



**BANGALORE
TURF CLUB Ltd**
ANNUAL REPORT 2023-24

MEMBERS OF THE MANAGING COMMITTEE – 2023-24





Members of the Managing Committee

- L K ATHEEQ, IAS, STEWARD
- SYED MOHAMMAD AHMED, STEWARD
- ARUN KUMAR PARASA, STEWARD
- ARVIND S KATARKI, STEWARD
- CHADURANGA KANTHRAJ URS , COMMITTEE MEMBER
- B DAYANANDA, IPS, STEWARD
- K HARISH NAYAK, COMMITTEE MEMBER
- K A JAGADISH, STEWARD
- K NAGARAJU, STEWARD
- S KITTU RAGHUNANDAN, STEWARD
- T N RAGHUNATH, COMMITTEE MEMBER
- K UDAY ESWARAN, STEWARD
- VIKRAM SINGH, COMMITTEE MEMBER

Auditors

R. Chandrashekar and Associates

Chartered Accountants Firm Reg No.006783S
No. 311/312, Raheja Chambers
No 12, Museum Road, Bengaluru-560 001

Dhariwal & Sreenivas

Chartered Accountants Firm Reg No.007197S
No 10, (Old No 144), South Park Road
Bengaluru -560 020

Internal Auditors

Vasanth & Co

Chartered Accountants
Firm Reg No.008204S
12 &13,First Floor, Beside Surana College
South End Road
Bengaluru-560004

Legal Advisors

- 1) Just Law 2) Sundarswamy & Ramdas 3) K.G. Raghavan 4) Vivek Reddy Law Chambers

Bankers

HDFC Bank Limited, State Bank of India and Kotak Mahindra Bank

Registered Office

52, RACE COURSE ROAD, BENGALURU - 560 001
Ph: 080-22262391-2-3-5
E-Mail: secretary@btcraces.com

Website:

www.bangaloreraces.com



NOTICE

Notice is hereby given that the SIXTY THIRD ANNUAL GENERAL MEETING (AGM) of the Club Members of the Bangalore Turf Club Limited, under Section 96 of the Companies Act 2013, will be held at the Registered Office of the Club at No 52, Race Course Road, Bengaluru-560 001 on Thursday, 12th December, 2024 at 4.00 PM to transact the following business.

ORDINARY BUSINESS

1. To receive and adopt the Committee's Report, the Audited Balance Sheet as at 31st MARCH, 2024 and the Audited Statement of Profit and Loss for the year ended on that date and the Auditor's Report there on.
2.
 - a) To elect a Steward pursuant to clause 32 (a) and Clause 46 of the Articles of Association of the Company.
 - b) To elect a Steward pursuant to clause 32 (a) and Clause 46 of the Articles of Association of the Company.
 - c) To elect a Steward pursuant to clause 32 (a) and Clause 46 of the Articles of Association of the Company.
3.
 - a) To elect a Committee Member pursuant to clause 32 (a) of the Articles of Association of the Company.
 - b) To elect a Committee Member pursuant to clause 32 (a) of the Articles of Association of the Company.
4. To appoint Auditors and fix their remuneration. The retiring Joint Auditors M/s. Dhariwal & Sreenivas and M/s. R. Chandrashekar and Associates, Chartered Accountants, are eligible for re-appointment and to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 ("Rules") (including any statutory modification or re-enactment thereof, for the time being in force), the Rules framed there under, as amended from time to time, the Joint Auditors viz. M/s. Dhariwal & Sreenivas (Firm Registration No.007197S) and M/s. R. Chandrasekhar and Associates (Firm Registration No. 006783S) Chartered Accountants, be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 64th AGM of the Company to be held in the year 2025, on a total remuneration of Rs.10.00 lakhs to be shared equally by the Joint Statutory Auditors and out of pocket expenses that may be incurred by them for the purpose of the audit not exceeding Rs.10,000/- in respect of each firm of Statutory Auditors."

Place: Bengaluru
Date : 19th November, 2024

*By Order of the Managing Committee,
For Bangalore Turf Club Limited*

Registered Office :
52, Race Course Road,
Bengaluru - 560 001
CIN: U99999KA1962PLC001449

Arun Kumar Parasa
Additional Director/Steward
DIN: 00202380

Notes:

- (i) Every Club Member who is entitled to attend and vote at the General Meeting is entitled to appoint any person as his proxy to attend vote and the proxy need not be a Member of the Club. The instrument appointing a proxy shall be deposited at the Registered Office of the Club not later than 48 hours before the time for holding the meeting, as required under Article 29 of the Articles of Association.
- (ii) There shall be no voting by proxy in the matter of election of Committee Members & Stewards as stipulated in Article 33(d).
- (iii) Members seeking election for the office of Steward or Committee Member should have a Director's Identity Number (DIN), PAN and AADHAR details at the time of appointment. Please submit the self-attested copies of those documents. The Club members who are interested to contest or propose candidate for election Pursuant to Section 160 of the Companies Act, 2013 for Directorship (i.e 3 Stewards and 2 Committee Members) may submit the notice along with DD of Rs 1,00,000/- on or before Wednesday, 27th November 2024.

Calendar of Events:

1. Last date for filing of Nomination for election as a Committee Member/Steward: Wednesday 27th November, 2024.
2. Last date to give Special Notice to move Resolution by Club Members: Wednesday 27th November, 2024.

Notes :

1. Members wishing to seek clarifications, in connection with the accounts, are requested to forward all such queries to the secretary@btcraces.com on or before Wednesday 27th November, 2024, so as to enable the office to compile the information and furnish the same at the earliest.
2. Pursuant to Provisions of Companies Act, and rules made there under and Circular issued by the Ministry of Corporate Affairs in support of Green Initiative, please note all future communication to Members would be sent in electronic form to those Members whose e-mail addresses are registered with the Company, unless a Member has requested for a physical copy of the same with the Club as required under Companies Act. The Members who have not registered their e-mail addresses are requested to register the same with the Club. We seek your co-operation in making Green Initiative, a success.

Place: Bengaluru

Date : 19th November, 2024

Registered Office :

52, Race Course Road,

Bengaluru - 560 001

CIN: U99999KA1962PLC001449

By Order of the Managing Committee,
For Bangalore Turf Club Limited

Arun Kumar Parasa
Additional Director/Steward
DIN: 00202380



COMMITTEE'S REPORT FOR THE YEAR ENDED 31st MARCH, 2024

Dear Members,

The Committee has pleasure in presenting its SIXTY THIRD ANNUAL REPORT together with Audited Financial Statements for the year ended 31st March, 2024.

1. RACING

- a. The Club has been able to conduct racing activities from 1st April, 2023 to 31st March 2024.

2. SPONSORSHIP AND PRIZE MONEY:

- a. Added money for Classic races during Bangalore Summer Meeting 2023 is given below:

SI No	Classic Race	BSM 2023	BSM 2022
1	The Bangalore Summer Derby (Grade I)	1,00,00,000	1,00,00,000
2	The Colts Championship Stakes(Grade I)	25,00,000	25,00,000
3	The Fillies Championship Stakes (Grade I)	25,00,000	25,00,000
4	The Bangalore St Leger (Grade II)	12,50,000	12,50,000

- b. Added Money for Classic Races during Bangalore Winter Meeting is given below:

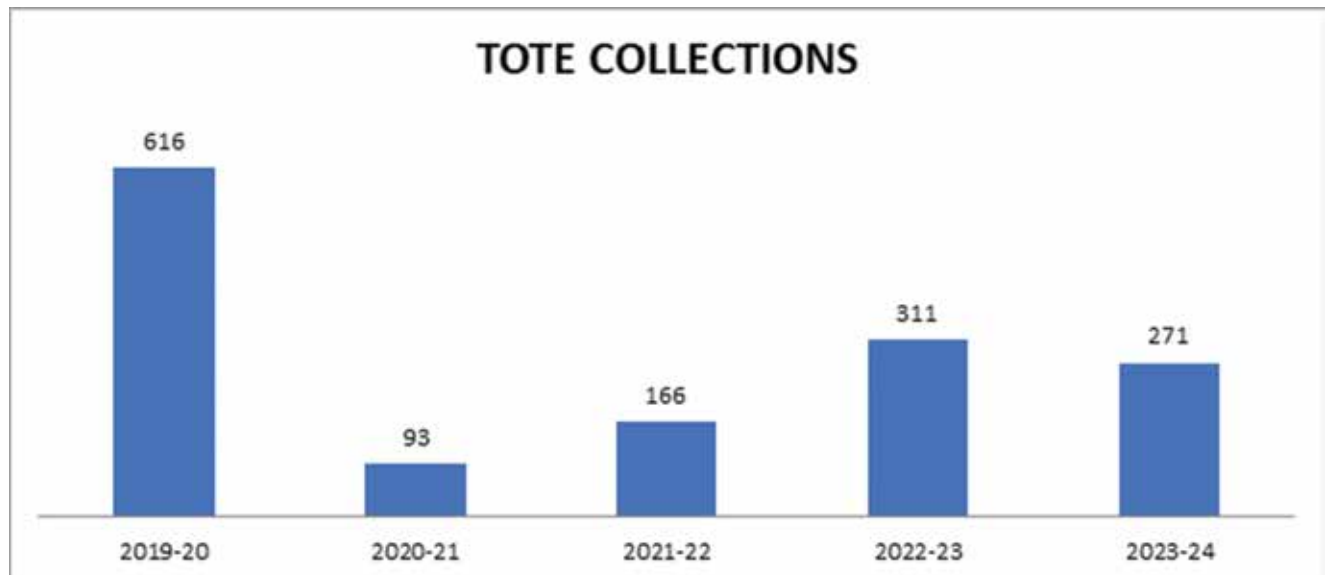
SI No	Classic Race	BWM 2023-24	BWM 2022-23
1	The Bangalore Winter Derby (Grade I)	75,00,000	75,00,000
2	The Bangalore Oaks (Grade II)	12,50,000	12,50,000
3	The Bangalore 1000 Guineas (Grade II)	12,50,000	12,50,000
4	The Bangalore 2000 Guineas (Grade II)	12,50,000	12,50,000

- c. An amount of Rs.30.86 crores as prize money, including Rs.2.13 crores towards incentives was paid by the Company for 46 race days during the year as compared to Rs. 28.43 crores paid, including Rs.1.00 crores towards incentives for 44 race days during the previous year. In addition, an amount of Rs.1.41 crores (PY Rs. 1.02 crores) was paid as subsidy.
- d. An expenditure of Rs.1.00 crores (PY Rs. 1.07 crores) was incurred for testing 820 samples (PY 803 samples) for doping.
- e. Prize Money of Rs. 2.00 crores (PY Rs. 2.00 crores) was paid in July, 2023 for "THE BETWAY BANGALORE SUMMER DERBY (GRADE I)".
- f. Prize Money of Rs. 1.71 crores (PYRs.1.49 crores) was paid during January, 2024 for "THE WINFAIR 247 BANGALORE DERBY (GRADE I)".

3. FINANCIAL RESULTS

Investment at the Totalisators was Rs 271 crores (PY. Rs. 311.00 Crores)

(Total Collections in Cr.)



COMMITTEE'S REPORT FOR THE YEAR ENDED 31st MARCH, 2024

4. FINANCIALS:

The following represents the significant changes during the year:

a. Income:

(Rs. In Lakhs)

SL No.	Particulars	Increase	Decrease
1	Net Commission on TOTE		805
2	Daily Income from Bookmakers	482	
3	Gate Collections	96	
4	Interest Income	229	
5	Veterinary Hospital Receipts	70	

b. Expenses:

(Rs. In Lakhs)

SL No.	Particulars	Increase	Decrease
1	Stakes Money and Cups	238	
2	Salaries and Wages	218	
3	Provision for GST		199.14
4	Provision for Deferred Tax		293.0

c. Overall, the company made Profit of Rs. 0.33 Crs (Loss of Rs.1.94 Crs) after providing for depreciation and Taxation as detailed under:

SL No.	Particulars	31.03.2024	31.03.2023
1	Total Income, Including Taxes	142.15	142.29
2	Profit / (-)Loss before tax	1.34	2.01
3	Taxes	-1.01	-3.95
4	Profit / (-)Loss after tax	0.33	-1.94

d. 46 (PY 44) race days and 235 days (PY 240days) of Inter Venue Betting were conducted on races held at various other centers during the year.

e. Inter venue betting was conducted concurrently (Dual) on two racing centres over 36 (PY 27) days during the year.

f. The club optimized the number of Off course Betting Centers (OCBC) based on the turn over and the operational cost. Currently the club has Eight OCBCs, Marathalli being the new OCBC added during the year.

5. AVERAGE ATTENDANCE PER DAY AND NUMBER OF HORSES :

Particulars	2023-24	2022-23
# of Racing Patrons		
Summer Meeting	4300	2500
Winter Metting	3050	1700
# of Horses participated		
Summer Meeting	592	562
Winter Metting	489	557

6. BANGALORE TURF CLUB CHARITABLE TRUST:

a. The need to reach a wider range of 'people in need' as well as institutions/NGO who are actively involved in Socio-Economic Development and looking towards making significant contributions towards Cap-Expenditure like School buildings, rest rooms etc., the Trustees of BTC Charitable Trust have approved the changes in Rules/Bye Law in the meeting dated 27th October, 2020.

b. An interest of Rs. 27.24 lakhs (PY.Rs. 26.68 lakhs) was earned on deposits made by the Trust of which an amount of Rs. 24.31 lakhs (PY.Rs. 7.76 lakhs) was utilized for charitable activities.



COMMITTEE'S REPORT FOR THE YEAR ENDED 31st MARCH, 2024

- c. During the year, the Trust extended financial assistance to poor patients afflicted with kidney and heart diseases. The assistance, covering 70 (PY. 35) patients, involved an amount of Rs. 9.18 lakhs (PY.Rs. 3.75 lakhs). This amount was paid directly to various hospitals, towards partly meeting medical expenses incurred for the treatment of such needy patients.
- d. The Trust also extended for providing scholarship amounting to Rs. 3.98 lakhs (PY. 2.96lakhs) in favor of 45 (PY. 35)needy and meritorious students

7. INCOME TAX:

- a. Proceedings were initiated by the Income Tax Department requiring the Company to deduct tax at source on prize money paid to an Owner of a winning horse under Section 194B and a demand for Rs.51.34 crores was raised against the Company in respect of financial years, covering the period between 1st April 2006 and 31st March 2011.
- b. The Company had approached the Hon'ble High Court of Karnataka under a Writ Petition with a contention that the deduction u/s 194B is not applicable to the Company. During September year 2014, the Hon'ble High Court of Karnataka passed an order agreeing with the contentions of the Company and held that ' Stakes or Prize Money' paid by the Company to horse owners would not attract the provisions of Section 194B of Income Tax Act, 1961. It also directed the Department not to demand TDS from the Company and not to treat the Company as an ' assessee in default'. Thereafter, the Income Tax Department filed a Writ Appeal challenging the above order.
- c. After hearing the appeal, the Hon'ble High Court of Karnataka vide its order dated 7th December 2016 directed the Company to deduct an amount equivalent to 30% of the Prize Money and to retain the said money in a separate account.
- d. On the matter being restored back to the Department, the Income Tax Authorities heard the contentions of the Company and thereafter, the Assessing Officer passed orders to the effect that the Company was liable to deduct TDS u/s 194B & issued demand notices for the Assessment Years 2007-08 to 2012-13, involving total liability of Rs.87.50crores, including interest.
- e. The Income Tax department issued notices of demand under Section201(1) and 201 (1A) of the Income Tax Act, 1961 for the assessment year 2013-14 to 2015-16 and passed an order dated 29th March 2016 demanding payment of Rs.39.48crores. The Company approached the Hon'ble High Court of Karnataka seeking relief and pending disposal, the demand has been stayed.
- f. The Company has suitably amended its application before the Hon'ble High Court of Karnataka challenging the orders of the Assessing Officer and the appeal is pending adjudication as on date.
- g. The Company with effect from December 2016 has started withholding from 'Prize Money', payable to Race horse Owners, Trainers & Jockeys a sum equivalent to 30% as retention money on the directions of the Division Bench of the Hon'ble High Court of Karnataka.
- h. The Company has also received a showcase notice dated 27th April 2016 for levy of penalty u/s 271C of the Income Tax Act, 1961 for the assessment years 2011-12 to 2015-16 in respect of non-deduction of tax on Prize Money the Company has challenged the same on the ground that there has been no concealment of income.
- i. As per the said order of the Hon'ble High Court of Karnataka, the Company has also released such retention money to the owners, trainers and jockeys who have provided necessary indemnification through undertakings in writing submitted to the Company.
- j. Pending further proceedings, the Company has not made any provision in the accounts for the total demand of a sum of Rs. 127crore for the period up to 31st March 2015. The Company is contingently liable for the same and any further demand which could be raised for subsequent periods together with interest, if any.
- k. The Income Tax Department has also raised demands under Section 143(3) of the Income Tax Act, 1961 for a sum of Rs. 14,22,431/-, Rs.14,31,48,796/- and Rs.15,38,50,547/- by way of disallowances for the assessment years 2012-13,2013- 14 & 2014-15 respectively expenditure for non-deduction of tax at source in respect of Prize Money, capital and revenue expenditure.
- l. The Company has filed an appeal before the Commissioner of Income Tax, Appeals-I disputing the demand. However, the Company has not made any provision for the demand raised and has contingent liability for the same together with interest, if any.
- m. The Company has disputed the demands raised by filing of appeals against the orders for all the assessment years. Pending further proceedings, the Company has not made any provision in the accounts for the total demand of a sum of Rs. 56,81,12,804/- and is contingently liable for the same.

