



**ROYAL WESTERN INDIA TURF CLUB, LTD.**



# **107th ANNUAL REPORT**

**FOR THE YEAR ENDED MARCH 31st 2022**

# **ROYAL WESTERN INDIA TURF CLUB, LIMITED**

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# ROYAL WESTERN INDIA TURF CLUB, LTD.

## COMMITTEE

Mr. Vijay B. Shirke (Chairman)  
Mr. Jiyaji M. Bhosale  
Mr. Khushroo N. Dhunjibhoy  
Mr. Sunil G. Jhangiani  
Mr. Jehangir H. Mehta  
Mr. Jaydev M. Mody  
Mr. Surendra R. Sanas  
Dr. Ram H. Shroff  
Mr. ShivenSurendranath

### Govt. Nominees

Manu Kumar Srivastava, IAS	- Addl. Chief Secretary, Home upto 28.02.2022
Anand M. Limaye, IAS	- Addl. Chief Secretary, Home w.e.f28.02.2022 (A.N.)
Dr. Nitin Kareer, IAS	- Principal Secretary, Revenue

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SECRETARY	Niranjan Singh
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PRINCIPAL BANKERS	Bank of India ICICI Bank
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AUDITORS	Messrs Walker Chandiok& Co LLP Chartered Accountants
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ADVOCATES & SOLICITORS	ALMT Legal M Mulla Associates
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PRACTICING COMPANY SECRETARY	Kaushik M. Jhaveri& Co.
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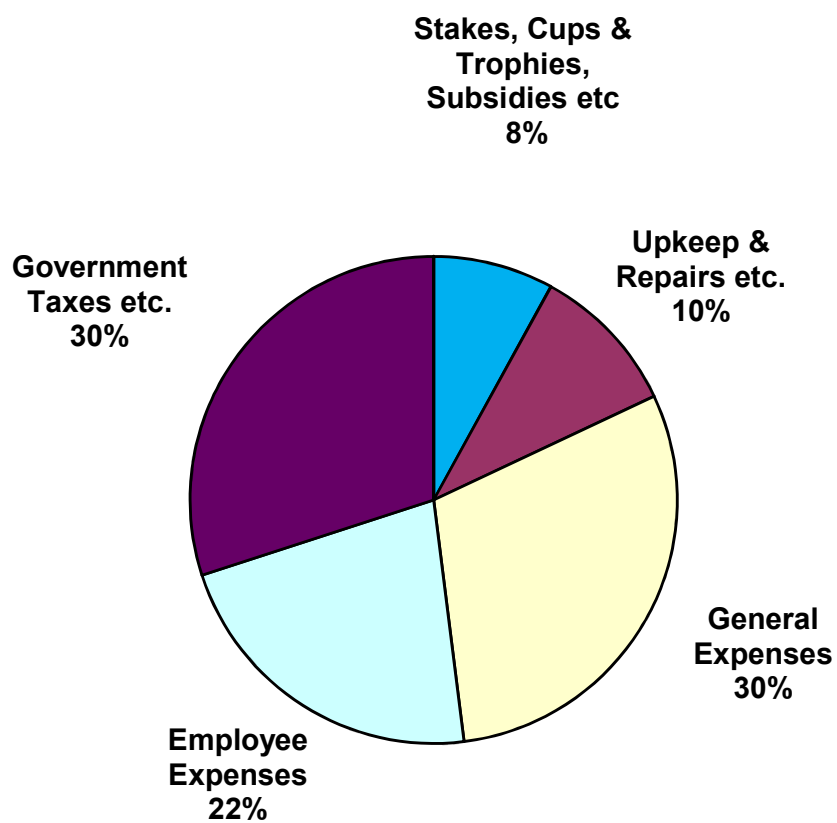
REGISTERED OFFICE IN THE STATE OF MAHARASHTRA	Race Course, Mahalakshmi Mumbai – 400 034.
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CIN:	U91990MH1925PLC001182
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**ROYAL WESTERN INDIA TURF CLUB, LIMITED**  
**ANALYSIS OF EXPENDITURE \* 2021-22**



**\*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 31<sup>st</sup> March 2022

Your Committee has pleasure in submitting its 107<sup>th</sup> Annual Report on the operations of the Club together with the Audited Accounts for the year from 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022.

