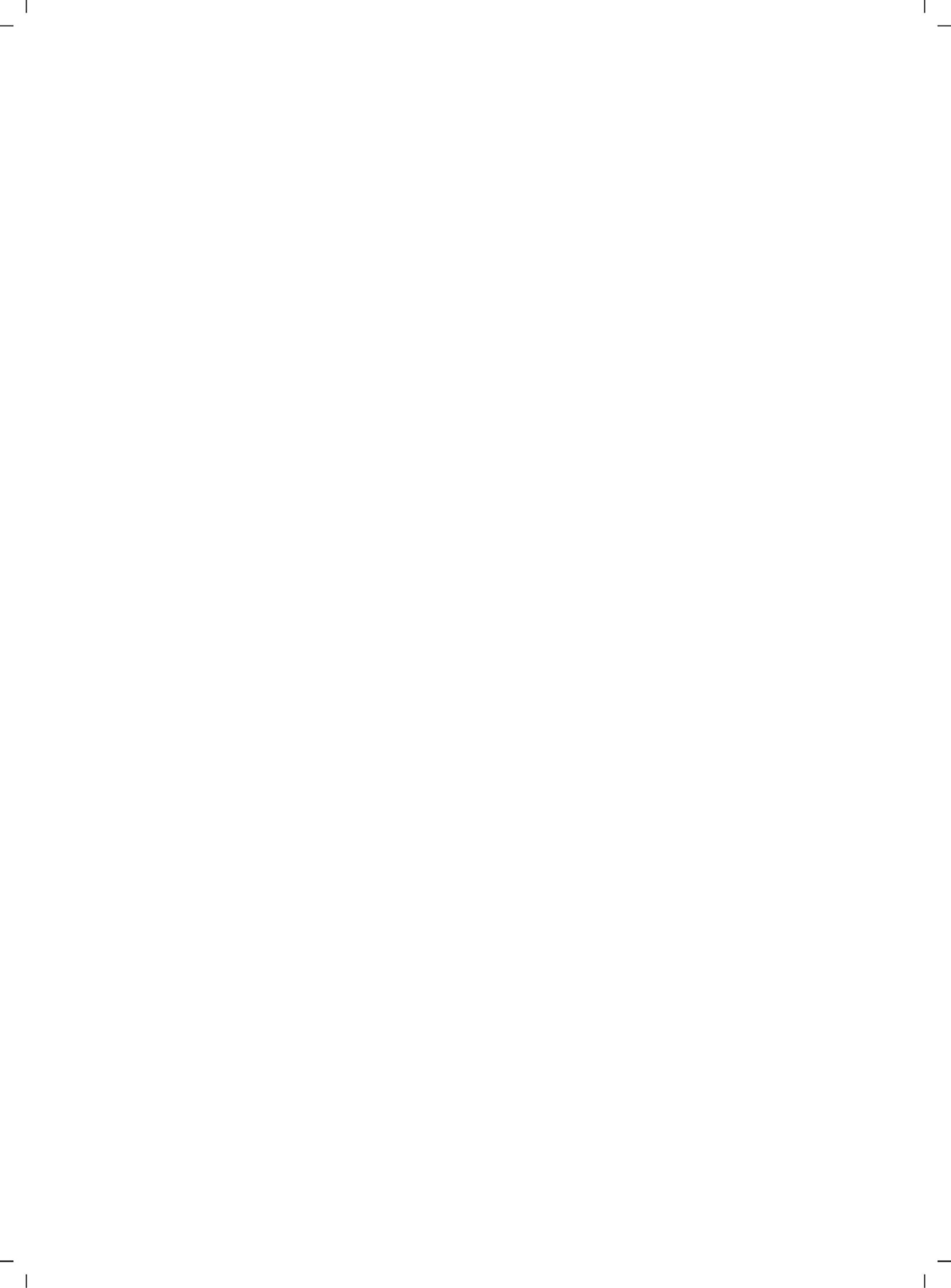


ROYAL WESTERN INDIA TURF CLUB, LIMITED

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Members are requested to bring their copy of the Annual Report along with them at the Annual General Meeting, as the practice of distributing copies of the Report at the Meeting is discontinued.



ROYAL WESTERN INDIA TURF CLUB, LTD.

COMMITTEE

Khushroo N Dhunjibhoy (Chairman)
Sunil G. Jhangiani
Gautam P. Lala
Ms. Zinia Lawyer
Milan A. Luthria
Geoffrey B. Nagpal
Shyam M. Ruia
Surendra R. Sanas
Dr. Ram H. Shroff

Govt. Nominee (s):

Sunil Porwal, IAS - Addl. Chief Secretary,
Home.

Manu Kumar Srivastava - Principal Secretary,
Revenue.

SECRETARY & CEO

NHS Mani

PRINCIPAL BANKERS

Bank of India
Central Bank of India
ICICI Bank

AUDITORS

Messrs Deloitte Haskins & Sells
Chartered Accountants

ADVOCATES & SOLICITORS

ALMT Legal
Shiralkar & Co.
M Mulla Associates

PRACTICING COMPANY SECRETARY

Kaushik M. Jhaveri & Co.

REGISTERED OFFICE IN THE STATE OF MAHARASHTRA

Race Course, Mahalakshmi

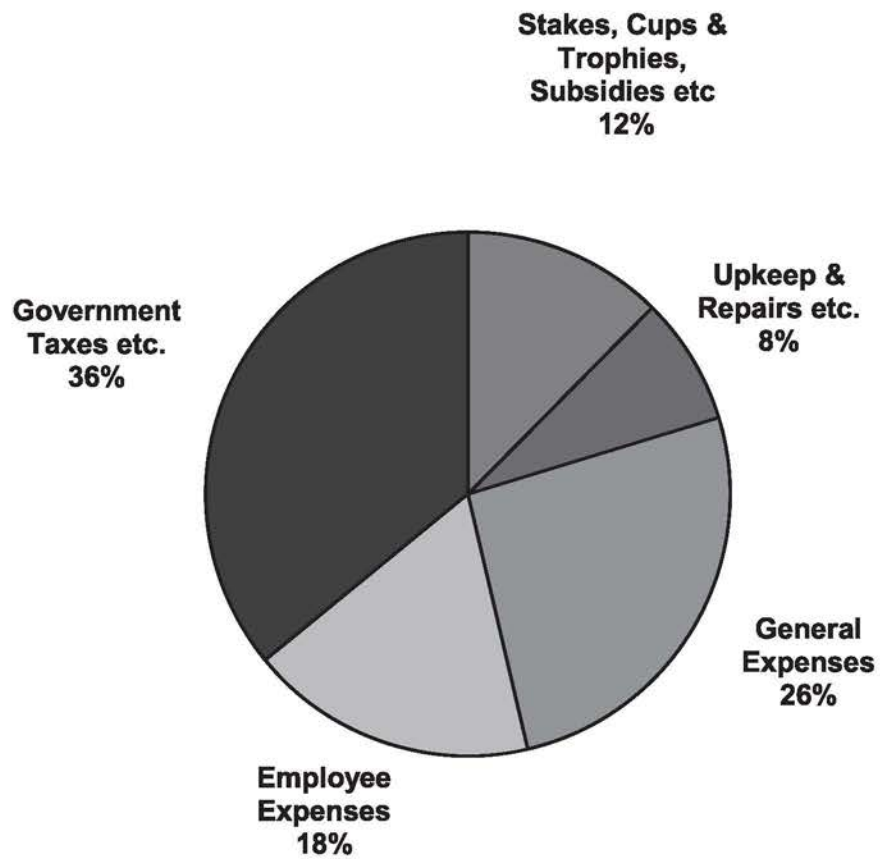
Mumbai – 400 034.

CIN:

U91990MH1925PLC001182



**ROYAL WESTERN INDIA TURF CLUB, LIMITED
ANALYSIS OF EXPENDITURE * 2018-2019**



*Expenditure : Inclusive of Taxes not shown in Income & Expenditure Account.

ROYAL WESTERN INDIA TURF CLUB, LTD.

REPORT OF THE COMMITTEE.

To the Members,
For the year ended 31st March, 2019

Your Committee has pleasure in submitting its 104th Annual Report on the operations of the Club together with the Audited Accounts for the year from 1st April 2018 to 31st March, 2019.

1. Accounts:

(a) The Accounts for the year ended 31st March, 2019, before considering depreciation shows a profit of Rs.2,57,01,948/- (previous year profit of Rs.6,87,90,080/-). Depreciation for the year under review is Rs.6,81,81,376/- (previous year 8,07,41,166/-). Hence, loss after considering depreciation is Rs.4,24,79,428/- (previous year loss Rs.1,19,51,086/-). The Committee has done well for keeping the losses to the minimum and in fact generating a cash profit of Rs.2,57,01,948/- this year, despite loss of income from bookmakers for 3½ months during peak season, ESIC provision, increased stakes payout, increased legal costs, as a result of tapping avenues of increasing income and constant endeavor to keep costs under control.

(b) The Committee refers to item no. (a) of the Auditors Report and would like to inform that as stated in note 41 of Notes forming part of the financial statements the Club is confident of receiving refund of the differential Goods and Service tax (GST) paid under protest and accordingly the said amount is included under "Long term Loans and Advances".

(c) The Committee refers to item no. (b) of the Auditors Report on Segment reporting to be disclosed under Accounting Standard 17. The Club is in the process of complying with the requirement of the Accounting Standard.

(d) The Committee refers to item no. (c) of the Auditors Report on ESIC and would like to inform that the same pertains to the previous year.

2. Directors' Responsibility Statement as per Section 134 (3) (c) of the Companies Act 2013:

Members of the Managing Committee hereby confirm:

(i) That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures wherever applicable, except for the matters stated in (c) above.

(ii) The accounting policies have been selected and applied consistently and the Committee has 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 Club at the end of the financial year and of the loss of the Club for that period.

(iii) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Club and for preventing and detecting fraud and other irregularities.

ROYAL WESTERN INDIA TURF CLUB, LTD.

- (iv) That the annual accounts are prepared on a going concern basis.
- (v) That proper internal financial controls were laid down and such internal financial controls were adequate and were operating effectively; and
- (vi) That proper systems were devised to ensure compliance with the provision of all applicable laws and that such systems were adequate and operating effectively.

3. Efforts to improve finances of the Club:

The Club's revenues have increased with the increase in stall fee rates for bookmakers, gate receipts, premium mobile phone badge charges and royalty on intervene betting. There was significant increase in revenues at the Turf Club House, Pune, banqueting in the Mini Club House / Hooves area and events revenue. The Club continues to maintain a tight control over the expenditures under various heads, which has led to reduction of expenses most prominent being salaries & wages, track and other repairs, travelling, etc. With the resolution of BJR's / ESIC case and the Pegasus deal and other efforts to reduce litigation, the Club hopes to reduce its legal costs significantly in the future.

4. Efforts to improve operations / systems of the Club:

Your Committee is happy to inform you that the Club has moved from the Fox-pro system to Tally ERP (for its general accounting system), Pro-logic (for Turf Club House, Pune) and has also initiated trials / parallel run in respect of Racing ERP from the current Pune Season.

We are in the final stages of implementation of the state of the art North Alley's Totalisators System, which replaces the decades old Totalisators system. This will enable the Club to introduce more pools for the benefit of the racing public. Efforts are also on for the introduction of mobile application for online betting within the Race Course, new fixed odds betting system, etc. The Committee is confident that the Club will cater to increase in requirements of the racing public with the help of this automation / modernization.

5. Totalizators Turnover (including Fixed Odds Betting) and Bookmakers Field Money:

The tote investment during the year under review (inclusive of charity days), was Rs.75.50 crores over 360 meetings of live racing and inter-venue betting (including Fixed Odds Betting over 254 meetings) as against Rs.102.67 crores in previous year over 339 meetings (including Fixed Odds Betting over 249 meetings).

6. Attendance:

The total attendance during the year under review (for live and inter-venue days) was 1124242 for 360 meetings as against 1109943 for 339 meetings in the previous period. Betting taken on two racing centres on the same day, is counted as one day.

ROYAL WESTERN INDIA TURF CLUB, LTD.

7. State and Municipal Taxes / Fees:

a. The total amount accruing to the government by way of Racing licence fee for the year under review was Rs. 5.71 crores as against Rs. 5.31 crores for the previous period.

b. In addition to the above, during the financial year under review, Rs.3.50 crores (previous period Rs.4.08 crores) was paid / payable and provided for payment to the Municipal Corporation of Greater Mumbai by way of ground rent and other Municipal taxes.

8. Sponsored Races:

The Club is in talks with the United Breweries Ltd. for the continuation of the Indian Derby sponsorship. With the support of the sponsors, the Club was able to have an excellent Indian Derby weekend in February 2019.

The total sponsorship contribution for the Pune Meeting 2018 and Mumbai Meeting 2018-19 were Rs.4.48 crores as compared to Rs.4.96 crores during the previous year.

9. Stakemoney:

The Club had in fact increased the stakemoney for the last Pune Meeting 2018 and Mumbai Meeting 2018-2019. However, due to non-operation of bookmakers at the Mumbai Race Course and the resultant financial crisis, the Club had no option but to offer only 75% stakemoney from January 2019 onwards.

