

# BANGALORE



TURF CLUB LTD



## ANNUAL REPORT 2024 - 2025



# MEMBERS OF THE MANAGING COMMITTEE

BANGALORE TURF CLUB LIMITED  
NOTICE  
No person shall be admitted to the society  
except on the basis of a valid membership card  
issued by the society. No person shall be  
admitted to the society on the basis of a  
valid membership card issued by the society  
on the basis of a valid membership card issued  
by the society.



2024-25



**BANGALORE TURF CLUB LIMITED**

CIN: U99999KA1962PLC001449

**MEMBERS OF THE MANAGING COMMITTEE**

R.Manjunath Ramesh (Chairman)

K A Jagadish

Dr. C A Prasanth

L Shivashankar

Arvind S Katarki

Arun Kumar Parasa

K Nagaraju

K.Harish Nayak

Chaduranga Kanthraj Urs

Mahesh C Medappa

Dayanand R Mandre

Ritesh Kumar Singh IAS

Seemanth Kumar Singh IPS

Vikram Singh

**Auditors****R. Chandrashekar and Associates****Dhariwal & Sreenivas**

Chartered Accountants Firm Reg No.0067835

Chartered Accountants Firm Reg No 0071975

No. 311/312, Raheja Chambers

No 10, (Old No 144), South Park Road

No 12, Museum Road, Bengaluru-560 001

Bengaluru -560 020

**Internal Auditors****Vasanth & Co****MSSV & Co**

Chartered Accountants Firm Reg No.0067835

Chartered Accountants Firm Reg No.0019875

11 &amp; 13, First Floor, Beside Surana College

Second Floor, 63/2, Railway Parallel Road

South End Road, Bengaluru – 560 004

K P West, Bengaluru-560020.

**Legal Advisors :**

- 1) Just Law
- 2) Sundarswamy& Ramdas
- 3) Mr. B.C. Prabhakar
- 4) Vivek Reddy Law Chambers
- 5) K R Anand

Bankers: HDFC Bank Limited, State Bank of India, Kotak Mahindra, Equitas Small Finance Bank &amp; Yes Bank Ltd.

Registered Office : 52, RACE COURSE ROAD, BENGALURU- 560 001.

Ph: 080-22262391-2-3-5,

E-Mail: [secretary@btcraces.com](mailto:secretary@btcraces.com)Website: [www.bangaloreraces.com](http://www.bangaloreraces.com)



## NOTICE

Notice is hereby given that the **SIXTY FOURTH 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 Monday, **29<sup>th</sup> September 2025** 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, 2025 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 M/s. Vishnu Daya & Co LLP (Firm Registration No. 008456S/S200092), Chartered Accountants, as a Statutory Auditors of the Company for a term of five years in the place of M/s. Dhariwal & Sreenivas (Firm Registration No. 007197S) and M/s. R. Chandrasekhar and Associates (Firm Registration No. 006783S), Chartered Accountants, whose term will be expiring at the 64<sup>th</sup> Annual General Meeting.

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), as amended from time to time, based on the recommendation of the Managing Committee, M/s. Vishnu Daya & Co LLP (Firm Registration No. 008456S/S200092), Chartered Accountants, be and are hereby appointed as the Statutory Auditors of the Company, for a period of five years in the place of M/s. Dhariwal & Sreenivas (Firm Registration No. 007197S) and M/s. R. Chandrasekhar and Associates (Firm Registration No. 006783S), Chartered Accountants, whose term will be expiring at the 64<sup>th</sup> Annual General Meeting, to hold office from the conclusion of this Annual General Meeting (AGM), i.e. 64<sup>th</sup> AGM, till the conclusion of the 69<sup>th</sup>AGM of the Company to be held in the year 2030, on a total remuneration of Rs.10 lakhs per year along with out of pocket expenses which may be incurred by them for the purpose of the audit not exceeding Rs. 10,000/ per year."

**RESOLVED FURTHER THAT** the Managing Committee, be and is hereby authorised to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the foregoing resolution."

### SPECIAL BUSINESS

5. **Election of members to the Board of Appeal**

**To consider and, if thought fit, to pass, with or without modifications, each of the following resolutions as Ordinary Resolution:**

- a) To elect the member to the Board of Appeal pursuant to Clause 61(a)(i) of the Articles of Association of the Company.







- b) To elect the member to the Board of Appeal pursuant to Clause 61(a)(i) of the Articles of Association of the Company.
- c) To elect the member to the Board of Appeal pursuant to Clause 61(a)(i) of the Articles of Association of the Company.
- d) To elect the member to the Board of Appeal pursuant to Clause 61(a)(ii) of the Articles of Association of the Company.
- e) To elect the member to the Board of Appeal pursuant to Clause 61(a)(ii) of the Articles of Association of the Company.

**Item No.6:**

**Amendment to Article 4(g) of the Articles of Association (AOA)**

**To consider and, if thought fit, to pass, with or without modifications, each of the following resolutions as Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions for Section 5, 14 and any other applicable provisions of the Companies Act 2013, read with the companies (incorporation) rules, 2014 (including any statutory modification/s or re-enactment thereof for the time being in force), the approval of the members be and is hereby accorded for alteration of the Articles of Association of the Company be and is hereby altered to substitute the clause 4(g) with the following :

*“The Managing Committee shall prescribe the format of application/s, outline the procedures for admitting a new member and the calendar of events before calling for application/s for Membership of the Club, scrutinise the same and shall have power to reject any incomplete application or for any other valid reason(s) including on grounds of any applicant/s not meeting the attributes required of him/her as stipulated in Clause 3(a)v) supra. Thereupon, a list of applicant/s shall be circulated to all Club Members 10 days (Ten days) before the date fixed for admission as Member(s) of the Club.*

*In the event of any objections received in writing from 10 or more Club members against a proposal to admit a member under any category, the same shall be considered and decided by the Managing Committee.*

*The Managing Committee shall applicant/s as members by a simple majority at an election, wherein there shall be a quorum of not less than “seven” members of the club serving on the Managing Committee.*

*The decision of the Managing Committee shall be final and binding on the applicant.”*

**“RESOLVED FURTHER THAT** members of the Managing Committee be and are hereby severally authorized to sign, execute such other document(s), papers, file necessary e-form(s) / letter(s) with Registrar of Companies (ROC), with Central Government and other concerned authority(ies) and do such acts, deeds, matters and things on behalf of the company as they may deem fit, proper and necessary to give effect to this resolution.”

**ITEM NO: 7**

**Amendment to Article 9(d) of the Articles of Association (AOA)**

**To consider and, if thought fit, to pass, with or without modifications, each of the following resolutions as Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions for Section 5, 14 and any other applicable provisions of the Companies Act 2013, read with the companies (incorporation) rules, 2014 (including any statutory modification/s or re-enactment thereof for the time being in force), the approval of the members be and is hereby accorded for alteration of the Articles of Association of the Company be and is hereby altered, the amended clause 9(d) as follows:







*"The admission fees received from all the categories of members shall be deposited into a separate Bank Account to be maintained as a special Corpus Fund and the utilisation of the said funds would be as per the guidelines enumerated in the SOP approved by the Club Members by way of Special Resolution(s) passed in a General Meeting.*

*The Managing Committee will supervise and control the fund operations and ensure strict compliance with guideline(s)."*

**"RESOLVED FURTHER THAT** members of the Managing Committee be and are hereby severally authorized to sign, execute such other document(s), papers, file necessary e-form(s) / letter(s) with Registrar of Companies (ROC), with Central Government and other concerned authority(ies) and do such acts, deeds, matters and things on behalf of the company as they may deem fit, proper and necessary to give effect to this resolution."

#### **ITEM NO: 8**

##### **Amendment to Article 10 of the Articles of Association (AOA)**

**To consider and, if thought fit, to pass, with or without modifications, each of the following resolutions as Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions for Section 5, 14 and any other applicable provisions of the Companies Act 2013, read with the companies (incorporation) rules, 2014 (including any statutory modification/s or re-enactment thereof for the time being in force), the approval of the members be and is hereby accorded for alteration of the Articles of Association of the Company by inserting a new Sub-Article 10(ab) after Article 10 (aa) in Article 10:

*"ab) Any Club member of 75 years and above who has held a minimum of 25 years of BTC Club membership is to be charged a monthly subscription of Rs. 500/-with applicable taxes, no Cover Charges applicable, subject to revision from time to time at a meeting of the General Body."*

**"RESOLVED FURTHER THAT** members of the Managing Committee be and are hereby severally authorized to sign, execute such other document(s), papers, file necessary e-form(s) / letter(s) with Registrar of Companies (ROC), with Central Government and other concerned authority(ies) and do such acts, deeds, matters and things on behalf of the company as they may deem fit, proper and necessary to give effect to this resolution."

#### **ITEM NO : 9**

##### **Amendment to Article 10 of the Articles of Association (AOA)**

**To consider and, if thought fit, to pass, with or without modifications, each of the following resolutions as Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions for Section 5, 14 and any other applicable provisions of the Companies Act 2013, read with the companies (incorporation) rules, 2014 (including any statutory modification/s or re-enactment thereof for the time being in force), the approval of the members be and is hereby accorded for alteration of the Articles of Association of the Company by inserting a new Sub-Article 10(bc) after Article 10 (bb) in Article 10:

*"bc) Any Stand member of 75 years and above who has held a minimum of 25 years of BTC Club membership is to be charged a monthly subscription of Rs. 500/- with applicable taxes, no Cover Charges applicable, subject to revision from time to time at a meeting of the General Body."*

**"RESOLVED FURTHER THAT** members of the Managing Committee be and are hereby severally authorized to sign, execute such other document(s), papers, file necessary e-form(s) / letter(s) with Registrar of Companies (ROC), with Central Government and other concerned authority(ies) and do such acts, deeds, matters and things on behalf of the company as they may deem fit, proper and necessary to give effect to this resolution."





**ITEM NO: 10**

**Amendment to Article 11 of the Articles of Association (AOA)**

**To consider and, if thought fit, to pass, with or without modifications, each of the following resolutions as Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions for Section 5, 14 and any other applicable provisions of the Companies Act 2013, read with the companies (incorporation) rules, 2014 (including any statutory modification/s or re-enactment thereof for the time being in force), the approval of the members be and is hereby accorded for alteration of the Articles of Association of the Company by replacing the existing Article 11 with the following new Article 11:

*All monthly subscriptions shall be debited to the account of each member on the last day of every calendar month. Such debited subscriptions shall become due and payable on or before the 20th day of the succeeding month. The Club shall, by post or electronic mode, communicate to each member the details of the amount outstanding and due by the first week of every month. In the event of default in payment of outstanding due in the account by a member within the aforesaid period, the Secretary shall be vested with the authority to issue a formal notice to the defaulting member for recovery of the outstanding dues and take all consequential steps in this regard.*

**“RESOLVED FURTHER THAT** members of the Managing Committee be and are hereby severally authorized to sign, execute such other document(s), papers, file necessary e-form(s) / letter(s) with Registrar of Companies (ROC), with Central Government and other concerned authority(ies) and do such acts, deeds, matters and things on behalf of the company as they may deem fit, proper and necessary to give effect to this resolution.”

Place: Bengaluru  
Date: 5<sup>th</sup> September, 2025

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

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

R. Manjunath Ramesh  
Chairman  
DIN: 10940396

**Notes:**

- (i) Every Club Member who is entitled to attend and vote at the General Meeting is entitled to appoint any person as his/ her proxy to attend meeting 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 less than 48 hours before the time for holding the meeting, as required under Article 29 of the Articles of Association.
- (ii) The Notice of AGM along with the Annual accounts for FY 2024-25 and the Committee's Report for the year ended 2024-25 are being sent to all the Members.
- (iii) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”) relating to the special businesses to be transacted at the meeting is annexed hereunder and forms part of the Notice.
- (iv) There shall be no voting by proxy in the matter of election of Committee Members, Stewards & Member to Board of Appeal as stipulated in Article 33(d).





- (v) 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.
- (vi) A Route Map to reach the venue of the Annual General Meeting has been annexed with this notice of the Annual General Meeting.

Members wishing to seek clarifications, in connection with the accounts, are requested to forward all such queries to the [secretary@btcraces.com](mailto:secretary@btcraces.com) on or before Sunday, 14<sup>th</sup> September 2025, so as to enable the office to compile the information and furnish the same at the earliest.

- (vii) 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.