COMMITTEE'S REPORT FOR THE YEAR ENDED 31st MARCH, 2024

- n. The Income Tax Department had issued a notice for short deduction of taxes U/s 194BB of the Income Tax Act, 1961 by the Company on the dividends paid to winning individuals. The Company had represented that appropriate deductions have been made as per Income Tax guidelines and that all due efforts had been made towards deducting appropriate taxes wherever the payment exceeded Rs. 2,500/-per individual. However, the Department had raised an issue that tax is to be deducted wherever the payment is in excess of Rs. 2,500/- per person and has further contended that the Company is required to put in place precautionary measures to avoid aggregation of winning tickets by an individual.
- o. The submissions made by the Company about the impracticability of aggregating all winning tickets of an individual to determine the criteria for tax deduction was not accepted by the Department and a show cause notice had been issued against the Company.
- p. The Company had filed a writ petition in the Hon'ble High Court of Karnataka and the Hon'ble court had granted an interim stay in Writ Petition No. 14184/2013 and WP No 5670/2014, restraining the Department from initiating any further proceedings in the matter.
- q. Pending further proceedings and outcomes, the Company is contingently liable for any demand that may arise in this matter. A reliable estimate of the financial effect on this matter could not be made with any certainty at this point of time considering the nature of the issue and the period of applicability.
- r. For the Assessment Year 2016-17, disallowance has also been made for non deduction of taxes at source on Basic Maintenance Charges (BMC) of horses on the contention that the expenses of BMC is a liability of the company and the company is responsible for tax deductions at source. Income tax demand disputed and to the extent not provided for is Rs. 14,97,84,462/- For the Assessment Year 2017-18, disallowance has also been made for non deduction of taxes at source under Section 194BB on dividends paid to winning punters and on Basic Maintenance Charges (BMC) of horses on the contention that the expenses of BMC is a liability of the company and the company is responsible for tax deductions at source. Income tax demand disputed and to the extent not provided for is Rs.17, 59,24,010/-.
- s. The Company has received an order u/s 143(3) read with Section 144B of the Income Tax Act, 1961 demanding a sum of Rs.9.58 crores for the Financial Year 2017-18 (relevant AY 2018-19) where in the disallowance issues already in dispute before the Appellate Authorities.
- t. The Company has received an order u/s 201(1A) of the Income Tax Act, 1961 demanding a sum of Rs. 22.08 crores for the Financial Year 2015-16 (relevant AY 2016-17) where in the disallowance issues already in dispute before the Appellate Authorities. The Company has obtained a stay to the said order in April, 2023.
- u. During the previous year the Income Tax Department – TDS wing passed an order for the AY 2017-18 u/s 201(1A) of the Income Tax Act, 1961demanding a total amount of 76.79 crores including an interest amount of Rs. 36.58 crores for non deduction of tax at source on payment made to horse owners on the Stake Money paid (Section 194B), payment disbursed to winning racing patrons (Section 194BB) and payment made to Trainers and Jockeys (Section 194J).

8. SERVICE TAX:

- a. The demand has been raised for the financial years 2008-09 to June 30, 2012 on certain transactions holding the same to be liable for Service Tax. The Company had already started paying Service Tax on the said transactions from July 1, 2012 post the amendments to the Service Tax Act based on the negative list concept. Consequently, the Company is of the view that the said transactions do not come under the scope and purview of Service Tax for the period ending June30, 2012.
- b. The Company has obtained legal advice and filed an appeal against the Order of the Commissioner of Service Tax with the 'Customs, Excise and Service Tax Appellate Tribunal' contesting the levy of Service Tax & penalty.
- c. for the period October 2009 to June 2017 and the Company has contested the demand raised by the department of Service Tax for an amount of Rs.66.23 crore inclusive of penalty of Rs. 7.98 crores. primarily being Service Tax to be paid on the entire TOTE Collections by the company less the Service Tax already discharged in the half yearly returns filed by the Company and the same is being contested by the Company.
- d. Pending further proceedings and outcome, the Company has not made any provision in the accounts for the total Service Tax demand of 7.98 crores and has a contingent liability for the same.
- e. The principal Commissioner of Central Taxes passed the order for the period October 2009 to June 2017 vide the order dated 30th Jan 2021. The said order is being challenged before the Hon'ble Cental Excise and Service Tax Appellate Tribunal (CESTAT) and the appeal has been admitted by CESTAT.

COMMITTEE'S REPORT FOR THE YEAR ENDED 31st MARCH, 2024

- f. During the year, the Service Tax Department has raised a demand on the Company towards service tax and has also levied penalty for the period from October 2016 till June 2017. The demand raised, to the extent not provided for in the accounts, amounts to Rs. 1,06,19,454/- inclusive of penalty of a sum of Rs. 53,09,727/-.
- g. The demand has been raised by disallowing the claim of the input tax credit of Service Tax by the company. The said order is being challenged before the Hon'ble Central Excise and Service Tax Appellate Tribunal (CESTAT) and the appeal has been admitted by CESTAT.

9. SERVICE TAX ON NET TOTE COMMISSION:

- a. The Company had been paying Service Tax "under protest" on net income earned on the collections at the Totalisators commencing from 1st July, 2012.
- b. As reported earlier, the matter was reviewed in March 2016 and in the absence of clarity on the applicability of Service Tax on net Tote Commission, a decision was taken to discontinue payment under this head with effect from 1st March 2016.
- c. The arrangement was also communicated to the Service Tax Department and the Company simultaneously filed an application seeking refund of Service Tax paid on net Tote Commission for the period between July 2012 and June 2017.
- d. However, towards ensuring compliance with the instructions of the authorities, the Company, as a measure of abundant caution and towards safeguarding the financial interest of the Company, remitted Service Tax in January 2017 (on net Tote Commission) under protest, covering the period between March 2016 & December 2016.
- e. The applications of the Company seeking refund of amount paid under protest, amounting to Rs. 53.95 crore is pending disposal before the Service Tax Authorities.

10. PROPERTY TAX:

- a. During the previous years, the Revenue Authorities have determined the Property Tax under the Karnataka Municipal Corporation Act, 1976. The Revenue Authorities have determined the annual property tax at Rs. 72,10,198/- for the years from 2008-09 to 2015-16 and at Rs. 1,13,70,745/- for the years from 2016-17 to 2018-19.
- b. The Company has not accepted the property tax demand and has preferred an appeal against the order. The company is contingently liable for the disputed demand raised in the notice as arrears of tax of a sum of Rs. 3,96,17,863/-, a consequential penalty of Rs. 7,92,35,726/- and the demand of interest for the delayed payment.
- c. The matter was pending adjudication before the before Joint Commissioner (East) of B.B.M.P. Further, the Company has received a demand of Rs. 2,15,50,800/- for the period 2017-18 to 2020-21, of which Rs. 1,07,75,400/- along with applicable interest has been paid in the prior years and Rs. 1,07,75,400/- was paid on 20th July, 2021.
- d. During the Financial Year 2021-22, the Company has received a notice from BBMP demanding a sum of Rs. 5,15,83,953/- for the period 2008-09 to 2020-21. The Company has paid a sum of Rs. 4,00,00,000/- against the said demand and further proceedings are awaited.
- e. During the previous years, the Company has made several representations before the Joint Commissioner (East) BBMP requesting for the copies of official gazette notifications to confirm the extent of land acquired by BBMP for the road widening of the Race Course Road to the Sheshadri Loop Road between the years 2005 to 2010 and has also sought for a revised joint survey to be conducted on the BTC premises with the officials of the BBMP to ascertain the actual extent of land acquired by the company at its present location and total built up area in the form of permanent, semi permanent and temporary structures constructed therein. The Company has sought for the revision of property tax assessment from the year 2010 onwards on the basis of the findings of the Joint Survey as and when conducted.
- f. During the previous years, the Company has also filed letters with the Public Works Department, Government of Karnataka requesting for the copies of official gazette notifications to confirm the extent of land acquired by BBMP for the road widening of the Race Course Road to the Sheshadri Loop Road between the years 2005 to 2010 and has also sought for revised joint survey to be conducted on the BTC premises with the officials of the PWD to ascertain the actual extent of land acquired by the company at its present location and the total built up area in the form of permanent, semi permanent and temporary structures constructed therein and for a joint survey to be conducted on the BTC premises. In response to the same, the officials of the Public Works Department conducted a joint survey with the officials of the Company during the months of February and March of 2023. However, till date the survey report is yet to be received from the Public Works Department.

COMMITTEE'S REPORT FOR THE YEAR ENDED 31st MARCH, 2024

- g. During the year 2023-24, the Revenue Authorities conducted a joint survey of the land and building and reworked the annual property tax payable based on the Committee formed for monitoring the activities of the Club/s within the jurisdictional area of the Bangalore. Upon the joint Survey, the Revenue Authorities arrived at the following annual property tax payable:

Financial Years	Amount (Per annum)
2008-09 to 2015-16	57,28,008
2016-17 to 2020-21	71,60,010
2021-22 to 2023-24	72,82,694

Further, Hon'ble Government of Karnataka introduced a One Time Settlement Scheme (OTS) for settlement of Property Tax Dues in May '24. The Company availed the said scheme and settled the long pending property tax issue. The issue has been settled for the period 2008-09 to 2023-24.

11. CUPA :

During the year 2019-20, CUPA filed a Writ Petition in Writ Petition 8736/2019 against the Company as the First Respondent and Animal Welfare Board of India as the Second Respondent. Accordingly, the Animal Welfare Board was directed by the Hon'ble High Court of Karnataka to appoint and Inspector to examine the infractions and deficiencies and to submit a report on the same. The Appointed Officer upon verification has submitted the report to the Hon'ble High Court of Karnataka. The Company intends to implement the said changes/improvements suggested in this regard. However, the Public Works Department has not granted permission till date to the Company to make the said changes/improvements in the background of the status quo order of the Honourable Supreme Court of India in Civil Appeal Nos 3263-3265/2015 pending adjudication as on date. In this regard, the Company is in the process of seeking legal advice on how to proceed further in this matter.

12. GOODS AND SERVICES TAX:

Legislative background:

- a. The Company is covered by levy of GST from 1st July 2017. The taxes levied prior to the introduction of GST, namely the Tote tax, Entertainment Tax, VAT and Service Tax, have been subsumed into GST. From the implementation of GST, there have been various amendments and views with respect to applicability and levy of GST on the transactions involving collection of tote monies and earning of commission thereto. A summary is as follows:

Sl No	Date	Particulars	Legislative Reference
1.	01.07.2017	As goods--in Schedule III under the residuary clause As services- Entry 34- 9996- Recreational, cultural and sporting services (i) Services provided by a race club by way of totalisator or a license to bookmaker in such club (28%) (ii) Gambling (28%) (iii) Recreational, cultural and sporting services other than (i), (ii), (iii), (iiia), (iv) and (v) above(18%)	NotifnNo.1/2017(CT-Rate)- Rate of tax Goods NotifnNo.11/2017(CT-Rate)- Rate of tax-Services
2	04.01.2018	That betting and gambling is under 9996 and are Services; that it is liable to tax @ 28%. Additionally, that GST will be on the total face value of any or all bets..	CircularNo.27/01/2018-GST
3	23.01.2018	That, as goods, under Rule31A (3)-Value of supply of actionable claim in the form of chance to win in betting, gambling or horse racing in a race club shall be 100% of the face value of the bet or the amount paid in to the totalizator	Rule31A-inserted (Notifn No.3/2018 Dated 23.01.2018)
4	25.01.2018	As goods, Entry 229 inserted to the rate of tax notification; Actionable claim in the form of chance to win in betting, gambling, or horse racing in race club-28%.	Notifn No.6/2018 dated 25.01.2018 Amendment to Notifn No. 1/2017 (CT-Rate)
5	01.02.2019	The meaning of the expression 'business' is amended to include all activities of a race club 'instead of ' services provided by a race club'.	Amendment to Section 2 (17) (h)-meaning of business

Steps initiated by the Company :

- b. The Company has obtained legal opinions to confirm the levy and applicability of GST on the tote amounts collected from the punters for various periods. As advised, the Company has remitted GST @ 28% on the commission earned on an inclusive basis for the period upto 24th January 2018. Thereafter, the GST is remitted @ 28% on the total value of the bet.
- c. The company was also advised that it should represent to the GST Council & the Governments that it is only the Commission amount that should be subjected to GST & not the entire amount deposited into the tote. Accordingly, the company has made several representations to State Government, Central Government & the finance Ministry on multiple occasions. Alongside, the company has also approached the Hon'ble High Court of Karnataka by filing a writ Petition (# 1168/2018) challenging the applicability of GST on the face value of the bet.
- d. The Company has obtained a favorable order passed by the Single Judge Hon'ble High Court of Karnataka on the GST liability of Rs. 142 crores for the period 25th January, 2018 to 31st January, 2019. However, the Revenue department both the State and Centre have preferred an appeal before the Division Bench which is pending as on date.
- e. The Company and the Turf Authorities of India have taken up the matter pending before various high courts and moved an application of Transfer petition clubbing the petitions of all the clubs together before Hon'ble Supreme Court of India.

In the financials

- The Company, based on the legal opinions from various experts on the subject, is confident of the stand taken that the levy of GST is applicable only on the Commission on inclusive basis and not on the face value of the bet. However, in the event where the Company does not succeed in its interpretation of the law and it is held that the GST is payable on the total value of the bet.
- The liability not provided for is estimated at Rs. 56.74 crores for the period July 1, 2017 to January 24, 2018 for which the company is contingently liable.
- The GST liability from January 25, 2018 till January 31, 2019 would amount to Rs. 1,42,46,35,179/-.
- Without prejudice to the above, the Company has made a provision for the probable liability of GST of a sum of Rs. 1,56,73,44,166/- inclusive of interest computed till the end of the year. The same is charged as an exceptional item of expenditure in the Statement of Profit and Loss. The Company also desires to remit the tax therein, as a precautionary measure and by way of abundant caution to avoid further accretion to the interest liability. Further, during the financial year the Company has provided an additional interest of Rs.13,29,73,889/- to cover the interest liability till the date of payment of tax.
- In this regard, the Company has also filed an additional memo before Hon'ble High Court of Karnataka stating that it will pay the above GST liability, under protest while reserving its right to claim a refund of the same if the Company succeeds in its plea (writ).

Impact on business:

- h. After the implementation of GST with effect from 1st July 2017 and the impact of higher GST, there has been substantial reduction (more than 50%) in Tote turnover. The race clubs across the country have been adversely affected. In order to explain the rationale behind requesting to charge GST on the amount retained by the Club and not on the entire bet value a White Paper was prepared clearly explaining not only the nuances of the racing industry but also the international practices where the GST is applicable only on the amount retained by the Club.
- i. The Company took the initiative and along with representatives of other Clubs, made representations (including the White Paper) to the officials in the Ministry of Finance, New Delhi. This group has met the Finance Ministers and GST Commissioners of all the racing States (Karnataka, Maharashtra, Tamil Nadu, Telangana and West Bengal) in addition to the Finance Minister of State of Punjab and the GST Commissioner of the State of Gujarat.
- j. The Turf Authorities have met the Hon'ble Finance Minister on several occasions and have impressed upon the need for the Government (GST Council) to help out the ailing racing industry by rationalizing the levy of GST on this particular industry.

13. TAXES PAID TO THE GOVERNMENT OF KARNATAKA:

A total amount of Rs. 194.54 lakhs (PY.Rs. 230.40 lakhs) was paid to the Government of Karnataka for the year ended March 31, 2024.

Comparative figures of taxes paid to the Government of Karnataka are furnished below:

Particulars	Year Ended 2024	Year Ended 2023	Year Ended 2022
Licence Fees	168.60	170.4	93.6
User Fees to Govt. of Karnataka	25.94	60	60
Total	194.54	230.4	153.6

COMMITTEE'S REPORT FOR THE YEAR ENDED 31st MARCH, 2024

14. EMPLOYEES STATE INSURANCE:

As reported earlier:

- a. Civil Appeal Nos. 2416/2003 and 49/2006 filed by the Bangalore Turf Club Ltd. And Royal Western India Turf Club Ltd. Respectively against the Employees State Insurance Corporation were finally heard by a Three Member Special Bench, consisting of Hon'ble Mr. Justice H.L. Dattu, Hon'ble Mr. Justice R. K. Agrawal and Hon'ble Mr. Justice Arun Mishra.
- b. After hearing the matter, the said Special Bench delivered a judgment on 31st July 2014 holding that the Bangalore Turf Club Ltd. And Royal Western India Turf Club Ltd. Would fall within the meaning of the word 'shop' as mentioned in the notification issued under the ESI Act.
- c. Pursuant to the orders, the Employees State Insurance Corporation, raised a demand for a sum of Rs.15,38,07,855/-for the period from April 1985 till September 2014, based on the provisional data available with them.
- d. The Company had made a total provision of a sum of Rs. 15,38,07,855/- in the accounts towards the ESI liability, including the earlier provision of Rs. 99.79 lakhs. Against this provision, an amount of Rs. 3.98 crore has already been deposited by the Company with the ESI Corporation for the period January 1985 to March 2009, pursuant to the orders of the ESI Court. Pending further hearing, the demand for the past liability, covering the period January 1985 and March 2009 has been stayed by the ESI Court.
- e. Contribution between April 2009 and September 2014, involving an amount of Rs. 2.97 crore has since been remitted, as against the original demand for an amount of Rs. 4.01 crore for the said period.
- f. The Company has started paying ESI for the subsequent periods on a monthly basis from September 2014 onwards.
- g. The Hon'ble ESI Court has passed an order on 2nd May, 2022 in respect of all 21 ESI cases.
- h. The ESI Authorities have preferred an appeal against the order of refund by the ESI department. The company has obtained legal opinion and is confident that no further liability is accrued based on the appeal filed.

15. INFORMATION TECHNOLOGY

1. The Annual Maintenance Contracts (AMC) executed separately for maintenance of the Automated Betting System, Betting Terminals, Office Automation customized Software along with Tally ERP9 based solution and other allied equipment involved a payment of Rs. 122.98 Lakhs (P.Y. Rs. 139.97 Lakhs).
2. The Biometric devices were installed in the Security, Club House, and two OCBCs to monitor and record the attendance of all staff members using the application software.
3. We have successfully implemented the endpoint security system across servers, user desktops, and laptops.
4. The migration of ERP application data from the old storage system to the new smart unity storage was effectively carried out.
5. The upgraded server has enabled the successful deployment of the office automation system and its integration with (ERP) application.
6. The New Marathahalli OCBC project was completed and made operational. This included setting up the terminals, online UPS and batteries, firewalls, network devices, and accessories, as well as conducting new cabling work, establishing lease line connections, and telephone services, in addition to providing audio signals.
7. The setting up of the dedicated QA test environment has been completed to carry out the testing of the wagering system software.
8. The testing phase of the combined jackpot pool has been completed after nearly two months. Following continuous efforts to ensure its seamless operation with MRC, The Combined Jackpot Pool Started operational on 28th December 2023.
9. We have established designated shared drive folders for every individual sub-committee and department. These folders have been created, training has been provided, and they have been transferred to the secretarial section.
10. The new policy has been implemented in the trainer portal (<https://portal.btcrcraces.com/btc/login>) not to permit the scratching of entries.
11. In the owner portal, we have provided the information regarding the dates for PRE-BAN Notice intimation, BAN Notice intimation, Auction Notice intimation, UFL Notice intimation, and legal notice intimation.
12. Wagering on three different venues has been carried out and completed successfully at the premises.
13. Dual Venue wagering operation conducted and setting up the necessary technical infrastructure at Rajajinagar and Ganganagar OCBC Centre and also intended to expand this operation to the remaining OCBCs in the future.
14. The system has been set up to automatically generate entry tickets for racing patrons at Gate-4 (Second Enclosure) using the NGX Device.



