



THE SOUTH INDIA DERBY STAKES (GRADE-I) 2023-2024

Dr. M.A.M.R. Muthiah, Chairman and Senior Steward, Madras Race Club, presenting
'The South India Derby Stakes (Grade 1) on 15th January 2024 to Mr. Anil Saraf, Apana Subaiya and Balam Mohla,
Owners of the Winner, gr.c 4 year old "Touch of Grey".'



MADRAS RACE CLUB

Annual Report & Accounts for the Year 2023-2024



Dr. M.A.M.R. Muthiah, Chairman and Senior Steward, Madras Race Club, presenting The South India St Leger (Gr II) on 18th Feb 2024 to Queen's Gambit Racing Syndicate, Owner of the winner, ch m 5 yr old LA REINA



Dr. M.A.M.R. Muthiah, Chairman and Senior Steward, Madras Race Club, presenting 'The South India 2000 Guineas (Grade II)' on 25th December 2023, to Mr. K. Kamesh, Mr. Srikanth Badruka, Mr. Swaroop Kumar N and Mr. Balamukunda Das K, Mr. Dharmesh Mehta, Mr. Nambiar, M and Mr. N. Sanjeev Basapa, Owners of the Winner, b.c. 3 year old 'Knotty Charmer'.



Members of the Committee of Management

- Dr. M.A.M.R.Muthiah, Chairman
DIN : 00802807
Mr. Arun Alagappan, Esq.,
DIN : 00291361
Mr. Chaduranga Kanthraj Urs, Esq.,
DIN : 00573265
Dr. T.Dhevanathan Yadav,
DIN : 01431689
Mr. SP.Lakshmanan, Esq.,
DIN : 02745821
Mr. Paul Antony, Esq.,
DIN : 08071972
Mr. RM.Ramaswamy, Esq.,
DIN : 08596264
Mr. Ramesh Rangarajan, Esq.,
DIN : 00141701
Mr. Ranjit Jesudasen, Esq.,
DIN : 00020181
Mr. M.Ravi, Esq.,
DIN : 01382764
Mr. M.Senthilnathan, Esq.,
DIN : 02841571
Mr M. Sridharan, Esq.,
DIN : 02294399
Dr. Atulya Misra, I.A.S.,
DIN : 02210369
Mr. Brajendra Navnit, I.A.S.,
DIN: 06640275
Mr. V. Rajaraman, I.A.S.,
DIN: 07651397
Tmt. P. Amudha, I.A.S.,
DIN: 01405458

Secretary

Mr. S.Nirmal Prasad

Statutory Auditors

M/s. V D S R & Co., LLP
M/s. Karra & Co.,
M/s. S.Venkatram & Co., LLP
M/s. P.B.Vijayaraghavan & Co., ,
M/s. N.C.Rajagopal & Co.,

Chartered Accountants

Internal Auditors

M/s. N. Ganesh & Associates

Bankers

State Bank of India
Indian Bank
Kotak Mahindra Bank Ltd.,
UCO Bank
Yes Bank Ltd.,
HDFC Bank Ltd.,
ICICI Bank Ltd.,
RBL Bank Ltd.,
DBS Bank India Ltd.,
Guindy, Chennai - 600 032.

Registered Office

NOTICE TO MEMBERS

NOTICE is hereby given that the Annual General Meeting of the Members of the **MADRAS RACE CLUB, (CIN No. U74999TN1922NPL001455)** will be held at **5.00 p.m. (IST) on Friday, 2nd August, 2024**, at the Registered Office of the Club, situated at Guindy, Chennai 600 032 and also through Video Conference ("VC") Facility / Other Audio-Visual Means ("OAVM") to transact the following business:-

ORDINARY BUSINESS:

1. To consider and adopt the Income and Expenditure Account for the year ended 31st March 2024, Balance Sheet and Cash Flow Statement as at that date and also the Reports of the Committee of Management and Auditors thereon and in this regard to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT the Audited Balance Sheet, Statement of Income & Expenditure and Cash Flow Statement for the year ended March 31st, 2024, and the Reports of the Committee of Management and the Auditors thereon be and are hereby considered and adopted."

2. To appoint a Member of the Committee of Management in the place of retiring Member, Dr .T.Dhevanathan Yadav (DIN: 01431689) who, being eligible, offers himself for re-appointment.
3. To appoint a Member of the Committee of Management in the place of retiring Member, Mr. Paul Antony (DIN:08071972) who, being eligible, offers himself for re-appointment.
4. To appoint a Member of the Committee of Management in the place of retiring Member, Mr. Ranjit Jesudasan (DIN 00020181) who, being eligible, offers himself for re-appointment.
5. To appoint a Member of the Committee of Management in the place of retiring Member, Mr. M.Ravi (DIN 01382764) who, being eligible, offers himself for re-appointment.
6. To appoint the Auditors and fix their remuneration and in this regard to pass, with or without modification(s), the following resolution as on Ordinary Resolution:

"RESOLVED that, pursuant to the provisions of Section 139 of the Companies act, 2013 and the Rules made thereunder, Messrs, V.D.S.R. & Company, Chartered Accountants, Karra & Co., Chartered Accountants, S.Venkatram & Co., Chartered Accounts, PB. Vijayaraghavan & Co., Chartered Accounts, and N.C.Rajagopal & Co., Chartered Accounts, Chennai be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this AGM until the conclusion of the sixth consecutive AGM to be held in the year 2029 and that the Committee of Management be and are hereby authorized to fix such remuneration or increase thereof as may be determined in consultation with the Auditors."

On behalf of the Committee of Management
FOR MADRAS RACE CLUB

Place : Chennai
Date : 27th June 2024

S. NIRMAL PRASAD
SECRETARY

NOTES

1. Members intending to ask any questions at the Annual General Meeting are requested to submit such questions to the Secretary on or before **5.00 p.m. (IST) on Monday, 29th July, 2024**.
2. Members who would like to express their views during the AGM are requested to register themselves as a speaker by mentioning the details in accordance with the registered membership details with the Club, such as the Name, Permanent Membership number and email ID.
3. The request for registration as a speaker should be submitted in writing or through E-mail to the Secretary of the Club before **5.00 pm. (IST) on Monday, 29th July, 2024**. Only those Members who have registered themselves as a speaker will be allowed to express their views / ask questions during the AGM.
4. In terms of Article No.44 of the Articles of Association of the Club, there shall be no voting by proxy.
5. **In terms of Section 160 of the Companies Act, 2013 and rules framed and notifications issued thereunder, read with Article 21 of the Articles of Association of the Club, any Club Member other than a retiring member of the Committee of Management, who wishes to be elected as a Member of the Committee of Management, shall duly submit a notice of proposal either by himself, or by some other Club Member, intending to propose him, as a Member of the Committee of Management, along with a Deposit of Rs.1,00,000/- (Rupees One lakh only) either by way of Demand Draft or Electronic transfer favouring MADRAS RACE CLUB. Such proposal in writing along with consent letter of such contesting member in Form DIR 2 will have to be submitted to the Club before 5.00 P.M.(IST) on Thursday, 18th July, 2024. The valid nominations received will be displayed on the Notice Board of the Club at 10.00.AM(IST) on Friday, 19th July, 2024.**
6. **After such display of valid nominations on the Notice Board, as mentioned above, candidates whose nominations are declared valid shall be allowed to withdraw their nomination in writing at any time before 5.00 p.m.(IST) on Sunday, 21st July, 2024.**
7. The final list of Members who are eligible for election as Members of Committee of Management (including the retiring Members) will be thereafter notified to all the Club Members.
8. The above said deposit of Rs.1,00,000/- (Rupees One lakh only) shall be refunded to the concerned Member, if he is elected as a Member of the Committee of Management, or gets more than 25% of total valid votes cast for such election. In case, a Member fails to obtain more than 25% of total valid votes cast as stated above, the said Deposit of Rs.1,00,000/- (Rupees One lakh only) will be forfeited.
9. In terms of Section 152(3) of the Companies Act, 2013, no person shall be appointed as a Member of the Committee of Management, unless he has been allotted a Director Identification Number (DIN) under Section 154 and furnishes a declaration under Section 152 (4) that he has not been disqualified to be a Director under the Act.
10. In terms of Article 40 of the Articles of Association of the Club, no Club member shall be entitled to vote or take part in any general meeting of the club, until all monies due to the club by him / her have been paid. Members are requested to ensure the payment of all dues in full, before the date of AGM, to be able to exercise the right to attend and vote at the meeting.
11. Members are requested to update their personal E-mail Id's and mobile phone numbers with the Club for ease of communication.
12. Members whose email address are not registered can register the same with the Club by sending an email with their membership details at the email ID of the club: **secretary@madrasraceclub.com**

13. Notice of the AGM along with the Annual Report 2023-24 is being sent also through electronic mode to those Members whose e mail addresses are registered with the Madras Race Club.
14. Members may note that the Notice and Annual Report 2023-24 will also be available on the Madras Race Club's website <http://www.madrasraceclub.com/annualreport> and on the website of www.evoting.nsdl.com
15. Relevant documents referred to in the accompanying Notice calling the AGM are available on the website of the Madras Race Club for inspection by the Members.
16. The Club is also providing an alternative option to those members who may be unable to attend the AGM to be held at the Club premises, to participate in the same through zoom video conferencing platform, which arrangement is in compliance with the circulars issued by the Ministry of Corporate Affairs and the provisions of the Companies Act, 2013.
17. Members opting to attend the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act and Articles of Association of the Club.
18. The Madras Race Club has engaged the services of National Securities Depository Limited (NSDL), as the authorized Agency, for conducting AGM through VC/OAVM and providing e-voting facility for the convenience of such Members who are not able to attend the AGM at the Club or / and such Members who wish to attend the AGM through OAVM and participate in e-voting.
19. The user ID and Password will be forwarded by NSDL directly to the Members individually along with the Notice and shall be re-sent directly by NSDL to Members before the commencement of e-voting.
20. The list of Club Members as on the **cut off date i.e. 27th June, 2024 (702 Members)** who are entitled to vote, subject to compliance with Article 40 of the Articles of Association of the Club, is also enclosed for ready reference of Members.
21. The Route Map to the venue of the Annual General Meeting of the Club is annexed to this Notice.

(A) Instructions for attending the AGM in the premises of the Club:

1. Members attending the meeting at the Registered Office of the Club are requested to bring a valid Membership Card issued by the Club as proof of identification.

(B) Instructions for attending the AGM through VC/OAVM:

1. Members will also be able to attend the AGM through VC/OAVM by using their remote e-voting login credentials and selecting the 'Even' for Madras Race Club's **AGM at <https://www.evoting.nsdl.com>**.
2. Members who do not have the user ID and password for e-voting or have forgotten the user ID and Password may retrieve the same by following the remote e- voting instructions mentioned in the Notice. Further, Members can also use the OTP based login for logging into the e- voting system.
3. The facility of joining the AGM through VC/OAVM shall open at 4:45 p.m. i.e 15 minutes before the time scheduled for the AGM and will be closed on the expiry of 15 minutes from the conclusion of the AGM. Members who want to ask questions may write to the Madras Race Club, Guindy, Chennai – 32 **on or before 5.00 p.m.(IST) on Monday,29th July,2024** and the same will be answered during the AGM.
4. The facility of joining the AGM through VC/OAVM shall be available on first come first served basis. However, the Members of the Committee of Management, Key Managerial Personnel and Auditors are not restricted on first come first served basis.
5. Members who need technical assistance before or during the Annual General Meeting can contact **022-48867000** and via email at evoting@nsdl.com.

(C) Instructions for voting at the Venue in the premises of the Club:

1. Members who have participated in e-voting are not entitled to participate in the voting to be held during the AGM at the venue
2. Only such Members, who have not participated in e-voting shall be eligible to participate in the voting at the venue, subject to verification of all data.
3. **Scrutinizer shall allow only such Members to participate in venue voting who have not participated in the e-voting and subject to payment of all dues to the Club.**

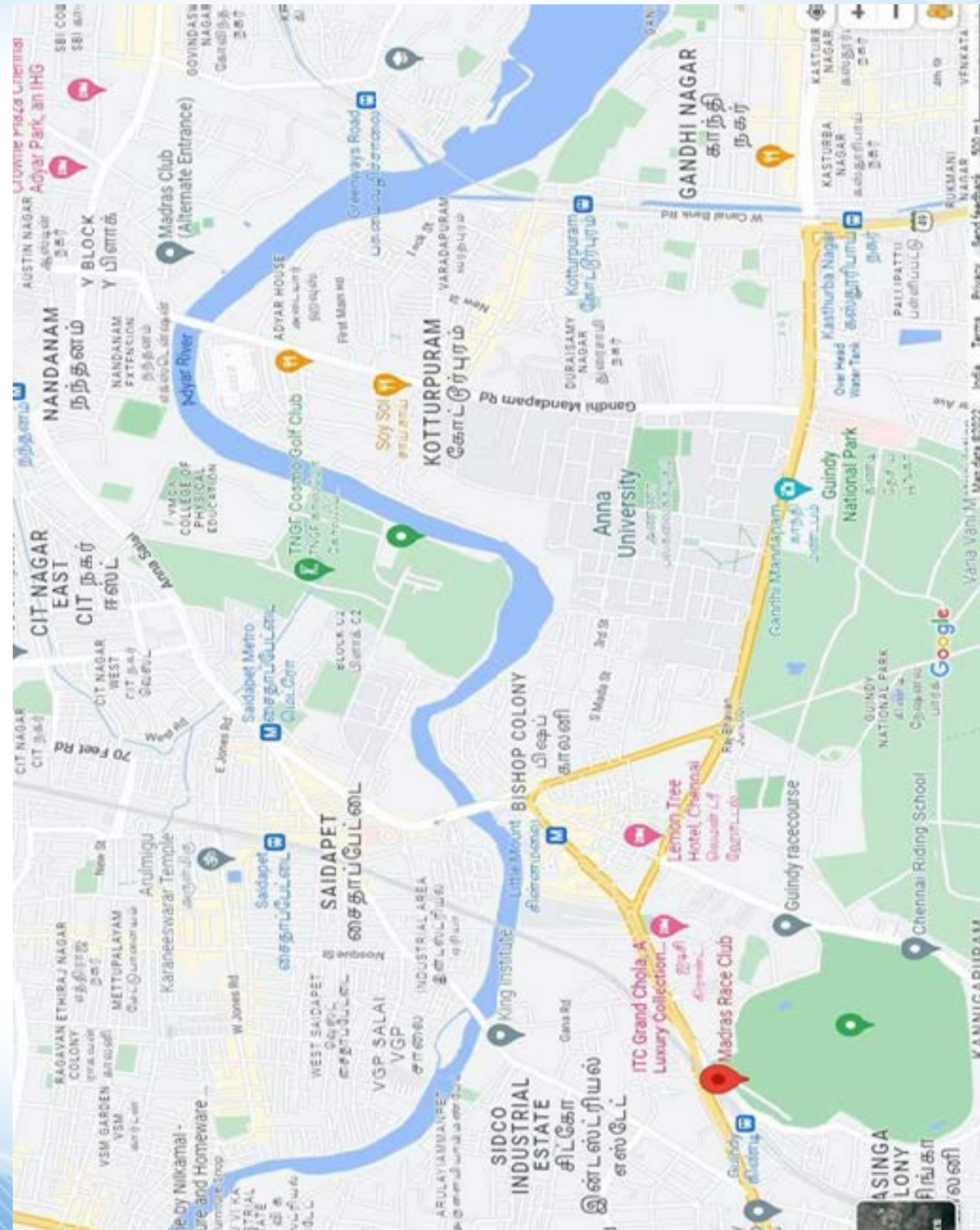
(D) Instructions for e-voting:

1. In compliance with the provisions of Section 108 of the Act, read with Rules made thereunder, the Madras Race Club is offering e-voting facility to all Members of the Madras Race Club. Only a Club Member as on the **cut-off date i.e. 27th June, 2024**, shall be entitled to avail of the facility of remote e-voting in connection with the AGM. Madras Race Club will be facilitating remote e-voting to enable the Members to cast their votes electronically. Members can cast their vote online from **10.00 A.M.(IST) on Tuesday,30th July,2024, till 5.00 p.m.(IST) on Thursday,1st August 2024**. At the end of remote e-voting period, the facility shall forthwith be blocked.
2. The Members who have cast their vote by remote e-voting prior to the AGM may also attend / participate in the AGM through VC/OAVM, but shall not be entitled to cast their vote again.
3. The procedure and instructions for e-voting are as follows:-
 - (a) Once the home page of e-Voting system is launched, click on the icon "Login" which is available
 - (b) You will receive from NSDL the user id and password on your registered email id as an attachment and then please open the pdf file received on your email with your -----
 - (c) Click on Login button at **Shareholders/ Members tab**.
 - (d) Enter your user id provided in the PDF file attached in email.
 - (e) Select either password or OTP based login.
 - (f) Next enter the **Verification Code** as displayed on the screen.
 - (g) Enter your password as provided in the PDF attached on your email /SMS.
 - (h) After entering your password, tick on Agree to 'Terms & Conditions' by selecting the check box
 - (i) Click on "**LOGIN**" button
 - (j) After successful login, you will be able to see "EVEN" of Madras Race Club"
 - (k) Select "EVEN" of Madras Race Club for which you wish to cast your vote.
 - (l) Now you are ready for e-voting as the Voting page opens.
 - (m) Cast your vote by selecting appropriate options for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

- (n) After clicking on the “Confirm” button, an OTP will be sent on your registered email id and / or mobile.
- (o) You can also take the print out of the votes cast by you by clicking on the print option on the confirmation page.
- (p) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- (q) It is the responsibility of the voter to ensure security of his/her User ID and password/OTP.
- (r) Voter should cast his/her own vote and not share his/her credentials with others which include passwords, OTP etc. In case of any query pertaining to e-voting, please visit Help and FAQs section available at website www.evoting.nsdl.com. or contact Number 022-48867000 or via email at: evoting@nsdl.com

4. In case of any query pertaining to e-voting, please visit Help and FAQs section available at website www.evoting.nsdl.com. or contact Number 022-48867000 or via email at: evoting@nsdl.com
5. The Committee of Management of Madras Race Club has appointed Mr.Balu Sridhar, Practicing Company Secretary as the Scrutinizer to scrutinize the voting process in a fair and transparent manner. The Scrutinizer will submit his report to the Chairperson or any person authorized by him / her after completion of the scrutiny and the results of voting will be announced within forty eight hours from the conclusion of the AGM of the Madras Race Club.
6. Subject to receipt of requisition number of votes, the resolutions shall be deemed to have been passed on the date of the AGM.

**Route map to the venue of the Annual General Meeting of the Madras Race Club at
Guindy, Chennai - 600 032**



**ANNUAL REPORT FOR THE YEAR ENDED 31st MARCH 2024
TO THE MEMBERS OF THE MADRAS RACE CLUB:**

The Committee of Management has pleasure in presenting this Annual Report together with the Audited Financial Statements of the Madras Race Club for the financial year ended 31st March, 2024.

I. WORKING RESULTS:

(a) The following details represent the scale of operations at the Club during the year:-

Year	Udhagamandalam / Madras Races	Inter-venue Betting days	Total
2023-24	42	248	290
2022-23	43	251	294
2021-22	40	164	204
2020-21	19	84	103
2019-20	49	251	300

- (b) The Club realized a total revenue of Rs. 8,454.77 lakhs, during the year from its overall operations, as compared to Rs. 7,528.19 lakhs during the previous year.
- (c) The Club earned a surplus of Rs. 444.53 lakhs, during the year, after providing for a depreciation of Rs.278.80 lakhs, as against a surplus of Rs. 618.23 lakhs, after providing for a depreciation of Rs.245.14 lakhs, during the previous year.
- (d) In the final analysis, the Club recorded a net surplus of Rs. 310.72 lakhs, after tax, as against Rs.435.32 lakhs in the previous year.

2. FINANCIAL OPERATIONS:

(a) The financial performance of the Club during the year, as compared with that during the previous year, is summarized below:-

Particulars	2023-2024	2022-2023
Revenue from Racing Activity	4,334.26	4,314.71
Revenue from Club Activity	1,302.39	1,120.79
Other Income	2,818.12	2,092.69
Total Revenue	8,454.77	7,528.19
Racing Activity Expenditure	4,243.82	3,914.50
Club Activity Expenditure	677.06	584.23
Employee Expenses	855.83	909.73
Other Expenses	1,954.73	1,256.36
Less Total Expenditure	7,731.44	6,664.82
Surplus Before Depreciation and Tax	723.33	863.37
Less: Depreciation	278.80	245.14
Surplus before Tax	444.53	618.23
Less: Tax	133.81	182.91
Surplus/(Deficit) after Tax	310.72	435.32

(b) The following are the significant changes during the year:-

(Rs. in Lakhs)

Sl.No	Particulars	2023-24	2022-23	(Difference)
DECREASE IN INCOME				
1	Income from Sponsorship	74.06	100.45	(26.39)
2	Income from Tote Commission(Net of GST paid under Protest)	753.28	769.27	(15.99)
INCREASE IN INCOME				
1	Interest on Term Deposit	2,336.95	1,899.99	436.96
2	Income from Bookmakers	1,338.14	1,298.83	39.31
3	Income from Room Complex	131.76	99.75	32.01
4	Income from Party Bookings	159.42	141.13	18.29
5	Income from Riding School	115.95	52.76	63.19
6	Income from Live Streaming	66.48	-	78.03
INCREASE IN EXPENDITURE				
1	Rates & Taxes	892.32	130.61	761.72
2	Stakes & Commission	2,252.63	1,745.58	507.05
DECREASE IN EXPENDITURE				
1	Legal & Professional Charges	119.47	192.29	(72.82)
2	Income Tax	133.81	182.91	(49.10)

- (c) Income from Totalizators (Net of GST paid under Protest) was Rs. 753.28 lakhs, as against Rs. 769.27 lakhs in the previous year.
- (d) Income from Bookmakers was Rs. 1338.14 lakhs, as against Rs.1298.83 lakhs in the previous year.
- (e) Income from Room Complex was Rs. 131.76 lakhs, as against Rs. 99.75 lakhs in the previous year.
- (f) Income from Parties and Functions hosted in the premises of the Club was Rs.159.42 lakhs, as against Rs. 141.13 lakhs in the previous year.
- (g) Provision of Rs. 805.25 lakhs towards rates and taxes resulted in increased expenditure under the head “other expenses” during the year, as compared to the previous year.
- (h) Overall, the income during the year increased by about 12%, as compared to the previous year, while expenditure during the year increased by about 16% as compared to the previous year.

3. RACING:

- (a) The Udhagamandalam Races 2023, scheduled over seventeen race days, commenced on 1st April 2023 and sixteen race days were actually conducted at Udhagamandalam, following one race day having been cancelled owing to heavy rains.
- (b) During the Madras Races 2023-2024, scheduled over 30 days commencing from September 30, 2023, five race days were cancelled following heavy rains and the Club actually conducted, in all, 26 race days at Chennai, including two additional race days, as against 27 Race days conducted in the previous year.
- (c) Stake money was revised as under with effect from Madras Races 2023-2024:-

(Rs. in Lakhs)

Category	Stakes 2023-2024	Stakes 2022-2023
GRADE 1	55.00	40.00
GRADE 2	30.00	20.00
GRADE 3	15.00	15.00
2/3 year olds	11.00	9.00
80 & above	11.00	9.00
60 to 85	7.50	6.00
40 to 65	6.50	5.00
20 to 45	5.50	4.25
00 to 25	4.50	3.50

- (d) The particulars of the race meetings held under the Rules of Racing of the Madras Race Club are as under:-

Particulars	Udhagamandalam Races		Madras Races	
	2023	2022	2023 - 2024	2022 - 2023
Number of race days	16	15	26	27
Number of races run	112	99	184	192
Aggregate number of runners	1017	941	1621	1821
Horses which participated in races	347	374	460	501
Average number of runners per race	9.08	9.50	8.76	9.48

- (e) The Stake Money paid out by the Club during the year was Rs.2253.63 lakhs as against Rs. 1745.58 lakhs during the previous year.

4. AUCTION SALE OF TWO YEAR OLDS:

- (a) As during the previous year, an Annual Auction Sale of two year olds (foaled in 2022) was conducted by the Club on 14th January 2024, at the paddock in the Club, featuring 16 lots from four Stud Farms.
- (b) In terms of the practice adopted during the previous year, the Auction Sale was telecast live on the Club's website, with the facility of bidding over telephone.
- (c) The Club realized an amount of Rs. 7.63 lakhs towards hosting the sales at the Club, as against Rs.14.29 lakhs during the previous year.
- (d) Under the loan facility extended to Club Members for purchase of two year olds, subject to a maximum of Rs. 5 lakhs per person, repayable in ten equated monthly instalments, four Club Members availed of the facility.

5. CHENNAI RIDING SCHOOL:

- (a) The functioning of the Chennai Riding School was reviewed and the organizational set up was revamped with the appointment of an Administrator for the School with effect from 1st July 2023.
- (b) The Administrator is in overall administrative control of the equestrian and related activity of the Chennai Riding School, an unit of Madras Race Club and has been entrusted with the responsibility of raising the overall profile of the School, with the long term objective of attaining the status of an Equestrian Hub in the City of Chennai.
- (c) The composition of the Sub Committee overseeing the functioning of the Chennai Riding School has been confined only to the Members of the Committee of Management.
- (d) With efforts to optimize the scale of operations at the School and the measures initiated for restructuring the admission and riding fee, during the year, income increased to Rs.115.59 lakhs as compared to Rs. 52.76 lakhs during the previous year.
- (e) The Chennai Riding School recorded a net surplus of Rs.45.54 lakhs as against a deficit of Rs 33.29 lakh during the previous year.

6. SPONSORSHIP SUPPORT:

The Committee places on record its appreciation of the sponsorship support extended by the following for racing events / cup races, sports tournament conducted during the year 2023-2024, involving a total contribution of about Rs. 75.00 lakhs from Sponsors.

