



MADRAS RACE CLUB



Mr. Suresh Paladugu, Chairman, Horse Power Sports League and Dr. Muthiah Ramaswamy, Chairman, Turf Authorities of India at the Presentation Ceremony of The HPSSL Royal Arion Indian Turf Invitation Cup 2025 (Grade I) on Sunday, 2 March 2025, won by dk b g 4 year old "REDEFINED", owned by Mr. Ashok Ranpise, Mr. S.R. Sanas, M/s. DT Racing & Breeders LLP, Mr. P. Prasanna Kumar, Kamesh K & Stride Livestock Pvt. Ltd.

Annual Report & Accounts for the Year 2024 - 2025



The HPSL Royal Arion Indian Turf Invitation Cup after being unveiled by Dr. Muthiah Ramaswamy, Chairman, Turf Authorities of India and Mr. Suresh Paladugu, Chairman, HPSL at the Press Conference at Chennai, on Thursday, 27th February 2025.



Unveiling of Digital Painting by the Chairmen of all the Race Clubs as a tribute to the glorious history of Horse Racing over 250 years at the Race Course at Guindy, Chennai.



**Members of the Committee of
Management**

Dr. Muthiah Ramaswamy, Chairman
DIN : 00802807
Mr.Chaduranga Kanthraj Urs
DIN: 00573265
Dr. T. Dhevanathan Yadav
DIN : 01431689
Mr. SP. Lakshmanan
DIN : 02745821
Mr. Paul Antony
DIN: 08071972
Mr. RM. Ramasamy
DIN: 08596264
Mr. Ramesh Rangarajan
DIN: 00141701
Mr.Ranjit Jesudasen
DIN: 00020181
Mr. M. Ravi
DIN: 01382764
Mr. M. Senthilnathan
DIN: 02841571
Mr. M. Sridharan
DIN: 02294399
Mr. N. Sudhakar
DIN: 00195648
Dr. Atulya Misra, I.A.S
DIN: 02210369
Tmt. P. Amudha, I.A.S.
DIN: 01405458
Mr. Dheeraj Kumar, I.A.S
DIN: 00936284
Tmt. Shilpa Prabhakar Satish, I.A.S
DIN: 07820677

Secretary

Mr. S. Nirmal Prasad

Statutory Auditors

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

Bankers

Indian Bank
Kotak Mahindra Bank
UCO Bank
Yes Bank Ltd.
HDFC Bank Ltd.
ICICI Bank Ltd.
DBL Bank India Ltd.

Registered Office

Guindy, Chennai – 600 032.

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 **4.30 p.m. (IST) on Friday, 8th August, 2025**, 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 2025, 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, 2025, 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, Mr. Chaduranga Kanthraj Urs (DIN: 00573265) 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.SP. Lakshmanan (DIN:02745821) 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. Ramesh Rangarajan (DIN 00141701) who, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution :-

"RESOLVED THAT Mr.N. Sudhakar (DIN: 00195648), who was appointed as a Member of the Committee of the Management, in the casual vacancy that had arisen due to resignation of Mr. Arun Alagappan, and who holds office till the ensuing Annual General Meeting be and is hereby appointed as a Member of the Committee of Management, liable to retire by rotation.

6. To consider and if thought fit to pass, the following resolution as an Ordinary Resolution:-

RESOLVED THAT pursuant to the changed status of the Karra & Co., Chartered Accountants, earlier appointed as Joint Auditors, along with M/s. V.D.S.R. & Company, Chartered Accountants, M/s. S. Venkatram & Co., Chartered Accountants, M/s. P.B. Vijayaraghavan & Co., Chartered Accountants, and M/s. N.C. Rajagopal & Co., Chartered Accountants, for the period commencing from the conclusion of the Annual General Meeting for the year 2023-2024 up till the conclusion of the sixth consecutive Annual General Meeting therefrom to be held in the year 2029, consent be and is hereby accorded for appointing M/s. Bansi S. Mehta & Co., Chartered Accountants, as one of the Joint Auditors at a remuneration of Rs.3,50,000/- per annum plus GST to hold office along with the existing Joint Auditors till the conclusion of the Annual General Meeting to be held in the year 2029.

7. To consider and if thought fit to pass, the following resolution as an Ordinary Resolution:-

RESOLVED THAT without prejudice to the pending legal proceedings in the matter of the termination of the Lease dated 8th March 1946, between His Excellency Governor of Madras and the Madras Race Club in respect of the existing Race Course at Guindy, Chennai-600032, presently in possession of the Madras Race Club, the resolution passed by Members at the Extra Ordinary General Meeting held

on 20th November 2024, approving the proposal of relocating the Race Course at Guindy, Chennai, to a suburban setting in the State of Tamil Nadu and authorising the Special Committee comprising Dr. Muthiah Ramaswamy, Chairman of the Madras Race Club, Mr. M. Ravi and Mr. Paul Antony, constituted in this behalf, to negotiate and finalise the terms of proposal involving registering the land for the New Race Course in the name of the Madras Race Club at no extra cost and settlement of Lease Rentals claims in respect of the Race Course at Hobart Park and Race Course at Guindy, Chennai, as a composite proposal, be and is hereby partially amended, in the light of the decision of the Government of Tamil Nadu, that the costs of the New Land to be allotted for the Race Course and costs associated with the relocation of the Race Course has to be borne by the Madras Race Club and further deciding that claims of Lease rentals in respect of the Race Course at Hobart Park at Udhagamandalam and Race Course at Guindy, Chennai, shall be outside the scope of bilateral discussions with the Government of Tamil Nadu and which would have to be finally concluded through due process of law.

RESOLVED FURTHER that accordingly in partial modification of the Resolution passed at the Extraordinary General Meeting of the Club Members held on 20th November 2024, consent of the Members of the Madras Race Club be and is hereby accorded to the Special Committee, under Article 26 (d) & Article 26(h) of the Articles of Association of the Madras Race Club, to negotiate, finalise and purchase up to 200 acres of land from Government of Tamil Nadu at an appropriate location in the State of Tamil Nadu in the eventuality, of a mutually agreed settlement between the Madras Race Club and the Government of Tamil Nadu, on relocating the Race Course at Guindy, Chennai, to a place outside Chennai at a mutually agreed price between the Government of Tamil Nadu and the Special Committee and to further delink the matters of the claims of lease rentals in respect of Race Course at Hobart Park, Udhagamandalam and the Race Course at Guindy, Chennai, from the subject relating to relocation of the Race Course, Guindy, Chennai.

8. To consider and if thought fit to pass, the following resolution as an Ordinary Resolution:-

RESOLVED THAT in view of the decision of the Government of Tamil Nadu to decline the request of the Club to conclude the matters relating to relocation of the Race Course, Guindy, Chennai, and matters relating to claims of Lease Rentals in respect of Race Course at Hobart Park, Udhagamandalam and the Race Course at Guindy, Chennai, jointly and to instead await the determination of the claims through due process of Law, the consent of the Members of the Club be and is hereby accorded to the Committee of Management to challenge the claim of the Government of Tamil Nadu for payment of lease rentals of Rs. 822,63,04,080/- in respect of the earlier premises of the Club at Hobart Park, Udhagamandalam and Rs.12,38,135,24/- in respect of the current premises at the Madras Race Club at Guindy, Chennai, at the appropriate forum and further the Committee of Management be and is hereby authorised to take all necessary administrative, financial and legal measures to secure the interests of the Club in the matter.

On behalf of the Committee of Management
For Madras Race Club

Place : Chennai
Date : 7th July 2025

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 **4.30 p.m. (IST) on Monday, 4th August, 2025.**
2. Members who would like to express their views during the Annual General Meeting 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 **4.30 pm. (IST) on Monday, 4th August, 2025.** Only those Members who have registered themselves as a speaker will be allowed to express their views / ask questions during the Annual General Meeting.
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 4.30 P.M.(IST) on Thursday, 24th July, 2025. The valid nominations received will be displayed on the Notice Board of the Club at 10.00.AM(IST) on Friday, 25th July, 2025.**
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 4.30 p.m.(IST) on Sunday, 27th July, 2025.**
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 2024-25 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 2024-25 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 Annual General Meeting 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 Annual General Meeting 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 the Annual General Meeting through VC/OAVM and providing e-voting facility for the convenience of such Members who are not able to attend the Annual General Meeting at the Club or / and such Members who wish to attend the Annual General Meeting 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. 7th July 2025 (742 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 Annual General Meeting 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 Annual General Meeting 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 voting system.
3. The facility of joining the Annual General Meeting through VC/OAVM shall open at



4:15 p.m. i.e 15 minutes before the time scheduled for the Annual General Meeting and will be closed on the expiry of 15 minutes from the conclusion of the Annual General Meeting. Members who want to ask questions may write to the Madras Race Club, Guindy, Chennai – 32 **on or before 4.30 p.m.(IST) on Monday,4th August,2025** and the same will be answered during the Annual General Meeting.

4. The facility of joining the Annual General Meeting 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 Annual General Meeting 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 there under, 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. 7th July 2025**, shall be entitled to avail of the facility of remote e-voting in connection with the Annual General Meeting. 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,5th August 2025, till 5.00 p.m.(IST) on Thursday,7th August 2025. 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 Annual General Meeting may also attend / participate in the Annual General Meeting 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. 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 Annual General Meeting 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 Annual General Meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 FOR THE SPECIAL BUSINESS :

Item No. 5

(a) Mr.N. Sudhakar (DIN: 00195648), was appointed as a Member of the Committee of Management in the casual vacancy that had arisen due to resignation of Mr. Arun Alagappan, and he holds office till the ensuing Annual General Meeting. The Committee of Management recommend the appointment of Mr.N. Sudhakar as a Member of the Committee of Management, liable to retire by rotation. Mr.N. Sudhakar has given his consent and has confirmed that he is not disqualified from being appointed as a Member of the Committee of Management and has also deposited an amount of Rs. 1.00 lakh favouring Madras Race Club, 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.

Except Mr.N. Sudhakar, being the appointee, none of the other Members of the Committee of Management or Key Managerial Personnel of the Club or their relatives is concerned or interested, financially or otherwise, in the resolution.

Item No.6

(a) At the Annual General Meeting of the Company held on Friday, 2nd August 2024, 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 Accountants, P.B. Vijayaraghavan & Co., Chartered Accountants, and N.C. Rajagopal & Co., Chartered Accountants, Chennai, had been re-appointed as the Auditors of the Company to hold office from the conclusion of the Annual General Meeting held on 2nd August 2024, until the conclusion of the sixth Annual General Meeting to be held in the year 2029 and that the Committee of Management had been authorized to fix such remuneration or increase thereof as may be determined in consultation with the Auditors.

(b) During the last week of December 2024, the Company received a letter stating that M/s. Karra & Co., the Auditors of the Company, have merged with M/s. Banshi S. Mehta & Co., and consequently the name M/s. Karra & Co., is to be substituted with the name M/s.Banshi S. Mehta & Co., and the merged firm, to be the Auditors of the Company, and that the Institute of Chartered Accountants of India, had taken on record the merger.