#### **Calendar of Events:**

1. Last date for filing of Nomination for election as a Committee Member/Steward and Appeal Board Members on Sunday, 14<sup>th</sup> September 2025.
2. Last date to give Special Notice to move Resolution by Club Members on Sunday, 14<sup>th</sup> September 2025







## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013:**

### **Item No 4**

The term of the current joint auditors of the Company, M/s. Dhariwal & Sreenivas (Firm Registration No. 007197S) and M/s. R. Chandrasekhar and Associates (Firm Registration No. 006783S), Chartered Accountants, comes to an end at the conclusion of this Annual General Meeting. The Managing Committee in its meeting held on 5<sup>th</sup> September, 2025 after due consideration of the qualifications, experience and expertise of M/s. Vishnu Daya & Co LLP (Firm Registration No. 008456S/S200092), Chartered Accountants, has recommended them for appointment as the new Statutory Auditors of the Company, for the approval of the members, for a period of five years from the conclusion of this 64<sup>th</sup> AGM till the conclusion of the 69<sup>th</sup> AGM of the Company to be held in the year 2030. The total remuneration to be paid to the auditors is proposed at Rs. 10 lakhs per year, along with out of pocket expenses which may be incurred by them for the purpose of the audit not exceeding Rs. 10,000/- per year.

Pursuant to Section 139 of the Companies Act, 2013 and the Rules framed there under, the Company has received written consent from M/s. Vishnu Daya & Co LLP, Chartered Accountants, and a certificate that they satisfy the criteria provided under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and Rules framed there under.

The Managing Committee recommends the resolution set forth at Item No. 4 for the approval of the members.

None of the Members of the Managing Committee is concerned or interested in the resolution set out in item no. 4.

### **Item No. 5**

As per the provisions of Article 61 of the Articles of Association of the Company three persons who shall be elected at every Annual General Body Meeting who have served as Stewards for a minimum period of two years in any Turf Authority of India and are not race horse owners as defined in the Articles and Two persons who shall be elected at every Annual General Body Meeting who have been Club member for a minimum period of 15 years prior to the date of the Annual General Meeting.

Appointment of Members of Board of Appeal shall be approved by Members in the General Meeting. Therefore, above resolution is placed before members. None of the Committee Member(s) / Director(s) is concerned or interested in the above resolution.

### **Item No. 6,7,8,9 & 10**

The Managing Committee at their meeting held on Friday, 5<sup>th</sup> September, 2025 have approved the proposal for amending certain Articles of the Articles of Association which are subject to the approval of the Members. A note on the existing clause, revised clause and the reason for the changes are given below for the information of the members:





Article No	Existing Clause	Revised Clause	Remarks and rationale
4(g)	<p>The Managing Committee shall prescribe the format of application/s, outline the procedures for admitting a new member and the calendar of events before calling for application/s for Membership of the Club, scrutinise the same and shall have power to reject any incomplete application or for any other valid reason(s) including on grounds of any applicant/s not meeting the attributes required of him/her as stipulated in Clause 3)a)v) supra. Thereupon a list of applicant/s shall be circulated to all Club Members 30 days before the date fixed for admission as Member(s) of the Club.</p> <p>In the event of any objections received in writing from 10 or more Club members against a proposal to admit a member under any category, the same shall be considered and decided by the Managing Committee.</p> <p>The Managing Committee shall elect applicant/s as members by a simple majority at an election, wherein there shall be a quorum of not less than “seven” members of the club serving on the Managing Committee.</p> <p>The decision of the Managing Committee shall be final and binding on the applicant</p>	<p>The Managing Committee shall prescribe the format of application/s, outline the procedures for admitting a new member and the calendar of events before calling for application/s for Membership of the Club, scrutinise the same and shall have power to reject any incomplete application or for any other valid reason(s) including on grounds of any applicant/s not meeting the attributes required of him/her as stipulated in Clause 3)a)v) supra. Thereupon, a list of applicant/s shall be circulated to all Club Members 10 days (Ten days) before the date fixed for admission as Member(s) of the Club.</p> <p>In the event of any objections received in writing from 10 or more Club members against a proposal to admit a member under any category, the same shall be considered and decided by the Managing Committee.</p> <p>The Managing Committee shall elect applicant/s as members by a simple majority at an election, wherein there shall be a quorum of not less than “seven” members of the club serving on the Managing Committee.</p> <p>The decision of the Managing Committee shall be final and binding on the applicant.”</p>	<p>The timeline mentioned in the clause for circulation of applicants’ list has been reduced to 10 days (from the earlier period of 30 days), before the date fixed for admission as Member(s) of the Club.</p> <p>Except this, rest of the clause continues to remain the same.</p> <p>The change has been proposed to reduce the time involved in the membership admission process.</p>







9(d)	<p>The admission fees received from all the categories of members shall be deposited into a separate Bank Account (Escrow Account) to be maintained as a special Corpus Fund and the utilisation of the said funds would be as per the guidelines enumerated in the SOP approved by the Club Members by way of Special Resolution(s) passed in a General Meeting.</p> <p>The Managing Committee will supervise and control the fund operations and ensure strict compliance with guideline(s).</p>	<p>The admission fees received from all the categories of members shall be deposited into a separate Bank Account to be maintained as a special Corpus Fund and the utilisation of the said funds would be as per the guidelines enumerated in the SOP approved by the Club Members by way of Special Resolution(s) passed in a General Meeting.</p> <p>The Managing Committee will supervise and control the fund operations and ensure strict compliance with guideline(s).</p>	<p>The words “Escrow Account” has been deleted. <i>Escrow Accounts</i> do not earn any interest. This change would enable earning of interest on the Company’s funds lying in the said bank account.</p> <p>Except this, the rest of the clause continues to remain the same.</p>
10(ab)	NA	<p>Any Club member of 75 years and above who has held a minimum of 25 years of BTC Club membership is to be charged a monthly subscription of Rs. 500/- with applicable taxes, No Cover Charges applicable, subject to revision from time to time at a meeting of the General Body.</p>	<p>This clause has been added to reduce the subscription charges for the senior Club members, as a gesture of respect and appreciation for their long-standing association with the Club.</p>
10(bc)	NA	<p>Any Stand member of 75 years and above who has held a minimum of 25 years of BTC Club membership is to be charged a monthly subscription of Rs. 500/- with applicable taxes, No Cover Charges applicable subject to revision from time to time at a meeting of the General Body.</p>	<p>This clause has been added to reduce the subscription charges for the senior stand members, as a gesture of respect and appreciation for their long-standing association with the Club.</p>





11	All annual subscription shall become due on the first day of the financial year of the Club. The Secretary shall issue a notice to each Club Member and Stand Member by post that his annual subscription is due.	All monthly subscription amounts for every month shall become due on the first day of the subsequent month and the subscription amount is to be paid by on or before the twentieth day of the subsequent month. The Secretary shall issue a notice to each Club Member and Stand Member by email or by post that member's monthly subscription is due.	Club has earlier moved to the <i>monthly subscription</i> model from the <i>annual subscription</i> . The amendment has been proposed to align with the said change, besides also providing timelines for payment of the monthly subscription amount and for issue of notice through electronic mode or Post.
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The Managing Committee recommends the resolution set forth at Item No. 6,7,8,9 & 10.for the approval of the members.

None of the Members of the Managing Committee is concerned or interested in the resolutions as set out in Item No. 6,7,8,9 & 10.

Place: Bengaluru  
Date: 5<sup>th</sup> September, 2025

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

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

R. Manjunath Ramesh  
Chairman  
DIN: 10940396



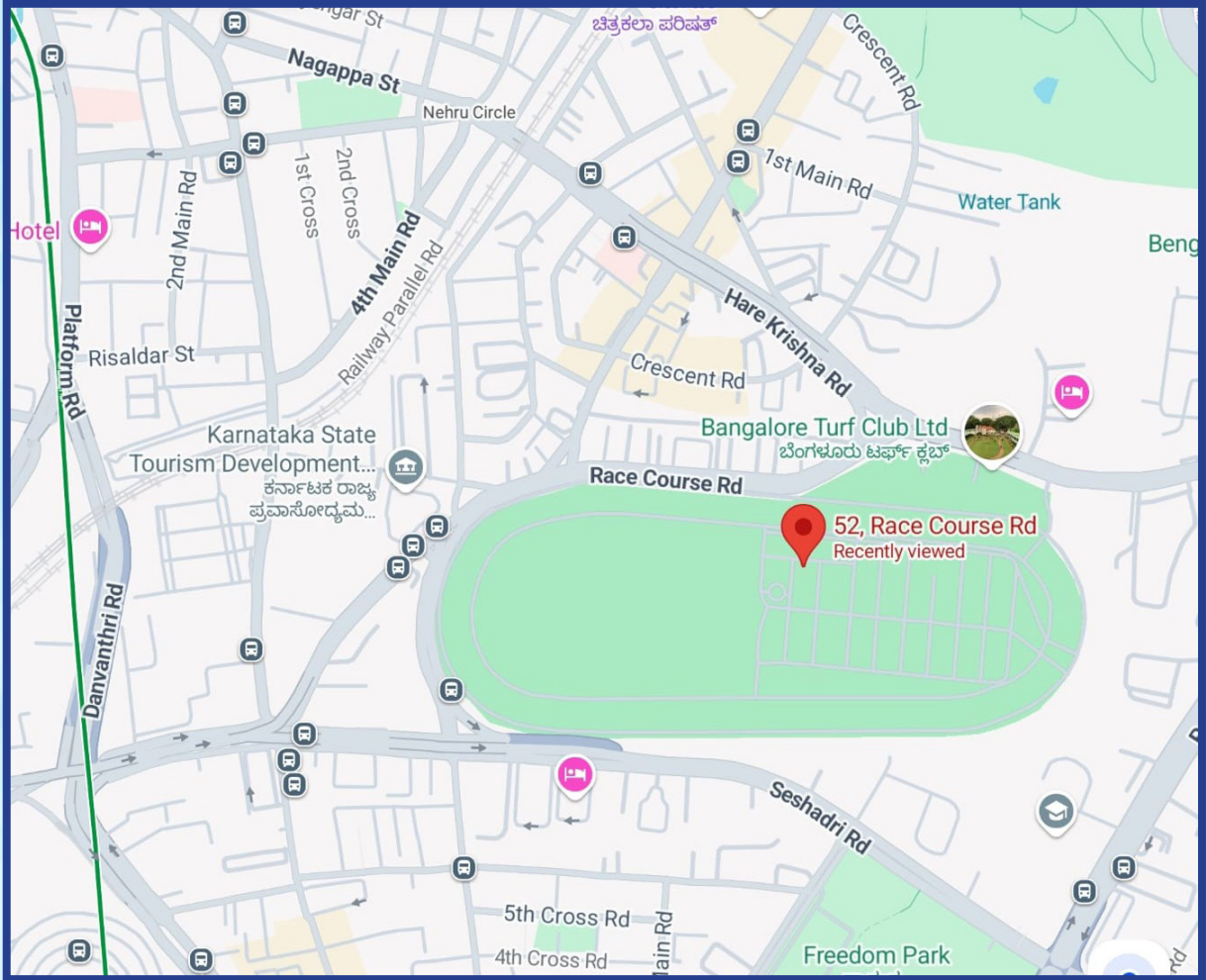




## **ROUTE MAP TO THE VENUE OF THE ANNUAL GENERAL MEETING OF THE BANGALORE TURF CLUB LIMITED**

‘No 52, Race Course Road, Bengaluru – 560001, Karnataka’

### **Route Map of the Venue**





## COMMITTEE'S REPORT FOR THE YEAR ENDED 31st MARCH, 2025

Dear Members,

Your Committee has pleasure in presenting its SIXTY FOURTH ANNUAL REPORT together with the Audited Financial Statements for the year ended 31st March, 2025.

### 1. RACING

The Club did not conduct racing activities during the period 1<sup>st</sup> April 2024 to 12<sup>th</sup> July 2024 due to administrative reasons. This was resolved later and the racing activities resumed from 13<sup>th</sup> July, 2024 onwards. This resulted in revenue loss of approx. Rs. 20 Crores.

### 2. SPONSORSHIP AND PRIZE MONEY:

a. Added money for Classic races during Bangalore Summer Meeting 2024 is given below:

(Amount in Rs.)

Sl. No	Classic Race	BSM 2024	BSM 2023
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:

(Amount in Rs.)

Sl No	Classic Race	BWM 2024-25	BWM 2023-24
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.25.55 crores as prize money, including Rs.1.83 crores towards incentives was paid by the Company for 37 race days during the year as compared to Rs. 30.86 crores paid, including Rs.2.13 crores towards incentives for 46 race days during the previous year. In addition, an amount of Rs.2.13 crores (PY Rs. 1.26 crores) was paid as subsidy.
- d. An expenditure of Rs.0.89 crores (PY Rs. 1.00 crores) was incurred for testing 630 samples (PY 820 samples) for doping.
- e. Prize Money of Rs. 2.00 crores (PY Rs. 2.00 crores) was paid in August, 2024 for "THE HPSTL BANGALORE SUMMER DERBY (GRADE I)" including a contribution of Rs.1.00 crores from M/s. HPSTL.