- M/s. Coromandel International Limited
- M/s. Chettinad Cement Corporation Limited
- M/s. Olympia Tech Park (Chennai) Pvt. Ltd.
- M/s. Five Stars Shipping Company Pvt. Ltd.
- M/s. The Mukhteswar Stud Farm
- M/s. Sans Craintes Farm
- M/s. Usha Stud & Agricultural Farm
- M/s. Dashmesh Stud Farm
- Mr. Anil Saraf
- M/s. Equine Nutrients
- Mr. Chaduranga Kanthraj Urs
- M/s. Diksat Transworld Limited
- Family of Late V.M. Gopal
- Mr. M. Ravi
- Mr. Paul Antony
- The Hindu Group
- Mr. Arun Alagappan
- M/s. Original Vel
- M/s. Gee Stud Farm
- Mr. Srikanth Badruka

7. PARI-MUTUEL BETTING:

(a) The details of collections at the Totalizator are furnished below:

(Rs.in lakhs)

Year	On-line	Off-line	Total Collections	Revenue
2023-2024	656.11	3616.12	4272.23	753.28
2022-2023	546.52	4084.79	4631.30	769.27
2021-2022	943.08	2311.40	3254.48	483.84
2020-2021	357.08	1107.35	1464.42	251.83
2019-2020	-	4049.39	4049.39	1019.77

(b) The following are the details of the collections poolwise:

(Rs. in lakhs)

Particulars	2023-24	2022-23	2021-22	2020-21
Win Pool	296.92	424.51	529.34	214.07
S.H. Pool	114.11	169.29	181.85	57.31
Place Pool	145.81	217.13	286.99	99.76
Forecast pool	185.68	176.91	132.64	53.13
Quinella Pool	153.83	164.23	106.41	37.19
Tanala Pool	1162.28	1316.46	719.37	249.26
Treble Pool	550.37	591.09	386.11	201.72
Mini Jackpot Pool	304.46	286.90	181.03	100.64
Jackpot Pool	0.00	708.21	427.74	271.20
Combined Jackpot Pool	1236.58	538.85	303.01	180.14
Third Horse Pool	55.65	11.14	-	-
Show	0.42	0.05	-	-
Exacta	66.23	26.54	-	-
TOTAL	4272.33	4631.30	3254.49	1464.42

(c) The following are the details of the percentage of deductions from various Pools at the Totalizators, with the balance percentage from the Bet value constituting the divisible Pool:-

Percentage(%)

Particulars	Percentage of total deductions including Commission & GST	Percentage of Deduction towards Commission.
Win Pool	27	5.125
S.H. Pool	32	10.125
Place Pool	27	5.125
Forecast pool	32	10.125
Quinella Pool	32	10.125
Tanala Pool	36	14.000
Treble Pool	46	24.125
Mini Jackpot Pool	46	24.125
Jackpot Pool	46	24.125
Combined Jackpot Pool	46	24.125
Third Horse Pool	32	10.125
Show	32	10.125
Exacta	36	14.125

(d) The following are the details of Inter-Venue Betting Race days:

Particulars	At Chennai		At Udthagamandalam	
	2023-24	2022-23	2023-24	2022-23
Mysore	37	43	37	43
Bangalore	46	43	46	43
Hyderabad	45	51	45	51
Mumbai	27	23	27	23
Pune	17	12	17	12
Calcutta	31	34	31	34
Delhi	44	45	44	45
Madras	0	0	26	28
Udthagamandalam	16	15	0	0
TOTAL	263	266	273	279

(e) During the year, betting was conducted at Chennai on 263 days, as compared to 266 days in the year 2022-2023.

8. GOODS AND SERVICE TAX RELATED MATTERS:

- (a) Pursuant to the commencement of the GST Regime in 2017, Race Clubs were treated as suppliers of service and this was consistent with the position under the pre-GST Regime.
- (b) Accordingly, a cumulative tax rate of 28% was levied on Totalizator Services.
- (c) In January 2018, Rule 31A(3) was newly introduced in the Central Goods and Services Tax Rules 2017 ("CGST Rules"), where the supply of bets was 100% of the bet value paid into the Totalizator.
- (d) The Turf Authorities thereafter submitted several representations and held discussions with the concerned Ministry of the Government of India and with the GST Council.
- (e) The GST Council thereafter constituted a Group of Ministers (GOM) to examine issues pertaining to betting on Horse Racing through Totalizator.
- (f) The Turf Authorities submitted a representation to the Group of Ministers in July 2022 and also had discussions with a few of the Ministers of GOM and concerned Bureaucrats of the Finance Ministry of the Government of India in July 2022, wherein the following was submitted:-
 - (i) The incidence of tax should be on the commission made by the race Clubs as opposed to the imposition on face value, as the logical incidence of tax can only be the commission.
 - (ii) The activity of totalizator based betting on horse racing, is inherently distinct from the activities of lottery, betting and gambling.
 - (iii) 'Betting and gambling' does not include betting on horse racing, as per judicial interpretation of the words, which are used in the constitutional entry 34 (State List) as well as in the Schedule III to the CGST Act 2017.
 - (iv) The Hon'ble Supreme Court of India, in the case of Dr. K.R. Lakshmanan Vs. State of Tamil Nadu (1996) 2 SCC 226) has held that betting on horse racing involves a substantial amount of skill, while terming it as an entertainment activity.
- (g) The GST Council at its meeting held on 7th July 2023, however, decided to impose GST at the rate of 28% on the full face value of the bets placed on horse racing.
- (h) The Turf Authorities submitted a representation to the Hon'ble Prime Minister, Government of India, at the end of July 2023, and all concerned Ministries seeking reconsideration of the decision, citing the following:-
 - (i) Horse racing is a sport recognized internationally and even in India for over 200 years.
 - (ii) Patronage for horse racing has dwindled with returns reducing by nearly 50% in the level of dividends, to racing patrons as compared to the pre-GST period.
 - (iii) Revenues to the Club have dropped to a corresponding extent resulting in unabsorbed overhead costs and consequential displacement of labour.
 - (iv) Financial operations at the Club have become unviable in the absence of commensurate revenue.
 - (v) Grey channels of betting had mushroomed to the detriment of the Government and Clubs, eroding the very foundation of racing with tremendous loss of revenue as well.
- (i) The Turf Authorities thereafter repeatedly urged the Authorities to consider their appeal on behalf of the Racing Industry and categorically stated that in the absence of relief to the agricultural based industry, the closure of the entire racing industry in the Country was imminent and unemployment on a massive scale was unavoidable at all the seven racing centres in the Country and about 40 Breeding establishments across the Country.

9. LEGAL CHALLENGES TO PROVISIONS OF GOODS AND SERVICE TAX:

- (a) The Bangalore Turf Club had challenged the imposition of GST on face value of bets placed on the totalizator, before the Hon'ble High Court of Karnataka in Bangalore Turf Club Limited and Ors. Vs. Union of India.
- (b) The Hon'ble High Court of Karnataka, inter alia ruled that the Turf Club is not liable to pay GST on the entire 100% of the face value of the bet or amount paid into the totalizator, while striking down Rule 31A(3) of the Central GST Rules, 2017 and the corresponding rule in the Karnataka GST Rules, 2017.
- (c) The Hon'ble High Court of Karnataka held that the Turf Club was merely liable to pay GST on the commission collected by them for facilitating the service of betting through totalizator and further also ruled that the Clubs are entitled for all consequential benefits that flow from this verdict.
- (d) This decision of the learned Single Judge has been appealed before the Division Bench of the Karnataka High Court and is pending final adjudication.
- (e) The Madras Race Club also filed Writ Petition Nos. 19710/13/15/17/22/24 in the Hon'ble High Court of Madras on similar lines and which had been admitted.
- (f) The Madras Race Club and Hyderabad Race Club thereafter filed separate Writ Petitions in the High Court of Madras and High Court of Telangana, respectively challenging the recent amendments to the CGST Act, as detailed below, with a view to placing Horse Racing on a different footing as a Game of Skill vis-à-vis the issues raised by the Online Gaming Companies and to secure relief for the Racing Industry, independent of the Gaming Companies:-
 - (i) Proviso S 2(105), S 2(808), S 2(102A)
 - (ii) Para 6 of Schedule III in relation to betting and / or horse racing.
 - (iii) S 15(5) of the CGST Act, Rule 31A(3) and the Rule 31B of the Central Goods and Services Act, 2017.
 - (iv) Entry 229 and Entry 227A of Notification No. 06/2018 dated 25 January 2018 and Notification No.11/2023 – Central Tax (Rate) dated 29 September 2023 especially the rate of CGST in relation to betting and / or horse racing involving levy of Tax on the entire amount deposited into the Totalizator.
- (g) The Bangalore Turf Club, Mysore Race Club, Madras Race Club and Hyderabad Race Club are in the process of filing separate petitions in the Hon'ble Supreme Court of India, seeking transfer of the pending Petitions in their respective High Courts to the Hon'ble Supreme Court of India.
- (h) All the Race Clubs have individually engaged the services of Mr. Vivek Reddy, Senior Counsel in drafting the required Petitions and arguing the matter on behalf of the individual Race Clubs at both the forums including arguing the transfer petitions before the Hon'ble Supreme Court of India during hearing in the connected matter.
- (i) On behalf of the individual Race Clubs, Mr. Vivek Reddy, Senior Counsel has been mandated to contend that under the amended GST provisions, so far as they relate to horse racing, a game of skill, as decreed by the Hon'ble Supreme court of India, the levy of tax shall be only on the amount eventually retained by the Club (commission), in the Totalizator, as against the proposal envisaged under the recent amendments to tax the entire amount (bet value) initially deposited into the Totalizator.

10. AMENDED PROVISIONS OF SECTION 194BB OF THE INCOME TAX ACT, 1961:

- (a) Section 194 BB of the Income Tax Act, 1961, has been amended as under with effect from 1st April 2023, as per comparative details below:-

PRE-AMENDMENT

Any person, being a bookmaker or a person to whom a licence has been granted by the Government under any law for the time being in force for horse racing in any race course or for arranging for wagering or betting in any race course, who is responsible for paying to any person any income by way of winnings from any horse race in an amount exceeding ten thousand rupees shall, at the time of payment thereof, deduct income tax thereon at the rates in force.

POST-AMENDMENT

Any person, being a bookmaker or a person to whom a licence has been granted by the Government under any law for the time being in force for horse racing in any race course or for arranging for wagering or betting in any race course, who is responsible for paying to any person any income by way of winnings from any horse race, being the amount or aggregate of amounts **exceeding ten thousand rupees during the financial year** shall, at the time of payment thereof, deduct income tax thereon at the rates in force.

- (b) The Turf Authorities have contended the following:-

- The amended provision under Income Tax Act, 1961, is contrary to the principle laid out in the ruling of the Income Tax Appellate Tribunal, Hyderabad in the context of the Tribunal considering the earlier provisions of Section 194BB of the Income Tax Act, 1961, in Hyderabad Race Club Vs. Joint Commissioner of Income Tax, 2008 (9) TMI 1024, when the Income Tax Appellate Tribunal, Hyderabad had also dealt with the aspects of the impossibility of collecting details from each and every race goer visiting the Race Course.
- The Club also cannot collect identification details from bearers of winning transactions in the absence of PAN, in view of the judgement of the Hon'ble Supreme Court of India in "K.S. Puttaswamy (Aadhar-5J) v. Union of India (2015) 1 SCC 1" – wherein it was held that private bodies had no authority to collect Aadhar Card related details.

- (c) The representatives of Turf Authorities have met with Senior Officials of the Ministry of Revenue, Government of India, at New Delhi and emphasized that the cumbersome procedures coupled with the aspect of impossibility of compliance with the revised procedures would have a cascading effect on the entire racing industry leading to the following, which have been duly and sympathetically acknowledged.

- Falling revenue at the Totalizator.
- Impinging on the critical aspects of enjoyment of racing.
- Depressing fall in attendance at Race Course.
- Scaling down of racing activity.
- Reducing opportunities for mobilizing revenue.
- Curtailing of employment opportunities.
- Mushrooming of illegal channels of betting.

- (d) The Turf Authorities have also submitted written representation in the matter seeking the following relief, with an Appeal that the representations could be viewed in the best interest of the inter-dependent domains of Sport of Horse Racing and Community Welfare and Development and retention of revenues of the Club and the revenues of the State Governments and the Union Government.

- To amend Section 194BB of the Income Tax Act 1961 in a manner to provide deduction of Tax at source only, transaction-wise in lieu of individual based system of taxation.
- To consequently dispense with the existing system of maintaining Audit trail of winnings at Totalizators from Horse Racing.

11. STATUTORY COMPLIANCES:

- (a) During the year, the Club paid taxes to the Central and State Governments, in compliance with various statutes, as detailed below:

(Rs. in lakhs)

Sl.No	Particulars of Taxes	2023-24	2022-23	2021-22
1	Entertainment Tax	14.68	17.41	18.84
2	Value Added Tax	23.82	21.85	14.25
3	Central Goods & Service Tax	518.88	424.23	493.03
4	State Goods & Service Tax	518.88	429.94	505.62
5	Integrated Goods & Service Tax	0.00	24.08	6.03

- (b) The Club deducted a sum of Rs. 185.04 lakhs under Section 194BB of the Income Tax Act, 1961 on winnings in the integrated totalizators system, including online betting and duly remitted the same to the Government of India, as against Rs.116.67 lakhs in the previous year.

12. MEETINGS:

- (a) The details of the Meetings of the Committee of Management held during the year are as under:-

Sl.No	Date	Number in Attendance	Mode-Place
1	21st April, 2023	11	Corporate Office / Zoom Network
2	8th June, 2023	11	Corporate Office
3	19th June, 2023	9	Corporate Office
4	7th July, 2023	9	Zoom Network
5	28th September, 2023	12	Corporate Office / Zoom Network
6	19th November, 2023	9	Corporate Office / Zoom Network
7	9th March, 2024	9	Corporate Office / Zoom Network

- (b) The intervening duration between two meetings was within the prescribed period by the Companies Act, 2013.
- (c) The Annual General Meeting of the Club was held on Wednesday 16th August 2023 at the Registered Office situated at Guindy, Chennai – 600 032 and also through Video Conference (“VC”) facility / Other Audio Visual Means (“OAVM”).
- (d) The legal proceedings initiated against the Club in the matter of holding of the Annual General Meeting of Madras Race Club at the Registered Office of the Club and through “VC/OAVM” concluded, following the judgement of the Hon’ble High Court of Madras on 22nd September, 2023 in C.M.P No.18452 and 18458 of 2023 in C.M.A. Nos. 1894 and 1896 of 2023, in connection with matters arising out of the Annual General Meeting of the Members of the Madras Race Club held for the financial year 2022-23.
- (e) The operative part of the Order dated 22nd September 2023, of the Hon’ble High Court of Madras, is extracted below for the kind reference of the Members.

“12. Further, this Court in the order dated 10.04.2023 passed in C.M.A Nos.2520 and 2521 of 2022 in respect of the previous year’s election of the appellant’s Club, had made the following observations: -

“21. It remains to be stated that Rule 20 of the Companies (Management and Administration) Rules, 2014, mandates that companies that are listed and the Companies that are with more than 1000 members shall conduct General Body Meeting through e-voting. However, there is no bar for other companies to conduct its AGM through e-voting. It is to be stated that during the Covid period, the Ministry of Corporate Affairs had issued in General Circular No.20 of 2020 dated 05.05.2020, permitting all the companies to conduct AGM through video conferencing or OAVM and thereafter, by a General Circular 02/2022 dated 05.05.2022, the conduct of the AGM of the companies through Video Conferencing or OAVM, was extended till 31.12.2022. Therefore, any company including MRC appellants / defendants can conduct AGM through OAVM till 31.12.2022. As per the AGM notice, as could be seen from the typed set of papers, the members can either vote through OAVM or personally visit the MRC Campus, on the date notified and there is no compulsion or mandatory, that the members of the MRC to vote only through OAVM.”

“25. From the typed set of papers, this Court finds that out of 713 Club Members, except two members, the others i.e 711 members have email IDs. On mere smearing allegation of manipulation without adding National Securities Depository Limited (NSDL) as a party to the proceedings, the veracity of the NSDL, cannot be challenged.”

13” From the above observations, it is clear that there is nothing wrong with the conduct of the election through OAVM. It is an admitted fact that the elections are conducted through a third party agency called the NSDL (The National Securities Depository Limited). The said Agency has not been made a party in the Suit. Hence, any challenge or attack made to the mode of election without making them a party, cannot be sustained. The reason for the challenge to the previous year’s elections and this year’s elections are substantially the same, except for the fact that the Chairman is contesting in the present year’s election which would hardly make a difference as observed earlier. Further, the order of this Court dated 10.04.2023 referred to above was challenged before the Hon’ble Supreme Court in S.L.P Dairy No.22540 of 2023 and the same was dismissed on 14.08.2023. The Trial Court however surprisingly had ignored the order of this Court by observing in a flippant manner, that the order passed by this Court is not a final order. Further, the learned Trial Judge had not observed how the participation of the Chairman in the present year’s election made a difference and had affected the fair conduct of elections. If the argument of the respondent and the reasons given by the learned Judge were to be accepted, no person who holds any office as a head of an elected body can contest for the second time. That apart, it is seen that through the elections were notified on 07.07.2023, the suit has been filed almost at the last hour for the reasons best known to the respondent.”.

“14. The other contentions raised by the parties with regard to the maintainability of the Suit have to be decided only in the trial and therefore, this Court is not expressing any opinion on the merits of the rival contentions on those issues.”

“15. The request of the learned Senior Counsel for the appellant to withdraw the Suit and try it along with C.S. No.216 of 2021, before this Court also cannot be considered, since the plaintiff in the Suit filed before this Court is a different person and it not known on what grounds, the said Suit has been filed.”

“16. Thus, for the aforesaid reasons, this Court is of the view that the respondent had not made out any case much a less prima facie case warranting an order of interim injunction. The order passed by the learned trial Judge is liable to be set aside. Hence, the fair and decretal order dated 10.08.2023 passed by the learned XXII Additional Judge, City Civil 19/21 in C.M.A Nos. 1894 and 1896 of 2023 Court, Chennai, in I.A. Nos. 2 & 3 of 2023 in O.S. No.4985 of 2023 is set aside. This Court by an interim order had permitted the conduct of the election and restrained the appellant from declaring the results. In view of the above order, the first appellant is permitted to declare the results of the election.”

13. RE-APPOINTMENT / ELECTION OF MEMBERS OF THE COMMITTEE OF MANAGEMENT:

- (a) In terms of the Article 22 of the Articles of Association of the Club, one third of the Members of the Committee of Management who have been in office for the longest period are liable to retire on rotation and are ordinarily eligible for re-appointment, unless otherwise found ineligible under the provisions of the Companies Act, 2013 or under the Articles of Association.
- (b) Accordingly, the following four Members of the Committee of Management have been in office for the longest period and are therefore liable to retire by rotation, out of the present Members of the Committee of Management, at the ensuing Annual General Meeting to be held on Friday, 2nd August 2024 at the premises of the Club and also through Video Conference (“VC”) facility / Other Audio-Visual Means (“OAVM”):-

Sl.No	Retiring Committee Member	Appointed in the AGM Held On	No. of Years in the Committee
1	Dr.T.Dhevanathan Yadav	23rd July, 2021	3
2	Mr. Paul Antony	23rd July, 2021	3
3	Mr. Ranjit Jesudasen	23rd July, 2021	3
4	Mr. M. Ravi	23rd July, 2021	3

- (c) The above four Members of the Committee of Management are eligible for re-appointment and have notified the Club in writing of their intention to seek re-election as a Member of the Committee of Management at the ensuing Annual General Meeting.

14. DIRECTORS RESPONSIBILITY STATEMENT AS REQUIRED BY THE COMPANIES ACT, 2013:

In terms of Section 134(3) of the Companies Act, 2013, the Committee of Management make the following statements to the best of their knowledge, belief and according to the information and explanations obtained:-

- (a) That in the preparation of Annual Accounts, the applicable accounting standards have been followed and no material departures have been made from the same.
- (b) That the Directors have selected appropriate accounting policies and consistently applied them and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the income and expenditure account of the Company for that period.

- (c) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) That the Annual Accounts for the year ended 31st March, 2024 have been prepared on a going concern basis.
- (e) That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and the systems were adequate and operating effectively.
- (f) That the fund flow is more than adequate to meet the obligations of the Company to run its business during the year, and the Company is able to generate funds, without resorting to borrowings from bank etc.

15. SIGNIFICANT INCOME TAX RELATED MATTERS:

- (a) The demands as listed below are being contested:

(Rs.in lakhs)

Sl.No	Particulars	As at 31.3.2024	As at 31.3.2023
1	Income Tax under dispute (excluding interest)	7185.95	7103.91
2	T.D.S Defaults	4.53	3.29
3	Sales Tax matter under dispute	-	5.18
4	Employees State Insurance	105.18	105.18
5	Property, Watr and sewerage tax	-	325.30

- (b) The following items of Income Tax are under dispute:-

(Rs.)

Sl.No	Assessment Year	Income Tax Demand (Excluding Interest, penalty, if any)
1	2007-08	6084.97
2	2017-18	751.89
3	2018-19	177.56
4	2019-20	153.63
5	2022-23	17.90

- (c) In respect of the Assessment year 2007-2008, the Club had filed two Writ Petitions before the Hon'ble High Court of Madras challenging the re-assessment by Income Tax Department for the AY 2007-2008 (Rs.6,084,96 lakhs) in the matter of treating a lease deed on the Race Hall land as a deemed sale, and also for passing an Order after expiry of the time limit, which were however not entertained by the Court.
- (d) This Order was contested by way of Writ Appeals before the Hon'ble High Court of Madras based on legal advice and in the light of various judgments passed by the Apex Court on similar matters. While the Writ Petitions were dismissed by the Division Bench of the Hon'ble High Court of Madras, the Club, based on the merits of the case and other facts, preferred an appeal before the Commissioner of Income Tax (Appeals).
- (e) The Commissioner of Income Tax (Appeals) vide Order dated 22nd January 2024, dismissed the Appeal of the Club, on the following grounds, relating to the primary subject of treating the Long Term Lease with DLF Limited as a deemed sale, attracting Capital Gains:-
 - (i) The Lease was a pre-determined Long terms lease of 62 years, passing on development rights and that there was no possibility of the land being returned to the Club at a later date.
 - (ii) The transfer of development rights by the Club to DLF was absolute.

- (f) The Commissioner of Income Tax (Appeals) vide his order dated 22nd January 2024, had confirmed the assessment of Rs.138 crores under Capital gains as assessed by the A.O., but, however, considering that the Club had claimed that it had accounted the full receipt in AY 2019-20, the Commissioner had suggested the following:-
 - (i) The Assessment Officer may reduce this amount form the total sale consideration assessed in the year 2019-20.
 - (ii) This direction was subject to any other legal /appeals proceedings in the higher forums on the aforesaid issue in this case.

- (g) The Club also submitted a written petition dated 22nd February 2024 to the Deputy Commissioner/Asst. Commissioner, Central CIR (2), on the following grounds, seeking stay of order dated 15th February 2024, raised by the Deputy Commissioner, Central CIR (2) Chennai, demanding payment of Tax as per the assessment Order:-
 - (i) Under the Lease deed dated 23.12.2006, lease rent from 1st January 2007 to 31st December 2010 with the rental deposit of Rs. 60 Crore was considered as sale consideration by the Assessing Order.
 - (ii) In the AY 2019-20, the property was sold to DLF for Rs. 360 crores vide registered deed No.2340/2018 and capital gains of Rs. 257.68 crores was offered to tax and tax thereon was paid.
 - (iii) The Registration Department of Government of Tamil Nadu had collected stamp duty at 1% applicable to lease for the lease deed dated 23.12.2006 and stamp duty at 11% was collected for the sale deed dated 13th April 2018.
 - (iv) The Assessment for AY 2019-2020 was completed u/s 143(1) vide order dated 9th October 2020 and further order u/s 250 was passed on 25th January 2024.
 - (v) The Department themselves had accepted the sale deed entered into in 2018-19 and had completed the assessment, and therefore the lease deed entered in 2007-08 could not be construed as sale for the same property.
 - (vi) The Tax relating to capital gains assessed during the year had already been paid and was with the Department for the assessment year 2019-20, and hence no further action be taken for collection of the same tax for this year also, as this would amount to double taxation.
 - (vii) The requisite tax had already been paid by the Club and was with the Department, and the collection of tax and interest again for the assessment year 2007-08 could be stayed till the disposal of the Appeal by the Income Tax Tribunal against the order of the CIT (A).

- (h) The Club, in the meantime, had also filed an Appeal before the Income Tax Appellate Tribunal on 15th March 2024 against the Order of the Commissioner of Income Tax (Appeals) and the matter was briefly heard on 12th June 2024 and has been adjourned to Tuesday, 2nd July 2024 and in the Appeal, the following written grounds of appeal have been urged by the Club.
 - (i) There was an error in confirming the assessment of capital gains of Rs.138 crores on notional basis in respect of deed of lease entered into on 20.12.2006 by the Club, by treating the lease rent agreement as a deemed sale, without considering the provisions of the lease deed.
 - (ii) The deed of lease merely permitted the lessee for utilization of the land and construction but did not confer any ownership right and hence the lease rights conferred cannot be considered as sale of the land.
 - (iii) The lease deed was not acted upon fully and was amended and altered on many occasions as recognized by the CIT (A) himself and there could not be any capital gain on transfer of land under the lease dated 20.12.2006, which was not acted upon.



- (iv) There was no lumpsum consideration under the lease deed, which could be taken as consideration for sale of the property, as rentals paid was offered as lease rentals in the returns filed by the Club.
- (v) The Assessing Officer erred in considering the rental disposal and the lease rental payable for four years as notional sale consideration.
- (vi) The permission given by the appellant / lessor was for construction and not transfer of right of ownership to the lessee.
- (vii) There was continuous disagreement and litigation between the Club and the Lessee for non fulfillment of the terms of the lease deed and hence CIT (Appeals) erred in holding that there was an absolute transfer of ownership under lease deed dated 20.12.2006, resulting in accrual of capital gains in the hands of the Club / Lessor.
- (viii) The Club had offered the capital gains for the assessment year 2019-20 and had paid tax on the same, and the order erred in holding that the same can be adjusted against the deemed capital gains for the assessment year under appeal.
- (ix) There cannot two capital gains on two different years in respect of the same property between the same persons.
- (x) The ownership of the land was conveyed by the Club only through the Registered sale deed dated 13.04.2018 and capital gains on such was payable only on that date.
- (xi) The Club had offered the lease rental received by it as its income and the department had not questioned the same.
- (xii) The Lessee had also claimed the lease rentals as their expenditure and had been allowed.
- (xiii) The property tax on the lease properties had been raised in the name of the Club which continued to be shown as owner as per land records till the land was sold in the year 2018.
- (xiv) The perusal of the subsequent MOUs and Lease deeds entered into, would show that the lease deed entered into in 2006 cannot be considered as a deemed sale.
- (xv) The Hon'ble High Court of Madras in the case of Gemini Arts had held that prepayment of lease rent for a period of 60 years constitutes lease income and cannot be considered as sale proceeds.