10. Status on BJR matter:

As you are all aware, after protracted / long litigation, the Club entered into the Consent Terms with M/s. BJR's under the aegis of the Hon'ble High Court of Bombay, which was duly approved by the Members of the Club at the Extra-Ordinary General Meeting held on 30th May 2019. This has led to (i) Award of decretal damages of Rs.18 crores, (ii) monthly conducting fees from M/s. BJR's from Year 2 for the next 10 years and (iii) withdrawal of all cases (more particularly the claim on tenancy rights). We are happy to inform that we have already received Rs.10 crores from M/s. BJR's as part of the decretal damages as per the Consent Terms, which will go a long way to ease the finances of the Club and reduced litigation costs. The Committee wishes to place on record its appreciation of Dr. Cyrus S. Poonawalla's generous gesture of lending Rs.2 crores interest free to M/s. BJR's for 12 months which greatly helped in resolving the issue.

11. Pegasus Clubs & Resorts Pvt. Ltd.:

The Club had, in the past, forfeited the amount of Rs. 10 crores paid by M/s. Pegasus Clubs & Resorts Pvt. Ltd. in connection with certain development including Members facilities at the Mumbai Race Course.

ROYAL WESTERN INDIA TURF CLUB, LTD.

M/s Pegasus Clubs & Resorts Pvt. Ltd. had challenged the forfeiture by filing an Arbitration application. Subsequent to the final arguments of both the parties before the Sole Arbitrator, but before passing of the award, both parties arrived at a settlement of mutually agreed terms and conditions wherein it was decided to revive the project with modified plans subject to M/s Pegasus getting the lease of the Mumbai Race Course renewed and resolving the Public Interest Litigation pending at the Mumbai High Court against the project within certain period. Pursuant to this settlement it was agreed that the amount forfeited was rightfully appropriated by the Club then and the Club is not liable to repay the said sum of Rs.10 crores or part thereof to M/s Pegasus under any circumstances whatsoever. If and when M/s Pegasus succeeds in reviving the project it would be of great benefit to the Club in terms of revenue and the members of the Club would be benefited by the additional amenities.

12. Veterinary Hospital:

With effect from 15th April 2019, the Club has rationalized the charges and also decided to pass on certain discount to the Owners which will benefit the Owners in the cost of maintaining race horses to an extent.

13. Licence to Race:

The Club had applied for the Licence to Race for three years i.e. 2019-20, 2020-21 and 2021-22. However, the Club received the Licence to Race for the year 2019-2020 at a Licence fee of Rs.6.43 crores.

We have also received permissions for issuing licence to certain bookmakers to operate at the Mumbai and Pune Race Courses.

14. Status on ESIC matters:

Whilst the Curative Petitions filed with the Supreme Court are pending in respect of ESIC matters, the Committee has thought it prudent to make provision for the ESIC liability, if any in this year's accounts.

15. Social Responsibility:

The Club has raised funds for charities and has associated with City Sainik Welfare towards Armed Forces Flag Fund and Army Welfare Fund. The Club also held 14 race days during the financial year in aid of various charities.

16. Annual Sales 2019:

The Club successfully conducted the Annual Sale 2019 in February 2019 at the Mumbai Race Course, which was appreciated by racing fraternity the participation of about 107 horses and with 42 horses going under the hammer with an average price of Rs.11,17,262/-.

ROYAL WESTERN INDIA TURF CLUB, LTD.

17. Marketing Efforts:

The Marketing Working Group has taken various measures to try and increase the footfall including engaging a leading PR firm to promote racing. Flea markets were organized by various sponsors during the weekend bringing in large number of people especially those who come for the first time.

18. Lease of the Mumbai Race Course

The lease in respect of the Mumbai Race Course expired on 31st May 2013 and the Club has applied for renewal which is under consideration.

19. Attendance of Committee Members for Committee Meetings:

From the date of the last Annual General Meeting of the Club held on 6th September 2018 till 8th August 2019, the number of Committee Meetings held and the attendance of Committee Members is as under:-

(a) Number of Scheduled Regular Committee Meetings	:	13
(b) Number of Special Committee Meetings	:	7

Total Number of Meetings	:	20
		==

	Number of Scheduled Regular Committee Meetings attended	Number of Joint / Special Meeting attended	Total
Mr. Khushroo N. Dhunjibhoy	12	4	16
Mr. Sunil G. Jhangiani	13	7	20
Mr. Gautam P. Lala	13	6	19
Ms. Zinia Lawyer	12	6	18
Mr. Milan A. Luthria	13	6	19
Mr. Geoffrey B. Nagpal	12	7	19
Mr. Shyam M. Ruia	11	5	16
Mr. Surendra R. Sanas	12	4	16
Dr. Ram H. Shroff	11	6	17

ROYAL WESTERN INDIA TURF CLUB, LTD.

20. Comments on conservation of Energy and Technology Absorption pursuant to Sec 134(3)(m) of the Companies Act, 2013:

Having regard to the nature of the business of the Club, the Committee does not have any comments to offer in regard to these matters.

21. Comments on Foreign Exchange Earnings and Outgo:

There are no foreign exchange earnings and outgo apart from those mentioned in Note 31 of the Notes forming part of the Accounts.

22. Details of Loans, Guarantees or Investments under Section 186:

The Club has not given any loan, guarantee or security to any person. The Club had invested surplus funds in bank deposits and with Mutual Funds. The Investments are within the limits prescribed as per Section 186 of the Companies Act, 2013.

23. Related Party Transactions:

Pursuant to Section 134 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, the particulars of contracts or arrangements entered into by the Company with Related Parties have been done at arm's length and are in the ordinary course of business. Hence, the Company is not required to report in the prescribed Form AOC-2 and does not form part of the Report.

24. Particulars of Employees and related disclosures:

In terms of the provisions of the Section 197(12) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel), Rules 2014, none of the Club's employees fall under this category.

25. Extract of Annual Return:

Form MGT – 9 providing an extract of the Annual Return in terms of Section 92 of the Companies Act, 2013 and the rules made thereunder is annexed to this report.

26. Risk Management (As per Section 134 (3) (n)):

The Committee of the Club does not foresee any risk barring natural calamities and unforeseen circumstances during the period under review.

ROYAL WESTERN INDIA TURF CLUB, LTD.

27. Auditors:

M/s. Deloitte Haskins & Sells, Chartered Accountants, were appointed as statutory auditors under Section 139 of the Companies Act, 2013 at the 99th Annual General Meeting held on 16th December, 2014 till conclusion of 104th Annual General Meeting. They have expressed their inability to continue as Auditors of the Club. The Committee recommends M/s. Walker Chandiok & Co LLP for appointment as Auditors of the Club from the conclusion of the 104th Annual General Meeting till the conclusion of the 109th Annual General Meeting.

The Company has received a written consent, eligibility letter and other necessary declaration and confirmation from M/s. Walker Chandiok & Co LLP, Chartered Accountants, stating that the criteria provided under section 141 of the Companies Act, 2013 is satisfied.

28. Transfer to Reserve

In view of losses, the Company did not transfer any amount to General Reserve during the period under review.

29. Cost Records pursuant sub section (1) of section 148 of the Companies Act, 2013:

The Provisions of maintenance of cost records and as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 are not applicable to the Club.

30. Disclosure under The Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013

As per the Requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013, Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainee) are covered under this policy.

The Company takes all necessary measures to ensure a harassment free workplace. No complaints relating to sexual harassment were reported during the year.

31. Secretarial Standards issued by ICSI:

The Company has generally complied with the Secretarial Standard 1 (Board Meeting) and Secretarial Standard 2 (General meetings).

ROYAL WESTERN INDIA TURF CLUB, LTD.

32. Management Committee Members:

Pursuant to Article 89, Article 91 & Article 93 of the Articles of Association of the Club, the following Committee Members are liable for retirement by rotation and being eligible to offer themselves for re-appointment:

1. Mr. Khushroo N. Dhunjibhoy
2. Mr. Sunil G. Jhangiani
3. Ms. Zinia Lawyer
4. Mr. Milan A. Luthria
5. Mr. Geoffrey B. Nagpal
6. Mr. Surendra R. Sanas
7. Dr. Ram H. Shroff

Mr. Gautam P. Lala and Mr. Shyam M. Ruia have not offered themselves for re-appointment.

33. Disclosures:

Your Directors state that no disclosure or reporting is required in respect of following items for reasons stated therein:

1. Corporate Social Responsibility under section 135 – Not applicable in view of loss.
2. Appointment of Independent Directors under Section 149 – Not applicable
3. Constitution of Nomination and Remuneration Committee and Stakeholders Relationship Committee under Section 178 – Not applicable
4. Public Deposits under Chapter V of Companies Act, 2013 – No such deposits accepted.
5. Section 204 relating to secretarial audit for bigger companies

34. Obituary:

Your Committee regrets to report the death of:

CLUB MEMBERS

Alli, Esq. Mahiboob
Bathija, Esq., Madan
Batra, Esq., Prabhu D.
Bedi, Esq., Prithipal S.
Bhatia, Esq., Pradip H
Chudasama, Esq., Nana
D'souza, Esq., Alwyn
Ghadiali, Esq., Buder A
Goculdass, Esq., Lalitsinh N
Khambatta, Esq. Noshir P.
Kohli, Esq., Ramesh C

Madnani (Mulchand), Esq. Manu V
Nathani, Esq., Asif
Pittie, Esq., Girdharlal M
Poonawalla, Esq., Firdosh D.
Ruia, Esq., Ashok Kumar
Sethna, Esq., Rustom M
Setalvad, Esq., Anant V
Thakker, Esq., Ramesh M
Toshniwal, Esq. Rameshwar Lal
Vachha, Esq., Zarir H
Vasunia, Esq., Jijoo P

ROYAL WESTERN INDIA TURF CLUB, LTD.

LIFE MEMBERS

Aggarwal, Esq., Anil B	Paranjpe, Esq., Vijay Narayan
Doshi, Esq., Jayesh H	Patel, Esq., Areef Asgar
Gandhi, Esq., Narendra I	Shah, Mrs. Darshana
Jodha, Esq., Magansingh P	Shah, Esq., Harshad M
Halwasiya, Esq., Madan Mohan	Shah, Esq., Satyamangal
Irani, Esq., Yezdi J	Shah, Esq. Vinamra N.
Khandelwal, Esq., Rahul S	Tayal, Esq., Sanjay Kumar
Kothavala, Esq. Siasp T.	Uberoi, Esq., Sundeep Singh
Khodaiji, Esq., Soli J	Umranikar, Esq., Achyut Vaman
Maitra, Ms. Sherene S	

STAND MEMBERS

Bathija, Esq., Shrichand	Thadani, Esq., Prakash A
Khiani, Esq., Metharam R	Pai, Esq., Radhakrishna M
Master, Dr., Darius R.	Shetty, Esq., Kishore
Mehta, Esq., Arun H	Marshall, Esq., Minoo S
Mehta, Esq., Cyrus F	Shah, Esq., Yogen C
Malkani, Esq., Gulab H	Shankar, Esq., Gowri
Nangalia, Esq., Ramgopal	Shetty, Esq., Goverdhan
Parekh, Esq., Dhananjay M	Vasa, Esq., Jagdish J

LADY STAND MEMBERS

Contractor, Ms. Khairon A	Vatchaghandy, Mrs. Erna J
Chothia, Mrs. Zarine Dickey	Bhagwati, Mrs. Nalini
Fazalbhoy, Mrs. Nermeen F	Mevawala, Mrs. Jaloo P
Hoosein, Mrs. Khurshed M	Mulchandani, Mrs. Sheila
Karanjia, Mrs. Gulnaar K	Singh, Mrs. Anup Jagtar
Khatau, Mrs. Rajni	Joshi, Mrs. Nisha Ashok
Lala, Mrs. Laxmi	Melwani, Mrs. Kamla Gobindram
Pittie, Mrs. Savita	Tyebjee, Mrs. Sara H
Sampat, Mrs. Mrudula	

35. Acknowledgement:

The Management Committee wishes to place on record their appreciation for the co-operation received from the Club's Officials and staff during the year, particularly in view of the fact that your Club is a service company whose core strength lies in its personnel.

KHUSHROO N. DHUNJIBHOY
CHAIRMAN
ROYAL WESTERN INDIA TURF CLUB, LTD.

Mumbai : 8th August 2019

ROYAL WESTERN INDIA TURF CLUB, LTD.

FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

As on financial year ended on 31st March, 2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U91990MH1925PLC001182
2.	Registration Date	01/04/1925
3.	Name of the Company	Royal Western India Turf Club Limited
4.	Class of Company	Public Company
5.	Company Category	Company Limited by Guarantee
6.	Company Sub-category	Indian Non – Government Company
7.	Address of the Registered office & contact details	Race Course, Mahalaxmi, Mumbai – 400034. 022-23071407/ 022-23071401 secretary@rwitc.com
8.	Whether listed company	No
9.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Horse Racing	9319	72%
2	Club Activities	9329 & 9499	28%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No.	Name and address of the company	CIN / GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section

ROYAL WESTERN INDIA TURF CLUB, LTD.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(I) CATEGORY-WISE SHARE HOLDING

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2018]				No. of Shares held at the end of the year[As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF									
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.									
e) Banks / FI									
f) Any other									
Total shareholding of Promoter (A)									
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-									

ROYAL WESTERN INDIA TURF CLUB, LTD.

