



MADRAS RACE CLUB



Dr M.A.M.R Muthiah, Chairman, Madras Race Club, presenting 'The Wolf 777 South India Derby Stakes' (Grade I) on 14th January 2023 to M/s. Five Star Shipping Company Private Limited, Mr. Rama Seshu Eyunni, Mr. Jiyaji Bhosle and Mr. Rishikesh Maloji Bhosle, Owners of the Winner, gr. c 4 year old DYF.

**Annual Report & Accounts for the Year
2022-2023**



Mr. R. Surender Reddy, Chairperson, Hyderabad Race Club, presenting 'The Nilgiris Derby Stakes' (Grade-1) on Sunday, 7th May 2023 to J. Sebastian, Trainer of the Winner 'ch.f 3 year old "Something Royal", Owned by Dr. A.C. Muthiah.



Dr. M.A.M.R. Muthiah, Chairman, Madras Race Club, presenting 'The South India 2000 Guineas' (Grade II) on 29th December 2022 to Mr. Prasanna Kumar, Trainer of the Winner, b c 3 year old "Forseti", Owned by Mr. Rajan Agarwal.

**Members of the Committee
of Management**

Dr. M.A.M.R.Muthiah, *Chairman*
DIN : 00802807
Mr. Arun Alagappan, Esq.,
DIN : 00291361
Mr. Chaduranga Kanthraj Urs, Esq.,
DIN : 00573265
Dr. T.Dhevanathan Yadav,
DIN : 01431689
Mr. K.Kaliyaperumal, Esq.,
DIN : 03553208
Mr. SP.Lakshmanan, Esq.,
DIN : 02745821
Mr. Paul Antony, Esq.,
DIN : 08071972
Mr. RM.Ramasamy, Esq.,
DIN : 08596264
Mr. Ramesh Rangarajan, Esq.,
DIN : 00141701
Mr. Ranjit Jesudasen, Esq.,
DIN : 00020181
Mr. M.Ravi, Esq.,
DIN : 01382764
Mr. M.Senthilnathan, Esq.,
DIN : 02841571
Dr. Atulya Misra, I.A.S.,
DIN : 02210369
Tmt. B.Jothi Nirmalasamy, I.A.S.,
DIN : 02374394
Mr. Kumar Jayant, I.A.S.,
DIN : 01820616
Tmt. P. Amudha, I.A.S.,
DIN: 01405458

Secretary

Mr. S.Nirmal Prasad

Statutory Auditors

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

**Chartered
Accountants**

Internal Auditors**Bankers**

State Bank of India
Indian Bank
Kotak Mahindra Bank Ltd.,
UCO Bank
Yes Bank Ltd.,
HDFC Bank Ltd.,
ICICI Bank Ltd.,
RBL Bank Ltd.,

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 **3.00 p.m.(IST) on Wednesday, 16th August, 2023**, 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 2023, 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 31st March, 2023, 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.K.Kaliyaperumal (DIN: 03553208) who, being eligible, offers himself for re-appointment.
3. To appoint a Member of the Committee of Management in the place of retiring Member, Dr. M.A.M.R. Muthiah (DIN:00802807) 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.RM. Ramasamy (DIN: 08596264) who, being eligible, offers himself for re-appointment.
5. To appoint a Member of the Committee of Management in the place of retiring Member, Mr.M. Senthilnathan, (DIN: 02841571) who, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

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

“**RESOLVED** that consent of the Members be and is hereby accorded under Article 26(h) of the Articles of Association of the Madras Race Club for entering into contracts during the financial year 2023-2024, involving an estimated cumulative value of Rs. 11.31 crores, excluding GST, towards undertaking infrastructural development during the year 2023-2024, so as to modernize and meet the growing requirements at the Club, being an amount beyond the maximum limit of Rs.10 Crores per annum, stipulated under the powers of the Committee of Management of the Madras Race Club, under Article 26 (h) of the Articles of Association of the Club.”

7. **To consider and if thought fit, to pass with or without modification(s), if any, the following resolution as a Special Resolution:**

“**RESOLVED** that pursuant to Section 8 and other applicable provisions, if any, of the Companies Act, 2013, and rules thereof (including any statutory modification thereto, or re-enactment thereof for the time being in force) and subject to the approval of the Central Government, if any, the consent of the Members of the Club be and is hereby accorded to amend certain Articles of Association of the Club, as detailed hereunder:”

Article No	Heading of the existing Article	Existing Article	Proposed Amendment	Heading of proposed Article
Article No.3	Categories of Members and their limits	The categories of members and the maximum number of members that can be admitted in each category at any point of time, is given below. Any change in the number of members has to be approved by an ordinary resolution at the General Body Meeting of the Club.	The categories of members and the maximum number of members that can be admitted in each category at any point of time, is given below. Any change in the number of members has to be approved by an ordinary resolution at the General Body Meeting of the Club.	Categories of Members and their limits
		(a) Club Members (“CM”) -750 Members (b) Stand Members(“SM”)- 5000 Members (c) Associate Members (“AM”) 25 Members	(a) Club Members (“CM”) -750 Members (b) Stand Members (“SM”) 3000 Members (c) Short Term Corporate Members (“PM”) for a period of three years - 50 Members (d) Medium Term Corporate Membership (“PM”) – for a period of five years - 25 Members (e) Long Term Corporate Membership (“PM”)for a period of ten years – 25 Members (f) Associate Membership (“AM”) - 25 Members	
Article No.5	AMs	The Committee of Management will be entitled to invite persons of distinction to become AMs of the Club for a period not exceeding three years at a time. The Committee of Management may at its discretion cancel the membership of any AM, before the end of his/her tenure, without assigning any reasons. The total number of persons invited to be, and appoints as AMs of the Club shall not at any point of time, exceed 25. The AMs will be entitled to all the rights, privileges to use the facilities of the Club, but will not be entitled to attend meetings of the Club, or vote thereat. They will not be entitled to any specific rights or privileges, which in terms of these Articles are stated to be available only to CMs.	(a) The Committee ,at its discretion, may accept and admit an applicant for Corporate Membership from a Company, Partnership firms, or any Body Corporate, incorporated / registered in India, excluding however, a Co-operative Society or an Association of Persons. (b) The Committee may stipulate separately the fee of membership, in respect of Short Term Corporate Membership, Medium Term Corporate Membership, Long Term Corporate Membership at the Club. (c) The Corporate Members during the subsistence of such Corporate Membership, have the right to propose one nominee, as per the limit prescribed by the Committee category-wise and the acceptance of the nominee would be subject to the conditions of eligibility stipulated under Article 6 of the Articles of Association. (d) The Committee may accept applicants for Corporate Membership, if found suitable on being proposed by at least two Club Members who have been Members for not less than ten years and seconded by six other Club Members who have been Members of the Club for not less than five years. (e) The Committee may stipulate the entrance fee and subscription and usage charges separately in respect of Short Term Corporate Membership, Medium Term Corporate Membership and Long Term Corporate Membership. (f) Short Term Corporate Members, Medium Term Corporate Members, Long Term Corporate Members will be entitled to all the rights, privileges to use the facilities of the Club during the defined period of membership, subject to such restrictions stipulated by the Committee, but will not be entitled to attend meetings of the Club, or vote thereat. They will not be entitled to any specific rights or privileges, which in terms of these Articles are stated to be available only to CMs (g) The conditions both in respect of eligibility for Corporate Membership and the nominee of the Corporate Member including resignation, termination etc. would be separately notified by the Committee from time to time, including the procedures for substituting nominees.	AMs / Corporate Members. (PM)



			<p>(h) The Committee of Management will be entitled to invite persons of distinction to become AMs of the Club for a period not exceeding three years at a time. The Committee of management may at its discretion cancel the membership of any AM, before the end of his/her tenure, without assigning any reasons. The total number of persons invited to be, and appoints as AMs of the Club shall not at any point of time, exceed 25. The AMs will be entitled to all the rights, privileges to use the facilities of the Club, but will not be entitled to attend meetings of the Club, or vote thereat. They will not be entitled to any specific rights or privileges, which in terms of these Articles are stated to be available only to CMs.</p> <p>(i) The Committee may stipulate usage charges in respect of Associate Members, but however, the Associate Members will not be subject to payment of Entrance Fee / Subscription fee / Maintenance charges.</p> <p>(j) There shall be no requirement for balloting in respect of Associate Members /Corporate Member.</p>	
Article No. 7	Rights of Members	<p>(i) Members are entitled to use all facilities.</p> <p>(ii) Members Dependent Relatives can use all the facilities.</p> <p>(iii) The Committee of Management at its discretion can fix the usage charges separately for CM,SM,AM and dependents .</p> <p>(iv) CMs are alone entitled to attend Meetings of the Club, and vote thereat. CMs are entitled to preference over SM/AM/DRs with regard to the balloting for Boxes, entitlement for lockers, applications for luncheons and dinners and on other occasions when accommodation is limited.</p> <p>(v) SM/AM/DRs are entitled to no other privileges and shall not participate in meetings of the CMs.</p>	<p>(i) Members are entitled to use all facilities.</p> <p>(ii) Members Dependent Relatives can use all the facilities.</p> <p>(iii) The Committee of Management at its discretion can fix the usage charges separately for CM, SM, PM, AM and dependents.</p> <p>(iv) CMs are alone entitled to attend Meetings of the Club, and vote thereat. CMs are entitled to preference over SM, PM, AM, DRs with regard to the balloting for Boxes, entitlement for lockers, applications for luncheons and dinners and on other occasions when accommodation is limited.</p> <p>(v) SM,PM, AM, DRs are entitled to no other privileges and shall not participate in meetings of the CMs.</p>	Rights of Members
Article No.9	Guests Regulation	The Committee of Management shall have the right to refuse admission to the Club premises to any guest and/or visitor at their discretion, without assigning any reason for their decision. Members concerned shall be responsible to the Committee for the conduct and all actions of their guests in the Club premises. A CM will have preference over SM/AM/DR/Guests in usage of the facilities of the Club. Guest charges will be applicable as decided by the Committee from time to time.	The Committee of Management shall have the right to refuse admission to the Club premises to any guest and/or visitor at their discretion, without assigning any reason for their decision. Members concerned shall be responsible to the Committee for the conduct and all actions of their guests in the Club premises. A CM will have preference over SM/PM/AM/DR/Guests in usage of the facilities of the Club. Guest charges will be applicable as decided by the Committee from time to time.	Guests Regulation.
Article No.10	Admission of Member	Every candidate for admission as a Member of either category shall be proposed by one and seconded by another CM on the form prescribed for the purpose. The form shall be signed by the Proposer and Seconder and the candidate giving full particulars as required in the form. Election of either category of membership will be held subject to there being a minimum number of 50 vacancies. The Committee of Management will screen the list of pending applications and select candidates equal to the numbers of vacancies available for election as members by the General Body. If the number of applications for a particular category of members exceeds the vacancies available, the Committee will be entitled to process the same for membership to another category, where vacancies are available.	Every candidate for admission as a Club Member / Stand Member shall be proposed by one and seconded by another CM on the form prescribed for the purpose. The form shall be signed by the Proposer and Seconder and the candidate giving full particulars as required in the form. Election of Club Membership will be held subject to there being a minimum number of 50 vacancies. Election of Stand Membership will be held subject to there being a minimum number of 25 vacancies. The Committee of Management will screen the list of pending applications and select candidates equal to the number of vacancies available for election as members by the General Body. If the number of applications for a particular category of members exceeds the vacancies available, the Committee will be entitled to process the same for membership to another category, where vacancies are available.	Admission of Club/ Stand Member



		<p>The selection of candidates for Club membership will be according to the following priorities:</p> <ul style="list-style-type: none"> (i) 40% of the vacancies will be used to induct Descendants of CMs; (ii) 25% of vacancies will be used for those existing SMs who have applied to become CMs of the Club. (iii) 5% for Horse Owners for five years or more. (iv) 5% of the vacancies, shall be earmarked for major Sponsors of Races. (v) 25% of the vacancies for admission of new CMs to the Club. (vi) If there is any shortage of candidates in any of the above class, the Committee of Management will be at liberty to fill in the same with candidates in other Class. <p>The selection of candidates for Stand Membership will be at the discretion of the Committee of Management.</p> <p>The names of candidates selected by the Committee and the names of their Proposers and Seconders shall be exhibited in the Club Office for three clear days before the date fixed for the Ballot. A notice showing the names of candidates and their Proposers and Seconders and the time fixed for the Ballot shall be sent to every GM. If a candidate has been previously rejected under Article 10 or withdrawn under Article 11, the fact shall be stated in the Notice.</p> <p>A CM can propose a maximum of only one person for Club Membership every 3 calendar years. A CM can second the proposal of one person for Club Membership in any Calendar year. This condition does not apply to proposing and seconding of one's own descendent as a CM.</p> <p>A CM can propose and second any number of candidates for Stand Membership.</p>	<p>The selection of candidates for Club membership will be according to the following priorities:</p> <ul style="list-style-type: none"> (i) 40% of the vacancies will be used to induct Descendants of CMs; (ii) 25% of vacancies will be used for those existing SMs who have applied to become CMs of the Club. (iii) 5% for Horse Owners for five years or more. (iv) 5% of the vacancies, shall be earmarked for major Sponsors of Races. (v) 25% of the vacancies for admission of new CMs to the Club. (vi) If there is any shortage of candidates in any of the above class, the Committee of Management will be at liberty to fill in the same with candidates in other Class. <p>The selection of candidates for Stand Membership will be at the discretion of the Committee of Management.</p> <p>The names of candidates selected by the Committee and the names of their Proposers and Seconders shall be exhibited in the Club Office for three clear days before the date fixed for the Ballot. A notice showing the names of candidates and their Proposers and Seconders and the time fixed for the Ballot shall be sent to every CM. If a candidate has been previously rejected under Article 10 or withdrawn under Article 11, the fact shall be stated in the Notice.</p> <p>A CM can propose a maximum of only one person for Club Membership every 3 calendar years. A CM can second the proposal of one person for Club Membership in any Calendar year. This condition does not apply to proposing and seconding of one's own descendent as a CM.</p> <p>A CM can propose and second any number of candidates for Stand Membership.</p>	
<p>Article No.17</p>	<p>Withdrawal from Membership</p>	<ul style="list-style-type: none"> 1. A Member wishing to withdraw from the Club must send resignation to the Secretary in writing before the 1st of August failing which he/she shall be liable for the subscription of the year. 2. If a Member of the Club: <ul style="list-style-type: none"> (a) is declared insolvent, or (b) is found guilty by a competent tribunal of a criminal offence involving gross misconduct or moral turpitude, or (c) is found guilty of a fraudulent practice by any Turf Authority in India or by any other Turf Authority outside India with which the Turf Authorities in India are in reciprocal arrangement, or (d) appears in the Unpaid List of any Turf Authority or is a declared defaulter for bets or lotteries on horse racing by any Turf Authority and on being called on to pay the amounts due fails to do so within one month. 	<ul style="list-style-type: none"> 1. A Member wishing to withdraw from the Club must send the resignation to the Secretary in writing before the 1st of August, failing which he/she shall be liable for the subscription of the year. 2. A Stand Member alone, if he so chooses, can seek to assign his Stand Membership to a member of the family or transfer his Stand Membership to any other person, subject to the approval of the Committee on payment of a fee by the assignee / transferee to be separately stipulated category wise by the Committee from time to time. 3. On approval of a proposal of assignment/transfer by the Committee, such a transfer / assignment would be placed before the Club Members for approval by ballot, as per Article 11, subject to the Club having received a minimum number of 25 such proposals. 4. If a Member of the Club: <ul style="list-style-type: none"> (a) is declared insolvent, or (b) is found guilty by a competent tribunal of a criminal offence involving gross misconduct or moral turpitude, or (c) is found guilty of a fraudulent practice by any Turf Authority in India or by any other Turf Authority outside India with which the 	<p>Withdrawal from Membership Assign / Transfer of Stand Membership</p>



		<p>The name of such members shall be removed from the Register of Members of the Club, after providing an opportunity to such person to explain his position, within a period of 15 days from being notified of the same.</p> <p>3. Any Member acting in a manner which has brought, or is likely to bring discredit to the Club may be expelled by the vote of a majority of not less than two-thirds of the CMs present in person at a General Meeting especially convened for the purpose at which not less than 30 CMs shall be present in person to constitute quorum.</p>	<p>Turf Authorities in India are in reciprocal arrangement, or</p> <p>(d) appears in the Unpaid List of any Turf Authority or is a declared defaulter for bets or lotteries on horse racing by any Turf Authority and on being called on to pay the amounts due fails to do so within one month.</p> <p>The name of such members shall be removed from the Register of Members of the Club, after providing an opportunity to such person to explain his position, within a period of 15 days from being notified of the same.</p> <p>5. Any Member acting in a manner which has brought, or is likely to bring discredit to the Club may be expelled by the vote of a majority of not less than two-thirds of the CMs present in person at a General Meeting especially convened for the purpose at which not less than 30 CMs shall be present in person to constitute quorum.</p>	
--	--	---	--	--

“RESOLVED FURTHER THAT that any one of the Directors of the Club be and is hereby authorized to all such acts, deeds, things as may be necessary to give effect to the above resolution”.

On behalf of the Committee of Management
FOR MADRAS RACE CLUB

Place : Chennai
Date : 7th July 2023

S. NIRMAL PRASAD
SECRETARY

NOTES

1. Members intending to ask any questions at the Annual General Meeting are requested to submit such questions to the Secretary **on or before 5.00 p.m. on Saturday, 12th August, 2023.**
2. Members who would like to express their views during the AGM are requested to register themselves as a speaker by mentioning the details in accordance with the registered membership details with the Club, such as the Name, Permanent Membership number and email ID.
3. The request for registration as a speaker should be submitted in writing or through email to the Secretary of the Club before **5.00 pm. on Saturday, 12th August, 2023.** Only those Members who have registered themselves as a speaker will be allowed to express their views / ask questions during the AGM.
4. In terms of Article No.44 of the Articles of Association of the Club, there shall be no voting by proxy.
5. In terms of Section 160 of the Companies Act, 2013 and rules framed and notifications issued thereunder, read with Article 21 of the Articles of Association of the Club, any Club Member other than a retiring member of the Committee of Management, who wishes to be elected as a Member of the Committee of Management, shall duly submit a notice of proposal either by himself, or by some other Club Member, intending to propose him, as a Member of the Committee of Management, along with a **Deposit of Rs.1,00,000/- (Rupees One lakh only)** either by way of Demand Draft or Electronic transfer favouring MADRAS RACE CLUB. Such proposal in writing along with consent letter of such contesting member in Form DIR 2 will have to be submitted to the Club **before 5.00 P.M. on Tuesday, 1st August, 2023.** The valid nominations received will be displayed on the Notice Board of the Club at **10.00 A.M on Wednesday, 2nd August, 2023.**
6. After such display of valid nominations on the Notice Board, as mentioned above, candidates whose nominations are declared valid shall be allowed to withdraw their nomination in writing at any time **before 5.00 p.m. on Friday, 4th August, 2023.**
7. The final list of Members who are eligible for election as Members of Committee of Management (including the retiring Members) will be 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 email Id's and mobile phone numbers with the Club for ease of communication.
12. **Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business is annexed and forms part of this notice.**



13. 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**
14. Notice of the AGM along with the Annual Report 2022-23 is being sent also through electronic mode by NSDL to those Members whose email addresses are registered with the Madras Race Club.
15. Members may note that the Notice and Annual Report 2022-23 will also be available on the Madras Race Club's website **<http://www.madrasraceclub.com/>** and on the website of **www.evoting.nsdl.com**
16. Relevant documents referred to in the accompanying Notice calling the AGM are available on the website of the Madras Race Club for inspection by the Members.
17. The Club is also providing an alternative option to those members who may be unable to attend the AGM to be held at the Club premises, to participate in the same through zoom video conferencing platform, which arrangement is in compliance with the circulars issued by the Ministry of Corporate Affairs and the provisions of the Companies Act, 2013.
18. 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.
19. The Madras Race Club has engaged the services of National Securities Depository Limited (NSDL), as the authorized Agency, for conducting AGM through VC/OAVM and providing e-voting facility for the convenience of such Members who are not able to attend the AGM at the Club or / and such Members who wish to attend the AGM through OAVM and participate in e-voting.
20. 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.
21. The list of Club Members as on the **cut off date i.e. Friday, 7th July, 2023 (706 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.
22. The Route Map to the venue of the Annual General Meeting of the Club is annexed to this Notice.