16. PROPERTY TAX AND METRO WATER TAX:-

- (a) The Club had filed a Writ Petition No.WP 14162 of 2020 in the Hon'ble High Court of Madras challenging the Notices issued earlier by the Greater Chennai Corporation seeking payment of Property Tax by the Club for twelve identified properties, in respect of which Property Tax had been disputed by the Club, with effect from 1st April 2001.
- (b) After hearing the matter on 3rd April 2023, the Hon'ble High Court of Madras had ordered that the Madras Race Club could remit an amount of Rs.36.00 lakhs towards payment of Property Tax for the past period, calculated at the old rates towards arrears, pending reassessment by the Authorities, subject to the basis of revision basis being disclosed to the Club and the Club being given an opportunity to submit their objections, if any in respect of the twelve identified properties under dispute.
- (c) The Club, however, in the meantime, has been remitting Property Tax and Metro Tax annually in respect of twenty one other identified properties at the Club, which assessment has not been disputed by the Club.

- (d) The Club had filed objections after receiving measurements from the Corporation Authorities, following a joint inspection and thereafter detailed orders were passed by the Additional Commissioner (Revenue & Finance) Greater Chennai Corporation, Chennai – 600 003, notifying the revised assessments, after granting an opportunity of hearing to the Club.
- (e) The Club, thereafter within the stipulated time filed detailed objections property-wise disputing the assessment and while rejecting the contention of the Club, the Corporation finally determined that an amount of Rs.4,70,99,393/- was payable by the Club towards Property Tax for twelve properties, for the period from 1st April 2001 to 31st March 2024, after considering and adjusting the amounts paid by the Club over the years, including the amount of Rs.50.00 lakhs paid on an adhoc basis during the year under protest.
- (f) In terms of the property tax determined by the Authorities an amount of Rs. 3,34,25,723/- is also payable towards metro water tax for the period 1st April 2001 to 31st March 2024, in respect of the twelve properties, under litigation, as listed below:-

Sl.No.	Property No.	Description
1	4609	Weighing Room
2	4673	Club House
3	4605	B&V Stand
4	4651	Stands (2nd Enclosure)
5	4621	Garden & Oats Room
6	4646	Forecast Building
7	4658	Stables (Race View)
8	4659	Stables (Race Park)
9	4664	Equine Hospital
10	4620	New Bookie Ring
11	4634	Dr. M.A.M. Ramaswamy Stand
12	4608	Guindy Lodge

- (g) Pending a decision on the remittance of the amount and evaluation of the option of the Club filing an appeal, the Club, as a matter of abundant caution has made a provision of Rs.8,05, 25,116/- during the year in respect of the demand towards payment of property tax and metro water tax, in respect of Twelve properties.

- (h) However, in respect of the remaining Seventeen Properties, at the Club which assessments are not in dispute, property tax and metro water tax have been remitted regularly on an annual basis by the Club.

Sl.No.	Property No.	Description
1	4607	Stewards Car Shed
2	4613	Quarters (Bharathi Nagar)
3	4623	Quarters - I (Race Park)
4	4624	Quarters - II (Race Park)
5	4639	Riding Wing (Race View)
6	4663	Quarters 5 & 6 (Race View)
7	4670	Quarters 5 & 6 (Race Park)
8	4656	Stables & Quarters (Race Farm)
9	4660	Quarters 1 & 2 (Race View)
10	4662	Quarters 3 & 4 (Race View)
11	4676	Quarters 3 & 4 (Race Park)
12	4738	Quarters (Race Course Interior Road)
13	6620	Quarters (Kannigapuram)
14	10681	Squash Court
15	10821	Dress Change Room
16	10822	Guest Room Complex
17	4633	Sub-Bookie Ring

17. LANDS UNDER LEASE AT HOBART PARK, UDHAGAMANDALAM:

- (a) The following demands have been disputed by the Club:- (Rs. in lakhs)

Sl.No	Particulars	2023-2024	2022-2023
1	Lease Rent of Land taken on lease by the Club at Udhagamandalam (Excluding yearly accretions demanded)	92105.54	65,603.29

- (b) The proceedings in respect of the demand of the Government of Tamil Nadu in respect of revised lease rentals in relation to the Race Course at Udhagamandalam has been concluded by a Division Bench of the Hon'ble High Court of Madras.
- (c) The Writ Petitions Nos. 46099/2002, 500/2006 and Writ Appeal No. 1997/2019 have been dismissed on 21st June 2024 and the Authorities have been directed by the Division Bench to take action as per due process of law, both with regard to recovery of Lease rentals of Rs 921.05 Crores calculated as on 30th June, 2023 and resuming the possession of the premises, following expiry of the lease.

- (d) The Club is taking all necessary action and measures to protect the legal interests of the Club in the matter arising out of the Order passed by the Division Bench of the Hon'ble High Court of Madras and is in the process of filing an appeal in the matter before the Hon'ble Supreme Court of India.
- (e) The Club is hopeful of securing the necessary legal relief and the accompanying benefit of extended tenure in respect of the existing Race course at Hobart Park, Udhagamandalam.
- (f) In this background, the Club does not envisage any difficulty in continuing with its racing activity at Udhagamandalam and does not foresee any adverse situation that would materially affect its business or its future earning capacity.

18. LEASED LAND AT MADRAS RACE CLUB, CHENNAI:

- (a) The following demands have been disputed by the Club:- (Rs. in lakhs)

Sl.No	Particulars	2023-2024	2022-2023
1	(i) Accrued Arrears of revised Lease Rent as demanded on 31st August 2017 - from 01.07.1974 to 30.06.2004	92105.54	65,603.29
	(ii) Accrued Arrears of Revised Lease Rent from 2004 till date	12,38,135.24	--

- (b) In connection with the above dues for revised lease rentals, the Hon'ble High Court of Madras vide its Judgement dated 29th March 2023, rejected the Writ Petitions filed by the Club in terms of the following operative orders:-
- (i) The relief as such sought for in all the three Writ Petitions stands rejected.
- (ii) The Writ Petitioner / Madras Race Club is directed to pay the arrears of revised rent as claimed under the demand order dated 31.08.2017 (a sum of Rs. 730,86,81,297 – Rupees Seven Hundred and Thirty Crores Eighty Six Lakhs and Eighty One Thousand Two Hundred and Ninety Seven only) within a period of one (1) month from the date of receipt of a copy of this order.
- (iii) In the event of failure in settling the arrears of revised rent within a period of one month, the respondents are directed to evict the petitioners and take possession of the subject property immediately with the assistance of the Police Department.
- (iv) The respondents are directed to issue demand notices in respect of the accrued arrears of revised rent for the relevant period from the year 2004 to till date (roughly calculated by the respondents as Rs. 12,381,35,24,269 (Rupees Twelve thousand three hundred eight one crores thirty five lakhs twenty four thousand two hundred and sixty nine only) within a period of one (1) month from the date of this order and by granting two (2) months time to the petitioners to settle the said arrears of revised rent.
- (v) In the event of not settling any part or the entire arrears of revised rent due to the Government of Tamil Nadu, the respondents are directed to initiate appropriate recovery proceedings against the Writ Petitioner/Madras Race Club and recover the entire dues by following the procedures as contemplated and by proceeding against all the persons, who all are responsible, liable and accountable for settling all Government dues in the manner known to law."
- (c) The Club has filed appeals WA 897/2023, WA 898/2023, WA 890/2023, CMP 8951/2023, CMP 8949/2023, CMP 8947/2023, CMP 8943/2023, CMP 8926/2023 and CMP 8925/2023, challenging the order in W.P.No. 29644 to 29646 of 2017, which have been heard by the Division Bench of the Hon'ble High Court of Madras.
- (d) The Division Bench of the Hon'ble High Court of Madras has ordered status quo being maintained in the matter and this interim order has been extended from time to time.

- (e) The Committee, based on legal advise, is of the opinion that the rights of the Club over the leased lands are legally secure and the demands are not tenable in law for the following reasons:-
- (i) The existing registered lease deed dated 8th March 1946 is a contractual arrangement and is legally valid as is in force from 1st April 1945, for a period of 99 years.
 - (ii) There is no scope for revision in lease rentals during the defined contractual period of tenure, particularly in the absence of any clause permitting such a revision.
 - (iii) The lease rentals for the entire tenure of the Lease had been paid in full by the Madras Race Club and had been duly received by the Government.
 - (iv) The fixation of lease rentals for land housing sporting activity cannot be related to the commercial value of the Property.

19. TURF AUTHORITIES:

- (a) The operations on the Jackpot Pool have been combined between Bangalore Turf Club and Madras Race Club and the proposal of extending the combined operations to all other Pools between the two clubs is under extensive testing.
- (b) The combined operations will be thereafter extended to other Clubs in a phased manner after extensive testing and subject to the arrangement meeting all stipulated technical parameters.
- (c) The withdrawal periods of fifty five therapeutic substances in veterinary treatment of race horses have been harmonized in consultation with Quantilab, Mauritius on an all India basis and are being given effect to by all the clubs.
- (d) The recommendation of the Indian Pattern Committee that the Indian Turf Invitation Cup, the Sprinters Cup, the Stayers Cup and Supermile Cup should be run at level weights in future ie. 57.5 kgs for colts and geldings and a sex allowance of 1.5 kgs. is pending consideration and in the meantime, it has been decided to maintain status quo and continue the present system of the weight carried by horses in the four invitational races.
- (e) The Media and Telecasting Rights Committee constituted with the representatives of all the Turf Authorities is addressing the issue of monetizing the potential of media rights.
- (f) The Committee is also reviewing the contents of the Agreement executed by the Race Clubs individually with Sports Radar, on the subject of telecasting Indian races abroad, which is due to expire in December 2025.
- (g) The Committee is exploring alternate option of maximizing revenues to individual clubs from telecasting racing, including identifying new agencies for telecasting Indian races, with markedly attractive terms, subject to the legal process of non-renewal of agreement with Sports Radar on its expiry.
- (h) The proposal mooted for conducting an International Carnival of Racing is under discussion of the Turf Authorities.
- (i) The 40th Asian Racing Conference is scheduled to be hosted by the Japan Racing Association in Sapporo, Japan, from 27th August 2024 to 1st September, 2024.

20. APPOINTMENT OF STATUTORY AUDITORS:

- (a) In terms of the relevant provisions of the Companies Act, 2013, the Statutory Auditors shall hold office for a term of five years from the date of appointment in a particular AGM to the sixth Annual General Meeting of the Club.
- (b) The following present firms of Chartered Accountants were appointed as Auditors in the AGM held on 20.11.2019 for a period of five years.

Sl.No	Name of the Auditor	Appointed as Auditor In the Annual General Meeting Held On	Regn.No.of the Audit
1	M/s.VDSR & Co., LLP	20.11.2019	FRN001626S
2	M/s.Karra & Co.,	20.11.2019	FRN001749S
3	M/s.S.Venkatram & Co.,LLP	20.11.2019	FRN004656S
4	M/s.P.B.Vijayaraghavan & Co.,	20.11.2019	FRN004721S
5	M/s.N.C.Rajagopal & Co.,	20.11.2019	FRN003398S

- (c) The term of office of the above Statutory Auditors expires at the conclusion of the AGM to be held on Friday, 2nd August 2024 and the Statutory Auditors are eligible for re- appointment at the ensuing Annual General Meeting.
- (d) The above five firms of Chartered Accountants have submitted their consent individually to continue as Statutory Auditors of the Company.
- (e) The Committee of Management recommends the re-appointment of the above firm of Chartered Accountants as Statutory Auditors of the Company for a further period of five years at the ensuing Annual General Meeting of the Club to be held on Friday, 2nd August,2024.

21.INTERNAL CONTROLS:

- (a) With the objective of strengthening internal controls, the services of M/s. N. Ganesh & Associates, Chartered Accountants, A3/15, Tristar Residency, 6th Main Road, Mogappair (E), Chennai – 600 037, appointed as Internal Auditors for the Club, were renewed during the year to review, verify and report in terms of the following broad scope of work:-
 - (i) Financial and Accounting Operations
 - (ii) Cycle Processes
 - (iii) Purchases and stock related matters.
 - (iv) Processing of Accounts Receivables & Payables.
 - (v) Statutory compliances.
 - (vi) Compliance with Accounting and Financial Policies, Procedures & Norms.
 - (vii) Maintenance of Accounts

- (b) In terms of the scope of work, the following categories of transactions were subjected to pre-audit and only after authentication by the Internal Auditor, payment was processed by the Club:-
- (i) All individual transactions of the value of Rs. 50,000/- and above.
 - (ii) All Capital purchases including additions to Assets and Buildings.
 - (iii) Payment of Stakes in respect of all Sweepstakes and Graded Races
- (c) The Internal Auditor submitted reports periodically to the Club during the year in terms of the above scope of work to secure compliance by the Club.

22. COMMENTS ON AUDITORS' REPORT:

- (a) The Auditors have drawn attention to the status of verification of fixed assets, including landed properties and the aspect of compliance in their report.
- (b) The assets of the Club are well protected from pilferage/loss under the existing system, but however to have better control, as part of a sturdy internal control mechanism, a system is in the process of being evolved to tag and physically verify Fixed Assets including Land and Properties on a periodic basis at the Club, so as to ensure due and adequate compliance in the long run.
- (c) The Auditors have drawn attention to the contingent liability on the accrued arrears of revised Lease Rent of the land in Chennai as demanded on 31st August 2017 and accrued arrears of Lease Rent from the year 2004 till date.
- (d) The matter is sub judice and the demands are not tenable in Law, based on legal advise, for the reasons already set out on page 25/26 of the Report under the heading "Leased Land at Madras Race Club, Chennai."
- (e) The Auditors have drawn attention to the contingent liability on the accrued arrears of revised Lease Rent of the land in Udhagamandalam and accrued arrears of Lease Rent from 1st January 2001 till 30th June 2023.
- (f) The Club is taking all necessary actions and measures to protect the legal interest of the Club in this matter and based on legal advise the Club does not envisages any difficulty in continuing with its Racing activity at Udhagamandalam for the reason already set out on Page 24/25 of the report under the heading "Lands under lease at Hobart Park, Udhagamandalam".

23. IMPROVEMENTS:

The following, inter-alia, were undertaken during the year at the Club, as per cost detailed below including GST:-

- (a) Purchase of Hydraulic Mini Tractor at a cost of Rs.25.10 lakhs.
- (b) Purchase of Mini Tractor at a cost of Rs.15.01 lakhs.
- (c) Revamping earthing system and providing search protection device for preventing damages to electronic and Electrical circuits, during natural calamity at a total cost of Rs. 9.87 lakhs.
- (d) Supply of Erection of New LED Boards and Out Door Boards in the First Enclosure at a cost of Rs. 8.85 lakhs.
- (e) Supply and Erection of High Mast Lights near the Stewards Deck at a cost of Rs. 6.57 lakhs.
- (f) Purchase of 3 seater Chairs for use of Punters at the First Enclosure at a cost of Rs.3.24 lakhs.

24. ADMINISTRATION:

- (a) The Order of the Special Tahsildar CMRL dated 14.12.2011 awarding (Award No.5) compensation of Rs. 4,09,39,943/- to Madras Race Club for a total area of 3605 sq.ft acquired from the Club, adjoining the Guindy Lodge, Chennai, has been challenged by the Club before the VI Assistant City Civil Judge.
- (b) The Compensation of Rs.7852/- per sq.ft has been challenged and the Club has sought the following:-
 - (i) Enhancing the compensation from Rs.7852/- per sq.ft to Rs.40,000/- per sq.ft including escalation cost.
 - (ii) Additional compensation for special locational advantages of Rs. 40,000/- per sq.ft.
 - (iii) Payment of 12% additional Market value per annum from date of Notification.
 - (iv) Payment of Solatium of 20% with interest at 9% from the date of award.
- (c) In the matter of the petition filed by the Horse Maintenance Staff (Syces) seeking to be considered as employees of the Club, a Writ has been filed by the Club before the High Court and the matter is pending disposal.
- (d) The Petition filed by Forty one Race Day staff before the appropriate authority for payment of gratuity was processed by the Controlling Authority and the delay in filing of the petition was condoned, which decision was challenged by the Club in the Hon'ble High Court of Madras in WMP No.8831 of 2024, and Writ Petition No.7870 of 2024.
- (e) The Hon'ble High Court in its interim order dated 25th March 2024 had stayed the proceedings in 103 of 2023 to 143 of 2023 before the Controlling Authority and the interim Order has been extended up till 16th July 2024.
- (f) The dispute regarding the concessional rent of Rs. 3.18 crore due to the Club from DLF Limited ("DLF") for the period 1st March 2018 to 13th April 2018 was the subject matter of arbitration proceedings and was pending, following the sad demise of Hon'ble Mr. Justice S.S. Nijjar, one of the Co-Arbitrators.
- (g) The Hon'ble Arbitral Tribunal was reconstituted with Hon'ble Mr. Justice K.S.P. Radhakrishnan (Retd), Presiding Arbitrator, Hon'ble Mr. Justice A.K. Patnaik (Retd), Co-Arbitrator, and Hon'ble Mr. Justice V. Ramasubramanian (Retd), Co-Arbitrator.
- (h) A consent award was thereafter passed on 12th March 2024, following the payment of Rs. 3,18,01,000/- to the Madras Race Club towards arrears of Lease rentals in terms of Memorandum of Compromise dated 6th March 2018 and as such there is no other amount due to the Club from DLF.
- (i) In the dispute between BSNL and the Club, regarding the use of Speech Circuit, the BSNL had held that the technical character of the Speech Circuit fell within the purview of closed user group, attracting higher charges.
- (j) The Club however had contended that the Speech Circuit was in the technical nature of a point to point service, since the Madras Race Club was the owner, notwithstanding the fact, that the two speech circuits were located at two different premises.
- (k) However, the Arbitrator, had held that the following claim raised by BSNL, Chennai Telephone on Madras Race Club was in order:-

(Rs.)				
Circuit No.	Bill Date	Amount	Surcharge	Total
SP 107	16.6.98	19,85,689	2000	19,87,689
SP 191	16.6.98	34,97,580	2000	34,99,580
SP 547	07.04.98	10,72,350	-	10,72,350
Total	-	65,55,619	4000	65,59,619

- (l) The Club has filed a Writ Petition challenging the Arbitration Award on the ground that the Speech Circuits connecting the following points at different locations had been allotted in the name of Madras Race Club and the bills have been accordingly settled by the Madras Race Club in respect of both the points of the three separate Speech Circuits connecting different locations, as under:-

- (i) Chennai - Mumbai
- (ii) Chennai - Hyderabad
- (iii) Chennai - Bangalore

- (m) Live Streaming services on Udhagamandalam / Chennai Races were made available by the Club, subject to payment of Rs. 300/- (inclusive of GST) per subscriber on a per race day basis, and after completing the process of registration with the Club.

- (n) The Club realized the following revenue from the facility of Live Streaming of Udhagamandalam races/ Chennai Races during the year:

(Rs.)

Sl.No.	Races	Total No of Subscribers	Amount
1.	Udhagamandalam Races 2023	9349	23,76,864/-
2.	Chennai Races 2023 – 2024	16798	42,70,724/-

- (o) A renovated Room Complex consisting of 17 rooms is now functional at Hobart Park, Udhagamandalam, and is available for use of Club Members, as per applicable Tariff, published from time to time by the Club.
- (p) The facility of reservation is available on the Room Complex App on lines similar to that prevalent in respect of the room complex at Guindy Lodge.
- (q) Discussions are being held with the Corporation Authorities on the manner of regulating and staggering the discharge of rain water from the premises of the Madras Race Club, Guindy, Chennai, particularly during heavy rainfall at the race course at Chennai.

25. RACING RELATED STATISTICS:

The following are the details:

Particulars No. of race meetings:	2023-24	2022-23	2021-22	2020-21	2019-20
Madras Races	26	27	34	19	30
Udhagamandalam Races	16	15	6	0	19
Inter-venue Betting	247	251	165	84	280
Average attendance	2240	2780	2777	2549	3585
Number of race / IVB days	289	293	205	103	272
Number of races:					
At Chennai	192	192	187	167	216
At Udhagamandalam	112	99	129		132
Number of horses which participated:					
At Chennai	501	504	603	484	469
At Udhagamandalam	347	374	404	0	370

26. INFRASTRUCTURE DEVELOPMENT AT UDHAGAMANDALAM:

The following works of capital nature, inter-lia, were completed during the year under review, as per the cost, inclusive of GST, as indicated along side:

Sl.No	Particulars	Rs.
1	Constructions of 60 Stables plus 6 Rooms.	1,48,94,550
2	Extension of RCC Concrete Road over a length of 550 meters	1,12,29,937
3	Construction and remodeling of Structure above the Bookmakers enclosure.	75,22,500
4	Laying of reinforced concrete road over a length of 350 Meters	71,04,898
5	Construction of 22 Stables.	49,05,260
6	Construction of Rooms at 1st Floor above Weighing Room.	29,78,095
7	Relaying of Road from the Entrance Gate.	20,91,049

27. INFRASTRUCTURE DEVELOPMENT AT GUINDY, CHENNAI:

The following works of capital nature, inter-lia, were completed during the year under review, as per the cost, inclusive of GST, as indicated along side:

Sl.No	Particulars	Rs.
1	Construction of Storm Water Drain at Race Farm.	1,15,46,867
2	Construction of Storm Water Drain at Race View.	82,24,066
3	Construction of Main Entrance Road..	28,86,334
4	Laying of paver blocks at Saddling enclosure	31,72,049
5	Renovation of Banquet Rooms in First Floor at Guindy Lodge	24,28,653
6	Providing Granite Floor outside the Weighing Room	13,73,099

28. RELATED PARTY TRANSACTIONS:

- (a) The particulars required to be disclosed in respect of contracts and arrangements entered in to by the Company with related parties referred to in section 188(1) of the Companies Act, 2013 are reported in Form AOC – 2 and the same is attached to this report as Annexure 1.
- (b) During the year under review, the contracts or arrangements or transactions with the related parties as above were at Arm's Length basis and the particulars of the same are given in Note No.30 forming part of the financial statements.

29. DISCLOSURE UNDER VARIOUS SECTIONS OF THE COMPANIES ACT, 2013 AND OTHER COMPLIANCES:

- (a) **Key Managerial Personnel:**
The provisions of section 203(1) of the Companies Act, 2013 in respect of appointment of key managerial person and their remuneration are not applicable to the Company.
- (b) **Particulars of Employees:**
(i) The provisions of the section 197 of the Companies Act, 2013 for disclosure in respect of persons receiving managerial remuneration is not applicable to the Company as no person is covered under this section.
(ii) No employee of the Club comes under the purview of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of the Companies Act, 2013.

(c) Particulars of Loans and Guarantees:

During the year, the Company has not entered into any transactions in respect of giving loans and guarantees falling under the provisions of Section 186 of the Companies Act, 2013, and as such the relevant provision is not applicable in the case of the Company

(d) Conservation of energy, technology absorption, adoption, innovation:

The Company is not carrying out any manufacturing activity or any operations. In the absence of activity in relation to conservation of energy, the requirement for disclosure of particulars under Section 134(3) (m) of the Companies Act, 2013 is not applicable in the case of the Company. However, the Company is contemplating and exploring the various avenues to conserve and save energy.

(e) Disclosure of sexual harassment of women employee at workplace:

The Company has framed Anti Sexual Harassment Policy and the Internal Complaints Committee in this behalf is in place, which has been constituted under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the same is in operation. No complaint of sexual harassment has been lodged to the Internal Complaints Committee during the year by any women employee.

(f) Secretarial Standards:

The Company has complied with the secretarial standards in respect of Meetings of the Committee of Management that are issued by the Institute of Company Secretaries of India from time to time.

(g) Corporate Social Responsibility [CSR] Expenditure:

- (i) During the year, the Club incurred an aggregate of Rs.6.00 lakhs towards CSR expenditure, and the comparative details are furnished here under:-

(Rs.)

Sl.No	Particulars	2023-2024	2022-2023
1	Gross amount required to be spent	5.79 lakhs	Nil
2	Amount paid to MRC Equestrian Trust Chennai	6.00 lakhs	Nil

- (ii) The Report on CSR is annexed herewith as Annexure II and forms part of the Report.

(h) Cash defalcation and fraud:

Adequate internal controls are in place to circumvent any cash misappropriation and defalcation and as such there has been no such incident during the year and no such occurrence has been detected and brought to the notice of the Management by the statutory auditors.

(i) Extract of the Annual Return:

The Annual Return of the Club will be posted and made available in the website of the Club being the statutory requirement, as per the provisions of section 92(3) of the Companies Act, 2013 and the same may be viewed at its link – <http://www.madrasraceclub.com/annualreport>

(j) Foreign Currency Transaction:

- (i) Transactions pertaining to inflow and outgo in foreign currency are recorded in the books of accounts of the Club as income and expenditure as the case may be in INR at the exchange rate that prevailed on the date it is recognized in the accounts.
- (ii) The difference in monetary value in respect of receipts that arises on account of fluctuation in exchange rate between the date of entry in the accounts and the date of actual credit to our current account upon transfer of the amount in US Dollars is recognized as gain or loss as the case may be in the income and expenditure account.
- (iii) The details of revenue receipts and expenditure transaction in foreign currency for the year both in Indian Rupee value and in foreign currency are given in the notes forming part of the Annual Report.

(k) Segment Reporting of Business:

- (i) In line with the Ind. AS 108 of the Institute of Chartered Accountants of India, the Club has identified and recognized both racing and club activities as the two main operating segments of the entity.
- (ii) However, the income and expenditure pertaining to the above two activities are separately shown in the financials for presentation.

(l) Change in the nature of business of the Company:

As per the Memorandum of Association of the Club, conduct of horse racing has all along been the main activity, with the club activity being incidental to the main business and these two activities are in operation at the Club. During the year, there has been no change in the nature of business of the Company.