2. Non-Institutions									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
c) Others (specify)									
Non Resident Indians									
Overseas Corporate Bodies									
Foreign Nationals									
Clearing Members									
Trusts									
Foreign Bodies - D R									
Sub-total (B)(2):-									
Total Public Shareholding (B)=(B)(1)+(B)(2)									
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)									

ROYAL WESTERN INDIA TURF CLUB, LTD.

(ii) SHAREHOLDING OF PROMOTERS

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1								
2								

iii) CHANGE IN PROMOTERS' SHAREHOLDING (Please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):				
	At the end of the year				

(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS: (Other than Directors, Promoters and Holders of GDRS and ADRS):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the end of the year				

ROYAL WESTERN INDIA TURF CLUB, LTD.

(v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year				

V. INDEBTEDNESS - Indebtedness of the company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

ROYAL WESTERN INDIA TURF CLUB, LTD.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		----	----	----	---	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961					
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961					
2	Stock Option					
3	Sweat Equity					
4	Commission					
	- as % of profit - others, specify...					
5	Others, please specify					
	Total (A)					
	Ceiling as per the Act					

B. REMUNERATION TO OTHER DIRECTORS

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		-----	----	----	---	
1	Independent Directors					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (1)					
2	Other Non-Executive Directors					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

ROYAL WESTERN INDIA TURF CLUB, LTD.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission		
	- as % of profit		
	others, specify...		
5	Others, please specify		
	Total		

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding	Section 108	Compounding the offence of non-providing E-voting facility to Members as the same was not notified on the date of issue of Notice calling EOGM on 25 th April 2015	Application is in process	NCLT (erstwhile Company Law Board)	NA
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

**INDEPENDENT AUDITOR'S REPORT
To The Members of Royal Western India Turf Club Limited
Report on the Audit of the Financial Statements**

Qualified Opinion

We have audited the accompanying financial statements of Royal Western India Turf Club Limited ("the Club"), which comprise the Balance Sheet as at 31 March, 2019, and the Income and Expenditure account and, the Cash Flow Statement 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, except for the effects/possible effects of the matters described in the Basis for Qualified Opinion section below, 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 Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended ("Accounting Standards") and other accounting principles generally accepted in India, of the state of affairs of the Club as at 31 March 2019, and its deficit and its cash flows for the year ended on that date.

Basis for Qualified Opinion

(a) As stated in Note 41, the Club has been advised that for the period prior to 23 January 2018, the date when separate valuation rule has been added providing for tax on the gross value of the bet placed, Goods and Services Tax (GST) is payable on the commission and income from fixed odds betting retained out of the value of bets placed and not on the face value of the bet. Out of abundant caution, the Club has made payment of differential tax under protest for the period 1 July 2017 to 23 January 2018 amounting to Rs. 11,33,13,633/-. For the reasons stated in the note, the Club is confident of receiving refund of such differential tax paid under protest and, accordingly the said amount is included under 'Long term loans and advances' (Note 12). We are unable to express an opinion on recoverability of the amount.

(b) As stated in Note 37 to the financial statements, the Club has not reported the information on segment results, total carrying amount of segment assets and segment liabilities etc., required to be disclosed under the Accounting Standard 17 – 'Segment Reporting'.

The above matters were also qualified in our report on the financial statements for the previous year ended 31 March, 2018.

(c) In respect of previous year ending 31 March 2018, as stated in Note 25(A) (h) to the financial statements, no provision had been made for demand for contribution to ESIC relating to the period 1 April, 1989 to 30 June, 1997 and 1 July, 1999 to 30 June, 2004 and the estimated contribution including consequential interest thereon, for the period subsequent to 30 June, 2004, excluding time barred period, aggregating cumulative Rs. 2,70,00,000. Considering decision of the Supreme Court for the other periods referred to in the Note, had the provision been made for the said cumulative amount, Deficit for the previous year would have been higher by Rs. 20,00,000, Deficit in Income and Expenditure Account as at 31 March, 2018 would have been higher by cumulative Rs. 2,70,00,000 and Other current liabilities as at 31 March, 2018 would have been higher by Rs. 2,70,00,000.

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 Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Club in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (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 made thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us

is sufficient and appropriate to provide a basis for our qualified opinion on the financial statements.

Emphasis of Matter

We draw attention to Note 36(b)(i) to the financial statements. As stated in the said Note, the lease of land at Mahalaxmi, Mumbai, has been renewed from time to time and was last renewed vide lease deed dated 7 April, 2004 for the period of nineteen years from 1 June, 1994 up to 31 May, 2013. The Club is confident that the lease will be renewed further from time to time and, accordingly, the depreciation on buildings on leasehold land at Mahalaxmi, Mumbai, is provided over the useful lives referred to in Note 1(ii) to the financial statements and pending renewal of the lease, ground rent and extra ground rent {including towards hire of lawn, helipad charges, commitment fees and royalty/panel fees, as applicable, from decorators and caterers} for the aforesaid land has been provided by the Club on the basis of lease deed dated 7 April, 2004 referred to above. Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Club's Board of Directors ("Committee") is responsible for the other information. The other Information obtained at the date of this auditor's report is information included in the committee report, but does not include the financial statements and our auditor's report thereon.

- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.
- When we read the Committee report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Management's Responsibility for the Financial Statements

The Club's Committee 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 cash flows of the Club in accordance with the Accounting Standards and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Club and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Club's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using

the going concern basis of accounting unless management either intends to liquidate the Club or to cease operations, or has no realistic alternative but to do so.

Those Committee members are also responsible for overseeing the Club's financial reporting process.

Auditor's Responsibility 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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Club has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 Club'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 Club 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Club to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of

the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report that:
 - a) We have sought and except for the matter described in sub-paragraph (b) of the Basis for Qualified Opinion section above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) Except for the effects/possible effects of the matters described in sub-paragraph (a) under Basis for Qualified Opinion section above, in our opinion, proper books of account as required by law have been kept by the Club so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Income and Expenditure account and the Cash Flow Statement dealt with by this report are in agreement with the relevant books of account.
 - d) Except for the effects/possible effects of the matters described in the Basis for Qualified Opinion section above, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e) The matter described in the Basis for Qualified Opinion section above, in our opinion, may have an adverse effect on the functioning of the Club.
 - f) On the basis of the written representations received from the directors as on 31 March, 2019 taken on record by the Committee, none of the directors is disqualified as on 31 March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section above.
 - h) With respect to the adequacy of the internal financial controls over financial reporting of the Club and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses qualified opinion on the adequacy and operating effectiveness of the Club's internal financial controls over financial reporting for the reasons stated therein.
 - i) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, there is no remuneration paid by the Club to its committee members during the year.

- j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Club has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 25(A) to the financial statements.
 - ii. The Club did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Club.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins and Sells
Chartered Accountants
(Firm Registration No. 117365W)

(Ketan Vora)
(Partner)
(Membership No. 100459)
(UDIN: 19100459AAAACA4245)

Place: Mumbai
Date : 8 August 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (h) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Royal Western India Turf Club Limited ("the Club") as of 31 March, 2019 in conjunction with our audit of the financial statements of the Club for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Club's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Club considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to club's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Club based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A club's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A club's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the club; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the club are being made only

in accordance with authorisations of management and directors of the club; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the club's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Basis for Qualified Opinion

According to the information and explanations given to us and based on our audit, material weaknesses have been identified as at 31 March, 2019 in the design and / or operating effectiveness of internal financial controls of the Club, relating to internal financial controls over financial reporting in respect of (i) assessment of the Club on the recoverability of the Goods and Services Tax (GST) paid under protest; and (ii) non compilation and reporting of certain information required to be disclosed under Accounting Standard 17 – 'Segment Reporting', which has resulted in material misstatements in the Club's financial statements.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Club's annual or interim financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

In our opinion, to the best of our information and according to the explanations given to us, except for the effects/ possible effects of the material weaknesses described in Basis for Qualified Opinion paragraph above on the achievement of the objectives of the control criteria, the Club has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31 March 2019, based on the internal control over financial reporting criteria established by the Club considering the essential components of internal control stated in the said Guidance Note.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Club for the year ended 31 March, 2019.

For Deloitte Haskins and Sells
Chartered Accountants
(Firm Registration No. 117365W)

(Ketan Vora)
(Partner)
(Membership No. 100459)
(UDIN 19100459AAAACA4245)

Place: Mumbai
Date: 8 August 2019

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on other legal and regulatory requirements' section of our report of even date to the members of Reliance Retail Limited for the year ended 31 March 2019)

- i. In respect of its fixed assets:
 - (a) The Club has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Club has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Club and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and the records examined by us and based on the examination of the lease deeds provided to us, we report that the immovable properties of lease hold lands at Pune and buildings constructed thereon, are held in the name of the Club as at the balance sheet date. In respect of leasehold land at Mumbai and buildings constructed thereon, the lease deed was last renewed up to 31 May 2013 in respect of which the Club is confident that the lease will be renewed further. {Also refer Note 36(b)}.
- ii. As explained to us, the inventories were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification.
- iii. The Club has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act.
- iv. The Club has not granted any loans, made investments or provide guarantees and hence reporting under clause (iv) of CARO 2016 is not applicable.
- v. According to the information and explanations given to us, the club has not accepted any deposit during the year and the club does not have unclaimed deposits as at 31 March 2019 and accordingly, provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 are not applicable to the club.
- vi. Having regard to the nature of the Club's business / activities, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - a) The Club has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Customs Duty, Value Added Tax, Goods and Service Tax, Cess and other material statutory dues applicable to it to the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31 March 2019 for a period of more than six months from the date they became payable.
 - b) Except for dues of service tax Rs 68,68,380, there were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Service Tax, Goods and Service Tax,

Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

- c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on 31 March 2019 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount unpaid (Rs.)
Maharashtra Value Added Tax, 2002	Sales tax including interest and penalty	Deputy/ Joint Commissioner of Sales tax (Appeals)	2005 – 2006	21,65,811
			2008 – 2009	38,56,414
The Finance Act, 1994	Service tax including penalty	Commissioner of Service tax/CGST	2008 – 2009	1,46,39,962
			2009 – 2010	1,16,46,189
			2010 – 2011	1,48,59,775
			2011 – 2012	1,11,50,986
The Finance Act, 1994	Service tax	Commissioner of Service tax/CGST	2010-11 to 2016-17	3,93,22,254
Employee State Insurance Act, 1948	ESIC (including interest and penalty)	Supreme Court	Various period	1,36,98,230

- viii. In our opinion and according to the information and explanations given to us, the Club has not defaulted in the repayment of loans to banks and dues to debenture holders. The Club has not borrowed any funds from financial institutions or government.
- ix. The Club is a Company limited by Guarantee and has not raised moneys by way of debt instruments or term loans and hence reporting under clause (ix) of the Order is not applicable.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Club and no material fraud on the Club by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us, there is no amount payable as managerial remuneration under the provisions of Section 197 of the Companies Act 2013.
- xii. The Club is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable to the Club.
- xiii. In our opinion and according to the information and explanations given to us, the Club is in compliance with Sections 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

- xiv. Having regard to the fact that the Club is a Company limited by Guarantee, reporting under clause (xiv) of the Order relating to any preferential allotment or private placement of shares or fully or partly convertible debentures is not applicable.
- xv. In our opinion and according to the information and explanations given to us, during the year the Club has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- xvi. The Club is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Deloitte Haskins and Sells
Chartered Accountants
(Firm's Registration No. 117365W)

Place: Mumbai
Date : 8 August 2019

(Ketan Vora)
(Partner)
(Membership No. 100459)
(UDIN: 19100459AAAACA4245)

ROYAL WESTERN INDIA TURF CLUB, LIMITED

Balance Sheet as at 31st March, 2019

Particulars	Note No.	As at 31st March, 2019		As at 31st March, 2018	
		Rs.	Rs.	Rs.	Rs.
I. EQUITY AND LIABILITIES					
(1) Shareholders' funds					
Reserves and surplus	3		84,01,16,674		85,25,96,102
(2) Benevolent Fund					
	4		-		-
(3) Non-current liabilities					
(a) Other Long term liabilities	5	1,67,95,814		1,53,15,814	
(b) Long-term provisions	6	<u>2,86,70,423</u>		<u>2,80,93,595</u>	
			4,54,66,237		4,34,09,409
(4) Current liabilities					
(a) Trade payables	7				
- total outstanding dues of Micro Enterprises and Small Enterprises		-		-	
- total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		31,71,07,228		25,83,52,409	
(b) Other current liabilities	8	27,31,78,180		27,67,30,109	
(c) Short-term provisions	9	<u>1,24,69,069</u>		<u>1,55,58,887</u>	
			60,27,54,477		55,06,41,405
TOTAL			<u><u>1,48,83,37,388</u></u>		<u><u>1,44,66,46,916</u></u>
II. ASSETS					
(1) Non-current assets					
(a) Property, plant and equipment	10	44,54,11,375		48,61,62,420	
(b) Capital work-in-progress		35,64,828		26,22,398	
(c) Intangible asset under development		<u>23,20,000</u>		<u>53,35,448</u>	
		45,12,96,203		49,41,20,266	
(d) Non-current investments	11	16,75,20,000		14,75,20,000	
(e) Deferred tax assets (Net)	34	-		-	
(f) Long-term loans and advances	12	30,47,36,976		23,76,67,491	
(g) Other non-current assets	13	<u>64,92,679</u>		<u>3,61,92,679</u>	
			93,00,45,858		91,55,00,436
(2) Current assets					
(a) Current investments	14	14,50,00,000		19,50,00,000	
(b) Inventories	15	1,54,03,386		1,49,42,912	
(c) Trade receivables	16	8,41,23,693		3,18,82,436	
(d) Cash and cash equivalents	17	19,57,26,501		13,21,13,707	
(e) Short-term loans and advances	18	7,88,26,569		11,13,79,708	
(f) Other current assets	19	<u>3,92,11,381</u>		<u>4,58,27,717</u>	
			55,82,91,530		53,11,46,480
TOTAL			<u><u>1,48,83,37,388</u></u>		<u><u>1,44,66,46,916</u></u>
See accompanying notes forming part of the financial statements					