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

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

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

1. Members will also be able to attend the AGM through VC/OAVM by using their remote e-voting login credentials and selecting the 'Even' for Madras Race Club's **AGM at <https://www.evoting.nsdl.com>**.
2. Members who do not have the user ID and password for e-voting or have forgotten the user ID and Password may retrieve the same by following the remote e- voting instructions mentioned in the Notice. Further, Members can also use the OTP based login for logging into the e- voting system.
3. The facility of joining the AGM through VC/OAVM shall open 15 minutes before the time scheduled for the AGM and will be closed on the expiry of 15 minutes from the conclusion of the AGM. Members who want to ask questions may write to the Madras Race Club, Guindy, Chennai – 32 **on or before 5.00 p.m. on Saturday, 12th August, 2023** and the same will be answered during the AGM.
4. The facility of joining the AGM through VC/OAVM shall be available on first come first served basis. However, the Members of the Committee of Management, Key Managerial Personnel and Auditors are not restricted on first come first served basis.

5. Members who need technical assistance before or during the AGM, can contact 1800 1020 990 and at Toll Free Number 1800 224 430 or via email at evoting@nsdl.co.in.

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

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

(D) Instructions for e-voting:

1. In compliance with the provisions of Section 108 of the Act, read with Rules made thereunder, the Madras Race Club is offering e-voting facility to all Members of the Madras Race Club. Only a Club Member as on the **cut-off date i.e. Friday, 7th July, 2023**, shall be entitled to avail of the facility of remote e-voting in connection with the AGM. Madras Race Club will be facilitating remote e-voting to enable the Members to cast their votes electronically. Members can cast their vote online from **10.00 A.M. (IST) on Sunday 13th August, 2023, till 5.00 P.M. (IST) on Tuesday, 15th August, 2023. At the end of the above mentioned remote e-voting period, the facility shall forthwith be blocked.**
2. The Members who have cast their vote by remote e-voting prior to the AGM may also attend / participate in the AGM through VC/OAVM, but shall not be entitled to cast their vote again.
3. **The procedure and instructions for e-voting are as follows:-**
 - (a) Once the home page of e-voting system is launched, click on the icon “Login” which is available
 - (b) You will receive from NSDL the user id and password on your registered email id as an attachment and then please open the pdf file received on your email with your -----
 - (c) Click on Login button at **Shareholders/ Members tab**.
 - (d) Enter your user id provided in the PDF file attached in email.
 - (e) Select either password or OTP based login.
 - (f) Next enter the **Verification Code** as displayed on the screen.
 - (g) Enter your password as provided in the PDF attached on your email /SMS.
 - (h) After entering your password, tick on Agree to ‘Terms & Conditions’ by selecting the check box
 - (i) Click on **“LOGIN”** button
 - (j) After successful login, you will be able to see “EVEN-” of Madras Race Club”
 - (k) Select “EVEN” of Madras Race Club for which you wish to cast your vote.
 - (l) Now you are ready for e-voting as the Voting page opens.



- (m) Cast your vote by selecting appropriate options for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
- (n) **After clicking on the “Confirm” button, an OTP will be sent on your registered email id and /or mobile.**
- (o) You can also take the print out of the votes cast by you by clicking on the print option on the confirmation page.
- (p) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

After entering your password, tick on Agree to ‘Terms & Conditions’ by selecting the check box

- (q) It is the responsibility of the voter to ensure security of his/her User ID and password/OTP.
 - (r) Voter should cast his/her own vote and not share his/her credentials with others which include passwords, OTP etc. In case of any query pertaining to e-voting, please visit Help and FAQs section available at website www.evoting.nsdl.com. or contact Toll Free Number 1800 1020 990 and at Toll Free Number 1800 224 430 or via email at: evoting@nsdl.co.in
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 Toll Free Number 1800 1020 990 and at Toll Free Number 1800 224 430 or via email at: evoting@nsdl.co.in
 5. The Committee of Management of Madras Race Club has appointed Mr.Balu Sridhar, Practicing Company Secretary as the Scrutinizer to scrutinize the voting process in a fair and transparent manner. The Scrutinizer will submit his report to the Chairperson or any person authorized by him / her after completion of the scrutiny and the results of voting will be announced within forty eight hours from the conclusion of the AGM of the Madras Race Club.
 6. Subject to receipt of requisition number of votes, the resolutions shall be deemed to have been passed on the date of the AGM.

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

Item No.6

- i During the previous three financial years, the Club has expended monies towards strengthening infrastructure at the Club, with the objective of providing improved amenities to Members, Racing Patrons, apart from ensuring enhanced level of stabling and training facilities for Race Horses. The approval of Members had also been secured for incurring an expenditure of an amount of Rs.6.71 crores on capital projects beyond Rs.10.00 crores during the year 2022-23. However, this sanctioned amount could not be spent in view of the declaration of results of the balloting of resolutions at the AGM held on 14th December 2022, having been notified only on 12th April 2023, beyond the financial year ended 31st March 2023.
- ii In this background and in continuance of the objective aimed at enhancing the overall profile of the Madras Race Club, the following works have been proposed to be implemented commencing from the year 2023-2024, with the following budgetary estimates, excluding GST, indicated alongside:-

SI.No.	Particulars	Rs.
1	Laying of RCC Storm water drains in Race View	1,17, 18,586
2	Laying of RCC Road and Storm Water Drains in Race Farm	1,72,94,787
3	Renovating the Stewards Deck in the Committee Room Area	31,27,767
4	Providing Paver Blocks in Saddling Enclosure including modifications of stables	33,19,688
5	Upgradation of Power House Area covering electrical Panel Board, Transformer, shifting of Electrical Room to Oats Godown area and replacement of damaged cables etc.	1,20,00,000
6	Improvement to acoustics	25,00,000
7	Establishing a New Bakery Unit at Guindy Lodge	45,00,000
8	Improvements to Grass Track	1,25,00,000
9	Setting up a Sewage Treatment Plant for supporting maintenance of Grass Track	3,50,00,000
10	Providing Solar lighting (20 Nos) in the New Stable area in the Race Farm.	10,00,000
11	Construction of 100 Semi-temporary Stables at Hobart Park, Udthagamandalam.	1,00,00,000
12	Construction of new RCC Road at Hobart Park, Udthagamandalam (350 + 550)	2,01,43,210
13	Modification of existing Rooms and provision for additional Rooms at Hobart Park, Udthagamandalam.	2,00,00,000
14	Construction of Compound wall in Hobart Park, Udthagamandalam.	30,00,000
15	Establishing of a Mini Cricket Ground at Race View.	70, 00,000
16	Re-laying of Road in front of the Club from Main Gate to 2nd Enclosure	2,00,00,000
17	Flood Lights for Night Racing at the Race Course in Guindy, Chennai	3,00,00,000
Total Amount		21,31,04,038



- iii. As per Article 26(h) of the Articles of Association, the Committee of Management is empowered to spend up to a cumulative value of Rs. 10 crores in any financial year for the benefit, improvement and administration of the Club, within the powers as vested in it by Article 26 of the Articles of Association. Article 26(h) requires the Committee of Management to obtain the consent of the Members of the Club at its General Meeting, in case the cumulative value of amount proposed to be spent in respect of the aforesaid purpose exceeds Rs. 10 crores in a financial year. Hence, approval of the Members of the Club is sought in terms of Article 26(h) of the Articles of Association of the Club in respect of expending the amount of Rs.11.31 crores, excluding GST, towards undertaking infrastructural development during the year 2023-2024, so as to modernize and meet the growing requirements of the Club, being an amount beyond the maximum limit of Rs.10 crores per annum stipulated under the powers of the Committee of Management under Article 26 (h) of the Articles of Association of the Club.
- iv. None of the Members of the Committee of the Management, is interested in the resolution set out in Item No.6.

Item No.7

- i. The Articles of Association of the Club was comprehensively reviewed and amended at the Annual General Meeting of the Members held through Video Conference mode (“VC”) / Other Audio Visual Means (OAVM) on Tuesday, 20th September 2020. The current proposal is now to amend the Articles of Association so as to bring in a new category of Corporate Membership, in view of the practices at many of the Clubs and also to involve Corporate Bodies in the promotion and development of the Sport of Horse Racing. The categorization of Members based on the period of membership would help to maximize Corporate participation.
- ii. The Committee is also of the view that the existing Number of Stand Members needs to be reviewed in the context of the existing strength of 2835 Stand Members, as against the maximum limit of 5000 Stand Members. The reduction in Stand Membership would be commensurate with the scale of facilities at the Club. The proposal of permitting Stand Member alone to transfer, assign Stand Membership is in consonance with the arrangement of seeking reduction in the strength of Stand Members to the mutual benefit of the Club and the Stand Member. The facility, is however not available to other categories of Membership. The proposal to amend the Articles of Association is basically to facilitate the smooth functioning and enhancing the general level of facilities at the Club with its members and involving the participation of the industry. Therefore, the Committee of Management in its meeting held on 19th June, 2023 had decided to amend the above specific Articles in Articles of Association of the Club, as mentioned in Item No. 7 of the Notice of this Annual General Meeting.
- iii. Thereafter the Club has submitted an application to the Registrar of Companies, Chennai in E Form GNL-1 SRNF62066980 dated 23rd June, 2023 to obtain in principle approval for the proposed amendment of certain Articles of Association of the Club. The Registrar of Companies, Chennai has considered the proposed amendment and thereafter has accorded approval on 28th June 2023, by way of approving E Form GNL 1. As per Section 14 and other applicable provisions of the Companies Act, 2013, the consent of the members of the Club by way of Special Resolution is required for amendment of the Articles of Association. Hence, the above resolution is placed before Members for their consideration and approval.
- iv. It may be noted here that the interests of no persons shall be effected, if the proposed amendments are approved by Members. The Articles of Association of the Club with the proposed amendments and comparative statement of the proposed Articles with the existing Articles are available for inspection during the business hours from the date of this Notice till date of the Annual General Meeting.
- v. None of the Members of the Committee of the Management is interested in the resolution set out in item no. 7.

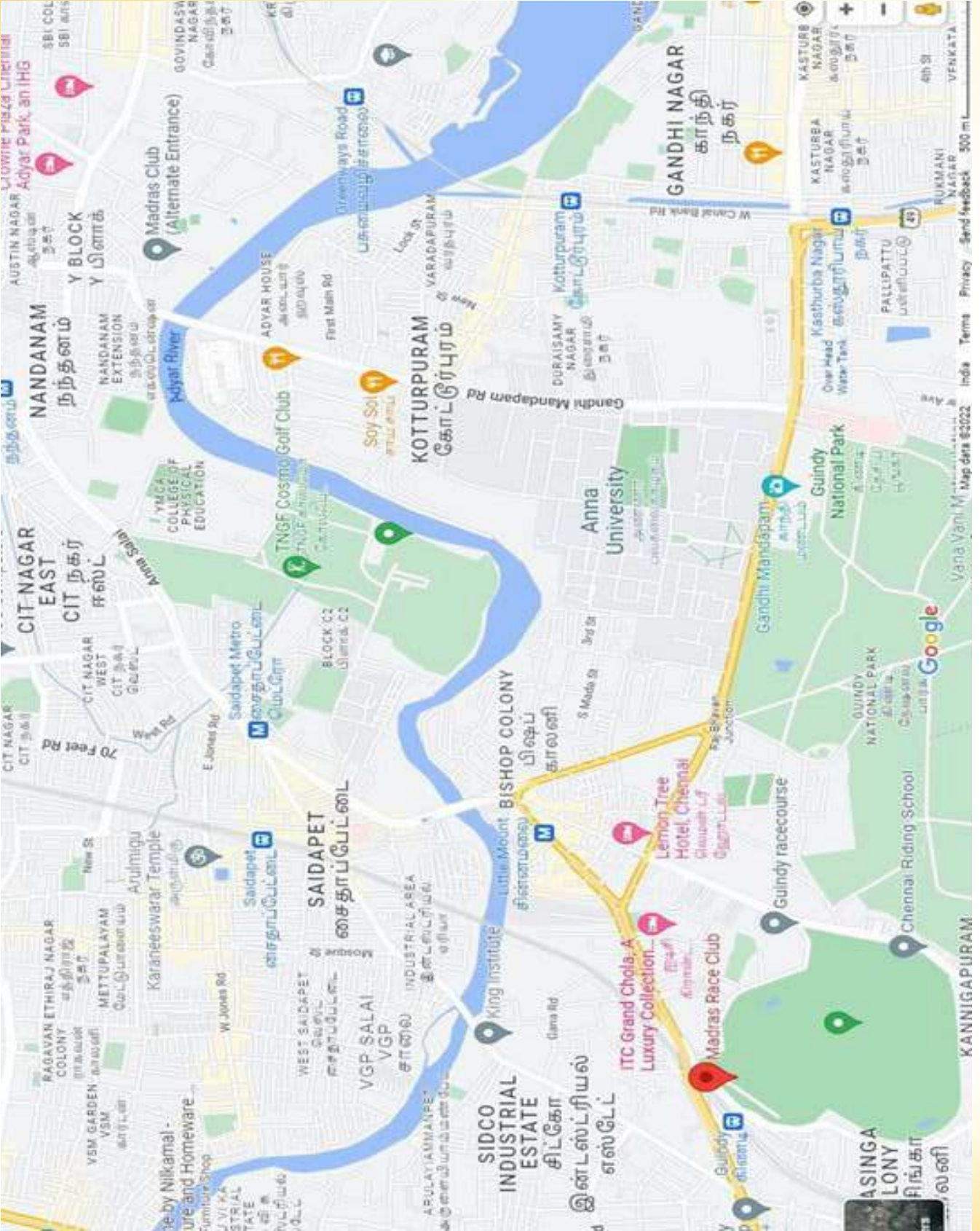
On behalf of the Committee of Management
FOR MADRAS RACE CLUB

Place : Chennai
Date : 7th July 2023

S. NIRMAL PRASAD
SECRETARY



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





**ANNUAL REPORT FOR THE YEAR ENDED 31st MARCH 2023
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, 2023.

I. SCALE OF OPERATIONS:

- (a) The relaxation in the restrictive measures notified for containing the spread of COVID 19 in the country facilitated resumption of activities on an extensive scale across the country, including the Racing Centers, notwithstanding that the schedule of racing at a few centers was partially affected, following unprecedented rainfall in some parts of the country.
- (b) The operations at the Guindy Lodge and attendance at the races showed a healthy trend with increased participation, following the relaxations notified by the Government.
- (c) The following statistical details disclose the extent of normalcy restored in the operations at the Club during the year:-

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

- (d) The overall finances during the year are to be viewed in the context of the normalcy restored in the scale of operations at the Club.

2. FINANCIAL RESULTS:

- (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	2022-2023	2021-2022
Revenue from Racing Activity	4,314.71	3,496.63
Revenue from Club Activity	1,120.79	644.47
Other Income	2,092.69	1,965.86
Total Revenue	7,528.19	6,106.96
Racing Activity Expenditure	3,914.50	3,869.97
Club Activity Expenditure	584.23	329.04
Employee Expenses	909.73	938.27
Other Expenses	1,256.36	950.88
Less Total Expenditure	6,664.82	6,088.15
Surplus Before Depreciation and Tax	863.37	18.81
Less: Depreciation	245.14	186.12
Surplus before Tax	618.23	(167.31)
Less: Tax	182.91	15.01
Surplus/(Deficit) after Tax	435.32	(182.32)

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

(Rs. in Lakhs)

Sl.No	Particulars	2022-23	2021-22	(Difference)
DECREASE IN INCOME				
1	Sponsorship Income	100.45	542.07	(441.62)
2	Grants	-	40.70	(40.70)
INCREASE IN INCOME				
1	Interest on Term Deposit	1,899.99	1,729.40	170.59
2	Income from Bookmakers	1,298.83	774.23	524.60
3	Income from TOTE Commission (Net of GST Paid under Protest)	769.27	483.84	285.43
4	Income from Room Complex	99.75	28.62	71.13
5	Income from Party Bookings	141.13	37.51	103.62
INCREASE IN EXPENDITURE				
1	Legal & Professional Expenses	192.29	70.89	121.40
2	Income Tax	182.91	15.01	167.90
DECREASE IN EXPENDITURE				
1	Stakes & Commission	1,745.58	1,982.98	(237.40)
2	Expenses towards Indian Turf Invitation Cup Programme.	-	289.49	(289.49)

- (c) Income from Totalizators (Net of GST Paid under Protest) was Rs. 769.27 lakhs, as against Rs. 483.84 lakhs in the previous year.
- (d) Income from Bookmakers was Rs. 1298.83 lakhs, as against Rs.774.23 lakhs in the previous year.
- (e) Income from Room Complex was Rs. 99.75 lakhs, as against Rs. 28.62 lakhs in the previous year.
- (f) Income from Parties and Functions hosted in the premises of the Club was Rs.141.13 lakhs, as against Rs. 37.51 lakhs in the previous year.
- (g) Overall, the income during the year increased by about 23%, as compared to the previous year, while expenditure during the year increased by about 10% as compared to the previous year.
- (h) In the resultant situation, the Club earned a surplus of Rs. 618.23 lakhs, during the year, after providing for a depreciation of Rs.245.14 lakhs, as against a deficit of Rs. 167.31 lakhs, after providing for a depreciation of Rs.186.12 lakhs, during the previous year.

3. RACING:

- (a) The Udhagamandalam Races 2022, scheduled over eighteen race days, which commenced on 14th April 2022 and was due to conclude on 10th June 2022, but was however conducted only uptill 26th May 2022, covering ten race days. Thereafter, due to the track conditions not being conducive for racing, following heavy rains, the remaining eight race days were cancelled at Udhagamandalam.
- (b) In lieu of the cancellation of the races, an additional Prospectus for Udhagamandalam Races was notified and six race days were conducted at Madras Race Club, Chennai, during the month of September 2022.



- (c) During the Madras Races 2022-2023, scheduled over 32 days commencing from October 8, 2022, and concluding on 25th February 2023, five race days were cancelled following heavy rains and the Club actually conducted, in all, 27 race days at Chennai.
- (d) Stake money was revised as under with effect from Madras Races 2022-2023:-

(Rs. in lakhs)

Category	Stakes
GRADE 1.	40.00
GRADE 2	20.00
GRADE 3	15.00
2/3 year olds	9.00
80 & above	9.00
60 to 85	6.00
40 to 65	5.00
20 to 45	4.25
00 to 25	3.50

- (e) 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	
	2022	2021	2022 - 2023	2021 - 2022
Number of race days	15	18	27	22
Number of races run	99	129	192	171
Aggregate number of runners	941	1158	1821	1675
Horses which participated in races	374	404	501	603
Average number of runners per race	9.5	8.97	9.48	9.79

- (f) The Stake Money paid out by the Club during the year was Rs.17,45,58,088 as against Rs. 16,26,86,145 during the previous year (excluding the Chettinad Indian Turf Invitation Cup Weekend Races)

4. AUCTION SALE OF TWO YEAR OLDS:

- (a) As during the previous year, an Annual Auction Sale of two year olds (foaled in 2021) was conducted by the Club on 13th January 2023, at the paddock in the Club, featuring 33 lots from eight Stud Farms, including two Blue Page lots.
- (b) In terms of the practice adopted during the previous year, the Auction Sale was telecast live on the Club's website, with the facility of bidding over telephone.
- (c) The Club realized an amount of Rs.14.29 lakhs towards hosting the sales at the Club.