(m) Dividends & Deposits:

The Club is a Company registered under Section 8 of the Companies Act, 2013 and Limited by Guarantee and as per the Memorandum of Association of the Club, no part of the income is available for distribution to the Members of the Club in the form of dividend or otherwise. In terms of the section 73 of the Companies Act, 2013 read with the Companies(Acceptance of Deposits) Rules, 2014, the Club has not accepted any deposits from public during the year.

(n) Material Changes and Commitments:

There are no material changes and commitments, affecting the financial position of the company which have occurred between the end of the financial year of the club to which the financial statements relate and the date of the report.

(o) Risk Management:

The Club has a system in place to assess the risk and mitigate the same. However, in the view of the Management, the occurrence of risks threatening the existence of the Club is very minimal.

(p) Change in the name of the Company and shifting of the registered office of the Company:

There was no such change during the year.

30. MAINTENANCE OF COST RECORDS:

The provisions of Section 148 of the Companies Act, 2013, regarding maintenance of Cost Records are not applicable to the Club.

31. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

The same are not applicable to the Club

32. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

The same are not applicable to the Club

33. MEMBERSHIP:

- (a) 25 New Stand Members were elected through Ballot held on 17th June and 18th June 2023 and were enrolled on payment of Rs. 8,00,000/- GST per Stand Member, represented as capital receipts of the Club.
- (b) In terms of the provisions of the Articles of Association of the Club, which were amended by the Members of the Club, at the Annual General Meeting of the Club held on Wednesday, 16th August 2023, notice was issued by the Club inviting applications for assigning/transferring of Stand Membership, subject to the provisions of Article 17 and Article 11 of the Articles of Association of the Club.
- (c) 89 New Stand Members were elected through Ballot held on 1st December and 2nd December 2023, as per the category wise details furnished hereunder and were enrolled on payment of the stipulated amount, represented as capital receipts of the Club:

(Rs.)

Sl.No.	Category	Number	Transfer/Assign Fee
1	Assigning of Stand Membership to Son/Daughter/Spouse of the Assignor Stand Member	58	3,00,000/- + GST
2	Assigning of Stand Membership to Grand Son/Grand Daughter of the Assignor Stand Member	1	4,00,000/- + GST
3	Transfer of Stand Membership to non-relative / associate of the Transferor Stand Member	30	5,00,000/- + GST

(d) Alongside, a total number of 89 persons who had transferred / assigned Stand Membership, ceased to be Stand Members of the Club.

(e) In terms of the recently amended provisions of Articles of Association of the Club, a new category of Corporate Members, are eligible for being admitted subject to eligibility and compliance with the Rules notified by the Club and the maximum limits stipulated below:-

(Rs.)

Sl.No.	Category	Maximum Period of Membership	No. of Corporate Members to be admitted.	Entrance Fee
1	Short Term Corporate Members	3 years	50	4,00,000 + GST 18%
2	Medium Term Corporate Members	5 years	25	7,00,000 + GST 18%

(f) The summary of reconciliation in respect of Members, on roll, as per the Members Register, is as under:

CLUB MEMBERS

Particulars of Club Members	As on 31.3.2024	As on 31.3.2023
At the beginning of the year 01.04.2023	709	714
Add: New Members enrolled	0	0
Less: Deletions due to resignations, death and on account of removals from membership	5	5
At the end of the year as on 31.3.2024	704	709

STAND MEMBERS

Particulars of Stand Members	As on 31.3.2024	As on 31.3.2023
At the beginning of the year 1.4.2023	2845	2990
Add: New Members enrolled	115	0
Less: Deletions due to assign/transfer of membership	89	0
Less: Deletions due to resignations, death, and on account of removals from membership	46	145
At the end of the year as on 31.3.2024	2825	2845

34. OBITUARY:

The Members of the Committee of Management of the Club report with deep regret the sad demise of the following Club and Stand Members of the Club during the year.

Club Members		Transfer/Assign Fee	
CMG8	GOPAL V.M. ESQ	SMD198	DILIP P.K. ESQ
CMJ20	JUSTICE T. JAYARAM CHOUTA	SMH57	HARRY T. JETHWANI, ESQ
CMM90	MAHESH K., ESQ	SMM271	MINNIE R. FREDRICK, MS.
		SMR29	RAJAN E.V. ESQ
		SMR327	RAVIKUMAR REDDY, A. ESQ
		SMR493	RAMASAMY, P.R., ESQ
		SMR597	RAMANATHAN T.R., ESQ
		SMR845	RAMACHANDRAN, M.V., ESQ
		SMS465	SRIRAM, K. DR.
		SMS539	SHANMUGHAM P. ESQ
		SMS1513	SANTOSH T.S. ESQ

35. ACKNOWLEDGEMENT:

The Committee of Management wishes to place on record its sincere thanks to the Members of the Club, Sponsors and Government of Tamilnadu, for the support and patronage extended to the sport and other activities of the Club during the year.

The Committee also acknowledges with gratitude and appreciation the co-operation extended by the Race Horse Owners, Race Horse Trainers, Jockeys, Bookmakers, Sponsors, Donors of Cups, Racing Public and the Gentlemen of the Press during the year.

The Committee also wishes to place on record its deep appreciation of the dedicated services rendered by the Officials & Staff of the Madras Race Club during the year under review.

Place : Chennai
Date : 27th June 2024

DR.M.A.M.R.MUTHIAH
CHAIRMAN
MADRAS RACE CLUB

**[Annexure -I]
Form No.AOC– 2**

[Pursuant to clause(h) of sub-section(3) of section 134 of the Act and Rule 8 (2)of the Companies(Accounts) Rules, 2014]

Form for disclosure of particulars of contracts / arrangements entered in to by the Club with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third provision thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

S.No.	As on 31.3.2024	Details
a.	Name of the related party and nature of relationship	NIL
b.	Nature of contracts/ arrangements/ transactions	
c.	Duration of contracts/ arrangements/transactions	
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	
e.	Justification for entering into such contracts or arrangements or transactions	
f.	Date of approval by the Committee of Management	
g.	Amount paid as advances ,if any	
h.	Date on which the special resolution was passed in General Meeting as Required under first provision to section 188 of the Act.	

2. Details of material contracts or arrangements or transactions at arm's lengthbasis:

S.No.	As on 31.3.2024	Details
a.	Name of the related party and nature of relationship	Vacha Fine Arts, Mr.PaulAntony, Committee Member of Madras Race Club, is a Director.
b.	Nature of contracts/ arrangements/ transactions	Printing and Stationery.
c.	Duration of contracts/ arrangements/transactions	2023-2024
d.	Salient terms of the contracts or arrangements or transactions	As and when required at arm's length
e.	Salient terms of the contracts or arrangements or transactions including the value, if any	Rs.9,23,727.00
f.	Date of approval by the Committee of Management	27/06/2024
g.	Amount paid as advances, if any	Nil

Place : Chennai
Date : 27th June 2024

DR.M.A.M.R.MUTHIAH
CHAIRMAN
MADRAS RACE CLUB

[Annexure -II]

**The Annual Report on CSR Activities to be Included in the Board's Report For Financial Year
Commencing on or After 1 st Day of April, 2020**

1. Brief outline on CSR Policy of the Company:

The CSR Policy of the Madras Race Club is to actively contribute to the economic development of the community in which the Madras Race Club operates by actively contributing for health care, education, improving sanitation and more importantly, promoting Animal Welfare. These activities are essentially aimed as part of the overall objective of the Madras Race Club to raise the Country's human development index.

2. Composition of CSR Committee:

S.No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Dr. M.A.M.R. Muthiah	Chairman	One	One
2.	Mr. M. Ravi	Member	One	One
3.	Mr. Paul Antony	Member	One	One

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

Not applicable.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

S.No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1.	-	-	-
2.	-	-	-
3.	-	-	-
	Total	-	-

6.	Average net profit of the company as per section 135(5).	Rs. 2,89,45,543/-
7.	(a) Two percent of average net profit of the company as per section 135(5)	Rs. 5,78,911/-
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	Nil
	(c) Amount required to be set off for the financial year, if any	Nil
	(d) Total CSR obligation for the financial year (7a+7b-7c)	Rs. 5,78,911

8. (a) CSR amount spent or unspent for the financial year

	Amount Unspent (in Rs.)				
Total Amount Spent for the Financial Year. (in Rs.)	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Rs. 6,00,000/-	-				

(b) Details of CSR amount spent against ongoing projects for the financial year: **Not Applicable**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project	Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District					Name	CSR Registration number
1.											
2.											
3.											
TOTAL											

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No)	Location of the project		Amount allocated for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1.	MRC Equestrian Trust	Animal Welfare Activities	Yes	Guindy, Chennai, Tamilnadu.		6,00,000	Yes	-	-
2.									
3.									
TOTAL									

- (d) Amount spent in Administrative Overheads - Nil
 (e) Amount spent on Impact Assessment, if applicable - Nil
 (f) Total amount spent for the Financial Year (8b+8c+8d+8e) - Rs. 6,00,000/-
 (g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	5,78,911
(ii)	Total amount spent for the Financial Year	6,00,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	21,089
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Nil**

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer.	
1.							
2.							
3.							
TOTAL							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed / Ongoing.
1								
2								
3								
TOTAL								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:

a.	Date of creation or acquisition of the capital asset(s).
b.	Amount of CSR spent for creation or acquisition of capital asset.
c.	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
d.	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Place : Chennai
 Date : 27th June 2024

M. Ravi
 Member

Dr. M.A.M.R. Muthiah
 Chairman

SOURCES AND APPLICATION OF FUNDS FOR SIX YEARS

Sources - Particulars	2018-19	2019-2020	2020-21	2021-22	2022-23	2023-24
Income from Racing Activities:						
Totalizator Commission	1,155.61	1,019.77	251.83	915.32	1,391.09	1,323.30
Bookmakers income	1,409.01	1,323.63	267.02	774.23	1,298.83	1,338.14
Entry Money	247.69	207.85	155.60	250.34	219.88	227.69
Racing Promotion fees	0.00	0.00	0.00	542.07	100.45	74.06
Export income		80.04	27.00	57.81	89.74	87.40
Auction sale commission & entry fees		0.00	0.00	28.54	14.29	7.63
Gate Money	170.91	175.02	58.55	110.83	163.41	177.05
Share of income on IVB	122.68	11.06	0.00	31.20	2.47	1.87
Recovery of horse treatment charges	92.47	176.50	190.97	278.27	380.94	360.03
Recovery of horse fodder charges	293.10	250.36	322.47	317.08	331.78	307.08
Miscellaneous income from racing activity	346.82	297.04	114.51	190.94	269.06	314.42
Income from Riding School		0.00	0.00	0.00	52.76	115.59
Sub - total	3,838.29	3,541.27	1,387.95	3,496.63	4,314.70	4,334.27
Income from Club Activity:						
Members Subscription	232.33	124.26	120.72	110.81	137.36	138.24
Minimum Billing		79.86	97.68	46.71	34.33	33.23
Sale of liquor, Food and refreshments	588.14	579.24	185.84	281.37	520.53	696.43
Water and other maintenance charges	214.92	114.24	116.24	102.08	98.11	99.50
Room Income	40.11	0.00	0.00	0.00	99.75	131.76
Party Income	37.63	0.00	0.00	0.00	141.13	159.42
Miscellaneous incomes	15.65	145.80	41.66	103.50	89.58	43.81
Sub - total	1,128.78	1,043.40	562.14	644.47	1,120.79	1,302.39
Other Incomes:						
Interest from term deposits etc	2,458.21	2,570.04	2,111.40	1,737.37	1,908.39	2,346.63
Grants received		0.00	0.00	40.70	0.00	0.00
Maintenance charges		0.00	0.00	57.00	74.28	65.09
Amounts written back		0.00	0.00	22.36	0.00	21.17
Other Income- Scrap, Rent etc	196.61	533.21	273.40	108.43	110.02	385.23
Sub - total	2,654.82	3,103.25	2,384.80	1,965.86	2,092.69	2,818.11
Total Income	7,621.89	7,687.92	4,334.89	6,106.96	7,528.18	8,454.77

SOURCES AND APPLICATION OF FUNDS FOR SIX YEARS

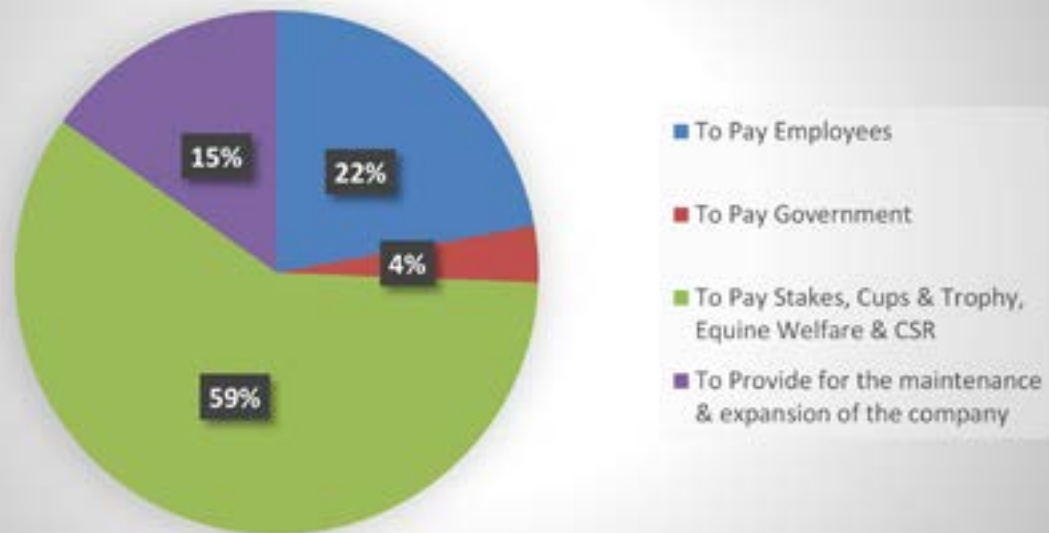
Applications - Particulars	2018-19	2019-2020	2020-21	2021-22	2022-23	2023-24
Racing Expenditure						
Stake Money &Trophies	1,932.01	2,110.20	939.54	2,010.69	1,814.52	2,288.05
Stable upkeep	10.38	68.89	35.55	69.29	90.86	50.70
Consumption of fodder & medicine	518.64	597.71	719.48	545.14	674.29	646.70
Sample testing charges	41.80	0.00	0.00	59.01	64.26	63.00
Royalty to Other clubs		324.19	0.00	24.09	22.94	26.73
Course expenses	43.54	101.59	70.72	164.39	206.32	144.47
GST-Paid under protest Tote Pool		0.00	0.00	431.48	621.82	570.02
Indian Turf Invitation Cup Expenses		0.00	0.00	289.48	0.00	0.00
Indian Turf Invitation Cup Contribution	25.00	35.00	0.00	25.00	35.50	35.50
Other racing expenditure	424.74	209.71	75.80	251.40	314.45	408.30
Expenses at Riding School		0.00	0.00	0.00	69.55	10.35
Sub - total	2,996.11	3,447.29	1,841.09	3,869.97	3,914.51	4,243.82
Club Activity Expenditure:						
Consumption of liquor, bar license etc.	121.57	170.82	84.31	124.03	274.31	334.74
Food contracts	222.09	217.46	78.22	150.38	296.29	326.97
Repairs and other expenses	161.00	239.60	27.75	54.62	13.63	15.35
Sub - total	504.66	627.88	190.28	329.03	584.23	677.06
Other Expenditure:						
Power and Fuel	185.36	212.63	143.53	187.69	248.84	278.71
Rates and Taxes & lease rent	75.28	587.52	73.38	52.36	131.57	892.32
Security Manpower expenses	63.78	67.12	62.85	71.42	90.17	102.35
Legal and Professional Fees	216.66	157.27	29.23	70.89	192.29	119.47
Bad Debts written off		217.16	56.05	0.00	83.05	0.00
Repairs and Maintenance	241.60	255.89	110.05	309.53	348.37	368.15
Audit Fees	27.50	25.00	25.00	25.00	25.00	25.00
Allowance for expected credit loss		0.00	57.52	56.43	0.00	0.00
Other administrative expenses	320.83	324.75	154.34	177.55	137.07	168.73
Sub - total	1,131.01	1,847.34	711.95	950.87	1,256.36	1,954.73
Employees Cost	1,171.57	1,363.86	856.52	938.27	909.73	855.83
Impairment of MRC PF Trust Assets		0.00	120.00	0.00	0.00	0.00
Depreciation & Amortisation	186.45	197.35	197.57	186.12	245.14	278.80
Total Expenditure	5,989.80	7,483.72	3,917.41	6,274.26	6,909.97	8,010.25
Net Excess / (Deficit) for the year [Prior to provision for taxation]	1,632.09	204.20	417.48	-167.30	618.21	444.52

Madras Race Club Value Added Statement		
	FY 2023-24	FY 2022-23
Particulars	In Lakhs	In Lakhs
Revenue from Racing Activity	4,334.27	4,314.71
Revenue from Club Activity	1,302.39	1,120.80
Interest Income	2,346.63	1,908.39
Other Income	471.49	184.29
Less: Cost of Operations	(4,588.59)	(3,899.77)
Gross Value Added	3,866.18	3,628.42

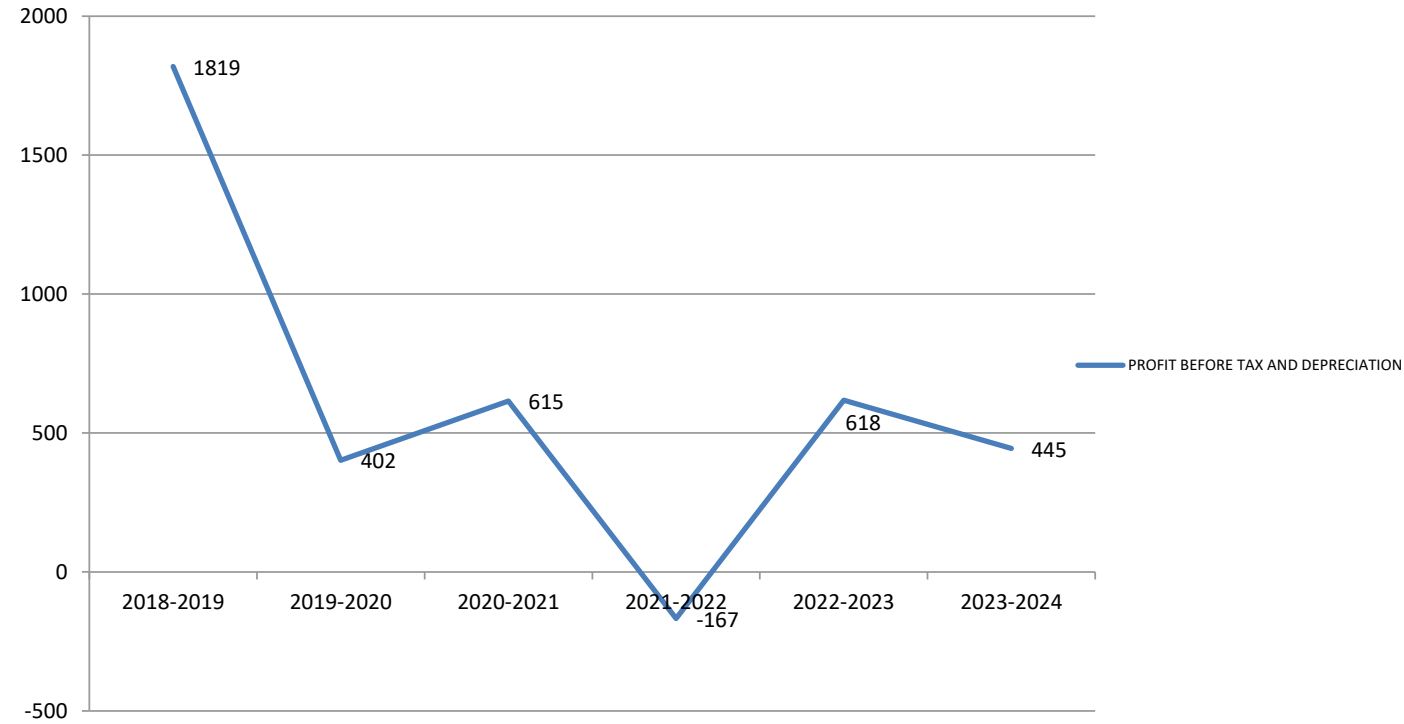
Application of Value Added				
To Pay Employees	855.83	22.14%	909.73	25.07%
To Pay Government	133.80	3.46%	182.91	5.04%
To Pay Stakes, Cups & Trophy, Equine Welfare & CSR	2,288.05	59.18%	1,814.52	50.01%
To Provide for the maintenance & expansion of the Com- pany	588.48	15.22%	721.27	19.88%
-Depreciation	278.80		245.14	
-Loss/Retained Profit	309.68		476.13	

Profit/Loss Before Tax Reconciliation with GVA		
	F. Y. 2023-24	F. Y. 2022-23
Profit/Loss Before Tax	444.53	618.23
Add: Depreciation	278.80	245.14
Add: Employee Cost	855.83	909.73
Add: Stakes, Cups & Trophy, Equine Welfare & CSR	2,288.05	1,814.52
Add: Remeasurements of the defined benefit liabilities	(1.04)	40.81
Gross Value Addition	3,866.18	3,628.42