### 1. **State of Club's Affairs and Accounts:**

The Accounts for the year ended 31<sup>st</sup> March 2022, before considering depreciation shows a loss of Rs.10,17,89,684/- (previous year loss of Rs.22,31,88,425/-). Depreciation for the year under review is Rs.4,03,00,044/- (previous year Rs.5,00,71,041/-). Hence, the loss after considering depreciation is Rs.14,20,89,728/- (previous year loss Rs.27,32,59,466/-).

The impact of the Pandemic on Club's racing and other activities continued for major part of the current year. The Committee made efforts to bring down the losses by making all round reductions in cost including on Salaries, Repairs & Maintenance and getting partial waiver in Racing License Fees in addition to improving revenues from operations.

### 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.
- (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.
- (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 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:**

Despite continuing effect of Pandemic and Government restriction for major part of the current year, the Club has minimized cash losses with cost control and improvement in revenues. Efforts have also been made to recover old outstanding from various Debtors and also obtained refunds under Income Tax Act (Rs. 4.69 Crores). This helped a great deal in managing the cash flows in difficult times.

# ROYAL WESTERN INDIA TURF CLUB, LTD.

## 4. Totalizators Turnover (including Fixed Odds Betting & online betting) :

The total investment during the year under review (inclusive of charity days), was Rs.14.32 crores over 123 meetings of live racing and inter-venue betting (including Fixed Odds Betting Rs.4.99 crores over 66 meetings as against Rs.5.08 crores in previous year over 24 meetings (there was no Fixed Odds Betting in previous year).

## 5. Attendance:

The total attendance at Racing during the year under review (for live and inter-venue days) was 1,29,874 for 123 meetings as against 13,283 for 24 meetings in the previous period. Betting taken on two racing centres on the same day is counted as one day.

## 6. 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.5.31 crores as against Rs.2.39 crores for the previous period.

b. In addition to the above, during the financial year under review, Rs.1.30 crores (previous period Rs.0.95 crores) was paid/payable and provided for payment to the Municipal Corporation of Greater Mumbai by way of ground rent and other Municipal taxes.

## 7. Sponsored Races:

The total sponsorship contribution for the Pune Meeting 2021 and Mumbai Meeting 2021-22 was Rs.7.76 crores as compared to Rs.1.41 crores during the previous year.

## 8. Stakemoney:

The Racing Season in 2021-22 commenced only in October 2021 and continued till 31st March, 2022. In view of the Government restrictions on public participation and resultant strain on finances, the stake money was reduced to 50% during the Pune Season but was restored to 100% throughout the season from the Mumbai Season 2021-22.

## 9. License to Race:

a) The Club had applied for the License to Race for the following years i.e. 2022-23, 2023-24 and 2024-25 and has received the Provisional License to Race for the year 2022-2023.

b) Club had also applied and received permissions for issuing license to bookmakers to operate at the Mumbai and Pune Race Courses for the Racing Season 2021-22.

c) During the year 2020-21, in view of Pandemic, Club received a waiver of license fees for the non-racing period. The Club applied for similar waiver in 2021-22, which is pending with the Government Authorities.

## 10. Online Betting:

The Club had commenced online betting from January 2021 after receiving permission from Government. The Club improved its revenue through online betting during 2021-22 due to wider access. The Investments collected by the Club through online betting over 52 Race Days is Rs.8.34 crores (including Fixed Odds Betting Rs.3.37 crores) as compared to Rs.3.28 crores over 14 race days (No Fixed Odds betting in previous year).

# ROYAL WESTERN INDIA TURF CLUB, LTD.

## 11. Current situation vis-à-vis COVID-19 pandemic:

The impact of COVID-19 pandemic, which affected the operations of the Club in FY 2020-21, continued due to the second wave and consequent lockdown/restrictions imposed by the State Government on Racing as well as other activities of the Club.

Racing activity commenced only on 17th October 2021 in Pune, albeit with restrictions on public participation. The other operations of TCH and conductors also commenced with restrictions. These restrictions have been gradually relaxed since then, enabling the Club to get back to normal activities.

Your Committee is working on a continuous basis to ensure that the Club passes through these difficult times with minimum impact.

## 12. Voluntary Contribution by Members of the Club:

Your Committee places on record its appreciation towards the generous contributions made by several Members in FY 2021-22 to tide over the situation. The total amount received through voluntary contribution is Rs.1.77 crores. The list of Members who had made voluntary contributions was put up on the Club's website.