- (d) Under the loan facility extended to Club Members for purchase of two year olds, subject to a maximum of Rs. 5 lakhs per person, repayable in ten equated monthly instalments, seven Club Members availed of the facility.

5. TURF AUTHORITIES:

- (a) The composition of the Veterinary Commission has been re-structured, wherein the Veterinary Officer who is the Senior Most in the Turf Authorities would head the Veterinary Commission for a defined period and the Office could be held by rotation, based on seniority, after completion of the defined period.
- (b) Mr. R. Surender Reddy, Chairman, Hyderabad Race Club, representing India on the ARF Executive Council expressed his desire to step down and on the proposal of Mr. R. Surender Reddy, Dr. Cyrus S. Poonawalla has been nominated on behalf of the Turf Authorities of India, on the ARF Executive Council in his place.
- (c) The 39th Asian Racing Conference was held in Melbourne, Australia, between 14th and 19th February 2023 and The Asian Racing Conference which was first held in Tokyo in 1960, is now the largest horse racing Industry Conference in the World, with almost 700 attendees from about 35 Countries.
- (d) The 40th Asian Racing Conference (ARC) will be held in its inaugural host country in 2024. The Japan Racing Association (JRA), in conjunction with the Asian Racing Federation (ARF), will stage the Conference in Sapporo, the island of Hokkido.
- (e) It has been agreed that with effect from 1st November 2023, each Turf Club would ensure that the Minimum Added Stake Money for Graded Races would be as follows:-

(Rs. in lakhs)

S. No.	Particulars	Amount
1.	Grade 1	50.00
2.	Grade 2	20.00
3.	Grade 3	15.00

- (f) The operation of the Combined Totalizator operations across all racing centers in the Country, in terms of the Memorandum of Understanding executed between all the Turf Clubs in the Country, has been kept in abeyance, pending resolution of all connected technical and administrative issues in the matter of Combining Totalizator operations.

6. CHENNAI RIDING SCHOOL:

- (a) During the year, the riding activities in the premises of the Club were reorganized under the auspices of the Chennai Riding School, as a division of the Madras Race Club.
- (b) The financial and administrative arrangements of the riding related activities were under the direct supervision of a Sub-Committee, constituted by the Committee under the overall control of the Madras Race Club.
- (c) During the year, the Club received an income of Rs. 52.76 lakhs from the riding activities at the School.
- (d) The entire operations at the Riding School is in considerable deficit and the Club is in the process of initiating measures during the year 2023-24 for curtailing the deficit at the School.



7. SPONSORSHIP SUPPORT:

The Committee places on record its appreciation of the sponsorship support extended by the following for racing events / cup races, sports tournament conducted during the year 2022-2023 involving a total contribution of about Rs. 1.00 crore from Sponsors:

- Guruji Traders
- Sanwali Caterers
- The Olympia Tech Park Chennai Pvt. Ltd.
- All India Spices Exporters Forum
- Bangalore Turf Club Ltd.,
- Bajoria Financial Services Private Ltd.
- Arun Alagappan Racing LLP
- Mr. Cheriyan Abraham
- Usha Stud Farm
- Vikram Greenlands
- Astadik Agro Industries
- Kasturi & Sons Ltd.,
- Mr. Aditya Vikram Podder
- Mr.Chaduranga Kanthraj Urs
- Sans Craintes Stud Farm
- Chettinad Cement Corporation Private Ltd.,
- The Dashmesh Stud Farm
- Mr. Anil Saraf
- Mukteshwar Racing LLP
- Manjri Stud Farm
- Mariana Express Lines Pvt Ltd.,
- Mr. M. Ravi
- M/s Vacha Fine Arts
- Mr.Anjan Kumar Rangaraj
- Tamil Nadu Race Horse Owners Association
- Mr. Sanjay Bedi
- Mr.Thirulok Chander Jaganathan
- VGP Marine Kingdom
- JSK Traders

**8. PARI-MUTUEL BETTING:**

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

(Rs.in lakhs)

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

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

(Rs. in lakhs)

Particulars	2022-23	2021-22	2020-21	2019-20
Win Pool	424.51	529.34	214.07	110.93
S.H. Pool	169.29	181.85	57.31	52.66
Place Pool	217.13	286.99	99.76	37.08
Forecast pool	176.91	132.64	53.13	64.69
Quinella Pool	164.23	106.41	37.19	63.05
Tanala Pool	1316.46	719.37	249.26	763.79
Treble Pool	591.09	386.11	201.72	761.12
Mini Jackpot Pool	286.90	181.03	100.64	385.71
Jackpot Pool	708.21	427.74	271.20	665.64
Combined Jackpot Pool	538.85	303.01	180.14	1144.42
Third Horse Pool	11.14	-	-	-
Show	0.05	-	-	-
Exacta	26.54	-	-	-
TOTAL	4631.30	3254.49	1464.42	4049.39



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

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

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

Particulars	At Chennai		At Udhagamandalam	
	2022-23	2021-22	2022-23	2021-22
Mysore	43	19	43	19
Bangalore	43	25	43	25
Hyderabad	51	48	51	48
Mumbai	23	16	23	16
Pune	12	8	12	8
Calcutta	34	28	34	28
Delhi	45	21	45	21
Madras	0	0	28	30
Udhagamandalam	15	6	0	0
TOTAL	266	171	279	195

- (f) During the year, betting was conducted at Chennai on 266 days, as compared to 171 days in the year 2021-2022 and 97 betting days during the year 2020-2021.

9. GOODS AND SERVICE TAX RELATED MATTERS:

- (a) The report of the Group of Minister (GoM), chaired by Mr. Conrad Sangma, for submitting its recommendations in GST related matters relevant to the subject of “Casinos, Race Courses and Online Gaming” is awaiting the consideration of the GST Council.
- (b) The Writ Petitions No. 19710/13/15/17/22/24 filed by the Madras Race Club in the Hon’ble High Court of Madras, in matter relating to GST has been admitted and the applications for interim stay filed by the Club are yet to be listed for hearing before the Hon’ble High Court of Madras.
- (c) The following judgements are of relevance in the manner of determining the basis and rate of taxation:
- (i) Order dated 2nd June 2021 in Writ Petition No. 11167/11168/2018 in the High Court of Karnataka, declaring Rule 31A(3) of the Central Goods and Services Tax Rules 2017 and Rule 31A of the Karnataka Goods and Services Tax Rules as ultra vires of the related Central and State Goods Services and Services Act 2017.
 - (ii) Order dated 11th May 2023, in the judgement in Writ Petition No. 1950//2022 filed by Games Kraft Technologies Pvt. Ltd., Bangalore which held that betting and gambling appearing in Entry 6 of Schedule III of the CGST Act does not and cannot include game of skill within its ambit.
- (d) In the light of the above, the following options are being considered by the Turf Authorities and a final decision in the matter is expected to have a bearing on the buoyancy of activity at the Totalizator:-
- (i) Continuing with the existing financial arrangement of GST @ 28% being paid on the face value of the bet, calculated on an inclusive basis.
 - or
 - (ii) Modifying the financial arrangement, wherein GST would be paid on the commission at the applicable rate.
- (e) After audit by the GST Department, certain discrepancies were reported and the Club has remitted an amount of Rs.17,70,556/- to the GST Department towards the reported shortfall in remittance.
- (f) In response to letter dated 26.4.2023 addressed by the Superintendent, HPU-1, Office of the Commissioner of GST & Central Excise, Chennai South Commissionerate, Nandanam, Chennai – 600035, seeking payment of GST to an extent of Rs. 56.27 crores on the leased property at the Udhagamandalam, in terms of the Demand raised by the Tahsildar, Udhagamandalam, the Club has replied contending the following based on legal advise:
- (i) That in so far as Udhagamandalam Race Course land was concerned, the lease, the rent, and all other matters were all sub-judice and writs were pending.
 - (ii) That merely because there was a claim for enhanced rent by the lessor unilaterally, the same cannot be considered as amounts payable to the Government for attracting GST under reverse charge mechanism, since the actual quantum of rent was yet to be crystalized and what would constitute rentals was still the subject matter of litigation.
 - (iii) That in such circumstances, there cannot be any GST levy based on an assumption of supply and a presumption of consideration.



10. INCOME TAX:

- (a) The Income Tax Department conducted a survey at the premises of the Madras Race Club on 7th and 8th February 2023. During such survey, the Income Tax Department had observed that there was a need to review the manner of apportionment of the total expenses of the Club to the financial operations at Guindy Lodge. It is expected that as a consequence, the quantum of disallowances would be impacted in relation to the past few financial years.
- (b) In these circumstances, the Club thereafter voluntarily remitted an amount of Rs. 72,89,881/- being the amount payable in respect of the additional disallowance for the Assessment year 2019-2020, while noting that the additional disallowances in respect of other Assessment Years 2016-17, 2017-18, 2018-19, 2020-21, 2021-22 and 2022-23 would not be subject to any tax impact, in view of the Book Loss and MAT credit adjustments during the year concerned.
- (c) The Income Tax Department had issued notices under Clause (b) of Section 148 A of the Income Tax Act 1961 relating to the Assessment Years 2019-20, 2020-21, and 2021-22 and the Club has filed revised returns with the Department for the years in question.
- (d) The Club has filed an appeal before the Commissioner of Income Tax (Appeals) with regard to re-assessment by the IT Department for the Assessment Year 2007-08, which is pending adjudication, primarily relating to the sale of 'Race Hall' land, the property of the Club.
- (e) The sale of 'Race Hall' land has already been subjected to Capital Gain Tax during April 2018 and in respect of which capital tax has been suffered. The Club therefore has contended that the earlier leasing arrangement in respect of the above 'Race Hall' land cannot be treated as a sale.

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

- (a) Section 194BB of the Income Tax Act 1961 prior to 1st April 2023 read as under:-“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) Section 194BB of Income Tax Act 1961 has been now amended to read as under with effect from 1st April 2023: “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 being the amount aggregate of amounts exceeding ten thousand rupees during the financial year shall, at the time of payment thereof, deduct income tax thereon at the rate in force.”
- (c) The Turf Authorities has submitted a representation to the Finance Secretary, Government of India seeking a review of the amended provision of Section 194BB of Income Tax 1961, citing the impracticability in implementation of the rules and its adverse impact on the scale of betting at the totalizators.
- (d) In the meantime, the Madras Race Club, like all other Race Clubs in the Country, based on legal advise, is deducting tax at source @ 30% appropriately under Section 194BB of Income Tax Act, 1961.

12. 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	2022-23	2021-22
1	Entertainment Tax	17.41	18.84
2	Value Added Tax	21.85	14.25
3	Central Goods & Service Tax	424.23	493.03
4	State Goods & Service Tax	429.94	505.62
5	Integrated Goods & Service Tax	24.08	6.03

- (b) The Club deducted a sum of Rs. 116.67 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. 71.94 lakhs in the previous year.

13. 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	5th May 2022	10	Corporate Office / Zoom Network
2	6th June 2022	10	Corporate Office
3	8th September 2022	11	Corporate Office / Zoom Network
4	27th October 2022	10	Corporate Office / Zoom Network
5	16th November 2022	11	Zoom Network
6	24th December 2022	7	Corporate Office / Zoom Network
7	17th March 2023	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 14th December 2022 at the Registered Office situated at Guindy, Chennai – 600 032 and also through Video Conference (“VC”) facility / Other Audio Visual Means (‘OAVM’).
- (d) The legal proceedings initiated against the Club in the matter of holding of the Annual General Meeting of Madras Race Club at the Registered Office of the Club and through “VC/OAVM” concluded following the judgement of the Hon’ble High Court of Madras on 10th April 2023, when the Court held as under:-

“29. Therefore, this Court is of the view that any company including MRC appellants /defendants can conduct AGM through OAVM till 31.12.2022 as extended up to 30.09.2023. Hence, the AGM (convened on 11.08.2022 though become infructuous) and now freshly conducted on 14.12.2022 before 31.12.2022 by MRC, would be in compliance with the Circular dated 05.05.2022 and also to the subsequent circular No.11/2022 dated 28.12.2022.”



- (e) The Club incurred legal expenses to an extent of Rs.65.65 lakhs in contesting the legal proceedings initiated by Mr. K. Kaliyaperumal, Member, Committee of Management, with regard to convening the Annual General Meeting in the year 2022 at the Registered Office of the Club and through “VC/OAVM”.
- (f) The Club also incurred legal expenses to an extent of Rs.16.77 lakhs in contesting the proceedings initiated by Mr. K. Shashabindu Das, former Member of the Committee of Management in matters relating to the Annual General Meeting in the year 2021 held through “VC/OAVM”.

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

- (a) In terms of the Article 22 of the Articles of Association of the Club, one third of the Members of the Committee of Management who have been in office for the longest period are liable to retire on rotation and are ordinarily eligible for re-appointment, unless otherwise found ineligible under the provisions of the Companies Act, 2013 or under the Articles of Association.
- (b) Accordingly, the following four Members of the Committee of Management have been in office for the longest period and are therefore liable to retire by rotation, out of the present Members of the Committee of Management, at the ensuing Annual General Meeting to be held **3.00 p.m. on Wednesday, 16th August, 2023**, 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”).

Sl.No	Retiring Committee Member	Appointed in the AGM Held On	No. of Years in the Committee
1	Mr. K. KALIYAPERUMAL	20.11.2019	3
2	Dr. M.A.M.R. MUTHIAH	20.11.2019	3
3	Mr.RM. RAMASAMY	20.11.2019	3
4	Mr.M. SENTHILNATHAN	29.09.2020	2

- (c) The above four Members of the Committee of Management are eligible for re-appointment.

15. 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, 2023 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.

16. SIGNIFICANT LEGAL MATTERS:

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

(Rs. in lakhs)

Sl.No	Particulars	As at 31.3.2023	As at 31.3.2022
1	Income Tax under dispute (excluding interest)	7,103.91	7,103.91
2	T.D.S Defaults	3.29	3.46
3	Sales Tax matter under dispute	5.18	5.18
4	Employees State Insurance	105.18	105.18
5	Property Tax, Water and sewage Tax	325.30	360.41

- (b) The following demands have also been disputed by the Club:

(Rs. in lakhs)

Sl.No	Particulars	2022-2023	2021-2022
1	Speech Circuit Charges demanded by BSNL.	65.60	65.60
2	Lease Rent of Land taken on lease by the Club at Udhagamandalam (Excluding yearly accretions demanded)	65,603.29	65,603.29
3	Registered Leasehold land of the Club at Chennai.		
	(i) Accrued Arrears of revised Lease Rent as demanded on 31st August 2017, i.e. from 01.07.1974 to 30.06.2004	73,086.81	73,086.81
	(ii) Accrued Arrears of Revised Lease Rent from 2004 till date	12,38,135.24	---

- (c) The proceedings in respect of the demand of the Government of Tamil Nadu in respect of revised lease rentals in relation to the Race Course at Udhagamandalam is pending before the Hon'ble High Court of Madras.
- (d) In the proceedings before the Division Bench of the Hon'ble High Court of Madras, arising out of the Notice dated 30th November 2018, issued by the Collector of the Nilgiris District, seeking possession of 4 acres of Land at the Udhagamandalam Race Course, the Club has parted possession of 1.5 acres of land in favour of the local administration at Udhagamandalam.
- (e) The remaining land to an extent of 49.25 acres at the Udhagamandalam Race Course is in occupation of the Madras Race Club.
- (f) The suggestion to the District Collector, Nilgiris District by the Division Bench of the Madras High Court to identify alternate land to an extent of 54 acres in favour of Madras Race Club for relocating the Race Course at Udhagamandalam is pending consideration, in the absence of suitable alternate land.
- (g) 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 VIth Assistant City Civil Judge.



- (h) 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.
- (i) The dispute regarding the concessional rent of Rs.3.15 crore due to the Club from DLF Limited (“DLF”) for the period from 1st March 2018 to 13th April 2018 is the subject matter of arbitration proceedings.
- (j) The Club has relied on Clause Nos. 4,9,and 10 of the Memorandum of Compromise dated 5th March 2018, wherein it clearly states that rent shall be payable up till handing over possession of the land.
- (k) However, DLF has contended that no lease rent is payable during this period in terms of the subsequent Memorandum of Compromise dated 6th March 2018, with the Club, holding that this compromise dated 6th March 2018, had been executed without due authority and is invalid.

17. LEASED LAND AT MADRAS RACE CLUB, CHENNAI:

- (a) In the matter relating to the demand for revised Lease Rentals in respect of the Race Course at Guindy, Chennai, Writ Petitions No. 29644, 29645, 29646 of 2017 and Writ Miscellaneous Petitions Nos. 31934 to 91942 of 2017 have been filed by the Club and have been heard in the Hon’ble High Court of Madras.
- (b) The Hon’ble High Court of Madras vide its Judgement dated 29th March 2023, rejected the Writ Petitions filed by the Club in terms of the following operative orders:-
- (i) The relief as such sought for in all the three Writ Petitions stands rejected.
 - (ii) The Writ Petitioner / Madras Race Club is directed to pay the arrears of revised rent as claimed under the demand order dated 31.08.2017 (a sum of Rs. 730,86,81,297 – Rupees Seven Hundred and Thirty Crores Eighty Six Lakhs and Eighty One Thousand Two Hundred and Ninety Seven only) within a period of one (1) month from the date of receipt of a copy of this order.
 - (iii) In the event of failure in settling the arrears of revised rent within a period of one month, the respondents are directed to evict the petitioners and take possession of the subject property immediately with the assistance of the Police Department.
 - (iv) The respondents are directed to issue demand notices in respect of the accrued arrears of revised rent for the relevant period from the year 2004 to till date (roughly calculated by the respondents as Rs. 12,381,35,24,269 (Rupees Twelve thousand three hundred eighth one crores thirty five lakhs twenty four thousand two hundred and sixty nine only) within a period of one (1) month from the date of this order and by granting two (2) months time to the petitioners to settle the said arrears of revised rent.
 - (v) In the event of not settling any part or the entire arrears of revised rent due to the Government of Tamil Nadu, the respondents are directed to initiate appropriate recovery proceedings against the Writ Petitioner/Madras Race Club and recover the entire dues by following the procedures as contemplated and by proceeding against all the persons,who all are responsible, liable and accountable for settling all Government dues in the manner known to law.”

- (c) The Club has filed appeals WA 897/2023, WA 898/2023, WA 890/2023, CMP 8951/2023, CMP 8949/2023, CMP 8947/2023, CMP 8943/2023, CMP 8926/2023 and CMP 8925/2023, challenging the order in W.P.No. 29644 to 29646 of 2017, which have been heard by the Division Bench of the Hon'ble High Court of Madras.
- (d) The Division Bench of the Hon'ble High Court of Madras on 19th April 2023 has ordered status quo being maintained in the matter until the next date of hearing on 20th June 2023.
- (e) The Committee, based on legal advise, is of the opinion that the rights of the Club over the leased lands are legally secure and the demands are not tenable in law for the following reasons:-
- (i) The existing registered lease deed dated 8th March 1946 is a contractual arrangement and is legally valid as is in force from 1st April 1945, for a period of 99 years.
 - (ii) There is no scope for revision in lease rentals during the defined contractual period of tenure, particularly in the absence of any clause permitting such a revision.
 - (iii) The lease rentals for the entire tenure of the Lease had been paid in full by the Madras Race Club and had been duly received by the Government.
 - (iv) The fixation of lease rentals for land housing sporting activity cannot be related to the commercial value of the Property.