COMMITTEE'S REPORT FOR THE YEAR ENDED 31st MARCH, 2024

15. The accounting software Tally ERP9 has been upgraded to the newer version Tally Prime. All individual users have received their login information and have participated in training sessions.
16. The implementation of change requests regarding the scratching of horses from the trainers for classic races has also been carried out on both the website and the trainer portal.
17. We have successfully resolved the issue with the Starting Gate remote start for the photo finish timer. Instead of replacing the Radio Lynx wireless Start System, we have come up with a new solution that involves utilizing a telephone line. This alternative approach has allowed us to address the problem at no additional cost.
18. We made it easy for live-streaming subscribers to make payments through QR codes, and UPI Payments (Phone pay, Google Pay, etc.,) to watch the Bangalore live races.

16. RACING:

a. NUMBER OF HORSES:

Year Ended	# of 2yr Old	# of 3+ Older	TOTAL
2022	156	669	825
2023	215	580	795
2024	193	508	701

b. TRAINERS AND JOCKEYS:

There were 26 'A' licensed Trainers and 31 "B" licensed Trainers at Bangalore Turf Club Limited.

Around 113 Jockeys including 59 "A" licensees and 54 "B" licensees inclusive of 20 Apprentice Jockeys were licensed to ride at Bangalore.

The average prize money of Trainers and Jockeys during the year 2023-24 for 9 months of racing was as follows:

(Amount in Lakhs)

Category	Prize Money	Average per year	Per Racing Month
Trainers	281.00	23.42	17.56
Jockeys	210.74	17.56	13.17

- The total payout of Prize Money during the year was as under:

(Amount in Lakhs)

Category	Days	Owner	Trainer	Jockey	Breeder	Total
BSM 2023	22	1320.03	160.00	120.00	3.22	1603.25
BWM 23-24	24	998.15	120.99	90.74	2.46	1212.34

17. BANGALORE AMATEUR RIDERS INSTITUTE

- 21 horses were stabled at the Institute during the year.
- The operational costs including Employee benefits of Rs. 58.38 lakhs as against and income of Rs. 30.52 lakhs, the loss of BARI is Rs. 27.85 lakhs.

18. CLUB HOUSE:

The Club House sales of Rs. 105.64 lakhs (PY. Rs. 96.40 lakhs) including an amount of Rs. 96.21 lakhs (PY. Rs. 90.32 lakhs) at the BAR.

19. CATERING:

- Catering expenses were Rs. 63.08 lakhs (PY. Rs. 60.98 lakhs) and royalty received from contract vendors was Rs. 29.40 lakhs (PY. Rs. 15.50 lakhs).
- Continued outsourcing of catering services at the Club house to a professional caterer, resulted profit of Rs. 19.96 lakhs against profit for the PY Rs. 10.00 lakhs.

20. ADMINISTRATION AND ESTABLISHMENT:

- a. As on 31st March 2024, 58 (PY. 63) Employees (including probationers) are employed on the permanent rolls of the Company, including 25 (PY 25) officials and an expenditure of Rs. 8.05 crore were incurred on salaries (PY.RS . 7.16 crore).
- b. An expenditure of Rs. 6.70 crore (PY. Rs. 6.13 crore) was incurred towards payment of wages in respect of Race Day Staff working at the Company.

COMMITTEE'S REPORT FOR THE YEAR ENDED 31st MARCH, 2024

- c. An expenditure of Rs. 8.88 crore (P.Y. Rs. 7.52 crore) was incurred towards payment of wages in respect of contractual Employees working at the Company.
- d. In all, the Company incurred an expenditure of Rs. 23.63 Crore (P.Y. Rs. 20.81 crore) towards employees benefits expenses a summary of which is given below:

Category	2023-24	2022-23	Increase/(Decrease)
Permanent	8.05	7.16	0.89
Contract	8.88	7.52	1.36
Daily wage	6.70	6.13	0.57
Total	23.63	20.81	2.82

- e. Continuous efforts have been made to prune down the number of employees, permanent, contractual and Race Day Staff.

21. TOTALISATORS SECTION:

- i) The Club has optimized the race day daily wage employees from 1200 Race day staff to 600 Race day staff based on the irregular attendance and commitment shown towards work. Strict implementation of batches based on the Tote Turnover resulted in reduction of operational cost.
- ii) Regular monitoring and enhanced the CCTV surveillance mechanism in all OCBCS and in Totes resulted in better supervision and control over the operations on Totalisators.
- iii) Regrouping race day staff from Totalizator Section and moving non race day staff to the respective Sections for better accountability and for better utilization of work from the resources available.
- iv) Updated the records of KYC documents of all race day daily wage employees which enabled them to get ESI benefit, pension benefits on timely manner and also helped to update database in all aspects. Further a dedicated lady staff was deployed to address the grievances and issues pertaining to women at the Totalisator Section.
- v) Continued to freeze new recruitment of race day daily wage employees.

22. INVESTMENTS:

An amount of Rs. 65.24 crore (P.Y. Rs. 70.27 crore) stands deposited with HDFC Bank (Principal bankers), Kotak Mahindra Bank and State Bank of India.

The Company realized an interest of Rs. 4.82 crore (P.Y.Rs 2.50 crore) on long term and short term deposits.

23. RACE COURSE PREMISES:

The Company had filed Special Leave Petitions (Civil) No. 18238-18239 of 2010 on 23rd July 2010, in the Hon'ble Supreme Court of India with a prayer to grant special leave to appeal against the order of the Division Bench of the Hon'ble High Court of Karnataka, apart from seeking interim relief from the order of the Division Bench of the Hon'ble High Court of Karnataka and to allow the Company to carry on racing activity at the present premises without any hindrance.

The Hon'ble Supreme Court of India after hearing the petitions has granted leave in the matter by its order dated 25th March 2015 and as a result the Special Leave Petition (Civil) No. 18238-18239 of 2010 filed by the Company on 23rd July 2010 now stands converted into a full-fledged Civil Appeal, numbered as 3263-3265 of 2015. It was posted for hearing initially on 16th May 2020 and subsequently on 20th August 2020, but was not taken up hearing. Further proceedings are awaited.

During the year 2023-24, the Hon'ble State Government of Karnataka moved an application before the Hon'ble Supreme Court of India on 10th January, 2024 for an early hearing of the matter and based on the application filed by the State Government of Karnataka, the case was posted for hearing on various dates, however the same was not taken for hearing. The last hearing date was posted on 18th July, 2024.

The Company is hopeful that it would be able to secure necessary relief from the Hon'ble Supreme Court of India and the accompanying benefit of the extended tenure in respect of the existing Racecourse.

In this background, the Company does not envisage any difficulty in continuing with its racing activity and does not foresee any adverse situation that could materially affect the carrying value of assets and liabilities or its future earning capacity. The Company on this premise would qualify as a non-going concern.



COMMITTEE'S REPORT FOR THE YEAR ENDED 31st MARCH, 2024

24. LEGAL MATTERS:

The Company is promptly pursuing legal matters pending in various courts in respect of ESI, Labour, GST, Service Tax, TDS on Prize Money and other Income Tax related matters.

The Company incurred a total expenditure of Rs. 120.95 lakhs (PY. Rs. 116.33 lakh) towards Land matter, Labour and miscellaneous legal matters.

25. LOOKING AHEAD:

The following would be the focus for future:

Looking ahead

1. The proposal has been received from the service provider for Phase 2 of the office automation system and its integration with the (ERP) application project. Completed the user requirements gathering. This involved collecting input from all the user departments.
2. Transform the dividend board into a digital format.
3. Introduce WhatsApp Messages to Multiple Contacts like Club Members, Stand Members Owners, Trainers, and Jockeys.
4. Online Gate Entry through the official website.
5. The B.A.R.I (BANGALORE AMATEUR RIDERS INSTITUTE) website module is prepared and will be released shortly.
6. To extend the biometric attendance system at OCBCs.
7. We are currently working on incorporating additional gateway services to enable live broadcasting of races.

26. MEMEBRSHIP OF THE CLUB:

As on 31st March 2024, there were 347 Club Members and 187 Stand Members.

27. CONDOLENCES:

The Committee records with deep regret the sad demise of the following Members during the year:

Sl. No	Name of the Member	Date of Demise
1	Shri. T.S.Ravindra Hegde	22nd May, 2023
2	Shri. V.P.Mahendra	30th May, 2023
3	Shri. K.I.Mallikarjun	29th September 2023
4	Shri. R.K.Nicky Sawhney	23rd January, 2024
5	Shri. Nikhil Braganca F.M.	15th March 2024
6	Shri. Azam Khadir	22nd March 2024

28. DIRECTORS AND KEY MANGERIAL PERSONNEL:

The details of Directors and Transaction with related parties are disclosed as required by the Accounting Standard 18 issued by The Institute of Chartered Accountants of India.Provisions of KMP as required under Section 203 of the Companies Act, 2013 are not applicable to club.

29. STEWARDS:

Mr.Naval R. Narielwalla, Mr. Satish N. Gowda and Mr. Shivkumar Kheny [Elected] as Steward at the 61st AGM held on 26th September 2022.

Mr. Arvind Raghavan, Mr. T.H.R. Rajeev and Mr. Shankar Balu elected as Steward at the 62nd AGM held on 25th September 2023

Stewards resigned on 1st July 2024.

Mr. Satish N. Gowda
Mr. Shivkumar Kheny

The following Stewards resigned on 8th July 2024.

Mr. Arvind Raghavan
Mr. Naval R.Narielwalla
Mr.T.H.R. Rajeev
Mr. Shankar Balu

The following Additional Stewards Appointed on 8th July 2024

Mr. K. Uday Eswaran
Mr. K. A. Jagadish

COMMITTEE'S REPORT FOR THE YEAR ENDED 31st MARCH, 2024

The following Additional Stewards Appointed on 15th July 2024

Mr. Arun Kumar Parasa
 Mr. Arvind S.Katarki
 Mr. K.Nagaraju
 Mr. S.K. Raghunandan

30. COMMITTEE MEMBERS:

Dr. C.A. Prashanth and Mr. Shasha Bindu Das elected as Committee Members at 61st AGM held on 26th September 2022.
 Mr. Dayand R.Mandre and Mr. Darshan Lokesh elected as Committee Member at the 62nd AGM held on 25th September 2023

The following Committee Members resigned on 1st July 2024

Mr. Darshan Lokesh
 Dr. C.A. Prasanth

The following Committee Member resigned on 8th July 2024.

Mr. Dayanand R.Mandre
 Mr.K. Shasha Bindu Das

The following Additional Committee Members appointed on 8th July 2024

Mr. Chaduranga Kanthraj Urs
 Dr. T.N. Raghunath

The following Additional Committee Member Appointed on 15th July 2024

Mr. K. Harish Nayak

31. MEETINGS:

MANAGING COMMITTEE MEETINGS:

The number of Managing Committee meetings held between 27th September, 2023 to 8th July, 2024 and the attendance of the Members of the Managing Committee during this period are detailed as under:

Sl. No	Name of the Member of Managing Committee	Number of Meetings Held	Number of Meetings Attended
1	MR. ARVIND RAGHAVAN	25	25
2	MR. L.K. ATHEEQ, IAS	25	4
3	MR. DARSHAN LOKESH	25	16
4	MR. DAYANAND R. MANDRE	25	25
5	MR. B. DAYANANDA, IPS	25	4
6	MR. NAVAL R. NARIELWALLA	25	24
7	Dr. C.A. PRASHANTH	25	16
8	MR. T.H.R. RAJEEV	25	24
9	MR. SATISH N. GOWDA	25	15
10	MR. SHANKAR BALU	25	24
11	MR. SHASHA BINDU DAS	25	22
12	MR. SHIVKUMAR KHENY	25	18
13	MR. S.M. AHMED[WAHID]	25	17
14	MR. VIKRAM SINGH	25	2

The number of Managing Committee meetings held between 8th July, 2024 to 15th November, 2024 and the attendance of the Members of the Managing Committee during this period are detailed as under

Sl. No	Name of the Member of Managing Committee	Number of Meetings Held	Number of Meetings Attended
1	Mr. S.M. AHMED [WAHID]	14	13
2	MR. L.K. ATHEEQ, IAS	14	4



COMMITTEE'S REPORT FOR THE YEAR ENDED 31st MARCH, 2024

3	MR. ARUN KUMAR PARASA	14	12
4	MR. ARVIND S. KATARKI	14	12
5	MR. CHADURANGA KANTHRAJ URS	14	10
6	MR. B. DAYANANDA, IPS	14	5
7	MR. K. HARISH NAYAK	14	11
8	MR. K.A. JAGADISH	14	14
9	MR. K. NAGARAJU	14	10
10	MR. S.K. RAGHUNANDAN	14	9
11	DR. T.N. RAGHUNATH	14	8
12	MR. K. UDAY ESWARAN	14	9
13	MR. VIKRAM SINGH	14	2

32. SUB COMMITTEES (Period 25th September,2023 to 8th July, 2024):

a. Sub-Committee [IT, Telecasting & Totalisator]

1. Mr. Shankar Balu [Chairman]
2. Mr. Chaitanya N. Sreenivas
3. Mr. N. Gangadhar
4. Mr. C.Mahesh Medappa
5. Mr. Nikhil Yathiraj
6. Dr. C.A. Prashanth [Special Invitee]
7. Mr. Dayanand R. Mandre [Special Invitee]
8. Mr. K. Shasha Bindu Das [Special Invitee]

b. Sub-Committee [Administration and Liaisoning with Government]

1. Mr. Arvind Raghavan [Chairman]
2. Mr. S.K. Bhaskar Raju
3. Mr. Y. Jagannath
4. Mr. V. Pravindra Velu
5. Mr. C.N. Shashikiran

c. Sub-Committee [Legal Taxation and GST]

1. Mr. Arvind Raghavan [Chairman]
2. Mr. Bharathram Lokkur
3. Mr. R. Dhirendra
4. Mr. L.Shiva Shankar
5. Mr. Sunil K. Vasanth

d. Sub-Committee [Club House, Catering & Canteen]

1. Mr. K. Shasha Bindu Das [Chairman]
2. Mr. Anish Sood
3. Mr. Clinton Miller
4. Mr. M.C.Manjunath Urs
5. Mr. Naveen N. Raju

e. Sub-Committee [Finance and Audit and Research and Development]

1. Mr. Naval R. Narielwalla [Chairman]
2. Mr. Ashok Raghavan
3. Mr. A.S. Karthik Chandra
4. Mr. S.K. Raghunandan
5. Mr. C.Srivatsan

COMMITTEE'S REPORT FOR THE YEAR ENDED 31st MARCH, 2024

- f. Sub-Committee [Racing]**
 1. Mr. Shivkumar Kheny [Chairman]
 2. Mr. C.Mahesh Medappa
 3. Mr. Ranjan Chona
 4. Mr. Rajan Aggarwal
 5. Mr. D.Shailesh Shivaswamy
- g. Sub-Committee [Veterinary, Stables & Track]**
 1. Mr. T.H.R .Rajeev[Chairman]
 2. Dr. N.M. Dinesh
 3. Mr. Kamesh K
 4. Mr. C.Mahesh Medappa
 5. Mr. Clinton Miller
 6. Mr. S. Ganapathy [Special Invitee]
- h. Sub-Committee [Purchase & Negotiations]**
 1. Mr. T.H.R .Rajeev[Chairman]
 2. Mr. S.K. Raghunandan
 3. Mr. A.S. Karthik Chandra
 4. Mr. Anish BV Rasquinha
 5. Mr. K.Harish Nayak
- i. Sub-Committee [Maintenance of Enclosure, Bari and Social Media]**
 1. Mr.Darshan Lokesh [Chairman]
 2. Mr.B.Nandish
 3. Mr.D.Shailesh Shivaswamy
 4. Mr. Tarun Kumar
 5. Mr. D.Vishal Sivappa
 6. Mr. S.Bhaskar [Special Invitee]
 7. Mr. C.Mahesh Medappa [Special Invitee]
- j. Sub-Committee [OCBC's and Sponsorship]**
 1. Mr. Dayanand R. Mandre [Chairman]
 2. Mr. S.K.Bhaskar Raju
 3. Mr. C.Mahesh Medappa
 4. Mr. Sharan Vijay Makhija
 5. Mr. Zeyn Mirza
 6. Mr. K.Harish Nayak [Special Invitee]
- k. Sub-Committee [Human Resources, Establishment and Bookmakers]**
 1. Mr. Satish N. Gowda [Chairman]
 2. Mr. Arvind S. Katarki
 3. Mr. K.Harish Nayak
 4. Mr. C.Mahesh Medappa
 5. Mr. Vikram Kote V.R.
- l. Sub-Committee [Security]**
 1. Dr. C.A.Prashanth [Chairman]
 2. Dr. Arvind M.N.
 3. Mr. K.Harish Nayak
 4. Mr. C.Mahesh Medappa
 5. Mr. B.S.Manjunath

SUB COMMITTEES (Period 8th July, 2024 to 10th December, 2024)

- 1. Sub-Committee (Racing, Veterinary, Track and Stables)**
 - Mr. K.A.Jagadish [Chairman]



COMMITTEE'S REPORT FOR THE YEAR ENDED 31st MARCH, 2024

- Mr. Chaduranga Kanthraj Urs
- Mr. Byriah Siddaramu
- Dr. Hasneyn Mirza
- Dr. N.M.Dinesh
- Mr. D.Shailesh Shivaswamy

2. Sub-Committee (Information Technology ,Totalisator and Telecasting Communication)

- Mr. K.Uday Eswaran [Chairman]
- Mr. Chaitanya N. Sreenivas
- Mr. N. Gangadhar
- Mr. C.Mahesh Medappa
- Mr. Nikhil Yathiraj

3. Sub-Committee (OCBC, Security, Betting and Negotiations and Purchases)

- Mr. Arvind S. Katarki [Chairman]
- Mr. Chaduranga Kanthraj Urs
- Mr. Gangadhar N.
- Mr. Girish Baliga
- Mr. K.Kamesh
- Mr. Nikhil Yathiraj

4. Sub-Committee (Establishment, Administration, Human Resources and Protocols)

- Mr. Arun Kumar Parasa [Chairman]
- Mr. C.Ganesh Narayan
- Ms. Sushma Kadali

5. Sub-Committee (Maintenance of Enclosures)

- Dr. T.N.Raghunath [Chairman]
- Mr. C.Mahesh Medappa
- Mr. B.Nandish

6. Sub-Committee (Catering, Club House, Event Management and Sponsorship)

- Mr. K.Harish Nayak [Chairman]
- Mr. K.Jayaram
- Mr. Shankar Srinivas

7. Sub-Committee (BARI & Corporate Social Responsibility)

- Mr. K. Harish Nayak [Chairman]
- Mr. S.M.Ahmed [Wahid]

8. Sub-Committee (Finance, Audit and GST)

- Mr. S.K.Raghunandan [Chairman]

9. Sub-Committee (Legal and Liasioning with Government)

- K.Nagaraju [Chairman]

10. Sub-Committee (Prevention of Sexual Harassment of Women at Work Place)

- Ms. Sushma Kadali [Chairperson]
- Mr. Chaitanya N. Sreenivas
- Mr. Sunil K. Vasant
- Mrs. Shwetha P.R.