## 13. Pandemic Relief Contribution by Members:

The Committee places on record its appreciation towards Club's Members for passing the Resolution in AGM held on 30<sup>th</sup> December 2021 for payment of Rs.5,000/- per annum in respect of Pandemic Relief Contribution to be made by all its Members for the years 2021-22, 2022-23 and 2023-24. The contribution made by members in 2021-22 have provided much needed relief to the Club in these difficult times.

## 14. Social Responsibility:

The Club held 5 race days during the financial year in aid of various charities.

The Club offered part of its facilities to Government for Covid Care Centre and Oxygen Refilling Station at the Mahalakshmi Race Course.

## 15. Annual Sales 2022:

The Club conducted the Annual Sale 2022 in February 2022 at the Mumbai Race Course for one day which was appreciated by racing fraternity with the participation of about 59 horses and with 13 horses going under the hammer at an average price of Rs.12,61,538/-.

## 16. Case in favour of the Club in the matter regarding Entertainment duty on mobile phones:

As explained in Note 26 of accounts, the long pending case relating to the Entertainment Duty applicability on mobile phones was disposed off by the Hon'ble High Court of Bombay in the Club's favour. The Club expects to receive refund of the duty paid of Rs.1.38 crores alongwith 6% interest thereon from the Government as directed by the High Court.

## **ROYAL WESTERN INDIA TURF CLUB, LTD.**

### **17. Lease of the Mumbai Race Course:**

The lease in respect of the Mumbai Race Course expired on 31<sup>st</sup> May 2013 and the Club's application for renewal is under consideration.

### **18. 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 and are eligible to offer themselves for re-appointment:

1. Mr. Vijay B. Shirke
2. Mr. Jiyaji M. Bhosale
3. Mr. Khushroo N. Dhunjibhoy
4. Mr. Sunil G. Jhangiani
5. Mr. Jehangir H. Mehta
6. Mr. Jaydev M. Mody
7. Mr. Surendra R. Sanas
8. Dr. Ram H. Shroff
9. Mr. ShivenSurendranath

### **19. Meetings of the Executive Committee:**

From the date of the last Annual General Meeting of the Club held on 30<sup>th</sup> December 2021 till 10<sup>th</sup> August 2022, the number of Committee Meetings held and the attendance of Committee Members is as under:-

A total of 19 Committee Meetings were held.

(a) Number of Scheduled Regular Committee Meetings	:	12
(b) Number of Special / Emergency Committee Meetings	:	7
		----
Total Number of Meetings	:	19
		==

<b>Committee Member</b>	<b>Number of Scheduled Regular Meetings attended</b>	<b>Number of Emergency / Special Meetings Attended</b>	<b>Total</b>
1. Mr. Vijay B. Shirke	12	7	19
2. Mr. Jiyaji M. Bhosale	11	7	18
3. Mr. Khushroo N. Dhunjibhoy	8	6	14
4. Mr. Sunil G. Jhangiani	12	7	19
5. Mr. Jehangir H. Mehta	9	7	16
6. Mr. Jaydev M. Mody	6	6	12
7. Mr. Surendra R. Sanas	10	7	17
8. Dr. Ram H. Shroff	10	7	17
9. Mr. ShivenSurendranath	7	6	13

Further, a total of 37 Committee Meetings were held during the Financial Year 2021-22 i.e. from 1<sup>st</sup> April, 2021 till 31<sup>st</sup> March, 2022 and attendance of Directors are disclosed in Annual Return of the Club. The Annual Return of the Club for FY 2021-22 is displayed on the website [www.rwirc.com](http://www.rwirc.com)

## ROYAL WESTERN INDIA TURF CLUB, LTD.

**20. Transfer To Reserves:**

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

**21. Disclosure of information pursuant to Section 134(3)(m) of the Companies Act, 2013:**

The Executive Committee has disclosed the details with regard to Conservation of energy and Technology Absorption as required at appropriate places in the Annual Report.

**22. Comments on foreign exchange earnings and outgo:**

The details of the foreign exchange earnings and outgo have been mentioned in Note 30 of the Notes forming part of the Accounts.

**23. Auditor:**

M/s. Walker Chandiok & Co. LLP were appointed as Auditors of the Club from the conclusion of the 104<sup>th</sup> Annual General Meeting till the conclusion of the 109<sup>th</sup> Annual General Meeting in accordance with the Section 139 and 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules.