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 117365W)

KHUSHROO N. DHUNJIBHOY
SUNIL G. JHANGIANI
GAUTAM P. LALA
MS. ZINIA LAWYER
MILAN A. LUTHRIA
GEOFFREY B. NAGPAL
SHYAM M. RUIA
SURENDRA R. SANAS
DR. RAM H. SHROFF

Chairman
Member of the Committee
" " "
" " "
" " "
" " "
" " "
" " "
" " "

Ketan Vora
Partner
(Membership No. 100459)

N. H. S. MANI

Secretary & CEO

Place : Mumbai
Date : 8th August 2019

Place : Mumbai
Date : 8th August 2019

ROYAL WESTERN INDIA TURF CLUB, LIMITED

Income and Expenditure Account for the year ended 31st March, 2019

Particulars	Note No.	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
		Rs.		Rs.	
I. Revenue from operations	20	86,42,81,747		83,84,60,785	
II. Other income	21	5,01,62,335		4,14,46,129	
III. Total Revenue (I+II)		<u>91,44,44,082</u>		<u>87,99,06,914</u>	
IV. Expenses					
Employee benefits expense	22	23,32,90,196		23,64,47,714	
Finance costs	23	1,60,14,534		18,18,819	
Depreciation expense	10	6,81,81,376		8,07,41,166	
Other expenses	24	63,94,37,404		57,28,50,301	
Total expenses		<u>95,69,23,510</u>		<u>89,18,58,000</u>	
V. Excess of expenditure over income before tax (III-IV)		(4,24,79,428)		(1,19,51,086)	
VI. Tax expense		-		-	
VII. Deficit for the year from continuing operations (V-VI)		<u>(4,24,79,428)</u>		<u>(1,19,51,086)</u>	
See accompanying notes forming part of the financial statements					

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 117365W)

KHUSHROO N. DHUNJIBHOY	Chairman
SUNIL G. JHANGIANI	Member of the Committee
GAUTAM P. LALA	" " "
MS. ZINIA LAWYER	" " "
MILAN A. LUTHRIA	" " "
GEOFFREY B. NAGPAL	" " "
SHYAM M. RUIA	" " "
SURENDRA R. SANAS	" " "
DR. RAM H. SHROFF	" " "

Ketan Vora
Partner
(Membership No. 100459)

N. H. S. MANI Secretary & CEO

Place : Mumbai
Date : 8th August 2019

Place : Mumbai
Date : 8th August 2019

ROYAL WESTERN INDIA TURF CLUB, LIMITED

Cash Flow Statement for the year ended 31st March, 2019

Particulars	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
	Rs.	Rs.	Rs.	Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Excess of expenditure over income before tax		(4,24,79,428)		(1,19,51,086)
Adjustments for:				
Depreciation expense	6,81,81,376		8,07,41,166	
(Profit)/Loss on Property, plant and equipment sold/discarded (net)	(2,94,415)		1,72,252	
Finance costs	1,60,14,534		18,18,819	
Provision for trade and other receivables, loans and advances (net)	15,00,961		24,38,435	
Interest income	(92,25,434)		(1,42,43,662)	
Profit on sale/ redemption of long-term investments	(44,88,393)		(1,56,38,661)	
Provision for ESIC Liability	66,52,000		-	
		7,83,40,629		5,52,88,349
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		3,58,61,201		4,33,37,263
Adjustments for:				
Inventories	(4,60,474)		56,69,632	
Trade and other receivables	(5,48,78,799)		(1,83,43,076)	
Trade and other payables /Provisions	3,29,49,351		4,42,18,834	
		(2,23,89,922)		3,15,45,390
CASH GENERATED FROM OPERATIONS		1,34,71,279		7,48,82,653
Direct Taxes (Paid)/ Refund received (net)		(2,58,27,425)		(1,12,56,188)
Fund collected on behalf of and (paid)over to the Benevolent Fund (net)		72,692		(5,09,938)
NET CASH FLOW FROM (USED IN) OPERATING ACTIVITIES (A)		(1,22,83,454)		6,31,16,527
B. CASH FLOW FROM INVESTING ACTIVITIES				
Capital expenditure on Property, plant and equipment (after adjustment of increase/ decrease in capital work-in-progress and advance for capital expenditure)	(3,01,50,109)		(2,38,19,994)	
Proceeds from sale of Property, plant and equipment	46,15,610		4,13,206	
Interest received	91,35,721		1,44,32,621	
Purchase of investments in mutual funds	(9,00,00,000)		(20,95,00,000)	
Proceeds from sale/redemption of investments in mutual funds	12,44,88,393		14,51,38,661	
Bank balances not considered as Cash and cash equivalents (net)	-		61,18,435	
		1,80,89,615		(6,72,17,071)
NET CASH FLOW FROM (USED IN) INVESTING ACTIVITIES (B)		1,80,89,615		(6,72,17,071)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Net change in short-term borrowings	-		(69,40,908)	
Entrance fees received from Members	3,00,00,000		2,91,50,000	
Finance costs paid	(14,45,985)		(10,50,257)	
		2,85,54,015		2,11,58,835
NET CASH FLOW FROM FINANCING ACTIVITIES (C)		2,85,54,015		2,11,58,835
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		3,43,60,176		1,70,58,291
Cash and cash equivalents at the beginning of the year		5,64,53,427		3,93,95,136
Cash and cash equivalents at the end of the year		9,08,13,603		5,64,53,427
Reconciliation of Cash and cash equivalents with the Balance Sheet:				
Cash and cash equivalents as per Balance Sheet (Refer Note 17)		19,57,26,501		13,21,13,707
Less: Bank balances in earmarked accounts not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements :				
(i) Balances held as margin money or security against borrowings, guarantees and other commitments		10,43,00,000		7,46,00,000
(ii) Other earmarked account (Benevolent Fund)		6,12,898		10,60,280
Cash and cash equivalents at the end of the year (as defined in AS 3 Cash Flow Statements) included in Note 17 [Refer Footnote (ii)]		9,08,13,603		5,64,53,427

ROYAL WESTERN INDIA TURF CLUB, LIMITED

Cash Flow Statement for the year ended 31st March, 2019

Footnotes:

(i) The cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3 - Cash Flow Statements.

(ii) Cash and cash equivalents at the end of the year comprises:

	As at 31st March, 2019	As at 31st March, 2018
	(Rs.)	(Rs.)
(a) Cash on hand	1,18,53,288	71,29,977
(b) Cheques on hand	81,218	23,53,122
(c) Balances with banks		
(i) In current accounts	4,99,73,839	2,19,91,179
(ii) In savings accounts	2,02,63,252	1,68,60,314
(iii) In deposit accounts	86,42,006	81,18,835
	9,08,13,603	5,64,53,427

(iii) Previous year figures have been regrouped to conform with those of the current year.

See accompanying notes forming part of financial statements

In terms of our report attached.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 117365W)

KHUSHROO N. DHUNJIBHOY
SUNIL G. JHANGIANI
GAUTAM P. LALA
MS. ZINIA LAWYER
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GEOFFREY B. NAGPAL
SHYAM M. RUIA
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DR. RAM H. SHROFF

Chairman
Member of the Committee
" " "
" " "
" " "
" " "
" " "
" " "

Ketan Vora
Partner
(Membership No. 100459)

N. H. S. MANI

Secretary & CEO

Place : Mumbai
Date : 8th August 2019

Place : Mumbai
Date : 8th August 2019

ROYAL WESTERN INDIA TURF CLUB, LIMITED
Notes forming part of the financial statements

1. Significant Accounting Policies:

(i) Basis of accounting and preparation of financial statements:

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention.

All assets and liabilities are classified as current if it is expected to realise or settle within 12 months after the Balance Sheet date.

(ii) Property, plant and equipment are stated at cost less accumulated depreciation. Cost comprises of purchase / acquisition price, non-refundable taxes and any directly attributed cost of bringing the asset to its working condition for its intended use.

Assessment of indication of impairment of an asset is made at the period-end and impairment loss, if any, is recognised.

Depreciation on property, plant and equipments[including buildings on leasehold land at Mumbai referred to in Note 36 (b)(i)] has been provided on the written down value method as per the useful lives prescribed in Schedule II to the 2013 Act, except in respect of semi permanent stables at Pune, which are depreciated over its estimated useful life of 20 years based on technical evaluation.

(iii) Long term investments are stated at cost. Provision for diminution is made to recognise a decline, other than temporary, in the value of investments. Current investments are stated at the lower of cost and fair value.

(iv) Inventories are valued at the lower of cost and net realisable value. Cost of stores and provisions is ascertained on the weighted average method.

(v) Trade and other receivables, loans and advances identified as irrecoverable or doubtful are written off or provided for.

(vi) Revenue from horse race is recognized when the event takes place.

Income from services is recognised as and when services are rendered.

Conducting fee is recognised on accrual basis in accordance with the terms of the respective agreements.

Dividend income is accounted when right to receive dividend is established.

Interest income is recognised on time proportion basis.

Revenue is recognised only when it is reasonably certain that the ultimate collection will be made.

ROYAL WESTERN INDIA TURF CLUB, LIMITED
Notes forming part of the financial statements

(vii) Charity meetings: Certain expenses, computed on a pro-rata basis according to the number of days of racing which are considered as recoverable from charity meetings, are reduced from the corresponding figures in the Income and Expenditure Account. Such recoveries are however restricted to the surplus, if any, on individual charity meetings' account. The deficit i.e. excess, if any, of direct expenditure over direct income pertaining to individual charity meetings' account is charged to the Income and Expenditure Account.

(viii) Employee benefits:

(a) Defined contribution plans:

The Club's contributions to the Provident Fund and the Superannuation Fund are charged to the Income and Expenditure Account.

(b) Defined benefit plans/Long term employee benefits:

The Club's liability towards gratuity and compensated absences is determined on the basis of period-end actuarial valuation done by an independent actuary as at the period-end.

The actuarial gains or losses determined by the actuary are recognised in the Income and Expenditure Account as an income or expense.

(ix) Foreign currency transactions during the period are recorded at the rate of exchange prevailing at the date of transaction. All foreign currency monetary items outstanding at the period-end are translated at the period-end exchange rates. Exchange gains or losses realised and arising due to translation of monetary items outstanding as at the period-end are accounted for in the Income and Expenditure Account.

(x) Entrance fees are fully accounted in the period in which the entrance fees or the proportionate part of the entrance fees as the case may be are received from the elected Members, and are credited to General Reserve.

(xi) Taxation:

Current tax is determined as the amount of tax payable in respect of estimated taxable income for the period.

The tax effect of the timing differences between taxable income and accounting income which are capable of reversal in one or more subsequent periods is recorded as deferred tax asset subject to the consideration of prudence or deferred tax liability. They are measured using the enacted or substantively enacted tax rates and tax laws by the balance sheet date.

Deferred tax assets arising on account of unabsorbed depreciation and carry forward of losses are recognised, only if there is virtual certainty of its realisation, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognised only to the extent there is reasonable certainty of its realisation. The carrying amount of deferred tax asset is reviewed at each balance sheet date.

Minimum Alternative Tax (MAT) credit asset is recognised only when and to the extent there is convincing evidence that the Club will pay normal income tax during the specified period. The carrying amount of MAT credit asset is reviewed at each balance sheet date.

ROYAL WESTERN INDIA TURF CLUB, LIMITED
Notes forming part of the financial statements

(xii) Provisions and contingent liabilities:

Provision is recognised when the Club has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate of the expenditure required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote.

(xiii) Leases:

(a) Assets acquired under lease where the Club has substantially all the risks and rewards incidental to ownership are classified as finance leases. Such assets are capitalised at the inception of the lease at the lower of the fair value and the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

(b) Assets acquired on leases where significant portions of the risks and rewards incidental to ownership are retained by the lessors, are classified as operating leases. Lease rentals are charged to the Income and Expenditure Account over the lease period.

(xiv) Use of estimates :

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenue and expenses during the reported period. Difference between the actual results and estimates are recognised in the period in which results are known/materialised.

(xv) Accounting of jointly controlled operations :

In respect of its interests in jointly controlled operations, the Club recognises the assets that it controls and the liabilities that it incurs; and the expenses that it incurs and its share of the income that it earns from the joint venture.

2. Share capital :

The Club is a Company limited by Guarantee. Every Member of the Club undertakes or guarantees to contribute to the assets of the Club ,in the event of the same being wound up during the time that he is a member or within one year afterwards, for payment of the debts and liabilities of the Club contracted before the time at which he ceases to be a member, and of the costs, charges and expenses of winding up the same, and for adjustment of the rights of the contributories amongst themselves, such amount as may be required not exceeding one Rupee. Every Club Member is entitled to one vote at the general meeting.