33. PARTICULARS OF EMPLOYEES:

The Company has no employee covered under Section 197 of the Companies Act, 2013.

34. AUDITORS:

M/s. R. Chandrashekar and Associates (Registration No. 006783S) and M/s. Dhariwal & Sreenivas, (RegistrationNo.007197S) Chartered Accountants, who are the Joint Statutory Auditors of the Company will hold office till the conclusion of the ensuing Annual General Meeting.

COMMITTEE'S REPORT FOR THE YEAR ENDED 31st MARCH, 2024

M/s. R.Chandrashekar and Associates (RegistrationNo.006783S) and M/s. Dhariwal & Sreenivas, (RegistrationNo.007197S) Chartered Accountants are being eligible, offer themselves for re-appointment as Joint Statutory Auditors.

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules framed under the Act, directors propose to appoint M/s. R. Chandrashekar and Associates (Registration No. 006783S) and M/s. Dhariwal & Sreenivas, (Registration No.007197S)Chartered Accountants, as Statutory Auditors of the Company from the conclusion of the ensuing Annual General Body Meeting till the conclusion of the 64th Annual General Meeting to be held in the year 2025.The Company has received the certificates from The Joint Statutory Auditors under Section 141 of the Companies Act, 2013 andthe Rules framed there under confirming that their reappointment as Statutory Auditors of the Company, if made, would be in compliance with the Provisions of the said Section.The Audit Report issued by the Statutory Auditors for the financial year ended March 31st 2024 forms part of this report.

35. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

- a. Your company believes that internal financial control is a necessary concomitant of the principle of governance. The freedom of Management should be exercised within the frame work of appropriate checks and balances. Your company remains committed to ensuring an effective internal control environment that provides assurance on the efficiency of operations and security of assets.
- b. Pursuant to this objective, the services of M/s MSSV and Co., Chartered Accountants, Bengaluru were utilized in assessing the risks associated with the existing controls.
- c. The report was adopted by the Company and thereafter necessary action has been taken by the Company to further strengthen the control mechanisms.
- d. Your company has a strong and effective internal audit carried out by an Independent firm of Chartered Accountants which review the operational systems and Management Procedures periodically and also the effectiveness and efficiency of the internal control systems and their adequacy to ensure that all the assets are protected and safeguarded against loss and that the financial operations and transactions are complete and accurate.
- e. The internal audit functions cover the routine audit of all the departments at regular intervals depending on the nature of internal controls that are in place. This audit ensures promoting operational efficiencies and compliances with various legal and regulatory provisions. The internal audit reports along with the actions taken / proposed to be taken by the Management are placed before the Finance and Audit Sub Committee for their review and suggestions for placing the same before the Managing Committee.

36. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION:

- a. As the Company is not carrying out any manufacturing activity or any operations, the particulars required under the provision of Section 134(3) (m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules 2014 is not applicable.
- b. However to conserve and optimize the use of energy, the Company has installed energy efficient equipments and lighting systems.
- c. Modernized mechanical devices/systems are installed for optimum usage of power and strict controls are exercised for optimum usage of power, water, ventilation and fuel.

37. DIRECTORS RESPONSIBILITY STATEMENT:

Members of the Managing Committee hereby confirm that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to the material departures wherever applicable.
- ii) The directors had selected such accounting policies and applied them consistently and made judgments 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 profit or loss of the Company for that period.
- iii) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The directors had prepared the annual accounts on a going concern basis.
- v) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and are operating effectively.



COMMITTEE'S REPORT FOR THE YEAR ENDED 31st MARCH, 2024

38. CORPORATE SOCIAL RESPONSIBILITY:

This clause is not applicable for the year under review.

39. CHANGE IN NATURE OF BUSINESS:

There are no such changes which have occurred in the nature of business during the financial year under review.

40. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has not entered into the any transactions falling under the provisions of Section 186 of the Companies Act, 2013 and rules made there under as such the relevant provision is not applicable.

41. RELATED PARTY TRANSACTIONS:

The disclosures relating to particulars of contract or arrangements with related parties referred to in Section 188(1) in Form No. AOC-2 and pursuant to Section 134(3) (h) of the Companies Act 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable as the transactions entered during the financial year are at arm's length.

42. SUBSIDIARIES, JV OR ASSOCIATE COMPANIES:

The Company does not have any subsidiary, JV or Associates Companies during the period.

43. MATERIAL EVENTS OCCURRING AFTER BALANCE SHEET DATE:

There are no material events to be reported after Balance Sheet date.

44. TRANSFER TO RESERVES:

The Company transferred Rs. 0.33 crore to the Reserves and Surplus in view of Profit during the year 2023-24. The Company holds Rs. 7.86 crore in Reserves and Surplus as on March 31st 2024 after the transfer of the above.

45. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There are no material changes which have affected the financial position of the Company.

46. RISK MANAGEMENT POLICY OF THE COMPANY:

The assets of the Company are adequately insured against loss due to fire, riot, earthquake, terrorism, statutory public liability insurance etc. and other risks considered necessary by the Management.

47. MATERIAL ORDERS PASSED BY REGULATORS OR COURTS AFFECTING ON GOING CONCERN STATUS AND FUTURE OPERATIONS:

There is no such order passed by regulators or Courts which affect the on Going Concern Status and future operations of your Company.

48. HUMAN RESOURCES AND INDUSTRIAL RELATIONS:

Many initiatives have been taken to support business through organizational efficiency, process change support, Organisation and Operation Study and various employee engagement programmes which have helped the Organization to achieve higher productivity levels. A significant effort has also been undertaken to develop leadership as well as technical/functional capabilities in order to meet talent requirement for the future.

The Club continues to enjoy an extremely healthy and cordial relationship with its employees and continued to receive their unstinted support in all matters and affairs of the Company. The Company has executed fresh Memorandum of Settlement with the employees.

49. DISCLOSURE IF THE VOTING RIGHTS ARE NOT EXERCISED BY EMPLOYEES:

Bangalore Turf Club Limited is a Company limited by Guarantee and not having Share Capital, has not issued any Shares or Employee Stock Options to the new allottees/Employees hence the said clause is not applicable.

50. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

During the year under review, Company has not received any complaint.

51. DEPOSITS:

The Company has not accepted any deposits from Public in terms of Section 73 of the Companies Act, 2013 during the year under review.

COMMITTEE'S REPORT FOR THE YEAR ENDED 31st MARCH, 2024

52. DIVIDEND:

Bangalore Turf Club Limited is a Company limited by Guarantee and not having Share Capital and hence the said clause is not applicable.

53. SECRETARIAL AUDIT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Shrinivas Devadiga, Company Secretary in Practice (Certificate of Practice No: 10372) to undertake the Secretarial Audit and the Secretarial Audit Report is annexed herewith as Annexure 1. forming part of the Committee's Report.

54. COMMENTS ON AUDITOR'S REPORT IN RESPECT OF THE QUALIFICATIONS IN THE AUDITOR'S REPORT AND SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED 31st MARCH 2024:

- a. The Hon'ble Supreme Court of India after hearing the petitions has granted leave in the matter by its order dated 25th March 2015 and as a result the Special Leave Petitions (Civil) No. 18238-18239 of 2010 on 23rd July 2010 filed by the Company stand now converted in to a full-fledged Civil Appeal, numbered as 3263 of 2015. The Company is hopeful that it would be able to secure necessary relief from the Hon'ble Supreme Court of India and the accompanying benefit of the extended tenure in respect of the existing Race course. In this background, the Company does not envisage any difficulty in continuing with its racing activity and does not foresee any adverse situation that could materially affect the carrying value of assets and liabilities or its future earning capacity. The Company on this premise would qualify as a going concern.
- b. The Company has been consistently following the straight line method of charging depreciation on the buildings located in the Race course, the possession of which is vested in the Club in terms of a conditional grant and would so remain, so long as racing activities are conducted at the existing Race course.

55. ACKNOWLEDGEMENT:

The Committee is grateful to the Government of Karnataka, Government of India for the support extended by them to the Company in promoting and developing the sport. The Committee is also grateful for the support extended by various individuals, companies and other entities for sponsoring various races and racing related events during the year.

The Committee wishes to place on record its appreciation of the valuable services rendered by Government Nominees, the retiring Stewards and Committee Members.

The Committee also acknowledges with gratitude the support and cooperation extended by Members of the Club, Owners, Trainers, Jockeys, and other Professionals, the Press and Patrons in its endeavours.

The Committee would wish to place on record its appreciation of the cooperation extended by the Office Bearers of The Karnataka Race Horse Owners Association, The Karnataka Trainers Association, The Bangalore Animal and Stable Employees Welfare Society and The Jockeys Association of India in facilitating the smooth conduct of racing during the year.

The Committee also wishes to place on record its appreciation of the devoted services rendered by the Officials and Members of the Staff and the cooperation extended by our legal counsels of the Club and HDFC Bank Limited, bankers to the Club.

L K ATHEEQ

SYED MOHAMMAD AHMED

ARUN KUMAR PARASA

ARVIND S KATARKI

CHADURANGA KANTHRAJ URS

B DAYANANDA

K HARISH NAYAK

K A JAGADISH

K NAGARAJU

S KITTU RAGHUNANDAN

T N RAGHUNATH

K UDAY ESWARAN

VIKRAM SINGH



CS. Shrinivas M Devadiga

COMPANY SECRETARY

Bangalore

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2024

**[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]**

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2024**

To,

The Members,
BANGALORE TURF CLUB LIMITED,
Regd Office: RACE COURSE ROAD BANGALORE
KARNATAKA 560001
India.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by BANGALORE TURF CLUB LIMITED (CIN: U99999KA1962PLC001449) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the BANGALORE TURF CLUB LIMITED books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit.

conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by BANGALORE TURF CLUB LIMITED (CIN: U99999KA1962PLC001449) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the BANGALORE TURF CLUB LIMITED books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit.

(I) Other laws applicable to the Company as per representation made by the Management.

I have also examined compliance with the applicable clauses of the following:

(II) (I) Secretarial Standards with respect to Board Meetings (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI) and made applicable with effect from 1st July, 2015 and it was noted that the Company has yet comply with stricter application of Secretarial Standards.

**No.105 Munireddy Building, Gear International School Road, Karmelaram Post, Doddakannelli, Near
Sarjapur Road Wipro, Bangalore-560035**

Mob:+91-9611765369, 9844041800; E-mail: santhruptics@gmail.com

Bangalore

Mumbai

ANNEXURE I



CS. Shrinivas M Devadiga

COMPANY SECRETARY

Bangalore

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

During the period under review and as per the explanations and clarifications given to me and representations made by the Management,

1. Mr. THR Rajeev, 2. Mr. L K Atheeq, 3. Mr. B Dayanand, 4. Mr. Dayanand R Mandre, 5. Mr. Vikram Singh were appointed as committee member(s) [Director(s)] but return of appointment in the Form DIR 12 is not filed with Registrar of Companies within the period under review.

During the period under review and as per the explanations and clarifications given to me and representation made by the Management, during the previous year, there were delayed filing in annual return and GST Audit.

During the period under review and as per the explanations and clarifications given to me and representations made by the Management, as per the Accounting Standard 10 (AS 10) on depreciation accounting, and mandatory under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, the buildings constructed on a leasehold land are expected to be depreciated fully over the period of lease, But, in the present case, the period of lease has expired. However, a sum of Rs 185.27 lakhs is carried as the written down value of buildings constructed on such lease hold land, as at March 31, 2024 and is being depreciated under the rates prescribed under the Companies Act, whereas the entire cost of buildings should have been charged off as depreciation by the end of the lease period. Due to this deviation, the value of the buildings is overstated by Rs. 185.27 Lakhs (previous year Rs. 232.49 Lakhs) as at the date of the balance sheet and a sum of Rs. 47.22 Lakhs has been provided as depreciation for the year.

I further report that;

The Board of Directors (Managing Committee) of the Company is duly constituted. The changes in the composition of the Board of Directors (Managing Committee) that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice (including shorter notice) is given to all directors to schedule the Board Meetings (Managing Committee), agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that during the audit period there were no other specific events/ actions in pursuance to above referred laws, rules, regulations, guidelines etc., having major bearing on the Company's affairs.

Sd/-

Shrinivas Mutta Devadiga

Membership No. : A22381

C P No.:10372

UDIN: A022381F001651976

Place: Bangalore

Date: 19th October, 2024

*This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

No.105 Munireddy Building, Gear International School Road, Karmelaram Post, Doddakannelli, Near Sarjapur Road Wipro, Bangalore-560035

Mob:+91-9611765369, 9844041800; E-mail: santhruptics@gmail.com

Bangalore

Mumbai



ANNEXURE I



CS. Shrinivas M Devadiga

COMPANY SECRETARY

Bangalore

ANNEXURE A

To,

The Members,
BANGALORE TURF CLUB LIMITED,
Regd Office: RACE COURSE ROAD BANGALORE
KARNATAKA 560001
India.

Our report of even date is to be read along with this letter.

Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

Sd/-

Shrinivas Mutta Devadiga

Membership No. : A22381

C P No.:10372

UDIN: A022381F001651976

Place: Bangalore

Date: 19th October, 2024

**No.105 Munireddy Building, Gear International School Road, Karmelaram Post, Doddakannelli, Near
Sarjapur Road Wipro, Bangalore-560035**

Mob:+91-9611765369, 9844041800; E-mail: santhruptics@gmail.com

Bangalore

Mumbai

INDEPENDENT AUDITORS' REPORT

To the Members of

BANGALORE TURF CLUB LIMITED

Report on the Audit of the Financial Statements

1. Qualified Opinion

We have audited the accompanying financial statements of BANGALORE TURF CLUB LIMITED ('the Company'), which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, 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 accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2024, its profit and its cash flows for the year ended on that date.

2. Basis for Qualified Opinion

(a) As stated in note no. 1.3 of the notes to financial statements in Significant Accounting Policies, depreciation on the buildings constructed on leasehold land has been provided on the straight-line method based on the life of the assets prescribed under Schedule II to the Companies Act, 2013.

As per the Accounting Standard 10 (AS 10) on depreciation accounting, and mandatory under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, the buildings constructed on a leasehold land are expected to be depreciated fully over the period of lease.

In the present case, the period of lease has expired. However, a sum of Rs. 185.27 lakhs is carried as the written down value of buildings constructed on such lease hold land, as at March 31, 2024 and is being depreciated under the rates prescribed under the Companies Act, whereas the entire cost of buildings should have been charged off as depreciation by the end of the lease period. Due to this deviation, the value of the buildings is overstated by Rs. 185.27 lakhs (previous year Rs. 232.49 lakhs) as at the date of the balance sheet and a sum of Rs. 47.22 lakhs has been provided as depreciation for the year.

(b) **Material Uncertainty Related to Going Concern**

We draw attention to note no. 7.1 of the notes to financial statements regarding expiry of the lease of land and the consequent order of the High Court of Karnataka for vacation and handing over the premises to the State Government on or before 22.09.2010. The said order is before the Hon'ble Supreme Court of India on appeal and the outcome is awaited. Therefore, there is significant uncertainty whether the Company will be able to continue as going concern and be in position to realize its assets and discharge the liabilities stated in the financial statements. Further, the financial statements do not disclose the adjustments resulting from the said uncertainty of recoverability and quantification of liabilities that may be necessary if the Company is unable to continue as a going concern.

Under the circumstances, we are unable to express an opinion on the Company's going concern assumption and its impact on the financial statements.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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 obtained by us is sufficient and appropriate to provide a basis for our qualified opinion.

3. Information Other than the Financial Statements and Auditors' Report thereon:

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report, but does not include the financial statements and our auditor's report thereon. The Directors' report is expected to be made available to us after the date of this auditor's report.



REPORT OF THE AUDITORS' TO THE MEMBERS OF THE BANGALORE TURF CLUB LIMITED

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

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

When we read the Directors' report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

4. Management's Responsibility for the Financial Statements

The Company's Board of Directors 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 and the cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgement 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

5. Auditors' Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 Company has adequate internal financial controls system in place and the operating effectiveness of such controls, and for this purpose reliance has been placed by us on the detailed study conducted by an external firm of Chartered Accountants.
- 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.

REPORT OF THE AUDITORS' TO THE MEMBERS OF THE BANGALORE TURF CLUB LIMITED

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

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

6. Other Matters

We draw attention to

- The provision made for Goods and Services Tax as noted in note no. 21.1 of the notes to financial statements and the contingent liability on account of Goods and Services Tax as noted in note no. 22.1 (a) of the notes to financial statements.
- The contingent liability on account of tax deductions at source u/s 194B of the Income Tax Act on stakes money as noted in note no. 22.1(b) and 22.1(d) of the notes to financial statements.
- The contingent liability on account of tax deductions u/s 194BB of the Income Tax Act as noted in note no. 22.1(c) and 22.1(d) of the notes to financial statements.
- The contingent liability on account of Service Tax as noted in note no. 22.1(e) and 22.1(f) of the notes to financial statements.