**24. Annual Return of Club:**

As required under Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Club as on March 31, 2022 is available on the website of the Club at [www.rwirc.com](http://www.rwirc.com)

**25. Explanations or Comments by the Board on every Qualification, Reservation Or Adverse Remark by Auditor in its report pursuant to Section 134(3)(f) of the Companies Act, 2013:**

The Committee refers to item No. 3 of the Auditors Report and would like to inform that as stated in Note No 39 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". (Note 13 to the financial statements for the year ended 31<sup>st</sup> March 2022.)

**26. Internal Financial Control:**

The Club has adequate internal financial control system commensurate with the size and nature of the Club and such internal control systems are adequate and were operating effectively.

**27. Related party transactions under Section 188:**

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



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Club with Related Parties have been carried out at arm's length and are in the ordinary course of business. Hence, the Club is not required to report in the prescribed Form AOC-2 and therefore it does not form part of the Report.

**28. 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 under review.

**29. Cost records and audit:**

The Provisions of maintenance of Cost Records and Cost Audit 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. Compliance of Secretarial Standard:**

The Club has generally complied with Secretarial Standard 1 (Board Meeting) and Secretarial Standard 2 (General Meetings).

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

The Club has not given any loan, guarantee or security to any person covered under Section 186. 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.

**32. Risk Management Policy as per Section 134 (3) (n) of the Companies Act, 2013:**

The Club has a Risk Management framework for evaluating and minimising Risks. The Committee of the Club does not foresee any major risk barring natural calamities and unforeseen circumstances during the period under review. Committee has assessed the risk arising out of the Covid-19 situation on Club's activities in the year 2021-22 and has taken adequate steps to minimize the same on its operations and finances.

**33. Significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concerns status and Company's operations in future:**

There are no significant and material orders passed during the year by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

## ROYAL WESTERN INDIA TURF CLUB, LTD.

### 34. **Material Changes and Commitments:**

There have been no material changes and commitment affecting the financial position of the Company occurred between the end of the financial year and date of this report. There has been no change in the nature of business of the Company.

### 35. **Deposits:**

The Club has not accepted any deposits from public within the meaning of Sections 73, 74, 75 and 76 and the rules framed there under to the extent notified.

### 36. **Corporate Social Responsibility (CSR) under Section 135:**

The provisions of Section 135(1) of Companies Act, 2013 with respect to Corporate Social Responsibility became applicable from the Financial Year 2020-21. The Club has a CSR policy in place. However, in view of average net losses for the last three financial years as computed under Section 198 of the Companies Act, 2013, it is not mandatory for the Club to undertake Corporate Social Responsibility activities during the financial year 2021-22.

It may also be noted that pursuant to Amendment to Section 135(9), which came into force w.e.f. 22<sup>nd</sup> January, 2021, the Club presently does not require to constitute a CSR Committee as the amount to be spent by the Club under sub-section (5) does not exceed Rs 50 Lakhs.

Pursuant to Section 135 of the Companies Act, 2013 read with Rule 8 of the Companies (Corporate Social Responsibility Policy Rules), 2014, Annual Report comprising specified details is enclosed as 'Annexure I' to the Directors' Report.

### 37. **Disclosures with respect to application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year alongwith their status as at the end of the Financial Year.**

During the year, the Club has not made any application under the Insolvency and Bankruptcy Code, 2016 against any entity.

Proceedings initiated against the Club before the National Company Law Tribunal (NCLT) Bench at Mumbai by a former conductor, under the Insolvency and Bankruptcy Code, 2016 viz. (Company Petition No. 2151/IBC/MB/2019) was dismissed by the Tribunal by its Order delivered on 8<sup>th</sup> February 2022.

### 38. **Disclosures:**

No disclosure or reporting is required in respect of following items as there were no transactions and also the company is not falling under the eligibility criteria prescribed by the following sections and rules made thereunder during the year under review:

1. Details in respect of frauds reported by auditors under sub-section (12) of section 143 other than those which are reportable to the Central Government;
2. Appointment of Independent Directors under Section 149.
3. Constitution of Nomination and Remuneration Committee and Stakeholders Relationship Committee under Section 178.
4. Section 123 relating to dividends.

# ROYAL WESTERN INDIA TURF CLUB, LTD.

5. Section 204 relating to secretarial audit for bigger companies.
6. The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

## 39. **Measures taken by the Club / preparedness of the Club to tackle the COVID-19 pandemic:**

As in the previous year, the Club, continued to strictly follow all the protocols promulgated by the Government of Maharashtra to prevent spread of Coronavirus in the club premises. Measures related to wearing of face masks, thermal scanning, hand sanitization, social distancing, were all adhered to during Races as well as at other times.