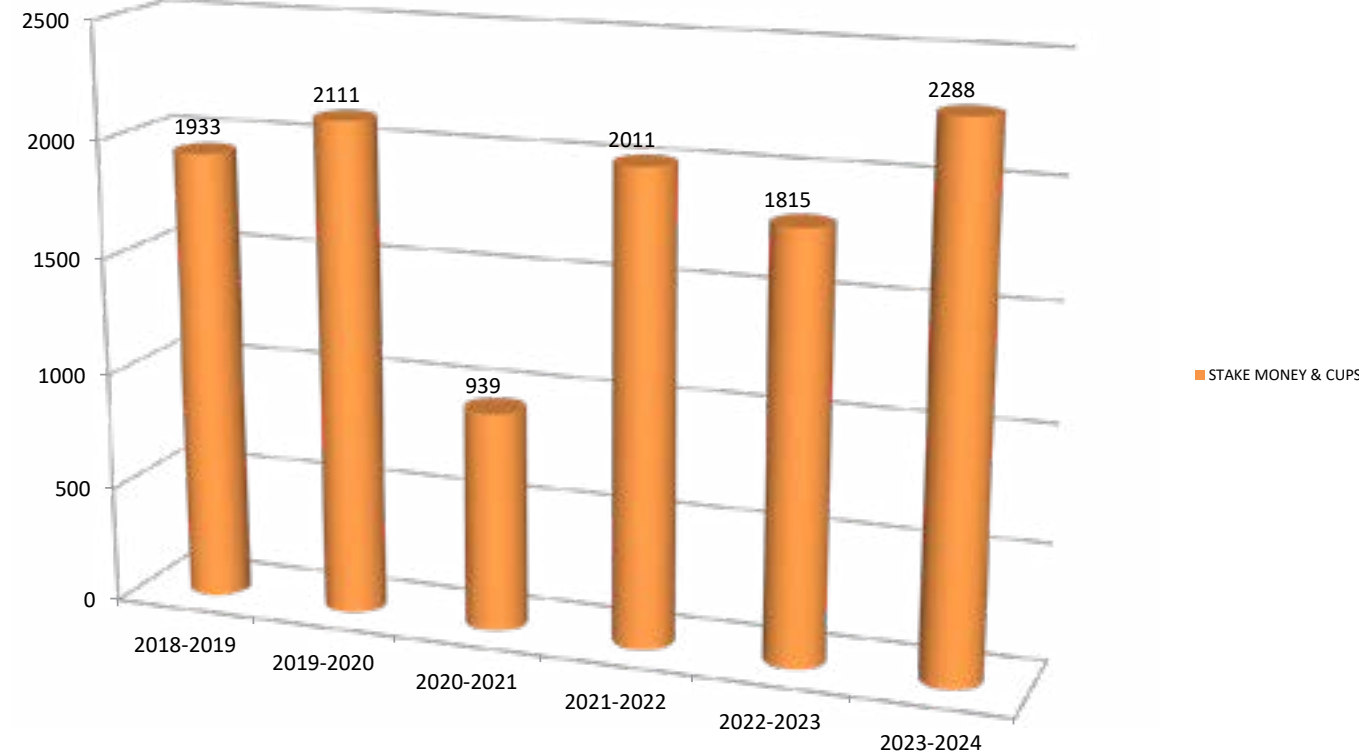
Value Added Chart FY 2023-24



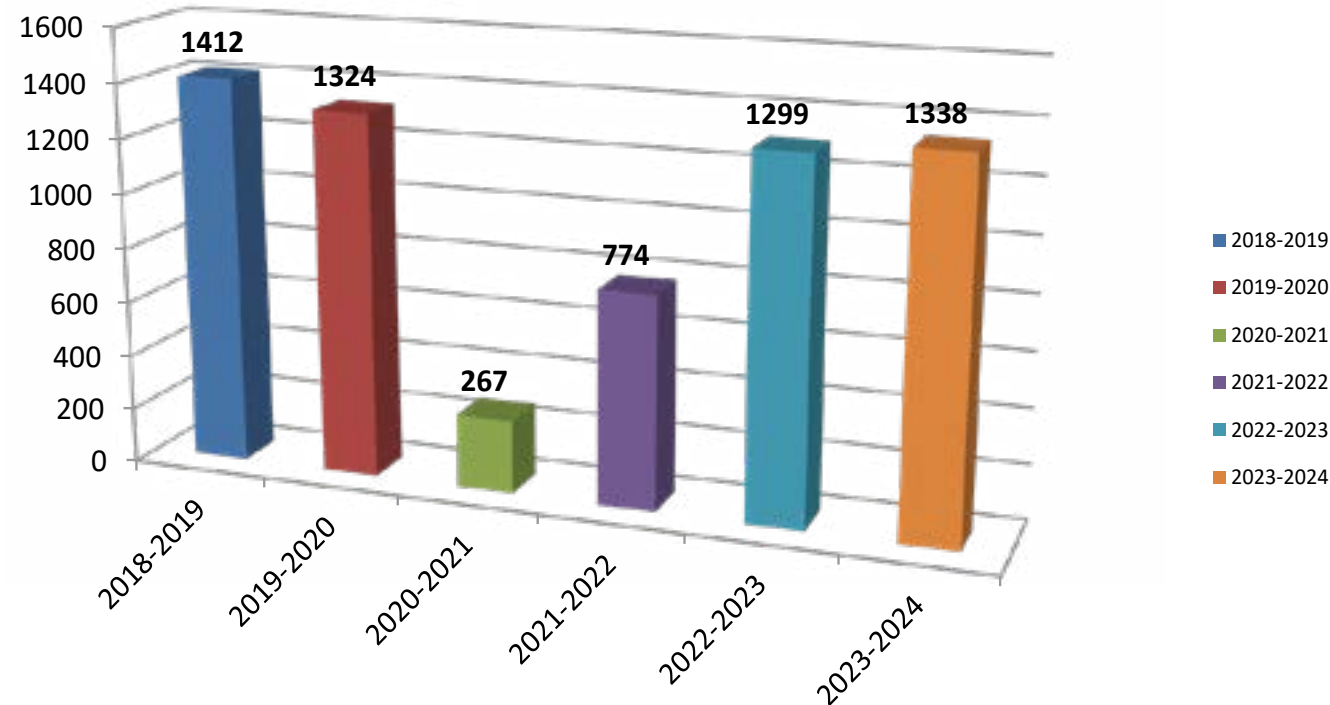
SURPLUS BEFORE TAX AND DEPRECIATION



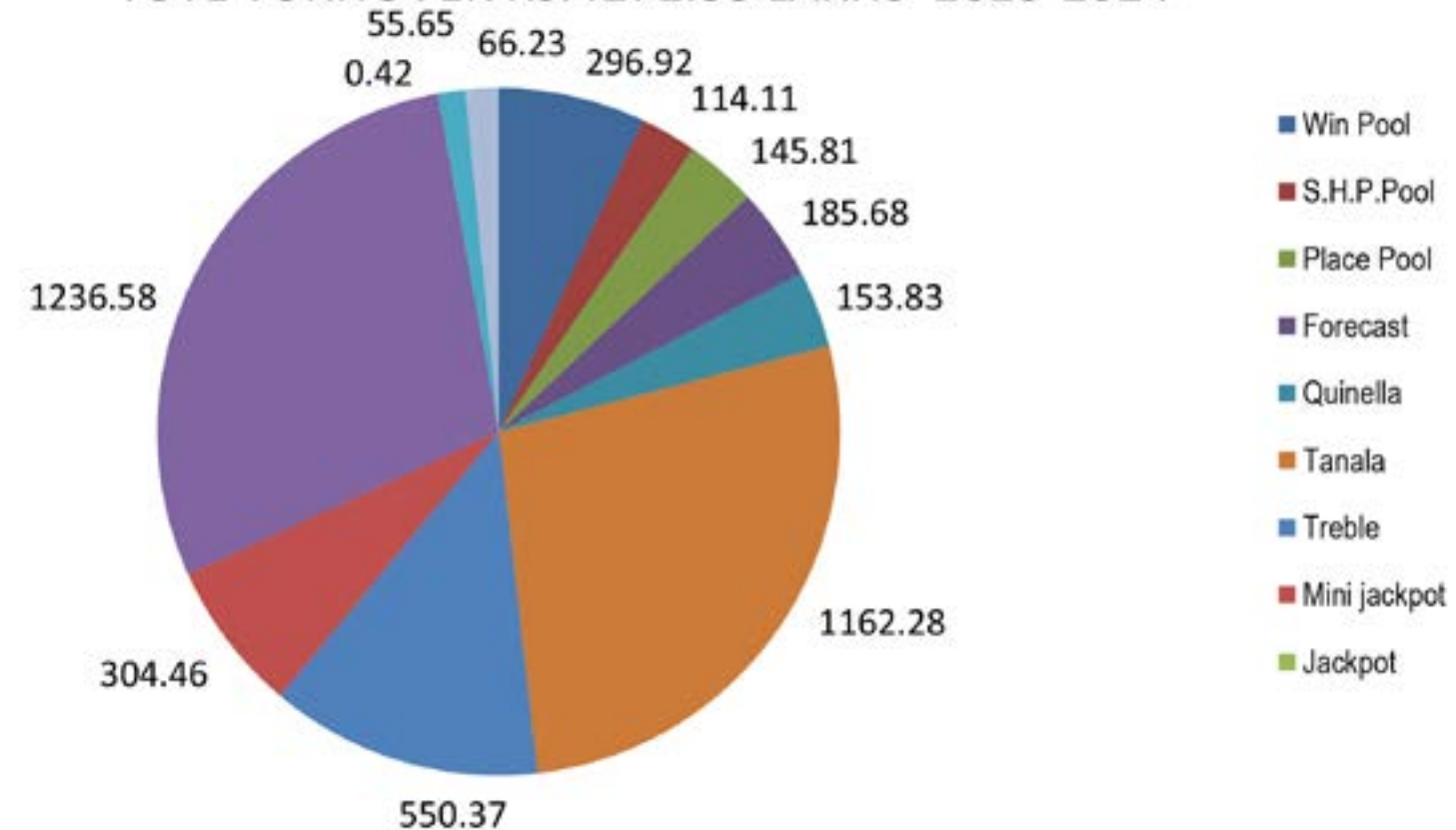
STAKE MONEY & CUPS



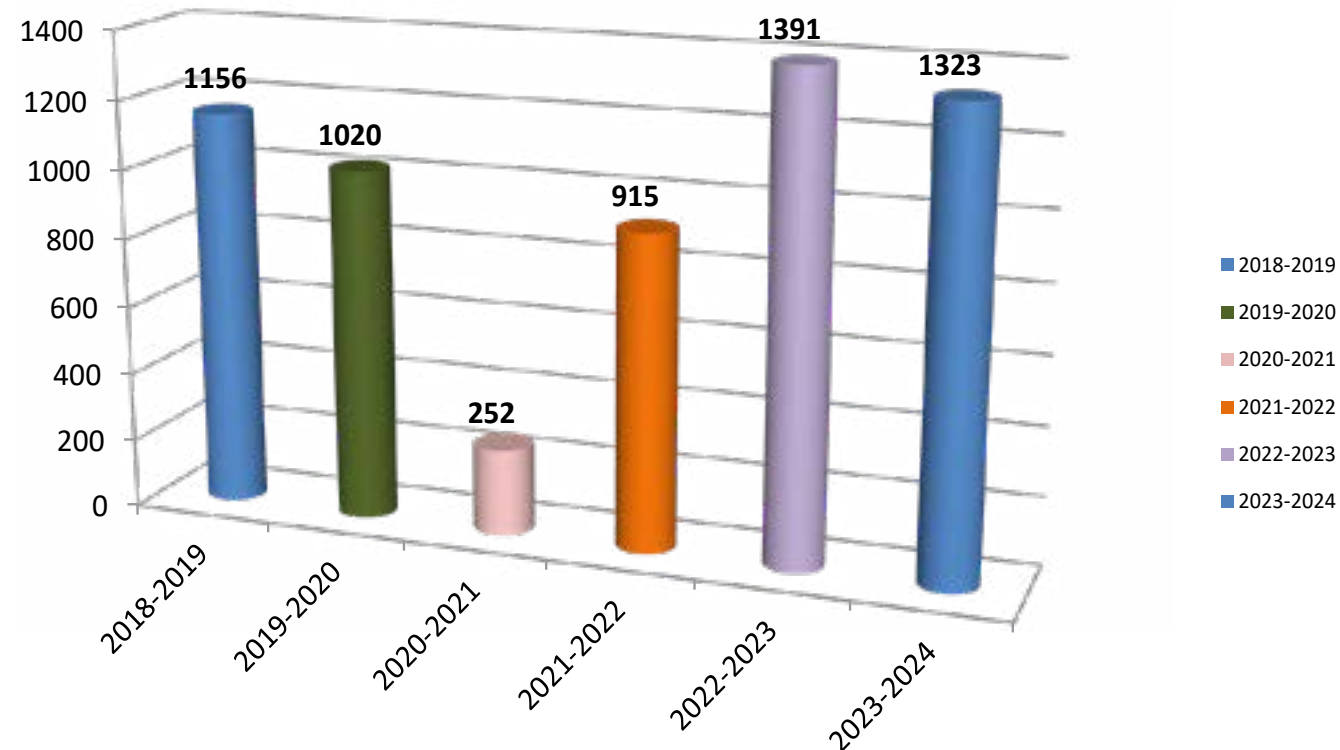
INCOME FROM BOOK MAKERS



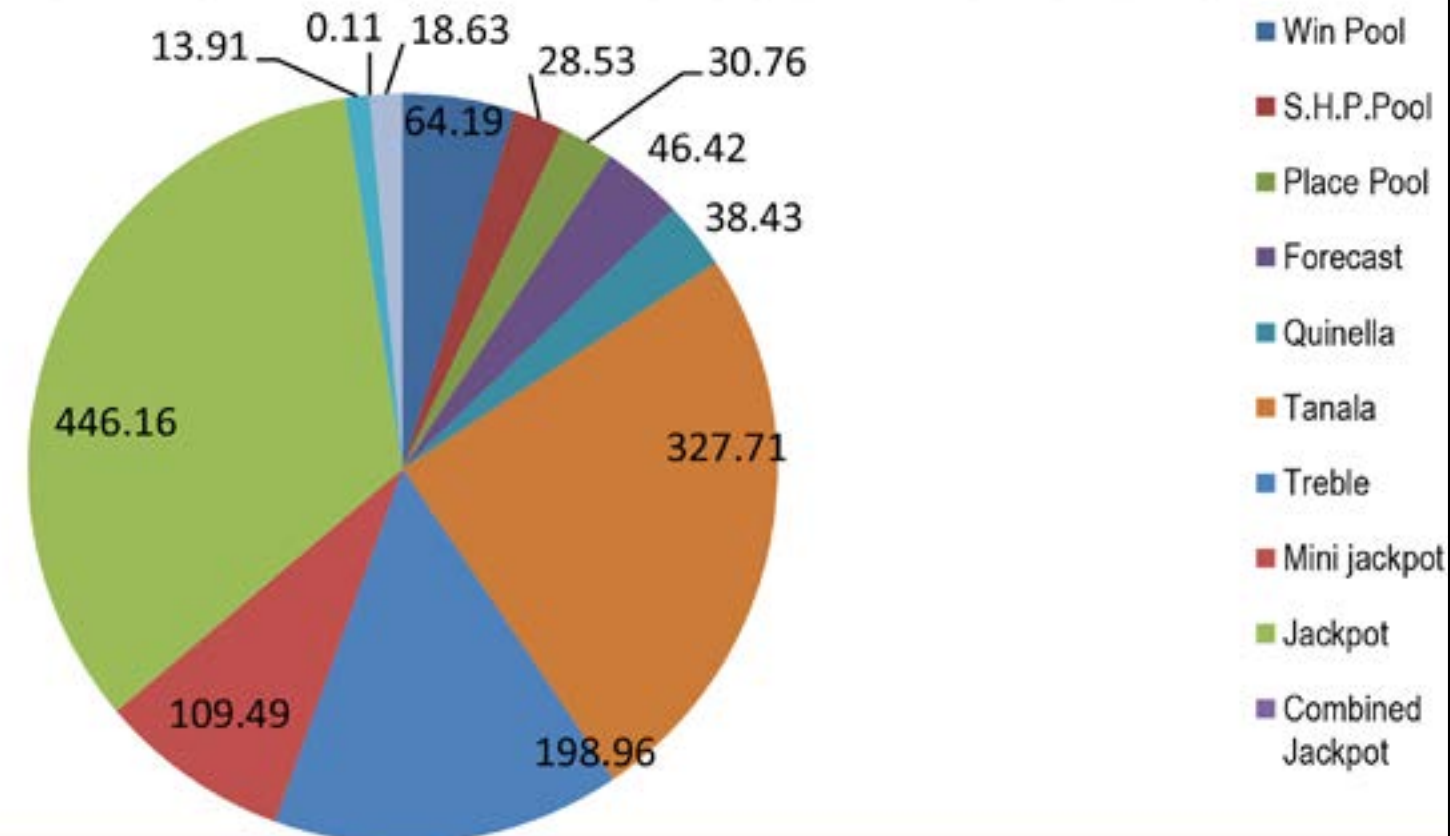
TOTE TURNOVER RS.4272.33 LAKHS 2023-2024



INCOME FROM TOTE



TOTE COMMISSION RS.1323.30 LAKHS- 2023-2024





To
The Members of Madras Race Club

Report on the Audit of the Ind AS Financial Statements

(1) Opinion

We have audited the Financial Statements of Madras Race Club ("the Club", "the Company"), which comprise the Balance Sheet as at 31st March, 2024, and the Statement of Income and expenditure, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements including a summary of the material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Ind AS) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Club as at 31st March, 2024 and its surplus, changes in equity and its cash flows for the year ended on that date.

(2) 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 Club 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 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.

(3) Matters of Emphasis

Attention is drawn to Note No. 35 to the Financial Statements regarding contingent liabilities on the accrued arrears of revised lease rent of land at Chennai and Ooty, and the relevant status of the same, as detailed in the said note.

Attention is also drawn to Note No. 42 to the Financial Statements, which states that the Club is in the process of tagging its property, plant & equipment, and undertaking periodical physical verification of such assets, including its landed properties. Our opinion is not modified in respect of the above matters.

Attention is also drawn to Note No. 42 to the Financial Statements, which states that the Club is in the process of tagging its property, plant & equipment, and undertaking periodical physical verification of such assets, including its landed properties.

Our opinion is not modified in respect of the above matters.

(4) Information other than the financial statements and auditors' report thereon

The Club's Committee of Management is responsible for the preparation of the other information. The other information comprises the information included in the Committee's Report including Annexures to the Committee's Report, Business Responsibility Report but does not include the Financial Statements and our Auditor's Report thereon.

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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

(5) Responsibility of Management for Ind AS Financial Statements

The Club's Committee of Management is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Club in accordance with the accounting principles generally accepted in India, including the IND AS specified under Section 133 of the Act, read with the Companies Ind AS Rules, 2015. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Club and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Club'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 Club or to cease operations, or has no realistic alternative but to do so. The Committee of Management is also responsible for overseeing the Club's financial reporting process.

(6) Auditor's Responsibilities for the Audit of the Financial Statements

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 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 Act, we are also responsible for expressing our opinion on whether the Club has adequate Internal financial controls with reference to financial statements 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. We communicate with the Committee of Management 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 the Committee of Management 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.

(5) Report on Other Legal and Regulatory Requirements

I. As the Companies (Auditor's Report) Order, 2020 (the "Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, is not applicable to the Club, the matters specified in paragraphs 3 and 4 of the Order, are not reported.

II. As required by section 143 (3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Club so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Income and Expenditure, the Statement of Changes in Equity and the Statement of Cash Flows dealt with, by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015.

- e. On the basis of the written representations received from the Committee of Management as on 31st March, 2024 taken on record by the Committee of the Management, none of the Committee Members is disqualified as on 31st March, 2024 from being appointed as a Committee Member in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the Internal Financial Controls with reference to financial statements of the Club and the operating effectiveness of such controls, kindly refer to our separate Report in Annexure A.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we report that in our opinion and to the best of our information and according to the explanation given to us, the provisions of section 197 are not applicable to the Club.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Club has, in accordance with the Generally Accepted Accounting Practices, disclosed the impact of pending litigations on its financial position in its Financial Statements (as referred to in Note 35 to the Financial Statements)
 - ii. The Club does not have any material foreseeable losses on long-term contract including derivative contracts for which there were any material foreseeable losses under the applicable law or Accounting Standards.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - The Committee of Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts (Note No. 43(a), 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(s) or entity(ies), 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;
 - The Committee of Management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to the accounts (Note No. 43(b), no funds have been received by the company from any person(s) or entity(ies), 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
 - Based on the above explanations and audit procedures which we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations sub-clauses (i) and (ii) of Rule 11(e) of the Companies (Audit and Auditors) Rules, 2014 contain any material misstatement.
 - v. As the Club is registered under Section 25 of the erstwhile Companies Act, 1956 (corresponding Section 8 of the Companies Act, 2013), it is prohibited from payment of any dividend to its members. Hence reporting under Rule 11(f) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.



- vi. Based on our examination which included test checks, the Club has used accounting software for maintaining its books of account 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 audit trail feature being tampered with.

For V D S R & Co., LLP
Chartered Accountants
FRN: 001626S/S200085

For Karra & Co.,
Chartered Accountants
FRN: 001749S

For S. Venkatram & Co., LLP
Chartered Accountants
FRN: 004656S/S200095

Venkatesh Kamath S V
Partner
M.No. 202626
UDIN: 24202626BKBMXP6507

K.Premkumar,
Partner
M.No.019170
UDIN: 24019170BKGXAY5969

B. Gowthaman
Partner
M.No. 201737
UDIN: 24201737BKAKLJ2748

For P.B.Vijayaraghavan & Co.,
Chartered Accountants
FRN: 004721S

For N.C.Rajagopal & Co.,
Chartered Accountants
FRN: 003398S

P.B.Santhanakrishnan
Partner
M.No. 020309
UDIN: 24020309BKEBDE5485

Arjun.S
Partner
M.No.230448
UDIN: 24230448BKDGZV6423

Place: Chennai
Date: 27th June 2024



MADRAS RACE CLUB



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2024

MADRAS RACE CLUB
(CIN: U74999TN1922NPL001455)

Address: Post Box No 2639, Guindy Chennai - 600 032

BALANCE SHEET AS AT 31ST MARCH 2024

SI.No.:	Particulars	Note No.	As at 31 March 2024 Rs. (in lakhs)	As at 31 March 2023 Rs. (in lakhs)
I	ASSETS			
	NON-CURRENT ASSETS			
	(a) Property, Plant and Equipment	3(a)	4,631.01	4,771.33
	(b) Capital Work-In-Progress	3(b)	654.92	40.59
	(c) Other Intangible Assets	3(c)	5.24	37.46
	(d) Intangible Assets Under Development			
	(e) Financial Assets			
	(i) Bank Deposits with more than 12 Months Maturity	4	-	11,500.00
	(ii) Others	5	12.64	12.64
	(f) Other Non-current Assets	6	325.83	261.89
	SUB-TOTAL (A)		5,629.64	16,623.91
	CURRENT ASSETS			
	(a) Inventories	7	108.94	101.49
	(b) Financial Assets			
	(i) Trade Receivables	8	250.25	285.62
	(ii) Cash and Cash Equivalents	9	245.73	175.95
	(iii) Bank Balance other than (ii) above	10	32,603.21	20,003.15
	(iv) Other Current Financial Assets	11	561.51	530.43
	(c) Current Tax Assets (Net)	12	1,051.35	913.72
	(d) Other Current Assets	13	284.78	117.64
	SUB-TOTAL (B)		35,105.77	22,128.00
	TOTAL ASSETS (A+B)		40,735.41	38,751.91
II	EQUITY AND LIABILITIES			
	OTHER EQUITY			
	(a) General Fund	14	37,486.84	36,648.11
	(b) Reserves and Surplus	15	270.31	271.35
	SUB-TOTAL (C)		37,757.15	36,919.46
	LIABILITIES			
	NON-CURRENT LIABILITIES			
	Financial liabilities		-	-
	SUB-TOTAL (D)		-	-
	CURRENT LIABILITIES			
	(a) Financial liabilities			
	(i) Trade payables			
	(a) Total Outstanding dues of micro enterprises and small enterprises; and	16	59.84	48.04
	(b) Total Outstanding dues of creditors others than micro and small enterprises		1,183.45	847.80
	(b) Other Current Financial Liabilities	17	489.19	472.66
	(c) Other current liabilities	18	440.53	463.95
	(d) Provisions	19	805.25	-
	SUB-TOTAL (E)		2,978.26	1,832.45
	TOTAL EQUITY AND LIABILITIES (C+D+E)		40,735.41	38,751.91

The accompanying notes 1 to 44 are an integral part of the Financial Statements. As per our report of even date attached

For V D S R & Co., LLP Chartered Accountants FRN: 001626S/S200085	For Karra & Co., Chartered Accountants FRN: 001749S	For S. Venkatram & Co., LLP Chartered Accountants FRN: 004656S/S200095	For P.B.Vijayaraghavan & Co., Chartered Accountants FRN: 004721S	For N.C.Rajagopal & Co., Chartered Accountants FRN: 003398S
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Venkatesh Kamath S V Partner M.No. 202626 UDIN: 24202626BKBMP6507	K.Premkumar, Partner M.No.019170 UDIN: 24019170BKGXAY5969	B. Gowthaman Partner M.No. 201737 UDIN: 24201737BKAKLJ2748	P.B.Santhanakrishnan Partner M.No. 020309 UDIN: 24020309BKEBDE5485	Arjun.S Partner M.No.230448 UDIN: 24230448BKDGZV6423
--	--	---	---	---

Place: Chennai
Date: 27th June 2024

S. Nirmal Prasad
Secretary

Members of the
Committee of Management.



MADRAS RACE CLUB
(CIN: U74999TN1922NPL001455)

Address: Post Box No 2639, Guindy Chennai - 600 032

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31ST MARCH 2024

SI.No.:	Particulars	Note No.	For the year ended 31 March 2024 Rs. (in lakhs)	For the year ended 31 March 2023 Rs. (in lakhs)
I	Revenue from Operation:			
	(a) Racing Activity	20(a)	4,334.26	4,314.71
	(b) Club Activity	20(b)	1,302.39	1,120.79
II	Other Income	21	2,818.12	2,092.69
III	Total Revenue (I + II)		8,454.77	7,528.19
IV	EXPENSES			
	(a) Racing Expenses	22	4,243.82	3,914.50
	(b) Club Activity Expenses	23	677.06	584.23
	(c) Employee benefit Expenses	24	855.83	909.73
	(d) Depreciation and amortisation expense	25	278.80	245.14
	(e) Other expenses	26	1,954.73	1,256.36
	Total Expenses		8,010.24	6,909.96
V	Excess/(Deficit) of Income over Expenditure before exceptional items and tax		444.53	618.23
	(III - IV)			
VI	Exceptional Items		-	-
VII	Excess/(Deficit) of Income over Expenditure before tax (V - VI)		444.53	618.23
VIII	Tax Expense	27		
	(1) Current tax		410.15	245.51
	(2) MAT Credit Entitlement		(276.34)	(62.60)
	Total tax expense		133.81	182.91
IX	Surplus/(Deficit) after tax from continuing operations		310.72	435.32
	(VII-VIII)			
X	Discontinued Operations			
	(1) Surplus/(Deficit) from discontinued operations		-	-
	(2) Tax Expense of discontinued operations		-	-
	Surplus/(Deficit) after tax from discontinued operations			
XI	Surplus/(Deficit) for the period (IX+ X)		310.72	435.32
XII	Other Comprehensive Income			
	Items that will not be reclassified to Surplus/(Deficit) in subsequent periods			
	(a) Remeasurements of the defined benefit plans		(1.04)	40.81
	(b) Income tax relating to items that will not be reclassified to Surplus/(Deficit)		-	-
XIII	Total comprehensive income for the period (XI + XII)		309.68	476.13

The accompanying notes 1 to 44 are an integral part of the Financial Statements. As per our report of even date attached

For V D S R & Co., LLP Chartered Accountants FRN: 001626S/S200085	For Karra & Co., Chartered Accountants FRN: 001749S	For S. Venkatram & Co., LLP Chartered Accountants FRN: 004656S/S200095
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Venkatesh Kamath S V Partner M.No. 202626 UDIN: 24202626BKBMP6507	K.Premkumar, Partner M.No.019170 UDIN: 24019170BKGXAY5969	B. Gowthaman Partner M.No. 201737 UDIN: 24201737BKAKLJ2748
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For P.B.Vijayaraghavan & Co., Chartered Accountants FRN: 004721S	For N.C.Rajagopal & Co., Chartered Accountants FRN: 003398S
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P.B.Santhanakrishnan Partner M.No. 020309 UDIN: 24020309BKEBDE5485	Arjun.S Partner M.No.230448 UDIN: 24230448BKDGZV6423
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Place: Chennai
Date: 27th June 2024

S. Nirmal Prasad
Secretary

Members of the
Committee of Management.

MADRAS RACE CLUB

(CIN: U74999TN1922NPL001455)

Address: Post Box No 2639, Guindy Chennai - 600 032

MADRAS RACE CLUB

(CIN: U74999TN1922NPL001455)

Address: Post Box No 2639, Guindy Chennai - 600 032

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2024

Equity Share Capital

Particulars	As at 31 March 2024 Rs. (in lakhs)
As at 1 April 2022	-
Changes in equity share capital during the year	-
As at 31 March 2023	-
Changes in equity share capital during the year	-
As at 31 March 2024	-

Particulars	Reserves and surplus				Total
	Benevolent Fund	Retained earnings (General Funds)	Memorial Cup Reserve	Other comprehensive income (OCI)	
Balance as at April 1, 2023	0.84	36,648.11	0.00	270.50	36,919.45
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-
Total comprehensive income for the current year	-	310.72	-	(1.04)	309.68
Dividends	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-
Any other change (Addition from New Membership/Transfer of members)		528.00	-	-	528.00
Balance at the end of the 31 March, 2024	0.84	37,486.83	0.00	269.46	37,757.13

Particulars	Reserves and surplus				Total
	Benevolent Fund	Retained earnings (General Funds)	Memorial Cup Reserve	Other comprehensive income (OCI)	
Balance as at 1 April, 2022	0.84	36,212.79	-	229.69	36,443.32
Changes in accounting policy or prior period errors			-	-	-
Restated balance at the beginning of the reporting period			-	-	-
Total comprehensive income for the current year	-	435.32	-	40.81	476.13
Dividends	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-
Balance at the end of the March 31, 2023	0.84	36,648.11	-	270.50	36,919.45

The accompanying notes 1 to 44 are an integral part of the Financial Statements.
As per our report of even date attached

For V D S R & Co., LLP
Chartered Accountants
FRN: 001626S/S200085

Venkatesh Kamath S V
Partner
M.No. 202626
UDIN: 24202626BKBMP6507

For P.B.Vijayaraghavan & Co.,
Chartered Accountants
FRN: 004721S

P.B.Santhanakrishnan
Partner
M.No. 020309
UDIN: 24020309BKEBDE5485

Place: Chennai
Date: 27th June 2024

For Karra & Co.,
Chartered Accountants
FRN: 001749S

K.Premkumar,
Partner
M.No.019170
UDIN: 24019170BKGXAY5969

For N.C.Rajagopal & Co.,
Chartered Accountants
FRN: 003398S

Arjun.S
Partner
M.No.230448
UDIN: 24230448BKDGZV6423

S. Nirmal Prasad
Secretary

For S. Venkatram & Co., LLP
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FRN: 004656S/S200095

B. Gowthaman
Partner
M.No. 201737
UDIN: 24201737BKAKLJ2748

Dr.M.A.M.R.Muthiah, Chairman
Mr.Arun Alagappan
Dr.T.Devanathan Yadav
Mr.SP.Lakshmanan
Mr.Paul Antony
Mr. RM. Ramaswamy
Mr.Ramesh Rangarajan
Mr.Ranjit Jesudasen
Mr.M.Ravi
Mr.M.Senthilnathan

Members of the
Committee of Management.