(c) In this background and considering that a casual vacancy had arisen as a result of the changed status of M/s. Karra & Co., the Committee of Management of Madras Race Club, had accorded approval for appointing M/s. Banshi S. Mehta & Co., Chartered Accountants, as one of the Joint Statutory Auditors on payment of Rs.3,50,000/- plus GST for the financial year 2024-2025 to hold office till conclusion of the ensuing Annual General Meeting to be held for the year 2024-25.

(d) The Committee of Management recommend the appointment of M/s. Banshi S. Mehta & Company, Chartered Accountants, as Auditors of the Club jointly along with M/s. V.D.S.R. & Company, Chartered Accountants, M/s. S. Venkatram & Co., Chartered Accountants, M/s. P.B. Vijayaraghavan & Co., Chartered Accountants and M/s. N.C. Rajagopal & Co., Chartered Accountants, earlier appointed at the Annual General Meeting held on 2nd August 2024, to hold office till conclusion of the Annual General Meeting to be held in the year 2029, on this stipulated remuneration of Rs. 3,50,000/- plus GST per annum.

Except M/s. Banshi S. Mehta & Company, Chartered Accountants, being the appointee, none of the Members of the Committee of the Management or Key Managerial Personnel of the Club or their relatives is concerned or interested, financially or otherwise, in the resolution.

Item No.7

(a) The Government of Tamil Nadu vide its order G.O. (Ms.) No. 343 dated 6th September 2024 terminated the Lease dated 8th March, 1946 in respect of the existing Race Course at Guindy, Chennai-32.

(b) The Club challenged the Termination and during the pending litigation, the Club initiated discussions with the Government of Tamil Nadu, in terms of the Resolution passed at the Extraordinary General Meeting held on 20th November 2024 to arrive at an amicable settlement on the terms outlined in the Resolution.

(c) The parcels of Land proposed by the Government are not suitable, except the Land at Poonampalli, Hosur – Thally Road, measuring approximately 150 acres on the Hosur - Thally Road.

(d) In terms of the resolution passed at the Extra Ordinary General Meeting of the Club Members of the Madras Race Club, the Committee has been authorised to secure land from the Government for relocating the Race Course at no extra cost.

(e) However, during discussions with the Government, the Club was informed that no special rate could be extended while finalizing the terms of the land to be allotted to the Club and costs will be associated with the allotment of land for relocating the Race Course as and when jointly and mutually finalized, and same will be independent of the matter relating to lease rentals which will be determined through the due process of law.

(f) In this context, it has become necessary to modify the earlier resolution so as to facilitate purchase of land as finalized by the Government involving cost independent of the matter relating to claims for lease rentals.

(g) The cost of Purchase of up to 200 Acres of Land cannot be accurately determined at the stage, but the total cost is tentatively estimated to be certainly beyond Rs.10.00 Crores.

(h) In this background, the resolution has been placed before the Members for approval and involving partial modification of the earlier resolution, to purchase up to 200 acres of Land at an appropriate location at a price to be finalized by the Special Committee with the Government of Tamil Nadu, in terms of the provisions of the Articles of Association of the Madras Race Club.

None of the Members of the Committee of the Management or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution.

Item No.8

(a) The Members at the Extra Ordinary General Meeting of the Madras Race Club held on 20th November 2024 while authorising the Special Committee to pursue, negotiate and finalize the proposal of identifying an alternate location in Tamil Nadu for relocating the Race Course had expressly resolved that matters relating to relocation of Race Course and settlement of lease rentals both in respect of premises of the Club at Udhagamandalam and Guindy, Chennai would have to be concluded as a composite proposal with Government of Tamil Nadu.

(b) Discussions were held with the Officials of the Government of Tamil Nadu during the months of December 2024, March 2025 and June 2025 on the subject of relocation of the Race Course and retaining the existing premises pending relocation.

(c) While discussions remain inconclusive, the Government has however clarified that claims pertaining to lease rentals both in respect of the erstwhile premises of the Club at Hobart Park, Udhagamandalam, and the existing premises of the Club in Guindy, Chennai, cannot be the subject matter of bilateral discussions and the claims of about Rs.822.63 Lakhs in respect of Hobart Park and about Rs.12,381 Crores in respect of Guindy, Chennai would stand finalized separately and independently only through the due process of law.

(d) In view of the subject of relocation being delinked from settlement of rental arrears, the resolution has been placed before the Members for approval.

None of the Members of the Committee of the Management or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution.

On behalf of the Committee of Management
FOR MADRAS RACE CLUB

Place : Chennai

Date : 7th July 2025

S. Nirmal Prasad
Secretary



ANNUAL REPORT FOR THE YEAR ENDED 31st MARCH 2025 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, 2025.

I. HOBART PARK, UDHAGAMANDALAM:

(a) The following Writ Petitions had been heard by Justice S.M. Subramaniam and Justice C. Kumarappan of the High Court of Judicature at Madras on 21st June 2024, in the matter relating to levy of lease rentals and related matters pertaining to Race Course at Hobart Park, Udhagamandalam:

- (i) Contempt Petition No.1813 of 2015 filed by Madras Race Club.
- (ii) Writ Appeal No.1997 of 2019 filed by Madras Race Club.
- (iii) Writ Petition No.500 of 2006 filed by Madras Race Club.

(b) The Hon'ble Division Bench of the High Court of Judicature of Madras, while dismissing the above Writ Petitions had held as under:-

- (i) The procedure contemplated under Revenue Standing Order No.24A for fixation of Lease Rentals in respect of Race Course at Udhagamandalam, as held by the Division Bench of the High Court of Judicature at Madras in Writ Appeal No.666 of 2015, would not be applicable, since the Lease had expired and not renewed.
- (ii) The Club was an unauthorised occupant for all purposes and the Government was entitled to initiate action to resume the Government Land by following due process of Law.
- (iii) The Club had not established any right to occupy the public property and the arrears of Lease Rents had not been settled by the Club.
- (iv) The Government had to take appropriate action to ensure that public properties are protected and arrears of lease rents are recovered by following due process.
- (v) The Government to initiate all appropriate action to recover the arrears of lease rent and to resume the land, since the lease was not renewed.
- (vi) The Lease period had expired and that the Club was not entitled to any relief as the renewal of Lease cannot be claimed as a matter of right.

(c) The order dated 21st June 2024 of the Hon'ble High Court of Madras was made available on the website of Hon'ble High Court only on the late evening of 4th July 2024.

(d) However, in the meantime, the District Collector of Nilgiris had served a show cause notice dated 4th July 2024 at 7.38 a.m. on 5th July 2024 at the Udhagamandalam Race Course and had thereafter sealed and locked the premises at Udhagamandalam at 8.30 a.m. on the same day.

(e) The Club had filed the following petitions for Special Lease to Appeal in the Supreme Court of India in matters arising out of the Judgement and order dated 21st June 2024 of the Division Bench of Hon'ble High Court of Judicature, Madras:-

- (i) SLP No. 14422/2024, (ii) SLP No. 14431/2024, (iii) SLP No. 14307/2024, (iv) SLP No. 14474/2024

(f) The following represented the summary of prayers made by the Club:-

Main Prayer:

- (i) To grant Special Leave to appeal to the Club against the final judgement against the order dated 21.6.2024 passed by the Hon'ble High Court of Judicature, Madras in the various Writ Petitions filed pertaining to the Race Course at Udhagamandalam.
- (ii) To pass any further or other orders as the Hon'ble Supreme Court of India may consider appropriate in the facts and circumstances of the case.

Prayer for Interim Relief:

- (i) To grant an ex-parte ad interim stay on the execution and operation of the impugned order dated 21.06.2024 passed by the Hon'ble High Court in Writ Petitions.
- (ii) To direct the Respondents to restore status quo as it existed prior to the impugned order dated 21.06.2024, or at least as of 04.07.2024, thereby allowing the Petitioner to regain possession and use of the leased land, pending the final disposal of the Special Lease Petition.
- (iii) To stay the operation of the Show Cause Notice dated 04.07.2024 that directed the vacating of the land with immediate effect.

(f) The Hon'ble Supreme Court of India consisting of Mr. Justice Hrishikesh Roy and Mr. Justice S.V.N. Bhatti, heard the matter and thereafter dismissed the following Special Leave Petitions on 10th July 2024, considering that the Lease in favour of the Club had long expired:-

- (i) SLP No. 14422/2024,
- (ii) SLP No. 14431/2024
- (iii) SLP No. 14307/2024

(g) The SLP No. 145504/2024 filed by the Madras Race Club, was subsequently heard by the Hon'ble Supreme Court of India, on 30th August 2024 when the following was submitted by the Club with reference to the Order dated 5th July 2024 of the Hon'ble High Court of Madras:-

- (i) The High Court should not have permitted the State Authorities to recover the alleged arrears of rent to the tune of Rs.822,63,04,080/- (Rupees Eight Hundred Twenty Two Crore Sixty Three Lakhs Four Thousand and Eighty only).
- (ii) The absence of formal adjudication on whether any amount is payable towards rent or occupation and use of the Lease Area by the petitioner(s), to the Government.
- (iii) The determination of sum towards arrears of rent or compensation for use and occupation was mandatory for the consequence of recovery of the determined sum.

(h) The Hon'ble Supreme Court consisting of Mr. Justice Hrishikesh Roy and Mr. Justice S.V.N. Bhatti , after hearing the matter, disposed of the Special Leave Petition SPL No. 145504/2024 in the following terms on 30th August 2024:-

5. On consideration of the rival submissions and having regard to the order passed on 10th July 2024 by this Court, it is clarified that the said order was in the context of the decision of the respondents to resume the land on expiry of the lease period. The Court upheld the State's decision to take possession of the land. But in the said proceeding, there was no occasion for this Court to endorse any sum payable by the Petitioner (s) towards rent or arrears. Nor any argument was advanced on this aspect by the contesting parties.

6. Having given the above clarification in the context of the order dated 10.7.2024 in the SLP (Civil) No.14422 of 2024, we are of the view that instead of keeping this matter pending, the petitioner(s) should be permitted to response to the show cause notice dated 04.07.2024, where under the arrears are demanded from the petitioner(s). All legal contentions towards legitimacy of the demand are left open to the petitioner(s). The arrears of lease will then be adjudicated by due process, by the competent authority of the Government."

- (i) The District Collector of Nilgiris vide Order dated 20th September 2024, however, directed the Club to pay the alleged sum of Lease Rent arrears of Rs. 822,63,04,080/- relating to the period from 1st January 2001 to 30th June 2023, while continuing to retain possession of the property of the Club, in the context of the premises at Hobart Park, Udthagamandalam, having been sealed by the District Collector, Nilgiris, on 5th July 2024.
- (j) The Club has filed a writ Petition in the Hon'ble High Court of Judicature at Madras to quash the proceedings, relating to lease rentals at Hobart Park, Udthagamandalam on the ground that the order dated 20th September 2024 was passed by the Collector in complete violation of Hon'ble Supreme Court's Order in SLP (Civil) No.14474 of 2024 dated 30.08.2024, wherein the order of Hon'ble Supreme Court had directed the State Authorities / to adjudicate separately, following due process in determining the arrears of lease rents and did not endorse any sum payable by the Club towards arrears of rent.
- (k) The Club is awaiting the appointment of a Competent Authority for determining the arrears by due process, in terms of the order dated 30th August 2024 of the Hon'ble Supreme Court of India.
- (l) The final amount when determined, would have to duly factor the value of the assets of the Club, currently in possession of the Government at Hobart Park, Udthagamandalam.
- (m) In the light of the above, legal proceedings and the matter being sub judice, and with determination of amounts payable still pending adjudication by the Competent Authority, and based on legal advice, the gross and net written down value of the fixed assets of the Club at Hobart Park, Udthagamandalam, would for the present continue to be reflected in the books of accounts of the Club respectively at Rs.11.31 crores and Rs.7.34 crores.
- (n) In the background of the premises of the Club at Hobart Park, Udthagamandalam having been sealed and the erstwhile Race Course having been earmarked for development of an Eco Park, the activities of the Club including racing and off course betting stand terminated at Hobart Park, Udthagamandalam.
- (o) Consequently, the Udthagamandalam Races at Hobart Park ,will no longer feature in the Racing Fixtures of the Madras Race Club.