## 40. **Obituary:**

Your Committee regrets to report the sad demise of:

### **CLUB MEMBERS**

Dr. Soli Dara Adrianwala	RajkumarNarharisinh of Limbdi
Mr. Amar Ahluwalia	Mr. Moiz M. Lokhandwala
Mr. Pesi S. Anklesaria	Mr. Dilip R. Mehta
Mr. Mulchand L. Asnani	Mr. Pallonji S. Mistry
Mrs. Mehroo B. Dubash	Mr. Mahendra G. Mittal
Mr. Bipin M. Gandhi	Mr. Anil P. Mukhi
Mr. Vasudeo N. Goenka	Dr. Rahim HussinaliMuljiani
Mr. Lancelot P. Gonsalves	Mr. CowasRustomNazir
Begum Fatima Husain	Mr. Akil N. Patel
Dr. Suresh S. Jadhav	Mr. Nikhilkumar A. Shah
Mr. Ashok Kumar Jain	Mr. Jehangir M. Unvala
Mr. Aftab Ahmed Khan	Maj. Zavareh K. Wadia
Mr. Bharat B. Kothary	

### **LIFE MEMBERS**

Mr. Ashok R. Azad	Mr. Ashok A. Harchandrai
Mr. Ashwin Kumar Barua	Mr. Doodhraj B. Jain
Mr. Hemant N. Bhat	Mr. Nitin C. Karia
Mr. Zarir M. Bhathena	Mr. SukhdevKashyap
CAPT. Mehar Chand Bithar	Mr. Sunil K. Kotak
Mr. Muncherji N. Cama	Mr. Rajinder Kumar Malhotra
Mr. Laju C. Chanrai	Mr. Vital S. Palekar
Capt. Yashwant Rai Chaudhri	Mr. Kunal S. Pandit
Mr. Rajiv Chawla	Mr. Rajiv Patel
Mr. Amrit R. Chhabria	Mr. Shivraj Raju
Mr. Ashwin V. Chiniwalla	Mr. Raju Ratanchandani
Mr. Pishu T. Chulani	Mr. Nickunj Shah
Mr. FirdausDadabhoy	Mr. Bharat J. Thakkar
Mr. Atul C. Desai	Mr. Pradip A. Thakkar
Mr. Rajan R Gupta	Mr. Raju R. Thakwani
Mr. Rajnish A. Gwalani	

# ROYAL WESTERN INDIA TURF CLUB, LTD.

## STAND MEMBERS

Mr. Dinshaw S. Anklesaria  
Mr. Rahul Kumar Bajaj  
Mr. Ajay L. Bhave  
Dr. Shyam Bulchandani  
Mr. Ashok N. Choksi  
Mr. Kali R. Dastoor  
Mr. Madanlal Gupta  
Mr. Ashok Kumar Mehra  
Mr. Bhaskar M. Mehta  
Mr. Harsukh M. Mehta  
Mr. Shrikumar S. Mehta  
Mr. DavarKavasji T. Modi

Mr. Mahmood N. Mody  
Mr. NarimanFerrozeNallaseth  
Mr. Inderjit S. Narula  
Mr. Burjor J. Patel  
Mr. Cavas M. Pavri  
Mr. Bhomraj C. Porwal  
Mr. Fali P. Sarkari  
Mr. DevendraRamanlal Shah  
Mr. Jugalkishore N. Shah  
Dr. Inder Dev Sood  
Mr. Ashok P. Suchde

## LADY STAND MEMBERS

Mrs. Nergis M. Adenwalla  
Mrs. Nalini B. Advani  
Mrs. Jyoti J. Ashar  
Mrs. Nirmala Bajaj  
Miss. Vandana H. Ghatge  
Mrs. GangadeviJhunhunwala  
Mrs. Deepika Joshi

Mrs. Maki Russi Kanga  
Miss. Ziya A. Maskati  
Mrs. Phiroza F. Moloobhai  
Mrs. Olga Soares  
Mrs. Anjali F. Taraporevala  
Mrs. Piloo H. Vachha  
Ms Santosh Velkar

### **41. 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.

VIJAY B. SHIRKE

CHAIRMAN

ROYAL WESTERN INDIA TURF CLUB, LTD.

