the Government Grant as per Income Approach under which a grant is recognised in profit or loss over one or more periods. Consequent to this, the amount of total net equity is increased by **INR .001 Lakhs** as at 31 March 2023. (1 April 2022 **INR 154.58 Lakhs**) and net profit for the year ended March 31, 2023 is decreased by **INR 154.58 Lakhs**.

Note 3. Lease Accounting under IND 116

Under IND AS 116, in the books of the lessee, the fair value of the total lease payments during the tenure of the lease needs to be capitalized by creating a lease liability at the lease commencement date. Thereafter, the capitalized asset is depreciated over the tenure of the lease on straight line basis, whereas lease rentals paid by the company are adjusted against the 'Lease Liability' created at lease commencement date after providing for interest expense on the said liability at the original discounted rate. As a result of the above treatment, profits for the year ended March 31, 2023 have decreased by **Rs. 6.79 Lakhs** and total equity for the year March 31, 2023 has reduced by **Rs.85.13 Lakhs**. (1 April 2022 **INR 78.33 Lakhs**).

Note 4. Deferred tax

Deferred tax on Ind AS adjustments.

Note 5. Retained earnings

Retained earnings as at April 1, 2022 has been adjusted consequent to the above Ind AS transition adjustments.

Note 6

The Ind AS adjustments are either non cash adjustments or are regrouping among the cash flows from operating, investing and financing activities. Consequently, Ind AS adoption has no impact on the net cash flow for the year ended 31st March, 2022 as compared with the previous GAAP.

JERAI FITNESS LIMITED
(formerly known as Jeral Fitness Pvt Ltd)

36 Income Tax & Deferred Tax

a) Tax Expenses/(Income)

Particulars	As at March 31, 2024	As at March 31, 2023
Current Tax		
In respect of the current year	618.52	671.40
In respect of earlier year	-0.05	42.53
Total Current Tax Expense	618.47	713.93
Deferred Tax		
Decrease / (Increase) in deferred tax assets	-16.89	-26.18
Decrease / (Increase) in deferred tax liabilities	35.66	40.37
Total	18.77	14.19

b) Reconciliation of tax expense and accounting profit multiplied by domestic tax rate applicable in India:
Reconciliation of tax expense

Profit/(loss) before tax	2,433.73	2,656.00
Enacted income tax rate (%) applicable to the Company	612.52	668.46
Income tax payable calculated at enacted income tax rate		
Permanent Differences	23.51	16.87
Additional Tax provision in respect of earlier years	-0.05	42.53
Others	1.26	0.26
Total	637.24	728.12

(c) Deferred tax assets (net)

	March 31, 2024	March 31, 2023	April 1, 2022
Deferred tax assets			
Defined benefit obligation			
Provisions	35.10	24.40	-
Fair valuation of financial assets - P&L (Net)	2.43	2.90	1.71
Leases	19.11	20.27	19.72
Government Grants	5.46	-	-
Deferred tax liabilities	62.10	47.57	21.43
Defined benefit obligation			
Property Plant & Equipment	-243.12	-173.02	-128.20
Government Grants	-	-34.46	-38.91
Total Deferred Tax (Liabilities) / Assets	(181.02)	(159.91)	(145.68)

(d) Movement in deferred tax liabilities

	Provisions	Leases	Fair valuation of financial assets	Property Plant & Equipment	Government Grant	Total
At April 1, 2022	-	19.72	1.71	-128.20	-38.91	-145.68
(Charged)/credited:						
- to profit or loss	24.45	0.55	1.19	-44.82	4.45	-14.18
- to other comprehensive income	-0.05	-	-	-	-	-0.05
- Opening Reserves (Ind AS 116)						
At March 31, 2023	24.40	20.27	2.90	-173.02	-34.46	-159.91
(Charged)/credited:						
- to profit or loss	13.06	-1.16	-0.47	-70.10	39.92	-18.75
- to other comprehensive income	-2.36	-	-	-	-	-2.36
- Opening Reserves (Ind AS 116)						
At March 31, 2024	35.10	19.11	2.43	-243.12	5.46	-181.02

37 Dues by Director :

No amounts are due from directors or from other officers of the Company either severally or jointly with any other person nor any trade or other receivables are due from firms or private companies respectively in which any directors is a partner, director or a member as at March 31, 2024 (PY - Nil).