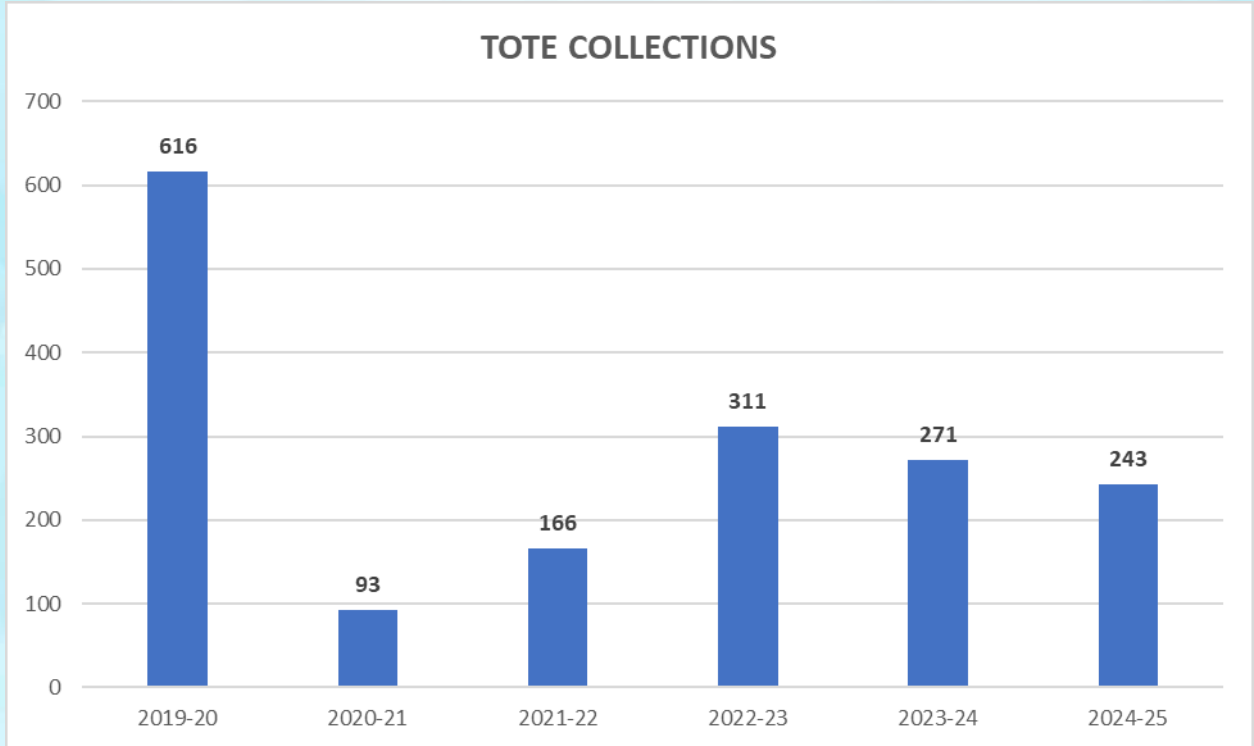


- f. Prize Money of Rs. 1.26 crores (PY Rs.1.71 crores) was paid during January, 2025 for "THE HPSTL BANGALORE DERBY (GRADE I)"including a Contribution of Rs. 0.50 Crores from M/s. HPSTL.

### 3. FINANCIAL RESULTS

Investment at the Totalisators was Rs 243 crores (P.Y. Rs.271.00 Crores)

(Total Collections in Cr.)





#### 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		778.53
2	Daily Income from Bookmakers		740.63
3	Gate Collections		464.68
4	Interest Income		8.14
5	Veterinary Hospital Receipts		2.41

##### b. Expenses:

Rs. In Lakhs

Sl No	Particulars	Increase	Decrease
1	Stakes Money and Cups		528.10
2	Salaries and Wages ( Inclusive Provision for Gratuity)	548.21	
3	Provision for GST		759.28
4	Provision for Deferred Tax		759.28
			476.51

\* Due to revaluation of gratuity fund of pet the actuarial valuation (AS -15)

- c. Overall, the company made a Loss of Rs. 11.43Cr ( Previous year Profit of Rs.0.33Cr) after providing for depreciation and Taxation as detailed under:

Rs. In Crores

Sl No	Particulars	31.03.2025	31.03.2024
1	Total Income, Including Taxes	115.23	142.19
2	Profit / (-)Loss before tax	-15.18	1.34
3	Taxes	-3.75	-1.01
4	Profit / (-)Loss after tax	-11.43	0.33

- d. 37(PY 46) race days and 227 days (PY 235days) of Inter Venue Betting were conducted on races held at various other centres during the year.

- e. Inter venue betting was conducted concurrently (Dual) on two racing centres over 40 (PY 36) days during the year.





- f. The club optimized the number of Off course Betting Centres (OCBC) based on the turnover and the operational cost. Currently the club operates Eight OCBCs.
- g. The Club has engaged the services of E&Y for Conducting Forensic Audit for the period of five years i.e. from the financial year 2019-20 to 2023-24.

**5. AVERAGE ATTENDANCE PER DAY AND NUMBER OF HORSES :**

Particulars	2024-25	2023-24
<b>No of Racing Patrons</b>		
Summer Meeting	2600	4300
Winter Meeting	3800	3050
<b>No. of Horses participated</b>		
Summer Meeting	401	592
Winter Meeting	510	489

**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 Capital 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. 29.81 lakhs (PY.Rs. 27.24 lakhs) was earned on deposits made by the Trust of which an amount of Rs. 27.53 lakhs (PY.Rs. 24.31 lakhs) was utilized for charitable activities.
- c. During the year, the Trust extended financial assistance to poor patients afflicted with kidney and heart diseases. The assistance, covering 54(PY. 70) patients, involved an amount of Rs. 24.53 lakhs (PY.Rs. 9.18 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. 2.90 lakhs (PY. 3.98lakhs) in favour of 33 (PY. 45) 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 by filing a writ petition contending that deduction under Section 194B is not applicable to the Company. During September 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 the 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 Section 201(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. 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.
- 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, 1961 demanding 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).
- v. During the previous year the Income Tax Department – TDS wing passed an order for the AY 2018-19 u/s 201(1A) of the Income Tax Act, 1961 demanding a total amount of 17.91 crores including an interest amount of Rs. 8.51 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 June 30, 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 Rs. 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 has been challenged before the Hon'ble Central Excise and Service Tax Appellate Tribunal (CESTAT) and the appeal has been admitted by CESTAT.
- f. During the previous 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 Totalizers 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 had not accepted the property tax demand and had preferred an appeal against the order. The company was 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 had 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 waited.
- 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. However, the BBMP is yet to furnish a copy of the gazette notifications relating to road widening.
- 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.
- 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 in Rs. (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 July' 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.

During the current year an amount of Rs. 72,82,694/- paid towards property tax.

#### 11. Case by Compassion Unlimited Plus Action (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 liable for levy of GST with effect 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:

SI 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%)	Notification No.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.	Circular No.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	Rule 31A-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 up to 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 (No. 11168/2018) 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. 189.89 lakhs (P.Y.Rs. 194.54 lakhs) was paid to the Government of Karnataka towards Taxes for the year ended March 31, 2025.

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

(Rs. in Lakhs)

Particulars	Year Ended 2025	Year Ended 2024	Year Ended 2023
Licence Fees	163.95	168.60	170.4
User Fees to Govt. of Karnataka	25.94	25.94	60.00
Total	189.89	194.54	230.40

**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

- a. The Annual Maintenance Contracts (AMC) executed separately for maintenance of the Automated Betting System, Office Automation customized Software along with Tally Prime based solution and other allied equipment involved a payment of Rs. 101.84 Lakhs (P.Y.122.98 Lakhs).
- b. WhatsApp messaging has been implemented for Club Members and Stand Members, with future expansion planned for Owners, Trainers, and Jockeys.
- c. Implemented dual payment gateways within the existing SaaS-based wagering application to support seamless online transaction flows, covering both deposit and withdrawal functions.
- d. Introduced online ticketing via the official website for entry on special race days, enhancing customer convenience and accessibility.
- e. Created a dedicated B.A.R.I. (Bangalore Amateur Riders Institute) module within the official website, enhancing the institute's visibility and accessibility.
- f. Deployed biometric attendance at OCBCs to streamline tracking and improve staff accountability.
- g. Additional gateway services have been made available for the live broadcasting of races, for the customer's convenience and accessibility.
- h. The new payroll software has been implemented and upgraded to support all categories of employees, including permanent, contract, and race day staff.
- i. As part of ongoing cost-cutting efforts related to existing services, the IT department has undertaken significant initiatives by negotiating with service providers, resulting in measurable savings for the current year.
- j. Upgraded the betting system firewall to strengthen security protocols and enhance overall system efficiency.
- k. Commenced a combined jackpot pool with MRC, MYRC, RWITC, and RCTC to enhance pool strength and inter-club collaboration.
- l. In response to high demand from racing patrons, we have revised the totalizator rules for the Exacta winner and runner, as well as the Trinella winner and runner pools, to better benefit them.





- m. The dual venue wagering operation has been conducted, with the necessary technical infrastructure initially extended to two OCBCs and now expanded to all OCBCs.
- n. To ensure system redundancy and reliability, a backup solution for the Photo finish system has been deployed, with both primary and secondary units running in parallel.

#### 16. RACING:

##### a. NUMBER OF HORSES:

Year Ended	No. of 2yr Old	No. of 3+ Yr Older	TOTAL
2023	215	580	795
2024	193	508	701
2025	218	530	748

##### b. TRAINERS AND JOCKEYS:

There were 31 'A' licensed Trainers and 32 "B" licensed Trainers at Bangalore Turf Club Limited.

Around 121 Jockeys including 60 "A" licensees and 61 "B" licensees inclusive of 20 Apprentice Jockeys were licensed to ride at Bangalore.

The average prize money of Trainers and Jockeys during the year 2024-25 for 7 months of racing was as follows:

Rs. In Lakhs

Category	Prize Money	Average Per Year	Per Racing month
Trainers	245.95	20.50	11.96
Jockeys	182.63	15.22	8.88

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

Rs. In Lakhs

Category	Days	Owner	Trainer	Jockey	Breeder	Total
BSM 2024	13	818.73	99.24	74.43	3.20	995.60
BWM 24-25	24	1066.10	146.70	108.20	2.01	1323.01

- **Starting Gate:**

Implemented Safety Measures to prevent false starts, a metal plate was installed to cover the magnet area for preventing untoward incidents and introduced a new, more efficient horse loading pattern, reducing loading time and minimizing stress on horse.

Handlers have demonstrated improved skills under guidance, with other centres requesting their services.





17. **BANGALORE AMATEUR RIDERS INSTITUTE**

- 18 horses were stabled at the Institute during the year.
- Increased student enrolments by offering suitable platforms and issued BARI Certificates to successful riders.
- Introduced evening riding classes and with a new fee structure after benchmarking with other riding schools.
- Hiring professional coaches to enhance instruction quality, Digital marketing initiatives, including social media optimization and content creation.
- The operational costs including Employee benefits of Rs. 58.35 lakhs as against and income of Rs. 17.64 lakhs, the loss of BARI is Rs. 40.71 lakhs.

18. **CLUB HOUSE:**

The Club House sales of Rs. 118.57 lakhs (P.Y. Rs. 105.64 lakhs) including an amount of Rs. 88.25 lakhs (P.Y. Rs. 96.21 lakhs ) at the BAR.

19. **CATERING:**

- Catering expenses were Rs. 43.68 lakhs (P.Y. Rs. 63.08 lakhs) and royalty received from contract vendors was Rs. 21.94 lakhs (P.Y. Rs. 29.40lakhs).
- Continued outsourcing of catering services at the Club house to a professional caterer, resulted profit of Rs. 14.73 lakhs against profit for the (PY Rs. 19.96 lakhs).