Mumbai: 10<sup>th</sup> August 2022

## Annexure –I

### RELATING TO CORPORATE SOCIAL RESPONSIBILITY CORPORATE SOCIAL RESPONSIBILITY (CSR)

**[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014]**

**1. Brief outline on CSR Policy of the Company.**

- Strive for social, cultural, environment and economic development that positively impacts the society at large with a minimal resource footprint.
- Embrace responsibility for the Company's actions and encourage a positive impact through its activities on hunger, poverty, malnutrition, environment, communities, stakeholders, society, etc.

**2. Composition of CSR Committee: Not Applicable to the Club**

Pursuant to Provision of Section 135(9) of Companies Act, 2013:- Where the amount to be spent by a company under sub-section (5) does not exceed fifty lakh rupees, the requirement under sub-section (1) for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee provided under this section shall, in such cases, be discharged by the Board of Directors of such company

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
Not Applicable				

- 3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board, are disclosed on the website of the Club and CSR Policy of Club can be accessed: [www.rwirc.com](http://www.rwirc.com)**
- 4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, - Not Applicable**
- 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any- Not Applicable**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	Not Applicable		
	Total		



6. **Average net profit of the company as per section 135(5): Loss of Rs.9,37,44,481/-**
7. (a) **Two percent of average net profit of the company as per section 135(5):- Nil**
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.**Not Applicable**
- (c) Amount required to be set off for the financial year, if any-**Not Applicable**
- (d) Total CSR obligation for the financial year (7a+7b-7c):-**Not Applicable**
8. (a) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. 2020-21 (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
Amount	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
NA					

- (b) Details of CSR amount spent against ongoing projects for the financial year:**Not Applicable**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.	Not Applicable											
	Total											

- (c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Not Applicable								
	Total								

- (d) Amount spent in Administrative Overheads-**Nil** (if any fill here)
- (e) Amount spent on Impact Assessment, if applicable-**Not Applicable**
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e)
- (g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	<b>Not Applicable</b>
(ii)	Total amount spent for the Financial Year	<b>Nil</b>
(iii)	Excess amount spent for the financial year [(ii)-(i)]	<b>Nil</b>
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	<b>Nil</b>
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	<b>Nil</b>

9. (a) Details of Unspent CSR amount for the preceding three financial years:**Not Applicable**

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (inRs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.	N.A						
	Total						

- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**Not Applicable**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (inRs.)	Status of the project - Completed /Ongoing.
1	<b>N.A</b>							
	Total							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:- **Not Applicable (asset-wise details).**

- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).:-**NA**

VIJAY B. SHIRKE  
CHAIRMAN  
ROYAL WESTERN INDIA TURF CLUB, LTD.

## **Independent Auditor's Report**

**To the Members of Royal Western India Turf Club, Limited**

### **Report on the Audit of the Financial Statements**

#### **Qualified Opinion**

1. 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 2022**, the Income and Expenditure Account and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view, in conformity with the Accounting Standards specified under section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021 and other accounting principles generally accepted in India, of the state of affairs of the Club as at 31 March 2022, and its deficit and its cash flows for the year ended on that date.

#### **Basis for Qualified Opinion**

3. As detailed in Note 39 to the accompanying financial statements, the Club's long-term loans and advances as at 31 March 2022, includes amount paid under protest in relation to differential tax rate for the period 1 July 2017 to 22 January 2018 and aggregating Rs. 1,13,313.63/- thousand on account of Goods and Service Tax (GST), which is under dispute and considered good and recoverable by the management. However, in the absence of sufficient appropriate audit evidence to corroborate management's assessment of recoverability of such amounts paid under protest, we are unable to comment on the recoverability of the aforesaid amount paid under protest, which has been included under "Long term Loans and Advances" and the consequential impact, if any, on the accompanying financial statements.

Our report on the financial statements for the year ended 31 March 2021 was also qualified in respect of this matter.

**Royal Western India Turf Club, Limited**  
**Independent Auditor's Report on the Audit of the Financial Statements**

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4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

**Emphasis of Matters**

5. **COVID-19 Impact**

We draw attention to Note 40 of the accompanying financial statements, which describes the uncertainties relating to the effects of the COVID-19 pandemic outbreak and the management's evaluation of its impact on the operations of the Club, the extent of which is dependent on future developments. Our opinion is not modified in respect of this matter.

6. **On Renewal of land lease**

We draw attention to Note 35(i) to the accompanying financial statements, which states that the lease of land at Mahalaxmi, Mumbai, has been renewed from time to time and was last renewed vide lease deed dated 07 April 2004, for the period of nineteen years from 01 June 1994 up to 31 May 2013. The management of 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 2A(i) to the accompanying financial statements and pending renewal of the lease, the 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} in respect of the aforesaid land has been provided by the Club for the year ended 31 March 2022, on the basis of lease deed dated 07 April, 2004, as referred above. Our opinion is not modified in respect of this matter.