2. LEASED LAND AT MADRAS RACE CLUB, GUINDY, CHENNAI:

(a) The Madras Race Club entered into a lease agreement on May 7, 1923, for an initial period of 30 years and this was later extended for a period of 99 years, under a lease agreement dated March 8, 1946, with the Governor of Madras, effective from April 1, 1945, to March 31, 2044.

(b) The Club has consistently paid all lease rentals at the agreed rate including remitting an amount of Rs. 25,215/- in advance in March 2003, towards Lease rentals for the period 1.5.2004 to 30.04.2044, to the Government of Tamil Nadu in compliance with Government Letter No.A2/2094/90 dated 14.2.2003.

(c) In this background, the demands for an exorbitant increase in lease rentals by the Government of Tamil Nadu and with retrospective effect from 1st July 1974, as under, have been disputed by the Club and challenged in Writ Petitions filed by the Club in the Hon'ble High Court of Madras:-

(Rs. in Lakhs)

| Sl.No. | Particulars | 2024-2025 | 2023-2024 |
|--------|--|--------------|--------------|
| 1. | (i) Arrears of revised Lease Rent as demanded on 31 st August 2017 – from 01.07.1974 to 30.06.2004. | 92,105.54 | 92,105.54 |
| | (ii) Arrears of Revised Lease Rent from 2004 till 31.03.2023. | 12,38,135.24 | 12,38,135.24 |

(d) In connection with the 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 even Hundred and Thirty Crores Eighty Six Lakhs and Eighty One Thousand Two 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 arrears of revised rent for the relevant period from the year 2004 till date (roughly calculated by the respondents as Rs. 12,38,135,24 (Rupees Twelve thousand three hundred and eighty one crores thirty five lakhs twenty four thousand 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."

(e) The Club had filed appeals WA 897/2023, WA 898/2023, WA 890/2023, CMP 8951/2023, CMP 8949/2023, CMP 8947/2023, CMP 8943/2023, CMP 8926/23 and CMP 8925/2023, challenging the order in W.P. No. 29644 to 29646 of 2017, which had been heard by the Division Bench of the Hon'ble High Court of Madras.

(f) The Division Bench of the Hon'ble High Court of Madras, presided over by Acting Chief Justice heard the matter on 19.4.2023 and made the following observations while directing parties to maintain status quo and this interim order has been extended from time to time.

7. A perusal of G.O. Ms. No.1934, Revenue Department, dated 25.10.1945 (annexed with the typed-set of papers found at page 124 in W.A. No. 897 of 2023) clearly shows leasing out of the property in question to the appellant Madras Race Club for a period of 99 years with effect from 1.4.1945 subject, to the payment of Rs.614.13-0 (Rupees Six hundred and fourteen and annas thirteen only), excluding all rates, taxes, cesses, charges and outgoings etc.

8. In the absence of any clause for enhancement of the rent in the lease agreement are the respondent authorities competent to unilaterally enhance the rent for the property in question is the moot point to be considered in these appeals. However, the said pivotal factor was not considered by the learned Single Judge. Therefore, we are of the view that the matter needs to be examined elaborately.

9. List the appeals on 20.5.2023 for arguments. In the meanwhile, the parties are directed to maintain status-quo."

(g) During one such hearing, the Division Bench consisting of Justice S.S. Sundar, and Justice K. Rajasekar briefly heard the matter arising out of W.A.Nos.890,897 & 898 of 2023 on 4th September 2024 and thereafter, the following order had been passed, as per the operative part reproduced hereunder:

3. "Though the direction of learned Single Judge in Para No.82(3) of the impugned order is stayed by this Court, this Court clarifies that it is open to the respondents to terminate the lease, if it is permissible in law. This need not be taken as a direction, since this Court only clarifies the scope of interim order. This order is without prejudice to the contentions or legal issues that may be raised by the writ petitioner/appellant, in case the lease is terminated. It is also made clear that this court has neither heard the parties nor has expressed its opinion on the right of the respondents to terminate the lease as per the terms and conditions of the lease deed.

4. Post the matter on 25.09.2024".

(h) During the pendency of the legal proceeding, a large Police contingent along with Staff of the Revenue Department and the Tahsildar, Guindy and Velachery entered the Race Course around 7.30 a.m. on Monday,9th September 2024 and thereafter Government Order (Ms) 343 dated 6th September 2024 issued by the Principal Secretary to the Government, Revenue, and Disaster Management Department. Land Disposal Wing, (LD.2(1)) Section was served on the Secretary of the Club, and the premises thereafter was sealed in terms of the operative order, reproduced here under :-

"20. At the time of lease, the lands were outside Chennai District/City in erstwhile Chengalpattu District. Now with the increased urbanization, the Chennai District consisting of Greater Chennai Corporation and newly added villages of neighbouring districts has made the demised land occupy the heart of the city. The lands now serve a limited purpose of few individuals who are interested in horse racing, recreation and entertainment. It is in overall public interest that such invaluable green area occupied by the race course grounds is made accessible to the larger public of Chennai by provisioning of public utilities, public offices, public gardens and public open spaces. Accordingly, Government after careful consideration of the report of the District Collector and keeping in view the overall requirement of land for public purposes, invoking the clause(iii) of the lessor covenants with the lease as per the Lease Agreement dated 08.03.1946 and clause 8(d)(ii) of RSO24A hereby take a decision to terminate the lease granted to M/s. Madras Race Club and resume the lands in entirety.

21. The District Collector, Chennai is requested to take physical possession of the demised lands forthwith. The lessee/Madras Race Club may apply to the District Collector, Chennai for removal of any movable properties available in the land within a period of 14 days of this order and said items should be inventoried and handed over to the Madras Race Club under acknowledgement by the District Collector, Chennai. The lessee/Madras Race Club may also apply to the District Collector for the compensation of the duly permitted structures as per clause (vi) of the lease agreement within a period of 30 days of this order.

22. The District Collector, Chennai is requested to keep possession of the lands till further orders”.

(i) During the subsistence of the lease, which was valid from 1st April 1945 to 31st March 2044, the Government of Tamil Nadu had terminated the lease, citing alleged violation with regard to the terms and conditions of the lease, primarily on the grounds of permitting activities of Gymkhana Golf Annexe, and commercially exploiting the structure on the premises leased to the Club and citing discrepancy in land records.

(j) In addition, the Government had terminated the lease citing the overall requirement of the land for public purposes and the following clauses had been invoked to terminate the lease dated 8th March 1946, despite the lease rentals having been paid in advance:-

- (1) Clause (iii) of the Lessor covenants with the lease as per the Lease Agreement dated 08.03.1946.
- (2) Clause 8 (d)(ii) of Revenue Standing Order 24A.

(k) Following the serving of the Government Order, No. 343 dated 6.9.2024 on Monday, 9th September 2024 at 7.30 a.m. on the Club, the premises had been sealed at around 8.00 A.M. in the morning on Monday, 9th September 2024, and thereafter all activities at the Club covering exercise and training of horses had come to a standstill including Pari Mutuel and that further no person/employee/racing patrons had been allowed to enter the premises of the Club.

(l) The Club had thereafter moved the Division Bench of the Hon'ble High Court of Madras in the morning of 9th September 2024, when the following principal observations had been made by the Division Bench consisting of Justice Mr. S.S. Sundar and Justice Mr. K. Rajasekar, in Writ Appeal Nos. WA Nos. 890,897 & 898 of 2023.

4. “It is to be noted that G.O.343 is not challenged before this Court and it is for sure that the appellant will challenge the proceedings to follow. However, the learned Senior Counsel appearing for the appellant made a mention before this Court in the morning for an urgent motion on the premise that pursuant to G.O. 343, which was served this morning at 08.00 a.m. on the appellant, there is battalion of police force gathered in the appellant's premises for the purpose of carrying out unlawful eviction.

5. Learned Advocate General appearing on behalf of the respondents, on instructions, submitted that G.O.343 is only for the purpose of communicating the decision to terminate the lease and it need not be read that they have also directed resumption of land by taking possession in the said Government Order.

6. Learned Advocate General also submitted that the Government will pass separate proceedings to terminate the lease and will thereafter, initiate proceedings to take possession of the land in the manner known to law.”

(m) In the light of the above developments, the police contingent and the staff of the Revenue Department and the Tahsildar, Guindy, and Tahsildar, Velachery, left the premises at around at 3.00 PM on 9th September 2024, after unlocking selected gates and following which, employees could enter the premises and Pari Mutuel activity resumed on the subsequent day on Tuesday, 10th September 2024, with entry of employees and racing patrons being regulated through the Main Gate.

(n) However another letter dated 9th September 2024 addressed to the Club by the Principal Secretary to Government Revenue and Disaster Management Department, Government of Tamil Nadu, was served on the Club at 10.00 p.m. on Tuesday, 10th September 2024 terminating the Lease with effect from 6.9.2024 and resuming the demised premises with effect from 9.9.2024.

(o) Alongside, another letter dated 9th September 2024, addressed by the District Collector, Chennai, was served on the Club at 10.05 p.m. on Tuesday, 10th September 2024 resuming possession of the demised premises with effect from 8.00 a.m. on 9th September 2024 while communicating the following:-

- (i) "To surrender full & final possession of the buildings mentioned in the annexure to this letter within 15 days from the date of receipt of this notice, failing which necessary action will be initiated regarding the same.
- (ii) To use the paddock area under Government Possession for training of the horses in the morning and evening for 15 days only through Gate No.3A.
- (iii) To permit access as already provided through Gates 1,4, & 6 of the premises for the Club to carry on activities including already committed private events and necessary upkeep of the horses including their exercises, etc."

(p) The Club is in full and complete possession of 140.01 acres leased by the Government of Tamil Nadu and has complete access to the premises of the Club in the leased land, while 20.85 acres represent areas encroached and other public utilities.

(q) During the hearing of the Writ Appeal by the Division Bench of the Hon'ble High Court of Madras, consisting of Justice Anita Sumanth and Justice N. Senthil Kumar on 4th June 2025, the Advocate General of Government of Tamil Nadu submitted on behalf of the Government of Tamil Nadu, that the Madras Race Club had made a request for allotment of land outside Chennai and that it was under consideration of the Government.

(r) The hearing relating to revised lease rentals was adjourned on 4th June 2025 and has now been listed for hearing on 14th July 2025 before the Division Bench of the Honourable High Court of Madras and in the meantime the interim order dated 19.4.2023 of the Division Bench of the Honourable High Court of Madras staying the operation of the order dated 29th March 2023 of the Single Judge of the Honourable High Court of Madras continues to remain in force.