20. **ADMINISTRATION AND ESTABLISHMENT:**

- As on 31st March 2025, 57(P.Y.58) Employees (including probationers) are employed on the permanent rolls of the Company, including 25 (PY 25) officials and an expenditure of Rs. 6.35 crore was incurred on salaries (P.Y.RS .7.05 crore).
- An expenditure of Rs. 6.40 crore(P.Y. Rs.6.70 crore) was incurred towards payment of wages in respect of Race Day Staff working at the Company.
- An expenditure of Rs. 9.03 crore (P.Y. Rs. 8.88 crore) was incurred towards payment of wages in respect of contractual Employees working at the Company.
- In all, the Company incurred an expenditure of Rs. 21.78 Crore(P.Y. Rs. 22.63 crore) towards employees benefits. A summary is given below:

Rs. In Crores

Category	2024 – 25	2023-24	Increase/(-) Decrease
Permanent	6.35	7.05	-0.70
Contract	9.03	8.88	0.15
Daily wage	6.40	6.70	-0.30
<b>Total</b>	<b>21.78</b>	<b>22.63</b>	<b>-0.85</b>

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





## 21. TOTALISATORS SECTION:

- The Club recorded a highest Tote turnover of Rs.3.30 Crores with 328 betting terminals in operational on Sunday, 25<sup>th</sup> August 2024 during the BSM – 2024, THE HP SL BANGALORE SUMMER DERBY weekend races without the Bookmakers operating.
- The Club made a Tote turnover of Rs.2.41 Crores with 304 betting terminals in operational on Sunday, 26<sup>th</sup> January 2025 during the BWM – 2024-25, THE HP SL BANGALORE DERBY weekend races with Bookmakers operating.
- The rollback of TDS on winning dividend of Rs.10,000/- in respect of a single transaction has helped the Club to restore all pay only Betting Terminals into both Sell & Pay mode this has resulted in single window clearance and improve collections at Totalizators.
- The Club has facilitated and started operating dual venues at all OCBC centres, the much-needed convenience to the regular Racing patrons to place their choice of bets.
- The existing Club's policy to freeze new recruitment of race day daily wage employee continues, existing race day employees are not being replaced as they leave and due to retirements has gradually decreased in the overall race day employee count and reduced wages outflow.
- 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.
- 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.
- Regrouping race day staff from Totalisator Section and moving non race day staff to the respective Sections for better accountability and for better utilization of work from the resources available.
- 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 dedicated lady staff was deployed to address the grievances and issues pertaining to women at the Totalisator Section.
- Continued to freeze new recruitment of race day daily wage employees.

## 22. INVESTMENTS:

An amount of Rs. 18.96 crore (PY. Rs. 65.24 crore) stands deposited with HDFC Bank (Principal bankers), Kotak Mahindra Bank and State Bank of India.

The Company realized an interest of Rs. 2.31 crore (PY.Rs 4.82 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 10<sup>th</sup> 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 18<sup>th</sup> 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.

#### 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.

All GST related petitione filed by various Race clubs before the Hon'ble High Courts of their Respective states have now been tranferred to the Hon'ble Supreme Court, where the Matter is presently Pending adjudication.

#### 25. **LOOKING AHEAD:**

- Phase 2 of the office automation system project, including its integration with the ERP application, is set to commence.
- We are currently in the process of setting up a system to generate entry tickets for racing patrons at all enclosures and OCBCs.
- We plan to redesign and develop the official website to improve user experience and functionality.
- The latest version upgrade of the ERP application's framework components is currently underway to enhance security and performance.
- The core betting network, along with allied components, needs to be upgraded and refreshed.
- A plan to redesign the ERP network between the storage device and the server is necessary to improve overall performance.
- Plan to enhance race competitiveness by attracting quality horses through an increase in stake money, while carefully considering clubs financial situation and also aim to bring more transparency to our operations.
- Procurement of new Starting gate to replace the 25 year old existing gate for safety and efficiency.

#### 26. **MEMBERSHIP OF THE CLUB:**

As on 31st March 2025, there were 344 Club Members and 187 Stand Members.

Mr. Sajjan R Rao, Club Member has resigned on 2<sup>nd</sup> September 2024.

Pursuant to the resolution passed at the Extra Ordinary General Meeting held on 24th March 2025, Corporate Membership was newly introduced apart from Club and Stand Membership. The maximum limit of Club Membership was extended from 350 to 1350, Stand Membership from 200 to 500 and Corporate Membership ceiled up to 150.

The Club has started issuing applications for the Membership in all the categories.





**27. CONDOLENCES:**

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

SINo	Name of the Member	Date of Demise
1	Shri. B. Chinnaswamy Setty	28 <sup>th</sup> November, 2024
2	Shri. B.N. Garudachar	28 <sup>th</sup> March, 2025
3	Dr. Thomas Chandy	8 <sup>th</sup> April 2025

**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 the club.

**29. STEWARDS:**

The following 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

The following Additional Stewards Appointed on 15th July 2024.

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

The following were elected as Stewards at the 63rd AGM held on 12<sup>th</sup> December 2024.

- Mr. R. Manjunath Ramesh
- Mr.Mahesh C. Medappa
- Mr. L. Shivashankar

The following Additional Steward Appointed on 14<sup>th</sup> December 2024.

- Mr. K.A. Jagadish





The following Additional Stewards Appointed on 20<sup>th</sup> December 2024.

- a. Mr. Arun Kumar Parasa
- b. Mr. K. Nagaraju

Mr. R. Manjunath Ramesh, Mr. Mahesh C Medappa and Mr. L. Shivashankar will continue to hold office till conclusion of AGM in the year 2026.

### **30.COMMITTEE MEMBERS:**

The following Committee Members resigned on 1st July 2024

- a. Mr. Darshan Lokesh
- b. Dr. C.A. Prashanth

The following Committee Members resigned on 8th July 2024.

- a. Mr. Dayanand R. Mandre
- b. Mr. K. Shasha Bindu Das

The following Additional Committee Members appointed on 8th July 2024.

- a. Mr. ChadurangaKanthrajUrs
- b. Dr. T.N. Raghunath

The following Additional Committee Member Appointed on 15th July 2025.

- a. Mr. K. Harish Nayak

The following were elected as Committee Members at the 63 rd AGM held on 12th December 2024.

- a. Mr. Dayanand R. Mandre
- b. Dr. C.A. Prashanth

6.The following Additional Committee Members appointed on 14<sup>th</sup> December 2024.

- a. Mr. Chaduranga Kanthraj Urs
- b. Mr. K. Harish Nayak

Mr. Dayanand R. Mandre and Dr. C.A. Prashanth will continue to hold the Office till the Conclusion of the AGM in the year 2026.

### **31.MEETINGS:**

#### **MANAGING COMMITTEE MEETINGS:**

The number of Managing Committee meetings held between 12th December, 2024 to 5<sup>th</sup> September, 2025 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. R. Manjunath Ramesh (Chairman)	27	27
2	Mr.L.K. Atheeq, IAS [Upto 31.01.2025]	27	3
3	Mr. Arun Kumar Parasa	27	18
4	Mr. Arvind S. Katarki	27	21
5	Mr. Chaduranga Kanthraj Urs	27	23
6	Mr. B.Dayananda, IPS [Upto 04.06.2025]	27	10
7	Mr. Dayanand R. Mandre	27	25
8	Mr. K. Harish Nayak	27	22
9	Mr. K.A. Jagadish	27	24
10	Mr.Mahesh C. Medappa	27	24
11	Mr. K. Nagaraju	27	17
12	Dr. C.A. Prashanth	27	21
13	Mr. Ritesh Kumar Singh, IAS [From 01.02.2025]	27	Nil
14	Mr. Seemanth Kumar Singh, IPS [From 05.06.2025]	27	Nil
15	Mr. L. Shivashankar	27	22
16	Mr. Vikram Singh	27	1

### 32.SUB COMMITTEES

#### i) SUB-COMMITTEE (HUMAN RESOURCE, ADMINISTRATION & ESTABLISHMENT)

- Mr.R. Manjunath Ramesh (Chairman)
- Dr. Amar Kumar Pandey [Special Invitee]
- Mr. S.K. Bhaskar Raju
- Mr. C. Ganesh Narayan [Special Invitee]
- Mr. Girish Baliga
- Mr. V. Pravindra Velu
- Ms. Sushma Kadali

#### ii) SUB-COMMITTEE (FINANCE, AUDIT & RESEARCH AND DEVELOPMENT)

- Mr. R. Manjunath Ramesh (Chairman)
- Dr. Deepak R.L. [Special Invitee]
- Mr. Gangadhar N.
- Mr. Ganesh Narayan [Special Invitee]
- Mr. A.S. Karthik Chandra
- Mr. Naval R. Narielwalla [Special Invitee]
- Mr. S.K. Raghunandan
- Mr. A.A. Sanjai Poll





**iii) SUB-COMMITTEE (SECURITY AND BARI)**

- a. Dr. C.A. Prashanth (Chairman)
- b. Dr. Arvind M.N.
- c. Mr. N. Gangadhar
- d. Mr. M.C. Manjunath Urs
- e. Mr. Vikram Kote V.R.

**iv) SUB-COMMITTEE (CLUB HOUSE, CATERING & CANTEEN AND EVENT MANAGEMENT)**

- a. Mr. K. Harish Nayak (Chairman)
- b. Mr. Byriah Siddaramu
- c. Mr. Fazal Ur Rahman
- d. Mr. Shankar Srinivas
- e. Mr. Naveen N. Raju

**v) SUB-COMMITTEE (IT, TOTALIZATOR AND TELECASTING)**

- a. Mr. K.A. Jagadish (Chairman)
- b. Mr. Arun Kumar Parasa [Special Invitee]
- c. Mr. Chaduranga Kanthraj Urs [Special Invitee]
- d. Mr. Chaitanya N. Sreenivas
- e. Mr. Mahesh C. Medappa
- f. Mr. Nikhil Yathiraj

**vi) SUB-COMMITTEE (LEGAL AND GST)**

- a. Mr. L. Shivashankar (Chairman)
- b. Mr. Darshan Lokesh
- c. Mr. B.P. Mahesh Sivananda
- d. Mr. B.S. Manjunath
- e. Mr. S.K. Raghunandan

**vii) SUB-COMMITTEE (RACING)**

- a. Mr. Mahesh C Medappa (Chairman)
- b. Mr. Darshan Lokesh
- c. Mr. Girish Baliga
- d. Mr. Rajan Aggarwal
- e. Mr. Ranjan Chona
- f. Mr. D. Shailesh Shivaswamy
- g. Mr. A.C. Satish Chandra [Special Invitee]
- h. Mr. Shivkumar Kheny [Special Invitee]

**viii) SUB-COMMITTEE (MAINTENANCE OF ENCLOSURES & PURCHASE AND NEGOTIATIONS)**

- a. Mr. R. Manjunath Ramesh (Chairman)
- b. Mr. S. Bhaskar
- c. Mr. ByriahSiddaramu
- d. Mr. D.P. Dinesh







- e. Mr. B. Nandish
- f. Mr. Prakash Palaniswamy

**ix) SUB-COMMITTEE (INTERNAL COMPLAINTS COMMITTEE, PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORK PLACE)**

- a. Mr. K.A. Jagadish (Chairman)
- b. Mr. ChadurangaKanthrajUrs
- c. Ms. Sushma Kadali
- d. Smt. Shwetha P. R.

**x) SUB-COMMITTEE (OCBC, SPONSORSHIP AND MARKETING)**

- a. Mr. Dayanand R. Mandre

**xi) SUB-COMMITTEE (TRACK AND STABLES)**

- a. Mr. Mahesh C Medappa (Chairman)
- b. Mr. S. Bhaskar
- c. Mr. Clinton Miller
- d. Mr. N. Gangadhar
- e. Mr. K. Jayaram
- f. Mr. Zeyn Mirza

**xii) SUB-COMMITTEE (VETERINARY)**

- a. Mr. K.A. Jagadish (Chairman)
- b. Mr. Chaduranga Kanthraj Urs
- c. Dr. N.M.Dinesh
- d. Dr. Hasneyn Mirza

**xiii) Sub-Committee [Online Wagering and Liasioning with Government]**

- a. Mr. Arun Kumar Parasa (Chairman)
- b. Mr. Bharath Bagmane
- c. Mr. BharathramLokkur
- d. Mr. Nikhil Yathiraj

**33. PARTICULARS OF EMPLOYEES:**

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

**34. AUDITORS:**

The term of the current Joint Statutory Auditors of the Company, M/s. Dhariwal & Sreenivas (Firm Registration No 007197S) and M/s. R. Chandrasekhar and Associates (Firm Registration No 006783S), Chartered Accountants, expires at the conclusion of the 64<sup>th</sup> Annual General Meeting. The Managing Committee after due consideration of the qualifications, experience and expertise of M/s. Vishnu Daya & Co LLP (Firm Registration No. 008456S/S200092), Chartered Accountants, has recommended them for appointment as the new Statutory Auditors of the Company, for the approval of the members. The term of appointment is proposed for a period of five years from the conclusion of the forthcoming AGM of the Company, i.e. 64<sup>th</sup> AGM, till the conclusion of the 69<sup>th</sup> AGM of the Company to be held in the year 2030. The total remuneration to be paid to the auditors is proposed at Rs. 10 lakhs per year, along with out of pocket expenses which may be incurred by them for the purpose of the audit not exceeding Rs. 10,000/- per year.



