

BANGALORE TURF CLUB LIMITED

PRESS CONFERENCE

Gentlemen,

On behalf of the Members of the Managing Committee of the Bangalore Turf Club Ltd., it gives me great pleasure in extending a very warm welcome to all of you to this Press conference.

- I. Bangalore Summer Meeting 2019 will commence on Saturday 18th May, 2019 and will conclude on Friday 9th August 2019. Racing will be conducted over 26 days during the meeting and will mainly be held on Saturdays and Sundays except during the last two weeks.
- II. Details of professionals expected to participate in the ensuing season are as under:

CATEGORY	NUMBER
Bangalore Based Trainers	35
Mumbai Based Trainers	06
Hyderabad Based Trainers	06
Kolkata Based Trainers	02
Chennai Based Trainer	01
Indian Jockeys "A" Licensed at BTC	65
Indian Jockeys "B" Licensed at BTC	30

Nearly 50 Trainers and 100 Jockeys are expected to participate during the meeting.

- III. Particulars of Outstation Trainers and number of Horses under their charge are furnished in the table below:

Centre	Trainer	No of Horses
Mumbai	Dallas Todywalla	01
	M.Narredu	06
	Atamash Ahmed	04
	P.Shroff	12
	Vishal Gaikwad	07
	Adhiraj S. Jodha	01
Hyderabad	L.D'Silva	10
	S.S.F.Hassan	04
	R.H.Sequeria	11
	D.Netto	05
	Shezad Abbas	02
	L.V.R.Deshmukh	08
Kolkata	Bharat Singh	03
	James Mckeown	05
Chennai	B.Suresh	04
Under the Charge of "A" Licensed Trainers		15
Total		98

- IV. In all about 825 Racing horses including 98 outstation horses are stabled in the BTC premises and about 800 horses are expected to participate during the meeting as against 703 during the previous Summer Meeting.

V. **STATISTICAL INFORMATION:**

Particulars	SUMMER 2018	SUMMER 2019
NUMBER OF RACE DAYS	25	26
NUMBER OF RACES	176	208
NUMBER OF LOCAL HORSES	813	740
NUMBER OF OUTSTATION HORSES	68	98
NUMBER OF 3-YEAR OLDS	249	206

VI. **Prize Money:**

Total prize Money estimated to be paid during Bangalore Summer Meeting 2019 would be approximately 19.5 crores.

VII. **CLASSIC RACES AND SPONSORSHIP:**

- (a) Added money for the following Classic races to be run during Bangalore Summer Meeting 2019 is detailed below:

Sl.No	Classic Race	Added Money
1	Kingfisher Ultra Derby Bangalore (Grade I)	15000000
2	Fillies Championship Stakes (Grade I)	2500000
3	Colts Championship Stakes (Grade I)	2500000
4	Bangalore St.Leger (Grade II)	1250000

- (b) THE KINGFISHER ULTRA DERBY BANGALORE (GRADE I) will be sponsored by M/s United Breweries for the 32nd year continuously. The added money will be Rs.1.5 crores inclusive of the club's contribution of Rs.75 lakhs and an equal contribution of Rs.75 lakhs by the sponsor. With the Club guaranteeing a total stakes of Rs. 2.5 crores, it will be one of the richest Derby race in India.
- (c) The added money for the Fillies Championship stakes (Grade I) and the Colts Championship Stakes (Grade I) will be Rs 25.00 lakhs each.
- (d) THE SHAPOORJI PALLONJI MILLION is sponsored by M/s Pallonji Shapoorji. The added money will be Rs. 15 lakhs inclusive of the Club's contribution of Rs. 7.5 lakhs and an equal contribution of Rs. 7.5 lakhs by the sponsor.
- (e) THE TETRASOFT INC BANGALORE ST. LEGER is sponsored by M/s Tetrasoft Inc. The added money will be Rs. 12.5 lakhs inclusive of the Club's contribution of Rs. 6.25 lakhs and an equal contribution of Rs. 6.25 lakhs by the sponsor.