Our opinion is not modified in respect of these matters.

7. Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure, a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
- As required by section 143(3) of the Act, we report that:
 - We have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for certain matters stated in the paragraph 7(b)(x)(f) below;
 - The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, except to the extent noted in note no. 2(a) above;
 - The material uncertainty relating to going concern described in note no. 2(b) above, in our opinion, may have an adverse effect on the functioning of the Company;
 - On the basis of written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act;
 - On the basis of the information and explanations provided to us, in our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such controls were operating effectively as at March 31, 2024 and for this purpose reliance has been placed by us on the detailed study conducted by an external firm of Chartered Accountants while forming our opinion;
 - The modifications relating to the maintenance of accounts and other matters connected therewith in respect of audit trail are as stated in the paragraph 7(b)(ii) above on reporting under section 143(3)(b) of the Act and paragraph 7(b)(x)(f) below on reporting under Rule 11(g) of the Companies (Audit & Auditors) Rules, 2024;
 - On the basis of information and explanations provided to us, the requirement of reporting under section 197(16) of the Act is not applicable; and



REPORT OF THE AUDITORS' TO THE MEMBERS OF THE BANGALORE TURF CLUB LIMITED

- x. With respect of the other matters to be included in the Auditor's Report in accordance with 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:
- (a) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note no. 7.1, 21.1 and 22.1 of the financial statements;
 - (b) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
- (d) (i) The management has represented that, to the best of its knowledge and belief, 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d)(i) and (d)(ii) contain any material mis-statement;
- (e) The Company does not have any share capital. Hence, the question of declaration of dividend does not arise.
- (f) Based on our examination which included test checks and information given to us, the Company has used accounting software for maintaining its books of accounts, which did not have a feature of recording audit trail (edit log) facility throughout the year for all relevant transactions recorded in the respective software, hence we are unable to comment on audit trail feature of the said software.

For **R. Chandrashekar and Associates**

Chartered Accountants

Firm Registration No. 006783S

V. Ganesh

Proprietor

Membership No. 202995

No. 311 / 312, Raheja Chambers

No. 12, Museum Road

BANGALORE-560 001

UDIN: 2420995BKBLKY4498

Place: Bangalore

Date: 8th November 2024

For **Dhariwal & Sreenivas**

Chartered Accountants

Firm Registration No. 007197S

Sreenivas Babu Penugonda

Partner

Membership No. 028804

No.10, (Old No.144),

South Park Road

BANGALORE-560 020

UDIN: 24028804BKCKZE1751

REPORT OF THE AUDITORS' TO THE MEMBERS OF THE BANGALORE TURF CLUB LIMITED

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

[The Annexure referred to in paragraph 7 of the Independent Auditors' Report of even date to the members of the Company on the financial statements for the year ended March 31, 2024]

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of our audit, we state that:

1. (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Property, Plant and Equipment are physically verified by the management in a phased manner, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The Company did not own any immovable property other than the building constructed on leasehold land, the title deeds of which are not in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment or Intangible assets or both during the year.
- (e) There are no proceedings initiated or pending against the Company for holding benami property under The Benami Transactions (Prohibition) Act, 1988 and the rules framed thereunder.
2. (a) The inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on physical verification of inventory as compared to book records were not more than 10% in aggregate for each class of inventory and have been properly dealt with in the books of account.
(b) The Company has been sanctioned overdraft limits in excess of five crore rupees, in aggregate, from banks on the basis of security of fixed deposits with the same banks. The credit facilities being overdrafts against fixed deposits, a requirement of filing of quarterly statements with the banks did not arise.
3. The Company has not made any investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to the companies, firms, limited liability partnerships or any other parties. Accordingly, the clauses 3 (iii) (a), (b), (c), (d), (e) and (f) of the Order are not applicable.
4. In our opinion, the Company has not granted any loans, made any investments or provided any guarantee or security as envisaged under Section 185 and 186 of the Act respectively.
5. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the Rules framed thereunder.
6. The maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Act, for the year under review.
7. (a) In our opinion, the Company has been generally regular in depositing the undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues as applicable with the appropriate authorities and no undisputed statutory dues were outstanding as at March 31, 2024 for a period of more than six months from the date they became payable.
(b) There are no material statutory dues referred to sub clause (a) above which have not been deposited on account of any dispute except those mentioned below:

Name of the Statue	Nature of the dues	Period	Amount (Rs. in lakhs)	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	2006-07 to 2011-12	8,750.24	Honourable High Court of Karnataka (Division Bench)
The Income Tax Act, 1961	Income Tax	2012-13 to 2015-16	6,156.96	Honourable High Court of Karnataka
The Income Tax Act, 1961	Income Tax	2016-17	7,679.74	Honourable High Court of Karnataka



REPORT OF THE AUDITORS' TO THE MEMBERS OF THE BANGALORE TURF CLUB LIMITED

Name of the Statute	Nature of the dues	Period	Amount (Rs. in lakhs)	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	2012-13	1,227.09	Deputy Commissioner of Income Tax, Circle 1(1)(1), Bangalore
The Income Tax Act, 1961	Income Tax	2015-16	676.69	Commissioner of Income Tax (Appeals), Bangalore
The Income Tax Act, 1961	Income Tax	2016-17	1,759.24	Commissioner of Income Tax (Appeals), Bangalore
The Income Tax Act, 1961	Income Tax	2017-18	937.66	Commissioner of Income Tax (Appeals), Bangalore
Finance Act, 1994	Service Tax	Oct 2009 to June 2017	6,623.10	Customs, Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	Oct 2016 to June 2017	106.19	Customs, Excise and Service Tax Appellate Tribunal

8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
9. (a) The Company has not taken any loans or other borrowings from any lender. Accordingly, the clause 3(ix)(a) of the Order is not applicable.
 (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and accordingly, reporting under clause 3(ix)(c) of the Order is not applicable.
 (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
 (e) The Company does not have any subsidiaries, associates, or joint ventures. The Company has not raised any loans during the year. Accordingly, the clauses 3 (ix) (e) and (f) of the Order are not applicable
10. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the clause 3(x)(a) of the Order is not applicable.
 (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally). Accordingly, the clause 3(x)(b) of the Order is not applicable.
11. (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
 (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
 (c) As informed to us, no whistle blower complaints have been received by the Company during the year.
12. The Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable
13. The transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
 (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
15. The Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, the provisions of Section 192 of the Act are not applicable to the Company.
16. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the clause of 3(xvi)(a) and (b) of the Order are not applicable

REPORT OF THE AUDITORS' TO THE MEMBERS OF THE BANGALORE TURF CLUB LIMITED

- (b) The Company is not a Core Investment Company (CIC) as defined under the Regulations by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) and (d) of the Order are not applicable.
17. The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
19. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20. There is no unspent amount under Section 135(5) of the Act. Further, the Company has not undertaken any ongoing project as part of a Corporate Social Responsibility. Accordingly, the clause 3(xx)(a) and (b) of the Order are not applicable for the year.
21. The Company does not have consolidated financial statements. Accordingly, the clause 3(xxi) of the Order is not applicable to the Company.

For **R. Chandrashekar and Associates**

Chartered Accountants

Firm Registration No. 006783S

V. Ganesh

Proprietor

Membership No. 202995

No. 311 / 312, Raheja Chambers

No. 12, Museum Road

BANGALORE-560 001

UDIN: 2420995BKBLKY4498

Place: Bangalore

Date: 8th November 2024

For **Dhariwal & Sreenivas**

Chartered Accountants

Firm Registration No. 007197S

Sreenivas Babu Penugonda

Partner

Membership No. 028804

No.10, (Old No.144),

South Park Road

BANGALORE-560 020

UDIN: 24028804BKCKZE1751



SUMMARY OF FINANCIALS

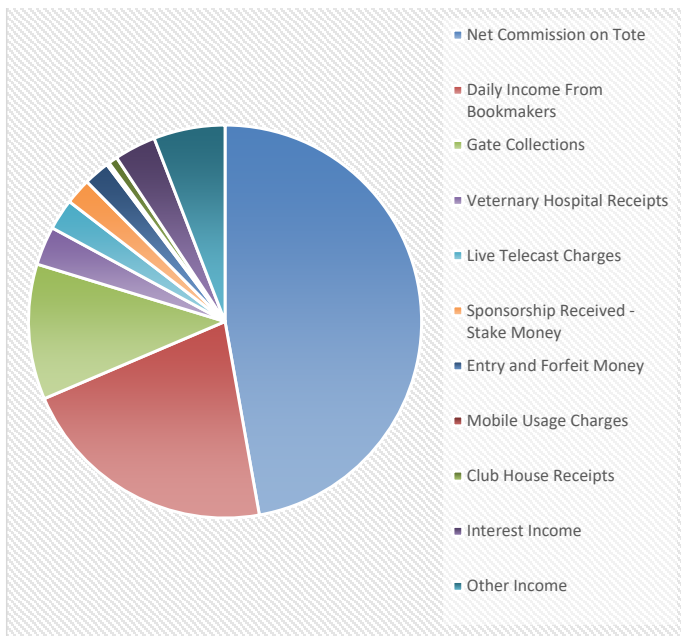
in Lacs

Particulars	Amount	
Decrease in Expenditure		
Course Expenses	96.45	
Share of Income Paid other clubs	259.65	
Repairs and Maintenance	95.94	
Depreciation	49.19	
Licence Fees	1.80	
Provision for GST Interest	199.14	
Provision for Deferred tax	293.64	
Other Expenses	132.80	
		1,128.61
Increase in Income		
Daily Income From Bookmakers	481.87	
Gate Collections	95.72	
Veterinary Hospital Receipts	69.84	
Live Telecast Charges	6.70	
Club House Receipts and BARI	15.59	
Interest Income	228.86	
Other Income	332.36	
		1,230.95
Decrease in Income		
Net Commission on Tote	805.04	
Sponsorship Received - Stake Money	325.27	
Entry and Forfeit Money	108.53	
Mobile Usage Charges	5.66	
		1,244.49
Increase In Expenditure		
Stakes Money	237.51	
Salaries and Wages	217.73	
Veterinary Expenditure	56.39	
Club House - Purchase	9.85	
Finance Cost	3.22	
Rent	59.20	
Rates and Taxes	16.42	
Security Charges	31.54	
Interclub Settlement Provision	128.00	
Power and Fuel	48.10	
Legal and Professional Charges	79.67	
		887.62
Net Decrease in Expenditure		227.44

*Variations over 2022-23 (in Lacs)

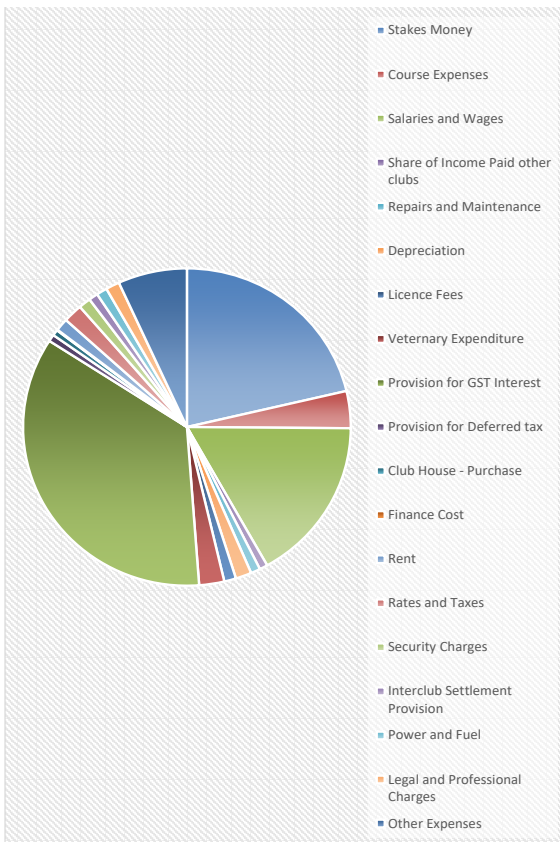
FINANCE

Sources of Funds



Particulars	Amount (in lacs)	%age
Net Commission on Tote	6,710.47	47.20%
Daily Income From Bookmakers	3,038.67	21.38%
Gate Collections	1,583.65	11.14%
Veterinary Hospital Receipts	452.68	3.18%
Live Telecast Charges	362.34	2.55%
Sponsorship Received - Stake Money	305.40	2.15%
Entry and Forfeit Money	302.04	2.12%
Mobile Usage Charges	32.95	0.23%
Club House Receipts	105.92	0.75%
Interest Income	487.13	3.43%
Other Income	834.58	5.87%
Total	14,215.83	100%

Applications of Funds



Particulars	Amount (in lacs)	%age
Stakes Money	3,083.78	21.69%
Course Expenses	545.04	3.83%
Salaries and Wages	2,416.77	17.00%
Share of Income Paid other clubs	115.90	0.82%
Repairs and Maintenance	135.50	0.95%
Depreciation	227.22	1.60%
Licence Fees	168.60	1.19%
Veterinary Expenditure	357.52	2.51%
Provision for GST Interest	5,102.86	35.90%
Provision for Deferred tax	101.45	0.71%
Club House - Purchase	85.95	0.60%
Finance Cost	11.02	0.08%
Rent	183.89	1.29%
Rates and Taxes	273.64	1.92%
Security Charges	172.22	1.21%
Interclub Settlement Provision	-131.00	-0.92%
Power and Fuel	152.10	1.07%
Legal and Professional Charges	196.01	1.38%
Other Expenses	984.20	6.92%
Surplus/(Deficit)	33.17	0.23%
Total	14,215.83	100%



BALANCE SHEET AS AT 31ST MARCH, 2024

CIN: U99999KA1962PLC001449

(All amounts in Rs. lakhs, unless otherwise stated)

	Note No	As at March 31, 2024		As at March 31, 2023	
		Amount	Amount	Amount	Amount
EQUITY AND LIABILITIES					
Shareholders' Funds					
Reserves and Surplus	2		786.70		753.53
Non-Current Liabilities					
Other Long Term Liabilities	3		—		5.00
Current Liabilities					
Trade Payables	4	1,987.74		3,034.06	
Other Current Liabilities	5	1,196.33		1,063.68	
Short Term Provisions	6	9,078.93		8,357.82	
			12,263.00		12,455.56
Total			13,049.70		13,214.09
ASSETS					
Non-Current Assets					
Property, Plant and Equipment	7	768.69		932.37	
Intangible Assets		18.19	786.88	25.33	957.70
Deferred Tax Asset (Net)	8	2,026.27		2,127.72	
Other Non-Current Assets	9	826.72	2,852.99	1,200.08	3,327.80
Current Assets					
Inventories	10	77.72		85.67	
Trade Receivables	11	251.08		242.27	
Cash and Bank Balances	12	5,990.64		5,987.40	
Short Term Loans and Advances	13	2,594.57		2,279.67	
Other Current Assets	14	495.82	9,409.83	333.58	8,928.59
Total			13,049.70		13,214.09
Significant Accounting Policies	1		—		—

K A Jagadish DIN: 10818954
Arun Kumar Parasa DIN: 00202380
Harish Nayak DIN: 00742207

S Kittu Raghunandana DIN: 00969426
K Nagaraju DIN: 00592259
Arvind Katarki DIN: 10823150
Chaduranga Kanthraj Urs DIN: 00573265

Members of the Managing Committee

In terms of our report of even date
For **R. Chandrashekar and Associates**
Chartered Accountants
Firm Registration No. 006783S
V. Ganesh
Proprietor
Membership No. 202995
UDIN: 2420995BKBLKY4498

Bangalore, 8th November, 2024

For **Dhariwal & Sreenivas**
Chartered Accountants
Firm Registration No. 007197S
Sreenivas Babu Penugonda
Partner
Membership No. 028804
UDIN: 24028804BKCKZE1751

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024

(All amounts in Rs. lakhs, unless otherwise stated)

	Note No	2023-24		2022-23	
		Amount	Amount	Amount	Amount
INCOME					
Revenue from Operations	15	13,165.09		13,716.53	
Other Income	16	1,050.74		512.84	
Total			14,215.83		14,229.37
EXPENDITURE					
Operating Expenses	17	5,648.46		5,700.88	
Employee Benefits Expenses	18	1,528.33		1,446.36	
Finance Costs	19	11.02		7.80	
Depreciation and Amortization Expense	7	227.22		276.41	
Other Expenses	20	1,627.59	9,042.62	1,554.10	8,985.55
Profit / (Loss) before Exceptional Item			5,173.21		5,243.82
Exceptional Items	21		5,038.59		5,042.99
Profit / (Loss) before tax			134.62		200.83
Less: Tax Expenses					
Current Tax		-		-	
Deferred Tax		101.45	101.45	395.10	395.10
Profit / (Loss) for the Year			33.17		(194.27)

K A Jagadish DIN: 10818954
Arun Kumar Parasa DIN: 00202380
Harish Nayak DIN: 00742207

S Kittu Raghunandana DIN: 00969426
K Nagaraju DIN: 00592259

Arvind Katarki DIN: 10823150
Chaduranga Kanthraj Urs DIN: 00573265

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In terms of our report of even date
For **R. Chandrashekar and Associates**
Chartered Accountants
Firm Registration No. 006783S
V. Ganesh
Proprietor
Membership No. 202995
UDIN: 2420995BKBLKY4498

Bangalore, 8th November, 2024

For **Dhariwal & Sreenivas**
Chartered Accountants
Firm Registration No. 007197S
Sreenivas Babu Penugonda
Partner
Membership No. 028804
UDIN: 24028804BKCKZE1751



CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024

CIN: U99999KA1962PLC001449

(All amounts in Rs. lakhs, unless otherwise stated)

	2023-24		2022-23	
	Amount	Amount	Amount	Amount
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Profit Before Tax		134.62		200.83
Depreciation	227.22		276.41	
Loss on Scrapping of Assets	-		17.75	
Interest Expense	11.02		7.80	
Interest Income	(487.13)		(258.27)	
		(248.89)		43.69
Operating Profit Before Working Capital Changes		(114.27)		244.52
Trade and Other Receivable	(8.81)		(77.54)	
Inventory	7.95		(22.63)	
Loan, Advances and Other Current Assets	1.54		(295.47)	
Trade and Other Payables	(197.56)		3,316.13	
		(196.88)		2,920.49
Cash Generated from Operation		(311.15)		3,165.01
Direct Taxes Paid (Net)		(321.74)		(282.21)
Net Cash from Operating Activities		(632.89)		2,882.80
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Fixed Assets and Capital Work in Progress		(56.40)		(290.98)
Interest Received		383.55		195.33
Investment in Bank Deposits (maturity of more than 3 months)		(7,013.62)		(9,087.87)
Maturity of Bank Deposits (maturity of more than 3 months)		7,484.85		5,889.85
Net Cash from/used in Investing Activities		798.38		(3,293.67)
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Interest Paid		(11.02)		(7.80)
Net Cash from Financing Activities		(11.02)		(7.80)
NET INCREASE IN CASH AND CASH EQUIVALENTS		154.47		(418.67)
Cash and cash equivalent at the Beginning		80.80		499.47
Cash and cash equivalent at the End		235.27		80.80

K A Jagadish DIN: 10818954
Arun Kumar Parasa DIN: 00202380
Harish Nayak DIN: 00742207

S Kittu Raghunandana DIN: 00969426
K Nagaraju DIN: 00592259

Arvind Katarki DIN: 10823150
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Members of the Managing Committee

In terms of our report of even date
For **R. Chandrashekar and Associates**
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Bangalore, 8th November, 2024

For **Dhariwal & Sreenivas**
Chartered Accountants
Firm Registration No. 007197S
Sreenivas Babu Penugonda
Partner
Membership No. 028804
UDIN: 24028804BKCKZE1751

NOTES TO FINANCIAL STATEMENTS

GENERAL

Bangalore Turf Club Limited is a Company incorporated under the Companies Act to carry on the business of the Race Club in all its branches and to carry on the other incidental business. Company does not have any Share Capital and the liability of the members, in the event of liquidation of the Company, is limited to Rs 20 each.