Pursuant to Section 139 of the Companies Act, 2013 and the Rules framed thereunder, the Company has received written consent from M/s. Vishnu Daya & Co LLP, Chartered Accountants, and a certificate that they satisfy the criteria provided under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and Rules framed thereunder.

Your Committee recommends the appointment of M/s. Vishnu Daya & Co LLP as the statutory auditors of the Company.

### **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 framework 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, Bangalore 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 strength 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:**

In the terms of section 134(3) of the companies Act, 2013, the committee of Management make the following statements to the best of their knowledge, belief and according to the information and explanations obtained.

- i) That in preparation of Annual Accounts, the applicable accounting standards has been followed and no material





departures have been made from the same.

- ii) The directors have selected appropriate accounting policies and consistently and applied them 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 income or expenditure account of the Company for that period.
- iii) That the Directors have been 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) That the annual accounts for the year ended 31<sup>st</sup> March, 2025 have been prepared on a going concern basis.
- v) That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and the systems were adequate and operating effectively.

**38. CORPORATE SOCIAL RESPONSIBILITY:**

The requirements of the provisions on corporate social responsibility under the Companies Act, 2013 were not applicable to the Company during 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 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 NoAOC-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. 11.43 crores to the Reserves and Surplus in view of loss incurred during the year 2024-25. The Company holds Rs. (-) 3.56 crores in Reserves and Surplus as on March 31st 2025 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. Company has not issued any Shares or Employee Stock Options to the new allottees/Employees. Hence, this requirement 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 under the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013.

**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.

**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 had earlier appointed Mr. Shrinivas Devadiga, Company Secretary in Practice (Certificate of Practice No: 10372) to undertake the **Secretarial** Audit. The Secretarial Audit Report issued by him for the financial year 2024-25 ngs is annexed herewith as Annexure 1, forming part of the Committee's Report.

**54. COMMENTS IN RESPECT OF THE QUALIFICATIONS IN THE AUDITOR'S REPORT AND SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED 31ST MARCH 2025:**

- a. The Hon'ble Supreme Court of India after hearing the petitions has granted leave in the matter by its order dated 25<sup>th</sup> 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, Sri. L.K.Atheeq IAS, Sri. B Dayananda IPS, the retiring Stewards, Sri. Arun Kumar Parasa, Sri. K.A. Jagadish, Sri. K. Nagaraju and Committee Members Sri. Chaduranga Kanthraj Urs, Sri. K. Harish Nayak.

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 Kotak Mahindra Bank Limited, bankers to the Club.

R. Manjunath Ramesh

K A Jagadish

Dr. C A Prasanth

L Shivashankar

Arvind S Katarki

Arun Kumar Parasa

K Nagaraju

K. Harish Nayak

Chaduranga Kanthraj Urs

Mahesh C Medappa

Ritesh Kumar Singh, IAS

Seemanth Kumar Singh, IPS

Vikram Singh





**CS. Shrinivas M Devadiga**

**COMPANY SECRETARY**

**Bangalore**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31.03.2025**

[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 31.03.2025**

To,  
The Members,  
BANGALORE TURF CLUB LIMITED.  
Regd Office: RACE COURSE ROAD BANGALORE - 560 001  
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.

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](mailto:santhruptics@gmail.com)

**Bangalore**

**Mumbai**





**CS. Shrinivas M Devadiga**

**COMPANY SECRETARY**

**Bangalore**

I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by BANGALORE TURF CLUB LIMITED ("the Company") for the financial year ended on 31.03.2025 according to the provisions of:

The Companies Act, 2013 (the Act) and the rules made thereunder;

(II) 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:

- (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](mailto:santhruptics@gmail.com)

**Bangalore**

**Mumbai**



## **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. T.H.R Rajeev was elected as steward on 25<sup>th</sup> September 2023. However, Form DIR 12 was not filed with Registrar of Companies within prescribed time.

2. Mr. L.K. Atheeq, Mr. B Dayanand and Mr. Vikram Singh were appointed as Nominee Directors by the virtue of their office but return of appointment in the Form DIR 12 was 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 representations made by the Management, Certification of Annual Return in the form of MGT 8 for the year ended 31<sup>st</sup> March 2024 was not filed with Registrar of Companies during the period under the review.

During the period under review and as per the explanations and clarifications given to me and representations made by the Management, Annual return in the e-form MGT 7 for the year ended 31<sup>st</sup> March 2024 was not filed with Registrar of Companies during the period under the review.

During the period under review and as per the explanations and clarifications given to me and representations made by the Management, Company modified its charge (Charge Id – 10404824) with Kotak Mahindra Bank with respect to enhancement OD renewal was not filed with Registrar of Companies during the period under the 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.

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](mailto:santhruptics@gmail.com)

**Bangalore**

**Mumbai**





**CS. Shrinivas M Devadiga**

**COMPANY SECRETARY**

**Bangalore**

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 166.70 lakhs is carried as the written down value of buildings constructed on such lease hold land, as at March 31, 2025 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. 166.70 Lakhs (previous year Rs. 185.27 Lakhs) as at the date of the balance sheet and a sum of Rs. 18.57 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.

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**Bangalore** **Mumbai**







**CS. Shrinivas M Devadiga**

**COMPANY SECRETARY**

**Bangalore**

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: A022381G001168636

Place: Bangalore

Date: 05/09/2025

No.105 Munireddy Building, Gear International School Road, Karmelaram Post, Doddakannelli, Near  
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**Bangalore** **Mumbai**





**CS. Shrinivas M Devadiga**

**COMPANY SECRETARY**

**Bangalore**

\*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.

**'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.

—  
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**Bangalore** **Mumbai**





**CS. Shrinivas M Devadiga**

**COMPANY SECRETARY**

**Bangalore**

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: A022381G001168636

Place: Bangalore

Date: 05/09/2025

No.105 Munireddy Building, Gear International School Road, Karmelaram Post, Doddakannelli, Near  
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**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, 2025, 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, 2025, its loss 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. 166.70 lakhs is carried as the written down value of buildings constructed on such lease hold land, as at March 31, 2025 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. 166.70 lakhs (previous year Rs. 185.27 lakhs) as at the date of the balance sheet and a sum of Rs. 18.57 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.

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.
- 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

- (a) The provision made for Goods and Services Tax as noted in note no. 22.1 of the notes to financial statements and the contingent liability on account of Goods and Services Tax as noted in note no. 23.1 (a) of the notes to financial statements.
- (b) 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. 23.1(b) and 23.1(d) of the notes to financial statements.
- (c) The contingent liability on account of tax deductions u/s 194BB of the Income Tax Act as noted in note no. 23.1(c) and 23.1(d) of the notes to financial statements.
- (d) The contingent liability on account of Service Tax as noted in note no. 23.1(e) and 23.1(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

- (a) 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.
- (b) As required by section 143(3) of the Act, we report that:
- i. 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;
  - ii. 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;
  - iii. 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;
  - iv. 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;
  - v. 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;
  - vi. On the basis of representations from the directors and the verification of the Director Identification Numbers in the portal of the Ministry of Corporate Affairs, none of the directors is disqualified from being appointed as a director in terms of Section 164(2) of the Act;
  - vii. 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, 2025 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;
  - viii. 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
  - ix. 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, 22.1 and 23.1 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;
- (ai) 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
- (bi) 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 ; and
- (f) Based on our examination which included test checks performed by us, the Company has used accounting software for maintaining their books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of audit, we have not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

**For R. CHANDRASHEKAR  
AND ASSOCIATES**

Chartered Accountants  
Firm Registration No. 006783S

**For DHARIWAL & SREENIVAS**

Chartered Accountants  
Firm Registration No. 007197S

**V. GANESH**

Proprietor  
Membership No. 202995  
No. 311 / 312, Raheja Chambers  
No. 12, Museum Road  
BANGALORE – 560 001

**SREENIVAS BABU PENUGONDA**

Partner  
Membership No. 028804  
No.10, (Old No.144), South Park Road  
Opp. Seshadripuram College  
BANGALORE – 560 020

UDIN : 252022995BMHXLJ6439

UDIN : 250288204BMIZRL2460

Date : September 5, 2025





## **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, 2025]

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, 2025 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 Statute	Nature of the dues	Period	Amount in (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 2017-18	15,628.17	Honourable High Court of Karnataka
The Income Tax Act, 1961	Income Tax	2015-16	584.33	Commissioner of Income Tax (Appeals), Bangalore
The Income Tax Act, 1961	Income Tax	2016-17	1,093.59	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	102.21	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.
- (h) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (i) 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.
- (j) 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.

- (k) 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
- (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 incurred cash losses in the financial year (Rs. 1,316.66 lakhs) and had not incurred cash losses 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

**For DHARIWAL & SREENIVAS**  
Chartered Accountants  
Firm Registration No. 007197S

**V. GANESH**  
Proprietor  
Membership No. 202995  
No. 311 / 312, Raheja Chambers  
No. 12, Museum Road  
BANGALORE – 560 001  
UDIN : 25202995BMHXLJ6439

**SREENIVAS BABU PENUGONDA**  
Partner  
Membership No. 028804  
No.10, (Old No.144), South Park Road  
Opp. Seshadripuram College  
BANGALORE – 560 020

UDIN : 25028804BMIJRL2460

Date : September 5, 2025





## Summary of Financial Statements 2024-25

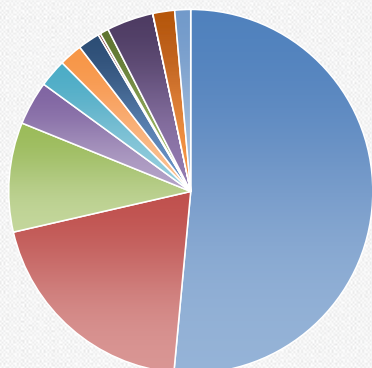
in Lakhs

Particulars	Amount	
<b>Decrease in Expenditure</b>		
Course Expenses	184.56	
Stakes Money	528.10	
Repairs and Maintenance	47.14	
Depreciation	25.74	
Licence Fees	4.65	
Provision for GST Interest	759.28	
Provision for Deferred tax	476.51	
Veterinary Expenditure	19.52	
Club House - Purchase	12.43	
Finance Cost	2.82	
Rates and Taxes	101.37	
Security Charges	16.75	
Power and Fuel	32.38	
Race Day Catering Expenditure	19.40	
Other Expenses	161.68	
		<b>2,392.34</b>
<b>Increase in Income</b>		
	-	
		-
<b>Decrease in Income</b>		
Daily Income From Bookmakers	740.63	
Gate Collections	464.68	
Veterinary Hospital Receipts	2.41	
Net Commission on Tote	778.53	
Live Telecast Charges	77.24	
Club House Receipts and BARI	17.71	
Interest Income	8.14	
Subscription from Members	0.01	
Sponsorship Received - Stake Money	67.89	
Entry and Forfeit Money	78.17	
Mobile Usage Charges	8.03	
Other Operating Income	47.57	
Other Income	400.87	
		<b>2,691.88</b>
<b>Increase In Expnditure</b>		
Salaries and Wages	548.21	
Share of Income Paid other clubs	25.84	
Subsidy to Owners and Trainers	91.14	
Rent	35.05	
Legal and Professional Charges	29.49	
Other Operating Expenses	15.98	
		<b>745.72</b>
<b>Net Decrease in Expenditure</b>		<b>-1,045.26</b>

\*Variations over 2023-24 (in Lacs)



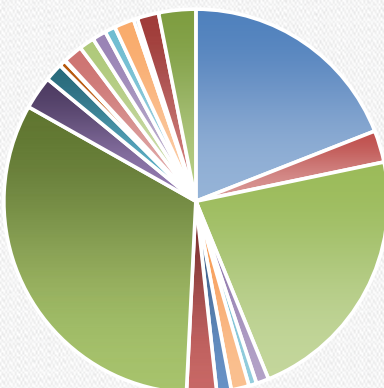
## FINANCE



- Net Commission on Tote
- Daily Income From Bookmakers
- Gate Collections
- Veterinary Hospital Receipts
- Live Telecast Charges
- Sponsorship Received - Stake Money
- Entry and Forfeit Money
- Mobile Usage Charges
- Club House Receipts
- Interest Income
- Subscription from Members
- Other Operating Income
- Other Income