VIII. SPECIAL RACE DAYS:

Day	Date	Race
Second Day	Sunday, 19th May, 2019	THE SIR CECIL YOUNGSTERS MILLION
Fourth Day	Sunday, 26 th May, 2019	THE JAYACHAMARAJA WADIYAR CUP (GRADE-III)
Sixth Day	Sunday, 2 nd June, 2019	THE KARNATAKA JUVENILE MILLION (GRADE III)
Eighth Day	Sunday, 9 th June, 2019	THE SHAPOORJI PALLONJI MILLION
Tenth Day	Sunday 16 th June, 2019	THE KRISHNARAJA WADIYAR CUP
Twelfth Day	Sunday, 23 rd June, 2019	THE FILLIES CHAMPIONSHIP STAKES (GRADE I)
Thirteenth Day	Saturday, 29 th June, 2019	THE CHIEF JUSTICE'S CUP (GRADE III)
Fourteenth Day	Sunday, 30 th June, 2019	THE COLTS CHAMPIONSHIP STAKES (GRADE I)
Fifteenth Day	Saturday, 6 th July, 2019	THE JUVENILE SPRINTERS MILLION (GRADE III)
Sixteenth Day	Sunday, 7 th July, 2019	THE CHIEF MINISTER'S CUP (GRADE III)
Eighteenth Day	Sunday, 14 th July, 2019	THE MAHARAJA'S GOLD CUP (GRADE II)
Twentieth Day	Sunday, 21 st July, 2019	THE KINGFISHER ULTRA DERBY BANGALORE (GRADE I) THE BTC ANNIVERSARY CUP (GRADE II)
Twenty second Day	Sunday, 28 th July, 2019	THE TERASOFT INC. BANGALORE ST. LEGER (GRADE II)
Twentythird Day	Thursday, 1 st August, 2019	THE BANGALORE CITY SPRINT CHAMPIONSHIP GOLD CUP (GRADE III)
Twentyfourth Day	Friday, 2 nd August, 2019	THE KARNATAKA MILE CHAMPIONSHIP CUP - GRADE II
Twentyfifth Day	Thursday, 8th August, 2019	THE BANGALORE SUMMER MILLION (GRADE III)
Twentysixth day	Friday, 9 th August, 2019	THE GOVERNOR'S CUP (GRADE III)

IX. A maximum of 12 acceptors are permitted to be accepted in ordinary races on all race days except on which the following races are run, where the maximum number of acceptors would be 14:-

1. The Fillies Championship Trial Stakes (Grade I)
2. The Colts Championship Trial Stakes (Grade I)
3. The Maharaja's Gold Cup (Grade II)
4. The Kingfisher Ultra Bangalore Derby (Grade I)
5. The Tetrasoft Inc. Bangalore St. Leger (Grade II)

X. BOARD OF APPEAL:

The Board of Appeal has been reconstituted effective from the commencement of Bangalore Summer Meeting 2019 as under:

Mr. N.Harindra Shetty (Chairman)

Mr. H.Kumara Swamy

Mr. M.Lokesh

Mr. K.R.Prakash

Mr. I.S.N.Prasad

Mr. T.Suneel Kumar

XI. GENERAL:

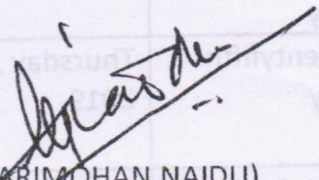
1. Jockeys have been subjected to a Jockeys fitness test from this year conducted by the officials of Sports Authority of India, Bangalore as a prerequisite to the licensing procedure.
2. A brief press note on the rationalisation of GST on wagering on horse racing submitted to the Government of India is enclosed.