ROYAL WESTERN INDIA TURF CLUB, LIMITED

Notes forming part of the financial statements

3 - Reserves and surplus	As at 31st March, 2019		As at 31st March, 2018	
	Rs.	Rs.	Rs.	Rs.
(a) Capital Reserve :				
Balance as per last Balance Sheet		12,02,75,000		12,02,75,000
		<u>12,02,75,000</u>		<u>12,02,75,000</u>
(b) General Reserve :				
Balance as per last Balance Sheet		1,41,42,64,385		1,38,51,14,385
Add : Entrance Fees:				
Life Members	2,98,00,000		2,90,00,000	
Service Members	30,000		-	
Local Members of the Turf Club House	<u>1,70,000</u>		<u>1,50,000</u>	
		<u>3,00,00,000</u>		<u>2,91,50,000</u>
		<u>1,44,42,64,385</u>		<u>1,41,42,64,385</u>
(c) Deficit in Income and Expenditure Account :				
Balance as per last Balance Sheet		(68,19,43,283)		(66,99,92,197)
Add: Deficit for the year		<u>(4,24,79,428)</u>		<u>(1,19,51,086)</u>
		<u>(72,44,22,711)</u>		<u>(68,19,43,283)</u>
		<u>84,01,16,674</u>		<u>85,25,96,102</u>

4 - Benevolent Fund (Refer Footnote and Note 27)	As at 31st March, 2019		As at 31st March, 2018	
		Rs.		Rs.
Balance as per last Balance Sheet		-		-
Add: Contributions from Owners and Jockeys, License Fees and Fines from Jockeys and Riding Boys, Interest, etc.		18,22,948		14,16,917
Add: Contribution by the Club towards shortfall in the fund (Refer Note 24)		<u>43,35,856</u>		<u>44,07,293</u>
		<u>61,58,804</u>		<u>58,24,210</u>
Less: Grants, Medical and other expenses (Net of insurance claims)		<u>61,58,804</u>		<u>58,24,210</u>
		<u>-</u>		<u>-</u>

@ includes contribution from Trainers, License fees and fines from Trainers and visiting trainers

Footnote:

Benevolent Fund is formed under the Rules of Racing of the Club. The Stewards of the Club may make out of the Benevolent Fund (i) any payment to any Jockey, Apprentice Jockey or Riding Boy, who from accident, sickness or other cause is incapacitated from carrying on his profession and (ii) any payment in the event of death, or bodily injury to a Jockey, Apprentice Jockey or Riding Boy, caused by accident while carrying out his duties between the time of his weighing-out and weighing-in for a race or while riding work according to the instructions, on any race course under the control of the Stewards of the Club.

ROYAL WESTERN INDIA TURF CLUB, LIMITED

Notes forming part of the financial statements

5 - Other Long term liabilities	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
Other than trade payables :		
- Security deposits	1,52,95,814	1,38,15,814
- Corpus fund for trophies on certain race days	15,00,000	15,00,000
	<u>1,67,95,814</u>	<u>1,53,15,814</u>

6 - Long-term provisions	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
Provision for employee benefits - Compensated absences	2,86,70,423	2,80,93,595
	<u>2,86,70,423</u>	<u>2,80,93,595</u>

7 - Trade payables	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
Trade payables		
- total outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 29)	-	-
- total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	31,71,07,228	25,83,52,409
	<u>31,71,07,228</u>	<u>25,83,52,409</u>

ROYAL WESTERN INDIA TURF CLUB, LIMITED

Notes forming part of the financial statements

8 - Other current liabilities	As at 31st March, 2019		As at 31st March, 2018	
	Rs.	Rs.	Rs.	Rs.
(a) Unearned revenue		95,97,866		2,95,60,428
(b) Advances from customers		45,23,477		31,01,511
(c) Other payables :				
- Current accounts with Owners, trainers, jockeys, studs, bookmakers, etc.	11,47,12,376		11,65,85,433	
- Deductions from stake money *	5,70,96,785		4,97,90,845	
- Statutory remittances (Goods and Services Tax, contribution to PF and ESIC, withholding tax, betting tax, service tax etc.)	1,74,72,375		4,14,48,366	
- Security deposits	3,18,81,476		2,71,29,548	
- Sweepstakes received in advance	87,03,875		14,40,373	
- Payables for Property, plant and equipment	1,70,000		20,05,514	
- Others	2,90,19,950		56,68,091	
		25,90,56,837		24,40,68,170
		27,31,78,180		27,67,30,109

* towards contingencies / infrastructure and/or towards charity and/or for corporate Social responsibility and /or Government statutory dues.

9 - Short-term provisions	As at 31st March, 2019		As at 31st March, 2018	
	Rs.	Rs.	Rs.	Rs.
Provision for employee benefits				
- Compensated absences	70,75,267		53,81,304	
- Gratuity	53,93,802		1,01,77,583	
		1,24,69,069		1,55,58,887
		1,24,69,069		1,55,58,887

ROYAL WESTERN INDIA TURF CLUB, LIMITED

Notes forming part of the financial statements

10 - Property, plant and equipment

Description	Gross carrying amount				Depreciation			Net carrying amount As at 31st March, 2019
	As at 1st April, 2018	Additions	Deductions	As at 31st March, 2019	For the year	Deductions	As at 31st March, 2019	
	Amount in Rupees							
Tangible assets								
(a) Buildings *	55,71,56,748 (55,03,16,946)	83,51,521 (68,39,802)	- -	56,55,08,269 (55,71,56,748)	2,55,82,305 (2,89,17,489)	- -	29,27,89,573 (26,72,07,268)	27,27,18,696 (28,99,49,480)
(b) Plant and Equipment *	50,53,86,236 (49,77,08,469)	1,24,80,980 (86,31,391)	52,00,081 (9,53,624)	51,26,67,135 (50,53,86,236)	3,56,10,948 (4,40,98,382)	10,50,181 (5,89,120)	36,13,29,591 (32,67,68,824)	15,13,37,544 (17,86,17,412)
(c) Furniture and Fixtures *	4,48,41,598 (4,21,48,257)	12,79,496 (26,93,341)	- -	4,61,21,094 (4,48,41,598)	21,99,599 (20,67,673)	- -	3,87,37,103 (3,65,37,504)	73,83,990 (83,04,094)
(d) Vehicles	2,86,65,666 (3,08,97,829)	18,50,732 (63,939)	26,69,609 (22,96,102)	2,78,46,789 (2,86,65,666)	3,30,838 (11,35,278)	25,36,377 (21,69,692)	2,34,74,809 (2,56,80,348)	43,71,981 (29,85,318)
(e) Office Equipment	1,23,67,432 (1,21,12,425)	6,16,871 (2,55,007)	4,41,550 -	12,542,753 (1,23,67,432)	2,96,642 (2,99,464)	4,24,973 -	1,15,56,104 (1,16,84,435)	9,86,649 (6,82,997)
(f) Computers	6,41,17,544 (6,32,47,654)	13,93,282 (30,77,626)	8,73,060 (22,07,737)	6,46,37,766 (6,41,17,544)	21,94,787 (33,38,443)	8,51,573 (21,13,193)	6,04,61,870 (5,91,18,656)	41,75,896 (49,98,888)
Intangible assets								
(a) Software	42,12,962 (40,08,339)	57,78,645 (2,04,624)	- -	99,91,607 (42,12,962)	19,66,257 (8,84,437)	- -	55,54,988 (35,88,731)	44,36,619 (6,24,231)
Total	121,67,48,186 (120,04,39,919)	3,17,51,527 (2,17,65,730)	91,84,300 (54,57,463)	123,93,15,413 (121,67,48,186)	6,81,81,376 (8,07,41,166)	48,63,104 (48,72,005)	79,39,04,038 (73,05,85,766)	44,54,11,375 (48,61,62,420)

* For assets under operating lease refer Note 33(B)

The figures in brackets are corresponding amounts in respect of the previous year.

ROYAL WESTERN INDIA TURF CLUB, LIMITED
Notes forming part of the financial statements

11 - Non-current investments (At cost)	As at 31st March, 2019		As at 31st March, 2018	
	Rs.	Rs.	Rs.	Rs.
Non-Trade-Unquoted:				
Investments in Government Securities				
- 6 Year National Savings Certificates [Lodged as security with Government authorities]		20,000		20,000
Investment in mutual funds				
(i) ICICI Prudential Mutual Fund -				
ICICI Prudential Regular Savings fund - Growth (Now known as ICICI Prudential Credit Risk Fund - Growth)				
16,69,337 units (and 757 fractions) [2017-18: 16,69,337 units (and 757 fractions)] of Rs. 10 each		2,95,00,000		2,95,00,000
(ii) IDFC Mutual Fund -				
IDFC Corporate Bond Fund Regular Plan -Growth				
18,03,215 units (and 133 fractions) [2017-18: 18,03,215 units (and 133 fractions)] of Rs.10 each		2,00,00,000		2,00,00,000
(iii) L&T Mutual Fund -				
L&T Short Term Income Fund - Growth (Now known as L&T Low Duration Fund)				
28,92,236 units (and 635 fractions) [2017-18: 28,92,236 units (and 635 fractions)] of Rs.10 each		5,05,00,000		5,05,00,000
(iv) Reliance Mutual Fund -				
Reliance Strategic Debt Fund- Growth Plan				
10,86,492 units (and 007 fractions) [2017-18 : 10,86,492 units (and 007 fractions)] of Rs.10 each		1,50,00,000		1,50,00,000
(v) Axis Mutual Fund -				
Axis Regular Savings Fund- Growth (IF-GP) (Now Known as Axis Strategic Bond Fund -Growth)				
7,47,321 units (and 599 fractions) [2017-18: 13,62,195 units (and 396 fractions)] of Rs.10 each		1,25,00,000		2,25,00,000
(vi) DSP BlackRock Mutual Fund -				
DSP Short Term Fund - Direct Plan- Growth				
3,27,166 units (and 250 fractions) [2017-18 : 3,27,166 units (and 250 fractions)] of Rs.10 each		1,00,00,000		1,00,00,000
(vii) Franklin Templeton Mutual Fund -				
Franklin India Short Term Income Plan - Retail Plan- Growth				
2,653 units (and 442 fractions) [2017-18 : NIL] of Rs.10 each		1,00,00,000		-
(viii) UTI Mutual Fund -				
UTI Credit Risk Fund -Regular Plan - Growth				
12,41,048 units (and 935 fractions) [2017-18 : NIL] of Rs.10 each		2,00,00,000		-
		<u>16,75,20,000</u>		<u>14,75,20,000</u>

ROYAL WESTERN INDIA TURF CLUB, LIMITED

Notes forming part of the financial statements

12 - Long-term loans and advances	As at 31st March, 2019		As at 31st March, 2018	
	Rs.	Rs.	Rs.	Rs.
(a) Capital advances - Unsecured, considered good		8,11,600		3,40,000
(b) Security deposits - Unsecured, considered good		84,40,559		84,40,559
(c) Other loans and advances -				
(i) Unsecured, considered good				
- Current tax payments less provisions	16,34,14,827		13,75,87,402	
- ESIC/ Entertainment tax /Service tax /VAT/GST paid under protest (Refer Note 41)	12,93,21,625		8,62,03,170	
- Loans to employees, etc.	27,48,365		50,96,360	
		29,54,84,817		22,88,86,932
(ii) Doubtful -				
- Advance to a vendor	11,66,400		11,66,400	
- Owners, etc.	1,19,01,951		1,04,00,990	
	1,30,68,351		1,15,67,390	
Less: Allowance for other long term loans and advances	1,30,68,351		1,15,67,390	
		-		-
		30,47,36,976		23,76,67,491

13 - Other non-current assets	As at 31st March, 2019		As at 31st March, 2018	
	Rs.	Rs.	Rs.	Rs.
(a) Long-term trade receivables - Unsecured				
(i) Considered good	61,86,177		61,86,177	
(ii) Doubtful	39,65,463		47,54,633	
	1,01,51,640		1,09,40,810	
Less: Allowance for doubtful long-term trade receivables	39,65,463		47,54,633	
		61,86,177		61,86,177
(b) Others:				
(i) Balances with banks (fixed deposits) held as margin money or security against borrowings, guarantees and other earmarked account (Benevolent fund), which have a maturity period of more than 12 months from the Balance Sheet date		3,06,502		3,00,06,502
(ii) Doubtful				
- Sponsorship fee receivable	1,75,000		1,75,000	
Less: Allowance for doubtful other non-current assets	1,75,000		1,75,000	
		-		-
		64,92,679		3,61,92,679