**Information other than the Financial Statements and Auditor's Report thereon**

7. The Club's Board of Directors (the "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 in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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.



**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

8. The accompanying financial statements have been approved by the Club's Committee. The Club's Committee are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation 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 specified under section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021 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 of 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
9. In preparing the financial statements, the Committee are 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 the Committee either intend to liquidate the Club or to cease operations, or has no realistic alternative but to do so.
10. Such a Committee are also responsible for overseeing the Club's financial reporting process.

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

11. 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 Standards on Auditing 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.
12. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act, 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Club has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

**Royal Western India Turf Club, Limited**  
**Independent Auditor's Report on the Audit of the Financial Statements**

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- 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; and
  - 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.
13. 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.

**Report on Other Legal and Regulatory Requirements**

14. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act, are not applicable to the Club since the Club is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.
15. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
16. Further to our comments in Annexure A, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
- a) we have sought and except for the matter described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
  - b) except for the effects of the matter described in the Basis for Qualified Opinion section, 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 financial statements dealt with by this report are in agreement with the books of account;
  - d) except for the effects of the matter described in the Basis for Qualified Opinion section, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021;
  - e) the matters described under the Emphasis of Matters (on renewal of land lease) and Basis for Qualified Opinion section, 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 and taken on record by the Committee, none of the directors is disqualified as on 31 March 2022 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;

**Royal Western India Turf Club, Limited**  
**Independent Auditor's Report on the Audit of the Financial Statements**

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- h) with respect to the adequacy of the internal financial controls with reference to financial statements of the Club as on 31 March 2022 and operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and
- i) 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, as detailed in note 26(A) to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2022;
  - ii. the Club did not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses as at 31 March 2022;
  - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Club during the year ended 31 March 2022;
- iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 41(vi) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Club to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Club ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 41(vii) to the financial statements, no funds have been received by the Club from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Club shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Club has not declared or paid any dividend during the year ended 31 March 2022.

**For Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Khushroo B. Panthaky**  
Partner  
Membership No.: 042423

**UDIN: 22042423AOTZJZ3044**

**Place:** Mumbai  
**Date:** 10 August 2022

**Royal Western India Turf Club, Limited**

**Independent Auditor's Report on the Audit of the Financial Statements**

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**Annexure A referred to in Paragraph 15 of the Independent Auditor's Report of even date to the members of Royal Western India Turf Club, Limited on the financial statements for the year ended 31 March 2022**

In terms of the information and explanations sought by us and given by the Club and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Club has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.  
  
(B) The Club has maintained proper records showing full particulars of intangible assets.
  - (b) The Club has a regular program of physical verification of its property, plant and equipment, under which the assets are physically verified 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. In accordance with this program, certain property, plant and equipment were verified during the year and no material discrepancies were noticed on such verification.
  - (c) The title deeds of all the immovable properties held by the Club (other than properties where the Club is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Club. For properties of leasehold land 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 35(i))
  - (d) The Club has not revalued its Property, Plant and Equipment or intangible assets during the year.
  - (e) No proceedings have been initiated or are pending against the Club for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Club.
- (ii) (a) The management has conducted a physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
- (b) The Club has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets during any point of time of the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Club.
- (iii) The Club has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Club.
- (iv) The Club has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Club.

**Royal Western India Turf Club, Limited**  
**Independent Auditor's Report on the Audit of the Financial Statements**

**Annexure A (Contd)**

- (v) In our opinion, and according to the information and explanations given to us, the Club has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Club.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of the club's services. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii)(a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state Insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Club, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of Statute	Nature of dues	Forum where dispute is Pending	Period to which the Amount relates	Amount (Rs. in thousands)	Amount paid under Protest (Rs. in thousands)
The Income Tax Act, 1961	Short deduction of TDS under various sections of the Act & Non-deduction of TDS on Stake Money	Commissioner of Income Tax, Appeals	2014-2015 and 2015-2016	3,88,363.12	-
	Non-deduction of TDS on Stake Money	Hon'ble High Court of Bombay*	2012-2013	1,17,663.24	-
The Central Goods and Services Tax Act, 2017	ITC availed for GST paid on Prize/Stakes money	Commissioner of CGST	July 2017 to May 2019	23,847.32	-
The Finance Act, 1994 (Service Tax)	Applicability of Service Tax	Commissioner of Service Tax	April 2010 to June 2017	39,322.25	-
	CENVAT credit availed for GST paid on prize/stakes money	Commissioner of Service Tax	October 2014 to June 2017	34,045.09	-
Maharashtra Value Added Tax Act, 2002	Levy of tax and interest	Deputy Commissioner	2013-2014	148.43	-
	Levy of tax and interest	Joint Commissioner	2008-2009	936.26	300.00

\*Income tax matters decided in favour of the Club where Department is in appeal.