XII. ACKNOWLEDGEMENT:

I thank you all for the help extended to the Bangalore Turf Club Ltd. in the past. On behalf of the Managing Committee, I seek your support once again in providing wide coverage for the Summer Races.

While seeking your cooperation, I wish you and the racing public a successful Meeting.

Place: Bangalore
Dated 16th May, 2019


(V.HARIMOHAN NAIDU)
CHAIRMAN & SENIOR STEWARD

Turf Authorities of India

Bangalore Turf Club Ltd

Press Note

Subject : Rationalization of GST on Wagering on Horse Racing

In 2017, the Government of India (GOI) introduced the unified Goods and Services Tax (GST) regime. TAI welcomes the GST regime as it brings with it immense tax reforms by reducing cascading effect of taxes, promoting digitization and expediting the unification of the country into one singular economic market.

Before July 2017, wagering on horse races fell under Entry 62 of List-II of the Seventh Schedule of the Constitution of India. Thus, it was subject to levy of state taxes by the various State Governments, which ranged between 4-21% in different states. Across the country, the average tax rate was 7.6%.

This cumulative tax rate of 28% is nearly four times higher than the prevailing all India tax rates and will lead to increases in illegal betting channels. Moreover, the GST Council in a circular dated 27.01.2018 (F. No. 354/107/2017-TRU) also clarified that the tax shall be levied on the "on the transaction value of betting, i.e. the total bet value". This is problematic as the total bet value is not the consideration for the service provided by race clubs, as they charge and retain only a small commission or service fee for the service provided the rest of amount pooled during a race is distributed among the winning punters. As per the definition of Value of Supply under GST law in case of Horse racing the taxable by the race clubs should be the consideration charged for the services, which would be the commission charged and retained by the race clubs. Prior to the implementation of the GST regime as well, most race clubs were only paying state service or entertainment or betting taxes only on the amount retained on consideration.

The impact clearly has been a great loss of revenue to the industry and could result in higher tax evasions; reduction in overall tax revenues and eventually resulting in shutting down of horse racing industry, this effect can be seen in the projections below:

Year	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Wagering at counter(in crs)	3274	3611	3954	2219	1917	1438	1078
Applicable Tax(in crs)	252	278	305	186	419	315	236

These drops in revenues directly risk 60,000 employees and their families employed by the clubs across India and also the ancillary industries dependent on these race clubs like breeding industry, agro-veterinary too would take a hit. For e.g. breeding industry alone provides employment 3.3 million man days and contributes to Indian exports. This animal husbandry industry and others will falter and wither along with the horse racing industry.

Hence the Turf Authorities of India and the Bangalore Turf Club is requesting the GST council to effect through a circular clarifying that henceforth, **"GST shall be payable on betting/ gambling services being provided by race clubs at 28% on the total commission or consideration or service fee charged and retained by them, by whatever name called."** This would have the effect of modifying the previous circular dated 27.01.2018.

The proposed tax changes if implemented will have the following benefits among others;

- i) Bring GST levy in India in line with international practices
- ii) Bring the taxable value of horse racing wagers in line with the definition of value of supply as envisioned under the GST Law, viz. the transaction value, which is the price actually paid or payable for the said supply of goods or services or both
- iii) Illegal betting can be brought under control if a larger number of people find it more beneficial to place their wagers through the totalisator mechanism.
- iv) With more people placing their wagers through the totalisator system, the number of people falling under the tax net would increase.
- v) A larger number of wagers through the formal channels would enable a faster transit onto the path of a digital economy.

The Turf Authorities has been making formal representations to the ministries and will also be reaching out to more stakeholders with representations to bring to their notice of this grave situation and request to help in expediting a solution to this issue at the earliest.

The Turf Authorities has prepared a detailed White Paper on this issue and has been published in the official website of Bangalore Turf Club for your kind reference.

Year	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Wagering (cr)	3274	3611	3824	3219	1917	1438	1078
Applicable Tax (in cr)	225	278	302	186	419	312	236