38 Contingent Liabilities and Commitments

Contingent Liabilities

Name of other tax law	Raised By (CG/ST)	Amount (INR in Lakhs)	Remarks
Central Excise & Service Tax-2017-18	CG - GOI	28.41	PARTLY PAID AND PARTLY DISPUTED
Income Tax Act, 1961	Assessing officer (Income Tax)	72.54	APPEAL FILED BEFORE HIGHER AUTHORITY
The contingent liability referred in serial no. 1 in the table above relates to Audit order issued by CGST-Thane. Of the Total Tax demanded amount of Rs. 28.40 Lakhs, Rs.11.88 Lakhs has been paid & balance amount of Rs.16.52 Lakhs has been disputed with the Concerned Authority and disposal is pending as this may or may not result in to final tax liability once the matter is finally heard hence considered as contingent liability. Company has not made any provision for the same.			
The contingent liability referred in serial no.2 in the table above relates Assessment order passed u/s 143(3) read with section 144B of the Income tax Act, 1961 related to Assessment Year (AY) 2022-23. Demand notice u/s 156 the Income tax Act, 1961 was issued by the Assessing officer.			

39 Foreign Currency Expenditure/ Revenue

Foreign Exchange Earnings			
During the year the Company has reported foreign exchange earnings of Rs. 1203.17 Lakh (Previous year: Rs. 986.48 Lakhs). The foreign exchange outgo on account of import of raw materials, stock-in-trade, and Services amounted to Rs.1544.77 Lakhs (Previous year: Rs. 1970.92 Lakhs).			
Particulars of Foreign Exchange earnings/(outgo)			
Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023	
Earning	1,203.17	986.48	
Outgo	1,544.77	1,970.92	
Earnings			
Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023	
(i) Export Of Goods	1,207.49	1,002.76	
(ii) Royalty, know-how, professional and consultation fees	-	-	
(iii) Interest and dividend;	-	-	
(iv) other	-	-	
Less: Discount	-	-	
Add/(less): Exchange Difference	-0.67	-0.69	
Total	-3.65	-15.59	
	1,203.17	986.48	
Outgo			
Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023	
1. CIF Value of Imports:			
(i) Stock-in-trade	940.45	1,307.86	
(ii) Raw material	569.46	621.77	
Less: Discount	-0.48	-1.40	
Add/(less): Exchange Difference	-18.52	-14.90	
	1,490.91	1,913.32	
2. Expenditure in foreign currency			
(i) Consultation fees/Liasioning fees	53.86	57.60	
	53.86	57.60	
Total	1,544.77	1,970.92	

40 Disclosure as required by Indian Accounting Standard (Ind-AS) 19 on "Employee Benefits" :

The Company provides various benefit plan to its employees. Some of them are defined benefit in nature while some are contributory.

i **Defined Benefit Plans:**

Major Post retiral defined benefit plans of the Company include Gratuity and Provident Fund. The Company does Actuarial valuation for its identified long term and short term defined benefit plans.

Methodology for actuarial valuation of Defined Benefit Obligations:

The Projected Unit Credit (PUC) actuarial method has been used to assess the plan's liabilities, including those related to death-in-service and incapacity benefits.

Under PUC method a projected accrued benefit is calculated at the beginning of the year and again at the end of the year for each benefit that will accrue for all active members of the plan. The projected accrued benefit is based on the plan's accrual formula and upon service as of the beginning or end of the year, but using a member's final compensation, projected to the age at which the employee is assumed to leave active service. The plan liability is the actuarial present value of the projected accrued benefits for active members.