18. LABOUR RELATED DISPUTES:

- (a) The Petition filed by temporary watchmen for reinstatement and for revision of wages has been disposed by the Labour Court on 27th January 2020 in favour of the petitioners with the benefit of reinstatement and back wages.
- (b) The Madras Race Club has filed a writ petition before the Hon'ble Madras High Court challenging the order of reinstatement, which is pending disposal.
- (c) In the matter of the petition filed by the Horse Maintenance Staff (Syces) seeking to be considered as employees of the Club, a writ has been filed by the Club before the High Court and the matter is pending disposal.
- (d) The petition filed by the Race Day Staff before the appropriate authority for payment of Gratuity has been disposed of by the Commissioner of Labour, Chennai on 20.2.2022 directing the Club to disburse gratuity in accordance with the Payment of Gratuity Act, 1972, involving an amount of Rs. 1,22,19, 863/- in respect of 64 former permanent race day employees.
- (e) The Club filed a batch of Writ Petitions contesting the order and the Hon'ble High Court of Madras vide its order No.18.11.2022 quashed the above order, subject to the Club depositing the stipulated amount with the Controlling Authority, with a direction that the matter could be heard afresh and an award could be passed on merits and in accordance with law, after affording fair hearing both to the Club and the former employees.
- (f) In the meantime, 64 former employees approached the Club and executed individual settlements under Section 18 (1) of the Industrial Disputes Act, 1947, in full and final settlement of all dues payable by the Club and requested the Hon'ble Controlling Authority under the Payment of Gratuity Act, 1972, to take on record the relevant documents and dismiss the proceedings in the matter of payment of Gratuity, as having been settled out of Court.
- (g) In all, the Club paid a total amount of Rs. 45.01 lakhs in respect of 64 former race day employees with the date of appointment being reckoned as 1st April 2022, based on the principle outlined in order dated 03.06.2002 of the Hon'ble High Court of Madras, in relation to the status of former race day employees.



19. PROPERTY TAX:

- (a) An amount of Rs 35,11,475/- has been remitted by the Club to the Greater Chennai Corporation, in respect of 12 properties under litigation, in terms of the directions of the Hon'ble High Court of Madras vide its Order dated 3rd April 2023, in W.P. No. 14162 of 2020 and WMP Nos. 12341 of 2022, 17628, 17630 of 2020, with property tax having been paid by the Club, calculated at the old rates, as was prevalent prior to the revision in the rates of taxes.
- (b) In terms of the direction of the Order dated 3rd April 2023 of the Hon'ble High Court of Madras, a fresh demand in lieu of the earlier demand, has to be raised by the Greater Chennai Corporation on the Madras Race Club, outlining the basis of the revised tax demand and subject to joint measurements, so as to avoid dispute in measurements.
- (c) The Club has impressed upon the Officials of the Greater Chennai Corporation to take a pragmatic view in the manner and levy of Property Tax, considering the following:-
- The Utilization of the property was primarily for horse racing.
 - The buildings were old and in view of the nature of the activities, application of commercial rates was not justifiable especially at the Race View and Race Park areas.
 - The differentiation in respect of stables was necessary, considering that it was housing horses and it was semi-permanent in nature.
 - The tax of a lower rate was justifiable in respect of the viewing galleries in the enclosures as it was for the use of the general public and presently was not put to use at the Club.
 - The revision for the past period could be given effect to from 2010 onwards and not from an earlier period.
- (d) The Club is in the process of reconciling the details of measurements and is awaiting a revised demand from the Greater Chennai Corporation in respect of property tax relating to twelve properties at the Club, presently the subject matter of litigation.

20. APPOINTMENT OF STATUTORY AUDITORS:

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

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

- (c) In terms of the Notification dated 7.5.2018 issued by the Ministry of Corporate Affairs, the requirement of ratification for the appointment of auditors in every AGM during their term of appointment has been dispensed with and consequently the same has not been included in the Agenda.
- (d) The term of office of the above auditors expires at the conclusion of the AGM to be held in the year 2024.

21. INTERNAL CONTROLS:

- (a) The Club has published a Manual for internal compliance, wherein procedures and norms have been notified to enhance financial accountability and transparency and to establish sound accounting practices and internal controls at the Club.
- (b) With the objective of strengthening internal controls, M/s. N. Ganesh & Associates, Chartered Accountants, A3/15, Tristar Residency, 6th Main Road, Mogappair (E), Chennai – 600 037, was appointed as Internal Auditors for the Club, to review, verify and report in terms of the following broad scope of work:-
 - (i) Financial and Accounting Operations
 - (ii) Cycle Processes
 - (iii) Purchases and stock related matters.
 - (iv) Processing of Accounts Receivables & Payables.
 - (v) Statutory compliances.
 - (vi) Compliance with Accounting and Financial Policies, Procedures & Norms.
 - (vii) Maintenance of Accounts
- (c) In terms of the scope of work, the following categories of transactions are subject to pre-audit and only after authentication by the Internal Auditor, payment will be processed by the Club:-
 - (i) All individual transactions of the value of Rs. 50,000/- and above.
 - (ii) All Capital purchases including additions to Assets and Buildings.
 - (iii) Payment of Stakes in respect of all Sweepstakes and Graded Races
- (d) The Internal Auditor submits reports periodically to the Club in terms of the above scope of work to secure compliance by the Club.

22. COMMENTS ON AUDITORS' REPORT:

- (a) The Auditors have drawn attention to the status of verification of fixed assets, including landed properties and the aspect of compliance in their report.
- (b) The assets of the Club are well protected from pilferage/loss under the existing system, but however to have better control, as part of a sturdy internal control mechanism, a system is being evolved to tag and physically verify Fixed Assets including Land and Properties on a periodic basis at the Club, so as to ensure due and adequate compliance in the long run.
- (c) The Auditors have drawn attention to the contingent liability on the accrued arrears of revised Lease Rent of the land in Chennai as demanded on 31st August 2017 and accrued arrears of Lease Rent from the year 2004 till date.
- (d) The matter is sub judice and the demands are not tenable in Law, based on legal advise, for the reasons already set out on page 26/27 of the Report under the heading "Leased Land at Madras Race Club, Chennai."

23. IMPROVEMENTS:

The following, inter-alia, were under taken during the year at the Club:-

- (a) Supply and Erection of High Mast Lights in the Paddock and Guindy Lodge at a cost of Rs. 26.43 Lakhs.
- (b) Installation of Softener Plant and RO Plant at a cost of Rs. 8.38 Lakhs.
- (c) Remodelling of Entry and provision of Staircase for Punters at a cost of Rs. 17.22 Lakhs.
- (d) Relocation of Starting Gate shelter at a cost of Rs. 11.34 Lakhs.
- (e) Providing PVC Railings in the Course areas at a cost of Rs. 37.72 Lakhs.
- (f) Providing New LED Boards at a cost of Rs. 8.87 Lakhs.
- (g) Raising the ground level in 37 grounds at a cost of Rs.30 Lakhs.
- (h) Renovation of Restobar and Coffee Shop at a total cost of Rs. 15.35 Lakhs.



24. ADMINISTRATION:

- (a) Subscription fees was increased from Rs 3600/- plus GST to Rs 5100/- plus GST per Stand Member, with a concessional levy of 50% in respect of Senior Stand Members.
- (b) Usage charges in respect of the Sports facility at the Guindy Lodge has been discontinued in respect of Stand Members, as was done earlier in the case of Club Members, excluding guests.
- (c) The Ciclo Café managed by TIAM Foods Private Limited is now housed in a glass Air Conditioned Lounge in the Verandah of the Guindy Lodge, covering a Floor area of about 3300 sq.ft.
- (d) The Location of such a branded restaurant within the premises of the Club is expected to help in increasing patronage at the Guindy Lodge, particularly in view of its appeal to high profile Customers.
- (e) The charges stipulated for hosting Parties and functions in the premises of the Club has been revised with effect from 1st January 2023.
- (f) The stall fee in respect of Bookmakers has been revised with effect from 1st November 2022.
- (g) The fee for usage of mobile phones has been revised to Rs 500/- per phone in the First enclosure at Chennai and Rs 250/- in the Second Enclosure at Chennai and Udagamandalam with effect from 1st November 2022, with a penalty of Rs 5,000/- for unauthorized usage.
- (h) The amounts from the Madras Race Club Employees' Provident Fund Trust have been transferred to the Government administered Employees Provident Fund Organization.
- (i) The request of the Club for crediting of Amount/adjustment of deficit is being processed by the Provident Fund Department and is subject to verification by the Head Office of the Department.
- (j) The formal closure of Provident Fund Trust is under way along with the necessary documentation.

25. RACING RELATED STATISTICS:

The following are the details:

Particulars No. of race meetings:	2022-23	2021-22	2020-21	2019-20	2018-19
Madras Races	27	34	19	30	31
Udhagamandalam Races	15	6	0	19	9
Inter-venue Betting	251	165	84	280	320
Average attendance	2780	2777	2549	3585	3840
Number of race / IVB days	293	205	103	272	295
Number of races:					
At Chennai	192	187	167	216	213
At Udhagamandalam	99	129		132	68
Number of horses which participated:					
At Chennai	504	603	484	469	538
At Udhagamandalam	374	404	0	370	320

26. INFRASTRUCTURE DEVELOPMENT:

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

Sl.No	Particulars	Rs.
1	Construction of 56 New Stables and 8 Rooms at Race Farm	1,61,27,996.00
2	Modification of Verandah area in Guindy Lodge to house Ciclo Café	1,39,71, 005.44
3	Renovation of Club House	83,17, 799.24
4	Construction of Permanent 12 Bookie Stalls in 1st Enclosure and 36 Permanent Book Stalls in 2nd Enclosure	48,38,147.94
5	Realignment and asphaltting of Road	2,57,44, 356.00
6	Realignment of Sand Track	35,70,549.24
7	Completion of construction of RCC Corridor in Guindy Lodge	84,15,381.00

(b) The following Capital Expenditure, as per the estimates indicated alongside, excluding GST, is proposed to be undertaken during the year 2023-24, subject to compliance with the provisions of the Articles of Association of the Madras Race Club:

Sl.No	Particulars	Rs.
1	Laying of RCC Storm water drains in Race View	1,17, 18,586
2	Laying of RCC Road and Storm Water Drains in Race Farm	1,72,94,787
3.	Renovating the Stewards Deck in the Committee Room Area	31.27,767
4	Providing Paver Blocks in Saddling Enclosure including modifications of stables	33,19,688
5	Upgradation of Power House Area covering electrical Panel Board, Transformer, shifting of electrical room to oats godown area and replacement of damaged cables etc.	1,20,00,000
6	Improvement to acoustics	25,00,000
7	Establishing a New Bakery Unit at Guindy Lodge	45,00,000
8	Improvements to Grass Track	1,25,00,000
9	Setting up a Sewage Treatment Plant for supporting maintenance of Grass Track	3,50,00,000
10	Providing Solar lighting(20Nos) in the New Stable area in the Race Farm.	10,00,000
11	Construction of 100 Semi-temporary Stables at Udhagamandalam.	1,00,00,000
12.	Construction of new RCC road at Udhagamandalam (350 + 550)	2,01,43,210
13.	Modification of existing rooms and provision for additional rooms at Udhagamandalam	2,00,00,000
14	Construction of Compound wall at Hobart Park at Udhagamandalam	30,00,000
15	Establishing of a Mini Cricket Ground at Race View.	70, 00,000
16	Re-laying of Road in front of the Club from Main Gate to 2nd Enclosure	2,00,00,000
17	Flood Lights for Night Racing at Madras Race Club, Guindy, Chennai	3,00,00,000
Total Amount		21,31,04,038



27. 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 A.
- (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.

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

(a) Key Managerial Personnel:

The provisions of section 203(1) of the Companies Act, 2013 in respect of appointment of key managerial person and their remuneration are not applicable to the Company.

(b) Particulars of Employees:

- (i) The provisions of the section 197 of the Companies Act, 2013 for disclosure in respect of persons receiving managerial remuneration is not applicable to the Company as no person is covered under this section.
- (ii) No employee of the Club comes under the purview of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of the Companies Act, 2013.

(c) Particulars of Loans and Guarantees:

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

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

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

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

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

(f) Secretarial Standards:

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

(g) Corporate Social Responsibility [CSR] Expenditure:

- (i) During the financial year 2022-23, provisions relating to CSR are not applicable, as the Club has not crossed the threshold limit during the immediately preceding Financial Year 2021-22, as prescribed in the Companies Act, 2013.
- (ii) During the year, the Club incurred an aggregate of Rs.NIL towards CSR expenditure, and the comparative details are furnished here under:-

Sl.No	Particulars	2022-2023	2021-2022
1	Gross amount required to be spent	Nil	Nil

(h) Cash defalcation and fraud:

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

(i) 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 – www.madrasraceclub.com

(j) Foreign Currency Transaction:

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.

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.

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:

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.

However, the income and expenditure pertaining to the above two activities are separately shown in the financials for presentation.

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

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

(m) Dividends & Deposits:

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



29. 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.

30. 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.

31. 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.

32. MEMBERSHIP:

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 31.3.2023	As on 31.3.2022
At the beginning of the year	714	732
Add: New Members enrolled	0	0
Less: Deletions due to resignations, death and on account of removals from membership	5	18
At the end of the year as on 31.3.2023	709	714

STAND MEMBERS

Particulars of Stand Members	As on 31.3.2023	As on 31.3.2022
At the beginning of the year	2990	3163
Add: New Members enrolled	0	0
		3163
Less: Deletions due to resignations, death and on account of removals from membership	145	173
At the end of the year as on 31.3.2023	2845	2990

33. 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	
CMA14	Alagappan. M, Esq.	SMB174	Bharat, S. Esq.
CMB100	Balasubramaniam. P, Esq.	SMC118	Chandrasekhara Rao, A.V. Esq.
CMK18	Krishnamoorthy. R, Esq	SME18	Emmanuel Stephen, Esq
CMS131	Sankar. N, Esq.	SMK176	Kidao,T.V.K. Esq.
CMV164	Valliappan Thirunavukkarasu,Esq.	SMM1026	Muthukumar, T. Esq.
		SMR298	Raja, AVS. Esq.
		SMS477	Sureshkumar, B. Esq.
		SMS706	Seshadri, PS. Esq.
		SMS1233	Sampathkumar Mourthy,Esq.
		SMS1251	Sakthivelu S.P. Esq.
		SMT54	Thiagarajan, K. Esq.
		SMV653	Vasu, N. Esq.

34. ACKNOWLEDGEMENT:

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

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

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

Place : Chennai
Date : 19th June 2023

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



Form No.AOC- 2

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

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

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

S.No.	As on 31.3.2023	Details
a.	Name of the related party and nature of relationship	NIL
b.	Nature of contracts/ arrangements/ transactions	
c.	Duration of contracts/ arrangements/transactions	
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	
e.	Justification for entering into such contracts or arrangements or transactions	
f.	Date of approval by the Committee of Management	
g.	Amount paid as advances ,if any	
h.	Date on which the special resolution was passed in General Meeting as Required under first provision to section 188 of the Act.	

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

S.No.	As on 31.3.2023	Details
a.	Name of the related party and nature of relationship	Vacha Fine Arts, Mr.PaulAntony, Committee Member of Madras Race Club, is a Director.
b.	Nature of contracts/ arrangements/ transactions	Printing and Stationery.
c.	Duration of contracts/ arrangements/transactions	2022-2023
d.	Salient terms of the contracts or arrangements or transactions	As and when required at arm's length
e.	Salient terms of the contracts or arrangements or transactions including the value, if any	Rs. 9,61,383
f.	Date of approval by the Committee of Management	19/06/2023
g.	Amount paid as advances, if any	Nil

Place : Chennai
Date : 19th June 2023

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



SOURCES AND APPLICATION OF FUNDS

(Rs. in Lakhs)

Particulars	Sources		Particulars	Application	
	2022-23	2021-22		2022-23	2021-22
<u>Income from Racing Activities:</u>			<u>Racing Expenditure</u>		
Totalizator Commission	1,391.09	915.32	Stake Money & Trophies	1,814.52	2,010.69
Bookmakers income	1,298.83	774.23	Stable upkeep	90.86	69.29
Entry Money	219.88	250.34	Consumption of fodder & medicine	674.29	545.14
Racing Promotion fees	100.45	542.07	Sample testing charges	64.26	59.01
Export income	89.74	57.81	Royalty to Other clubs	22.94	24.09
Auction sale commission & entry fees	14.29	28.54	Course expenses	206.32	164.39
Gate Money	163.41	110.83	GST-Paid under protest Tote Pool	621.82	431.48
Share of income on IVB	2.47	31.20	Indian Turf Invitation Cup Expenses	0.00	289.48
Recovery of horse treatment charges	380.94	278.27	Indian Turf Invitation Cup Contribution	35.50	25.00
Recovery of horse fodder charges	331.78	317.08	Other racing expenditure	314.45	251.40
Miscellaneous income from racing activity	269.06	190.94	Expenses at Riding School	69.55	0.00
Income from Riding School	52.76	0.00			
	4,314.70	3,496.63		3,914.50	3,869.97
<u>Income from Club Activity:</u>			<u>Club Activity Expenditure:</u>		
Members Subscription	137.36	110.81	Consumption of liquor, bar license etc.	274.31	124.03
Minimum Billing	34.33	46.71	Food contracts	296.29	150.38
Sale of liquor, Food and refreshments	520.53	281.37	Repairs and other expenses	13.63	54.62
Water and other maintenance charges	98.11	102.08			
Room Income	99.75	28.62			
Party Income	141.13	37.51			
Miscellaneous incomes	89.58	37.37			
	1,120.80	644.47		584.23	329.03
<u>Other Incomes:</u>			<u>Other Expenditure:</u>		
Interest from term deposits etc	1,908.39	1,737.37	Power and Fuel	248.84	187.69
Grants received	0.00	40.70	Rates and Taxes & lease rent	131.57	52.36
Maintenance charges	74.28	57.00	Security Manpower expenses	90.17	71.42
Amounts written back	0.00	22.36	Legal and Professional Fees	192.29	70.89
Other Income- Scrap, Rent etc	110.02	108.43	Bad Debts written off	83.05	0.00
			Repairs and Maintenance	348.37	309.53
			Audit Fees	25.00	25.00
			Allowance for expected credit loss	0.00	56.43
			Other administrative expenses	137.07	177.55
	2,092.68	1,965.86		1,256.36	950.87
			Employees Cost	909.73	938.27
			Depreciation & Amortisation	245.14	186.12
Total Income	7,528.19	6,106.96	Total Expenditure	6,909.96	6,274.26
			Net Excess / (Deficit) for the year	618.23	(167.30)
			[Prior to provision for taxation]	Profit	Deficit



Madras Race Club Value Added Statement

Particulars	F.Y.2022-23	F.Y.2021-22
	In Lakhs	In Lakhs
Revenue from Racing Activity	4,314.71	3,496.63
Revenue from Club Activity	1,120.80	644.47
Interest Income	1,908.39	1,737.37
Other Income	184.29	228.49
Less: Cost of Operations	-3,899.77	-2,980.86
Gross Value Added	3,628.42	3,126.09