NOTE - 1

SIGNIFICANT ACCOUNTING POLICIES

1.1 Method of Accounting:

The financial statements are prepared under the historical cost convention on accrual basis and comply with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013.

1.2 Property, Plant and Equipment:

Property, Plant and Equipment are stated at the cost of acquisition including taxes, duties (to the extent an input credit has not been availed) and other identifiable direct expenses incurred to bring the assets to their present location and condition, less accumulated depreciation. Interest on borrowed funds attributable upto the period the asset is put to use is included in the cost of the assets.

1.3 Depreciation and Amortization:

Depreciation has been provided on a pro-rata basis on the straight line method based on the life of the assets with due considerations to the residual values as prescribed under Schedule II to the Companies Act, 2013 including on Buildings constructed on leasehold land, with the exception of the following:

Computers and Data Processing Units including Betting terminals are depreciated over a period of seven years and Office Equipments over a period of six years based on technical evaluation of the useful life done by the management.

Individual assets costing Rs. 5,000 or less are fully depreciated in the year of purchase. Intangible Assets being computer software have been amortised over a period of seven years.

1.4 Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Totalisators Collections -

The collections from 'Totalisators' net of dividends paid out on account of bets placed are recognised as income.

Interest -

Interest income is recognized on a time basis taking into account the principal outstanding and the applicable interest rate.

1.5 Inventories:

Stores and Spares are stated at the lower of cost and net realisable value. " Cost is ascertained on weighted average basis.

1.6 Employee Benefits:

a) **Defined Contribution Plan**

i) *Provident Fund*

Contribution to Provident Fund and Family Pension Fund are charged to the Statement of Profit and Loss. The Company has no further obligations beyond its contributions.

ii) *Superannuation*

The Company makes fixed contributions as a percentage on salary to the Superannuation fund, which is managed by the Life Insurance Corporation of India (LIC). The above contributions are charged to the Statement of Profit and Loss.

b) **Defined Benefit Plan**

i) *Gratuity*

The Company has made provision for gratuity liability on the basis of an actuarial valuation. The Present Value of the defined benefit obligation at the Balance Sheet date less the fair value of Plan Assets is recognised as an asset / liability in the Balance Sheet. The defined Benefit Obligation is calculated by using the Projected Unit Credit Method. Actuarial Gains and Losses are charged to or credited to the Statement of Profit and Loss in the year in which such gain or losses arise.

The Company makes an annual contribution to a Gratuity Fund administered by trustees and managed by LIC for certain employees.

ii) *Leave Encashment*

The Company makes an annual contribution to a Leave Encashment Fund managed by LIC. The Present Value of the defined benefit obligation at the Balance Sheet date less the fair value of Plan Assets is recognised as an asset / liability in the Balance Sheet. The defined Benefit Obligation is calculated by using the Projected Unit Credit Method. Actuarial Gains and Losses are charged to or credited to the Statement of Profit and Loss in the year in which such gains or losses arise.

1.7 Foreign Currency Transactions:

Income and Expenditure in Foreign Currency are converted into Indian Rupees at the rate of exchange prevailing on the date of transaction. Assets and Liabilities remaining unsettled at the end of the year are restated at the rate of exchange prevailing at the year end. Exchange differences arising on settlement of monetary items between transaction date / year end date and the date of settlement are recognized in the Statement of Profit and Loss in the year of settlement.

1.8 Accounting for Taxes on Income:

Current Tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets are not recognized on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

1.9 Impairment of Assets:

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. An impairment loss is recognized if such recoverable amount of the asset is less than its carrying amount. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

1.10 Provisions:

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

1.11 Contingent Liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The company does not recognize a contingent liability but discloses its existence in the financial statements.

(All amounts in Rs. lakhs, unless otherwise stated)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount	Amount	Amount	Amount
NOTE - 2				
RESERVES AND SURPLUS				
Retired Race Horse Welfare Reserve (Refer note no. 2.1)		36.23		36.23
Surplus in Statement of Profit and Loss				
Balance as at the beginning of the year	717.30		911.57	
Add: Loss for the Year	33.17	750.47	(194.27)	717.30
Total		786.70		753.53

2.1 The Company had decided to setup a house for retired race horses on the outskirts of Bangalore and is in the process of identifying a suitable land for the same. In order to augment resources for this purpose, a reserve had been created in the earlier years, to be used for the specified purpose.

NOTES TO FINANCIAL STATEMENTS

(All amounts in Rs. lakhs, unless otherwise stated)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount	Amount	Amount	Amount

NOTE - 3

OTHER LONG TERM LIABILITIES

Security Deposits		-		5.00
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NOTE - 4

TRADE PAYABLES

(Undisputed)

Due to MSME

Less than 1 Year		38.05		74.03
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Due to Others

Less than 1 Year	1,263.85		1,789.90	
1 Year - 2 Year	255.26		130.55	
2 Year - 3 Year	76.82		98.08	
More than 3 Years	353.76	1,949.69	941.50	2,960.03
Total		1,987.74		3,034.06

NOTE - 5

OTHER CURRENT LIABILITIES

Current Liabilities - Owners and Others		191.21		168.06
Income Received in Advance		59.47		-
Taxes and Contractual Liabilities		621.75		594.54
Security Deposits		272.30		232.40
Others		51.60		68.68
Total		1,196.33		1,063.68

NOTE - 6

SHORT TERM PROVISIONS

Provision for Employee Benefits - Leave Salary		48.47		10.71
Provision for Goods and Services Tax (Refer Note no. 21.1)		8,990.46		8,176.11
Provision for Inter-Club Share of Income (Refer Note no. 21.2)		40.00		171.00
Total		9,078.93		8,357.82

NOTE - 7
PROPERTY, PLANT AND EQUIPMENT

(All amounts in Rs. lakhs, unless otherwise stated)

PARTICULARS	COST			DEPRECIATION			BOOK VALUE			
	As at 1-4-2023	Additions	Deletions / Scrapped	As at 31-3-2024	Up to 1-4-2023	For the Year	Withdrawal on Deletions	Up to 31-3-2024	As at 31-3-2024	As at 31-3-2023
Property, Plant and Equipment										
Building *	743.46	-	-	743.46	510.97	47.22	-	558.19	185.27	232.49
Plant and Equipment										
Equipment	1,142.83	14.32	-	1,157.15	850.23	89.53	-	939.76	217.39	292.60
Electrical Installations	83.92	9.84	-	93.76	53.80	5.16	-	58.96	34.80	30.12
Office Equipment	15.66	7.93	-	23.59	12.30	1.34	-	13.64	9.95	3.36
Computers and Peripherals	695.41	19.95	-	715.36	419.58	54.70	-	474.28	241.08	275.83
Furniture and Fixtures	201.95	2.85	-	204.80	158.35	8.38	-	166.73	38.07	43.60
Vehicles	160.45	-	-	160.45	106.08	12.24	-	118.32	42.13	54.37
Total	3,043.68	54.89	-	3,098.57	2,111.31	218.57	-	2,329.88	768.69	932.37
Intangible Assets										
Computer Software	78.98	1.51	-	80.49	53.65	8.65	-	62.30	18.19	25.33
As at 31-3-2024	3,122.66	56.40	-	3,179.06	2,164.96	227.22	-	2,392.18	786.88	957.70
As at 31-3-2023	3,186.68	290.98	355.00	3,122.66	2,225.80	276.41	337.25	2,164.96	957.70	960.88

* On Lands held on 'security of tenure'

NOTES TO FINANCIAL STATEMENTS

7.1 Tenure of Race Course

Under a lease agreement dated 21st December 1983, the tenure of the lease of the race course was defined for a period of 30 years commencing from 1st January 1981 to 31st December 2010. The lease was terminated at the end of August 1989. Subsequently, while no formal lease agreement was in force with Government of Karnataka in respect of land in use for racing, the company was however remitting lease rent in terms of order dated 5th September 2000 issued by the Public Works Department, Government of Karnataka superseding all other earlier orders.

The Government was granting license to conduct regular and off-course betting races on day to day basis. However, on 26th July 2008, the Company entered into a supplementary lease agreement with the Government of Karnataka which expired on December 31st, 2009.

The Company had received several notices from the Government of Karnataka informing the Company that as per the Lease Agreement, the possession of the existing race course has to be handed over to the Government on or before 31st December 2009, following expiry of the lease on the said date.

The Company filed a Writ Petition No. 30663 / 2009 in the Hon'ble High Court of Karnataka with the prayer that the Hon'ble High Court of Karnataka may issue a writ declaring that the grant vide Government Order 9748-51-11 dated 7th May 1915 is a grant under the relevant law relating to grants in the year 1863 and that all legal consequences shall flow therefrom and that the lease deeds dated 21st December 1983 and 26th July 2008 are of no legal effect. The Company also sought a Writ Petition in the nature of mandamus or any other direction to quash the notices directing the Company to hand over possession of the existing race course to the Government. The Company also sought a writ that the respondents shall continue to make available all licenses, services, facilities and concessions, as done and being done hitherto at present and not to take any coercive steps to make the use of the land futile or defeat the objects of the grant in favour of the petitioner.

The writ filed by the Company was heard conjointly with Writ Petition No. 31200/2009 filed by environmentalists challenging the allotment of land at Chikkajalla / Doddajalla in favour of the Company along with Writ Petition No. 30767 / 2009 filed by the Bangalore Turf Club Staff Association seeking relief and Writ Petition No. 22747 / 2009 filed by the People for Animals Group seeking alternate suitable facilities to horses when shifted from the existing premises.

The Division Bench of the Hon'ble High Court of Karnataka after hearing the matter vide its order dated 22nd March 2010, allowed the petition filed by the environmentalists and quashed the allotment of land at Chikkajalla / Doddajalla in favour of the Company. All other petitions including that filed by the Company were however dismissed by the Division Bench of the Hon'ble High Court of Karnataka. The Company was however granted six months time to vacate and deliver vacant possession of the existing race course, subject to the condition that the company shall pay Rs. 5.00 lakhs per month to the State Government from the date of expiry of lease till date of delivery of the premises. The Division Bench of the Hon'ble High Court of Karnataka also directed the company to hand over the premises to the State Government on or before 22nd September 2010 and not to carry on any construction or any other activity prejudicial to maintaining ecology and environment in the area.

The Company is hopeful that it would be able to secure necessary relief from the Hon'ble Supreme Court of India and the accompanying benefit of the extended tenure in respect of the existing race course. In this background, the Company therefore does not envisage any difficulty in continuing with its racing activity and does not foresee any adverse situation that could materially affect the carrying value of assets and liabilities or its future earning capacity.

Under order dated 22nd March 2010 of the Division Bench of the Hon'ble High Court of Karnataka, the State Government has been directed to preserve, protect and develop the Doddajalla Amanikere and to develop the entire area presently housing the racecourse into a mini forest and theme park.

The Company has filed a Special Leave Petition (Civil) 18238-18239 of 2010 in the Hon'ble Supreme Court of India with a prayer to grant special leave to appeal against the order of the Division Bench of the Hon'ble High Court of Karnataka in writ petitions bearing No. 30663 / 2009 and 31200 / 2009, with a prayer for interim relief to pass an interim ex-parte order of stay of the order of the Division Bench of the Hon'ble High Court of Karnataka and pass an ad interim ex-parte order allowing the Company to carry on racing activity at the present premises without any hindrance.

The Company has corresponded with the Government in regard to relocating the race course at Sonnenahalli. After inspection of the land certain facts were ascertained, and the same were brought to the notice of the Hon'ble Chief Minister of Karnataka that the land situated at Survey No.78, Sonnenahalli, Hessarghatta Hobli, Yelahanka, Bangalore North was not



suitable, in view of its topography and considering the presence of a temple on the hill lock. In view of this, the matter was not further pursued by the Company.

During the course of the hearing in the Hon'ble Supreme Court of India, the Advocate General, Government of Karnataka submitted that till the hearing of this matter was concluded, the parties shall maintain status quo. Subsequently, re-joinders were filed on behalf of the Company to the objections filed by the Government of Karnataka. The matter was originally listed on 19th July 2011 and was last heard on 25th March 2015.

After hearing on various dates, the Hon'ble Supreme Court of India has granted leave in the matter by its order dated 25th March 2015 and as a result the Special Leave Petition No. 18238-18239 of 2010 filed by the Company has been converted into a full fledged civil appeal, numbered as 3263 of 2015. The Case was posted for hearing initially on 16th May 2020 and subsequently on 20th August 2020, but was not taken up for hearing.

The case was once again posted for a hearing on 10th January 2024, based on an application by the Government of Karnataka for an early hearing. Subsequently, the case was posted for a hearing on various dates, the last of which was on 18th July 2024, but has not yet been taken up for hearing. Further proceedings are awaited.

The Company is hopeful that it would be able to secure necessary relief from the Hon'ble Supreme Court of India and the accompanying benefit of the extended tenure in respect of the existing race course. In this background, the Company therefore does not envisage any difficulty in continuing with its racing activity and does not foresee any adverse situation that could materially affect the carrying value of assets and liabilities or its future earning capacity.

NOTE-8**DEFERRED TAX ASSET**

8.1 The deferred tax asset has arisen out of timing differences on account of the following:

(All amounts in Rs. lakhs, unless otherwise stated)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount	Amount	Amount	Amount
Deferred tax Asset				
Unabsorbed Depreciation	78.07		26.23	
Unabsorbed Business Loss	106.27		1,064.40	
Goods and Service Tax (GST)	1,775.51		856.45	
Depreciation	44.15		38.81	
Others	22.27		141.83	
		<u>2,026.27</u>		<u>2,127.72</u>
Deferred tax Liability				
Deferred Tax Asset (Net)		<u>2,026.27</u>		<u>2,127.72</u>

8.2 The difference between the balance as on April 1, 2023 and March 31, 2024 of a sum of Rs. 101.45 lakhs has been debited to the Statement of Profit and Loss.

NOTE - 9**OTHER NON-CURRENT ASSETS**

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount	Amount	Amount	Amount
Balances with Banks in Deposit Accounts		-		
(Maturing beyond 12 months)	765.35		1,085.35	
Interest Accrued	4.21		35.27	
Security and Other Deposits	57.16	826.72	79.46	1,200.08
Total		<u>826.72</u>		<u>1,200.08</u>

NOTES TO FINANCIAL STATEMENTS

NOTE - 10 INVENTORIES

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount	Amount	Amount	Amount
Stores and Spares - At Lower of Cost and Net Realizable Value	77.72	77.72	85.67	85.67
		<u>77.72</u>		<u>85.67</u>

NOTE - 11 TRADE RECEIVABLES

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount	Amount	Amount	Amount
Undisputed, Unsecured, Considered Good, Outstanding for the periods from the due date				
Less than 6 months	161.10		146.59	
6 Months - 1 Year	11.81		-	
1 Year - 2 Year	9.13		3.78	
2 Year - 3 Year	-		19.40	
More than 3 Years	69.04	251.08	72.50	242.27
Total		<u>251.08</u>		<u>242.27</u>

NOTE - 12 CASH AND BANK BALANCES

(All amounts in Rs. lakhs, unless otherwise stated)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount	Amount	Amount	Amount
Cash and Cash Equivalents				
Cash on hand	101.44		34.37	
With Scheduled Banks				
In Current Accounts	133.83		46.43	
In Deposit Accounts (with less than 3 months maturity)		235.27		80.80
Other Bank Balances				
In Deposit Accounts (Maturing within 12 months)		5,755.37		5,906.60
Total		<u>5,990.64</u>		<u>5,987.40</u>

12.1 Deposits to the extent of Rs. 765.35 lakhs (Previous year Rs. 765.35 lakhs) have been provided as a Security for the sanctioned overdraft facility with the Bank.