Defined benefit plans expose the Company to actuarial risks such as: Interest Rate Risk, Salary Risk and Demographic Risk.

i. Interest Rate Risk: While calculating the defined benefit obligation a discount rate based on government bonds yields of matching tenure is used to arrive at the present value of future obligations. If the bond yield falls, the defined benefit obligation will tend to increase and plan assets will decrease.

ii. Salary risk: Higher than expected increase in salary will increase the defined benefit obligation.

iii. Demographic risk: This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligations is not straight forward and depends on the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

Gratuity Plans:

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the period are as follows:

Particulars	Gratuity		
	Year ended 31st March, 2024	Year ended 31st March, 2023	Year ended 31st March, 2022
(a) Change in Obligations at the beginning of the year			
Present value of Defined Benefit Obligations at the beginning of the year	72.92	58.06	47.78
Current Service Cost	14.18	10.93	7.93
Past Service Cost	-	-	-
Interest Cost	5.31	4.09	3.37
Gain / Loss on Settlement	-	-	-
Actuarial (Gain) or Loss	-9.54	-0.15	-1.02
Benefits Paid	-	-	-
Present value of Defined Benefit Obligations (DBO) at the end of the year	82.87	72.93	58.06

(b) Change in Plan Assets (Reconciliation of opening and closing balances)			
Fair value of Plan Assets at the beginning of the year	1.02	-	-
Interest Income	0.45	-	-
Expected Return on plan assets excluding amounts included in	-0.18	0.04	-
Actuarial Gain or (Loss)	-	-	-
Contributions by employer	4.98	0.99	-
Benefits Paid	-	-	-
Fair value of Plan Assets at the end of the year	6.27	1.03	-
(c) Net Liability / (Asset) recognized in the Balance Sheet			
Present value of Defined Benefit Obligations	72.92	72.93	58.06
Fair value of Plan Assets	-6.27	-1.03	-
Net Liability / (Asset)	66.65	71.90	58.06
(d) Total expense recognised in the Statement of Profit and Loss Account			
Current service cost	-	-	-
Interest expense/(income)	14.18	10.93	7.93
	4.86	4.09	3.37
Defined Benefit Cost included in the Statement of Profit and Loss	19.04	15.02	11.30
(e) Amounts recognised in Other Comprehensive Income (OCI)			
Actuarial (Gain) / Loss due to demographic assumption changes in DBO	-	-	-
Actuarial (Gain) / Loss due to financial assumption changes in DBO	2.27	-1.72	-
Actuarial (Gain) / Loss due to experience on DBO	-11.80	1.57	-1.02
Return on Plan Assets (Greater)/ Less than Discount Rate	0.18	-0.04	-
Change in asset ceiling	-	-	-
Total Actuarial (Gain) / Loss included in OCI	-9.35	-0.19	-1.02

(f) Significant estimates: Actuarial assumptions			
As at March 31, 2024 As at March 31, 2023 As at March 31, 2022			
The significant actuarial assumptions were as follows:			
Discount rate	7.20%	7.50%	7.25%
Salary growth rate	5.00%	5.00%	5.00%

Demographic Assumptions

	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Mortality Rate	5.00%	5%	5%
Withdrawal Rate	58 Years	58 Years	58 Years
Retirement age			

(g) Non-Current and Current portion of Defined Benefit Obligation/(Asset)			
Current Portion	15.79	14.26	3.21
Non - Current Portion	60.82	57.65	54.86
	76.61	71.91	58.07

(h) Sensitivity analysis			
Sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.			

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Discount rate			
a. Increase by 0.5%	79.14	69.67	55.40
a. (% change)	-4.50%	-4.46%	-4.58%
b. Decrease by 0.5%	86.88	76.42	60.93
b. (% change)	4.85%	4.80%	4.94%
Salary growth rate			
a. Increase by 0.5%	86.09	75.79	60.48
a. (% change)	3.89%	3.94%	4.17%
b. Decrease by 0.5%	79.89	70.00	55.70
b. (% change)	-3.59%	-4.00%	-4.07%

(i) Maturity Profile of Defined Benefit Obligation			
Expected Future Cashflows			
Year 1	4.91	4.49	3.40
Year 2	5.01	4.65	3.70
Year 3	5.29	4.77	3.84
Year 4	5.66	5.00	3.89
Year 5	12.69	5.19	4.04
Years 6 to 10	28.90	35.14	27.88
Above 10 Years	-	-	-
Average Expected Future Working life (Years)	10.98	11.05	11.20

41 Related Party Disclosure

In accordance with the Ind AS - 24 on "Related Party Disclosure" the relevant information for the year ended March 31, 2024 is as under:

Related Parties	
Rajesh Ramsukh Rai	Director
Rinku Rajesh Rai	
Dilip Dinkar Lad	
Pramod Arora (from 16/08/2022)	Independent Director
Charudatta Kailash Jadhav (from 16/08/2022)	
Govind Rathi (from 10/08/2022)	
Ruchi Amit Jain (from 01/06/2022)	KMP
Jerai Fitness Equipments (Proprietary)	
Stride Fitness Equipments (Proprietary)	
Stride Fitness Equipments Private Limited	Director Interested Entity
Raika Automobiles Private Limited	
Stride Fitness Private Limited	
Rajesh Ramsukh Rai HUF	Relative of Director
Sadhika Rajesh Rai	
Disha Dilip Lad	

Note: Related Parties are as disclosed by the Management and relied upon by the auditors. As informed by management, The details of Transactions entered with related parties during the period under consideration is as below:

Details of Transaction with of related Party for the period ended 31st March:				
Name of Party	Year ended 31st March, 2024		Year ended 31st March, 2023	
	Key Managerial Personnel/ Relatives	KMP's Interested Concerns	Key Managerial Personnel/ Relatives	KMP's Interested Concerns
Lease Rent	144.00	36.00	136.44	36.00
Interest Paid	10.93	7.25	18.20	9.16
Reimbursement of Expenses	9.71	-	6.16	-
Remuneration/Salary	615.10	-	423.90	-
Loan Taken/(Repaid Back) (Net off)	-116.44	-75.97	-72.96	-5.92
Procurement of Services	-	-	6.00	40.00
Sales of Good/Services	-	43.55	-	0.70
Security Deposits given	-	-	24.25	-

• Outstanding balances with of related Party for the financial year ended 31st March:

	As at 31st March, 2024	As at 31st March, 2023	As at April 1, 2022
Loans and Advances			
Rajesh Rai HUF	-	-	-
Rajesh Rai	-	75.97	81.88
Rinku Rai	-	48.07	122.98
Sadhika Rai	-	42.32	42.92
	-	26.07	23.52
Trade Payables			
Rajesh Rai	-	-	-
Rinku Rai	-	9.13	7.66
Stride Fitness Equipments Private Limited	-	3.84	-
Raika Automobiles Private Limited	3.24	11.08	26.10
	-	42.38	-
Trade Receivable			
Stride Fitness Private Limited	0.09	-	-
Security Deposits			
Rajesh Rai	-	-	-
Rinku Rai	25.35	25.35	8.00
Stride Fitness Equipments Private Limited	10.90	10.90	4.00
	24.32	24.32	24.32

42 Disclosure Regarding analytical ratios:

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
Current Ratio	Current Assets	Current Liabilities	2.03	1.51	34.36%	Increase in Deposits with Bank
Debt-equity ratio	Total Debt	Shareholder's Equity	0.02	0.05	-48.01%	Repayment of Unsecured Loans from Related Parties
Debt service coverage ratio	Earnings available for debt service	Debt Service	9.71	7.68	26.40%	Reduction in Borrowings
Return on equity ratio	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	0.25	0.36	-30.89%	Decrease in Turnover and profits
Inventory turnover ratio	Cost of goods sold OR sales	Average Inventory	1.52	1.96	-22.53%	NA
Trade receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	Not Relevant since more than 95% of the sales are not on credit basis.			
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	4.29	4.31	-0.42%	NA
Net capital turnover ratio	Net Sales	Working Capital	3.24	6.21	-47.79%	Reduction in Sales and increase in working capital
Net profit ratio	Net Profit	Net Sales	0.17	0.17	-0.84%	NA
Return on capital employed	Earning before interest and taxes	Capital Employed	0.31	0.42	-26.92%	Decrease in Turnover and profits
Return on investment			Not Applicable			