Application of Value Added

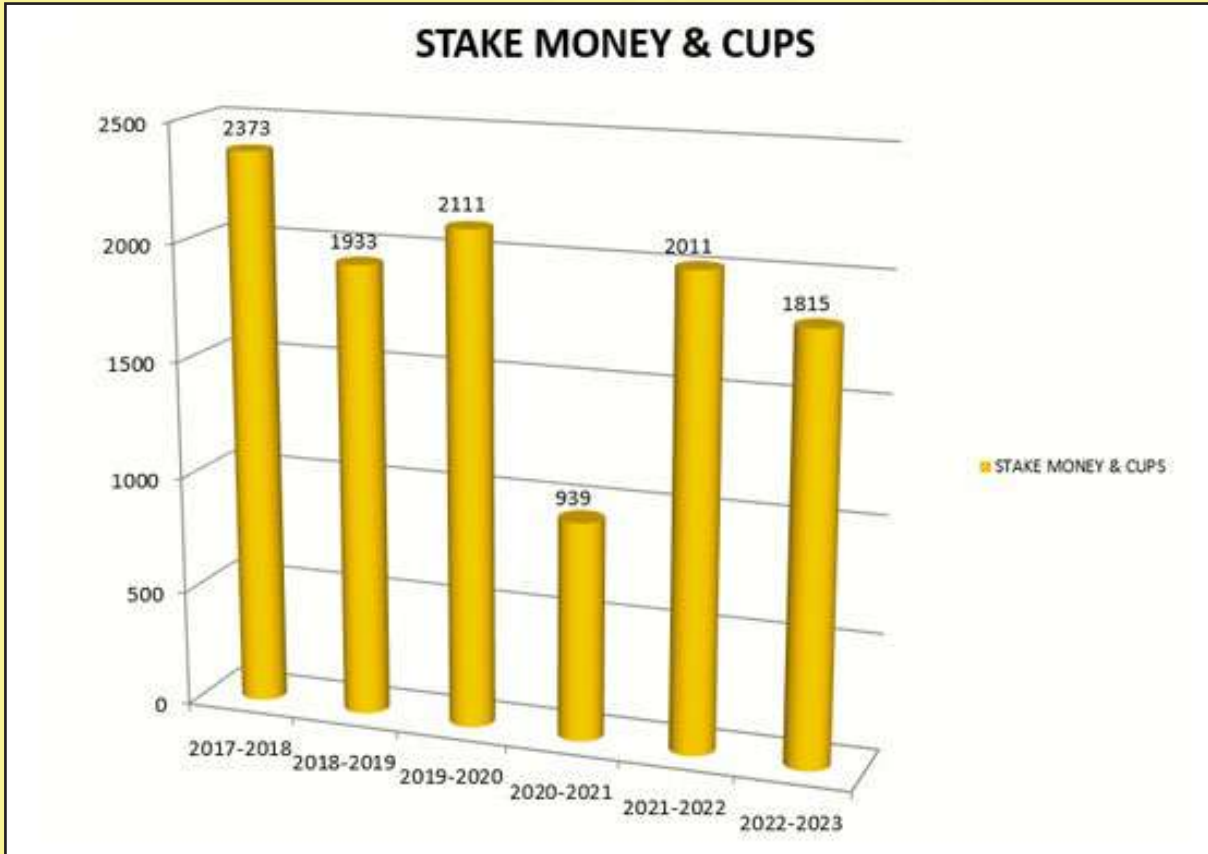
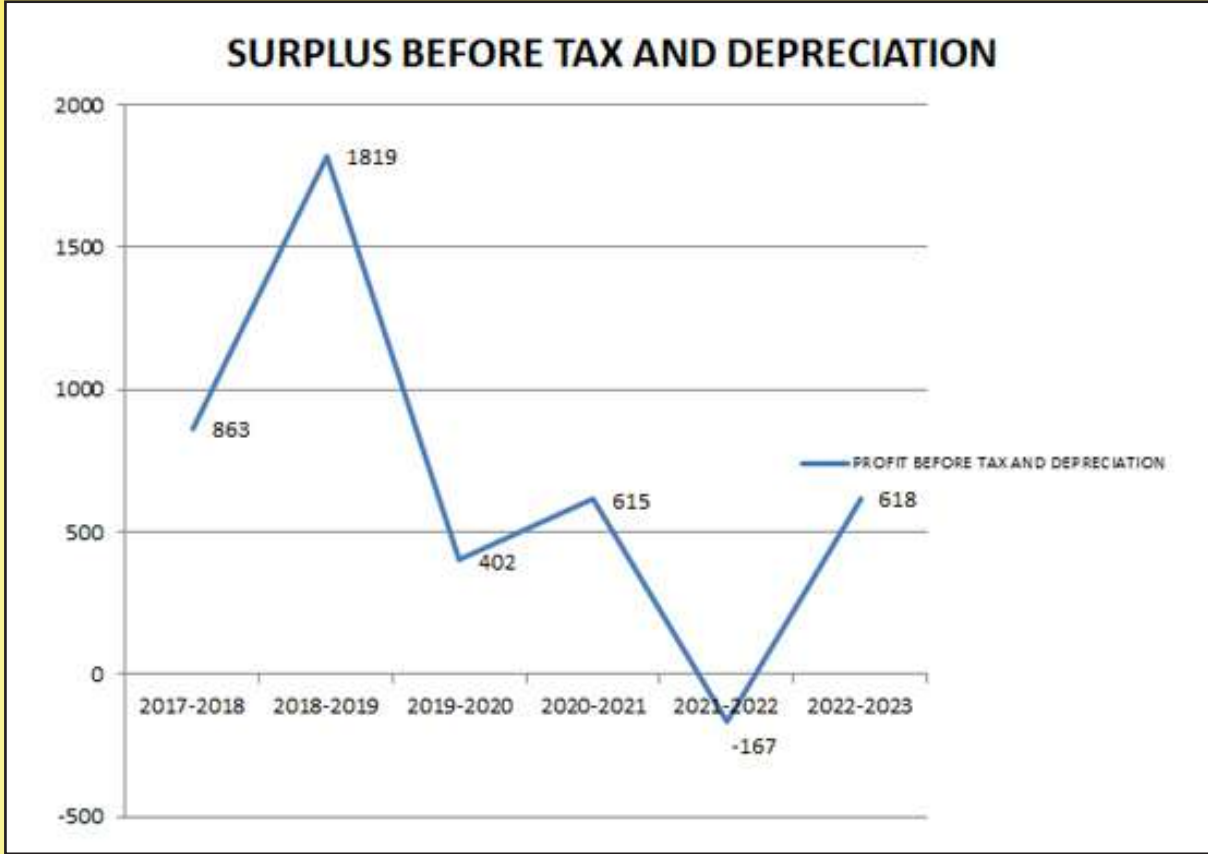
To Pay Employees	909.73	25.07%	938.27	30.14%
To Pay Government	182.91	5.04%	15.01	0.48%
To Pay Stakes, Cups & Trophy, Equine Welfare & CSR	1,814.52	50.01%	2,010.70	64.36%
To Provide for the maintenance & expansion of the Company	721.27	19.88%	162.12	5.02%
-Depreciation	245.14		186.12	
-Loss/Retained Profit	476.13		-24.00	

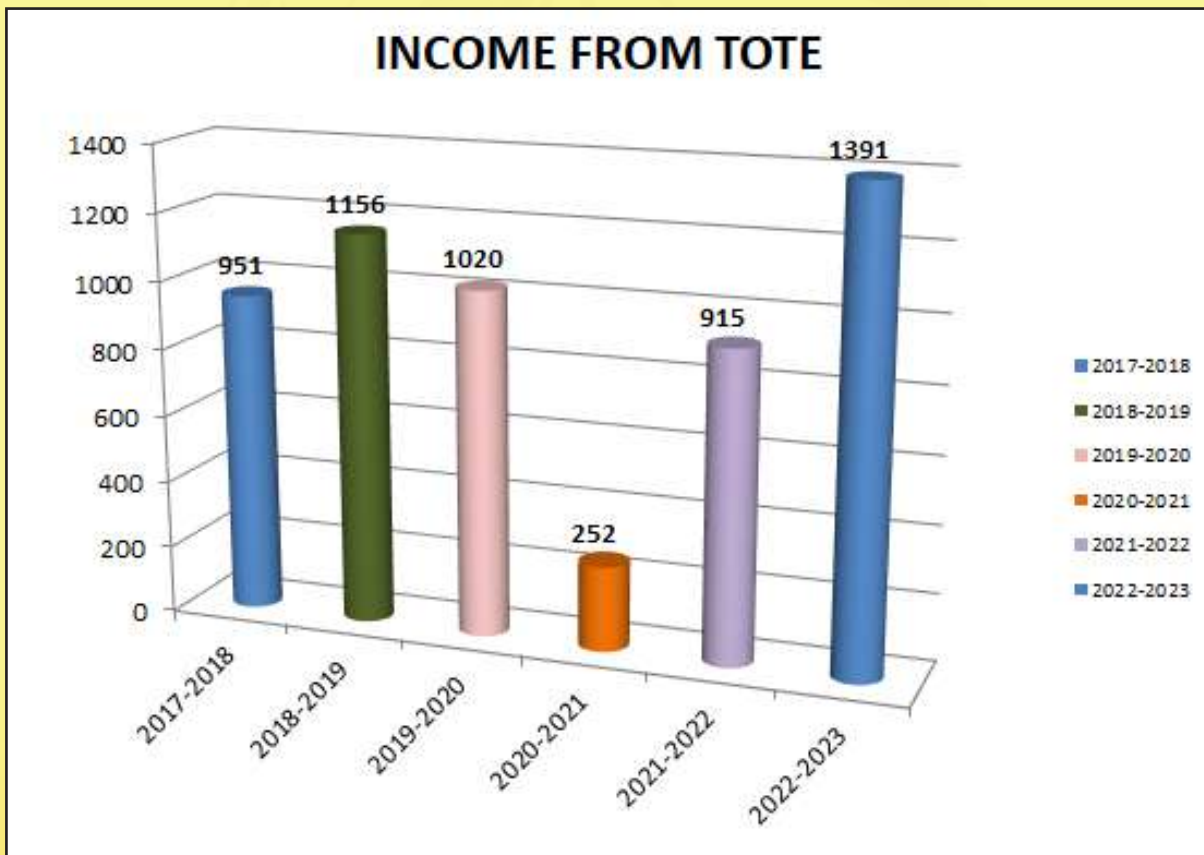
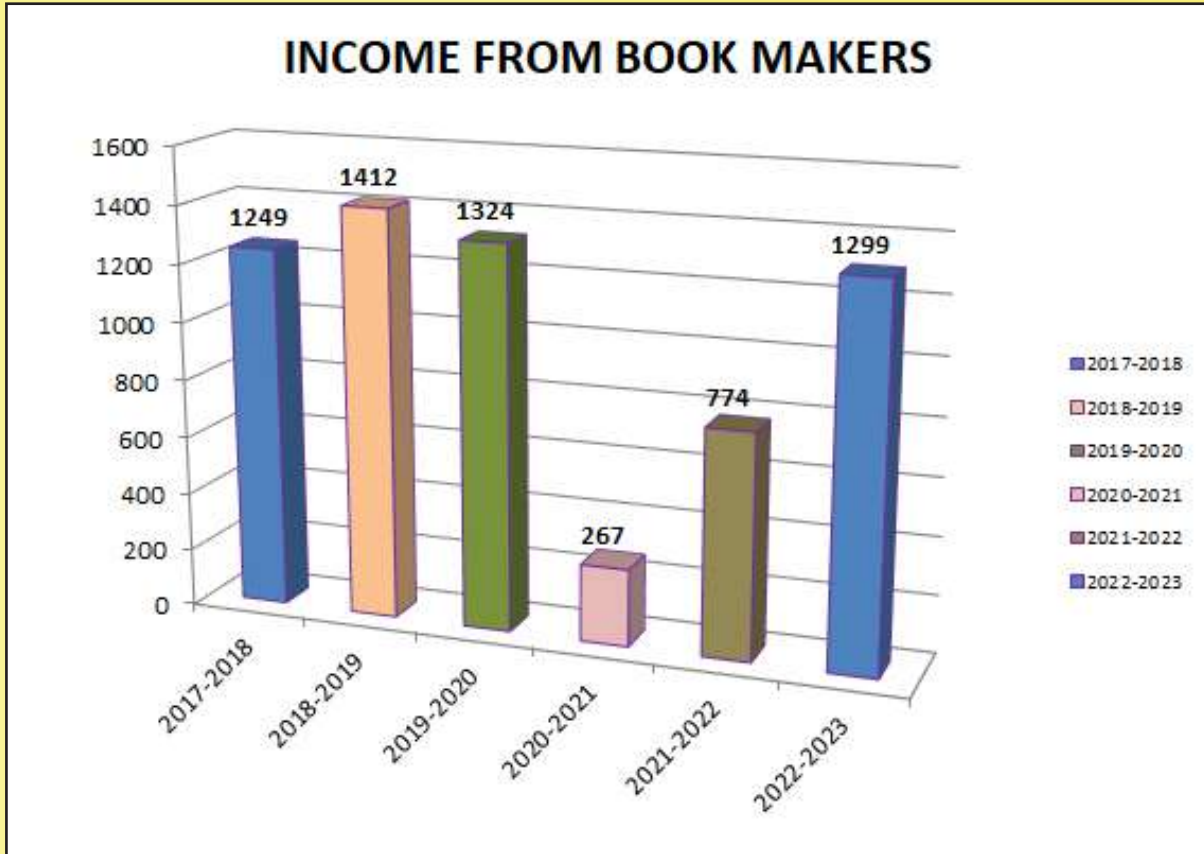
Profit/Loss Before Tax Reconciliation with GVA

	F.Y. 2022-23	F.Y. 2021-22
Profit/Loss Before Tax	618.23	-167.31
Add: Depreciation	245.14	186.12
Add: Employee Cost	909.73	938.27
Add: Stakes, Cups & Trophy, Equine Welfare & CSR	1,814.52	2,010.70
Add: Remeasurements of the defined benefit liabilities	40.81	158.32
Gross Value Addition	3,628.42	3,126.09

Value Added Chart FY 2022-23

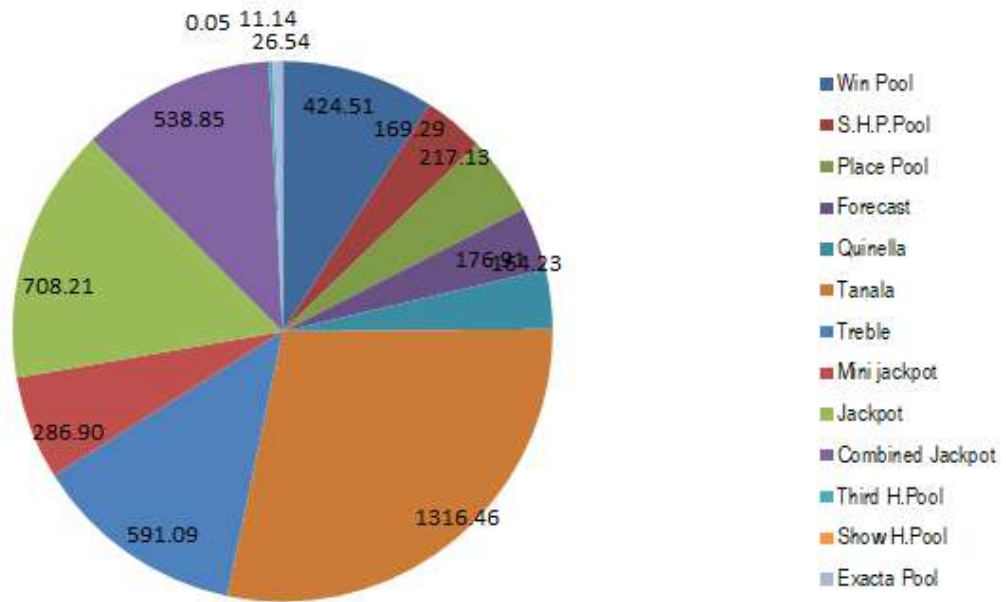




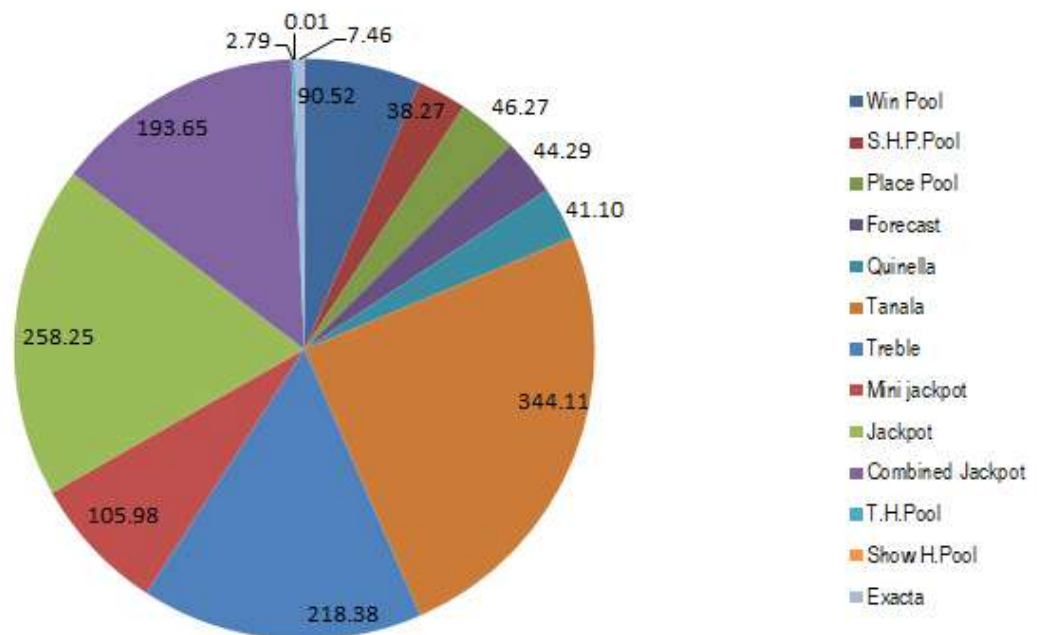




TOTE TURNOVER RS.4631.31 LAKHS 2022-2023



TOTE COMMISSION RS.1391.09 LAKHS- 2022-2023





INDEPENDENT AUDITOR'S REPORT

To

The Members of Madras Race Club,
Guindy,
Chennai 600032

Report on the Audit of the Ind AS Financial Statements

Opinion:

We have audited the Financial Statements of Madras Race Club (“the Club”, “the Company”), which comprise the Balance Sheet as at 31st March, 2023, and the Statement of Income and expenditure, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (“Ind AS”) prescribed under section 133 of the Act read with the Companies (Ind AS) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Club as at 31st March, 2023 and its surplus, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion:

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

Matters of Emphasis:

- Attention is drawn to Note No. 35 to the Financial Statements regarding contingent liabilities on the accrued arrears of revised lease rent of land at Chennai for Rs. 73,086.81 lakhs, as demanded on 31st August, 2017, and accrued arrears of revised lease rent for Rs. 12,38,135.24 lakhs, from the year 2004 till date, which the Hon'ble High Court of Madras has ordered the Club to pay within prescribed periods of time, against which the Club has filed an appeal before the division bench, as these demands are not sustainable due to the reasons detailed in the said note, and the matter is also subjudice.

- Attention is also drawn to Note No. 42 to the Financial Statements, which fully describes the status of the fixed assets tagging and physical verification of such assets, including landed properties, where the management is in the process of complying in the coming years.

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

Information other than the financial statements and Auditors' report thereon:

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

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

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

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

Responsibility of Management for Ind AS Financial Statements:

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

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

The Committee of Management is also responsible for overseeing the Club's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements:

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Club has adequate Internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements:

- I. As the Companies (Auditor's Report) Order, 2020 (the "Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, is not applicable to the Club, the matters specified in paragraphs 3 and 4 of the Order, are not reported.
- II. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Club so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Income and Expenditure, the Statement of Changes in Equity and the Statement of Cash Flows dealt with, by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015.

- (e) On the basis of the written representations received from the Committee of Management as on 31st March, 2023 taken on record by the Committee of the Management, none of the Committee Members is disqualified as on 31st March, 2023 from being appointed as a Committee Member in terms of Section 164 (2) of the Act.

In our opinion, proper books of account as required by law have been kept by the Club so far as it appears from our examination of those books.

- (f) With respect to the adequacy of the Internal Financial Controls with reference to financial statements of the Club and the operating effectiveness of such controls, kindly refer to our separate Report in Annexure A.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanation given to us, the provision of section 197 is not applicable to the Club.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- (i) The Club has, in accordance with the Generally Accepted Accounting Practices, disclosed the impact of pending litigations on its financial position in its Financial Statements (as referred to in Note 35 to the Financial Statements).
- (ii) The Club does not have any material foreseeable losses on long-term contract including derivative contracts for which there were any material foreseeable losses under the applicable law or Accounting Standards.
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (iv) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts (Note No. 43(a), no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

The management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to the accounts (Note No. 43(b), no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate beneficiaries; and

Based on the above explanations and audit procedures which we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations sub-clauses (i) and (ii) of Rule 11(e) of the Companies (Audit and Auditors) Rules, 2014 contain any material misstatement.