(s) The Club has filed a civil suit before the Hon'ble High Court of Madras challenging the termination of the lease and in a petition separately filed by the Club before the Hon'ble High Court of Madras, the Government of Tamil Nadu mentioned to the Court, through its Counsel, that Government will not precipitate matters as efforts were being made to arrive at an amicable settlement.

(t) The Civil Suit which was briefly heard on 2nd and 4th July 2025 has now been listed for hearing in the Hon'ble High Court of Madras on Wednesday, 16th July 2025 and the Hon'ble High Court of Madras in its Order dated 4th July 2025 in O.A. No. 401 & 402 of 2025 and A. Nos. 2037,2038, 2039 and 3094 of 2025 in C.S No. 81 of 2025, has notified as under:-

"2. Learned Senior Counsel on either side had seriously disputed the claims about the possession of the lands. It is the case of the learned Senior Counsel appearing for applicants is that the plaintiff is still in possession of lands. However, the same was disputed by the respondents 1 & 2 that the possession of the lands had been taken by them as early as on 09.09.2024 and thereafter, ponds have also been dug up in the said lands, which has effectively prevented the water logging during the North East Monsoon in the year 2024.

3. This Court can prima facie decide on the claim of the possession during the hearing of the application.
4. Since there is serious disputes with regard to possession, the parties shall maintain status-quo as of today. However, the Horticulture Department is permitted to receive the tender documents and shall not further proceed to evolve any third party interest.
5. List the case on 16.07.2025."

3. DISCUSSION WITH GOVERNMENT OF TAMIL NADU:

(a) Without prejudice to the legal rights of the Company and pending legal proceedings, and in terms of the resolutions passed in the extraordinary General Meetings of the Madras Race Club held on 20th November 2024 to explore the potential path forward so as to ensure the longevity of Racing in the State of Tamil Nadu, discussions were initiated with the Government of Tamil Nadu on the following proposals, subject to the proposals being part of a composite scheme of arrangement:

- Government of Tamil Nadu to assist in Identification of an alternate location in Tamil Nadu, preferably at Hosur with a minimum of 300 acres of land to develop a new race course.
- Government of Tamil Nadu to allot the identified land for being assigned and registered in the name of Madras Race Club, at no extra cost, considering the nature of the sports activity to be pursued in such lands.
- Madras Race Club to be permitted to retain possession of the Guindy Race Course, Chennai, under the existing lease agreement for a period of 18 months from the date the possession of the alternate land parcel is handed over by the Government of Tamil Nadu to the Club.
- Madras Race Club to be permitted to retain approximately 10 acres of land adjoining the Guindy Lodge for sports and recreational activities for Club Members and Patrons.
- Madras Race Club to be suitably compensated in monetary terms to establish a new Race Course.
- Government of Tamil Nadu to extend full support to the Madras Race Club in establishing the new race course by March 2026.
- Government of Tamil Nadu to permit the Club to utilize Hobart Park in Udthagamandalam for hosting races for 90 days from 1st March to 31st May annually, for the years 2025 and 2026, on concessional terms.
- Government of Tamil Nadu to facilitate settlement of Lease rentals in respect of the Race Course at Udthagamandalam.
- Government of Tamil Nadu to facilitate settlement of Lease rentals in respect of the Race Course at Guindy, Chennai.

(b) Discussions were held with the Officials of the Government of Tamil Nadu during the months of December 2024, March 2025 and June 2025 on the subject of relocation of the Race Course and retaining the existing premises pending relocation.

(c) While discussions remain inconclusive, the following has however been clarified on behalf of the Government of Tamil Nadu:-

(i) Claims pertaining to Lease rentals both in respect of the erstwhile premises of the Club at Hobart Park, Udthagamandalam, and the existing premises of the Club in Guindy, Chennai, cannot be the subject matter of bilateral discussions and the claims would stand finalized separately and independently only through due process of law.

(ii) Facility of the restricted use of Hobart Park, Udthagamandalam, for racing activity of the Club could not be allowed by the Government.

(iii) Government would assist the Madras Race Club in identifying alternate location at Hosur for relocating the Race Course on any other location suggested by the Club, excluding the land jointly inspected by the Officials of the Club and the Government at Poonampalli, Hosur- Thally Road, Hosur, notwithstanding the fact that there was no obligation cast on the part of the Government to identify and allot alternate land for relocating the Race Course.

(d) The Claim for Rentals in respect of both the premises at Hobart Park, Udthagamandalam and Guindy, Chennai are being contested by the Club.

4. FINANCIAL OPERATIONS:

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

(Rs. in Lakhs)

| Particulars | 2024-25 | 2023-2024 |
|-------------------------------------|-----------------|-----------------|
| Revenue from Racing Activity | 4,457.52 | 4,334.26 |
| Revenue from Club Activity | 1,175.39 | 1,302.39 |
| Other Income | 2,875.89 | 2,818.12 |
| Total Revenue | 8,508.80 | 8,454.77 |
| Racing Activity Expenditure | 5,297.45 | 4,243.82 |
| Club Activity Expenditure | 692.13 | 677.06 |
| Employee Expenses | 857.09 | 855.83 |
| Other Expenses | 1,322.65 | 1,954.73 |
| Less Total Expenditure | 8,445.44 | 7,731.44 |
| Surplus Before Depreciation and Tax | 330.87 | 723.33 |
| Less: Depreciation | 267.50 | 278.80 |
| Surplus before Tax | 63.36 | 444.53 |
| Less: Tax | 43.10 | 133.80 |
| Surplus/(Deficit) after Tax | 20.26 | 310.73 |



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

(Rs. in Lakhs)

| Sl.No | Particulars | 2024-25 | 2023-24 | (Difference) |
|--------------------------------|--|----------|----------|--------------|
| Increase in Income | | | | |
| 1 | Income from Sponsorship | 474.13 | 74.06 | 400.07 |
| 2 | Income from Rentals | 293.38 | 65.32 | 228.06 |
| 3 | Interest on Term Deposit | 2,475.55 | 2,336.95 | 138.60 |
| 4 | Recovery of Horse Treatment Charges | 484.69 | 360.03 | 124.66 |
| 5 | Income from Riding School | 135.90 | 115.95 | 19.95 |
| 6 | Income from Live Streaming | 77.04 | 66.48 | 10.56 |
| Decrease in Income | | | | |
| 1 | Income from Bookmakers | 969.02 | 1,338.14 | 369.12 |
| 2 | Income from Sales of Food & Liquor | 540.17 | 585.48 | 45.31 |
| 3 | Income from Party Bookings | 124.86 | 159.42 | 34.56 |
| 4 | Income from Gate Money | 145.78 | 177.04 | 31.26 |
| 5 | Income from Tote Commission(Net of GST paid under protest) | 743.95 | 753.28 | 9.33 |
| Increase in Expenditure | | | | |
| 1 | Stakes | 2,850.48 | 2,252.63 | 597.85 |
| 2 | Indian Turf Invitation Cup Weekend Expenditure | 355.73 | Nil | 355.73 |
| 3 | Legal and Professional Charges | 207.10 | 119.47 | 87.63 |
| 4 | Purchase of Equine Medicines | 396.23 | 323.67 | 72.56 |
| 5 | Cups and Trophies | 64.57 | 35.42 | 29.15 |
| 6 | Expenses of Riding School | 31.52 | 10.35 | 21.17 |
| 7 | Equine Laboratory Testing Charges | 78.17 | 63.00 | 15.17 |
| Decrease in Expenditure | | | | |
| 1 | Income Tax | 43.10 | 133.80 | 109.99 |
| 2 | Course Maintenance | 104.78 | 144.47 | 39.69 |

(a) Income from Totalizators (Net of GST paid under Protest) was Rs. 743.95 lakhs, as against Rs. 753.28 lakhs in the previous year.



- (b) Income from Bookmakers was Rs. 969.02 lakhs, as against Rs.1338.14 lakhs in the previous year.
- (c) Income from permitting the temporary use of Race Park was Rs. 293.38 lakhs, as against Rs.65.32 lakhs in the previous year.
- (d) Income from Room Complex was Rs. 129.73 lakhs, as against Rs. 131.76 lakhs in the previous year.
- (e) Income from Parties and Functions hosted in the premises of the Club was Rs.124.86 lakhs, as against Rs. 159.42 lakhs in the previous year.
- (f) Provision of Rs. 145.56 lakhs towards rates and taxes resulted in increased expenditure under the head "other expenses" during the year, as compared to the previous year.
- (g) Closure of betting activity at Udthagamandalam from 4th July 2024, following the Government of Tamil Nadu taking possession of the Race Course at Hobart Park, Udthagamandalam., in terms of the High Court Order dated 21st June 2024, resulted in reduced income at the Totalizator and from Book makers for the year 2024-2025, as compared to the year 2023-2024.
- (h) During the second half of the year, attendance at the Race Course at Guindy, Madras Race Club dropped on an average by about 700 persons per day with aged patrons finding it extremely difficult to traverse the distance to the enclosures through the Main Gate, following the Railway Gate leading to the Race Course from the Guindy Bus Stand being closed and sealed on 9th September 2024 by the Revenue Department, Government of Tamil Nadu.
- (i) Overall, the income during the year increased by about 1%, as compared to the previous year, while expenditure during the year increased by about 5% as compared to the previous year.

5. WORKING RESULTS:

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

| Year | Udthagamandalam / Madras Races | Inter-venue Betting days | Total |
|---------|--------------------------------|--------------------------|-------|
| 2024-25 | 47 | 246 | 295 |
| 2023-24 | 42 | 248 | 290 |
| 2022-23 | 43 | 251 | 294 |
| 2021-22 | 40 | 164 | 204 |
| 2020-21 | 19 | 84 | 103 |

- (b) The Club realized a total revenue of Rs. 8,508.80 lakhs, during the year from its overall operations, as compared to Rs. 8,454.77 lakhs during the previous year.
- (c) The Club earned a surplus of Rs. 63.36 lakhs, during the year, after providing for a depreciation of Rs.267.50 lakhs, as against a surplus of Rs. 444.53 lakhs, after providing for a depreciation of Rs. 278.80 lakhs, during the previous year.
- (d) In the final analysis, the Club recorded a net surplus of Rs. 20.26 lakhs, after tax of Rs.43.10 lakhs, as against Rs.310.73 lakhs, after tax of Rs. 133.80 Lakhs in the previous year.

6. INTERNAL CONTROLS:

- (a) The Club has taken adequate steps to improve the existing financial control over financial reporting as under:
 - (i) Formalized and documented processes including incorporating inbuilt controls in the computerized system.
 - (ii) Designed and implemented adequate internal financial controls for ensuring the orderly, smooth and efficient conduct of business.
 - (iii) Established the adequacy of these controls through a system audit.
 - (iv) Secured data integrity with periodical back up.
 - (v) Standardized operation procedures.
- (b) The assets of the Club are well protected from pilferage/loss under the existing system, and towards achieving better control and 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.