43 Additional Information

- The Company does not have any benami property, where any proceeding has been initiated or is pending against the Company for holding any benami property (Previous year- Nil).
- The company has not traded or invested in Crypto currency or virtual currency during the financial year (Previous year- Nil).
- The company does not have any transactions with companies which are struck off (Previous year- Nil).
- 'Utilisation of Borrowed funds and share premium':
 - The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries), or
 - provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
 - The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries), or
 - provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- There are no income which are surrendered or disclosed as income during the year in the tax assessments but not accounted in books of accounts (Previous year- Nil).
- The Company has not entered into any scheme of arrangement which has an accounting impact on Current Financial Year (Previous year - No).
- The Company has not been declared wilful defaulter by any bank or financial institution or other lender ((Previous year- Not Declared).
- The company has not held any property without title deeds.
- 'During the year the Company has not revalued any of its Property, Plant and Equipments, disclosure of such is not Applicable.
- No loans or advances have been granted to promoters, KMP, Directors and related party during the year ended 2024.

- There have been no significant events after the reporting date till the date of adoption of accounts that require disclosure in these financial statements.
- Trade receivable, Trade payable, Loans & Advances balances are subject to confirmation & reconciliation. In the opinion of the management, difference, if any will not have any material impact on the financial statement. In the opinion of the Board and to the best of their knowledge, value on realization of assets, other than fixed assets in the ordinary course of the business, would not be less than the amount at which they are stated in the Balance Sheet.
- The Company does not have any long term contracts including derivative contracts as at March 31, 2024 wherein the company is required to make provision towards any foreseeable losses.
- The company has obtained the declaration from Directors stating therein that the amount so advanced to the company has not been given out of the funds borrowed/acquired from others by them.
- Previous year figures have been regrouped, reclassified and rearranged wherever necessary.
- The company information about the vendor and service provider regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 has been given basis the information available with the company. No interest is paid during the year neither is any amount due / payable to such entities as at the March 31, 2024.
- The Directors (other than Independent Directors) have waived off their right to claim the sitting fees for the Board Meeting attended by them.

51 There are no indications of impairment on any individual cash generating assets or on cash generating units in the opinion of management and therefore no test of impairment is carried out.

52 Corporate Social Responsibility

As per Section 135 of the companies act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the company as per the act. The fund were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

- a) Gross amount required to be spent by the company during the year is Rs. 38.00 Lakhs/-
b) Amount spent during the year on:

Particulars

Particulars	Paid	Yet to be paid	Total
Construction / acquisition of any asset	38.00	-	38.00
On purposes other than (i) above	3.00	-	3.00

53 Compliance with number of layers of companies

The provision relating to number of layer prescribed under clause(87) of section 2 of the Companies Act. 2013 read with Companies(Restriction on number of layer) Rules, 2017 are not applicable to the company

54 Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction that is yet to be registered with Registrar of Companies beyond the statutory period.

55 The company deal in the Selectorized, Free-Weight and Multi-Station exercise equipment in the industry, and introduces new and innovative products on a continuing basis. This is the only segment to report.

As per our Report of even date attached

As per our Report of even date attached

For Viren Gandhi & Co
Chartered Accountants

Chintan Gandhi
Partner

Membership no: 137079

FRN - 111568W

Place: Mumbai

UDIN: 24137079BKCU&I5658

For JERAI FITNESS LIMITED

RAJESH R RAI
Managing Director
(DIN : 01005150)

DILIP DINKAR LAD
Director
(DIN : 02973005)

Govind Rathi
Chief Financial Officer

Ruchi Amit Jain
Company Secretary

Dated: September 2, 2024



Viren Gandhi and Co.
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To
The Members of
Jerai Fitness Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Jerai Fitness Limited ("the company") which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 Ind AS and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and profit/loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Director's Report but does not include the Financial Statements and our auditor's report thereon. These reports are expected to be made available to us after the date of our auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Other Information if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 implementation and maintenance of 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 Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of the misstatement in the statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the statement may be influenced. We consider quantitative materiality and qualitative factors in; (i) planning the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effects of any identified misstatements in the statement.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("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 1", 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 further 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 purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash flows are in agreement with the books of account;
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
 - e) On the basis of written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of section 164(2) of the Act
 - f) With respect to adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2".
 - g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
 - i. The Company does not have any pending litigation which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
 - iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.



iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

v. The Company has not declared or paid any dividend during the year, the question of commenting on whether dividend declared or paid is in accordance with Section 123 of the Companies Act, 2013 does not arise.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

3. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For Viren Gandhi & Co.