### Source and Application of Funds for the year 2024-25

Particulars	Amount(In lacs)	%
<b>Sources of Funds</b>		
Net Commission on Tote	5,931.95	51.47%
Daily Income From Bookmakers	2,298.05	19.94%
Gate Collections	1,118.97	9.71%
Veterinary Hospital Receipts	450.27	3.91%
Live Telecast Charges	285.11	2.47%
Sponsorship Received - Stake Money	237.51	2.06%
Entry and Forfeit Money	223.87	1.94%
Mobile Usage Charges	24.92	0.22%
Club House Receipts	88.21	0.77%
Interest Income	478.99	4.16%
Subscription from Members	1.06	0.01%
Other Operating Income	222.33	1.93%
Other Income	162.74	1.41%
	<b>11,523.95</b>	<b>100%</b>



- Stakes Money
- Course Expenses
- Salaries and Wages
- Share of Income Paid other clubs
- Repairs and Maintenance
- Depreciation
- Licence Fees
- Veterinary Expenditure
- Provision for GST Interest
- Provision for Deferred tax
- Subsidy to Owners and Trainers
- Club House - Purchase
- Finance Cost
- Rent
- Rates and Taxes
- Security Charges
- Power and Fuel
- Legal and Professional Charges
- Race Day Catering Expenditure
- Other Operating Expenses
- Other Expenses

### Application of Funds

Particulars	Amount(In lacs)	%
Stakes Money	2,555.67	22.18%
Course Expenses	360.48	3.13%
Salaries and Wages	2,964.98	25.73%
Share of Income Paid other clubs	141.74	1.23%
Repairs and Maintenance	88.35	0.77%
Depreciation	201.48	1.75%
Licence Fees	163.95	1.42%
Veterinary Expenditure	338.00	2.93%
Provision for GST Interest	4,343.58	37.69%
Provision for Deferred tax	-375.06	-3.25%
Subsidy to Owners and Trainers	205.16	1.78%
Club House - Purchase	73.52	0.64%
Finance Cost	8.20	0.07%
Rent	218.94	1.90%
Rates and Taxes	172.27	1.49%
Security Charges	155.47	1.35%
Power and Fuel	119.72	1.04%
Legal and Professional Charges	225.50	1.96%
Race Day Catering Expenditure	43.69	0.38%
Other Operating Expenses	242.10	2.10%
Other Expenses	419.30	3.64%
<b>Surplus/(Deficit)</b>	<b>-1,143.09</b>	<b>-9.92%</b>
<b>Total</b>	<b>11,523.95</b>	<b>100%</b>





CIN:U99999KA1962PLC001449

**BALANCE SHEET AS AT MARCH 31, 2025**

(All amounts in Rs. lakhs, unless otherwise stated)					
		As at March 31, 2025		As at March 31, 2024	
	Note No	Details	Amount	Details	Amount
<b><u>EQUITY AND LIABILITIES</u></b>					
<b><u>Shareholders' Funds</u></b>					
Reserves and Surplus	2		(356.39)		786.70
<b><u>Current Liabilities</u></b>					
Short Term Borrowings	3	150.15		-	
Trade Payables	4	1,835.59		1,963.94	
Other Current Liabilities	5	869.55		1,220.13	
Short Term Provisions	6	7,565.15		9,078.93	
		-----	10,420.44	-----	12,263.00
			<u>10,064.05</u>		<u>13,049.70</u>
	<b>Total</b>		<u>10,064.05</u>		<u>13,049.70</u>
<b><u>ASSETS</u></b>					
<b><u>Non-Current Assets</u></b>					
<b><u>Property, Plant and Equipment</u></b>					
Property, Plant and Equipment	7	629.42		768.69	
Intangible Assets		9.40		18.19	
		-----	638.82	-----	786.88
Deferred Tax Asset (Net)	8	2,408.35		2,026.27	
Long Term Loans and Advances	9	11.00		-	
Other Non-Current Assets	10	960.07		826.72	
		-----	3,379.42	-----	2,852.99
<b><u>Current Assets</u></b>					
Inventories	11	84.90		77.72	
Trade Receivables	12	266.96		251.08	
Cash and Bank Balances	13	2,624.02		5,990.64	
Short Term Loans and Advances	14	2,901.36		2,593.68	
Other Current Assets	15	168.57		496.71	
		-----	6,045.81	-----	9,409.83
			<u>10,064.05</u>		<u>13,049.70</u>
	<b>Total</b>		<u>10,064.05</u>		<u>13,049.70</u>
Significant Accounting Policies	1				

In terms of our report of even date

**For R. Chandrashekar and Associates**

Chartered Accountants

Firm Registration No. 006783S

**For Dhariwal & Sreenivas**

Chartered Accountants

Firm Registration No. 007197S

**V. Ganesh**

Proprietor

Membership No. 202995

UDIN: 25202995BMHXLJ6439

**Sreenivas Babu Penugonda**

Partner

Membership No. 028804

UDIN: 25028804BBIJRL2460



# STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025

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

		2024 - 2025		2023 - 2024	
	Note No.	Details	Amount	Details	Amount
<b>INCOME</b>					
Revenue from Operations	16	10,882.22		13,165.09	
Other Income	17	641.73		1,050.74	
		-----	11,523.95	-----	14,215.83
<b>EXPENDITURE</b>					
Operating Expenses	18	5,027.36		5,648.46	
Employee Benefits Expenses	19	2,061.94		1,528.33	
Finance Costs	20	8.20		11.02	
Depreciation and Amortization Expense	7	201.48		227.22	
Other Expenses	21	1,399.54		1,627.59	
		-----	8,698.52	-----	9,042.62
<b>Profit / (Loss) before Exceptional Item</b>			2,825.43		5,173.21
Exceptional Items	22		4,343.57		5,038.59
<b>Profit / (Loss) before tax</b>			<b>(1,518.14)</b>		<b>134.62</b>
Less: <u>Tax Expense</u>					
Current Tax - Prior Year		7.03		-	
Deferred Tax		(382.08)		101.45	
		-----	(375.05)	-----	101.45
<b>Profit / (Loss) for the Year</b>			<b>(1,143.09)</b>		<b>33.17</b>

In terms of our report of even date  
**For R. Chandrashekar and Associates**  
Chartered Accountants  
Firm Registration No. 006783S

**For Dhariwal & Sreenivas**  
Chartered Accountants  
Firm Registration No. 007197S

**V. Ganesh**  
Proprietor  
Membership No. 202995  
UDIN:

**Sreenivas Babu Penugonda**  
Partner  
Membership No. 028804  
UDIN:

Place : Bengaluru  
Date : September 5, 2025

**BANGALORE TURF CLUB LIMITED**

CIN: U99999KA1962PLC001449

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts in Rs. lakhs, unless otherwise stated)			
2024 - 2025		2023 - 2024	
Details	Amount	Details	Amount
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>			
Profit/(Loss) Before Tax	(1,518.14)		134.62
Depreciation	201.48	227.22	
Interest Expense	8.20	11.02	
Interest Income	(478.99)	(487.13)	
	(269.31)		(248.89)
Operating Profit Before Working Capital Changes	(1,787.45)		(114.27)
Trade and Other Receivable	(15.88)	(8.81)	
Inventory	(7.18)	7.95	
Loan, Advances and Other Current Assets	183.17	1.54	
Trade and Other Payables	(2,011.35)	(197.56)	
	(1,851.24)		(196.88)
Cash Generated from Operation	(3,638.69)		(311.15)
Direct Taxes Paid (Net)	(378.01)		(321.74)
<b>Net Cash from Operating Activities</b>	<b>(4,016.70)</b>		<b>(632.89)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>			
Purchase of Fixed Assets	(45.78)		(56.40)
Interest Received	612.04		383.55
Investment in Bank Deposits (maturity of more than 3 months)	(3,453.48)		(7,013.62)
Maturity of Bank Deposits (maturity of more than 3 months)	8,010.00		7,484.85
<b>Net Cash from/used in Investing Activities</b>	<b>5,122.78</b>		<b>798.38</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>			
Short Term Borrowings (Net)	150.15		-
Interest Paid	(8.20)		(11.02)
<b>Net Cash from Financing Activities</b>	<b>141.95</b>		<b>(11.02)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>1,248.03</b>		<b>154.47</b>
Cash and cash equivalent at the Beginning	235.27		80.80
Cash and cash equivalent at the End	<b>1,483.30</b>		<b>235.27</b>

**K A Jagadish**  
DIN: 10818954

**R Manjunath Ramesh**  
DIN: 10940396

**K Nagaraju**  
DIN: 00592259

**Dayanand R. Mandre**  
DIN: 07009425

**Chaduranga Kanthraj Urs**  
DIN: 00573265

**Arun Kumar Parasa**  
DIN: 00202380

**Mahesh C Medappa**  
DIN: 02816016

**Dr.C A Prashanth**  
DIN: 08261237

**L Shivashankar**  
DIN: 03287158

**K 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. 0067835

**For Dhariwal & Sreenivas**  
Chartered Accountants  
Firm Registration No. 0071975

**V. Ganesh**  
Proprietor  
Membership No. 202995  
UDIN:

**Sreenivas Babu Penugonda**  
Partner  
Membership No. 028804  
UDIN:

Place : Bengaluru  
Date : September 5, 2025





## 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.





## NOTES TO FINANCIAL STATEMENTS

### 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.

## NOTES TO FINANCIAL STATEMENTS

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

As at March 31, 2025 As at March 31, 2024

Details	Amount	Details	Amount
---------	--------	---------	--------

## 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 areliable 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 it's existence in the financial statements.





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	750.47		717.3
Add: Profit / (Loss) for the Year	-1143.09		33.17
	-----	-392.62	-----
			750.47
Total		-356.39	786.7

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)

	As at March 31, 2025		As at March 31, 2024	
	Details	Amount	Details	Amount
<b>NOTE - 3</b>				
<b><u>SHORT TERM BORROWINGS</u></b>				
<b><u>Secured</u></b>				
<b><u>Loan Repayable on Demand</u></b>				
Overdraft facility with HDFC Bank		150.15		-
<b><u>Nature of Security</u></b>				
3.1	The Overdraft facility from HDFC Bank is secured by a Fixed Deposits held with the HDFC Bank			
<b>NOTE - 4</b>				
<b><u>TRADE PAYABLES</u></b>				
(Undisputed)				
<b><u>Due to MSME</u></b>				
Less than 1 Year		56.64		38.05
<b><u>Due to Others</u></b>				
Less than 1 Year	1,093.68		1,263.85	
1 Year - 2 Year	242.02		255.26	
2 Year - 3 Year	74.86		76.82	
More than 3 Years	368.39		329.96	
	-----	1,778.95	-----	1,925.89
Total		1,835.59		1,963.94
<b>NOTE - 5</b>				
<b><u>OTHER CURRENT LIABILITIES</u></b>				
Current Liabilities - Owners and Others		323.20		215.01
Payable for Fixed Assets		18.64		-
Income Received in Advance		4.01		59.47
Taxes and Contractual Liabilities		196.41		621.75
Security Deposits		270.00		272.30
Others		57.29		51.60
Total		869.55		1,220.13
<b>NOTE - 6</b>				
<b><u>SHORT TERM PROVISIONS</u></b>				
Provision for Employee Benefits - Leave Salary		58.67		48.47
Provision for Employee Benefits - Gratuity		443.93		-
Provision for Goods and Services Tax (Refer Note no. 22.1)		7,022.55		8,990.46
Provision for Inter-Club Share of Income (Refer Note no. 22.2)		40.00		40.00
Total		7,565.15		9,078.93



## NOTES TO FINANCIAL STATEMENTS

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

### NOTE - 7

#### PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

PARTICULARS	COST			DEPRECIATION			BOOK VALUE	
	As at 1-4-2024	Additions	Deletions / Scrapped	As at 31-3-2025	Up to 1-4-2024	For the Year on Deletions	As at 31-3-2025	As at 31-3-2024
<b><u>Property, Plant and Equipment</u></b>								
Building *	743.46	-	-	743.46	558.19	18.57	166.70	185.27
<b><u>Plant and Equipment</u></b>								
Equipment	1,157.15	21.35	-	1,178.50	939.76	87.71	151.03	217.39
Electrical Installations	93.76	-	-	93.76	58.96	5.24	29.56	34.80
Office Equipment	23.59	1.72	-	25.31	13.64	2.05	9.62	9.95
Computers and Peripherals	715.36	28.26	-	743.62	474.28	60.14	209.20	241.08
Furniture and Fixtures	204.80	2.09	-	206.89	166.73	8.08	32.08	38.07
Vehicles	160.45	-	-	160.45	118.32	10.90	31.23	42.13
<b>Total</b>	<b>3,098.57</b>	<b>53.42</b>	<b>-</b>	<b>3,151.99</b>	<b>2,329.88</b>	<b>192.69</b>	<b>629.42</b>	<b>768.69</b>
<b><u>Intangible Assets</u></b>								
Computer Software	80.49	-	-	80.49	62.30	8.79	9.40	18.19
<b>As at 31-3-2025</b>	<b>3,179.06</b>	<b>53.42</b>	<b>-</b>	<b>3,232.48</b>	<b>2,392.18</b>	<b>201.48</b>	<b>638.82</b>	<b>786.88</b>
<b>As at 31-3-2024</b>	<b>3,122.66</b>	<b>56.40</b>	<b>-</b>	<b>3,179.06</b>	<b>2,164.96</b>	<b>227.22</b>	<b>786.88</b>	<b>957.70</b>

\* On Lands held on 'security of tenure'





## 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.





## NOTES TO FINANCIAL STATEMENTS

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 ad 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.