7. THE 63RD EDITION INDIAN TURF INVITATION CUP (GR.I) WEEKEND RACES:

- (a) A request was made by the Madras Race Club for altering the venue of the Indian Turf Invitation Cup Weekend Races, in the context of the recent developments at the Madras Race Club, involving possible temporary disruption of racing activity at Guindy Race Course, Chennai, pending relocation of the race course.
- (b) The Turf Authorities of India unanimously acceded to the request of Madras Race Club and decided to permit the Madras Race Club to host the Indian Turf Invitation Cup Weekend Races on Saturday, 1st March 2025 and Sunday, 2nd March 2025 at Chennai, in lieu of Mysore, with the objective of securing all round participation of Delegates, Owners and Trainers and Racing Fraternity at the Madras Race Club, as a fitting tribute to the long and glorious history of racing at Guindy Race Course from the year 1777.
- (c) The Club hosted the HPSL Royal Arion Indian Turf Invitation Cup Weekend Races on Saturday, 1st and Sunday, 2nd March 2025 at Guindy, Chennai.
- (d) The premier event was sponsored by the Horse Power Sports League Ltd., Hyderabad with a contribution of Rs. 50.00 Lakhs and the balance was contributed by the Turf Authorities.
- (e) The expenditure towards Stakes during the Weekend was Rs. 387,29,000/- apart from Trophies valued at Rs.29,30,000/- as against Rs. 3,61,19,435/- apart from Trophies valued at Rs.23,90,000/- during March 2022.
- (f) The Committee places on record its appreciation of the support extended by the Turf Authorities, Race Clubs, and Sponsors in successfully hosting the Weekend and gratefully acknowledge their valuable and generous contribution.
- (g) The Committee places on record its appreciation of the efforts of the Members of the Organizing Committee, Members of the Club, Race Horse Owners, Race Horse Trainers, Jockeys, Officials, Staff, Stable Employees and Racing Patrons of the Club for the invaluable support extended in conducting an outstanding programme during the Weekend.
- (h) A Golf Tournament was conducted at Chennai with the support of Sponsors on Friday, 28th February 2025 at the Golf Course of the Tamil Nadu Golf Federation.

(i) An expenditure of Rs. 355.73 lakhs was incurred by the Club in hosting social events and towards other non-racing expenditure during the Weekend at Chennai, as against Rs. 335.63 lakhs during March 2022.

(j) The following represent the comparative summary of income/expenditure during the event:-

| Particulars | March 2025 | March 2022 |
|------------------------------------|-------------|-------------|
| Contribution and Sponsorships | 3,76,79,495 | 3,85,96,000 |
| Stakes and Trophies | 3,87,29,000 | 3,61,19,435 |
| Other Expenditure during the Event | 3,55,73,933 | 3,35,63,455 |

8. RACING:

- (a) The Udhagamandalam Races 2024, scheduled over seventeen race days, commenced on 6th April 2024 and fifteen race days were actually conducted at Udhagamandalam, following cancellation of two race days, owing to heavy rains.
- (b) The Madras Races 2024-2025, scheduled over 30 days, commenced from 1st September 2024 and four race days were cancelled due to adverse weather conditions.
- (c) Additional six race days including two days of Invitational Races, were framed during the year and the Club conducted thirty two Race days during Madras Races 2024-2025.
- (d) In all, the Club during the year, conducted 47 race days under the Rules of Racing of Madras Race Club, as against 42 race days during the previous year.
- (e) Stake money was revised as under during the year:-

| Category | Rs. in Lakhs | |
|---------------|--------------|-----------|
| | 2024-2025 | 2023-2024 |
| GRADE 1 | 75.00 | 55.00 |
| GRADE 2 | 20.00 | 30.00 |
| GRADE 3 | 15.00 | 15.00 |
| 2/3 year olds | 11.00 | 11.00 |
| 80 & above | 11.00 | 11.00 |
| 60 to 85 | 8.00 | 7.50 |
| 40 to 65 | 7.00 | 6.50 |
| 20 to 45 | 6.00 | 5.50 |
| 00 to 25 | 5.00 | 4.50 |

- (f) Total Stake money paid by the Club during the year 2024-2025 was Rs.28,50, 48,256/- as against Rs.22,52,62,794/- in the previous year.
- (g) 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 | |
|------------------------------------|----------------------|------|--------------|-------------|
| | 2024 | 2023 | 2024 - 2025 | 2023 - 2024 |
| Number of race days | 15 | 16 | 32 | 26 |
| Number of races run | 90 | 112 | 227 | 184 |
| Aggregate number of runners | 783 | 1017 | 2081 | 1621 |
| Horses which participated in races | 304 | 347 | 478 | 460 |
| Average number of runners per race | 8.07 | 9.08 | 9.16 | 8.76 |

9. SPONSORSHIP SUPPORT:

The Committee places on record its appreciation of the sponsorship support extended by the following for racing events / cup races, sports tournament and other promotional events, during the year 2024-2025, involving a total contribution of about Rs. 4,83,29,815/- during the year.

Udhagamandalam Races 2024

(Rs.)

| Sponsors | Name of Race | Amount |
|---------------------------------|--|------------------|
| HPSL Sports and Leisure P. Ltd. | The HPSL Nigiris Derby Stakes – Grade I | 28,10,487 |
| Mr. Srikanth Badruka | The Badruka Ooty Juveniles Sprint Million | 1,69,492 |
| Mr. Chaduranga Kanthraj Urs | The Sardar K.B. Ramachandraraj URS Memorial Trophy | 50,000 |
| TOTAL | | 30,29,979 |

Madras Races 2024-2025

(Rs.)

| Sponsors | Name of Race | Amount |
|--|---|-----------|
| HPSL Sports and Leisure P. Ltd. | The HPSL South India Derby Stakes - Grade-I | 37,50,000 |
| Olympiad Tech Park (Chennai) Pvt. Ltd. | The Deepak Khaitan Guindy Gold Cup | 6,00,000 |

**Madras Races 2024-2025****(Rs.)**

| Sponsors | Name of Race | Amount |
|--|--|------------------|
| Five Star Shipping Company Pvt. Ltd. | The Nanoli Stud Fillies Mares | 5,00,000 |
| V.S.T. & Sons P. Ltd. | VST Grandeur Trophy | 3,00,000 |
| Usha Stud & Agricultural Farms Pvt. Ltd. | The Usha Stud Million | 3,00,000 |
| Sans Craintes Stud Farm P Ltd. | The Sans Craintes Stud Million | 3,00,000 |
| Dashmesh Stud Farm | The Dashmesh Stud Million | 3,00,000 |
| Mukteshwar Racing LLP. | The Mukteshwar Stud Million | 3,00,000 |
| Mr. Anil Saraf | The Alphabet Million | 1,69,492 |
| Mr. Arun Alagappan | The Cavallo Veloce Trophy | 1,27,119 |
| Kasturi & Sons Ltd. | The G. Kasturi Memorial Trophy | 1,00,000 |
| Kasturi & Sons Ltd. | The K. Srinivasan Memorial Trophy | 1,00,000 |
| Kasturi & Sons Ltd. | The S. Rangarajan Memorial Trophy | 1,00,000 |
| Mr. M. Ravi | The A.M.K.M. AL Muthukaruppan Chettiar Memorial Trophy | 84,746 |
| Kasturi & Sons Ltd. | The S. Parthasarathy Memorial Trophy | 84,746 |
| Vacha Fine Arts | The P.M. Antony Memorial Cup | 84,746 |
| E & A Technology Services LLP | The ENATS LLP Trophy | 50,000 |
| The Madras Race Horse Owners Association | The Madras Race Horse Owners Association Trophy | 50,000 |
| Mr. Karthik Rajasekar | The Shanmuga Rajeshwara Sethupathy Cup | 42,373 |
| Saravanan S & Co | The K.N. Subbiah Cup | 1,27,119 |
| Mr. Chaduranga Kanthraj Urs | The Sardar K.B. Ramachandraraj Urs Memorial Trophy | 75,000 |
| Mr. Chaduranga Kanthraj Urs | The Smt. Gayathri Devi Memorial Trophy | 75,000 |
| TOTAL | | 76,20,341 |

The Indian Turf Invitation Cup Weekend Races – March 2025

(Rs.)

| Sponsors | Name of Race | Amount |
|---|--|--------------------|
| Turf Authorities of India | Indian Turf Invitation Cup Weekend Races | 1,35,00,000 |
| HPSL Sports and Leisure Private Ltd. | The HPSL Royal Arion Indian Turf Invitation Cup (Gr.I) | 50,00,000 |
| Serum Institute of India P. Ltd. | The Zavaray S. Poonawalla Sprinters Cup (Gr.I) | 26,25,000 |
| Mehra Stud & Agricultural Farms Pvt. Ltd. | The Maj.P.K. Mehra Memorial Super Mile Cup (Gr.I) | 25,00,000 |
| Coromandel International Limited | The Coromandel Gromor Stayers Cup (Gr.I) | 16,94,915 |
| RCTC Association | The Royal Calcutta Turf Club Million | 10,50,000 |
| Royal Western India Turf Club | The Royal Western India Turf Club Million | 10,50,000 |
| Bangalore Turf Club | The Bangalore Turf Club Million | 10,50,000 |
| Hyderabad Race Club | The Hyderabad Race Club Million | 10,50,000 |
| Mysore Race Club | The Mysore Race Club Million | 10,50,000 |
| Delhi Race Club | The Delhi Race Club Million | 10,50,000 |
| Olympia Tech Park (Chennai) Pvt.Ltd. | The Olympia Tech Park Million | 10,50,000 |
| A.V. Thomas & Company Limited | AVT Centenary Million | 10,50,000 |
| Dashmesh Stud Farm | The Justice Kuldip Singh Memorial Million | 10,00,000 |
| Sans Craintes Stud Farm P. Ltd. | The Sans Craintes Stud Million | 10,00,000 |
| Marthand Singh Mahindra | The Suresh Mahindra Multi Million Trophy (Gr.II) | 10,00,000 |
| TOTAL | | 3,67,19,915 |



Promotional Events

(Rs.)

| Sponsors | Name of the Event | Amount |
|---------------------------------------|---------------------------------|-----------------|
| THG Publishing P. Ltd. | The Sports Star Golf Tournament | 2,00,000 |
| V.S.T & Sons Pvt. Ltd. | Promotional Event | 2,00,000 |
| Search Foundation | Promotional Event | 1,00,000 |
| Park Advertising | Promotional Event | 1,00,000 |
| Jomin Animal Health | Promotional Event | 50,000 |
| Three Media Innovations | Promotional Event | 50,000 |
| Original Vel Sporting India Pvt. Ltd. | Promotional Event | 2,59,580 |
| TOTAL | | 9,59,580 |

10. PARI-MUTUEL BETTING:

(a) The following are the details of the collections pool-wise:

(Rs. in Lakhs)

| Particulars | 2024-25 | 2023-24 | 2022-23 | 2021-22 |
|-----------------------|----------------|----------------|----------------|----------------|
| Win Pool | 317.30 | 296.92 | 424.51 | 529.34 |
| S.H. Pool | 105.16 | 114.11 | 169.29 | 181.85 |
| Place Pool | 126.00 | 145.81 | 217.13 | 286.99 |
| Forecast pool | 184.06 | 185.68 | 176.91 | 132.64 |
| Quinella Pool | 150.00 | 153.83 | 164.23 | 106.41 |
| Tanala Pool | 1086.26 | 1162.28 | 1316.46 | 719.37 |
| Treble Pool | 516.61 | 550.37 | 591.09 | 386.11 |
| Mini Jackpot Pool | 309.93 | 304.46 | 286.90 | 181.03 |
| Jackpot Pool | 107.04 | 0.00 | 708.21 | 427.74 |
| Combined Jackpot Pool | 1160.68 | 1236.58 | 538.85 | 303.01 |
| Third Horse Pool | 60.49 | 55.65 | 11.14 | - |
| Show | 0.19 | 0.42 | 0.05 | - |
| Exacta | 14.03 | 66.23 | 26.54 | - |
| TOTAL | 4137.75 | 4272.33 | 4631.30 | 3254.49 |

(b) 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:-

| 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 |
| 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 |

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

(Rs. in Lakhs)

| Year | On-line | Off-line | Total Collections | Revenue |
|-----------|---------|----------|-------------------|---------|
| 2024-2025 | 776.33 | 3361.42 | 4137.75 | 732.64 |
| 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 |

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

| Particulars | At Chennai | | At Udhagamandalam | |
|----------------|------------|------------|-------------------|------------|
| | 2024-25 | 2023-24 | 2024-25 | 2023-24 |
| Mysore | 35 | 37 | 0 | 37 |
| Bangalore | 36 | 46 | 0 | 46 |
| Hyderabad | 49 | 45 | 0 | 45 |
| Mumbai | 26 | 27 | 2 | 27 |
| Pune | 20 | 17 | 0 | 17 |
| Calcutta | 40 | 31 | 4 | 31 |
| Delhi | 40 | 44 | 10 | 44 |
| Madras | 0 | 0 | 0 | 26 |
| Udhagamandalam | 15 | 16 | 0 | 0 |
| TOTAL | 261 | 263 | 16 | 273 |

(e) During the year, betting was conducted at Chennai on 261 days, as compared to 263 days in the year 2023-2024.

(f) During the year with the Race Course at Udhagamandalam having been sealed on 5th July 2024, betting activity at Udhagamandalam was consequently restricted to 16 days as compared to 273 days in the year 2023-2024.

10. DEMAND UNDER REVERSE CHARGE MECHANISM UNDER GOODS AND SERVICE TAX ACT :

(a) The GST Department issued a Show Cause Notice No.14/2024-GST (ADC-HPU) dated 30.7.2024 requiring the Club to show cause within thirty days of receipt as to why:-

- (i) The amount of Rs.60,84,19,676/- (Rupees Sixty Crores Eighty Four Lakhs Nineteen Thousand Six Hundred and Seventy Six only) should not be demanded and recovered towards GST liability under Reverse Charge Mechanism for receipt of the renting of immovable property services from the State Government of Tamil Nadu during the period from 25.01.2018 to 30.06.2023 under Section 74(1) of the CGST/TNGST Act, 2017 in respect of the premises of the Club at the Race Course, Hobart Park, Udhagamandalam.
- (ii) Interest under Section 50 (1) of the CGST / TNGST Act, 2017 should not be demanded from the Tax Payer.
- (iv) Penalty should not be imposed on the Taxpayer under Section with Section 74(1) of CGST/TNGST.
- (v) Penalty should not be imposed on Sri Nirmal Prasad Sreenivasa Murthy under Section 122(3) read with Section 122 (1) (xvii) of the CGST/TNGST Act, 2017.

- (e) After hearing the matter, the Joint Commissioner of GST and Central Excise, Chennai, passed the following order:-
- (i) Confirming the demand of interest at applicable rate on the tax demand confirmed at clause 10
 - (ii) above, under Section 50 (1) of CGST/TNGST Act 2017.
 - (iii) Impose a Penalty of Rs. 60,84,19,676/- (CGST: Rs. 30,42,09,838/- and SGST: Rs.30,42,09,838/- (Rupees Sixty Crores Eighty Four Lakhs Nineteen Thousand Six Hundred and Seventy Six only) under Section 74(9) read with Section 74 (1) of the CGST/TNGST Act, 2017 on the tax demand confirmed at clause 10 (a) above.
 - (iv) Impose a Penalty of Rs. 50,000/- (CGST:Rs.25,000/- and SGST: Rs.25,000/-) on Sri Nirmal Prasad Sreenivasa Murthy under Section 122 (3)(a) read with Section 122 (1)(xvii) of the CGST/TNGST Act, 2017.
- (f) The Club filed a Writ Petition in the High Court of Judicature at Madras challenging the Order on the following grounds:-
- (i) There was no existence of supply and when the supply itself does not exist, the levy of GST falls foul of the charging section of GST.
 - (ii) The Hon'ble Supreme Court by way of SLP No.14474/2024 had categorically clarified that its order dated 10.07.2024 in SLP No.14422 /2024 was only in the context of extension of lease and occupancy of land upon expiry of lease, and the arrears of lease/compensation for use and occupation is however to be adjudicated by due process of law by the Competent Authority of the Government.
 - (iii) The levy itself has no legal authority, since there is no service of renting of immovable property as envisaged under Notification No.13/2017 – CTR given the fact that the lease itself had expired in August 1979.
 - (iv) In terms of Entry 5(a), Schedule-II, the declaration in the context of supply of service is renting of immovable property and when there is no renting of immovable property, there is no supply of renting of immovable property service.
- (g) After hearing the matter, the High Court of Judicature at Madras, vide Interim Order dated 23rd April 2025, stayed the order No.GST/27/2025-GST (JC) dated 21st January 2025, subject to the Club depositing an amount of Rs.3.00 crores and in compliance thereof, the amount has been deposited by the Club.
- (h) In view of the matter being sub judice and with the subject of rentals in respect of the premises of the Club at the Race Course, Hobart Park Udthagamandalam still pending adjudication, and after due consideration of other relevant legal matters, the need for provision relating to the demand is not considered necessary by the Club.

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

- (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 only on Totalizator Services.
- (c) In January 2018, a new Rule ie. Rule 31A(3) was introduced in the Central Goods and Services Tax Rules, 2017 ("CGST Rules"), where the value of supply of bets was 100% of the bet value paid into the Totalizator.
- (d) As a result, the Race Clubs became liable for GST on the bets placed by Punters and overnight, the Race Clubs were effectively re-characterised as bet supplier even though Race Clubs cannot, and do not, indulge in placing bets on races.

(e) In the light of the above developments and in the absence of relief from the Government of India, on the several representations made by the Turf Authorities seeking levy of taxes only on the services rendered by the Club at the Totalizator and not on the bet amount, all the Turf Authorities had individually filed Writ Petitions in their respective High Courts seeking the following relief:-

(i) Declare Rule 31A(3) of the Central Goods and Services Tax Rules, 2017 as amended in terms of notification dated 23.01.2018 as ultra vires the provisions of the Central Goods and Service Tax Act, 2017 and resultantly, quash the same.

(ii) Declare Rule 31A of the respective State Goods and Services Tax Rules, 2017 as ultra vires the provisions of the State Goods and Services Tax Act, 2017 and resultantly quash the same.

(iii) Quash the clarification/Circular No.27/01/2018-GST dated 4.1.2018.

(f) Thereafter, an amendment had been effected to the CGST Rules in 2023 vide Notification No.11/2023 dated 29th September 2023 to the effect of levying tax on the entire amount deposited into the Totalizator.

(g) In this context, each Turf Authority had legally challenged the constitutional and legal validity of the following Amendments to the CGST Act in September 2023, in their respective High Courts, by filing appropriate Writ Petitions individually:

- Proviso to S 2(105), S 2 (80B), S 2(102A)
- Para 6 of Schedule III in relation to betting and/or horse racing.
- S 15 (5) of the CGST Act, Rule 31A (3) and the Rule 31B of the Central Goods and Services, Act, 2017.
- Entry 229 and Entry 227A of Notification No.06/2018 dated 25th 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.

(h) Each of the Turf Authorities thereafter moved the Hon'ble Supreme Court of India seeking transfer of both sets of Writ Petitions filed in their respective High Courts to the Hon'ble Supreme Court of India.

(i) On behalf of all the Race Clubs in India, 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.

(j) This matter is listed for hearing on Tuesday, 15th July,2025 in the Hon'ble Supreme Court of India for final hearing and disposal.

12. 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 2025, 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, 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.

POST-AMENDMENT

Any person, being a bookmaker or a person to whom a license 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.

(b) The revised manner of deducting Taxes at Source would help to considerably improve the scale of Totalizator betting on racing, particularly online, following the reintroduction of the patron friendly measure and the consequent ease in operations.

13. SETTING ASIDE DEMAND OF RS.137.92 Cr FOR CAPITAL GAINS UNDER THE INCOME TAX ACT 1961:

(a) On an appeal filed by the Club against the Order dated 21st January 2024, of the Commissioner of Income Tax (Appeal)-18, Chennai, for the Assessment Year 2007-2008, the Income Tax Appellate Tribunal, Chennai has adjudicated as under:-

(i) To set aside the Order of Re-assessment dated 24th October 2014 for the Assessment Year 2007-2008 on the ground that the reopening was without jurisdiction.

(ii) To quash the Order of the Re-assessment and the order dated 21st January 2024 of the Commissioner of Income Tax (Appeals)-18, Chennai, for the year 2007-2008.

(b) The Income Tax Appellate Tribunal had made the following observations in its order dated 16th October 2024, while concluding the proceedings quashing the order dated 21st January 2024 and the Order of Reassessment dated 24th October 2014:-

- (i) In the Order of Re-assessment, the Assessing Officer had treated the lease agreement between Madras Race Club and DLF Retail Developers Limited (DRDL succeeded by DLF Energy Private Limited) in respect of the "Race Hall" land as a deemed sale and had applied provisions of Section 50C and had determined the demand of Capital Gains at Rs.137.92 Crores.
- (ii) The original Lease dated 20.12.2006 and subsequent supplementary Lease deeds were registered by the Stamp Authorities only as Lease deeds and not as a sale deed.
- (iii) There was no transfer of full ownership and the deed provided for return of property after certain years and further it was only a lease deed and Section 50C does not apply to a Lease Deed.
- (iv) The Assessee had offered capital gains on sale of this property for the Assessment year 2019-2020.

- (v) The sale deed executed on 13.4.2018 was the proper sale of the property and not under the lease deed dated 20.12.2006.
- (vi) The Terms of the lease deed clearly stipulated return of property on the termination of the lease and hence, factually as well as legally, the Lease deed dated 20.12.2006 cannot be considered as a sale deed.
- (vii) The Assessing Officer had reopened the original assessment with no fresh tangible material but based on the material available in the assessment records.
- (viii) The Order of Reassessment dated 24.10.2024 for the Assessment Year 2007-2008 required to be set aside on the ground that reopening was without jurisdiction.