NOTE - 13 SHORT TERM LOANS AND ADVANCES

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount	Amount	Amount	Amount
Unsecured				
Advances recoverable in cash or in kind or value to be received Considered Good	785.97		792.81	
Advance Taxes net of Provision	1,808.60	2,594.57	1,486.86	2,279.67
Total		<u>2,594.57</u>		<u>2,279.67</u>



NOTES TO FINANCIAL STATEMENTS

CIN: U99999KA1962PLC001449

NOTE - 14

OTHER CURRENT ASSETS

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount	Amount	Amount	Amount
Interest Accrued	243.00		108.36	
Prepaid Expenses	53.80		62.19	
Gratuity funded net of Provisions	144.87		108.88	
Other Receivables	54.15	495.82	54.15	333.58
Total		495.82		333.58

NOTE - 15

REVENUE FROM OPERATIONS

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount	Amount	Amount	Amount
Collections from Totalisators (Net)	6,710.48		7,515.51	
Entry Money, Forfeit Money and Others	302.04		410.56	
Sponsorship Received for Stake Money and Cups	305.40		630.67	
Gate Collections	1,583.65		1,487.93	
Daily Income from Bookmakers	3,038.67		2,556.80	
Mobile Phone Usage Charges	32.95		38.61	
Veterinary Hospital Receipts	452.68		382.83	
Club House Receipts	105.92		90.33	
Subscription from Members	1.07		1.07	
Live Telecast Receipts	362.34		355.65	
Other Operating Income	269.89	13,165.09	246.57	13,716.53
Total		13,165.09		13,716.53

NOTE - 16

OTHER INCOME

(All amounts in Rs. lakhs, unless otherwise stated)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount	Amount	Amount	Amount
Interest	487.13		258.27	
Credits no longer payable Written Back (Net)	498.56		196.90	
Exchange Fluctuation Gain	-		3.55	
Others	65.05	1,050.74	54.12	512.84
Total		1,050.74		512.84

NOTES TO FINANCIAL STATEMENTS

NOTE - 17 OPERATING EXPENSES:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount	Amount	Amount	Amount
Stake Money and Cups	3,083.78		2,846.26	
Licence Fee	168.60		170.40	
Course and Other Expenses on Races	545.04		641.49	
Share of Income Paid to Other Centres	115.90		375.55	
Veterinary Hospital Expenses	357.52		301.13	
Subsidy to Owners and Trainers	114.02		102.11	
Club House Expenses	85.95		76.10	
Race Day Catering Expenditure	63.09		60.99	
Contract Labour Charges	888.44		752.69	
Other Operating Expenses	226.12	5,648.46	374.16	5,700.88
Total		5,648.46		5,700.88

NOTE - 18 EMPLOYEE BENEFITS EXPENSES

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount	Amount	Amount	Amount
Salaries, Wages and Bonus	1,376.04		1,339.22	
Staff Welfare	32.01		55.76	
Contribution to Provident and Other Funds	156.27		166.31	
Provision / (Excess Provision) for Gratuity	(35.99)	1,528.33	(114.93)	1,446.36
Total		1,528.33		1,446.36

NOTE - 19 FINANCE COST

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount	Amount	Amount	Amount
Interest		11.02		7.80
Total		11.02		7.80



NOTES TO FINANCIAL STATEMENTS

CIN: U99999KA1962PLC001449

NOTE - 20

OTHER EXPENSES

(All amounts in Rs. lakhs, unless otherwise stated)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount	Amount	Amount	Amount
User Fees to Govt. of Karnataka	25.94		60.00	
Rent	183.89		124.69	
Rates and Taxes	273.64		257.21	
Lighting	152.10		104.00	
Water Charges	36.84		50.01	
Insurance	68.22		68.36	
Postage and Telephone	50.61		47.04	
Printing and Stationery	9.89		13.98	
Travelling and Conveyance	45.47		57.14	
Legal and Professional Charges	196.01		116.34	
Remuneration to Auditors	17.20		15.20	
Books, Periodicals and Subscription	0.65		0.93	
Watch and Ward	172.22		140.68	
Repairs to Buildings	117.39		209.86	
Repairs to Other Assets	18.11		21.57	
Annual Maintenance	122.97		139.97	
Generator Maintenance	11.42		9.11	
Advertisement, Business Promotion and Publicity	6.16		15.79	
Miscellaneous Expenses	72.37		80.87	
Exchange Fluctuation Loss	8.28		-	
Bad Debts Written Off	38.21		3.60	
Loss on Scrapping of Assets	-		17.75	
Total		1,627.59		1,554.10

20.1 Travelling Expenses include Rs. 9.30 lakhs (previous year Rs. 13.23 lakhs) incurred for Committee Members.

20.2 Rates and Taxes include Rs. 72.83 lakhs (previous year Rs. 113.71 lakhs) incurred towards Property Tax.

20.3 The future minimum lease rental payments in respect of the premises taken under operating lease (other than rent to Govt. of Karnataka) as required to be disclosed under AS-19 are as below:

Sl No.	Particulars	2023-24	2023-23
1.	Payable Not Later than one year	63.78	61.92
2.	Payable Later than one year and not later than five years	27.67	48.43
3.	Payable Later than five years	-	-

NOTES TO FINANCIAL STATEMENTS

NOTE - 21

EXCEPTIONAL ITEMS

(All amounts in Rs. lakhs, unless otherwise stated)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount	Amount	Amount	Amount
Provision for Goods and Services Tax (Refer Note no. 21.1)	5,102.86		5,301.99	
Excess Provision for Inter-Club Share of Income (Refer Note no. 21.2)	(131.00)		(259.00)	
Excess Provision for Property Tax Written Back (Refer Note no. 21.3)	(195.98)		-	
Provision for Penalty on Property Tax (Refer Note no. 21.3)	262.71	5,038.59	-	5,042.99
Total		5,038.59		5,042.99

- 21.1 i) The Company was covered by levy of tax under GST law from July 1, 2017 onwards. The Company, based on legal counsels obtained, had paid the GST on the Commission earned on Totalisators. In the meanwhile, a notification was issued by the Government of India in the month of January 2018 proposing that the GST is leviable on the face value of the bet as an actionable claim. The Company had approached the Hon'ble High Court of Karnataka with a Writ Petition challenging the applicability of the said notification to them.
- ii) The Government had made an amendment to the GST law with effect from February 1, 2019 by amending the definition of 'Business' to include all activities of the race club and not the just services provided by the race club. Post the amendment, the company had collected and paid GST on the face value of the bet from February 1, 2019 till July 31, 2021.
- iii) The GST liability from January 25, 2018 till January 31, 2019 before the amendment as above, has been paid on the commission earned on totalisators. If the company were to pay the liability on the face value of the bet for this period, the additional liability would amount to Rs. 14,246.35 lakhs. The company, based on the legal counsels of various experts on the subject, is confident of the stand taken by the Company for this period that the levy of GST is applicable only on the Commission and not on the face value of the bet and has taken up the matter before the High Court.
- iv) However, during the financial year 2018-19, the company had, without prejudice, made a provision for the probable liability of GST of a sum of Rs. 15,673.44 lakhs inclusive of interest computed till the year end. The same was charged as an exceptional item of expenditure in the Statement of Profit and Loss.
- v) During the financial year 2019-20, the company also made a contribution of the said tax to the extent of Rs. 14,246.35 lakhs as a precautionary measure and by way of abundant caution to avoid further accretion to the interest liability. The company had also made a further provision of a sum of Rs. 1,329.74 lakhs to cover the interest liability till the date of payment of the tax.
- vi) The company had obtained a favourable order from the Honourable High Court of Karnataka on the GST Liability of Rs. 14,246.35 lakhs as above. However the order has been stayed by the Division Bench of the Honourable High Court of Karnataka. Further proceedings are awaited.
- vii) Post the order of the Honourable High Court of Karnataka in its favour, the company has once again started paying GST only on the commission earned on Totalisators and not on the face value of the bet.
- viii) The Company has without prejudice, made a provision for the probable liability of GST as shown below inclusive interest computed till the year end in the respective years till March 31, 2024. The same is charged as an exceptional item of expenditure in the Statement of Profit and Loss in the respective years. The company also made contribution of the said tax as a precautionary measure and by way of abundant caution to avoid further accretion to the interest liability. The Company has also started making the contribution on a monthly basis from October 2023 onwards.

Period	GST Liability	Interest till year end	Interest till date of Payment	GST Paid	Balance of Provision
a) Jan 25, 2018 till Jan 31, 2019	14,246.35	1,427.09	1,329.74	14,246.35	2,756.83
b) Aug 2021 till March 2022	2,532.14*	117.29*	219.78*	2,532.14	337.07
c) April 2022 till March 2023	4,773.18	309.03	780.43	2,092.65	3,769.99
d) April 2023 till March 2024	4,131.69	190.74	-	2,195.86	2,126.57
Total					8,990.46

+ Rs. 2,649.43 lakhs debited as an exceptional item in Financial year 2021-22

* Rs. 5,301.99 lakhs debited as an exceptional item in Financial year 2022-23

Rs. 5,102.86 lakhs debited as an exceptional item in Financial year 2023-24

ix) The company has not made any provision as above for the period from July 1, 2017 till January 24, 2018 as it is confident of its stand on the issue based on legal counsels obtained for the said period.

21.2 i) The company earns and pays a share of income from / to Other Centres. However, post the introduction of Goods and Service Tax with effect from July 01, 2017, a settlement could not be reached with other centres for sharing of revenue generated at various centres. During the past few years, settlement has been reached with a few centres. As of date, negotiations for settlement are ongoing with a few more centres.

ii) Pending negotiations and settlement, it is considered prudent to make a provision for the probable additional outflow on account of share of income from / to other centres of income in the financials on an estimated basis. A sum of Rs. 40.00 lakhs (Previous Year Rs. 171.00 lakhs) is estimated to cover the expected net liability to the company till the end of the year. Consequently, a sum of Rs. 131.00 lakhs of excess provision is written back as an exceptional item.

iii) The liability which has been crystallised during the year on negotiations and settlement has been charged of to the Statement of Profit and Loss.

21.3 i) During the financial year 2018-19, the Revenue Authorities had determined the Property Tax under the Karnataka Municipal Corporation Act, 1976 for the previous eleven years. Revenue Authorities have determined the annual property tax at Rs. 72.10 lakhs for the years from 2008-09 to 2015-16 and at Rs. 113.71 lakhs for the years from 2016-17 to 2018-19. During the year 2021-22, the revenue authorities have once again determined the annual property tax at Rs. 113.71 lakhs for the years 2019-20 and 2020-21.

ii) The company had not accepted the property tax demand and had preferred an appeal against the order. During the financial year 2021-22, the company made a payment of Rs. 400.00 lakhs against the demand raised under protest. Without prejudice and by way abundant caution, the company has also made a provision in the accounts for the entire demand raised as arrears of tax in the notice for the period upto 2020-21 of a sum of Rs. 515.84 lakhs. The same was expensed as an exceptional item during the financial year 2021-22. However, the company had not made any provision against the demand of penalty of a sum of Rs. 1,031.68 lakhs.

iii) The company had also made a provision for the property tax for the years 2021-22 and 2022-23 at Rs. 113.71 lakhs per annum based on the demands of the earlier years.

iv) During the year, the Revenue Authorities conducted a joint survey of the property and determined the annual property tax as below:

Financial Years	Amount (Per annum)
2008-09 to 2015-16	57.28
2016-17 to 2020-21	71.60
2021-22 to 2023-24	72.83

v) The Revenue authorities also reworked the levy of interest and penalty based on the revised property tax and the amount of property tax already paid in the respective years.

v) The Revenue authorities also reworked the levy of interest and penalty based on the revised property tax and the amount of property tax already paid in the respective years.

vi) The Company also availed the One Time Settlement (OTS) scheme, introduced by Government of Karnataka for settlement of Property Tax Dues, to reduce the levy of interest and penalty.

vii) Based on the above settlement, the company has written back the excess provision made for property tax of a sum of Rs. 195.98 lakhs and has made a provision for the payment of penalty of a sum of Rs. 262.71 lakhs as exceptional items during the year.

NOTES TO FINANCIAL STATEMENTS

NOTE - 22

OTHER NOTES AND DISCLOSURES

22.1 Contingent Liabilities

- a) As referred in note no. 21.1 (ix), the GST liability for the period from July 1, 2017 till January 24, 2018 has not been provided for and is estimated at Rs. 5,674.00 lakhs. The company is contingently liable for any liability that may arise on this account.
- 22.1 b) The Income Tax Department has raised various demands on the Company for non deduction of taxes at source primarily on the contention that the stake money paid to the owners of winning horses attract tax deductions at source u/s 194B of the Income Tax Act and the same has not been deducted by the Company. The demands raised for various years are as below:

Assessment Year	Shortfall of TDS u/s 201 (1)	Interest u/s 201(1A)	Total
2007-08	645.60	813.37	1,458.97
2008-09	686.59	784.67	1,471.26
2009-10	790.74	807.24	1,597.98
2010-11	765.77	690.36	1,456.13
2011-12	710.83	554.45	1,265.28
2012-13	904.24	596.38	1,500.62
	4,503.77	4,246.47	8,750.24
2013-14	1,016.14	487.74	1,503.88
2014-15	872.83	314.22	1,187.05
2015-16	1,014.56	243.49	1,258.05
2016-17	1,126.52	1,081.46	2,207.98
	4,030.05	2,126.91	6,156.96
2017-18	4,020.81	3,658.93	7,679.74
Total	12,554.63	10,032.31	22,586.94

- ii) During an earlier year, the Hon'ble High Court of Karnataka passed an order agreeing with the contentions of the Company and held that 'Stake Money' or 'Prize Money' paid by the race clubs to horse owners would not attract the provisions of section 194B of Income Tax Act, 1961. It also directed the department not to demand TDS from the Company and not to treat the Company as an 'assessee in default'. However, the matter is presently pending before the division bench of the Hon'ble High Court of Karnataka on an appeal by the Income Tax Department.
- iii) During the year, the Income Tax Department raised a demand of Rs. 7,679.74 lakhs. The demand has been raised for the assessment year 2017-18 not only u/s 194B, but also on account of other non deductions alleged as below:

Section	Shortfall of TDS u/s 201 (1)	Interest u/s 201(1A)	Total
194B	1,526.35	1,388.97	2,915.32
194BB	2,410.55	2,193.60	4,604.15
194J	83.91	76.36	160.27
Total	4,020.81	3,658.93	7,679.74

The same has been contested before the Honourable High Court of Karnataka with a writ petition and a stay has been obtained.

- iv) The demands for the assessment years 2007-08 to 2012-13 amounting to Rs. 8,750.24 lakhs are presently pending for adjudication before the division bench of the Hon'ble High Court of Karnataka. The demands for the assessment years 2013-14 to 2016-17 amounting to Rs. 6,156.96 lakhs and for the assesment year 2017-18 amounting to Rs.

7,679.74 lakhs are pending before the Hon'ble High Court of Karnataka and the matter will be taken up after the disposal of the case pending before the division bench for the earlier years.

- v) The Company has started withholding a sum equivalent to the tax deductible at source as a retention money from 'Stake Money' paid to the owners on the directions of the division bench of the Hon'ble High Court of Karnataka from Nov 2016. As per the said order, the Company has also released such retention money to the owners, who have provided necessary undertaking of indemnification.
- vi) Pending further proceedings, the Company has not made any provision in the accounts for the total demand of a sum of Rs. 22,586.94 for the period upto March 31, 2017. The Company is contingently liable for the same and any further demand which could be raised for subsequent periods together with interest, if any.
- c) i) During an earlier year, the Income Tax Department had raised an issue of short deduction of taxes u/s 194BB of the Income Tax Act by the Company on the dividends paid to winning punters. The Company had been deducting appropriate taxes wherever the payment exceeded Rs. 2,500 per person and the details were available and in other cases where a winning ticket exceeded a sum of Rs. 2,500 as mandated then u/s 194BB. However, the department had raised an issue that the taxes are to be deducted wherever the payment made exceeded Rs. 2,500 per person and the same is to be determined by aggregation of all winning tickets by a person.
 - ii) The submissions made by the Company about the impracticability of aggregating all winning tickets of a single person to determine the criteria for tax deduction was not accepted by the department and a show cause notice had been issued against the Company.
 - iii) The Company had approached the Hon'ble High Court of Karnataka with a Writ Petition and the court had passed an interim stay restraining the department from any further proceedings in the matter.
 - iv) Pending further proceedings and outcomes, the Company is contingently liable for any demand that may arise on this matter. A reliable estimate of the financial effect on this matter could not be made with any certainty at this point of time considering the nature of the issue and the period of applicability.
- d) i) The Income Tax Department has raised income tax demands while completing the scrutiny assessments. The demands have been raised primarily among other things, by making the following disallowances
 - (a) Non-deduction of taxes at source u/s 194B on the stake money paid during the respective years.
 - (b) Non deduction of taxes at source on Basic Maintenance Charges (BMC) of horses on the contention that the expenses of BMC is a liability of the company and the company is responsible for tax deductions at source
 - (c) Non-deduction of taxes at source u/s 194BB on the dividends paid to winning punters
 - ii) Income tax demand disputed for the above disallowance and to the extent not provided for are as below:

Assessment year	Amount
2012-13	14.23
2013-14	1,431.49
2016-17	1,538.51
2017-18	1,759.24
2018-19	937.66
Total	5,681.13

- iii) The Company has disputed the demands raised by filing of appeals against the orders for all the assessment years. Pending further proceedings, the Company has not made any provision in the accounts for the total demand of a sum of Rs. 5,681.13 lakhs and is contingently liable for the same.
- e) i) During an earlier year, the Service Tax Department has raised a demand on the Company towards service tax and has also levied penalty for the period from October 2009 till June 2017. The demand raised, to the extent not provided for in the accounts, amounts to Rs. 6,623.10 lakhs inclusive of penalty of a sum of Rs. 797.78 lakhs.
 - ii) The demand has been raised primarily by levy of service tax on gross revenue from operations of the Company as against the taxable value of services declared by the Company.

NOTES TO FINANCIAL STATEMENTS

- iii) The Company had filed an appeal against the order of the Commissioner of Central Tax with the 'Customs, Excise and Service Tax Appellate Tribunal' contesting the levy of service tax and penalty.
- iv) Pending further proceedings, the Company has not made any provision in the accounts for the demand of a sum of Rs. 6,623.10 lakhs and is contingently liable for the same together with interest, if any.
- f) i) During the year, the Service Tax Department has raised a demand on the Company towards service tax and has also levied penalty for the period from October 2016 till June 2017. The demand raised, to the extent not provided for in the accounts, amounts to Rs. 106.19 lakhs inclusive of penalty of a sum of Rs. 53.10 lakhs.
- ii) The demand has been raised by disallowing the claim of the input tax credit of Service Tax by the Company.
- iii) The Company had filed an appeal against the order of the Commissioner of Central Tax with the 'Customs, Excise and Service Tax Appellate Tribunal' contesting the levy of service tax and penalty.
- iv) Pending further proceedings, the Company has not made any provision in the accounts for the demand of a sum of Rs. 106.19 lakhs and is contingently liable for the same together with interest, if any.