- (v) As the Club is registered under Section 25 of the erstwhile Companies Act, 1956 (corresponding Section 8 of the Companies Act, 2013), it is prohibited from payment of any dividend to its members. Hence reporting under Rule 11(f) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.
- (vi) Provison to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1st April, 2023, and hence our reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 as to whether the Company has used such accounting software is not furnished.

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

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

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

Venkatesh Kamath S V
Partner
M.No. 202626
UDIN: 23202626BGVSXD1537

K.Premkumar,
Partner
M.No.019170
UDIN: 23019170BGZMUG8365

V.Chandrasekaran
Partner
M.No.024844
UDIN: 23024844BGRMWA7787

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

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

B. Gowthaman
Partner
M.No. 201737
UDIN: 23201737BGWPDS7322

P.B.Santhanakrishnan
Partner
M.No. 020309
UDIN: 23020309BGYYKP2887

Place: Chennai
Date: 19th June 2023

Annexure A

Annexure to the Independent Auditors' Report of even date on the Financial Statements of Madras Race Club (the "Club", "the Company")

Report on the internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal Financial Control with reference to financial statements of the Madras Race Club (the "Club", "the Company") as of 31st March, 2023, in conjunction with our audit of the Financial Statements of the Club for the year ended on that date.

Management's Responsibility for Internal Financial Controls with reference to financial statements:

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

Auditors' Responsibility:

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls with reference to financial statements:

A Company's Internal Financial Control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of Financial Reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal Financial Control with reference to financial statements includes those policies and procedures that:

- 1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company,
- 2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being only in accordance with authorizations of management and directors of the Company; and
- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting:

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

Opinion:

In our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting such internal financial controls over financial reporting were operating effectively as at 31st March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

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

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

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

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

Venkatesh Kamath S V
Partner
M.No. 202626
UDIN: 23202626BGVSXD1537

K.Premkumar,
Partner
M.No.019170
UDIN: 23019170BGZMUG8365

B. Gowthaman
Partner
M.No. 201737
UDIN: 23201737BGWPDS7322

P.B.Santhanakrishnan
Partner
M.No. 020309
UDIN: 23020309BGYYKP2887

V.Chandrasekaran
Partner
M.No.024844
UDIN: 23024844BGRMWA7787



**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31st MARCH, 2023**


MADRAS RACE CLUB

(CIN: U74999TN1922NPL001455)

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

BALANCE SHEET AS AT 31st MARCH 2023

Sl.No.:	Particulars	Note No.	As at 31 st March 2023 Rs. (in lakhs)	As at 31 st March 2022 Rs. (in lakhs)
I	ASSETS			
	NON-CURRENT ASSETS			
	(a) Property, Plant and Equipment	3(a)	4,771.33	4,042.95
	(b) Capital Work-In-Progress	3(b)	40.59	322.90
	(c) Other Intangible Assets	3(c)	37.46	59.90
	(d) Intangible Assets Under Development		-	-
	(e) Financial Assets			
	(i) Bank Deposits with more than 12 Months Maturity	4	11,500.00	-
	(ii) Others	5	12.64	12.64
	(f) Other Non-current Assets	6	261.89	308.15
	SUB-TOTAL (A)		16,623.91	4,746.54
	CURRENT ASSETS			
	(a) Inventories	7	101.49	74.39
	(b) Financial Assets			
	(i) Trade Receivables	8	255.70	312.87
	(ii) Cash and Cash Equivalents	9	175.95	200.89
	(iii) Bank Balance other than (ii) above	10	20,003.15	31,338.87
	(iv) Other Current Financial Assets	11	530.43	1,102.87
	(c) Current Tax Assets (Net)	12	913.72	830.10
	(d) Other Current Assets	13	117.64	116.06
	SUB-TOTAL (B)		22,098.08	33,976.05
	TOTAL ASSETS (A+B)		38,721.99	38,722.59
II	EQUITY AND LIABILITIES			
	OTHER EQUITY			
	(a) General Fund	14	36,648.11	36,212.79
	(b) Reserves and Surplus	15	271.34	230.54
	SUB-TOTAL (C)		36,919.45	36,443.33
	LIABILITIES			
	NON-CURRENT LIABILITIES			
	Financial liabilities		-	-
	SUB-TOTAL (D)		-	-
	CURRENT LIABILITIES			
	(a) Financial liabilities			
	(i) Trade payables			
	(a) Total Outstanding dues of micro enterprises and small enterprises; and	16	48.04	93.96
	(b) Total Outstanding dues of creditors others than micro and small enterprises		803.91	1,188.88
	(b) Other Current Financial Liabilities	17	472.66	484.58
	(c) Other current liabilities	18	477.93	490.65
	(d) Provisions	19	-	21.20
	SUB-TOTAL (E)		1,802.54	2,279.26
	TOTAL EQUITY AND LIABILITIES (C+D+E)		38,721.99	38,722.59

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

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

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

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

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

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

Dr.M.A.M.R.Muthiah, *Chairman*
Mr.Arun Alagappan
Mr.Chaduranga Kanthraj Urs
Dr.T.Devanathan Yadav
Mr.Paul Antony
Mr.Ramesh Rangarajan
Mr.Ranjit Jesudasen
Mr.M.Ravi
Mr.M.Senthilnathan

Venkatesh Kamath S V
Partner
M.No. 202626
UDIN: 23202626BGVSDX1537

K.Premkumar,
Partner
M.No.019170
UDIN: 23019170BGZMUG8365

B. Gowthaman
Partner
M.No. 201737
UDIN: 23201737BGWPDS7322

P.B.Santhanakrishnan
Partner
M.No. 020309
UDIN: 23020309BGYYKP2887

V.Chandrasekaran
Partner
M.No.024844
UDIN: 23024844BGRMWA7787

Place: Chennai
Date: 19th June 2023

S. Nirmal Prasad
Secretary

Members of the
Committee of Management.

MADRAS RACE CLUB

(CIN: U74999TN1922NPL001455)

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

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31ST MARCH 2023

Sl.No.:	Particulars	Note No.	For the year ended 31 st March 2023 Rs. (in lakhs)	For the year ended 31 st March 2022 Rs. (in lakhs)
I	Revenue from Operation:			
	(a) Racing Activity	20(a)	4,314.71	3,496.63
	(b) Club Activity	20(b)	1,120.79	644.47
II	Other Income	21	2,092.69	1,965.86
III	Total Revenue (I + II)		7,528.19	6,106.96
IV	EXPENSES			
	(a) Racing Expenses	22	3,914.50	3,869.97
	(b) Club Activity Expenses	23	584.23	329.04
	(c) Employee benefit Expenses	24	909.73	938.27
	(d) Depreciation and amortisation expense	25	245.14	186.12
	(e) Other expenses	26	1,256.36	950.88
	Total Expenses		6,909.96	6,274.27
V	Excess/(Deficit) of Income over Expenditure before exceptional items and tax (III - IV)		618.23	(167.31)
VI	Exceptional Items		-	-
VII	Excess/(Deficit) of Income over Expenditure before tax (V - VI)		618.23	(167.31)
VIII	Tax Expense			
	(1) Current tax	27	245.51	15.01
	(2) MAT Credit Entitlement		(62.60)	0.00
	Total tax expense		182.91	15.01
IX	Surplus/(Deficit) after tax from continuing operations (VII-VIII)		435.32	(182.32)
X	Discontinued Operations			
	(1) Surplus/(Deficit) from discontinued operations		-	-
	(2) Tax Expense of discontinued operations		-	-
	Surplus/(Deficit) after tax from discontinued operations			
XI	Surplus/(Deficit) for the period (IX+ X)		435.32	(182.32)
XII	Other Comprehensive Income			
	Items that will not be reclassified to Surplus/(Deficit) in subsequent periods			
	(a) Remeasurements of the defined benefit plans		40.81	158.32
	(b) Income tax relating to items that will not be reclassified to Surplus/(Deficit)		-	-
XIII	Total comprehensive income for the period (XI + XII)		476.13	(24.00)

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

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

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

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

 Venkatesh Kamath S V
Partner
M.No. 202626
UDIN: 23202626BGVSDX157

 K.Premkumar,
Partner
M.No.019170
UDIN: 23019170BGZMUG8365

 B. Gowthaman
Partner
M.No. 201737
UDIN: 23201737BGWPDS7322

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

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

 P.B.Santhanakrishnan
Partner
M.No. 020309
UDIN: 23020309BGYYKP2887

 V.Chandrasekaran
Partner
M.No.024844
UDIN: 23024844BGRMWA7787

 Dr.M.A.M.R.Muthiah, *Chairman*
Mr.Arjun Alagappan
Mr.Chaduranga Kanthraj Urs
Dr.T.Devanathan Yadav
Mr.Paul Antony
Mr.Ramesh Rangarajan
Mr.Ranjit Jesudasen
Mr.M.Ravi
Mr.M.Senthilnathan

 Place: Chennai
Date: 19th June 2023

 S. Nirmal Prasad
Secretary

 Members of the
Committee of Management.



MADRAS RACE CLUB

(CIN: U74999TN1922NPL001455)

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

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2023
Equity Share Capital

Particulars	As at 31 st March 2023 Rs. (in lakhs)
As at 1 st April 2021	-
Changes in equity share capital during the year	-
As at 31 st March 2022	-
Changes in equity share capital during the year	-
As at 31st March 2023	-

Other Equity

Rs. (in lakhs)

Particulars	Reserves and surplus				Total
	Benevolent Fund	Retained earnings (General Funds)	Memorial Cup Reserve	Other comprehensive income (OCI)	
Balance as at 1st April, 2022	0.84	36,212.79	0.00	229.69	36,443.32
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-
Total comprehensive income for the current year	0.00	435.32		40.81	476.13
Dividends	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-
Balance at the end of the 31st March, 2023	0.84	36,648.11	0.00	270.50	36,919.45

Rs. (in lakhs)

Particulars	Reserves and surplus				Total
	Benevolent Fund	Retained earnings (General Funds)	Memorial Cup Reserve	Other comprehensive income (OCI)	
Balance as at 1st April, 2021	0.84	36,395.11	3.50	71.37	36,470.82
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-
Total comprehensive income for the current year	0.00	(182.32)	(3.50)	158.32	(27.50)
Dividends	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-
Balance at the end of the 31st March, 2022	0.84	36,212.79	0.00	229.69	36,443.32

The accompanying notes 1 to 44 are an integral part of the Financial Statements.

As per our report of even date attached

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

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

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

Venkatesh Kamath S V
Partner
M.No. 202626
UDIN: 23202626BGVSXD1537

K.Premkumar,
Partner
M.No.019170
UDIN: 23019170BGZMUG8365

B. Gowthaman
Partner
M.No. 201737
UDIN: 23201737BGWPDS7322

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

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

P.B.Santhanakrishnan
Partner
M.No. 020309
UDIN: 23202309BGYYKP2887

V.Chandrasekaran
Partner
M.No.024844
UDIN: 23024844BGRMWA7787

Dr.M.A.M.R.Muthiah, *Chairman*
Mr.Arun Alagappan
Mr.Chaduranga Kanthraj Urs
Dr.T.Devanathan Yadav
Mr.Paul Antony
Mr.Ramesh Rangarajan
Mr.Ranjit Jesudasen
Mr.M.Ravi
Mr.M.Senthilnathan

Place: Chennai
Date: 19th June 2023

S. Nirmal Prasad
Secretary

Members of the
Committee of Management.



MADRAS RACE CLUB

(CIN: U74999TN1922NPL001455)

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

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH 2023

Particulars	For the year ended 31 st March 2023 Rs. (in lakhs)	For the year ended 31 st March 2022 Rs. (in lakhs)
Cash Flow from Operating Activities		
Surplus before tax for the year	618.23	(167.31)
Adjustments for:		
Depreciation	245.14	186.12
Interest received	(1,908.39)	(1,737.37)
Grants received	-	(40.70)
Unrealized exchange gain	-	-
Interest expense	-	-
Allowance / (Reversal) of Expected credit loss	(33.05)	56.43
Perpetual Cup Reserve	-	(3.50)
Provision / (Reversal) for Impairment of MRC PF Trust Assets	(13.61)	(106.39)
Provision for Employee benefits - Gratuity	33.22	98.08
Movement in working capital:	(1,058.46)	(1,714.64)
Adjustments for:		
(Increase)/Decrease in Other Non-current Assets	46.26	99.96
(Increase)/Decrease in Inventories	(27.10)	4.04
(Increase)/Decrease in Trade Receivables	90.22	(139.23)
(Increase)/Decrease in Other Current Financial Assets	572.44	(269.07)
(Increase)/Decrease in Other Current Assets	(1.59)	(28.62)
Increase/(Decrease) in Non-current Financial Liabilities	-	-
Increase/(Decrease) in Trade payables	(430.89)	382.66
Increase/(Decrease) in Other Current liabilities	(12.72)	(34.26)
Increase/(Decrease) in Other Current Financial Liabilities	(11.92)	366.98
Taxes Paid	(266.52)	(186.08)
Net Cash from/ (used in) Operating activities (A)	(1,100.28)	(1,518.25)
Cash Flow from Investing Activities		
Purchase / (Sale) of Property Plant & Equipment, CWIP & Intangible Assets	(668.77)	(1,488.57)
Change in Fixed Deposits (Net)	(164.28)	1,288.01
Interest received	1,908.39	1,737.37
Net Cash from/ (used in) Investing activities (B)	1,075.34	1,536.81
Cash Flow from Financing Activities		
Membership fee	-	-
Appropriation to benovolent fund	-	-
Repayment of loan	-	-
Interest payment on Loan	-	-
Grants received	-	40.70
Net cash from/ (used in) Financing Activities (C)	-	40.70
Net Cash Flows during the year (A+B+C)	(24.94)	59.26
Cash & Cash Equivalents (Opening Balance)	200.89	141.63
Cash & Cash Equivalents (Closing Balance)	175.95	200.89
Increase/(Decrease) in Cash & Cash Equivalents	(24.94)	59.26
Break up of Cash and Cash Equivalents		
Balance With Banks	168.00	182.74
Cash on Hand	7.95	18.15
Total	175.95	200.89

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

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

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

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

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

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

Venkatesh Kamath S V
Partner
M.No. 202626
UDIN: 23202626BGVXSD1537
Place: Chennai
Date: 19th June 2023

K.Premkumar,
Partner
M.No.019170
UDIN: 23019170BGZMUG8365

B. Gowthaman
Partner
M.No. 201737
UDIN: 23201737BGWPDS7322

P.B.Santhanakrishnan
Partner
M.No. 020309
UDIN: 23020309BGYYKP2887

V.Chandrasekaran
Partner
M.No.024844
UDIN: 23024844BGRMWA7787
S. Nirmal Prasad
Secretary

Dr.M.A.M.R.Muthiah, *Chairman*
Mr.Arun Alagappan
Mr.Chaduranga Kanthraj Urs
Dr.T.Devanathan Yadav
Mr.Paul Antony
Mr.Ramesh Rangarajan
Mr.Ranjit Jesudasan
Mr.M.Ravi
Mr.M.Senthilnathan
Members of the
Committee of Management.



Notes to the Financial Statements:

General Information:

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

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

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

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

Significant Accounting Policies:

2.1 Statement of compliance and basis of preparation and presentation:

Compliance with Ind AS:

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

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

Use of Estimates:

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

Basis of Measurement:

The financial statements have been prepared under historical cost convention on accrual basis except for the defined benefit plans where plan assets are measured at fair value.

The Club has considered relevant internal and external sources of information to evaluate the impact of estimation uncertainties relating to the continuance of pandemic in variant form during the year also. The Club has assessed the recoverability of the assets including receivables, investments, property plant and equipment, intangible assets, inventories and has made necessary adjustments to the carrying amounts by recognizing provisions/impairment of assets where necessary. However, the actual impact may be different from that estimated as it will depend upon future developments and future actions to contain or treat the disease and mitigate its impact on the economy.

2.2 Property, Plant and Equipment:

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

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

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

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

Impairment of Property, Plant and Equipment:

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

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

2.3 Other Intangible Assets:

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

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

Amortization methods and useful lives are reviewed periodically including at each financial year end. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Club has an intention and ability to complete and use or sell the software and the costs can be measured reliably.



The costs which can be capitalized include the cost of material, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use.

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

2.4 Inventories:

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

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

2.5 Foreign exchange transactions:

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

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

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

2.6 Financial Instruments:

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

(a) Financial Assets:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(b) Financial Liabilities:

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

- (i) Initial Recognition – The Club measures at the initial recognition the financial liability at its fair value [in the case of a financial liability not recorded at fair value through profit or loss] plus transaction cost that are directly attributable to the acquisition of the financial liability. Transaction costs of financial liability carried at fair value through profit or loss are expensed in profit or loss.
- (ii) Subsequent measurement - It is measured subsequently as amortized cost.
- (iii) De-recognition of financial liability – A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or has expired.

2.7 Cash and cash equivalents:

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

Classification of current and non-current assets and liabilities:

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

2.8 Current and non-current assets:

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



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

Held primarily for the purpose of trading

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

All other assets are classified as non-current assets.

Current and non-current liabilities:

A liability is treated as current liability in the accounts at the end of the year in the following circumstances.

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

It is held primarily for the purpose of trading.

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

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

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

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

2.9 Revenue receipts of the Club:

Revenue from services:

The Club recognizes revenue from sale of service on satisfaction of performance obligation towards rendering of such services measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. In the case of totalizator transaction, the Club recognizes only the portion of commission earned from bet value in the statement of Income and Expenditure.

Other income:

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

2.10 Employee Benefits:

Contributions to ESIC and Labour Welfare Funds:

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

Employees Provident Fund:

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

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

Short Term Employee Benefit:

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

Defined Benefit Plans:

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

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

2.11 Income Taxes as per the statute:**Current Tax for the financial year:**

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

Deferred Tax:

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

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

The Club has not recognized Deferred Tax Asset as on 31st March, 2023 based on prudence, since DTA can be utilized only when there is virtual certainty for surplus and sufficient future taxable income relating to the same taxation authority and the same taxable entity. Minimum Alternative Tax (MAT) credit is recognized as an asset in the books only if there is convincing evidence that the Club will pay normal income tax during the specified period.

2.12 Provisions and contingencies:

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

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



2.13 Financial Risk management:

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

Market Risk:

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

Liquidity Risk Management:

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

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

Credit Risk Management:

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

Trade Receivables:

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

Other Financial Assets:

This includes cash and cash equivalents and term deposits with various banks. The maximum exposure to the credit risk for the Club on this count as of 31.3.2023 is the carrying value of each class of financial assets as on that date.