## NOTES TO FINANCIAL STATEMENTS

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

	As at March 31, 2025		As at March 31, 2024	
	Details	Amount	Details	Amount
<b>NOTE - 8</b>				
<b><u>DEFERRED TAX ASSET</u></b>				
8.1	The deferred tax asset has arisen out of timing differences on account of the following:			
	<u>Deferred tax Asset</u>			
	Unabsorbed Depreciation	120.32		78.07
	Unabsorbed Business Loss	402.90		106.27
	Goods and Service Tax (GST)	1,691.82		1,775.51
	Depreciation	52.61		44.15
	Others	140.70		22.27
		<u>2,408.35</u>		<u>2,026.27</u>
	Deferred tax Liability	-		-
	Deferred Tax Asset (Net)	<u>2,408.35</u>		<u>2,026.27</u>
8.2	The difference between the balance as on April 1, 2024 and March 31, 2025 of a sum of Rs. 382.08 lakhs has been credited to the Statement of Profit and Loss.			
<b>NOTE - 9</b>				
<b><u>LONG TERM LOANS AND ADVANCES</u></b>				
	Capital Advances	11.00		-
	Total	<u>11.00</u>		<u>-</u>
<b>NOTE - 10</b>				
<b><u>OTHER NON-CURRENT ASSETS</u></b>				
	Balances with Banks in Deposit Accounts (Maturing beyond 12 months)	823.48		765.35
	Interest Accrued	79.53		4.21
	Security and Other Deposits	57.06		57.16
	Total	<u>960.07</u>		<u>826.72</u>
<b>NOTE - 11</b>				
<b><u>INVENTORIES</u></b>				
	Stores and Spares - At Lower of Cost and Net Realisable Value	84.90		77.72



## NOTES TO FINANCIAL STATEMENTS

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

	As at March 31, 2025		As at March 31, 2024	
	Details	Amount	Details	Amount
<b>NOTE - 12</b>				
<b>TRADE RECEIVABLES</b>				
Undisputed, Unsecured, Considered Good				
Outstanding for the periods from the due date				
Less than 6 months		205.99		161.10
6 Months - 1 Year		12.55		11.81
1 Year - 2 Year		0.77		9.13
2 Year - 3 Year		-		-
More than 3 Years		47.65		69.04
Total		<u>266.96</u>		<u>251.08</u>
<b>NOTE - 13</b>				
<b>CASH AND BANK BALANCES</b>				
<b>Cash and Cash Equivalents</b>				
Cash on hand	110.29		101.44	
With Scheduled Banks				
In Current Accounts	1,373.01		133.83	
	-----	1,483.30	-----	235.27
<b>Other Bank Balances</b>				
In Deposit Accounts				
(Maturing within 12 months)		1,140.72		5,755.37
Total		<u>2,624.02</u>		<u>5,990.64</u>
13.1 Deposits to the extent of Rs. 796.96 lakhs (Previous year Rs. 765.35 lakhs) have been provided as a Security for the sanctioned overdraft facility with the Bank.				
<b>NOTE - 14</b>				
<b>SHORT TERM LOANS AND ADVANCES</b>				
<b>Unsecured</b>				
Advances recoverable in cash or in kind or value to be received Considered Good				
Advance Taxes net of Provision		721.78		785.08
		2,179.58		1,808.60
Total		<u>2,901.36</u>		<u>2,593.68</u>
<b>NOTE - 15</b>				
<b>OTHER CURRENT ASSETS</b>				
Interest Accrued		35.52		243.89
Prepaid Expenses		74.92		53.80
Gratuity funded net of Provisions		-		144.87
Other Receivables		58.13		54.15
Total		<u>168.57</u>		<u>496.71</u>





## NOTES TO FINANCIAL STATEMENTS

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

	<b>2024 - 2025</b>		<b>2023 - 2024</b>	
	Details	Amount	Details	Amount
<b>NOTE - 16</b>				
<b><u>REVENUE FROM OPERATIONS</u></b>				
Collections from Totalisators (Net)		5,931.95		6,710.48
Entry Money, Forfeit Money and Others		223.86		302.04
Sponsorship Received for Stake Money and Cups		237.51		305.40
Gate Collections		1,118.97		1,583.65
Daily Income from Bookmakers		2,298.04		3,038.67
Mobile Phone Usage Charges		24.92		32.95
Veterinary Hospital Receipts		450.27		452.68
Club House Receipts		88.21		105.92
Subscription from Members		1.06		1.07
Live Telecast Receipts		285.10		362.34
Other Operating Income		222.33		269.89
Total		<u>10,882.22</u>		<u>13,165.09</u>

## **NOTE - 17** **OTHER INCOME**

Interest	478.99	487.13
Credits no longer payable Written Back (Net)	86.34	498.56
Others	76.40	65.05
Total	<u>641.73</u>	<u>1,050.74</u>

## **NOTE - 18** **OPERATING EXPENSES**

Stake Money and Cups	2,555.67	3,083.78
Licence Fee	163.95	168.60
Course and Other Expenses on Races	360.48	545.04
Share of Income Paid to Other Centres	141.74	115.90
Veterinary Hospital Expenses	338.00	357.52
Subsidy to Owners and Trainers	205.17	114.02
Club House Expenses	73.52	85.95
Race Day Catering Expenditure	43.69	63.09
Contract Labour Charges	903.04	888.44
Other Operating Expenses	242.10	226.12
Total	<u>5,027.36</u>	<u>5,648.46</u>



## NOTES TO FINANCIAL STATEMENTS

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

	2024 - 2025		2023 - 2024	
	Details	Amount	Details	Amount
<b>NOTE - 19</b>				
<b><u>EMPLOYEE BENEFITS EXPENSES</u></b>				
Salaries, Wages and Bonus		1,275.61		1,376.04
Staff Welfare		46.88		32.01
Contribution to Provident and Other Funds		149.05		156.27
Provision / (Excess Provision) for Gratuity		590.40		(35.99)
Total		<u>2,061.94</u>		<u>1,528.33</u>
<b>NOTE - 20</b>				
<b><u>FINANCE COSTS</u></b>				
Interest		<u>8.20</u>		<u>11.02</u>
<b>NOTE - 21</b>				
<b><u>OTHER EXPENSES</u></b>				
User Fees to Govt. of Karnataka		25.94		25.94
Rent		218.94		183.89
Rates and Taxes		172.27		273.64
Lighting		111.71		152.10
Water Charges		23.97		36.84
Insurance		61.89		68.22
Postage and Telephone		51.60		50.61
Printing and Stationery		12.08		9.89
Travelling and Conveyance		33.78		45.47
Legal and Professional Charges		225.50		196.01
Remuneration to Auditors		12.70		17.20
Books, Periodicals and Subscription		0.58		0.65
Watch and Ward		155.47		172.22
Repairs to Buildings		73.21		117.39
Repairs to Other Assets		15.14		18.11
Annual Maintenance		101.84		122.97
Generator Maintenance		8.01		11.42
Advertisement, Business Promotion and Publicity		6.47		6.16
Miscellaneous Expenses		65.52		72.37
Exchange Fluctuation Loss		2.80		8.28
Bad Debts Written Off		20.12		38.21
Total		<u>1,399.54</u>		<u>1,627.59</u>



## NOTES TO FINANCIAL STATEMENTS

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

2024 - 2025		2023 - 2024	
Details	Amount	Details	Amount
21.1 Travelling Expenses include Rs. 4.48 lakhs (previous year Rs. 9.30 lakhs) incurred for Committee Members.			
21.2 Rates and Taxes include Rs. 72.83 lakhs (previous year Rs. 72.83 lakhs) incurred towards Property Tax.			
21.3 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:			
(i) Payable Not Later than one year	49.42		63.78
(ii) Payable Later than one year and not later than five years	-		27.67
(iii) Payable Later than five years	-		-

## NOTE - 22

### EXCEPTIONAL ITEMS

Provision for Goods and Services Tax (Refer Note no. 22.1)	4,343.57	5,102.86
Excess Provision for Inter-Club Share of Income (Refer Note no. 22.2)	-	(131.00)
Excess Provision for Property Tax Written Back (Refer Note no. 22.3)	-	(195.98)
Provision for Penalty on Property Tax (Refer Note no. 22.3)	-	262.71
Total	4,343.57	5,038.59

22.1 (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 Totalizator. In the meanwhile, a notification was issued by the Government of Indian in the month of January 2018 proposing that the GST is leviable on the face value of the bet as on actionable claim. The company has approached the Hon'ble High Court of Karnataka with a W.P. challenging the applicability of the said notification to them.

ii) The Government had made an amendment to the GST law w.e.f. 1st February 2019 by amending the definition of business of to include all activities of the Race Club and no 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 1st, February 2019 till July 31st 2021.

iii) The GST liability from January 25, 2018 till January 31st 2019 before the amendment as above, has been paid on the commission earned on the totalizator. 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 applicable only on the commission and not on the face value of the bet and has taken up the matter before the Hon'ble 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 Rs.15,673.44 Lakhs inclusive of interest computed till the year end. The same was charges as an exceptional item of the 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, 2025. 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.

	<u>Period</u>	<u>GST Liability</u>	<u>Interest till year end</u>	<u>Interest till date of Payment</u>	<u>GST Paid till March 31, 2025</u>	<u>Balance of Provision</u>
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 Mar 2022	2,532.14 +	117.29 +	219.78 *	2,532.14	337.07
c)	Apr 2022 till Mar 2023	4,773.18 *	309.03 *	780.43 # 480.49 ^ <u>1,260.92</u>	3,108.78	3,234.35
d)	Apr 2023 till Sep 2023	1,671.35 #	190.74 #	203.10 ^	1,671.35	393.84
e)	Oct 2023 till Mar 2024	2,460.34 #	-	-	2,460.34	-
f)	Apr 2024 till Mar 2025	3,659.98 ^	-	-	3,359.52	300.46
			Total			<u>7,022.55</u>

+ 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

^ Rs. 4,343.57 lakhs debited as an exceptional item in Financial year 2024-25

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.





## NOTES TO FINANCIAL STATEMENTS

- 22.2 i) The company was earning and paying a share of income from / to Other Centres till the previous year. 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 had been reached with a few centres and negotiations for settlement were 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. 40.00 lakhs) is estimated to cover the expected net liability to the company till the end of the year. Consequently, a sum of Rs. Nil (Previous Year Rs. 131.00 lakhs) of excess provision is written back as an exceptional item.
- iii) The liability which has been crystalised during the year on negotiations and settlement has been charged of to the Statement of Profit and Loss.
- 22.3 i) During the previous 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

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

### NOTE - 23

#### OTHER NOTES AND DISCLOSURES

##### 23.1 Contingent Liabilities

- a) As referred in note no. 22.1 (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.





## NOTES TO FINANCIAL STATEMENTS

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

- b) i) 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
	<u>4,503.77</u>	<u>4,246.47</u>	<u>8,750.24</u>
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
2017-18	<u>4,020.81</u>	<u>3,658.93</u>	<u>7,679.74</u>
2018-19 *	<u>940.06</u>	<u>851.41</u>	<u>1,791.47</u>

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) The demand including interest has been raised for the assessment year 2017-18 and 2018-19 not only u / s 194B, but also on account of other non deductions alleged as below:

	Assessment Year	Assessment Year
Section	2017-18	2018-19
194B	2,915.32	1,685.25
194BB	4,604.15	-
194J	160.27	106.22
Total	<u>7,679.74</u>	<u>1,791.47</u>

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



## NOTES TO FINANCIAL STATEMENTS

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

- 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 2018-19 amounting to Rs. 15,628.17 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. 24,378.41 lakhs for the period upto March 31, 2018. 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) However, the department has raised a demand on the above for the assessment year 2017-18 as noted in Note No. 23.1 (b)(iii).