Particulars	For the Year ended 31 March 2024 Rs. (in lakhs)	For the Year ended 31 March 2023 Rs. (in lakhs)
Cash Flow from Operating Activities		
Surplus before tax for the year	444.53	618.23
Adjustments for:		
Depreciation	278.80	245.14
Interest received	(2,346.63)	(1,908.39)
Allowance / (Reversal) of Expected credit loss	-	(33.05)
Provision for Property & Metro Water Tax	805.25	-
Provision / (Reversal) for Impairment of MRC PF Trust Assets	-	(13.61)
Provision for Employee benefits - Gratuity	(1.04)	33.22
Movement in working capital:	(819.09)	(1,058.46)
Adjustments for:		
(Increase)/Decrease in Other Non-current Assets	(63.94)	46.26
(Increase)/Decrease in Inventories	(7.45)	(27.10)
(Increase)/Decrease in Trade Receivables	35.37	46.33
(Increase)/Decrease in Other Current Financial Assets	(31.07)	572.44
(Increase)/Decrease in Other Current Assets	(167.14)	(1.59)
Increase/(Decrease) in Trade payables	347.45	(387.00)
Increase/(Decrease) in Other Current liabilities	(23.44)	(12.72)
Increase/(Decrease) in Other Current Financial Liabilities	16.54	(11.92)
Taxes Paid	(271.44)	(266.52)
Net Cash from/ (used in) Operating activites (A)	(984.21)	(1,100.28)
Cash Flow from Investing Activites		
Purchase / (Sale) of Property Plant & Equipment, CWIP & Intangible Assets	(720.58)	(668.77)
Change in Fixed Deposits (Net)	(1,100.06)	(164.28)
Interest received	2,346.63	1,908.39
Net Cash from/ (used in) Investing activites (B)	525.99	1,075.34
Cash Flow from Financing Activites		
Proceeds from admission / transfer fee of members	528.00	-
Net cash from/ (used in) Financing Activites (C)	528.00	-
Net Cash Flows during the year (A+B+C)	69.78	(24.94)
Cash & Cash Equivalents (Opening Balance)	175.95	200.89
Cash & Cash Equivalents (Closing Balance)	245.73	175.95
Increase/(Decrease) in Cash & Cash Equivalents	69.78	(24.93)
Break up of Cash and Cash Equivalents		
Balance With Banks	203.76	168.01
Cash on Hand	41.97	7.95
Total	245.73	175.95

Note: (a) The above Cash Flow Statement has been prepared under the “Indirect Method” as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flows. The accompanying notes 1 to 44 are an integral part of the Financial Statements. As per our report of even date attached.

For V D S R & Co., LLP
Chartered Accountants
FRN: 001626S/S200085

Venkatesh Kamath S V
Partner
M.No. 202626
UDIN: 24202626BKBMP6507

For P.B.Vijayaraghavan & Co.,
Chartered Accountants
FRN: 004721S

P.B.Santhanakrishnan
Partner
M.No. 020309
UDIN: 24020309BKEBDE5485

Place: Chennai
Date: 27th June 2024

For Karra & Co.,
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K.Premkumar,
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Mr.Paul Antony
Mr. RM. Ramaswamy
Mr.Ramesh Rangarajan
Mr.Ranjit Jesudasen
Mr.M.Ravi
Mr.M.Senthilnathan

Members of the
Committee of Management.

56

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Notes to the Financial Statements:

1. General Information:

Madras Race Club is an unlisted Public Company limited by Guarantee with its affairs being governed by section 8 of the Companies Act, 2013, having its Registered Office at Guindy, Chennai – 630032 bearing Post Box No.2639. As per the Memorandum of Association of the Club its main object is conduct of horse racing and Club activity and carrying on its business with non-profit motive.

By virtue of the Memorandum of Association of the Club the liability of the Members is limited and every member of the Club undertakes or guarantees to contribute to the assets of the Club an amount not exceeding Rs.200/-, in the event of the entity being wound up during the time that the person is a Member or within one year after winding up, for discharge of the debts and liabilities of the Club for the contracts executed before the time at which the person ceases to be a member and of the costs, charges and expenses of dissolution of the same and for the adjustment of the rights and contributories amongst themselves.

In the event of winding up or dissolution of the Club, if there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the Members of the Club, but shall be given or transferred to some other institution or institutions having object or objects to be determined by the Members of the Club at or before the time of dissolution or in default thereof it shall be determined by the High Court of Judicature at Madras.

The income and property of the Club whensoever derived shall be applied solely towards the promotion of the objects of the Club as per Memorandum of Association and no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise howsoever by way of profit to its Members.

2. Accounting Policies

A. Material Accounting Policies:

2.A.1. Statement of compliance and basis of preparation and presentation

Compliance with Ind AS:

The financial statements of the Club have been prepared in accordance with Indian Accounting Standards (Ind AS) notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as may be amended from time to time.

The Club had prepared its financial statements up to the period ended 31st March, 2019 in accordance with the Accounting Standards notified under section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014.

Use of Estimates:

Preparation of financial statements, in conformity with generally accepted accounting principles, requires the use of estimates and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amounts of revenues and expenses during the period and disclosure of contingent liabilities as at the date. The estimates and assumptions used in these financial statements are based upon the management's evaluation of the relevant facts and circumstances as at the date of the financial statements.

Basis of Measurement:

The financial statements have been prepared under historical cost convention on accrual basis except for the defined benefit plans where plan assets are measured at fair value. The Club has considered relevant internal and external sources of information to evaluate the impact of estimation uncertainties. The Club has assessed the recoverability of the assets including receivables, investments, property plant and equipment, intangible assets, inventories and has made necessary adjustments to the carrying amounts by recognizing provisions/impairment of assets where necessary. However, the actual impact may be different from that estimated as it will depend upon future developments and future actions to contain or treat the disease and mitigate its impact on the economy.

2.A.2. Property, Plant and Equipment

All items of property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation/amortization and impairment, if any. Cost includes purchase price, taxes and duties, labour cost. However, cost excludes Excise Duty, VAT and GST, to the extent credit of the duty or tax is availed of.

Depreciation is recognized on Straight Line Method for Madras Division and Guindy Lodge Division over the useful life of the assets as prescribed under Schedule II of the Companies Act, 2013 and in respect of Ooty Division written down value basis method is followed.

On tangible fixed assets added / disposed off during the year, depreciation is charged on pro-rata basis from the date of addition till the date of disposal. When an asset is scrapped or otherwise disposed of, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in the statement of income and expenditure.

Advances paid towards the acquisition of property, plant and equipments outstanding at each Balance Sheet date is classified as 'Capital Advances' under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital Work-in-Progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these assets will flow to the Club and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of income and expenditure when incurred.

Impairment of Property, Plant and Equipment

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

If any such indication exists, the entity shall estimate the recoverable amount of the asset and treatment shall be given in accordance with Ind AS 36.

2.A.3. Inventories

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

Inventories are valued at lower of cost and net realizable value.

2.A.4. Financial Instruments

A financial instrument is any contract that gives rise to financial asset of one entity and financial liability or equity instrument of another entity.

(a) Financial Assets:

The Club measures at initial recognition, a financial asset at its fair value [in the case of a financial asset not recorded at fair value through profit and loss] plus transaction cost that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss.

Subsequent measurement - It depends on the entity's business model for managing the financial assets and the contractual terms of the cash flow. Based on above criteria the Club classifies its financial assets in the following categories.

- . Financial assets measured at amortized cost
- . Financial assets measured at fair value through OCI [FVTOCI]
- . Financial assets measured at fair value through profit and loss [FVTPL]

Financial assets measured at amortized cost: A financial asset is measured at the amortized cost if both the conditions are met:

The Club's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows; and

The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at FVTOCI - A financial asset is measured at FVTOCI if both of the following conditions are met:

The Club's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and

The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at FVTPL - A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above.

De-recognition of financial assets - A financial asset is derecognized when the Club has transferred the rights to receive cash flows from the financial asset.

Impairment of financial assets - All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any evidence that a financial asset or a group of financial assets is impaired. Difference criteria to determine impairment are applied for each category of financial assets.

For trade receivables, the Club applies the approach permitted by Ind AS 109 and financial instrument which requires expected credit losses to be recognized based on Lifetime Impairment Pattern at each Balance Sheet date.

Excepted Credit Loss – ECL is the difference between all contractual cash flows that are due to the Club in accordance with the contract and all the cash flows that the entity expects to receive [i.e all cash shortfalls], discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset and twelve month ECL are a portion of the Lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL are measured in a manner that they reflect unbiased, and probability weighted amounts are determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

(b) Financial Liabilities:

The financial liabilities are measured under three broad classifications - viz. Initial recognition, subsequent measurement and de-recognition of financial liabilities.

i) Initial Recognition – The Club measures at the initial recognition the financial liability at its fair value [in the case of a financial liability not recorded at fair value through profit or loss] plus transaction cost that are directly attributable to the acquisition of the financial liability. Transaction costs of financial liability carried at fair value through profit or loss are expensed in profit or loss.

ii) Subsequent measurement - It is measured subsequently as amortized cost.

iii) De-recognition of financial liability – A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or has expired.

2.A.5. Cash and cash equivalents:

In the preparation of Statement of Cash Flows, the cash and cash equivalents are used which comprise the cash on hand and the bank balances in all current accounts.

2.A.6. Classification of current and non-current assets and liabilities:

In the Balance Sheet at the date of year end the Club presents the assets and liabilities based on current and non-current classification.

Current and non-current assets – Cash and cash equivalents are treated as current asset, unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. In respect of other assets it is treated as current when it is:

Expected to be realized or intended to be sold or consumed in the normal operating cycle.

Held primarily for the purpose of trading

Expected to be realized within twelve months after the reporting period.

All other assets are classified as non-current assets.

Current and non-current liabilities - A liability is treated as current liability in the accounts at the end of the year in the following circumstances.

It is expected to be settled in the normal operating cycle.

It is held primarily for the purpose of trading.

It is due to be settled within twelve months after the reporting period, or

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current liabilities. Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Club has identified twelve months as its operating cycle.

2.A.7. Revenue receipts of the Club.

(i) Club Activities

The club recognizes revenue from sale of services relating to its club activities on satisfaction of performance obligation towards rendering of such services measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

(ii) Racing Activities

Revenue from racing activities, representing the totalizator Commission, Income from Bookmaker, entry money/ Gate money, sponsorship income, stable rent, including race broadcast subscription fees etc., are recognized on an accrual basis based on the completion of underlying racing activities during the year. Revenue from the sale of medicine and fodder to the horses is recognized based on the issue from the stores.

New membership fees and fees received on transfer of membership from one member to another is recognized as capital receipt and accounted in General fund in the year of receipt.

(iii) Other income

Interest income (excluding interest on income tax refund) is recognized on time proportion basis, taking into account the outstanding and effective interest rate. Interest on income tax refund is accounted on receipt basis.

2.A.8. Employee Benefits:

Contributions to ESIC and Labour Welfare Funds.

It is obligatory on the part of the Club to make contribution to the Superannuation Fund, Employees State Insurance Corporation and Labour Welfare Fund as statutory requirement and the contributions paid and payable during the year are recognized in the income and expenditure account.

Employees Provident Fund

Consequent to the transfer of PF accounts of the employees to the Employees Provident Fund Organization of the Central Government arising out of surrendering the status of exempted establishment and migration as unexempted establishment both the employees and employer's contributions to provident fund are being directly paid to the Government treasury.

As the accounts of the members in the provident fund are now being maintained by the said organization of the Central Government including investment of the contributions the Club is free from liability for any shortfall in interest between the amount of income realized from investments and the interest payable to the employees at the rate declared by the Government of India.

Short Term Employee Benefit

All employee benefits payable within a period of twelve months of rendering of service are classified as short-term employee benefits. The benefits such as salaries, allowances and payments in similar nature paid to the employees of the Club for the services rendered by the employees during the year is recognized as expenditure for the year.

Defined Benefit Plans.

The liability of the Club towards Gratuity is determined by an independent actuaries by resorting projected unit credit method tool and recognizing past services at the earlier of the plan amendment curtailment and recognition of related restructuring costs / termination benefits.

In order to meet the Gratuity obligation, the Company has considered an Insured Benefit Plan for funding towards post-employment benefit of gratuity and in this regard the Company has taken a qualifying insurance policy with the Life Insurance Corporation of India, which policy is a plan asset and the fair value of plan asset is deducted from the defined benefit obligation to arrive at the deficit or surplus at the end of year.

2.A.9. Income Taxes as per the statute

Current Tax for the financial year:

It is the amount of income tax payable for the year on the taxable income for the period as arrived at in accordance with the provisions of the Income Tax Act, 1961 and calculated at the rate as per the enactment in every Finance Act and applicable for the relevant year.

Deferred Tax

Deferred Income tax is recognized in the accounts using the balance sheet approach. Deferred Tax Assets and Liabilities are recognized for temporary taxable differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements.

Current tax and deferred tax are recognized as income or expense in the Statement of Income and Expenditure, except when they relate to items that are recognized in other comprehensive income ('OCI'), in which case the current and deferred tax income / expense are recognized in OCI.

The Club has not recognized Deferred Tax Asset as on 31st March, 2024 based on prudence, since DTA can be utilized only when there is virtual certainty for surplus and sufficient future taxable income relating to the same taxation authority and the same taxable entity. Minimum Alternative Tax (MAT) credit is recognized as an asset in the books only if there is convincing evidence that the Club will pay normal income tax during the specified period.

2.A.10. Provisions and contingencies

Provisions are recognized and made in the accounts only when it is probable that the Club has present obligation as a result of past events and that the outflow of economic benefits are required to settle the obligation and reliable estimation can be made out of the amount of obligation.

Disclosure in respect of contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which any likelihood of outflow of resources embodying economic benefit is remote, no provision or disclosure is made.

2.A.11. Racing Expenditure

Stake money & commission, and other event-related expenses like cups & trophies etc., are recognized on an accrual basis based on the completion of undelying racing activities during the period. Further, expenses, related to fodder and medicine are recognized based on dispatch for consumption.

B. Other Accounting Policies

2.B.1. Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual useful lives on a straight-line basis from the date that they are available for use.

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Amortization methods and useful lives are reviewed periodically including at each financial year end. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Club has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use.

Estimated useful life of Software is five years over which expenditure is amortized.

2.B.2. Foreign exchange transactions

Transactions in foreign currencies i.e other than the Club's functional currency of Indian Rupees are recognized at the rate of exchange prevailing on the date of the transaction.

Differences arising in exchange rates on monetary items are recognized as profit or loss as the case may be in the income and expenditure account.

Monetary assts and liabilities denominated in foreign currencies are translated at functional currency spot rates of exchange at the reporting date. Differences arising on translation of monetary items are recognized as profit or loss as the case may be.



2.B.3. Financial Risk management

As there is possibility and probability of the business activities of the Club being exposed to liquidity and credit risk, the Risk Management Policies have been established to identify the risks that may be encountered with by the Club, to set and monitor appropriate risk limits and controls and to periodically review and reflect the changes in the policy accordingly.

Market Risk

It is the probable risk that there may be fluctuation in the fair value of future cash flows of a financial instrument owing to changes in market prices.

Liquidity Risk Management

It is the risk that the Club may face in meeting of its obligations associated with financial liabilities. In this regard, the approach of the Club in the management of the liquidity is to ensure that it will have sufficient funds to meet its liabilities and in doing so the Management considers both normal and stressed conditions.

In this behalf the Club regularly monitors the rolling forecasts and the actual cash flows to meet the financial liabilities on day to day basis through cash generation from business with backing of adequate banking facilities.

Credit Risk Management

This is the risk of financial loss to the Club on account the failure on the part of the other party to meet and discharge its contractual obligation and the main risk are from trade receivables and various other financial assets.

Trade Receivables - The concentration of credit risk with respect to trade receivable are very limited as the customers are reviewed, assessed and monitored regularly on a monthly basis with pre-determined credit limit assessment in accordance with their payment capacity.

Other Financial Assets - This includes cash and cash equivalents and term deposits with various banks. The maximum exposure to the credit risk for the Club on this count as of 31.3.2024 is the carrying value of each class of financial assets as on that date.

2.B.4. Segment Reporting

The Club has identified Horse Racing and Social Club activities as the two operating segments in consistent with the Memorandum of Association of the Club.

Operating segments are reported in the same manner in which information is provided to the chief operating decision maker for the purpose of the performance assessment and resource allocation to these segments.

Revenue and expense have been identified to segments in relation to the operating activities of each segment. Income and expenses which relate to the Club as a whole and are not readily and directly allocable to the segments on a reasonable basis have been included under 'Un-allocable Corporate Income / Expenses'.

Notes on Financial Statements for the year ended 31st March, 2024

Note No 3(a): Property, Plant and Equipment

Rs. (in lakhs)

Particulars	Freehold Land	Buildings & Roads	Plant & Machinery	Televisions	Equine Hospital Equipment	Computers	Motor Vehicles	Electrical Lifts	Electrical Installations	Office Equipment	Furniture & Fixtures	Kitchen Equipment	Total
Cost/Deemed Cost													
At 01 April 2022	0.70	3473.04	285.21	105.66	100.43	185.57	74.08	91.53	196.03	107.19	139.40	28.18	4787.02
Additions	0.00	787.35	17.86	5.40	0.00	3.50	0.60	0.00	66.74	2.31	10.34	54.49	948.58
Deletions	-	-	-	-	-	-	-	-	-	-	-	-	0.00
At 31 March 2023	0.70	4260.39	303.07	111.06	100.43	189.07	74.68	91.53	262.78	109.49	149.74	82.66	5735.59
Additions	-	-	22.78	5.42	3.26	7.60	34.95		24.22	0.78	6.38	0.87	106.25
Deletions	-	-	-	-	-	-	-	-	-	-	-	-	0.00
Reclassification	-	-	-	-	-	-	-	-	-	-	-	-	0.00
At 31 March 2024	0.70	4260.39	325.85	116.48	103.69	196.67	109.62	91.53	286.99	110.27	156.12	83.53	5841.85
Depreciation and impairment													
At 1 April 2022	0.00	208.12	81.78	46.97	28.66	169.33	33.03	26.71	44.21	42.55	46.74	15.96	744.06
Depreciation charge for the year	0.00	97.03	18.44	10.90	10.09	1.36	9.99	6.57	18.41	25.25	15.06	7.09	220.20
Disposals	-	-	-	-	-	-	5.11	-	-	-	-	-	0.00
At 31 March 2023	0.00	305.15	100.22	57.86	38.75	170.69	43.02	33.29	62.63	67.80	61.80	23.06	964.26
Depreciation charge for the year	0.00	104.78	22.71	9.85	10.14	1.91	9.63	6.57	26.13	25.81	14.60	14.44	246.58
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2024	0.00	409.94	122.93	67.71	48.89	172.59	52.65	39.86	88.76	93.61	76.40	37.50	1210.84
Net book value													0.00
At 31 March 2024	0.70	3850.46	202.92	48.77	54.79	24.07	56.97	51.67	198.24	16.66	79.72	46.03	4631.01
At 31 March 2023	0.70	3955.24	202.85	53.19	61.68	18.38	31.65	58.24	200.15	41.70	87.94	59.61	4771.33

#Property, plant and equipment comprises of owned assets that do not meet the definition of Investment property are listed.

	Rs. (in lakhs)	
Note No 3(b): Capital Work In Progress	At 31 March 2024	At 31 March 2023
Opening Balance	40.59	322.90
Additions During the Year	614.33	290.25
Capitalised During the Year		572.56
Closing Balance	654.92	40.59

Capital Work in Progress as at the year end related to Construction towards RCC Road at Udhagamandalam Race Course

MADRAS RACE CLUB

Notes on Financial Statements for the year ended 31st March, 2024

Note No 3(c): Other Intangible Assets

Particulars	Computer Softwares Rs. (in lakhs)	Total Rs. (in lakhs)
Cost/Deemed Cost		
At 01 April 2022	77.50	77.50
Additions	2.50	2.50
Deletions		-
At 31 March 2023	80.00	80.00
Additions		-
Deletions		-
At 31 March 2024	80.00	80.00
Amortisation		
At 1 April 2022	17.60	17.60
Amortisation for the year	24.94	24.94
Disposals		-
At 31 March 2023	42.54	42.54
Amortisation for the year	32.22	32.22
Disposals		-
At 31 March 2024	74.76	74.76
Net book value		-
At 31 March 2024	5.24	5.24
At 31 March 2023	37.46	37.46

Intangible Assets Consist of Computer Softwares, which have an estimated useful life of Five Years over which cost is amortised.

Particulars	As at 31 st March 2024 Rs. (in lakhs)	As at 31 st March 2023 Rs. (in lakhs)
Note : 4		
Non-Current Financial Assets		
Bank Deposits with more than 12 Months Maturity	-	11,500.00
	-	11,500.00
Note: 5		
Other Financial Assets		
Employee Advance (Refer Note No.33)	12.64	12.64
	12.64	12.64
Note: 6		
Other Non-Current Assets		
(i) Capital Advances	20.14	12.35
(ii) Advances other than Capital Advances	-	-
(a) Security Deposits	78.03	71.88
(b) Others - Deposits with Government Authorities (Refer Note No. 35)	227.66	177.66
	325.83	261.89
Note: 7		
Inventories		
a) Stock In Trade		
Fodder Stock	20.38	24.70
Medicine	68.92	43.38
Liquor and Soft Drinks	19.64	33.41
# (i) Inventories are valued at lower of cost and net realizable value	108.94	101.49
Note: 8		
Trade Receivables		
a) Trade Receivable Unsecured, considered good	250.25	285.62
b) Trade Receivable which have significant increase in credit risk	23.08	49.80
Less : Allowance for doubtful trade receivable	23.08	49.80
	250.25	285.62
Movement in allowances for credit loss in trade receivables		
Opening balance	49.80	95.20
Amount written off	(12.56)	(12.36)
Impairment loss / (Provision reversal)	(14.16)	(33.05)
Closing balance	23.08	49.79
Note: 9		
Cash and Cash Equivalents		
Cash Balance	41.97	7.95
Balances with banks in current accounts and saving accounts	203.76	168.00
	245.73	175.95

Particulars	As at 31 st March 2024 Rs. (in lakhs)	As at 31 st March 2023 Rs. (in lakhs)
Note: 10		
Bank Balance Other than Cash and Cash Equivalents		
Earmarked Deposits	2.00	2.00
Bank Deposits with not more than 12 Months Maturity	32,601.21	20,001.15
	32,603.21	20,003.15
Note: 11		
Other Current Financial Assets		
Accrued Income	522.22	484.71
Unbilled Revenue	25.76	14.22
Employee Advance	0.13	-
Horse Purchase Loan to Members	13.40	31.50
	561.51	530.43
Note: 12		
Current Tax Assets (Net)		
Advance Tax and TDS / TCS Receivable - Net off Provision for Taxation	1,051.35	913.72
	1,051.35	913.72
Note: 13		
Other Current Assets		
(i) Advances other than Capital Advances		
Advance to Supplier	186.92	38.01
(ii) Others		
Other Receivables	4.87	4.88
Prepaid Expenses	50.66	39.59
Gratuity - Net Fair Value of Plan Assets	42.33	35.16
	284.78	117.64
Note: 14		
General Fund		
Opening Balance	36,648.11	36,212.79
Add: Addition from New Membership / Transfer of Members	528.00	-
Add: Surplus/(Deficit) for the Year	310.72	435.32
	37,486.83	36,648.11
Note: 15		
Reserves & Surplus		
Benevolent Fund	0.84	0.84
OCI - Remeasurement of Defined benefit plan:		
Opening Balance	270.50	229.69
Add: Remeasurements of the defined benefit plans during the year	(1.04)	40.81
Closing Balance	269.46	270.50
	270.30	271.34

Particulars	As at 31 st March 2024 Rs. (in lakhs)	As at 31 st March 2023 Rs. (in lakhs)
Note: 16		
Trade Payables		
(i) Trade payables		
(a) Total Outstanding dues of micro enterprises and small enterprises; and	59.84	48.04
(b) Total Outstanding dues of creditors others than micro and small enterprises	1,183.45	847.80
	1,243.29	895.84
Note: 17		
Other Current Financial Liabilities		
Canteen Contract Deposits	5.41	5.36
EMD & Other Deposits	10.29	10.29
Owner & Trainers Deposits	331.50	360.00
Bookmakers Deposits	28.50	34.33
Application Money for New Membership refundable	0.05	0.05
Other Customer Deposits	16.84	15.51
Retention from Suppliers	96.60	47.12
	489.19	472.66
Note: 18		
Other Current Liabilities		
(a) Revenue received in Advance		
Contract Liability	3.88	0.18
(b) Others		
Advance received from Customers	156.65	146.37
Employee Cost Payable	42.10	89.26
Other Payable	21.25	12.90
Statutory Payable	216.65	215.25
	440.53	463.96
Note: 19		
Provisions		
a) Provision for employee benefits		
Net Defined Benefit Liability - Gratuity	-	-
b) Others		
Provision for Property & Metro Water Tax (Also refer Note 35)	805.25	-
	805.25	-

Particulars	For the year ended 31st March 2024 Rs. (in lakhs)	For the year ended 31st March 2023 Rs. (in lakhs)
Note: 20		
Revenue from Operations		
a) Racing Activity		
TOTE Commission	1,323.30	1,391.09
Income from Bookmaker	1,338.14	1,298.83
Sale of Medicine & Other Service Income	360.03	380.94
Income from Fodder Issue	307.08	331.79
Other Racing Income	296.56	246.14
Entry Money	227.69	219.88
Gate Money	177.05	163.41
Racing Promotion Fees	74.06	100.45
Broadcasting Income	87.40	89.74
Riding School Revenue	115.59	52.76
Parking Fees	14.71	15.79
Auction Sale Commission	4.63	8.89
Racing Fines	3.15	7.13
Auction Sale Entry Fees	3.00	5.40
Share of Income on IVB	1.87	2.47
	4,334.26	4,314.71
b) Club Activity		
Food and Other Sales	423.04	362.73
Liquor Sales	162.44	157.80
Lawn Usage Income	159.42	141.13
Subscription Income	138.24	137.36
Room Charges	131.76	99.75
General Maintenance Income	99.50	98.11
Miscellaneous Income - Club	43.81	49.36
Minimum Billing Income	33.23	34.33
Recreational & Sports Income	97.09	24.36
Soft Drinks Sales	13.86	15.86
	1,302.39	1,120.79
Contract balances		
The following disclosure provides information about receivables, contract assets and liabilities from contract with customers.		
a) Receivable which are included in trade receivables (refer note 8)	250.25	285.62
b) Contract assets		
c) Contract liabilities (refer note 18)	3.88	0.18
a) A contract liability is the Club's obligation to transfer goods or services to a customer for which the Club has received consideration in advance from the customer. b) A contract asset is the Club's right to consideration in exchange for goods or services that the Club has transferred to a customer. c) The contract assets are transferred to receivables when the right to Consideration becomes unconditional.		