2.14 Segment Reporting:

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

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

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

Notes on Financial Statements for the year ended 31st March, 2023

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

Rs. (in lakhs)

Particulars	Freehold Land	Buildings & Roads	Plant & Machinery	Televisions	Equine Hospital Equipment	Computers	Motor Vehicles	Electrical Lifts	Electrical Installations	Office Equipment	Furniture & Fixtures	Kitchen Equipment	Total
Cost/Deemed Cost													
At 1 st April 2021	0.70	2,168.53	261.03	87.32	100.33	185.57	70.40	91.53	152.83	93.69	132.54	27.10	3,371.57
Additions	-	1,304.51	24.19	18.34	0.10	-	9.06	-	43.20	13.50	6.86	1.07	1,420.83
Deletions	-	-	-	-	-	-	5.38	-	-	-	-	-	5.38
At 31 st March 2022	0.70	3,473.04	285.21	105.66	100.43	185.57	74.08	91.53	196.03	107.19	139.40	28.18	4,787.02
Additions	-	787.35	17.86	5.40	-	3.50	0.60	-	66.74	2.31	10.34	54.49	948.58
Deletions	-	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-	-	-	-	-	-	-
At 31 st March 2023	0.70	4,260.39	303.07	111.06	100.43	189.07	74.68	91.53	262.78	109.49	149.74	82.66	5,735.59
Depreciation and impairment													
At 1 st April 2021	-	151.62	60.34	36.74	18.56	158.63	29.04	20.14	29.93	26.93	33.32	11.73	576.98
Depreciation charge for the year	-	56.49	21.44	10.23	10.10	10.70	9.10	6.57	14.29	15.61	13.43	4.23	172.19
Disposals	-	-	-	-	-	-	5.11	-	-	-	-	-	5.11
At 31 st March 2022	-	208.12	81.78	46.97	28.66	169.33	33.03	26.71	44.21	42.55	46.74	15.96	744.06
Depreciation charge for the year	-	97.03	18.44	10.90	10.09	1.36	9.99	6.57	18.41	25.25	15.06	7.09	220.20
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-	-	-	-	-	-	-
At 31 st March 2023	-	305.15	100.22	57.86	38.75	170.69	43.02	33.29	62.63	67.80	61.80	23.06	964.26
Net book value													
At 31 st March 2023	0.70	3,955.24	202.85	53.19	61.68	18.38	31.65	58.24	200.15	41.70	87.94	59.61	4,771.33
At 31 st March 2022	0.70	3,264.92	203.43	58.69	71.77	16.24	41.05	64.81	151.82	64.64	92.66	12.21	4,042.95

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

	Rs. (in lakhs)	
Note No 3(b): Capital Work In Progress	At 31 st March 2023	At 31 st March 2022
At 1 st April 2022	322.90	269.68
Additions During the Year	290.25	803.99
Capitalised During the Year	572.56	750.77
At 31 st March 2023	40.59	322.90

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


MADRAS RACE CLUB

 Notes on Financial Statements for the year ended 31st March, 2023

Note No 3(c): Other Intangible Assets

Particulars	Computer Softwares Rs. (in lakhs)	Total Rs. (in lakhs)
Cost/Deemed Cost		
At 1st April 2021	62.70	62.70
Additions	14.80	14.80
Deletions	-	-
At 31st March 2022	77.50	77.50
Additions	2.50	2.50
Deletions	-	-
At 31st March 2023	80.00	80.00
Amortisation		
At 1st April 2021	3.68	3.68
Amortisation for the year	13.93	13.93
Disposals	-	-
At 31st March 2022	17.60	17.60
Amortisation for the year	24.94	24.94
Disposals	-	-
At 31st March 2023	42.54	42.54
Net book value		
At 31st March 2023	37.46	37.46
At 31st March 2022	59.90	59.90

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

Particulars	As at 31 st March 2023 Rs. (in lakhs)	As at 31 st March 2022 Rs. (in lakhs)
Note : 4		
Non-Current Financial Assets		
Bank Deposits with more than 12 Months Maturity	11,500.00	0.00
	11,500.00	0.00
Note: 5		
Other Financial Assets		
Employee Advance (Refer Note No.33)	12.64	12.64
	12.64	12.64
Note: 6		
Other Non-Current Assets		
(i) Capital Advances	12.35	51.07
(ii) Advances other than Capital Advances	-	-
(a) Security Deposits	71.88	79.43
(b) Others - Deposits with Government Authorities (Refer Note No. 35)	177.66	177.66
	261.89	308.15
Note: 7		
Inventories		
a) Stock In Trade		
Fodder Stock	24.70	11.25
Medicine	43.38	46.96
Liquor and Soft Drinks	33.41	16.18
# (i) Inventories are valued at lower of cost and net realizable value	101.49	74.39
Note: 8		
Trade Receivables		
a) Trade Receivable Unsecured, considered good	255.70	312.87
b) Trade Receivable which have significant increase in credit risk	49.79	95.20
Less : Allowance for doubtful trade receivable	49.79	95.20
	255.70	312.87
Movement in allowances for credit loss in trade receivables		
Opening balance	95.20	57.52
Amount written off	12.36	18.75
Impairment loss / (Provision reversal)	(33.05)	56.43
Closing balance	49.79	95.20
Note: 9		
Cash and Cash Equivalents		
Cash Balance	7.95	18.15
Balances with banks in current accounts and saving accounts	168.00	182.74
	175.95	200.89



Particulars	As at 31 st March 2023 Rs. (in lakhs)	As at 31 st March 2022 Rs. (in lakhs)
Note: 10		
Bank Balance Other than Cash and Cash Equivalents		
Earmarked Deposits	2.00	2.00
Bank Deposits with not more than 12 Months Maturity	20,001.15	31,336.87
	20,003.15	31,338.87
Note: 11		
Other Current Financial Assets		
Accrued Income	484.71	974.13
Unbilled Revenue	14.22	110.43
Employee Advance	-	2.31
Horse Purchase Loan to Members	31.50	16.00
	530.43	1,102.87
Note: 12		
Current Tax Assets (Net)		
"Advance Tax and TDS / TCS Receivable (Net off Provision for Taxation of CY: Rs. 6,616.43 Lakhs; PY: Rs. 6,506.42 Lakhs)"	913.72	830.10
	913.72	830.10
Note: 13		
Other Current Assets		
(i) Advances other than Capital Advances		
Advance to Supplier	38.01	81.05
(ii) Others		
Other Receivables	4.88	8.36
Prepaid Expenses	39.59	26.64
Gratuity - Net Fair Value of Plan Assets	35.16	0.00
	117.64	116.06
Note: 14		
General Fund		
Opening Balance	36,212.79	36,395.11
Add: Surplus/(Deficit) for the Year	435.32	(182.32)
	36,648.11	36,212.79
Note: 15		
Reserves & Surplus		
Benevolent Fund	0.84	0.84
OCI - Remeasurement of Defined benefit plan:		
Opening Balance	229.69	71.37
Add: Remeasurements of the defined benefit plans during the year	40.81	158.32
Closing Balance	270.50	229.69
	271.34	230.54



Particulars	As at 31 st March 2023 Rs. (in lakhs)	As at 31 st March 2022 Rs. (in lakhs)
Note: 16		
Trade Payables		
(i) Trade payables		
(a) Total Outstanding dues of micro enterprises and small enterprises; and	48.04	93.96
(b) Total Outstanding dues of creditors others than micro and small enterprises	803.91	1,188.88
	851.95	1,282.84
Note: 17		
Other Current Financial Liabilities		
Canteen Contract Deposits	5.36	4.06
EMD & Other Deposits	10.29	5.04
Owner & Trainers Deposits	360.00	333.61
Bookmakers Deposits	34.33	83.73
Application Money for New Membership refundable	0.05	0.05
Other Customer Deposits	15.51	7.92
Retention from Suppliers	47.12	50.15
	472.66	484.58
Note: 18		
Other Current Liabilities		
(a) Revenue received in Advance		
Contract Liability	0.18	132.53
(b) Others		
Advance received from Customers	146.37	64.47
Employee Cost Payable	89.26	44.54
Other Payable	26.87	15.79
Statutory Payable	215.25	233.32
	477.93	490.65
Note: 19		
Provisions		
a) Provision for employee benefits		
Net Defined Benefit Liability - Gratuity	-	7.59
b) Others		
Provision for Impairment of MRC PF Trust Assets	-	13.61
	-	21.20



Particulars	For the year ended 31 st March 2023 Rs. (in lakhs)	For the year ended 31 st March 2022 Rs. (in lakhs)
Note: 20		
Revenue from Operations		
a) Racing Activity		
TOTE Commission	1,391.09	915.32
Income from Bookmaker	1,298.83	774.23
Sale of Medicine & Other Service Income	380.94	278.27
Income from Fodder Issue	331.79	317.08
Other Racing Income	246.14	172.73
Entry Money	219.88	250.34
Gate Money	163.41	110.83
Racing Promotion Fees	100.45	542.07
Broadcasting Income	89.74	57.81
Riding School Revenue	52.76	-
Parking Fees	15.79	10.79
Auction Sale Commission	8.89	15.26
Racing Fines	7.13	7.42
Auction Sale Entry Fees	5.40	13.28
Share of Income on IVB	2.47	31.20
	4,314.71	3,496.63
b) Club Activity		
Food and Other Sales	362.73	175.07
Liquor Sales	157.80	98.34
Lawn Usage Income	141.13	37.51
Subscription Income	137.36	110.81
Room Charges	99.75	28.62
General Maintenance Income	98.11	102.08
Miscellaneous Income	49.36	19.33
Minimum Billing Income	34.33	46.71
Recreational & Sports Income	24.36	18.04
Soft Drinks Sales	15.86	7.96
	1,120.79	644.47
Contract balances		
The following disclosure provides information about receivables, contract assets and liabilities from contract with customers.		
a) Receivable which are included in trade receivables (refer note 8)	255.70	312.87
b) Contract assets	-	-
c) Contract liabilities (refer note 18)	0.18	132.53
<p>a) A contract liability is the Club's obligation to transfer goods or services to a customer for which the Club has received consideration in advance from the customer.</p> <p>b) A contract asset is the Club's right to consideration in exchange for goods or services that the Club has transferred to a customer.</p> <p>c) The contract assets are transferred to receivables when the right to Consideration becomes unconditional.</p>		



Particulars	For the year ended 31 st March 2023 Rs. (in lakhs)	For the year ended 31 st March 2022 Rs. (in lakhs)
Note: 21		
Other Income		
(a) Interest Income		
Interest Income (Fixed Deposit)	1,899.99	1,729.40
Interest Income (Saving Bank)	8.40	7.97
(b) Other non-operating Income		
Maintenance charges	55.15	57.00
Rental Income	54.53	35.85
Electricity charges recovery	49.70	49.83
Miscellaneous Income	19.13	18.30
Scrap Sales	5.79	4.46
Grants Received	-	40.70
Write Back of Provisions and Liabilities	-	22.36
	2,092.69	1,965.86
Note: 22		
Racing Expenses		
Stakes & Commission	1,745.58	1,982.98
Consumption of Fodders & Medicine	674.29	545.14
GST Paid On Divisible Pool - (Under Protest)	621.82	431.48
Other Racing Expenses	288.51	217.62
Course Maintenance Expenses	206.32	164.39
Riding School Expenses	69.55	-
Cups & Trophy	68.94	27.71
Testing Expenses (Equine Hospital)	64.26	59.01
Stable Hire Charges	54.43	49.56
Stable Maintenance Expenses	36.43	19.76
Turf Invitation Cup Contribution	35.50	25.00
Share of Income to Other Club	22.94	24.09
Transportation Expenses	15.37	11.09
TOTE Operations & Maintenance Expenses	10.57	22.65
Turf Invitation Expenses	-	289.49
	3,914.50	3,869.97
Note: 23		
Club Activity Expenses		
Food Contract	296.29	150.38
Consumption of Liquor	125.99	99.39
Other Club Expenses	122.47	47.73
Bar Licence Fees	25.85	24.65
Repairs & Maintenance	13.63	6.90
	584.23	329.04



Particulars	For the year ended 31 st March 2023 Rs. (in lakhs)	For the year ended 31 st March 2022 Rs. (in lakhs)
Note: 24		
Employee Benefit Expenses		
Salaries , Wages & Bonus etc.	739.17	727.79
Gratuity expense	74.69	108.69
Contribution to Provident and Other Funds	64.12	66.61
Staff Welfare Expenses	18.03	20.41
Earned Leave Expenses	13.72	14.77
	909.73	938.27
Note: 25		
Depreciation & Amortisation		
Depreciation of Property, Plant and Equipment	220.20	172.19
Amortisation on Intangible Assets	24.94	13.93
	245.14	186.12
Note: 26		
Other Expenses		
Repairs & Maintenance	348.37	338.92
Power & Fuel	248.84	187.69
Legal & Professional Expenses	192.29	70.89
Rates & Taxes	130.61	51.40
Security Manpower Supply	90.17	71.42
Written Off Assets (Net)	83.05	-
Miscellaneous Expenses	66.80	78.46
Travelling and Coveyance Expenses	36.32	23.39
Remuneration to Auditors - Audit Fees	25.00	25.00
Printing & Stationery	17.92	22.89
Communication Expenses	15.19	13.76
Lease Rent	0.96	0.96
Net loss on foreign currency transaction and translation	0.84	1.46
Allowance for Expected Credit loss	-	56.43
Donation	-	8.20
	1,256.36	950.88
Note: 27		
Current Tax		
Income Tax (including Rs. 72.90 Lakhs paid on assessments)	245.51	15.01
	245.51	15.01

28. Employee Benefits:

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

i. Balance Sheet Position:
Post-Employment Benefit - Insured Benefit (Defined Benefit) Plan - Gratuity

1	Assets/ Liabilities	As at 31-03-2023 (Rs. in lakhs)	As at 31-03-2022 (Rs. in lakhs)	
1(a)	Present Value of Obligation at the start	164.62	228.25	
	Current Service Cost	9.46	102.75	
	Interest Cost	10.65	14.61	
	Benefits Paid	-30.64	-22.73	
	Actuarial (Gain)/ Loss on Obligation	-41.46	-158.26	
	Present Value of Obligation at the end	112.63	164.62	
1(b)	Fair Value of Plan Assets at the start	157.03	160.42	
	Expected Return on Plan Assets	10.57	10.71	
	Acquisition Adjustments	-1.26	-1.54	
	Contributions (net)	12.75	10.11	
	Benefits Paid	-30.64	-22.73	
	Actuarial Gain/ (Loss) on Plan Assets	-0.65	0.06	
	Fair Value of Plan Assets at the end	147.79	157.03	
	Net Fund Status at the end = 1(a) - 1(b)	-35.16	7.59	
	2	Expenses to be Recognised in the Profit and Loss	As at 31-03-2023 (Rs. in lakhs)	As at 31-03-2022 (Rs. in lakhs)
		Current Service Cost	9.46	102.75
Past Service Cost		-	-	
Interest Cost		10.65	14.61	
Expected Return on Plan Assets		-10.57	-10.71	
Total		9.54	106.65	
3	Remeasurements to the Net Defined Benefit Liability to be recognised in OCI	As at 31-03-2023 (Rs. in lakhs)	As at 31-03-2022 (Rs. in lakhs)	
	Actuarial (Gain)/Loss	-40.81	-158.32	
	Net return of Plan Assets	-	-	
	Total	-40.81	-158.32	

Actuarial Assumptions:
a. Financial Assumptions:

Particulars	For the year ended 31-03-2023	For the year ended 31-03-2022
Discount rate (per annum)	7.34%	7.14%
Salary growth rate (per annum)	5.00%	5.00%

b. Demographic Assumptions:

Particulars	For the year ended 31-03-2023	For the year ended 31-03-2022
Indian Assured Lives Mortality (2012-14-Ult.)	100%	100%
Attrition rate:		
Age at valuation date/valuation date		
18-30	10.00%	10.00%
31-40	5.00%	5.00%
41 &+	1.00%	1.00%



ii. Sensitivity Analysis:

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

Particulars	As at 31-03-2023 (Rs. in lakhs)	As at 31-03-2022 (Rs. in lakhs)
Defined Benefit Obligation (base)	112.63	164.62
Discount rate:(% change compared to base due to sensitivity)		
Increase: +1%	105.15	152.60
Decrease: -1%	121.06	178.35
Salary growth rate:(% change compared to base due to sensitivity)		
Increase: +1%	124.46	178.57
Decrease: -1%	102.32	152.20
Attrition rate:(% change compared to base due to sensitivity)		
Increase: +50%	117.19	168.18
Decrease: -50%	107.47	161.55
Mortality rate:(% change compared to base due to sensitivity)		
Increase: +10%	113.74	164.71
Decrease: -10%	111.48	164.52

iii. Maturity Profile of Defined Benefit Obligation

Particulars	As at 31-03-2023 (Rs. in lakhs)	As at 31-03-2022 (Rs. in lakhs)
Weighted average duration (based on discounted cash flows) in years		
1 year	3.35	11.71
2 to 5 years	46.69	53.36
6 to 10 years	49.64	65.87
More than 10 years	142.40	225.55

29. Membership:

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

During the year, there were no new admission of members. The members' position as at the year end is given below:

Club Members - Class	As at 31-03-2023	As at 31-03-2022
Opening Balance	714	732
Add: Addition During the Year	-	-
Less: Removal, Death and Resignation	5	18
Closing Balance	709	714
Stand Members - Class	As at 31-03-2023	As at 31-03-2022
Opening Balance	2,990	3,163
Add: Addition During the Year	-	-
Less: Removal, Death and Resignation	145	173
Closing Balance *	2,845	2,990

* Out of 2845 Members, 45 Members have defaulted, but the one-year time from the date of default has not lapsed.

30. Related Party Transactions:

Key Managerial Personnel and Relatives
1. Dr. M.A.M.R.Muthaiah, Chairman & Senior Steward
2. Mr.Arun Alagappan, Committee Member
3. Mr. Paul Antony, Committee Member
4. Dr.T.Dhevanathan Yadav, Committee Member
5. Mr.M.Ravi, Committee Member
6. Mr.Chaduranga Kanthraj Urs, Committee Member
7. Mr.Ranjith Jesudasen, Committee Member
8. Mr.RM.Ramasamy, Committee Member
9. Mr.K.Kaliyaperumal, Committee Member
10. Mr. M.Senthilnathan, Committee Member
11. Mr. SP.Lakshmanan, Committee Member
12. Mr. Ramesh Rangarajan, Committee Member

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

(Rs. in lakhs)

Particulars	Key Managerial Personnel and Relatives		Enterprises owned or significantly influenced by group of individuals or their relatives who have control or significant influence over the Club		Total	
	For the Year ended 31-03-2023	For the Year ended 31-03-2022	For the Year ended 31-03-2023	For the Year ended 31-03-2022	For the Year ended 31-03-2023	For the Year ended 31-03-2022
Sponsorship Received	2.85	26.75	7.54	116.00	10.39	142.75
Fund for Renovation And Upgradation Of Equine Stables At Madras Race Club	-	-	-	40.70	-	40.70
Purchase of goods/ receiving of services/ expenses reimbursed by the club	-	-	9.61	17.19	9.61	17.19
Balance Outstanding as at	As at 31-03-2023	As at 31-03-2022	As at 31-03-2023	As at 31-03-2022	As at 31-03-2023	As at 31-03-2022
Trade and Other Receivable	-	-	2.29	1.59	2.29	1.59
Trade and Other Payable		-	0.02	0.00	0.02	0.00



31. Segment Information:

Operating Segment:

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

(Rs. in lakhs)

Segment Information FY 22-23			
Particulars	Racing Activity	Club Activity	Total
Revenue	4,314.71	1,120.79	5,435.50
Segment result-Surplus / (Deficit)	-198.40	225.44	27.04
Total Unallocated Expenses			1,256.36
Operating Income			-1,229.32
Other Income			2,092.69
Depreciation & Amortisation Expense	183.90	61.24	245.14
Surplus/(Deficit) Before Tax			618.22
Tax Expenses			182.91
Surplus / (Deficit) after tax			435.31
Other Comprehensive Income			40.81
Total Comprehensive Income			476.13

Segment Information FY 21-22			
Particulars	Racing Activity	Club Activity	Total
Revenue	3,496.63	651.19	4,147.82
Segment result - Surplus / (Deficit)	-850.75	-145.43	-996.18
Total Unallocated Expenses			950.88
Operating Income			-1,947.06
Other Income			1,965.86
Depreciation & Amortisation Expense	135.48	50.64	186.12
Surplus / (Deficit) Before Tax			-167.31
Tax Expenses			15.01
Surplus / (Deficit) after tax			-182.32
Other Comprehensive Income			158.32
Total Comprehensive Income			-24.00