(Chartered Accountants)

ICAI Firm Registration No. 111558W


Chintan Gandhi
(Partner)



Membership No: 137079

Date: September 2, 2024

Place: Mumbai

UDIN: 24137079BKCUGI5658

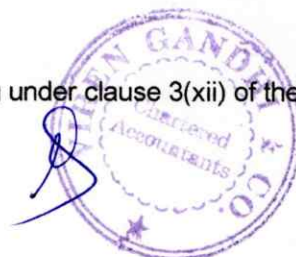
ANNEXURE "1" TO THE INDEPENDENT AUDITORS' REPORT

- (i) In respect of Property, Plant, Equipment's and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (B) The Company has maintained proper records showing full particulars of intangibles assets.
 - (b) Property, Plant and Equipment's have been physically verified by the management at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The title deeds, comprising of all immovable properties of land and buildings are held in the name of the Company as at the balance sheet date.
 - (d) The Company has not revalued its Property, Plant and Equipment.
 - (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii)
 - (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate.
 - (b) During any point of time of the year, the company has not utilized any working capital limits from banks or financial institutions on the basis of security of current assets.
- (iii) The Company during the current financial year has not made any investments in, nor provided any guarantee or security or granted any loans, secured or unsecured to companies, firms or other parties and consequently the sub-clauses (a) to (f) are not applicable.
- (iv) The Company has not granted any loans, or made investments or provided any guarantees / securities and hence this clause is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013 or any amounts deemed to be deposits.
- (vi) As per the explanation given to us, the Company is not required to maintain any cost records as specified by the Central Government under subsection (1) of section 148 of the Companies Act.
- (vii) In respect of statutory dues:
 - (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is regular in depositing undisputed statutory dues as applicable with the appropriate authorities and there is no amount outstanding as at March 31, 2024, for a period of more than six months from the date they became payable.
 - (b) The dues outstanding in respect of Sales Tax/Value Added Tax, Central Excise & Service Tax-2017-18 on account of dispute is as follows:



Name of the statute	Nature of dues	Amount	Amount Paid Under Protest	Period to which the amount relates	Forum where dispute is pending
Central Excise & Service Tax- 2017-18	Duty/tax, penalty & Interest	28,40,816	11,88,579	2017-18	The Custom Excise and Service Tax Tribunal
Income Tax Act, 1961	Income Tax Officer	72,53,750	72,53,750	2021-22	Income Tax Department

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or payment of interest due to its lender being bank during the year.
- (b) The Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) Term loans were applied for the purpose for which the loans were obtained
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.



- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and details of related party transactions have been disclosed in financial statements.
- (xiv) The Company is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(a) and (b) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company.
(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities.
(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India.
(d) There is no Core Investment Company as a part of the Group.
- (xvii) There are no cash losses incurred by the company either in the financial year or in the immediately preceding financial year.
- (xviii) During the year there has been no resignation of statutory auditor.
- (xix) On the basis of the financial ratios to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund (except a very nominal sum) specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in notes to the financial statements
(b) There are no unspent amounts in respect of ongoing project, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in notes to the financial statements



(xxi) This clause is not applicable, since the Financial Statements of the company are not consolidated.

For Viren Gandhi & Co.

(Chartered Accountants)

ICAI Firm Registration No. 111558W


Chintan Gandhi

(Partner)

Membership No: 137079

Date: September 2, 2024

Place: Mumbai

UDIN: 24137079BKCUGI5658



ANNEXURE "2" TO THE AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **M/s Jerai Fitness Limited (the Company)** as of **31st March 2024** in conjunction with our audit of the financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conduct our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") and Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that;

- i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that Profit and Loss of the company are being made only in accordance with authorizations of the Management and directors of the Company; and
- iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of Inherent Limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at **31st March 2024**, based on internal control over financial reporting criteria established by the company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by Institute of Chartered Accountants of India.

For Viren Gandhi & Co.

(Chartered Accountants)

ICAI Firm Registration No. 111558W


Chintan Gandhi

(Partner)

Membership No: 137079

Date: September 2, 2024

Place: Mumbai

UDIN: 24137079BKCUGI5658