Particulars	For the year ended 31st March 2024 Rs. (in lakhs)	For the year ended 31st March 2023 Rs. (in lakhs)
Note: 21		
Other Income		
(a) Interest Income		
Interest Income (Fixed Deposit)	2,336.95	1,899.99
Interest Income (Saving Bank)	9.68	8.40
(b) Other non-operating Income		
Maintenance charges	65.09	55.15
Rental Income	54.24	54.53
Electricity charges recovery	43.59	49.70
Lease Rent Arrears	269.00	-
Scrap Sales	2.47	5.79
Grants Received	-	-
Write Back of Provisions and Liabilities	21.17	-
Miscellaneous Income	15.93	19.13
	2,818.12	2,092.69
Note: 22		
Racing Expenses		
Stakes & Commission	2,252.63	1,745.58
Consumption of Fodders & Medicine	646.70	674.29
GST Paid On Divisible Pool - (Under Protest)	570.02	621.82
Other Racing Expenses	392.40	288.51
Course Maintenance Expenses	144.47	206.32
Riding School Expenses	10.35	69.55
Cups & Trophy	35.43	68.94
Testing Expenses (Equine Hospital)	63.00	64.26
Stable Hire Charges	35.32	54.43
Stable Maintenance Expenses	15.38	36.42
Turf Invitation Cup Contribution	35.50	35.50
Share of Income to Other Club	26.73	22.94
Transportation Expenses	12.13	15.37
TOTE Operations & Maintenance Expenses	3.76	10.57
	4,243.82	3,914.50
Note: 23		
Club Activity Expenses		
Food Contract	326.97	296.29
Consumption of Liquor	125.29	125.99
Other Club Expenses	178.00	122.47
Bar Licence Fees	31.45	25.85
Repairs & Maintenance - Club	15.35	13.63
	677.06	584.23

Particulars	For the year ended 31st March 2024 Rs. (in lakhs)	For the year ended 31st March 2023 Rs. (in lakhs)
Note: 24		
Employee Benefit Expenses		
Salaries , Wages & Bonus etc.	746.65	739.17
Gratuity expense	9.01	74.69
Contribution to Provident and Other Funds	62.27	64.12
Staff Welfare Expenses	23.90	18.03
Earned Leave Expenses	14.00	13.72
	855.83	909.73
Note: 25		
Depreciation & Amortisation		
Depreciation of Property, Plant and Equipment	246.58	220.20
Amortisation on Intangible Assets	32.22	24.94
	278.80	245.14
Note: 26		
Other Expenses		
Repairs & Maintenance	368.15	348.37
Power & Fuel	278.71	248.84
Legal & Professional Expenses	119.47	192.29
Rates & Taxes	87.17	130.61
Provision for Property tax and Metro water tax	805.25	-
Security Manpower Supply	102.35	90.17
Written Off Assets (Net)	-	83.05
Miscellaneous Expenses	63.98	66.80
Travelling and Coveyance Expenses	53.90	36.32
Remuneration to Auditors - Audit Fees	25.00	25.00
Printing & Stationery	23.50	17.92
Communication Expenses	14.43	15.19
Lease Rent	0.96	0.96
Net loss on foreign currency transaction and translation	0.96	0.84
Corporate Social Responsibility Expenses	6.00	-
Donation	5.00	-
	1,954.73	1,256.36
Note: 27		
Tax Expense		
Current Tax Expense	410.15	245.51
MAT credit entitlement	(276.34)	(62.60)
	133.81	182.91

28. Employee Benefits:

- **General Description of Defined Benefit Plan**
- The Club operates a Gratuity plan covering qualifying employees. The benefit payable is the amount calculated as per the Payment of Gratuity Act 1972. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment.
- The Club makes annual contribution to the Group Gratuity scheme administered by the Life Insurance Corporation of India. The details relating to the Actuarial valuation of Gratuity are as under:

i. Balance Sheet Position:

Post-Employment Benefit - Insured Benefit (Defined Benefit) Plan - Gratuity			
1	Assets/ Liabilities	As at 31-03-2024 (Rs. In lakhs)	As at 31-03-2023 (Rs.in lakhs)
1(a)	Present Value of Obligation at the start	112.63	164.62
	Current Service Cost	10.45	9.46
	Interest Cost	7.69	10.65
	Benefits Paid	(15.68)	(30.64)
	Actuarial (Gain)/ Loss on Obligation	0.37	(41.46)
	Present Value of Obligation at the end	115.46	112.63
1(b)	Fair Value of Plan Assets at the start	147.78	157.02
	Expected Return on Plan Assets	10.88	10.57
	Acquisition Adjustments	(1.17)	(1.26)
	Contributions (net)	16.65	12.75
	Benefits Paid	(15.68)	(30.64)
	Actuarial Gain/ (Loss) on Plan Assets	(0.67)	(0.65)
	Fair Value of Plan Assets at the end	157.79	147.79
	Net Fund Status at the end = 1(a) - 1(b)	(42.33)	(35.16)
2	Expenses to be Recognised in the Profit and Loss	As at 31-03-2024 (Rs. In lakhs)	As at 31-03-2023 (Rs.in lakhs)
	Current Service Cost	10.45	9.46
	Past Service Cost	-	-
	Interest Cost	7.69	10.65
	Expected Return on Plan Assets	(10.88)	(10.57)
	Total	7.26	9.54
3	Remeasurements to the Net Defined Benefit Liability to be recognised in OCI	As at 31-03-2024 (Rs. In lakhs)	As at 31-03-2023 (Rs.in lakhs)
	Actuarial (Gain)/Loss	1.04	(40.81)
	Net return of Plan Assets	-	-
	Total	1.04	(40.81)

Actuarial Assumptions:
a. Financial Assumptions:

Particulars	For the year ended 31-03-2024	For the year ended 31-03-2023
Discount rate (per annum)	7.08%	7.34%
Salary growth rate (per annum)	5.00%	5.00%

b. Demographic Assumptions:

Particulars	For the year ended 31-03-2024	For the year ended 31-03-2023
Indian Assured Lives Mortality (2012-14-Ult.)	100%	100%
Attrition rate:		
Age at valuation date/valuation date		
18-30	10.00%	10.00%
31-40	5.00%	5.00%
41 &+	1.00%	1.00%

ii. Sensitivity Analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis are given below:

Particulars	As at 31-03-2024 (Rs. In lakhs)	As at 31-03-2023 (Rs.in lakhs)
Defined Benefit Obligation (base)	115.45	112.62
Discount rate:(% change compared to base due to sensitivity)		
Increase: +1%	107.57	105.15
Decrease: -1%	124.35	121.06
Salary growth rate:(% change compared to base due to sensitivity)		
Increase: +1%	126.08	124.46
Decrease: -1%	106.05	102.32
Attrition rate:(% change compared to base due to sensitivity)		
Increase: +50%	115.45	117.19
Decrease: -50%	115.38	107.47
Mortality rate:(% change compared to base due to sensitivity)		
Increase: +10%	115.45	113.74
Decrease: -10%	115.44	111.48

iii. Maturity Profile of Defined Benefit Obligation

Particulars	As at 31-03-2024 (Rs. In lakhs)	As at 31-03-2023 (Rs.in lakhs)
Weighted average duration (based on discounted cash flows) in years		
1 year	9.06	3.35
2 to 5 years	44.63	46.69
6 to 10 years	50.68	49.64
More than 10 years	142.94	142.40

29. Membership:

As per Articles of Association of the Club, there are two class of Membership Namely Club and Stand Membership, for which the Club invites candidates for admission and conducts elections by ballot duly observing the procedures laid down in the relevant Articles and enters their name in the membership register after having been validly admitted as members.

During the year, there were no new admission of Club Member. However, 115 New Stand Members were elected during the year, which includes new admission as well as tranfer of existing membership. The membership position as at the year end is given below:

Club Members - Class	As at 31-03-2024	As at 31-03-2023
Opening Balance	709	714
Add: Addition During the Year	-	-
Less: Removal, Death and Resignation	5	5
Closing Balance	704	709
Stand Members - Class	As at 31-03-2024	As at 31-03-2023
Opening Balance	2,845	2,990
Add: Addition During the Year (Including New Stand Members elected in)	115	-
Less: Removal, Death and Resignation (Including cessation of Stand Membership on account of tranfer/assign of Membership)	135	145
Closing Balance	2,825	2,845

30. Related Party Transactions:

Key Managerial Personnel and Relatives
1. Dr. M.A.M.R.Muthaiah, Chairman & Senior Steward
2. Mr.Arun Alagappan, Committee Member
3. Mr. Paul Antony, Committee Member
4. Dr.T.Dhevanathan Yadav, Committee Member
5. Mr.M.Ravi, Committee Member
6. Mr.Chaduranga Kanthraj Urs, Committee Member
7. Mr.Ranjith Jesudasen, Committee Member
8. Mr.Ramaswamy Meyyappan, Committee Member
9. Mr.M.Sridharan, Committee Member (w.e.f 16.08.2023)
10. Mr. Manickam Senthilnathan, Committee Member
11. Mr. Subramanian Lakshmanan, Committee Member
12. Mr. Ramesh Rangarajan, Committee Member

Enterprises owned or significantly influenced by group of individuals or their relatives who have control or significant influence over the Club
1. MRC Equestrian Trust (Trustees Are Committee Members Of Madras Race Club)
2. MRC Charitable Trust (Trustees Are Committee Members Of Madras Race Club)
3. M/s.Chettinad Cement Corporation Private Limited
4. M/s. Kasturi & Sons Limited
5. M/s. Vacha Fine Arts
6. M/s. Arun Alagaopan Racing LLP
7. M/s. The Coromandel International Ltd
8. M/s. Ambadi Enterprises Ltd.
9. M/s. Diksat Transworld Limited

(Rs. in lakhs)

Particulars	Key Managerial Personnel and Relatives		Enterprises owned or significantly influenced by group of individuals or their relatives who have control or significant influence over the Club		Total	
	As at 31-03-2024 (Rs. In lakhs)	As at 31-03-2023 (Rs.in lakhs)	As at 31-03-2024 (Rs. In lakhs)	As at 31-03-2023 (Rs.in lakhs)	As at 31-03-2024 (Rs. In lakhs)	As at 31-03-2023 (Rs.in lakhs)
Sponsorship Received	0.85	2.85	41.85	7.54	42.69	10.39
CSR - MRC Equestrian Trust			6.00			
Purchase of goods/ receiving of services/ expenses reimbursed by the club			9.24	9.61	9.24	9.61
Balance Outstanding as at	As at 31-03-2024 (Rs. In lakhs)	As at 31-03-2023 (Rs.in lakhs)	As at 31-03-2024 (Rs. In lakhs)	As at 31-03-2023 (Rs.in lakhs)	As at 31-03-2024 (Rs. In lakhs)	As at 31-03-2023 (Rs.in lakhs)
Trade and Other Receivable	-	-	30.00	2.29	30.00	2.29
Trade and Other Payable		-	-	0.02	-	0.02

31. Segment Information:
Operating Segment:

The reportable segments of the Club are Racing and Club Activity. The segments are largely organised and managed separately according to the organisation structure that is designed based on the nature of service and profile of the customers. Operating segments are reported in a manner consistent with the internal reporting provided to the Chairman and other Committee Members jointly regarded as Chief Operating Decision Maker (“CODM”).

(Rs. in lakhs)

Segment Information FY 2023-24			
Particulars	Racing Activity	Club Activity	Total
Revenue	4,334.27	1,302.39	5,636.66
Segment result-Surplus / (Deficit)	(466.71)	326.65	(140.06)
Total Unallocated Expenses			1,954.73
Operating Income			(2,094.79)
Other Income			2,818.11
Depreciation & Amortisation Expense	209.28	69.52	278.80
Surplus/(Deficit) Before Tax			444.53
Tax Expenses			133.80
Surplu s/ (Deficit) after tax			310.72
Other Comprehensive Income			(1.04)
Total Comprehensive Income			309.68

Segment Information FY 2022-23			
Particulars	Racing Activity	Club Activity	Total
Revenue	4,314.71	1,120.79	5,435.50
Segment result - Surplus / (Deficit)	(198.40)	225.44	27.04
Total Unallocated Expenses			1,256.36
Operating Income			(1,229.32)
Other Income			2,092.69
Depreciation & Amortisation Expense	183.90	61.24	245.14
Surplus / (Deficit) Before Tax			618.22
Tax Expenses			182.91
Surplus / (Deficit) after tax			435.31
Other Comprehensive Income			40.81
Total Comprehensive Income			476.13

The Club has identified and allocated items of Income & expenses between reportable segments to the extent identifiable.

32. Financial Instruments – fair value and risk management:

A. Accounting classification and Fair Values

The carrying value and the fair value of financial instruments by categories as at March 31, 2024

(Rs. in lakhs)

Particulars	Amortized Cost	FVTPL	FVTOCI	Total Carrying value
Financial Assets:				
a. Bank Deposits	32,603.21	-	-	32,603.21
b. Employee Advance	0.13	-	-	0.13
c. Trade Receivables	250.25	-	-	250.25
d. Cash & Cash Equivalents	245.73	-	-	245.73
e. Indian Horse Loan	13.40	-	-	13.40
f. Other Financial Assets	560.74	-	-	560.74
Total	33,673.46	-	-	33,673.46
Financial Liabilities:				
a. Trade Payables	1,243.29	-	-	1,243.29
b. Other Financial Liabilities	489.19	-	-	489.19
Total	1,732.48	-	-	1,732.48

The carrying value and the fair value of financial instruments by categories as at March 31, 2023

(Rs. in lakhs)

Particulars	Amortized Cost	FVTPL	FVTOCI	Total Carrying value
Financial Assets:				
a. Bank Deposits	31,503.15	-	-	31,503.15
b. Trade Receivables	285.62	-	-	285.62
c. Cash & Cash Equivalents	175.95	-	-	175.95
d. Indian Horse Loan	31.50	-	-	31.50
e. Other Financial Assets	511.45	-	-	511.45
Total	32,507.67	-	-	32,507.67
Financial Liabilities:				
a. Borrowings	-	-	-	-
b. Trade Payables	895.84	-	-	895.84
c. Other Financial Liabilities	472.66	-	-	472.66
Total	1,368.50	-	-	1,368.50

B. Financial risk management:

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

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

i. Risk Management framework:

The Club's Committee members have the overall responsibility for the establishment and oversight of the Club's risk management framework. The Committee members are responsible for developing and monitoring the Club's risk management policies.

The Club's risk management policies are established to identify and analyse the risks faced by the Club, 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 Club's activities. The Club, 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.

ii. Credit Risk Management:

Credit Risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Club. The Club has adopted a policy of only dealing with creditworthy counter parties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Club's exposure is continuously monitored.

The maximum exposure to credit risk for trade and other receivables are as follows:

Particulars	Reference	As at 31-03-2024 (Rs. in lakhs)	As at 31-03-2023 (Rs. in lakhs)
i) Trade receivables	a	250.25	285.62
ii) Cash & Cash Equivalents		245.73	175.95
iii) Bank Deposits	b	32,603.21	31,503.15
iv) Others	c	574.27	542.95

a. Trade Receivables:

The Club has developed guidelines for the management of credit risk from trade receivables. The Club's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

Credit risks are managed by the Club through credit approvals, and continuously monitoring the credit worthiness of the customers to which the Club grants credit terms in the normal course of business.

The Club applies the simplified approach to provide for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables. The Club has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Club. Forward-looking information (including macroeconomic information) has been incorporated into the determination of expected credit losses.

b. Cash & Cash Equivalents and Bank Deposits:

The Club holds cash & cash equivalents and bank deposits with credit worthy banks and financial institutions as at the reporting dates. The credit worthiness of such banks and financial institutions is monitored by the management on an ongoing basis and is considered to be good with low credit risk.

c. Others:

Other financial assets primarily comprises of Accrued Interest Income, advances given to employees and other short term receivables. The Club does not expect any loss from non-performance by these counter-parties. (also refer note 33)

iii. Liquidity Risk Management:

Liquidity risk is the risk that the Club will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Club's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Club's reputation.

The following are the remaining contractual maturities of financial liabilities as at the reporting date. The amounts are gross and undiscounted.

As at 31-3-2024:

(Rs. in lakhs)

Particulars	Carrying amount	Total	Less than 1 year	More than 1 year
Trade Payables	1,243.29	1,243.29	1,050.45	192.84
Other Financial Liabilities	489.19	489.19	331.50	157.69

As at 31-3-2023:

(Rs. in lakhs)

Particulars	Carrying amount	Total	Less than 1 year	More than 1 year
Trade Payables	895.84	895.84	731.78	164.06
Other Financial Liabilities	472.66	472.66	360.00	112.66

iv. Market Risk Management:

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, and other market changes that affect market risk sensitive instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the returns.

33. Employee Advance:

A Sum of Rs. 12.64/- (Lakhs) is due from employees, whose services have been terminated. There is a dispute arising on these advances and the matter is pending in the Labour Court. Since, we cannot attribute any timeline for recovery of the above amount, it is not possible to discount the afore mentioned amount as required in the "IND AS 109 - Financial Instruments"

No Expected Credit Loss has been provided in respect of advances given by the Club to certain employees who were on strike. The matter is sub judice and the Club is of the opinion that the dues of such employees is recoverable and can be adjusted from the amount payable by the Club to the employees, subject to the outcome of the legal proceedings.

34. Taxes:

a. The disclosure relating to Income Tax expense is as under:

Income Tax Reconciliation	For FY 2023-2024	For FY 2022-2023
Income Tax Recognised In Statement Of Income and Expenditure	(Rs. in lakhs)	(Rs. in lakhs)
Current Tax	410.15	245.51
MAT Credit Entitlement	(276.34)	(62.60)
(Excess)/Short provision of Income tax relating to earlier years	0.00	0.00
Deferred Tax	0.00	0.00
Total Income Tax Expenses	133.80	182.91
The income tax expenses for the year can be reconciled to the accounting surplus / (deficit) as follows:		
Surplus / (Deficit) before tax	444.52	618.23
Applicable Tax rate	29.12%	27.82%
Tax using the Club's applicable tax rate	129.45	171.99
Effect of Non-deductible expenses	699.02	402.45
Effect of Non-taxable incomes	(478.09)	(401.83)
Effect of MAT Credit Entitlement	(276.34)	(62.60)
Effect of tax paid on assessments	59.78	72.90
Total	133.80	182.91
Total income Tax Expense	133.80	182.91

b. MAT Credit Entitlement:

The Club had an amount Rs. 1,475.09 Lakhs as MAT Credit Entitlement as on 31st March, 2023. Upon utilization of Rs. 276.34 Lakhs of the same during the current year, the Club has a balance of Rs.1,198.74 Lakhs as MAT Credit Entitlement as on 31st March, 2024 which has not been recognized as an asset in the Books of Accounts as a matter of prudence.

c. Deferred Tax:

In line with the Club's Accounting Policy for Deferred Taxes, the Net Deferred Tax Asset as at the year end, given below, arising out of the temporary differences have not been recognised in the books of accounts as a matter of prudence:

Particulars	As at 31-03-2024	As at 31-03-2023
Deferred Tax Assets	(Rs. in lakhs)	(Rs. in lakhs)
- On account of Disallowances under the Income Tax Act, 1961	242.06	6.50
- On account of carried forward Loss	390.05	372.64
Sub-Total	632.11	379.14
Deferred Tax Liabilities		
- On account of Depreciation differences	(264.66)	(230.63)
Sub-Total	(264.66)	(230.63)
Deferred Tax Assets / (Liabilities) (Net)	367.45	148.51

35. Contingent Liabilities not provided for:

- i. Show Cause Notices received from Statutory Authorities have not been considered as contingent Liability, as they are not legally tenable or enforceable.
- ii. Contingent Liabilities are dependent on the outcome of court case / disposal of appeals filed before various authorities / out of court settlements and other developments, if any. No claim is expected in respect of the following items which in the opinion of the management are untenable.

Sr. No	Particulars	As at 31-03-2024 (Rs. in lakhs)	As at 31-03-2023 (Rs. in lakhs)
1	Income Tax under dispute (excluding interest) #	7,185.95	7,103.91
2	TDS Defaults	4.53	3.29
3	Sales Tax matter under dispute	-	5.18
4	Property, water and sewerage tax ##	-	325.30
5	Employee State Insurance Corporation	105.18	105.18

- iii. The following items of Income Tax are under dispute and the Club does not envisage any financial impact as at the close of the Balance Sheet.

Sr.No	Particulars	Income Tax demand (Excluding interest, penalty if any) - in Rs. In lakhs
1	2007-08	6084.97
2	2017-18	751.89
3	2018-19	177.56
4	2019-20	153.63
5	2022-23	17.90

Assessment year 2007-2008:

- (a) The Club had filed Two Writ Petitions before the Hon'ble High Court of Madras challenging the re-assessment by Income Tax Department for the AY 2007 - 08 (Rs. 6,084.96 Lakhs), in the matter of treating a lease deed on the Race Hall land as a deemed sale, and also for passing the Order after expiry of the time limit, which were however not entertained by the Court.
- (b) This Order was contested by way of Writ Appeals before the Hon'ble High Court of Madras based on legal advise and in the light of various judgments passed by the Apex Court on similar matters. While the Writ Petitions were dismissed by the Division Bench of the Hon'ble High Court of Madras, the Club, based on the merits of the case and other facts, preferred an appeal before the Commissioner of Income Tax (Appeals).
- (c) The Commissioner of Income Tax (Appeals) vide Order dated 22nd January 2024, dismissed the Appeal of the Club on the following grounds relating to the primary subject of treating the Long Term Lease with DLF Limited as a deemed sale, attracting Capitals gains:-
 - (i) The lease was a pre-determined long term Lease of 62 years, passing on development rights and that there was no possibility of the land being returned to the Club at a later date.
 - (ii) The transfer of Development rights by the Club to DLF was absolute.
- (d) The Commissioner of Income Tax (Appeals) vide his order dated 22nd January 2024, had confirmed the assessment of Rs.138 Crores under capital gains as assessed by the A.O. but, however, considering that the Club had claimed that it had accounted the full receipt in AY 2019-20, the Commissioner had suggested the following:-
 - (i) The Assessment Officer may reduce this amount from the total sale consideration assessed in the AY 2019-20.
 - (ii) This direction was subject to any other legal/appellate proceedings in the higher forums on the aforesaid issue in this case.

- (e) The Club also submitted a written petition dated 22nd February 2024 to the Deputy Commissioner/Asst. Commissioner, Central CIR I(2), on the following grounds, seeking stay of demand dated 15th February 2024 raised by the Deputy Commissioner, Central CIR I(2), Chennai, demanding payment of Tax as per the Assessment Order:-

- (i) Under the Lease deed dated 23.12.2006, lease rent for the period from 1st January 2007 to 31st December 2010 with the rental deposit of Rs.60 crores was considered as sale consideration by the Assessing Order.
- (ii) In the AY 2019-20, the property was sold to DLF for Rs.360 Crores vide registered deed No.2340/2018 and capital gains of Rs.257.68 crores was offered to tax and tax thereon was paid. The Registration Department of Government of Tamil Nadu had collected stamp duty at 1% applicable to lease for the lease deed dated 23.12.2006 and stamp duty at 11% was collected for the sale deed dated 13th April 2018.
- (iii) The Assessment for AY 2019-20 was completed u/s 143(1) vide order dated 9th October 2020 and further order u/s 250 was passed on 25th January 2024. The Department themselves had accepted the sale deed entered into in 2018-19 and had completed the assessment, and therefore the lease deed entered in 2007-08 could not be construed as sale for the same property.
- (iv) The Tax relating to capital gains assessed during the year had already been paid and was with the department for the assessment year 2019-20, and hence no further action be taken for collection of the same tax for this year also, as this would amount to double taxation.
- (v) The requisite tax had already been paid by the Club and was with the Department, and the collection of Tax and interest again for the assessment year 2007-08 could be stayed till the disposal of the appeal by the Income Tax Tribunal against the order of the CIT(A).

- (f) The Club, in the meantime, had also filed an Appeal before the Income Tax Appellate Tribunal on 15th March 2024 against the Order of the Commissioner of Income Tax (Appeals) and the matter was briefly heard on 12th June 2024 and has been adjourned to Tuesday, 2th July 2024. In the Appeal, the following written grounds of appeal have been urged by the Club:-

- (i) There was an error in confirming the assessment of capital gains of Rs.138 crores on notional basis in respect of deed of lease entered into on 20.12.2006 by the Club, by treating the lease rent agreement as a deemed sale without considering the provisions of the lease deed.
- (ii) The deed of lese merely permitted the lessee for utilization of the land and construction but did not confer any ownership right and hence the lease rights conferred cannot be considered as sale of the land.
- (iii) The lease deed was not acted upon fully and was amended and altered on many occasion as recognized by the CIT(A) himself and there could not be any capital gain on transfer of land under the lease deed dated 20.12.2006, which was not acted upon.
- (iv) There was no lumpsum consideration under the lese deed, which could be taken as consideration for sale of the property and rentals paid and which was offered as lease rentals in the returns filed by the Club.
- (v) The Assessing Officer erred in considering the rental deposit and the lease rental payable for four years as notional sale consideration.
- (vi) The permission given by the appellant/lessor was for construction and not transfer of right of ownership to the lessee.
- (vii) There was continuous disagreement and litigation between the Club and the Lessee for non fulfilment of the terms of the lease deed and hence CIT (Appeals) erred in holding that there was an absolute transfer of ownership under lease deed dated 20.12.2006, resulting in accrual of capital gains in the hands of the Club/Lessor.