ROYAL WESTERN INDIA TURF CLUB, LIMITED

Notes forming part of the financial statements

14 - Current investments	As at 31st March, 2019		As at 31st March, 2018	
	Rs.	Rs.	Rs.	Rs.
Non-Trade-Unquoted (At cost):				
Investment in mutual funds				
(i) Reliance Mutual Fund -				
Reliance Strategic Debt Fund Growth Plan NIL [2017-18 : 22,10,416 Units (and 958 fractions)] of Rs.10 each	-		3,00,00,000	
Reliance Fixed Horizon Fund -XXX - Series 11 - Direct Growth Plan 15,00,000 units [2017-18: 15,00,000 units] of Rs.10 each	<u>1,50,00,000</u>	@	<u>1,50,00,000</u>	@
			1,50,00,000	4,50,00,000
(ii) HDFC Mutual Fund -				
HDFC Short Term Debt Fund - Direct Plan - Growth Option 12,93,768 units (and 177 fractions) [2017-18: 12,93,768 units (and 177 fractions)] of Rs.10 each	2,50,00,000		2,50,00,000	
HDFC Liquid Fund - Regular Plan - Growth NIL [2017-18: 14,849 units (and 339 fractions)] of Rs.10 each	-		5,00,00,000	
HDFC Corporate Debt Opportunity Fund - Direct Plan- Growth (Now known as HDFC Credit Risk Fund- Direct Plan- Growth) 14,55,561 units (and 701fractions) [2017-18: 14,55,561 units (and 701fractions)] of Rs.10 each	<u>2,00,00,000</u>		<u>2,00,00,000</u>	
			4,50,00,000	9,50,00,000
(iii) DSP BlackRock Mutual Fund -				
DSP BlackRock Income Opportunities Fund - Regular Plan- Growth (Now known as DSP BlackRock Credit Risk Fund- Regular Plan- Growth) NIL [2016-17: 3,74,710 units (and 068 fractions)] of Rs.10 each	-		1,00,00,000	
DSP Liquidity Fund - Direct Plan - Growth 21,728 units (and 951 fractions) [2017-18: 6,043 units (and 894 fractions)] of Rs.10 each	5,50,00,000		1,50,00,000	
DSP BlackRock Income Opportunities Fund - Direct Plan- Growth (Now known as DSP Credit Risk Fund- Direct Plan- Growth) 3,66,831 units (and 129 fractions) [2017-18: 3,66,831 units (and 129 fractions)] of Rs.10 each	<u>1,00,00,000</u>		<u>1,00,00,000</u>	
			6,50,00,000	3,50,00,000
(iv) Birla Sun Life Mutual Fund -				
Aditya Birla Sun Life Credit Risk Fund -Regular Plan - Growth 15,10,471units (and 343 fractions) [2017-18 : NIL] of Rs.10 each			2,00,00,000	-
(v) Kotak Mutual Fund -				
Kotak FMP series 218-Direct Plan-Growth NIL (2017-18 : 20,00,000 units) of Rs. 10 each			-	2,00,00,000
			<u>14,50,00,000</u>	<u>19,50,00,000</u>

@ kept as lien against overdraft facility from a bank. The amount of overdraft outstanding as at 31st March, 2019 Rs. Nil

ROYAL WESTERN INDIA TURF CLUB, LIMITED

Notes forming part of the financial statements

15 - Inventories (At lower of cost and net realisable value)	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
Stores and provisions	1,54,03,386	1,49,42,912
	<u>1,54,03,386</u>	<u>1,49,42,912</u>

16 - Trade receivables	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
(a) Trade receivables outstanding for a period exceeding six months from the date they are due for payment - Unsecured, considered good	1,16,76,631	1,23,93,606
(b) Other trade receivables - Unsecured, considered good	7,24,47,062	1,94,88,830
	<u>8,41,23,693</u>	<u>3,18,82,436</u>

17 - Cash and cash equivalents	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
(a) Cash on hand	1,18,53,288	71,29,977
(b) Cheques on hand	81,218	23,53,122
(c) Balances with banks		
(i) In current accounts	4,99,73,839	2,19,91,179
(ii) In savings accounts	2,02,63,252	1,68,60,314
(iii) In deposit accounts (Refer Notes 17.1 and 17.2)	86,42,006	81,18,835
(iv) In earmarked accounts		
- Balances held as margin money or security against borrowings and guarantees (Refer Note 17.1)	10,43,00,000	7,46,00,000
- Other earmarked account (Benevolent Fund) (Refer Note 17.1)	6,12,898	10,60,280
	<u>19,57,26,501</u>	<u>13,21,13,707</u>
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statement is	9,08,13,603	5,64,53,426

17.1 Balances with banks include deposits amounting to Rs. 40,42,005 (2017-2018 Rs.35,42,005), deposits held as security against borrowings and guarantees Rs.2,97,00,000 (2017-2018 Rs. Nil) and other earmarked account Rs. 45,000 (2017-2018 Rs 45,000), which have an original maturity of more than 12 months.

17.2 Balances with banks include deposits amounting to Rs.33,35,042 (2017-2018 Rs.22,51,092), which have a remaining maturity of more than 12 months from the Balance Sheet date.

ROYAL WESTERN INDIA TURF CLUB, LIMITED**Notes forming part of the financial statements**

18 - Short-term loans and advances	As at 31st March, 2019	As at 31st March, 2018
	Rs.	Rs.
Others - Unsecured, considered good		
- Current accounts with Owners, trainers, jockeys, studs, bookmakers, etc	4,79,19,896	7,89,51,773
- Prepaid expenses	2,20,12,634	2,25,52,524
- Loans and advances to employees	3,52,001	24,70,561
- Advances to suppliers / vendors	85,42,038	58,66,850
- Security deposits	-	15,38,000
	<u>7,88,26,569</u>	<u>11,13,79,708</u>

19 - Other current assets	As at 31st March, 2019	As at 31st March, 2018
	Rs.	Rs.
Interest accrued on investments and bank deposits	4,36,277	3,46,659
Expenses reimbursable / recoverable from conductors and other race clubs, etc.	1,55,69,998	83,53,915
Recoverable from sponsors towards sponsorship, etc.	2,09,95,124	3,65,04,666
Others	2,209,982	6,22,477
	<u>3,92,11,381</u>	<u>4,58,27,717</u>

ROYAL WESTERN INDIA TURF CLUB, LIMITED
Notes forming part of the financial statements

20 - Revenue from operations	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
	Rs.	Rs.	Rs.	Rs.
(a) Horse racing				
Tote commission		5,59,89,116		10,06,61,763
Income from Tote Fixed Odds Betting		2,51,15,211		6,36,01,748
Bookmakers Stall fees		15,85,17,539		17,50,52,946
Royalty on live telecast of horse races at other centres		29,25,000		25,35,000
Income from live streaming of races		1,48,70,900		1,03,59,455
Royalty on betting at other centres		4,12,86,408		84,90,285
Rights fee for telecast of horse races		78,13,666		44,54,451
Gate receipts		5,12,72,469		3,54,74,939
Private boxes (including Air-conditioned boxes) rental [including service charges Rs.71,19,544 (2017:2018 Rs.76,23,005)]		78,27,504		82,74,717
Mobile phone permit charges		12,61,42,857		8,91,31,190
Entries of horses		1,01,10,869		87,75,879
One Time Levy on horses racing in Western India		52,24,000		43,59,528
Registration of horses, etc.		1,06,80,461		1,50,68,385
Income from auction sale of horses		27,73,000		41,73,700
Equine Hospital revenue		5,08,15,216		5,00,14,237
DNA/ E.I.A., Glanders test charges		1,49,12,416		1,63,84,500
Others		67,57,658		79,92,172
		<u>59,30,34,289</u>		<u>60,48,04,895</u>
(b) Other Club activities				
Turf Club House :				
- Boarding, lodging and dining room	5,86,92,589		4,66,14,355	
- Lawn hire charges	1,04,13,067		78,45,533	
- Subscriptions	13,56,900		13,96,200	
- Guest fee charges and other recoveries	86,58,009		25,30,146	
		<u>7,91,20,565</u>		<u>5,83,86,234</u>
Mini Club House :				
- Guest fee charges and other recoveries	64,71,081		74,90,467	
		<u>64,71,081</u>		<u>74,90,467</u>
Members subscription		9,09,101		3,36,196
Voluntary Contribution from Members		11,000		65,000
Conducting fees/Compensation for catering		7,14,10,750		4,46,02,001
Health Club subscription and other recoveries		27,65,166		35,36,175
Lawn hire and Helipad charges		4,73,99,669		3,81,20,074
Royalty from Decorators and Caterars		-		1,60,00,000
Commitment fee from Decorators and Caterars on the panel		46,25,000		1,38,75,000
Service charges and other recoveries related to use of the Club's facilities		5,65,05,395		4,56,22,139
Others		20,29,731		56,22,604
		<u>27,12,47,458</u>		<u>23,36,55,890</u>
		<u>86,42,81,747</u>		<u>83,84,60,785</u>

ROYAL WESTERN INDIA TURF CLUB, LIMITED**Notes forming part of the financial statements**

21 - Other income	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
	Rs.	Rs.	Rs.	Rs.
(a) Interest income				
- On long term investments	-		1,342	
- On deposit accounts, etc. with banks	89,43,279		85,89,205	
- On refund of income tax (net)	-		52,53,668	
- On employee loans, other loans and advances, etc.	<u>2,82,155</u>		<u>3,99,447</u>	
		92,25,434		1,42,43,662
(b) Profit on sale/ redemption of long term investments		44,88,393		1,56,38,661
(c) Other non-operating income :				
- Miscellaneous income		3,64,48,509		1,15,63,806
		<u>5,01,62,335</u>		<u>4,14,46,129</u>

ROYAL WESTERN INDIA TURF CLUB, LIMITED

Notes forming part of the financial statements

22 - Employee benefits expense	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	Rs.	Rs.
Salaries and wages	19,23,58,201	19,51,20,303
Contribution to provident and other funds	1,70,89,510	2,33,84,331
Staff welfare expenses @	2,38,42,485	1,79,43,080
	<u>23,32,90,196</u>	<u>23,64,47,714</u>

@Includes Rs. 66,52,000 being provision for contribution to ESIC relating to earlier years [Refer Note 25(A)(h)]

23 - Finance costs	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	Rs.	Rs.
(a) Interest expenses		
- borrowings	5,55,606	7,41,755
- others #	1,54,58,928	10,74,189
(b) Other borrowing costs	-	2,875
	<u>1,60,14,534</u>	<u>18,18,819</u>

Includes Rs. 1,44,42,000 being provision for interest on contribution to ESIC relating to earlier years [Refer Note 25(A)(h)]

ROYAL WESTERN INDIA TURF CLUB, LIMITED

Notes forming part of the financial statements

24 - Other expenses	For the year ended 31st March, 2019			For the year ended 31st March, 2018		
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Stakes (Gross)		23,99,22,980			21,98,23,281	
Less:- (i) Contribution from sponsors	4,39,80,000			4,96,72,915		
(ii) Sweepstakes	4,47,82,906			4,74,02,940		
		<u>8,87,62,906</u>			<u>9,70,75,855</u>	
Stakes (net)			15,11,60,074			12,27,47,426
Cups and trophies			58,60,452			49,90,274
Subsidy to Owners / Western India Trainers Association Ltd.			225,000			92,119
Contribution to Professional Jockeys Trust of India			12,32,679			9,52,881
Contribution by the Club towards shortfall in the fund (Refer Note 4)			43,35,856			44,07,292
Royalty for live telecast of horse races at other centres			22,30,455			21,21,750
Royalty for betting on races at other centres			99,65,176			34,52,129
Loss on charity races			92,23,763			59,26,864
Rent			3,50,34,281			4,65,32,251
Insurance			36,44,529			25,78,430
Rates and taxes, excluding taxes on income			7,21,53,101			7,24,17,800
Water charges (net)			1,78,26,341			1,39,14,728
Power and fuel (net)			2,60,31,698			2,57,77,644
Repairs and maintenance:						
- Buildings		2,26,85,703			1,61,59,244	
- Machinery		1,56,61,954			1,25,88,637	
- Tracks		1,85,41,959			2,17,03,231	
- Others		<u>4,01,99,418</u>			<u>4,47,29,472</u>	
			9,70,89,034			9,51,80,584
Payments to statutory auditors (net of GST credit, where applicable)						
- as auditors - statutory audit		21,47,453			21,47,453	
- for taxation matters		10,00,000			10,00,000	
- for other services		-			-	
- for reimbursement of expenses		-			38,829	
			31,47,453			31,86,282
Legal and professional fees			7,60,21,230			4,80,95,589
Consumption of stores and provisions			5,09,07,835			4,49,58,275
Contract labour charges			1,89,18,339			1,70,32,061
Postage, telephone and internet charges			57,35,293			61,87,299
Printing and stationery			36,80,941			44,98,790
Travelling and conveyance			73,19,295			88,10,107
Security charges			1,36,33,099			1,47,57,818
Advertisement, publicity and sales promotions (net of sponsorship)			22,05,677			69,03,078
Donations			1,50,000			1,70,000
Provision for trade and other receivables, loans and advances (net)			15,00,961			24,38,435
Loss on property, plant and equipment sold/discarded (net)			-			1,72,252
Net loss on foreign currency transactions and translation			-			2,055
Miscellaneous expenses			2,02,04,840			1,45,46,088
			<u>63,94,37,404</u>			<u>57,28,50,301</u>

ROYAL WESTERN INDIA TURF CLUB, LIMITED

Notes forming part of the financial statements

25. Contingent liabilities and commitments (to the extent not provided for):

(A) Contingent liabilities:

Claims against the Club not acknowledged as debt in respect of:

- (a) Interest levied by the entertainment tax department for late payment of entertainment tax including surcharge on mobile phone permit badges and on gate receipts on off course races on non-live telecast race days etc. Rs.31,34,449 (2017-2018 Rs. 31,34,449) . The Club's appeal is pending with the High Court in respect of applicability of entertainment tax on mobile phone permit badges, etc.
- (b) Income tax matters