## NOTES TO FINANCIAL STATEMENTS

v) 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
2016-17	1,538.51
2017-18	1,759.24
2018-19	937.66
<b>Total</b>	<b>4,249.64</b>

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. 4,249.64 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.

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 previous 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 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.

#### 23.2 Remuneration to Auditors

For Statutory Audit	10.00	10.00
For Tax Matters	2.50	7.00
For Others	0.20	0.20
Total	12.70	17.20

#### 23.3 Earning / Expenditure in Foreign Currency / Exchange

##### Earnings

Live Streaming Charges Earned	153.35	177.15
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##### Expenditure

Dope Sample Testing Expenses	89.69	100.34
Travelling Expense	-	0.55



## NOTES TO FINANCIAL STATEMENTS

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

2024 - 2025

2023 - 2024

### 23.4 Disclosure pursuant to Accounting Standard (AS) 15 Revised:

	<u>Gratuity</u>	<u>Leave Salary</u>	<u>Gratuity</u>	<u>Leave Salary</u>
The Principal assumptions used in determining Gratuity and Leave Obligations for the Company are as follows				
a) Interest Rate	6.75%	6.75%	7.10%	7.10%
b) Discount Rate	6.75%	6.75%	7.10%	7.10%
c) Estimated Rate of Return on Plan Assets	6.75% / 6.70%	6.75%	6.84% / 7.05%	7.10%
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
<b>Changes in the Present Value of Obligation</b>				
	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>
a) Present Value of Obligation as on 01-04-24	1,267.17	156.46	1,341.95	116.91
b) Interest Cost	89.97	10.86	83.00	8.29
c) Current Service Cost	99.18	18.16	191.14	16.96
d) Benefits Paid	(164.65)	(11.66)	(148.01)	(8.10)
e) Actuarial (Gain) / Loss	502.97	(8.93)	(200.91)	22.40
f) Present Value of Obligation as on 31-03-25	1,794.64	164.89	1,267.17	156.46
<b>Changes in the Fair Value of Plan Assets</b>				
a) Fair Value of Plan Assets as on 01-04-24	1,412.04	107.99	1,450.83	106.20
b) Expected Return on Plan Assets	101.72	7.87	109.22	7.87
c) Contributions	1.60	2.02	-	2.02
d) Benefits Paid	(164.65)	(11.66)	(148.01)	(8.10)
e) Fair Value of Plan Assets as on 31-03-25	1,350.71	106.22	1,412.04	107.99
<b>Amount Recognised in the Balance Sheet</b>				
a) Present Value of Obligations as at the Year End	1,794.64	164.89	1,267.17	156.46
b) Less: Fair Value of Plan Assets as at the Year End	1,350.71	106.22	1,412.04	107.99
c) Liability / (Asset) recognised in the Balance Sheet	443.93	58.67	(144.87)	48.47
<b>Expenses recognised in the Statement of Profit and Loss</b>				
a) Current Service Cost	99.18	18.16	191.14	16.96
b) Interest Cost on Benefit Obligation	89.97	10.86	83.00	8.29
c) Expected return on Plan Assets	(101.72)	(7.87)	(109.22)	(7.87)
d) Net Actuarial (Gain)/Loss	502.97	(8.93)	(200.91)	22.40
e) Total Expenses/(Income) Recognised	590.40	12.22	(35.99)	39.78



## NOTES TO FINANCIAL STATEMENTS

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

### 23.5 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. Darshan Lokesh	(Upto 01-Jul-2024)
(ii) Mr. Satish N.Gowda	(Upto 01-Jul-2024)
(iii) Mr. Shivkumar Kheny	(Upto 01-Jul-2024)
(iv) Mr. Arvind Raghavan	(Upto 08-Jul-2024)
(v) Mr. Naval R.Narielwalla	(Upto 08-Jul-2024)
(vi) Mr. T.H.R.Rajeev	(Upto 08-Jul-2024)
(vii) Mr. Shankar Balu	(Upto 08-Jul-2024)
(viii) Mr. Shasha Bindu Das	(Upto 08-Jul-2024)
(ix) Mr. S.M.Ahmed (Wahid)	(Upto 12-Dec-2024)
(x) Mr. S.K.Raghunandan	(Upto 12-Dec-2024)
(xi) Dr. T.N.Raghunath	(Upto 12-Dec-2024)
(xiii) Mr. Uday Eswaran	(Upto 12-Dec-2024)
(xii) Mr. L.K.Atheeq, IAS	(Upto 31-Jan-2025)
(xiv) Mr. B. Dayananda, IPS	(From 30-May-2023 to 12-Dec-2024) and (From 13-Dec-2024)
(xvi) Mr. R. Manjunath Ramesh	(From 12-Dec-2024)
(xvii) Mr. Arvind S. Katarki	(From 15-July-2024)
(xx) Mr. Mahesh C. Medappa	(From 12-Dec-2024)
(xxiii) Dr. C.A. Prashanth	(From 12-Dec-2024)
(xv) Mr. L. Shivashankar	(From 12-Dec-2024)
(xviii) Mr. Vikram Singh	(From 12-Oct-2023 to 12-Dec-2024) and (From 14-Dec-2024)
(xix) Mr. Dayanand R. Mandre	(From 12-Dec-2024)
(xxi) Mr. K A Jagadish	(From 08-July-2024)
(xxii) Mr. Arun Kumar Parasa	(From 15-July-2024)
(xxiv) Mr. Chaduranga Kanthraj Urs	(From 08-July-2024)
(xxv) Mr. K Harish Nayak	(From 15-July-2024)
(xxvi) Mr. K Nagaraju	(From 15-July-2024)
(xxvii) Mr. Ritesh Kumar Singh	(From 01-Feb-2025)

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

		<u>Amount</u>
(a) Subscription Received	Income	0.06
(b) Sale of Services - Club house and Reservations	Income	32.49
(c) Recovery of Expenses on maintenance of Horses and Entry Money	Income	10.62
(d) Stake Money and Incentives Paid	Expense	8.38

The balances with the above related parties as at March 31, 2025 are as below:

Trade Receivable from Owners of Horses	0.54
Trade Payable to Owners of Horses	1.24
Other Receivable as Members and for Club House	1.95
Other Payable as Members and for Club House	0.76



CIN: U99999KA1962PLC001449

**BANGALORE TURF CLUB LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**

**23.6 Key Ratios of Financial Statements**

S. No	Particulars	Numerator	Denominator	As at 31-3-2025	As at 31-3-2024	Variance in %	March 31, 2025 Numerator	March 31, 2024 Denominator
1	Current Ratio (in times)	Current Assets	Current Liabilities	0.58	0.77	(24.68)	6,046	9,410
2	Debt-Equity Ratio (in times)	Total Outside Liabilities	Shareholder's Funds	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	*	-1,143	33
5	Inventory Turnover Ratio (in times)	Sales	Inventories	NA	NA	**		
6	Trade Receivables Turnover Ratio (in tir	Revenue from Operations	Trade Receivables	NA	NA	#	1,371,653,017	20,349,754
7	Trade Payables Turnover Ratio (in times)	Operating Expenses and Other Expenses	Trade Payables	3.50	3.70	(5.41)	6,427	1,836
8	Net Capital Turnover Ratio (in times)	Revenue from Operations	Working Capital	NA	NA	#	1,371,653,017	649,845,711
9	Net Profit Ratio (in %)	Profit for the year	Revenue from Operations	(10.50%)	0.25%	(10.75)	(1,143)	33
10	Return on Capital Employed (in %)	Earning before interest and taxes (EBIT)	Capital Employed	NA	NA	*	20,862,072	75,852,869
11	Return on Investment (in %)	Profit After Tax	Equity + Long term Debt	NA	NA	*	-19,427,247	75,352,869

**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.





## NOTES TO FINANCIAL STATEMENTS

### 23.7 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.

23.8 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.

23.9 During the course of the audit, certain anomalies/glitches were noticed in the reports generated by the totes operating software. Though the noticed differences as compared to the financial records were not material, the differences were nevertheless noticed. The effects for the noticed difference were identified and dealt with in the financial statements.

23.10 Previous Year's figures have been regrouped/reclassified wherever necessary to confirm to those of the current year.

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<b>K A Jagadish</b> DIN: 10818954	<b>R Manjunath Ramesh</b> DIN: 10940396	<b>K Nagaraju</b> DIN: 00592259
<b>Dayanand R. Mandre</b> DIN: 07009425	<b>Chaduranga Kanthraj Urs</b> DIN: 00573265	<b>Arun Kumar Parasa</b> DIN: 00202380
<b>Mahesh C Medappa</b> DIN: 02816016	<b>Dr.C A Prashanth</b> DIN: 08261237	<b>L Shivashankar</b> DIN: 03287158
	<b>K Harish Nayak</b> DIN: 00742207	
<b>Members of the Managing Committee</b>		

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In terms of our report of even date  
**For R. Chandrashekar and Associates**  
Chartered Accountants  
Firm Registration No. 0067835

**For Dhariwal & Sreenivas**  
Chartered Accountants  
Firm Registration No. 0071975

**V. Ganesh**  
Proprietor  
Membership No. 202995  
UDIN: 25202995BMHXLJ6439

**Sreenivas Babu Penugonda**  
Partner  
Membership No. 028804  
UDIN: 25028804BMIZRL2460

Place : Bengaluru  
Date : September 5, 2025





## **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, 2025 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, 2025, 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. 0067835

Date : September 5, 2025

**V. GANESH**  
Proprietor  
Membership No. 202995  
UDIN : 25202995BMHXL14517



**BANGALORE TURF CLUB CHARITABLE TRUST**  
**BALANCE SHEET AS AT MARCH 31, 2025**

	<b>As at March 31, 2025</b>		<b>As at March 31, 2024</b>	
	Details	Amount	Details	Amount
	Rs.	Rs.	Rs.	Rs.
<b><u>SOURCES OF FUNDS</u></b>				
Trust Fund (Corpus)		28,505,653		28,505,652
<b><u>Surplus</u></b>				
Per last Balance Sheet	16,780,083		16,487,058	
Add: Excess / (Deficit) of Income over Expenditure	228,142		293,025	
	-----	17,008,225	-----	16,780,083
<b><u>Current Liabilities</u></b>				
Trade Payables		18,880		9,440
<b>Total</b>		<u><u>45,532,758</u></u>		<u><u>45,295,175</u></u>
<b><u>APPLICATION OF FUNDS</u></b>				
<b><u>Investments</u></b>				
Fixed Deposits with Banks		41,785,446		36,500,000
<b><u>Current Assets</u></b>				
Balance with a Scheduled Bank	2,297,704		6,502,053	
Interest accrued on Fixed Deposit	1,172,452		1,799,333	
Tax Deducted at Source	277,156		493,789	
	-----	3,747,312	-----	8,795,175
<b>Total</b>		<u><u>45,532,758</u></u>		<u><u>45,295,175</u></u>

Per Our Report Attached

**For R.CHANDRASHEKAR**  
**AND ASSOCIATES**

Chartered Accountants

Firm Registration No. 006783S

**V. GANESH**

Proprietor

Mem. No. 202995

UDIN: 25202995BMHXL14517

**R. MANJUNATH RAMESH**

Chairman

**S.K. RAGHUNANDAN**

Trustee

Place : Bangalore

Date : September 5, 2025

**Dr.T.S. RAVINDRA**

Trustee



**BANGALORE TURF CLUB CHARITABLE TRUST****INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2025**

	<b>2024-25</b>	<b>2023-24</b>
	Amount	Amount
	Rs.	Rs.
<b><u>INCOME</u></b>		
Interest	2,981,248	2,724,371
Total	<u>2,981,248</u>	<u>2,724,371</u>
<b><u>EXPENDITURE</u></b>		
Donations	2,743,633	1,496,301
Remuneration to Auditors	9,440	9,440
Bank Charges and Others	33	94
Income Tax of Prior Years	-	925,511
Total	<u>2,753,106</u>	<u>2,431,346</u>
Excess of Income over Expenditure transferred to Balance Sheet	228,142	293,025

Per Our Report Attached

**For R. CHANDRASHEKAR  
AND ASSOCIATES**

Chartered Accountants

Firm Registration No. 006783S

**V. GANESH**

Proprietor

Mem. No. 202995

UDIN: 25202995BMHXL14517

**R. MANJUNATH RAMESH**

Chairman

**S.K. RAGHUNANDAN**

Trustee

Place : Bangalore

Date : September 5, 2025

**T.S. RAVINDRA**

Trustee





















**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		

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 Monday, 29<sup>th</sup> September, 2025, at 4.00 P.M at No. 52, Race Course Road, Bengaluru-560 001 and at any adjournment thereof.

Signed this.....day of..... 2025

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.**