- The Club had offered the capital gains for the assessment year 2019-20 and had paid tax on the same,
- (viii) and the order erred in holding that the same can be adjusted against the deemed capital gains for the assessment year under appeal.
 - (ix) There cannot be two capital gains on two different years in respect of the same property between the same persons.
 - (x) The ownership of the land was conveyed by the Club only through the Registered sale deed dated 13.04.2018 and capital gains on such was payable only on that date.
 - (xi) The Club had offered the lease rental received by it as its income and the department had not questioned the same.
 - (xii) The Lessee had also claimed the lease rentals as their expenditure and had been allowed.
 - (xiii) The Property tax on the leased properties had been raised in the name of the Club which continued to be shown as owner as per land records till the land was sold in the year 2018.
 - (xiv) The perusal of the subsequent MOUs and Lease deeds entered into, would show that the lease deed entered into in 2006 cannot be considered as a deemed sale.
 - (xv) The Hon'ble High Court of Madras in the case of Gemini Arts had held that prepayment of lease rent for a period of 60 years constitutes lease income and cannot be considered as sale proceeds

Assessment Year 2017-2018

- (a) An order dated 7th December 2019 was passed by the Assistant Commissioner of Income Tax, Corporate Circle 4(1) to the following effect in respect of the Assessment Year 2017-2018.
 - (i) The loss under the Racing Activity as claimed by the Club as Business Loss was not accepted and the same was treated as exempt under the Principle of Mutuality.
 - (ii) The claim for benefit of the carried forward depreciation for being adjusted against income, from other sources, was not accepted.
 - (iii) The Income from other sources, without being adjusted against other heads of income was to be taxed completely.
- (b) The Club filed an appeal on 31st December 2019 to the Commissioner of Income Tax (Appeals), followed by a stay petition on 2nd January 2020, which was rejected by the Asst. Commissioner of Income Tax.
 - (i) The Assessment Officer may reduce this amount from the total sale consideration assessed in the AY 2019-20.
 - (ii) This direction was subject to any other legal/appellate proceedings in the higher forums on the aforesaid issue in this case.
- (c) The Club thereafter filed another Stay petition before the Principal Commissioner of Income Tax on 24th January 2020.
- (d) The Stay petition filed by the Club was considered and 20% of the outstanding demand of Rs.60,84,96,793/- was directed to be paid vide Order dated 12th July 2023.
- (e) The refund of Assessment year 2021-22, & 2022-23 is adjusted against the demand of Assessment Year 2017-18 which is more than 20% of the outstanding demand.
- (f) The Club had also filed a petition to High Pitch Scrutiny assessment on 21.07.2023 and 26.07.2023 to stay the payment of 20% of the demand amount and the same was rejected and the Club was directed to pay 20% of the demand amount.
- (g) The Income from other sources, without being adjusted against other heads of income was to be taxed completely.

Assessment year 2018-2019

- (a) The Club received a notice under Section 143(1)(a) of the Income Tax Act 1961 on 10th May 2019 from the Dy. Commissioner, Income Tax, Corporate Circle, Bengaluru and Notice dated 1.10.2019 and 29.11.2019, citing the following:-
 - (i) There was a variance in the figures between the schedule of business or profession of Income Tax return and the profit and loss account of the Club, with respect to exempt income, amounting to Rs. 7,90,03,704/-.
 - (ii) There was an addition of Rs.93,307 in respect of delay in the remittance of dues of employees of the Club under the Employees State Insurance Act and Provident Fund Act.
 - (iii) The club preferred an appeal before the Commissioner of Income Tax (Appeals), for the above reasons disputing the demand amount of Rs.1,13,41,587 and the appeal is still pending before the Commissioner of Income Tax (Appeals).
- (b) Also the case was reopened under section 263 of the Income Tax Act and assessment was undertaken on the grounds of allocation of common expenses between Club Activity and Racing and additional disallowance of Rs.1,24,97,034 was made accordingly, with respect to proportionate common expenses which is not in line with Sec 115JB of the Income Tax Act, 1961.
- (c) A Demand notice and assessment order was passed on 27th March, 2023 raising a demand of Rs.1,77,56,230 (by increasing the book profit as per MAT calculations, to the extent of additional disallowance made, as MAT was applicable for the relevant assessment year).
- (d) After due hearing and an order was passed on 27.03.2024 by the Deputy Commissioner/Asst. Commissioner, Central Circle 1 (2), Chennai, under 143(3) of the Income Tax Act 1961 read with Section 263.

Assessment Year 2019-2020

- (a) Following the survey conducted at the Club, under Section 133A, of the Income Tax Act 1961, orders under Section 148 and 148A of the Income Tax Act 1961, were issued on 27.04.2023 in the matter of re-apportionment of common expenses between Racing Activity and Club Activity.
- (b) The Club had filed returns, revising the apportionment of expenses between Racing activity and Club activity on 23rd May 2023.
- (c) An order has been passed under Section 143(1) of the Income Tax Act 1961 on 9.10.2020 by the Asst. Director of Income Tax, Corporate Circle, communicating the preliminary assessment, for which the Club preferred an Appeal before the Commissioner of Income Tax (Appeals) on 12.11.2020 and order was passed by the Commissioner of Income Tax (Appeals) on 25.1.2024 under Section 250 of the Income Tax Act 1961. The consequential order is yet to be received for the same."

Assessment Year 2022-2023

- (a) Fresh assessment was undertaken on the grounds of allocation of common expenses between Club Activity and Racing and additional disallowance of Rs.1,16,21,682 was made accordingly, with respect to proportionate common expenses which is not in line with Sec 115JB of the Income Tax Act, 1961.
- (b) Demand notice and assessment order was passed on 27th March, 2023 raising a demand of Rs.17,90,120 (by increasing the book profit as per MAT calculations, to the extent of additional disallowance made, as MAT was applicable for the relevant assessment year).
- (c) In this background and based on legal advice the club has preferred an appeal before the Commissioner of Income Tax (Appeals.) on 25.4.2024.

Property and Metro Tax

- (a) The Club had filed a Writ Petition No. WP 14162 of 2020 in the Hon'ble High Court of Madras challenging the Notices issued earlier by the Greater Chennai Corporation seeking payment of Property Tax by the Club for twelve identified properties, in respect of which Property Tax had been disputed by the Club, with effect from 1st April 2001.
 - (b) After hearing the matter on 3rd April 2023, the Hon'ble High Court of Madras had ordered that the Madras Race Club could remit an amount of Rs.36.00 lakhs towards payment of Property Tax for the past period, calculated at the old rates towards arrears, pending reassessment by the Authorities, subject to the basis of revision basis being disclosed to the Club and the Club being given an opportunity to submit their objections, if any in respect of the Twelve identified properties under dispute.
 - (c) The Club, however, in the meantime, has been remitting Property Tax and Metro Tax annually in respect of twenty one other identified properties at the Club, as the assessment has not been disputed by the Club.
 - (d) The Club had filed objections after receiving measurements from the Corporation Authorities, following a joint inspection and thereafter detailed orders were passed by the Additional Commissioner (Revenue & Finance) Greater Chennai Corporation, Chennai-600003, notifying the revised assessments, after granting an opportunity of hearing to the Club.
 - (e) The Club, thereafter within the stipulated time filed detailed objections property-wise disputing the assessment and while rejecting the contention of the Club, the Corporation finally determined that an amount of Rs. 4,70,99,393/- was payable by the Club towards Property Tax for twelve properties for the period from 1st April 2001 to 31st March 2024, after considering and adjusting the amounts paid by the Club over the years, including the amount of Rs.50.00 lakhs paid on an adhoc basis during the year and under protest.
 - (f) In terms of the Property tax determined by the Authorities an amount of Rs.3,34,25,723/- is also payable towards Metro Water Tax for the period 1st April 2001 to 31st March 2024, in respect of the twelve properties. However, in respect of the remaining Seventeen Properties, as the Club which assessments are not in dispute, Property Tax and Metro Water Tax have been remitted regularly on an annual basis.
 - (g) Pending remittance of the amount and evaluation of the option of the Club filing an appeal, the Club, as a matter of abundant caution has made a provision of Rs. 8,05,25,116/- during the year in respect of the demand towards payment of Property Tax and Metro water Tax in respect of twelve properties.
- (iii) No provision has been made in respect of the following disputed demands, since in the opinion of the Management, based on legal advice the demands would not be sustained.

Particulars	As at 31-03-2024 (Rs. in Lakhs)	As at 31-03-2023 (Rs. in Lakhs)
Claims against the Club not acknowledged as debts:		
a) Speech Circuit Charges demanded by BSNL	65.60	65.60
b) Lease Rent of Land taken on lease by the Club at Ooty (Also refer Note 1) - (Excluding yearly accretions demanded)	92,105.54	65,603.29
c) Registered Leasehold land of the Club at Chennai (Also refer Note 2):		
(i) Accrued Arrears of revised lease rent as demanded on 31st August, 2017 - from 01.07.1974 to 30.06.2004	73,086.81	73,086.81
(ii) Accrued Arrears of revised lease rent from 2004 till date	12,38,135.24	12,38,135.24

Notes:

- Note 1** With regard to the demand of the Government of Tamilnadu in respect of revised lease rentals in relation to the Race Course at Ooty, the Club is evaluating its legal position in light of the recent Madras High Court Order dated 21st June, 2024 and is in the process of filing an appeal before the relevant judicial forum.
- Note 2** In respect of these demands, the Tahsildar has recovered Rs.153.09 Lakhs without any intimation being served to the Club. The Tahsildar has also restrained the Club from operating its ICICI Bank account which has a balance of Rs.4.69 Lakhs. Further, an amount of Rs.58 Crores of Fixed Deposits held with Yes Bank was also attached by the Tahsildar of Velachery and Guindy Taluk towards these demands.

During the previous year, on 29th March, 2023, an Order was passed by the Hon'ble High Court of Madras, directing the Club to pay the arrears of revised lease rent of Rs. 73,086.81 Lakhs, for the period from 01.07.1974 to 30.06.2004, as per the demand dated 31st August, 2017, by the Tahsildar, Velachery Taluk, Chennai towards the above said arrears of revised lease rent to the Government of Tamil Nadu, within a period of 1 month. The Court further directed that demand notices be issued for the accrued arrears of revised rent of Rs. 12,38,135.24 Lakhs (roughly calculated) , from the year 2004 till date, within 1 month and granted the Club a period of 2 months to settle the arrears. In case of non payment of these demands, the Court also authorized initiation of recovery proceedings against the Club. The Appeals WA 897/2023, WA 898/2023, WA 890/2023, CMP 8951/2023, CMP/8949/2023, CMP/8947/2023, CMP/8943/2023, CMP/8926/2023 and CMP/8925/2023 filed by the Club, challenging the above order had been heard by the Division Bench of the Hon'ble High Court of Madras and after hearing the arguments on behalf of the club, The Division Bench had ordered status quo being maintained in the matter and this interim order has been extended from time to time by the Hon'ble Division Bench.

In the view of the Management, based on legal advice, the rights of the Club over the leased land are legally secure for the following reasons:

- (a) The existing registered lease deed dated 8th March 1946 is a contractual arrangement and is legally valid as is in force from 1st April 1945 for a period of 99 years.
- (b) There is no scope for revision in lease rentals during the defined contractual period of tenure, particularly in the absence of any clause permitting such a revision.
- (c) The lease rentals for the entire tenure of the Lease had been paid in full by the Madras Race Club and had been duly received by the Government.
- (d) The fixation of lease rentals for land housing sporting activity cannot be related to the commercial value of the Property.

The Club has made a strong appeal before the Division bench, that these demands are not legally sustainable for the reasons mentioned above. Since this matter is subjudice and pending finality, and based on the advice of the legal counsel of the Club, the Management is of the view that these demands are not tenable and will not require any adjustment in the Financial Statements.

- iv. The Case filed by 110 former temporary watchmen for reinstatement and for revision of wages has been disposed off by the Labour Court in favour of the petitioners. The Club has filed a writ petition before the Hon'ble Madras High Court, and the liability on this count can only be ascertained on the outcome of the Writ petition filed, based on the manner and extent of relief.

- v. The Order of the Special Tahsildar CMRL dated 14.12.2011 awarding (Award No.5) a compensation of Rs.409.40 Lakhs to the Club for a total area of 3605 Sq.ft acquired from the Club adjoining the Guindy lodge, has been challenged by the Club before the VIth Asst. City Civil Judge, under the following plea:

- 1) Enhancing the compensation from Rs. 7852/- per sq.ft to Rs.40,000/- per sq.ft including escalation cost.
- 2) Additional compensation for special locational advantages of Rs.40,000/- per sq.ft.
- 3) 12% additional Market Value per annum from the date of Notification.
- 4) Solatium of 20% and with interest at 9% from the date of Award.

CONSENT AWARD

- a) The dispute regarding the concessional rent of Rs. 3.18 crore due to the Club from DLF Limited ("DLF") for the period from 1st March 2018 to 13th April 2018 was the subject matter of arbitration proceedings and was pending, following the sad demise of Hon'ble Mr. Justice S.S. Nijjar, one of the co-arbitrators.
- b) The Hon'ble Arbitral Tribunal was reconstituted with Hon'ble Mr. Justice K.S.P. Radhakrishnan (Retd), Presiding Arbitrator, Hon'ble Mr. Justice A.K. Patnaik (Retd), Co-Arbitrator, and Hon'ble Mr. Justice V. Ramasubramanian (Retd.), Co-Arbitrator, and thereafter a consent award was passed on 12th March 2024 on payment of Rs.3,18,01,000/- to the Madras Race Club towards arrears of Lease rentals in terms of Memorandum of Compromise dated 6th March 2018 and there is no other amount due to the Club.

36. Capital Commitments:

Particulars	As at 31-03-2024 (Rs. In lakhs)	As at 31-03-2023 (Rs.in lakhs)
Estimated amount of contracts remaining to be executed on capital accounts net of advance.	491.02	93.25

37. Foreign Exchange Transactions:

Income earned and Expenditure incurred in foreign currency:

Income	As at 31-03-2024 (Rs. In lakhs)	As at 31-03-2023 (Rs.in lakhs)
Broadcasting licence and Technical Fee Income	87.40	89.74
Expense		
Sample Testing Expenses	61.37	62.74
Berlinger Kit Purchase	7.37	7.47
Online Tote Operator Charges	0.00	1.04
International Federation of Horse Racing Membership	3.23	2.85

38. Prepaid Lease Rent

The Lease Rent demanded by Tamilnadu State Government as laid out in the Lease agreement has been paid in the year 2003 and accounted as under:

Lease Rent Paid in the year 2003	₹ 31,898	For 41 Years
Unexpired Lease Term as prepaid lease rent.	₹ 15,560	For 20 Years

Other than the above, there are no material leases.

Also refer Note No.35 regarding Lease Rental demand made by the Government of Tamilnadu.

39. Corporate Social Responsibility (CSR) Expenditure - (Pursuant to Section 135 of Companies Act, 2013 read with relevant schedules and rules made thereunder)

Particulars	As at 31-03-2024 (Rs. In lakhs)	As at 31-03-2023 (Rs. In lakhs)
Gross Amount Required to be Spent	5.79	Nil
Amount Spent During the Year	6.00	Nil
Shortfall at the end of the Year	Nil	Nil
Total of Previous Years Shortfall	Nil	Nil
Reason for Shortfall	NA	NA
Nature of CSR Activities	Animal Welfare Activities	NA
Details of related party transaction	Contributed to MRC Equestrian trust, where the trustees are committee members of the club	

40. Disclosure the Micro, Small and Medium Enterprises Act:

The information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Club and has been relied upon by the auditors.

Particulars	As at 31-03-2024 (Rs. In lakhs)	As at 31-03-2023 (Rs.in lakhs)
Principal amount due	59.84	48.04
Amount of interest due and payable where principal has already been paid but the interest has not been paid	Nil	Nil
Amount of interest accrued and remaining unpaid at the end of the period	Nil	Nil
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the Act	Nil	Nil

41. Additional regulatory information as required under Companies Act 2013:

a. Capital Work In Progress (CWIP)

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan. The details of CWIP are as under:

As at 31-03-2024 (Rs. In lakhs) (Rs. in lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	614.33	40.59	-	-	654.92
Projects temporarily suspended	-	-	-	-	-
Total	614.33	40.59	-	-	654.92

As at 31-03-2023 (Rs.in lakhs) (Rs. in lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	40.59	-	-	-	40.59
Projects temporarily suspended	-	-	-	-	-
Total	40.59	-	-	-	40.59

The Company did not hold any intangible assets under development as at 31 March 2024.

b. Trade Payables Ageing Schedule:
As at 31.03.2024:
(Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payment / date of transaction						Total
	Unbilled	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Billed dues:	-	-	-	-	-	-	-
Undisputed dues:	-	-	-	-	-	-	-
(a) MSME	-	-	59.84	-	-	-	59.84
(b) Others	-	-	990.62	92.99	36.98	62.87	1183.45
Disputed dues:	-	-	-	-	-	-	-
(a) MSME	-	-	-	-	-	-	-
(b) Others	-	-	-	-	-	-	-
Unbilled dues	-	-	-	-	-	-	-
Total	-	-	1050.45	92.99	36.98	62.87	1243.29

As at 31.03.2023:
(Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payment / date of transaction						Total
	Unbilled	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Billed dues:	-	-	-	-	-	-	-
Undisputed dues:	-	-	-	-	-	-	-
(a) MSME	-	-	48.04	-	-	-	48.04
(b) Others	54.11	-	629.63	105.14	58.92	-	847.80
Disputed dues:	-	-	-	-	-	-	-
(a) MSME	-	-	-	-	-	-	-
(b) Others	-	-	-	-	-	-	-
Unbilled dues	-	-	-	-	-	-	-
Total	54.11	-	677.66	105.14	58.92	-	895.84

c. Trade Receivables Ageing Schedule:
As at 31.03.2024:
(Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payment / date of transaction						Total
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Billed receivables:	-	-	-	-	-	-	-
Undisputed receivables:	-	-	-	-	-	-	-
(a) Considered good	-	174.39	3.30	31.98	8.33	32.25	250.25
(b) Considered doubtful	-	-	1.58	2.14	3.72	15.64	23.08
Disputed receivables:	-	-	-	-	-	-	-
(a) Considered good	-	-	-	-	-	-	-
(b) Considered doubtful	-	-	-	-	-	-	-
Unbilled receivables	-	-	-	-	-	-	-
Total	0.00	174.39	4.88	34.13	12.06	47.88	273.33

As at 31.03.2023:
(Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payment / date of transaction						Total
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Billed receivables:	-	-	-	-	-	-	-
Undisputed receivables:	-	-	-	-	-	-	-
(a) Considered good	-	227.43	20.59	10.41	27.19	-	285.62
(b) Considered doubtful	-	-	7.93	21.91	8.91	11.06	49.81
Disputed receivables:	-	-	-	-	-	-	-
(a) Considered good	-	-	-	-	-	-	-
(b) Considered doubtful	-	-	-	-	-	-	-
Unbilled receivables	-	-	-	-	-	-	-
Total	-	227.43	28.52	32.32	36.10	11.06	335.43

Additional regulatory information required to be disclosed as per amendments in Schedule III:
A. Balance Sheet:

i. Title deed of immovable property not held in the name of the Company. (other than lease)	The Company does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) not held in the name of the Company as at March 31, 2023.
ii. Fair value of investment property	The Company does not hold any investment property as at March 31, 2023.
iii. Revaluation of Property, Plant and Equipment	i. The Company has not revalued any of its Property, Plant and Equipment as at March 31, 2023.
iv. Revaluation of Intangible Asset	ii. The Company has not revalued any of its Intangible Assets as at March 31, 2023.
v. Loans and advances to related parties	The company has not granted any loans or advances in the nature of loans to promoters, Directors, KMPs and related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, either repayable on demand or without specifying any terms or period of repayment.
vi. Capital Work-in-Progress	Disclosed in Note No. 41(a)
vii. Intangible assets under development	The Company did not hold any intangible assets under development as at March 31, 2023.
viii. Details of Benami Property held	The Company did not hold any Benami Property as at March 31, 2023 and there are no proceedings initiated against the Company as at March 31, 2023.
ix. Borrowings from Banks / financial institution against security of current assets	The Company does not have any borrowings from Banks/Financial Institutions as at March 31, 2023 against the current assets or otherwise.
x. Wilful Defaulter	The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender.
xi. Relationship with Struck off Companies	The company has not had any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
xii. Registration of charges or satisfaction with ROC	There are no charges or satisfactions yet to be registered with the Registrar of Companies beyond the statutory period.

xiii. Analytical Ratios:

Ratio	Unit of Measurement	Description of numerator	Description of denominator	Ratio 31.03.2024	Ratio 31.03.2023	Variance	Reasons for variance
(a) Current ratio	Times	Current assets	Current liabilities	11.79	12.26	-4%	NA
(b) Debt-equity ratio	Times	Borrowings - Short-term and Long-term	Shareholder's Funds	NA	NA	NA	NA
(c) Debt service coverage ratio	Times	PAT + Non cash expenses (eg. Depn) + Interest on borrowings + other adjustments like loss on sale of fixed assets	Interest + Installments	NA	NA	NA	NA
(d) Return on equity ratio	%	PAT - Preference dividend	Equity Shareholder's Funds	NA	NA	NA	NA
(e) Inventory turnover ratio	Times	Sales (product sales)	Average inventory (Op. stk + Cl. Stk)/2	8.02	10.08	-20%	Note - I
(f) Trade receivables turnover ratio	Days	Credit sales	Average accounts receivable (Op. rec + Cl. Rec)/2	21.04	19.12	10%	
(g) Trade payables turnover ratio	Days	Credit purchases	Average accounts payable (Op. pay + Cl. pay)/2	6.43	5.39	19%	Note - II
(h) Net capital turnover ratio	Times	Revenue from operations	Net assets	NA	NA	NA	NA
(i) Net profit ratio	Ratio	Profit after tax	Revenue from operations	0.06	0.08	-31%	This variance is on account of the increased expenses incurred by the Club duing the current year.
(j) Return on capital employed	%	EBIT	Capital employed (Total assets - current liabilities)	NA	NA	NA	NA
(k) Return on investment	%	Profit after tax	Share capital	NA	NA	NA	NA

** As the Club is registered under Section 25 of the erstwhile Companies Act, 1956 (corresponding Section 8 of the Companies Act, 2013), being a not for profit organisation and having no Equity Capital, the disclosure of ratios applying the equity capital is not applicable to the entity.

- Note - I

These variances are on account of the increased operations during the year, resulting in higher income being earned in the current year, as compared to the previous year.
- Note - II

This variance is on account of reduction i n the value of Trade Payables during the year.
- Note - III

As a result of the increased operations, the Club has earned a surplus during the year, leading to this variance.

xiv. Compliance with approved scheme(s) of arrangement	There has been no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
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xiv. Compliance with approved scheme(s) of arrangement	There has been no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
ii. Corporate Social Responsibilities (CSR)	Disclosed in Note No.39
iii. Details of Crypto Currency or Virtual Currency	During the year the Company did not deal with any crypto or virtual currencies.

42. The Club is in the process of tagging its fixed assets and undertaking periodic physical verification of such assets vis-à-vis the Fixed Assets Register, incuding its landed properties.

43.

(a) No funds have been advanced or loaned or invested (either from borrowed funds or any other sources or kind of funds) by the Club, during the year, to or in any other person(s) or entity(ies), 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 Club (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b). No funds have been received by the Club, during the year, from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Club 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;

44. Previous year figures have been re-grouped / reclassified wherever necessary.

For V D S R & Co., LLP Chartered Accountants FRN: 001626S/S200085	For Karra & Co., Chartered Accountants FRN: 001749S	For S. Venkatram & Co., LLP Chartered Accountants FRN: 004656S/S200095
Venkatesh Kamath S V Partner M.No. 202626 UDIN: 24202626BKBMXP6507	K. Premkumar Partner M.No. 019170 UDIN: 24019170BKGXAY5969	B. Gowthaman Partner M.No. 201737 UDIN: 24201737BKAKLJ2748
For P.B.Vijayaraghavan & Co., Chartered Accountants FRN: 004721S	For N C Rajagopal & Co., Chartered Accountants FRN: 003398S	Dr.M.A.M.R.Muthiah, Chairman Mr.Arun Alagappan Dr.T.Devanathan Yadav Mr.SP.Lakshmanan Mr.Paul Antony Mr. RM. Ramaswamy Mr.Ramesh Rangarajan Mr.Ranjit Jesudasan Mr.M.Ravi Mr.M.Senthilnathan
P.B.Santhanakrishnan Partner M.No. 020309 UDIN: 24020309BKEBDE5485	Arjun.S Partner M.No. 024844 UDIN: 24230448BKDGZV6423	

Place: Chennai
Date: 27th June 2024

S. Nirmal Prasad
Secretary

Members of the
Committee of Management

Notes



Notes





MADRAS RACE CLUB



ADDITIONS / IMPROVEMENTS



Renovated pathway outside the weighing room



Newly laid Concrete Road in Race Park



Chennai Riding School



Newly laid Concrete Roads in Race Farm



Foyer / Corridor at Room Complex Udhagamandalam



New Room Complex at Udhagamandalam



Renovated Rooms at Udhagamandalam



Aerial View of the Race Course at Udhagamandalam



Interior of New Stables at Udhagamandalam.



New Stables at Udhagamandalam.



Dr. M.A.M.R. Muthiah, Chairman and Senior Steward, Madras Race Club, presenting "The Chettinad Madras Race Club Commemoration Cup" on 14th January 2024 to Diamond Band Racing Syndicate Private Ltd, Kersi H Vacha and Sarainaga Racing Pvt Ltd, Owners of the winner dk bh 5yr old "Once you go Black"



Annual Auction Sale, 2024, held on 14th January 2024.



Weighing Room Complex at Uchagamandalam