In respect of certain matters e.g. short deduction of tax from winnings from horse races, claim of investment allowance, where the Club's / Department's appeals are pending with High Court Rs.17,13,41,632 (2017-2018 Rs.31,52,84,624).
- (c) Service Tax Matters :

In respect of demand order / show cause notices cum demand for service tax Rs. 8,20,74,916 excluding interest and penalty for which the Club has given its submissions to the Commissioner of Service Tax (2017-2018 Rs. 9,16,19,167) excluding interest, etc. Also, refer note 40.
- (d) Sales tax matters :

In respect of demand orders for sales tax (including interest and penalty) Rs. 64,72,225 (2017-2018 Rs. 74,26,480/-) for which the Club's appeals are pending with the Deputy / Joint Commissioner of Sales Tax (Appeals).
- (e) In respect of order from the II Labour Court, Pune to pay jointly with The Western India Trainers Association Ltd. the difference of minimum wages for 10 years prior to 1st January, 2000 to 159 syces (i.e. stable workers engaged by trainers, who are employees of trainers) against which the writ petitions filed are pending with the High Court, Mumbai –:Rs. 2,06,70,000 (2017-2018 Rs. 2,06,70,000).
- (f) In respect of writ petition filed by the Regional Provident Fund Commissioner, Pune (the RPFC) in the High Court, Mumbai against the order of the Employees Provident Fund Appellate Tribunal which set aside the order of the RPFC that stable workers engaged by the trainers, who are employees of trainers, are entitled for the Provident Fund benefits for the period 30th November, 1974 to 28th February, 1994 – Amount not quantified : (2017-2018 Amount not quantified).
- (g) In respect of writ petition filed by the Union representing the syce workers engaged by the trainers in the High Court, Mumbai against the order of the Industrial Tribunal, Pune which answered in negative the reference to the Tribunal made by the Union against the Club and The Western India Trainers Association demanding revision in wages from 1987, permanency, bonus, uniform, etc.- Amount not quantified (2017-2018 Amount not quantified).

ROYAL WESTERN INDIA TURF CLUB, LIMITED

Notes forming part of the financial statements

- (h) In earlier years, certain demand notices have been received from the Employees' State Insurance Corporation (ESIC) under Employees State Insurance Act, 1948 (the ESI Act), in respect of payment made to casual labour engaged on the race days for the period 1st July, 1978 to 30th June, 2004. For the period 1st July, 1978 to 31st March, 1989 and 1st July, 1997 to 30th June, 1999, the Division Bench of the Supreme Court held that the Club is liable to make contribution along with interest at such rate as provided in the ESI Act and the Rules till the date of actual payment. The Club on 30th May, 2016 made payment of contribution for the relevant period along with interest aggregating Rs.1,42,46,299. Further, out of abundant caution, from 21st February, 2016, the Club has started paying contribution to ESI Corporation for the Race day persons under protest to avoid future consequential liability of interest.

The Club has also filed curative petitions in the previous year against the supreme court order on the ground that Supreme Court has not laid down a correct law in the matter of coverage of persons who are employed with 2 employers at the same time and that the Supreme Court ought not to have imposed the ESI liability on the Club with retrospective effect from 1978. The decision on these curative petitions are still pending.

Applications pertaining to periods from 1st April 1989 to 30th June 1997 and 1st July 1999 to 30th June 2004 challenging the demand notices issued by ESI Corporation for coverage of Race day persons were quashed by common Judgment dated 4.12.2018 passed by Hon'ble High Court, Bombay. Also the appeals filed by the Club against this order first as Review Petition in High Court, Bombay and thereafter in the Supreme Court were rejected by its order dated 25th March 2019. The Club paid Rs.40 lacs Under Protest in March 2019, subject to curative petition, to ESI Corporation, Mumbai towards payment of ESI dues.

Despite the pendency of the Curative Petition, the Club during the year has made provision of Rs.2,10,94,000/- for the demands relating to the period 1st April, 1989 to 30th June, 1997 and 1st July, 1999 to 30th June, 2004 (previous year : amount not provided Rs.2,70,00,000/-).

- (i) Matters relating to ex-employees pending in labour courts / industrial courts / industrial Tribunal / civil courts/ High Court for reinstatement of services, recovery of back wages, etc. - Amount not quantified (2017-2018: Amount not quantified).
- (j) Other matters Rs. 95,000 (2017-2018 : Rs.95,000/-).

Footnote to Note 25 (A) :

Future ultimate outflow of resources embodying economic benefits in respect of matters stated under Note 25 (A) depends on the final outcome of judgements / decisions on the matters involved.

(B) Commitments:

- Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances):

	As at 31 st March, 2019 Rs.	As at 31 st March, 2018 Rs.
Tangible assets	11,29,888	11,35,600
Intangible assets	36,00,000	45,80,987

ROYAL WESTERN INDIA TURF CLUB, LIMITED

Notes forming part of the financial statements

26. The assets and liabilities exclude bookmakers' deposits in the form of fixed deposit receipts amounting to Rs.58,31,427 (2017-2018 Rs. 62,66,848), and balances with a bank Rs.4,74,165 (2017-2018: Rs. 4,74,165) including fixed deposit - (Rs. 2,00,000 (2017-2018 : Rs. 2,00,000) representing amount remaining undisbursed as at the year-end in respect of charity meetings held in an earlier year.
27. The details of assets of earmarked fund viz. Benevolent Fund included under the various heads of assets are as under:

Particulars	As at 31 st March, 2019 Rs.	As at 31 st March, 2018 Rs.
Balances with banks in earmarked accounts {included under Cash and cash equivalents (Refer Note 17)}	6,12,897	10,60,280
Prepaid expenses {included in Short-term loans and advances (Refer Note 18)}	13,37,630	11,08,748
Interest accrued on bank deposits {included in Other current assets (Refer Note 19)}	721	816
Other current assets – others {included in Other current assets (Refer Note 19)}	5,38,734	3,92,830
Current Account with Royal Western India Turf Club, Limited	(24,89,982)	(25,62,674)
Total	-	-

28. Recoveries from charity meetings towards salaries and wages amounting to Rs. 1,03,995 (2017-2018 Rs. 23,11,326) was computed on the basis stated in Note 1(vii) and the figure in the Income and Expenditure Account are net of such recovery.
29. Based on the information available with the management, none of the Club's suppliers are registered as micro enterprises and small enterprises under Micro, Small and Medium Enterprises Development Act, 2006. This has been relied upon by the auditors.
30. The Club has not taken any derivative instrument during the period and there is no derivative instrument outstanding as at year end. The foreign currency exposures that are not hedged by a derivative instrument or otherwise are as follows:-

Particulars	Amount in Foreign Currency	Equivalent Amount in Indian currency (Rs.)
Payable	USD (\$) 23,412	16,45,973
	(35,562)	(23,29,340)
	EURO 6025	4,74,508
	(-)	(-)
Receivable	USD (\$) 48,164	33,34,160
	(57,977)	(36,04,601)

Figures in brackets represent previous year figures.

ROYAL WESTERN INDIA TURF CLUB, LIMITED

Notes forming part of the financial statements

31. Value of imports calculated on C.I.F basis:

	2018-2019	2017-2018
	Rs.	Rs.
(a) Capital goods	9,83,578	14,34,601
 (ii) Expenditure in foreign currency:		
(a) Professional fees	70,36,775	41,97,683
(b) Foreign travel	14,59,158	10,14,847
(c) Conference fees	2,92,180	4,74,880
(d) Website usage/maintenance charges	3,03,279	3,32,480
(e) Exchange loss (net)	-	2,055
(f) Others (subscription, etc.)	27,478	15,103
 (iii) Earnings in foreign exchange:		
(a) Sponsorship for stakes, etc.	5,36,854	4,49,580
(b) Right fee for telecast of horse race	102,65,341	65,41,461
(c) Exchange Gain (net)	5,24,549	-

32. Details of employee benefits as required by the Accounting Standard-15 "Employee Benefits" are as follows:

	2018-2019	2017-2018
	Rs.	Rs.
1 <u>Defined contribution plans</u>		
The Club has recognised the following amounts in the Income and Expenditure Account :		
-Contribution to provident fund and family pension fund	1,29,98,551	1,18,54,362
-Contribution to superannuation fund (net)	9,82,043	9,53,779

The above amounts are included in 'Employee benefits expense' in Note 22.

ROYAL WESTERN INDIA TURF CLUB, LIMITED

Notes forming part of the financial statements

2 Defined benefit plans

Gratuity and Ex-gratia in lieu of gratuity (funded)

- a. A general description of the employees benefit plans:

The Club has an obligation towards gratuity and ex-gratia in lieu of gratuity (funded during the year), funded defined benefit plans covering eligible employees. The plans provide for lump sum payment to vested employees at retirement, death while in employment or on termination of the employment of an amount equivalent to 15 days / 7 days salary payable for each completed year of service or part thereof in excess of six months in the case of gratuity and ex-gratia in lieu of gratuity, respectively. Vesting occurs upon completion of five years of service.

- b. Details of defined benefit plan – As per actuarial valuation are as follows :

I	Components of employer expense	2018-2019	2017-2018
1	Current service cost	43,37,725	42,24,479
2	Interest cost	50,44,080	40,93,390
3	Expected return on plan assets	(42,64,063)	(40,94,844)
4	Actuarial losses / (gains)	2,76,060	59,54,558
5	Total expense recognised in the Income and Expenditure Account (included in 'Employee benefits expense' in Note 22)	53,93,802	1,01,77,583
II	Actual contribution and benefits payments for the year		
1	Actual benefits payments	(56,08,438)	(65,05,745)
2	Actual contributions	1,01,77,583	55,02,097
III	Net asset/(liability) recognised in the Balance Sheet		
1	Present value of defined benefit obligation	7,03,65,646	6,63,03,301
2	Fair value of plan assets	6,49,71,844	5,61,25,718
3	Funded status [(Deficit)]	(53,93,802)	(1,01,77,583)
4	Net (liability) recognized in the Balance Sheet	(53,93,802)	(1,01,77,583)

ROYAL WESTERN INDIA TURF CLUB, LIMITED

Notes forming part of the financial statements

Particulars	2018-2019 Rs.	2017-2018 Rs.
IV Change in Defined Benefit Obligation during the year		
1 Present value of defined benefit obligation as at the beginning of the year	6,63,03,301	5,89,13,668
2 Current service cost	43,37,725	42,24,479
3 Interest cost	50,44,080	40,93,390
4 Actuarial losses/(gains)	2,88,978	55,77,509
5 Benefits paid	(56,08,438)	(65,05,745)
6 Present value of defined benefit obligations as at the end of the period	7,03,65,646	6,63,03,301
V Change in fair value of plan assets during the year		
	Rs.	Rs.
1 Plan assets as at the beginning of the year	5,61,25,718	5,34,11,571
2 Expected return on plan assets	42,64,063	40,94,844
3 Actuarial gains/(losses)	12,918	(3,77,049)
4 Actual club's contributions	1,01,77,583	55,02,097
5 Benefits paid	(56,08,438)	(65,05,745)
6 Plan assets as at the end of the year	6,49,71,844	5,61,25,718
VI	The expected rate of return on the plan assets is based on the average long term rate of return expected on investments of the Fund during the estimated term of the obligations. The actual return on plan assets is Rs. 42,76,981 (2017-2018: Rs. 37,17,795)	
VII	The assumption of the future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors.	
VIII	The major categories of plan assets as a percentage of total plan assets	
	As at 31st March, 2019	As at 31st March, 2018
— Insurer managed funds (Refer footnote below)	79%	82%
— Others	21%	18%
Footnote: The details of investments made by the Insurer are not readily available with the Club.		
IX Actuarial assumptions		
	As at 31st March, 2019	As at 31st March, 2018
1 Discount rate	7.60%	7.60%
2 Expected return on plan assets	7.50%	7.50%
3 Salary escalation rate	7 %	7 %

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Notes forming part of the financial statements

X Experience adjustments	As at				
	31 st March, 2019	31 st March, 2018	31 st March, 2017	31 st March, 2016	31 st March, 2015
1 Present value of defined benefit obligation as at the end of the year	7,03,65,646	6,63,03,301	5,89,13,668	6,66,33,050	5,11,20,245
2 Fair value of plan assets as at the end of the year	6,49,71,844	5,61,25,718	5,34,11,571	4,82,14,174	3,83,81,362
3 Funded status [Surplus/(Deficit)]	(53,93,802)	(1,01,77,583)	(55,02,097)	(1,84,18,876)	(1,27,38,883)
4 Experience adjustment on plan liabilities [(gains) / losses]	2,96,187	88,56,015	(38,55,136)	1,37,72,055	85,94,341
5 Experience adjustment on plan assets [gains/(losses)]	12,918	(3,77,049)	67,637	1,66,097	(34,396)

XI Contribution expected to be paid to the plan during the year ending 31st March, 2020 - Rs.1,00,00,000

33. (A) The Club has taken on operating lease which are cancellable in nature, CCTV's, Giant Electronic LED Screen, stables, premises and in certain cases, furniture and fittings therein. The particulars in respect of these operating leases are as follows:

- (a) Lease payments recognised in the Income and Expenditure Account for the period – Rs. 65,25,721 (2017-2018:Rs.1,53,37,730)
- (b) (i) The Agreements do not provide for increase in rent during the tenure of the agreement.