14. SIGNIFICANT INCOME TAX RELATED MATTERS:

The following items of Income Tax (excluding interest and penalty, if any) are under dispute, and the Appeals are pending disposal before the Commissioner of Income Tax (Appeals).

| S.No. | Assessment Year | Demand – Rs. | Status |
|-------|-----------------|--------------|---|
| 1. | 2018-19 | 1,13,41,587 | Sec.143(1) intimation received. Appeal pending before Commissioner of Income Tax (Appeals) –Orders are pending. |
| 2 | 2018-19 | 1,77, 56,230 | Orders passed by Deputy Commissioner of Income Tax – Proportionate Common Exp. Disallowed in MAT – Appeal filed – Pending before CIT (A). |
| 3. | 2019-20 | 89,06,640 | Orders passed by DCIT– Proportionate Common Exp. Disallowed in MAT and adoption of guideline value – Appeal filed – Pending before CIT |
| 4. | 2020-21 | 4,62,993 | Orders passed by DCIT– Proportionate Common Exp. Disallowed in MAT – Appeal filed – Pending before CIT (A) |
| 5. | 2021-22 | 1,48,55,720 | Orders passed by DCIT- Proportionate Common Exp. Disallowed in MAT – Appeal filed – Pending before CIT (A). |
| 6. | 2022-23 | 17,90,120 | Orders passed by DCIT – Proportionate Common Exp. Disallowed in MAT – Appeal filed – Pending before CIT (A). |
| 7. | 2023-24 | 60,94, 580 | Orders passed by DCIT– Proportionate Common Exp. Disallowed in MAT – Appeal filed – Pending before CIT (A). |

15. SIGNIFICANT STATUTORY RELATED DEMANDS:

The demands as listed below are being contested:

(Rs. in Lakhs)

| Sl.No | Particulars | As at 31.3.2025 | As at 31.3.2024 |
|-------|--|-----------------|-----------------|
| 1 | Income Tax under dispute (excluding interest) | 612.08 | 7185.95 |
| 2 | T.D.S Defaults | 1.99 | 4.53 |
| 3 | GST matter under dispute | 12,168.40 | - |
| 4 | Employees State Insurance (Excluding Interest) | 105.18 | 105.18 |
| 5 | Property, Water and Sewage Tax | 950.81 | 805.25 |

16. 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 | 2024-25 | 2023-24 | 2022-23 |
|-------|--------------------------------|---------|---------|---------|
| 1 | Entertainment Tax | 15.52 | 14.68 | 17.41 |
| 2 | Value Added Tax | 23.52 | 23.82 | 21.85 |
| 3 | Central Goods & Service Tax | 699.08 | 518.88 | 424.23 |
| 4 | State Goods & Service Tax | 699.08 | 518.88 | 429.94 |
| 5 | Integrated Goods & Service Tax | 48.85 | 0.00 | 24.08 |

- (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.

17.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 | 27 th June 2024 | 10 | Corporate Office / Zoom Network |
| 2 | 22 nd July 2024 | 10 | Zoom Network |
| 3 | 3 rd August 2024 | 12 | Zoom Network |
| 4 | 11 th September 2024 | 13 | Zoom Network |
| 5 | 16 th September 2024 | 14 | Corporate Office |
| 6 | 22 nd September 2024 | 11 | Corporate Office / Zoom Network |
| 7 | 18 th October 2024 | 9 | Corporate Office / Zoom Network |
| 8 | 6 th January 2025 | 9 | Zoom Network |
| 9 | 13 th January 2025 | 9 | Corporate Office |
| 10 | 25 th January 2025 | 8 | Corporate Office / Zoom Network |
| 11 | 20 th February 2025 | 8 | Corporate Office |
| 12 | 10 th March 2025 | 7 | 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 Friday, 2nd August 2024 at the Registered Office situated at Guindy, Chennai – 600 032 and also through Video Conference (“VC”) facility / Other Audio Visual Means (‘OAVM’).
- (d) An Extra- Ordinary General Meeting of the Club was held on Wednesday, 20th November 2024 at the Registered Office situated at Guindy, Chennai – 600 032 and also through Video Conference (“VC”) facility / Other Audio Visual Means (‘OAVM’).

18. 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 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, 8th August 2025 at the premises of the Club and also through Video Conference (“VC”) facility / Other Audio-Visual Means (“OAVM”):-

| Sl.No | Retiring Member of the Committee of Management | Appointed in the Annual General Meeting Held On | No. of Years in the Committee of Management |
|-------|--|---|---|
| 1 | Mr.Chaduranga Kantharaj Urs | 14 th December 2022 | 3 |
| 2 | Mr. SP Lakshmanan | 14 th December 2022 | 3 |
| 3 | Mr. Ramesh Rangarajan | 14 th December 2022 | 3 |

- (c) The above 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.
- (d) Mr.Arun Alagappan who would have ordinarily retired by rotation at the ensuing Annual General Meeting, resigned during the year. Mr.N.Sudhakar was appointed as a Member of the Committee of the Management in the casual vacancy and holds Office till the ensuing Annual General Meeting. Mr.N.Sudhakar has given his consent for being appointed as a Member of the Committee of Management, liable to retire by rotation.

19. 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, 2025 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.

20. PROPERTY TAX AND METRO WATER TAX:-

- (a) The basis of assessment of Corporation Tax in respect of 12 properties at the Club were disputed during the previous year and a total provision of Rs. Rs.8,05, 25,116/- had been made in respect of the demand for payment of Corporation Tax and Metro Tax for the period from 1st April 2001 to 31.03.2024, after considering the earlier adhoc payment of Rs.50.00 lakhs paid by the Club in respect of these properties.
- (b) During the year, the Corporation has raised a demand of Rs. 99,22,693 lakhs in respect of the 12 disputed properties for the financial year 2024-2025 in respect of Property Tax and Metro Tax.
- (c) The above assessment has been made by the Corporation pursuant to the proceedings dated 20th October 2023 of the Additional Commissioner (Revenue & Finance), Greater Chennai Corporation, received on 1st February 2024.
- (d) The Club has submitted detailed submissions to the Additional Commissioner (Revenue & Finance) vide letter dated 12th February 2024, in relation to the proposed demand and the response of the Corporation is awaited on the following primary submissions of the Club:-
 - (i) Categorizing the Stables as residential as against commercial.
 - (ii) Restricting the revision of Rates coinciding with the period when general revision was given effect to across the City.
 - (iii) Eliminating any revisions beyond the general revision.
 - (iv) Allowing Rebate on gallery area.
 - (v) Factoring the age of the Building.
 - (vi) Waiving of Penalty.

- (e) Pending receipt of the response from the Corporation and the evaluation of the option of filing an appeal, the Club, as a matter of abundant caution, has made a total provision of Rs. 9,50,81,180/- as on 31st March 2025, including Rs. 1,45,56,064/- during the year 2024-2025 and Rs. 8,05,25,116/- during the previous year, in respect of the demand towards payment of property tax and metro tax in respect of 12 properties, which revised assessment is under dispute.
- (f) The Club, however, in the meantime, has been remitting Property Tax and Metro Tax annually in respect of twenty other identified properties at the Club, which assessment has not been disputed by the Club.

21.TURF AUTHORITIES:

- (a) The Turf Authorities have considered it desirable to address the need for formalizing norms for being adopted in the future in the matter of determining eligibility for the category of "Permanent Invitees" who have contributed extensively and significantly to the Sport of Horse Racing.
- (b) The Turf Authorities have also deemed it fit to adopt a policy of introducing with effect from 1st April 2025, a ceiling of the number of Permanent Invitees per Club, and pursuant to which, a maximum of 12 has been stipulated for each of the Turf Authorities and 7 in respect of Delhi Race Club, subject however to the following:-
 - (i) The existing number of Permanent Invitees, prevailing at 14 at a few of the Centres not being affected in terms of the new norms.
 - (ii) The individual Centres having the liberty of recommending nominations from their Centre only in the event of there being less than the maximum revised limit now stipulated and the nominations from the ensuing year not exceeding the ceiling of 12 in respect of each Turf Authority and 7 in respect of Delhi Race Club.
- (c) The Turf Authorities have deferred the proposal of conducting an International Racing Carnival at Hyderabad in December 2025, under the aegis of Turf Authorities of India, due to logistics related issues.
- (d) The 40th Asian Racing Conference was held in Tokyo, Japan in August / September 2024 for the fifth time in Japan, since the inaugural conference at Tokyo in 1960 and the central theme of the Conference was **"The Need for Unity-both Globally and Locally"**.
- (e) The 41st Asian Racing Conference will be held in Riyadh, Saudi Arabia in the year 2026 and would be hosted by the Jockey Club of Saudi Arabia in conjunction with the Asian Racing Federation.
- (f) The 58th International Conference of Horse Racing Authorities was held at Paris, France on Monday, 7th October 2024 and the focus of the Conference was on Racing Integrity and a New Racing Integrity Book developed by the IFHA was also released.
- (g) The contents of the New Racing Integrity Book is best captured in the words of the Chairman of the International Federation of Horse Racing Authority, reproduced hereunder:

"The Handbook is a comprehensive explanation of the components of racing that ensure integrity in the sport. From governance, to the rules, the role of stipendiary stewards, the prevention of prohibited substances use, horse welfare, betting, anti-corruption, and to education for participants in racing, the Handbook covers all areas of running of racing.

The Handbook is an international resource for use by all jurisdictions. Racing is a truly diverse sport that differs slightly in how it is conducted around the world, but the principles of integrity do not change anywhere in the world. Integrity is the basis for any sport, and it is key that we have a level playing field for all participants, with races conducted in a fair, honest, safe and transparent manner so that each horse (and its connections) has every possible chance to win or obtain the best possible placing in a race.”

22. 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 firms of Chartered Accountants were appointed as Auditors in the Annual General Meeting held on 02.08.2024 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 | 02.08.2024 | FRN001626S |
| 2 | M/s.Karra & Co., | 02.08.2024 | FRN001749S |
| 3 | M/s.S.Venkatram & Co.,LLP | 02.08.2024 | FRN004656S/S20095 |
| 4 | M/s.P.B.Vijayaraghavan & Co., | 02.08.2024 | FRN004721S |
| 5 | M/s.N.C.Rajagopal & Co., | 02.08.2024 | FRN003398S |

- (c) During the last week of December 2024, the Company received a letter stating that M/s. Karra & Co., the Auditors of the Company, have merged with M/s. Banshi S. Mehta & Co., and consequently the name M/s. Karra & Co. , is to be substituted with the name M/s. Banshi S. Mehta & Co., and the merger firm, to be the Auditors of the Company, while noting that the institute of Chartered Accountants of India, had taken on record the merger.
- (d) In this background and considering that a casual vacancy had arisen as a result of the changed status of M/s. Karra & Co., the Committee of Management of Madras Race Club, had accorded approval for appointing M/s. Banshi S. Mehta & Co., Chartered Accountants, as one of the Joint Statutory Auditors on payment of Rs.3,50,000/- plus GST for the financial year 2024-2025, to hold office till conclusion of the ensuing Annual General Meeting to be held for the year 2024-2025.
- (e) The resolution in the matter of appointment of M/s. Banshi S. Mehta & Co., Chartered Accountant, as Auditors for the Company along with M/s. V.D.S.R. & Company, Chartered Accountants, M/s. S. Venkatram & Co., Chartered Accountants, M/s. P.B. Vijayaraghavan & Co., Chartered Accounts and M/s.