22.2 Remuneration to Auditors

(All amounts in Rs. lakhs, unless otherwise stated)

	2023 - 2024	2022- 2023
For Statutory Audit	10.00	10.00
For Tax Matters	7.00	5.00
For Others	0.20	0.20
Total	17.20	15.20

22.3 Earnings / Expenditure in Foreign Currency/Exchange

(All amounts in Rs. lakhs, unless otherwise stated)

	2023 - 2024	2022- 2023
Earnings		
Live Streaming Charges Earned	177.15	245.25
Expenditure		
Dope Sample Testing Expenses	100.34	106.63
Travelling Expenses	0.55	-
Membership Fees	-	31.46
Live Streaming Charges	-	16.64

22.4 Disclosure pursuant to Accounting Standard (AS) 15 Revised:

The Principal assumptions used in determining Gratuity and Leave Obligations for the Company are as follows:

(All amounts in Rs. lakhs, unless otherwise stated)

	2023 - 2024		2022- 2023	
	Gratuity	Leave Salary	Gratuity	Leave Salary
a) Interest Rate	7.10%	7.10%	7.32%	7.32%
b) Discount Rate	7.10%	7.10%	7.32%	7.32%
c) Estimated Rate of Return on Plan Assets	6.84% / 7.05%	7.10%	6.84% / 7.05%	7.05%
d) Salary Increase	7.00%	7.00%	7.00%	7.00%
e) Attrition Rate	1.00%	1.00%	1.00%	1.00%
f) Retirement Age	60	60	60	60

Changes in the Present Value of Obligation

	Amount	Amount	Amount	Amount
a) Present Value of Obligation as on 01-04-23	1,341.95	116.91	1,538.87	119.98
b) Interest Cost	83.00	8.29	66.78	8.02
c) Current Service Cost	191.14	16.96	115.40	18.64
d) Benefits Paid	(148.01)	(8.10)	(172.91)	(20.60)
e) Actuarial (Gain) / Loss	(200.91)	22.40	(206.19)	(9.13)
f) Present Value of Obligation as on 31-03-24	1,267.17	156.46	1,341.95	116.91

Changes in the Fair Value of Asset Plans

a) Fair Value of Plan Assets as on 01-04-23	1,450.83	106.20	1,386.69	93.03
b) Expected Return on Plan Assets	109.22	7.87	90.92	6.82
c) Contributions	-	2.02	146.13	26.95
d) Benefits Paid	(148.01)	(8.10)	(172.91)	(20.60)
e) Fair Value of Plan Assets as on 31-03-24	1,412.04	107.99	1,450.83	106.20

Amount Recognised in the Balance Sheet

a) Present Value of Obligations as at the Year End	1,267.17	156.46	1,341.95	116.91
b) Less: Fair Value of Plan Assets as at the Year End	1,412.04	107.99	1,450.83	106.20
c) Liability / (Asset) recognised in the Balance Sheet	(144.87)	48.47	(108.88)	10.71

Expenses recognised in the Statement of Profit and Loss

a) Current Service Cost	191.14	16.96	115.40	18.64
b) Interest Cost on Benefit Obligation	83.00	8.29	66.78	8.02
c) Expected return on Plan Assets	(109.22)	(7.87)	(90.92)	(6.82)
d) Net Actuarial (Gain)/Loss	(200.91)	22.40	(206.19)	(9.13)
e) Total Expenses/(Income) Recognised	(35.99)	39.78	(114.93)	10.71

22.5 Segment Reporting

The Company is engaged in the business of a race course which as per AS-17 is considered the only reportable business segment. The geographical segmentation is not relevant as the company operates in a single identifiable area.

22.6 The existing credit facilities sanctioned to the company by Kotak Mahindra Bank Limited is Rs. 161.50 lakh. The existing charges registered with the Registrar of Companies is Rs. 115 lakh against the same.

22.7 Related Party Disclosures

As required by the Accounting Standard 18 issued by The Institute of Chartered Accountants of India, the Company's related parties with whom transactions have taken place during the year are as below :

Key Management Personnel:

(i) Mr. Prathap Reddy	(upto 30/05/2023)
(ii) Mr. Anish Sood	(upto 25/09/2023)
(iii) Mr. K N Shanth Kumar	(upto 25/09/2023)
(iv) Mr. A C Satish Chandra	(upto 25/09/2023)
(v) Mr. Shivakumar Kheny	

(vi) Mr. Sathish N Gowda	
(vii) Mr. Naval R Narielwalla	
(viii) Mr. Arvind Raghavan	
(ix) Mr. Shashabindu Das	
(x) Mr. Darshan Lokesh	
(xi) Mr. B Dayanand	(from 01/06/2023)
(xii) Dr. C A Prashanth	(from 25/09/2023)
(xiii) Mr. Shankar Balu	(from 25/09/2023)
(xiv) Mr. Dayanand Mandre	(from 25/09/2023)
(xv) Mr. T.H.R Rajeev	(from 25/09/2023)
(xvi) Mr. S M Ahmed	(from 12/10/2023)
(xvii) Mr. Vikram Singh	(from 12/10/2023)
(xviii) Mr. L K Atheeq	(from 28/11/2023)

The Company's transactions with the above related parties are summarized as below:

The balances with the above related parties as at March 31, 2024 are as below:

The Company's transactions with the above related parties are summarised as below :

Sl. No	Particulars	Nature	Amount
a)	Subscription Received	Income	0.04
b)	Sale of Services - Club house and Reservations	Income	12.41
c)	Recovery of Expenses on maintenance of Horses and Entry Money	Income	3.38
d)	Stake Money and Incentives Paid	Expenses	2.86

The balances with the above related parties as at March 31, 2024 are as below:

Particulars	Amount
Trade Receivable from Owners of Horses	0.65
Trade Payable to Owners of Horses	0.86
Other Receivable as Members and for Club House	1.16
Other Payable as Members and for Club House	0.71

22.8 Key Ratios of Financial Statements

S. No	Particulars	Numerator	Denominator	31-3-2024	31-3-2023	in %
1	Current Ratio (in times)	Current Assets	Current Liabilities	0.77	0.72	6.94
2	Debt-Equity Ratio (in times)	Total Outside Liabilities	Shareholder's Funds	NA	NA	NA *
3	Debt Service Coverage Ratio (in times)	Earning before interest and taxes (EBIT)	Interest Exp. + Principal Repayments	NA	NA	NA
4	Return on Equity Ratio (in %)	Net profits after taxes	Shareholder's Funds	NA	NA	NA *
5	Inventory Turnover Ratio (in times)	Sales	Inventories	NA	NA	NA **
6	Trade Receivables Turnover Ratio (in times)	Revenue from Operations	Trade Receivables	NA	NA	NA #
7	Trade Payables Turnover Ratio (in times)	Operating Expenses and Other Expenses	Trade Payables	3.66	2.39	53.14 ##
8	Net Capital Turnover Ratio (in times)	Revenue from Operations	Working Capital	NA	NA	NA #
9	Net Profit Ratio (in %)	Profit for the year	Revenue from Operations	0.25%	(1.42%)	1.67
10	Return on Capital Employed (in %)	Earning before interest and taxes (EBIT)	Capital Employed	NA	NA	NA *
11	Return on Investment (in %)	Profit After Tax	Equity + Long term Debt	NA	NA	NA *

**Reasons**

- * Not Applicable, as the Company does not have any Share Capital
- ** The inventory of the Company consists only of Stores and Spares. Considering the nature of operations, the ratio is not applicable.
- # The major income of the Company consists of Collections from Totalisators, which are collected without any period of credit. The trade receivables only consists of receivables on account of other services. Hence, the trade receivables are not directly comparable to the Revenue from Operations.
- ## During the previous year, the operations of the company were severely affected due to the pandemic, lockdowns and restrictions. The company could only operate races and totalisators on a very limited number of days and with limited number of punters. Hence the loss for the previous year was much higher, resulting in higher trade payables.

22.9 Previous Year's figures have been regrouped / reclassified wherever necessary to conform to those of the

K A Jagadish	DIN: 10818954	S Kittu Raghunandana	DIN: 00969426	Arvind Katarki	DIN: 10823150
Arun Kumar Parasa	DIN: 00202380	K Nagaraju	DIN: 00592259	Chaduranga Kanthraj Urs	DIN: 00573265
Harish Nayak	DIN: 00742207				

Members of the Managing Committee

In terms of our report of even date
For **R. Chandrashekar and Associates**
Chartered Accountants
Firm Registration No. 006783S
V. Ganesh
Proprietor
Membership No. 202995
UDIN: 2420995BKBLKY4498

Bangalore, 8th November, 2024

For **Dhariwal & Sreenivas**
Chartered Accountants
Firm Registration No. 007197S
Sreenivas Babu Penugonda
Partner
Membership No. 028804
UDIN: 24028804BKCKZE1751

BANGALORE TURF CLUB CHARITABLE TRUST

INDEPENDENT AUDITORS' REPORT

To the Members of

BANGALORE TURF CLUB CHARITABLE TRUST

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of BANGALORE TURF CLUB CHARITABLE TRUST, which comprise the Balance Sheet as at 31st March, 2024 and the Income and Expenditure Account for the year then ended, and a summary of 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 accompanying financial statements read with the notes thereon give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Trust as at March 31, 2024, and its excess of Income over Expenditure for the year ended on that date.

Basis for Opinion

2. We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. 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 Trust in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibility for the Financial Statements

3. Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Trust. This responsibility includes the design, implementation and maintenance of internal control 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 Trust'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 Trust or to cease operations, or has no realistic alternative but to do so.

Those Board of Trustees are also responsible for overseeing the Trust's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

4. 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 this financial statements.

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

- a) 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.
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal financial control.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- d) Conclude on the appropriateness of the 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 Trust'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 Trust to cease to continue as a going concern.

We communicate with the 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 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.

For **R. Chandrashekar and Associates**
Chartered Accountants
Firm Registration No. 006783S

V. Ganesh
Proprietor

Membership No. 202995
UDIN: 24202995BKBLIW2554

Place: Bangalore
Date: 25th September, 2024



BANGALORE TURF CLUB CHARITABLE TRUST
BALANCE SHEET AS AT March 31, 2024

	2023-24		2022-23	
	Rs.	Rs.	Rs.	Rs.
SOURCES OF FUNDS				
Trust Fund (Corpus)		<u>2,85,05,652</u>		<u>2,85,05,652</u>
SURPLUS				
Per last Balance Sheet		1,64,87,058		1,45,95,087
Add: Excess / (Deficit) of Income over Expenditure		<u>2,93,025</u>		<u>18,91,971</u>
		1,67,80,083		1,64,87,058
Total		<u>4,52,85,735</u>		<u>4,49,92,710</u>
APPLICATIONS OF FUNDS				
INVESTMENTS				
In HDFC Limited - Fixed Deposits		3,65,00,000		3,65,00,000
CURRENT ASSETS				
Balance with a Scheduled Bank		65,02,053		62,42,031
Interest accrued on Fixed Deposit		17,99,333		11,07,919
Tax Deducted at Source		<u>4,93,789</u>		<u>11,71,080</u>
		87,95,175		85,21,030
Less: Current Liabilities		<u>9,440</u>		<u>28,320</u>
		87,85,735		84,92,710
		<u>4,52,85,735</u>		<u>4,49,92,710</u>

In terms of our report of even date

For **R. Chandrashekar and Associates**
Chartered Accountants
Firm Registration No. 006783S

K.A. JAGADISH
Chairman

S.K. RAGHUNANDAN
Trustee

V. Ganesh

Proprietor

Membership No. 202995

UDIN: UDIN: 24202995BKBLJW2554

Bangalore, 25th September, 2024

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED March 31, 2024

	2023-24		2022-23	
	Rs.	Rs.	Rs.	Rs.
INCOME				
Interest		27,24,371		26,67,975
Total		27,24,371		26,67,975
EXPENDITURE				
Donations		14,96,301		7,66,405
Remuneration to Auditors		9,440		9,440
Bank Charges and Others		94		159
Income Tax - Prior Years		9,25,511		-
Total		24,31,346		7,76,004
Excess of (Expenditure over Income) / Income over Expenditure transferred to Balance Sheet		2,93,025		18,91,971

In terms of our report of even date

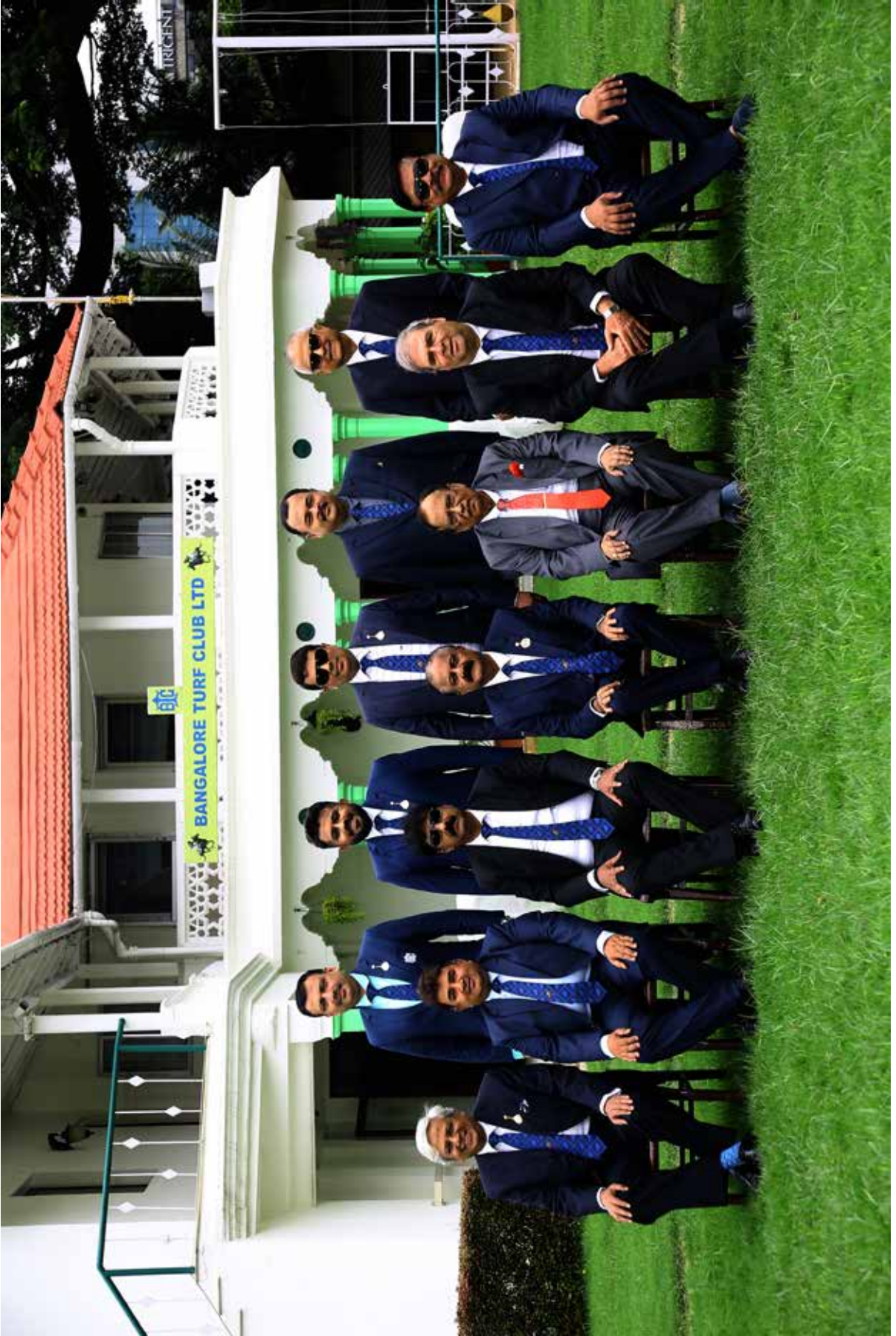
For **R. Chandrashekar and Associates**
Chartered Accountants
Firm Registration No. 006783S

K.A. JAGADISH
Chairman

S.K. RAGHUNANDAN
Trustee

V. Ganesh
Proprietor
Membership No. 202995
UDIN: UDIN: 24202995BKBLJW2554

Bangalore, 25th September, 2024



Group Photo of the Previous Managing Committee 2023-24



68th Kannada Rajyotsava Celebration at Bangalore Turf Club Limited



Felicitation to Club Members for Completing 50 years of Membership at BTC



Distributing of Wheel Chairs by Managing Committee Members



Jockey Akshay Kumar felicitation for winning 1000 Winners



Newly elected Club and Stand Members 2024



Study Tour of Jain College Students at Bangalore Turf Club Limited



Shri. L.K. Atheeg, IAS, Additional Chief Secretary to Hon'ble Chief Minister and Finance Department, GOK presenting THE RACING PATRONS TROPHY to owners of ISNT SHE BEAUTIFUL



Shri. U.T. Khader, Hon'ble Speaker of Karnataka Legislative Assembly presenting The Bangalore St. Leger Gr.II to owners of the winner DYF



Shri. Madhu Bangarappa, Hon'ble Minister for Primary and Secondary Education, Government of Karnataka presenting The Rajyotsava Trophy to owner of the winner YUKAN



Dr. Pramoda Devi Wadiyar presenting The Maharaja's Gold Cup to owners of JAMARI



Proxy form- MGT-11

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : U99999KA1962PLC001449
Name of the Company : Bangalore Turf Club Limited
Registered office : 52, Race Course Road, Bangalore-560001

Name of the Member(s):
Registered address:
E-mail Id:
Membership No: Mobile No:

I,being the Member of Bangalore Turf Club Limited hereby appoint

1. Name		Signature
Address		
Email Id:		
Or failing him		
2. Name		Signature
Address		
Email Id:		
Or failing him		
3. Name		Signature
Address		
Email Id:		

as my proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of Members of Bangalore Turf Club Limited, to be held on Thursday, 12th December,2024, at 4:00 PM at No. 52, Race Course Road, Bengaluru-560 001 and at any adjournment thereof.

Signed thisday of..... 2024

Signature of Member:.....

Signature of Proxy holder(s):.....

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.





The HPSL Bangalore Summer Derby(Grade I) 2024



78th Independence Day Celebration at Bangalore Turf Club Limited



Cricket Tournament 2024 at Bangalore Turf Club Limited



Opening of New OCBC at Marathahalli



Health Camp organised at Bangalore Turf Club Limited



Lunch at Annual Pooja for Staffs of Bangalore Turf Club Limited



Bangalore Turf Club Limited



Winner of The HPSL Bangalore Summer Derby 2024 Santissimo Ridden by Jockey S. Saqlain