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

32. Financial Instruments – fair value and risk management:**A. Accounting classification and Fair Values**

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

(Rs. in lakhs)

Particulars	Amortized Cost	FVTPL	FVTOCI	Total Carrying value
Financial Assets:				
a. Bank Deposits	31,503.15	-	-	31,503.15
b. Trade Receivables	255.70	-	-	255.70
c. Cash & Cash Equivalents	175.95	-	-	175.95
d. Indian Horse Loan	31.50	-	-	31.50
e. Other Financial Assets	511.57	-	-	511.57
Total	32,477.87	-	-	32,477.87
Financial Liabilities:				
a. Trade Payables	851.95	-	-	851.95
b. Other Financial Liabilities	472.66	-	-	472.66
Total	1,324.61	-	-	1,324.61

The carrying value and the fair value of financial instruments by categories as at 31st March, 2022

(Rs. in lakhs)

Particulars	Amortized Cost	FVTPL	FVTOCI	Total Carrying value
Financial Assets:				
a. Bank Deposits	31,338.87	-	-	31,338.87
b. Employee Advance	2.31	-	-	2.31
c. Trade Receivables	312.87	-	-	312.87
d. Cash & Cash Equivalents	200.89	-	-	200.89
e. Indian Horse Loan	16.00	-	-	16.00
f. Other Financial Assets	1,097.20	-	-	1,097.20
Total	32,968.14	-	-	32,968.14
Financial Liabilities:				
a. Borrowings	-	-	-	0.00
b. Trade Payables	1,282.84	-	-	1,282.84
c. Other Financial Liabilities	484.58	-	-	484.58
Total	1,767.42	-	-	1,767.42

B. Financial risk management:

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

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



i. Risk Management framework:

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

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

ii. Credit Risk Management:

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

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

Particulars	Reference	As at 31-03-2023 (Rs. in lakhs)	As at 31-03-2022 (Rs. in lakhs)
i) Trade receivables	a	255.70	312.87
ii) Cash & Cash Equivalents		175.95	200.89
iii) Bank Deposits	b	31,503.15	31,338.87
iv) Others	c	543.07	1,113.20

a. Trade Receivables:

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

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

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

b. Cash & Cash Equivalents and Bank Deposits:

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

c. Others:

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

iii. Liquidity Risk Management:

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

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

As at 31-3-2023:**(Rs. in lakhs)**

Particulars	Carrying amount	Total	Less than 1 year	More than 1 year
Trade Payables	851.95	851.95	690.35	161.59
Other Financial Liabilities	472.66	472.66	360.00	112.66

As at 31-3-2022:**(Rs. in lakhs)**

Particulars	Carrying amount	Total	Less than 1 year	More than 1 year
Trade Payables	1,282.84	1,282.84	1,166.25	116.59
Other Financial Liabilities	484.58	484.58	333.61	150.96

iv. Market Risk Management:

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

33. Employee Advance:

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

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



34. Taxes:

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

Income Tax Reconciliation	(Rs. in lakhs)	(Rs. in lakhs)
Income Tax Recognised In Statement Of Income and Expenditure	For FY 2022-2023	For FY 2021-2022
Current Tax	245.51	15.01
MAT Credit Entitlement	-62.60	0.00
(Excess)/Short provision of Income tax relating to earlier years	0.00	0.00
Deferred Tax	0.00	0.00
Total Income Tax Expenses	182.91	15.01
The income tax expenses for the year can be reconciled to the accounting surplus / (deficit) as follows:		
Surplus / (Deficit) before tax	618.23	-167.31
Applicable Tax rate	27.82%	16.69%
Tax using the Club's applicable tax rate	171.99	-27.93
Effect of Non-deductible expenses	402.45	151.23
Effect of Non-taxable incomes	-401.83	-108.30
Effect of MAT Credit Entitlement	-62.60	0.00
Effect of tax paid on assessments	72.90	0.00
Total	182.91	15.01
Total income Tax Expense	182.91	15.01

b. MAT Credit Entitlement:

The Club had an amount Rs. 1,537.69 Lakhs as MAT Credit Entitlement as on 31st March, 2022. Upon utilization of Rs. 62.60 Lakhs of the same during the current year, the Club has a balance of Rs.1,475.09

Lakhs as MAT Credit Entitlement as on 31st March, 2023 which has not been recognized as an asset in the Books of Accounts as a matter of prudence.

c. Deferred Tax:

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

Particulars	As at 31-03-2023	As at 31-03-2022
Deferred Tax Assets	(Rs. in lakhs)	(Rs. in lakhs)
- On account of Disallowances under the Income Tax Act, 1961	6.50	9.13
- On account of carried forward Loss	372.64	372.64
Sub-Total	379.14	381.77
Deferred Tax Liabilities		
- On account of Depreciation differences	-230.63	-197.32
Sub-Total	-230.63	-197.32
Deferred Tax Assets / (Liabilities) (Net)	148.51	184.45

35. Contingent Liabilities not provided for:

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

Particulars	As at 31-03-2023 (Rs. in lakhs)	As at 31-03-2022 (Rs. in lakhs)
1) Income Tax under dispute (excluding interest) #	7,103.91	7,103.91
2) TDS Defaults	3.29	3.46
3) Sales Tax matter under dispute	5.18	5.18
4) Property, water and sewerage tax ##	325.30	360.41
5) Employee State Insurance Corporation	105.18	105.18

Originally, the Club had filed 2 writ petitions before the Hon'ble High Court of Madras challenging the re-assessment by Income Tax Department for the AY 2007 - 08 (Rs. 6,084.96 Lakhs), in the matter of treating a lease deed on the Race Hall land as a deemed sale, and also for passing the Order after expiry of the time limit, which were however not entertained by the Court. This was contested by way of writ appeals before the Hon'ble High Court of Madras based on legal advice and in the light of various judgements passed by the Apex Court on similar matters. While the Writ Petitions were dismissed by the Division Bench of the Hon'ble High Court of Madras, the Club, based on the merits of the case and other facts, has preferred an appeal before the Commissioner of Income Tax (Appeals), which is under progress. The sale of Race Hall Land has already been subjected to Capital gains tax during April 2018 and in respect of which an amount of Rs.6,002.84 Lakhs has already been paid towards Capital gain tax. In this background and based on legal advice that the earlier lease in respect of the said property cannot be considered as a Sale, the Club does not envisage any financial impact from the same as at the Balance Sheet date.

In respect of Property Tax demanded, as per the directions of the Hon'ble High Court of Madras vide its Order dated 3.4.2023, the Club has remitted an amount of Rs. 35.11 Lakhs as full and final settlement of property tax, calculated at the old rates, subsequent to the Balance Sheet date. In the light of the above Order, the Club is awaiting a revised demand of the amount payable, from the Greater Chennai Corporation in terms of the revised rates of property tax, and the nature of properties held by the Club and the measurements as jointly undertaken by the Officials of the Club and the Greater Chennai Corporation.

- iii. No provision has been made in respect of the following disputed demands, since in the opinion of the Management, based on legal advice the demands would not be sustained.

(Rs. in lakhs)

Particulars	As at 31-03-2023	As at 31-03-2022
Claims against the Club not acknowledged as debts:		
a) Speech Circuit Charges demanded by BSNL	65.60	65.60
b) Lease Rent of Land taken on lease by the Club at Ooty (Also refer Note 1) - (Excluding yearly accretions demanded)	65,603.29	65,603.29
c) Registered Leasehold land of the Club at Chennai (Also refer Note 2):		
(i) Accrued Arreas of revised lease rent as demanded on 31st August, 2017 - from 01.07.1974 to 30.06.2004	73,086.81	73,086.81
(ii) Accrued Arreas of revised lease rent from 2004 till date	12,38,135.24	-

**Notes:**

Note 1 With regard to the demand of the Government of Tamilnadu in respect of revised lease rentals in relation to the Race Course at Udthagamandalam, the proceedings seeking a stay is in pending before the Hon'ble High Court of Madras.

Note 2 In respect of these demands, the Tahsildar has recovered Rs.153.09 Lakhs without any intimation being served to the Club. The Tahsildar has also restrained the Club from operating its ICICI Bank account which has a balance of Rs.4.69 Lakhs. Further, an amount of Rs.58 Crores of Fixed Deposits held with Yes Bank was also attached by the Tahsildar of Velachery and Guindy Taluk towards these demands.

“During the year, on 29th March, 2023, an Order was passed by the Hon'ble High Court of Madras, directing the Club to pay the arrears of revised lease rent of Rs. 73,086.81 Lakhs, for the period from 01.07.1974 to 30.06.2004, as per the demand dated 31st August, 2017, by the Tahsildar, Velachery Taluk, Chennai towards the above said arrears of revised lease rent to the Government of Tamil Nadu, within a period of 1 month. The Court further directed that demand notices be issued for the accrued arrears of revised rent of Rs. 12,38,135.24 Lakhs (roughly calculated) , from the year 2004 till date, within one month and granted the Club a period of two months to settle the arrears. In case of non payment of these demands, the Court also authorized initiation of recovery proceedings against the Club. The Appeals WA 897/2023, WA 898/2023, WA 890/2023, CMP 8951/2023, CMP/8949/2023, CMP/8947/2023, CMP/8943/2023, CMP/8926/2023 and CMP/8925/2023 filed by the Club, challenging the above order had been heard by the Division Bench of the Hon'ble High Court of Madras and after hearing the arguments on behalf of the Club, The Division Bench had ordered status quo being maintained in the matter until the next date of hearing on 20th June 2023.

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

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

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

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

- v. The Order of the Special Tahsildar CMRL dated 14.12.2011 awarding (Award No.5) a compensation of Rs.409.40 Lakhs to the Club for a total area of 3605 Sq.ft acquired from the Club adjoining the Guindy lodge, has been challenged by the Club before the VIth Asst. City Civil Judge, under the following plea:
- 1) Enhancing the compensation from Rs. 7852/- per sq.ft to Rs.40,000/- per sq.ft including escalation cost.
 - 2) Additional compensation for special locational advantages of Rs.40,000/- per sq.ft.
 - 3) 12% additional Market Value per annum from the date of Notification.
 - 4) Solatium of 20% and with interest at 9% from the date of Award.
- vi. The dispute regarding the concessional rent of Rs. 3.15 crore due to the Club from DLF Limited (“DLF”) for the period from 1st March 2018 to 13th April 2018 is the subject matter of arbitration proceedings. In this regard, the Club has relied on Clause Nos. 4, 9 and 10 of the Memorandum of Compromise dated 5th March 2018, wherein it is clearly stated that rent shall be payable up till handing over possession, notwithstanding the execution of Sale Deed. However, DLF has contended that no lease rent is payable during the period in term of the subsequent Memorandum of Compromise dated 6th March 2018, with the Club holding that this compromise dt. 6th March 2018 has been executed without due authority and is invalid.

36. Capital Commitments:

Particulars	As at 31-03-2023 (Rs. in lakhs)	As at 31-03-2022 (Rs. in lakhs)
Estimated amount of contracts remaining to be executed on capital accounts net of advance.	93.25	33.81

37. Foreign Exchange Transactions:

a. Income earned and Expenditure incurred in foreign currency:

Particulars	As at 31-03-2023 (Rs. in lakhs)	As at 31-03-2022 (Rs. in lakhs)
Income		
Broadcasting licence and Technical Fee Income	331.79	317.08
Expenses		
Sample Testing Expenses	62.74	59.01
Berlinger Kit Purchase	7.47	6.80
Online Tote Operator Charges	1.04	2.22
International Federation of Horse Racing Membership	2.85	-

b. Unhedged foreign currency exposure:

The Club has not taken any derivative instrument during the period and there is no derivative instrument outstanding as at year end. The foreign currency exposures that are not hedged by a derivative instrument or otherwise as at 31-3-2023 are as follows:

Particulars	Amount in Foreign Currency (EURO)	Amount in Foreign Currency (USD)	Equivalent Amount in Indian Currency (Rs. In lakhs)
Payable	EUR -	USD 6,553	INR 5.33
Receivable	EUR -	USD 60,176	INR 49.47


38. Prepaid Lease Rent:

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

(Rs. in lakhs)

Lease Rent Paid in the year 2003	0.32	For 41 Years
Unexpired Lease Term as prepaid lease rent.	0.16	For 21 Years

Other than the above, there are no material leases.

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

39. Corporate Social Responsibility:

(CSR) Expenditure - CY: NIL: PY: NIL (Pursuant to Section 135 of Companies Act, 2013 read with relevant schedules and rules made thereunder)

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

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

Particulars	As at 31-03-2023 (Rs. in lakhs)	As at 31-03-2022 (Rs. in lakhs)
Principal amount due	48.04	93.96
Amount of interest due and payable where principal has already been paid but the interest has not been paid	Nil	Nil
Amount of interest accrued and remaining unpaid at the end of the period	Nil	Nil
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the Act	Nil	Nil

41. Additional regulatory information as required under Companies Act 2013:
a. Capital Work In Progress (CWIP)

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

As at 31-03-2023

(Rs. in lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
RCC Road at OOTY Race Course	40.59	-	-	-	40.59
Total	40.59	-	-	-	40.59

As at 31-03-2022

(Rs. in lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Bitumen Road inside course	242.02	-	-	-	242.02
RCC Corridor and other ancillary work at Guindy Lodge	80.88	-	-	-	80.88
Total	322.90	-	-	-	322.90

The Company did not hold any intangible assets under development as at 31 March 2023.

b. Trade Payables Ageing Schedule:

As at 31-03-2023:

(Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payment / date of transaction						Total
	Unbilled	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Billed dues:							
Undisputed dues:							
(a) MSME	-	-	48.04	-	-	-	48.04
(b) Others	53.07	-	589.25	102.67	58.92	-	803.91
Disputed dues:							
(a) MSME							
(b) Others							
Unbilled dues							
Total	53.07	0.00	637.28	102.67	58.92	0.00	851.95

As at 31-03-2022:

(Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payment / date of transaction						Total
	Unbilled	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Billed dues:							-
Undisputed dues:							-
(a) MSME	-	-	93.96	-	-	-	93.96
(b) Others	118.98	-	953.31	116.59	-	-	1,188.88
Disputed dues:							-
(a) MSME							-
(b) Others							-
Unbilled dues							-
Total	118.98	0.00	1,047.27	116.59	-	-	1,282.84

c. Trade Receivables Ageing Schedule:

As at 31-03-2023:

(Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payment / date of transaction						Total
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Billed receivables:							-
Undisputed receivables:							-
(a) Considered good	-	-	-	-	-	-	-
(b) Considered doubtful	-	234.80	20.90	-	-	-	255.70
(b) Considered doubtful	-	-	7.93	21.91	8.91	11.06	49.80
Disputed receivables:							-
(a) Considered good							-
(b) Considered doubtful							-
Unbilled receivables							-
Total	0.00	234.80	28.83	21.91	8.91	11.06	305.50


As at 31-03-2022:
(Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payment / date of transaction						Total
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Billed receivables:							-
Undisputed receivables:							-
(a) Considered good	-	282.90	24.25	5.73	-	-	312.87
(b) Considered doubtful	-	6.54	8.08	5.73	51.32	23.53	95.20
Disputed receivables:							-
(a) Considered good							-
(b) Considered doubtful							-
Unbilled receivables							-
Total	0.00	289.44	32.33	11.45	51.32	23.53	408.07

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

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

xiii. Analytical Ratios:

Ratio	Unit of Measurement	Description of numerator	Description of denominator	Ratio 31.03.2023	Ratio 31.03.2022	Variance	Reasons for variance
(a) Current ratio	Times	Current assets	Current liabilities	12.26	14.91	-18%	NA
(b) Debt-equity ratio	Times	Borrowings - Short-term and Long-term	Shareholder's Funds	NA	NA	NA	NA
(c) Debt service coverage ratio	Times	PAT + Non cash expenses (eg. Depn) + Interest on borrowings + other adjustments like loss on sale of fixed assets	Interest + Installments	NA	NA	NA	NA
(d) Return on equity ratio	%	PAT - Preference dividend	Equity Shareholder's Funds	NA	NA	NA	NA
(e) Inventory turnover ratio	Times	Sales (product sales)	Average inventory (Op. stk + Cl. Stk)/2	10.08	7.83	28.69%	Note - I
(f) Trade receivables turnover ratio	Days	Credit sales	Average accounts receivable (Op. rec + Cl. Rec)/2	19.12	15.25	25.34%	
(g) Trade payables turnover ratio	Days	Credit purchases	Average accounts payable (Op. pay + Cl. pay)/2	5.39	1.18	357.11%	Note - II
(h) Net capital turnover ratio	Times	Revenue from operations	Net assets	NA	NA	NA	NA
(i) Net profit ratio	Ratio	Profit after tax	Revenue from operations	0.08	(0.04)	281.91%	Note - III
(j) Return on capital employed	%	EBIT	Capital employed (Total assets - current liabilities)	NA	NA	NA	NA
(k) Return on investment	%	Profit after tax	Share capital	NA	NA	NA	NA

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

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

Note - II This variance is on account of reduction in the value of Trade Payables during the year.

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

xiv. Compliance with approved scheme(s) of arrangement	There has been no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
---	---


B. Statement of Income and Expenditure:

i. Undisclosed Income	There have been no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year. There has also not been any previously unrecorded income or related assets
ii. Corporate Social Responsibilities (CSR)	Disclosed in Note No.39
iii. Details of Crypto Currency or Virtual Currency	During the year the Company did not deal with any crypto or virtual currencies.

42. The Process of tagging the fixed assets and periodic physical verification of such assets vis-à-vis the Fixed Assets Register maintained by the Club, including landed properties, is in progress and are expected to be fully compliant in the coming years.
43. a. No funds have been advanced or loaned or invested (either from borrowed funds or any other sources or kind of funds) by the Club, during the year, to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Club (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b. No funds have been received by the Club, during the year, from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Club shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
44. Previous year figures have been re-grouped / reclassified wherever necessary.

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

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

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

Venkatesh Kamath S V
Partner
M.No. 202626
UDIN: 23202626BGVSXD1537

K. Premkumar
Partner
M.No. 019170
UDIN: 23019170BGZMUG8365

B. Gowthaman
Partner
M.No. 201737
UDIN: 23201737BGWPDS7322

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

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

Dr.M.A.M.R.Muthiah, *Chairman*
Mr.Arun Alagappan
Mr.Chaduranga Kanthraj Urs
Dr.T.Devanathan Yadav
Mr.Paul Antony
Mr.Ramesh Rangarajan
Mr.Ranjit Jesudasen
Mr.M.Ravi
Mr.M.Senthilnathan

P.B.Santhanakrishnan
Partner
M.No. 020309
UDIN: 23020309BGYYKP2887

V.Chandrasekaran
Partner
M.No. 024844
UDIN: 23024844BGRMWA7787

Place: Chennai
Date: 19th June 2023

S. Nirmal Prasad
Secretary

Members of the
Committee of Management



NOTES





NOTES





ADDITIONS / IMPROVEMENTS



The Paddock illuminated by the High Mast Lights.



The lawns illuminated in the Guindy Lodge.



The renovated Restobar



The renovated Swimming Pool



The Inauguration of the 'Ciclo Café' at Guindy Lodge.





The Inauguration of the newly constructed Bookmakers Stalls in the Enclosure.





The newly constructed stables at Race Farm.



The realigned and asphalted Road inside the Race Course.



Mr. RM. Ramasamy, Steward and Member of the Committee of Management, Madras Race Club, presenting 'The CBTF On-Line South India St. Leger' (Grade II) to Mr. Adhiraj Singh Jodha, Trainer of the Winner b h 5 year old "ARC DE TRIOMPHE"
Owned by Mr. Jiyaji Bhosle, Mr. Rishikesh Maloji Bhosle & M/s. Five Stars Shipping Company Pvt. Ltd.



The MRC Annual Auction Sales in the Paddock on 13th January 2023.



An aerial view of the Race Course at Madras Race Club, Hobart Park, Udhagamandalam.