N.C. Rajagopal & Co., Chartered Accountants, earlier appointed at the Annual General Meeting held on 2nd August 2024, to hold office till conclusion of the Annual General Meeting to be held in the year 2029, on this stipulated remuneration of Rs.3,50,000/-per annum plus GST, covering a total period of five years, including the duration for the past period of one year, is listed in the business to be transacted in the Notice convening the Annual General Meeting.

23. 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) A system is in the process of being evolved totag 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 arrears of revised Lease Rent of the land in Chennai as demanded on 31st August 2017 and arrears of Lease Rent from the year 2004.
- (d) The matter is sub judice and the demands are not tenable in Law, based on legal advise.
- (e) The Auditors have drawn attention to the contingent liability on the arrears of revised Lease Rent of the land in Udhagamandalam and arrears of Lease Rent from 1st January 2001.
- (f) The Club is awaiting the appointment of a Competent Authority for determining the arrears by due process, in terms of the order dated 30th August 2024 of the Hon'ble Supreme Court of India.
- (g) Determination of amounts payable still pending adjudication by the Competent Authority, and based on legal advice, the net written down value of the fixed assets of the Club at Hobart Park, Udhagamandalam, would for the present continue to be reflected in the books of accounts of the Club at Rs.7.34 crores, as per book value.
- (h) The final amount when determined, would have to duly factor the value of the assets of the Club, currently in possession of the Government at Hobart Park, Udhagamandalam.

24.IMPROVEMENTS:

(a) The following, inter-alia, were undertaken during the year at the Club, as per cost detailed below, including GST at Hobart Park, Udhagamandalam:

- (i) Construction of 82 stables and 6 Rooms at a cost of Rs.228.44 lakhs.
- (ii) Laying of RCC Concrete Road at a cost of Rs. 117.67 lakhs.
- (iii) Construction of Rooms above the Bookmakers Ring at a cost of Rs.88.50 lakhs.
- (iv) Laying of RCC concrete Road over 350 meters at a cost of Rs.72.05 lakhs
- (v) Construction of Rooms above the Weighing Room at a cost of Rs.37.22 lakhs.
- (vi) Re-laying of Entrance road at a cost of Rs. 19.86 lakhs.

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

- (i) Construction of Storm Water Drains in Race Farm Stable area at a cost of Rs.191.49 lakhs.
- (ii) Laying of Entrance Road at a cost of Rs.99.47 lakhs.
- (iii) Construction of Storm Water Drains in Race View Stable area at a cost of Rs.91.45 lakhs.
- (iv) Development of Cricket ground at a cost of Rs. 60.04 lakhs.
- (v) Erection of Lift at Guindy Lodge at a cost of Rs. 15.22 lakhs.
- (vi) Water proofing and ceiling repair work at Guindy Lodge at a cost of Rs.14.76 Lakhs.

- (vii) Preparation of Turf Wickets and cricket nets at a cost of Rs. 12.81 lakhs.
- (viii) Relaying of Tennis Court at a cost of Rs. 7.02 lakhs.

25. GUINDY LODGE:

(a) The Club realised a total income of Rs.1206 lakhs from operations at Guindy Lodge, as against Rs.1327.84 lakhs during the previous year and the drop in income was mainly due to reduced scale of food items and banquet rentals.

(b) Overall the net income from the operations at Guindy Lodge was Rs.47.22 lakhs during the year, as compared to Rs.135.22 lakhs in the previous year.

(c) Additions/Improvements during the year included the following:-

- New cricket ground with well-maintained turf and practice nets.
- Dedicated Bridge Room with monthly tournaments.
- Upgraded Snooker Room with a digital Score Board.
- Re-laid Tennis Court.
- Renovated mini Banquet Facility at "Ascot"
- Renovated mini Banquet Facility at "Royal Turf"
- Installation of State-of-the-Art Lift in Guindy Lodge.
- Dedicated Green Room for Inventory.
- Dessert & Patisserie Outlet.
- Coffee Dispensing Outlet.

(d) Facilities during the year were extended to include the following:-

- Regular Yoga Sessions.
- Fitness Boot Camps.
- Frisbee Training Sessions.

26. ADMINISTRATION:

(a) The Club had incurred an expenditure of Rs.4.00 lakhs for clearance of manure during the year 2024-2025, as compared to an amount of Rs.27.41 lakhs incurred during the year 2023-2024.

(b) The introduction of composting of manure in lieu of clearance of manure at the Club is expected to result in a saving of approximately Rs. 30 lakhs per annum.

(c) 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 and is pending disposal.

(d) 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.

- (e) In the matter of the petition filed by the Horse Maintenance Staff (Syces) seeking to be considered as employees of the Club, a Writ Petition has been filed by the Club before the High Court and the matter is pending disposal.
- (f) 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.
- (g) 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.
- (h) 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 |

(i) 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

(j) Live Streaming services on Udhagamandalam / Chennai Races continued to be 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.

(k) The Club realized a revenue of Rs.77,04,442/- from the facility of Live Streaming of Udhagamandalam races/ Chennai Races during the year, as against Rs.66,47,588/-.

Rs.

| Sl.No. | Races | Total No ofSubscribers | Amount |
|--------|---------------------------|------------------------|-------------|
| 1. | Udhagamandalam Races 2024 | 13048 | 33,17,324/- |
| 2. | Chennai Races 2024 – 2025 | 17256 | 43,87,119/- |

- (l) 41 Race Day employees have filed applications individually before the Controlling Authority, Payment of Gratuity Act, seeking payment of gratuity from the date of appointment.
- (m) The matter is being contested by the Club and the claim of Rs. 27.81 Lakhs is being disputed in the absence of submission of details by the former race day employees relating to date of appointment, age, and date of retirement/resignation in the Company.
- (n) In the circumstances and pending adjudication of the Claim, the amount cannot be conclusively determined at this stage.

27. RACING RELATED STATISTICS:

The following are the details:

| Particulars No. of race meetings: | 2024-25 | 2023-24 | 2022-23 | 2021-22 | 2020-21 |
|---|---------|---------|---------|---------|---------|
| Madras Races | 32 | 26 | 27 | 34 | 19 |
| Udhagamandalam Races | 16 | 16 | 15 | 6 | 0 |
| Inter-venue Betting | 246 | 247 | 251 | 165 | 84 |
| Average attendance | 2823 | 2240 | 2780 | 2777 | 2549 |
| Number of race / IVB days | 294 | 289 | 293 | 205 | 103 |
| Number of races: | | | | | |
| At Chennai | 227 | 192 | 192 | 187 | 167 |
| At Udhagamandalam | 90 | 112 | 99 | 129 | |
| Number of horses which participated: | | | | | |
| At Chennai | 478 | 501 | 504 | 603 | 484 |
| At Udhagamandalam | 304 | 347 | 374 | 404 | 0 |

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. However 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 financial year 2024-2025, provisions relating to CSR are not applicable, as the Club has not crossed the threshold limit during the immediately preceding financial year 2023-2024, as prescribed in the Companies Act, 2013.

(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.

(h) 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>

(i) 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 and Articles 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) In terms of the provisions of the Articles of Association of the Club, notice was issued by the Club on 29th January 2025, inviting applications for admission of Club Members, subject to the provisions of Article 10 of the Articles of Association of the Club.

(b) 55 New Club Members were enrolled on payment of Entrance fee as detailed under, represented as capital receipts of the Club, following their election through Ballot held on 8th March and 9th March 2025 at the Club:

| S.No. | Category | Entrance Fees + GST 18% - Rs. | Nos. | Net Total- Rs. |
|-------|--|----------------------------------|------|----------------|
| 1. | Fresh Membership | 1,770,000.00 | 15 | 26,550,000.00 |
| 2. | Upgradation from Stand Member to Club Member | 944,000.00 | 23 | 21,712,000.00 |
| 3. | Son/Daughter/Grandson/Grand Daughter of Continuing Member | 944,000.00 | 11 | 10,384,000.00 |
| 4. | Son/Daughter/Grandson/Grand Daughter of Discontinuing Member | 472,000.00 | 6 | 2,832,000.00 |
| | Grand Total | | 55 | 61,478,000.00 |

(c) 25 New Stand Members were enrolled on payment of Entrance fee as detailed under, represented as capital receipts of the Club, following their election through Ballot held on 8th March and 9th March 2025 at the Club:

| S.No. | Category | Entrance Fees + GST 18% - Rs. | Nos. | Net Total – Rs. |
|-------|---|-------------------------------|------|-----------------|
| 1. | Fresh Membership | 1,416,000.00 | 4 | 5,664,000.00 |
| 2. | Assigning to Son/Daughter/ Spouse | 472,000.00 | 5 | 2,360,000.00 |
| 3. | Assigning to Grandson/Grand Daughter | 590,000.00 | 1 | 590,000.00 |
| 4. | Transfer to Non-Relative | 708,000.00 | 15 | 10,620,000.00 |
| | Grand Total | | 25 | 19,234,000.00 |

(d) In all the Club received an amount of Rs. 8,07,12,000/- with the induction of 55 Club Members and 25 Stand Members.

(e) 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 31.3.2025 | As on 31.3.2024 |
|--|-----------------|-----------------|
| At the beginning of the year | 704 | 709 |
| Add: New Members enrolled | 55 | 0 |
| Less: Deletions due to resignations, death and on account of removals from membership | 10 | 5 |
| At the end of the year | 749 | 704 |

STAND MEMBERS

| Particulars of Stand Members | As on 31.3.2025 | As on 31.3.2024 |
|--|-----------------|-----------------|
| At the beginning of the year | 2825 | 2845 |
| Add: New Members enrolled | 25 | 115 |
| Less: Deletions due to assign/transfer of membership | 44 | 89 |
| Less: Deletions due to resignations, death, and on account of removals from membership | 40 | 46 |
| At the end of the year | 2766 | 2825 |

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 | | Stand Members | |
|--------------|---------------------------|---------------|-----------------------------------|
| CMG50 | GAUTAM MENON, T.K. ESQ. | SMA60 | S. ANANTHA PADMANABHAN, T.K. ESQ. |
| CMM67 | MURALISEKAR, A.P. ESQ. | SMA133 | AD SILVER, ESQ. |
| CMR69 | RAMA RAO, V.K. ESQ. | SMB36 | BALASUBRAMANIKYAM, N. ESQ. |
| CMS394 | SURENDIRA PRASAD, R. ESQ. | SMK167 | KALYANAM, R. ESQ. |
| | | SMK603 | KRISHNAMURTHY, S. ESQ. |
| | | SMM73 | MATHUR DAS HARIDAS, ESQ. |
| | | SMM199 | MUTHUVELU, M.K. ESQ. |
| | | SMR629 | RAJANISH, SP. ESQ. |
| | | SMS588 | SARAVANAN, P. ESQ. |
| | | SMS1999 | SELVAM, R. L. ESQ. |
| | | SMV378 | VISWESWARAN, M. ESQ. |
| | | SMV384 | VASUDEVAN, 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 Tamil Nadu, for the support and patronage extended to the sport and other activities of the Club during the year and particularly in hosting the HPSL Royal Arion Indian Turf Invitation Cup Weekend Races in Chennai during March 2025.

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, Bankers 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.

On behalf of the Committee of Management
For Madras Race Club

DR. MUTHIAH RAMASWAMY

CHAIRMAN
MADRAS RACE CLUB

PLACE : CHENNAI
DATE : 7TH JULY 2025