(ii) The agreements provide for early termination by either party with a notice period ranging from one month to six months.

(B) The Club has given private boxes (including air-conditioned boxes) on operating lease. Further, the Club has entered into conducting agreements with certain parties to provide catering facilities at the areas permitted under the respective agreements. The particulars in respect of above operating leases are as follows:

Description of Assets	Gross carrying amount as at the period-end	Accumulated depreciation as at the period-end	Depreciation for the proportionate period during which the assets were given under operating lease
	Rs.	Rs.	Rs.
Buildings	7,25,33,450 (6,87,41,650)	2,19,86,759 (1,96,59,307)	23,27,272 (21,06,880)
Plant and Equipment	1,52,10,293 (1,44,08,560)	88,03,139 (79,81,020)	8,22,119 (5,40,399)
Furniture & Fixtures	61,24,759 (52,92,799)	30,99,787 (25,31,330)	5,78,457 (1,68,753)

Figures in brackets represent previous period's figures.

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Notes forming part of the financial statements

34. In the absence of reasonable certainty regarding availability of sufficient future taxable income, Deferred tax assets has not been recognized.
35. Disclosure in respect of joint ventures (i.e. jointly controlled operations) under the Accounting Standard 27- "Financial Reporting of Interests in Joint Ventures" :

Sr. No.	List of jointly controlled operations	Club's share of interest	
		As at 31 st March, 2019	As at 31 st March, 2018
(i)	The Club and Delhi Race Club (1940) Ltd.	50%	50%
(ii)	The Club, M/s Anantrai Shah and Delhi Race Club (1940) Ltd. – For Fixed Odds Betting	41%	41%
(iii)	The Club, Bangalore Turf Club Ltd., Mysore Race Club Ltd. And Hyderabad Race Club (the Off Venue Centres) and Meerut Race Club	i) Share in 80% in proportion, which investments collected at Meerut for the Club's races bears to the total investments collected at Meerut for horse races of all Off Venue Centres. (ii) Share in 80% of the bookmakers stall fees collected at Meerut for the Club's races.	i) Share in 80% in proportion, which investments collected at Meerut for the Club's races bears to the total investments collected at Meerut for horse races of all Off Venue Centres. (ii) Share in 80% of the bookmakers stall fees collected at Meerut for the Club's races.
(iv)	The Club, M/s Anantrai Shah and Meerut Race Club – For Fixed Odds Betting	61%	61%
(v)	The Club and Lucknow Race Fund & Genesis Club Limited	80%	80%

Note : The above agreements are under process of renewal.

- 36 (a) The Club has renewed the license for the racing season 2019-2020 (i.e. up to- 30th June 2020).
- (b) (i) The lease of land at Mahalaxmi, Mumbai from Municipal Corporation of Greater Mumbai (MCGM) has been renewed from time to time viz. from 31st May, 1914 for the period of thirty years up to 31st May, 1944 and thereafter for further thirty years and twenty years up to 31st May, 1994. The latest renewal was for the period of nineteen years from 1st June, 1994 up to 31st May, 2013 vide lease deed dated 7th April, 2004.

The Club vide its letter dated 18th March, 2013 has requested MCGM to extend the lease for a further period of thirty years with effect from 1st June, 2013. Further, vide letter dated 12th August, 2013 the Club has requested MCGM to expedite the renewal. The Club has received letter dated 28th October, 2013 from MCGM wherein it is stated that as the land under reference belongs to the State Government, a detailed report is already submitted to the State Government by MCGM for their orders and on receipt of which the Club will be informed accordingly. Subsequent thereto the Club has been following up the matter with the State Government. The Club is confident that the aforesaid lease will be renewed further from time to time. Accordingly depreciation on buildings on leasehold land at Mahalaxmi, Mumbai is provided over the useful lives referred to in Note 1(ii). Further, pending renewal of the lease, the Club has provided for ground rent and extra ground rent {including towards hire of lawn, helipad charges, commitment fees and royalty / panel fees, as applicable, from decorators and caterers} for the aforesaid land on the basis of lease deed dated 7th April, 2004 referred to above.

ROYAL WESTERN INDIA TURF CLUB, LIMITED

Notes forming part of the financial statements

(ii) The Club received notice dated 6th May, 2010, to be read with notice dated 20th July, 2010, from MCGM whereby lease of land at Mahalaxmi, Mumbai was terminated for the alleged creation of sub-lease and unauthorised construction in violation of the lease deed dated 7th April, 2004 referred to in Note 36(b)(i). The Club was called upon to quit, vacate and deliver the peaceful and vacant possession of the said land to MCGM within thirty days from the date of receipt of the notice. Further, vide notice dated 23rd August, 2010, the Enquiry Officer appointed by the Municipal Commissioner issued proposed order to the Club to vacate the aforesaid land and called upon the Club to tender an explanation and produce evidence, if any, and show cause as to why the proposed order should not be made. The Club submitted its reply dated 27th September, 2010 to the notice of the Enquiry Officer and submitted, inter alia, that it has not committed any breach of the terms and conditions of lease deed and that the notice of termination of the lease of the Club dated 6th May, 2010 and the eviction proceedings are bad in law, baseless and untenable and therefore no order for eviction ought to be made and the termination notice dated 6th May, 2010 and the notice dated 23rd August, 2010 deserve to be and ought to be withdrawn.

Further, the Club vide its application dated 14th May, 2013 has requested for stay/ suspension of the enquiry proceedings during the pendency and final disposal of the arbitration proceedings between the Club and the Conductor referred to in Note 40. The Enquiry Officer vide order dated 28th May, 2013 stayed the enquiry proceedings till the next date with liberty to re-open as and when asked for.

The said arbitration between the Club and the Conductor have been concluded. In view of the consent terms filed in Honorable High Court, Mumbai wherein the conductor has withdrawn all its claims of tenancy, the club is confident that it has good chances of success in enquiry, if and when it re-commences.

37 The Club has two business segments namely 'Horse racing' and 'Other Club activities'. 'Horse racing' segment is mainly involved in conducting horse races, betting on horse races, registration of horses and medical treatment of horses, etc.

'Other Club activities' segment is mainly involved in providing hospitality services to members and their guests, health club, lawn hire and helipad facilities.

	Amount in Rupees		
	Horse racing	Other Club activities	Total
Segment Revenue	59,30,34,289 (60,48,04,895)	27,12,47,458 (23,36,55,890)	86,42,81,747 (83,84,60,785)

Figures in brackets represent previous year figures.

Pending compilation, the information required to be reported on segment results, total carrying amount of segment assets and segment liabilities, etc. under the Accounting Standard (AS) 17 – Segment Reporting has not been disclosed.

Having regard to the nature of the Club's operations, the Club does not have more than one geographical segment.

38. The Company has not entered into any related party transactions which are covered under Accounting Standard 18 "Related Party Disclosures".

39. In an earlier year, the Club had entered into an agreement with a company (the Conductor) for the development and construction upon its leasehold land at Mahalaxmi, Hotel / Service Apartments, etc., subject to obtaining the lease and other approvals from concerned authorities. In view of the failure of the Conductor to honor certain terms of the agreement, the Club had vide notice dated 22nd March, 2006 to the Conductor terminated the said agreement and an amount of Rs. 10,00,00,000 paid by the conductor to the Club stood forfeited. As the Club was legally advised by an independent Senior Advocate in the year 2008 that since the action of forfeiture of the amount of Rs.10,00,00,000 referred to above on termination of the agreement is legal and justified under the agreement, the amount forfeited belongs to the Club and accordingly, credited to the Income and Expenditure Account for the year ended 30th June, 2008.

ROYAL WESTERN INDIA TURF CLUB, LIMITED

Notes forming part of the financial statements

Pursuant to the Arbitration Application filed by the Conductor to dispute the termination & forfeiture as above under Section 11 of the Arbitration and Conciliation Act, 1996, the High Court of Judicature at Bombay appointed a Sole Arbitrator. Subsequent to the final arguments of the parties before the sole Arbitrator, but before passing of the award, the Club and Conductor arrived at a settlement at mutually agreed terms and conditions. An Award in terms of Consent Terms was passed on 26th December, 2018. In the said Consent Terms it is expressly agreed, ordered and declared that the sum of Rs.10 Crores deposited by the conductor with the Club, pursuant to an Agreement dated 2nd May, 2004, had stood appropriated by the club then and the Conductor has discharged and released the Club from ever returning the said sum of Rs.10 Crores or any part thereof and further the Club shall not be liable to repay the said sum or part thereof to the Conductor under any circumstances whatsoever.

40. Protracted Litigation, lasting about 10 years between the Club and a conductor in respect of catering in Members' Enclosure, arising out of failure of the conductor to pay the conducting fees and also breaches of several clauses of agreement dated 1st July 2008 that led to termination of the agreement by the Club. Consequently various proceedings were filed by way of Arbitration/Suits / Appeals / Writ Petitions/Execution application by Conductor / Club in different Courts up to the Supreme Court. The Same ended with filing of consent terms dated 24th April 2019 by the Club and Conductor under the aegis of the Hon'ble Bombay High Court, Mumbai and later approved by the Members of the Club in the Extra-Ordinary General Meeting on 30th May 2019, subsequent to the year end. The said Consent Term included, inter alia, withdrawal of all court cases (including withdrawal of claims of tenancy by Conductor) by Conductor and Club, award of Decretal damages, conducting fees payable to the Club one year after the effective date (30th May 2019) for Conducting as Agent of the Court Receiver.
41. Goods and Services Tax Act 2017 (GST) was introduced by the Government of India with effect from 1st July 2017 by subsuming various indirect taxes and local levies including, inter-alia, certain taxes impacting the Club's activities such as Service Tax, Maharashtra Betting tax, Entertainment tax, etc.

As per the extant Notification No. 11/2017 dated 28th June, 2017 issued by the Government of India under the Central Goods and Services Tax Act, 2016, a CGST rate of 14% has been imposed on services provided by a race club by way of a totalisator or a license to a bookmaker in race clubs. Similar notifications have been issued by the Maharashtra state government under their respective SGST Acts making the total rate of GST imposed on betting on horse racing at 28% (14% CGST+14% SGST).

Club conducts Betting on horse races, inter alia, through totalisator system subject to rules specified by the Club and as per License granted by the Government of Maharashtra. The Services rendered by the Club are in the nature of organizing the betting where the club is entitled to earn a commission on account of totalizer's betting.

The Club has been advised that the amount of bet placed by a person cannot be treated as price payable for betting services since the Club is liable to return the winnings out of such amount. Value of supply for the services rendered by the club through the Totalisator system is the margin, commission, facilitation fees, income from Fixed Odd Betting, retained by it out of the value of bets accepted and not the face value of the bets. Accordingly Club had been discharging the GST on such value of supply for the services rendered and has filed the monthly Returns under GST in accordance with this stand.

By way of Circular No. 27/01/2018-GST dated 4th January, 2018 issued by the Government of India, it has been clarified that GST of 28% would be leviable on the entire bet value of any or all bets paid into the totalisator or placed with licensed bookmakers.

ROYAL WESTERN INDIA TURF CLUB, LIMITED

Notes forming part of the financial statements

In view of the above circular, the Club decided, out of abundant caution, to make the payment of the differential tax under protest (for the period 1st July 2017 to 22nd January 2018) explaining the above stand in detail to the jurisdictional authorities; without admittance of the liability and reserving its right to claim the refund of the said differential tax paid.

In the backdrop of the circular referred above, the amendments were notified under GST and new entry of taxation @ 28% for Actionable claim in the form of chance to win in betting, gambling, or horse racing in race club is imposed. A separate valuation rule number 31A has also been provided for such activity and the tax is sought to be imposed on the gross value of the bet placed. These have come in to force with effect from 23rd January 2018 and have not been given retrospective effect.

The total differential tax paid, for the period 1st July, 2017 to 23rd January 2018 under protest as above as on 31st March 2019 is Rs 11,33,13,633/- which has been shown included as recoverable under the head Long Term loans and advances (see Note 12 (c)(i)).

The Club filed refund application for these differential tax payment which were rejected by the State GST Authorities against which Club has filed an appeal with SGST Appeals which is pending.

The Club has been advised that the amendment made w.e.f. 23rd January, 2018 strengthens the stand of the Club since it proves that the GST Law prior to 23rd January, 2018 did not require levy of GST on gross value of the bet and in any case these amendments do not have a retrospective effect. In view of this refund of such differential tax paid under protest is admissible and the Club is confident of receiving this refund and therefore the refund shown as receivable as above is considered by the management as good of recovery.

- 42 The figures for the previous year have been regrouped / restated where necessary to conform to the current year's classification.

Signature to Notes 1 to 42 which form an integral part of financial statements.

KHUSHROO N DHUNJIBHOY
SUNIL G. JHANGIANI
GAUTAM P. LALA
MS. ZINIA LAWYER
MILAN LUTHARIA
GEOFFREY B. NAGPAL
SHYAM M. RUIA
SURENDRA SANAS
DR. RAM H. SHROFF

Chairman
Member of the Committee
-do-
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N. H. S. MANI

Secretary & CEO

Place: Mumbai
Date : 8th August 2019