**Royal Western India Turf Club, Limited**  
**Independent Auditor's Report on the Audit of the Financial Statements**

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**Annexure A (Contd)**

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
- (ix)(a) According to the information and explanations given to us, the Club has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including confirmations received from banks and representation received from the management of the Club, and on the basis of our audit procedures, we report that the Club has not been declared a willful defaulter by any bank.
- (c) In our opinion and according to the information and explanations given to us, the Club has not raised any money by way of term loans during the year and did not have any term loans outstanding at the beginning of the current year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Club.
- (d) In our opinion and according to the information and explanations given to us, the Club has not raised any funds on short term basis during the year or in any previous year. Accordingly, reporting under clause 3(ix) (d) of the Order is not applicable to the Club.
- (e) According to the information and explanations given to us, the Club does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Club.
- (x) (a) The Club is a Company limited by Guarantee and has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Club.
- (b) The Club is a Company limited by Guarantee and according to the information and explanations given to us, the Club has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Club.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Club or on the Club has been noticed or reported during the period covered by our audit.
- (b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Club, there are no whistle-blower complaints received by the Club during the year.
- (xii) The Club is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Club.

**Royal Western India Turf Club, Limited**  
**Independent Auditor's Report on the Audit of the Financial Statements**

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**Annexure A (Contd)**

- (xiii) The Club has not entered into any transactions with the related parties covered under Section 177 or Section 188 of the Act. Accordingly, reporting under clause 3(xiii) of the Order is not applicable to the Club.
- (xiv)(a) In our opinion and according to the information and explanations given to us, the Club has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Club till date for the period under audit.
- (xv) According to the information and explanation given to us, the Club has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Club.
- (xvi) The Club is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a),(b)and(c) of the Order are not applicable to the Club.
- (xvii) The Club has incurred cash losses in the current financial year and in the immediately preceding financial years amounting to Rs.1,01,729.77 thousand and Rs.3,36,322.46 thousand respectively. For the purpose of reporting under this clause, the amount of cash losses have been arrived at after considering the effects of the qualification as described in 'Basis for Qualified Opinion' sections of the audit reports on the financial statements for the current year and immediately preceding financial year respectively, except for the possible effects of the matters described in paragraph 3 of the audit report for the current year and Paragraph 3 of the audit report for the immediately preceding financial year issued by us, in respect of which we are unable to determine the effect thereof on the cash losses reported under this clause due to lack of necessary information.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Club.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Club is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the club. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Club as and when they fall due.

**Royal Western India Turf Club, Limited**  
**Independent Auditor's Report on the Audit of the Financial Statements**

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**Annexure A (Contd)**

(xx) According to the information and explanations given to us, the Club does not fulfill the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not Applicable to the Club.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of financial statements of the Club. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Khushroo B. Panthaky**  
Partner  
Membership No.: 042423

**UDIN:22042423AOTZJZ3044**

**Place:** Mumbai  
**Date:** 10 August 2022

**Royal Western India Turf Club, Limited**  
**Independent Auditor's Report on the Audit of the Financial Statements**

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**Annexure B referred to in Paragraph 15 of the Independent Auditor's Report of even date to the members of Royal Western India Turf Club, Limited on the financial statements for the year ended 31 March 2022**

**Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

1. In conjunction with our audit of the financial statements of Royal Western India Turf Club, Limited ('the Club') as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Club as at that date.

**Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

2. The Club's Board of Directors (the "Committee") is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Club considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 the Club's business, including adherence to the Club's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements**

3. Our responsibility is to express an opinion on the Club's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. 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 with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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.
5. 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 with reference to financial statements.

**Annexure B (Contd)**

**Meaning of Internal Financial Controls with Reference to Financial Statements**

6. A Club's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Club's internal financial controls with reference to financial statements include 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 with Reference to Financial Statements**

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Qualified opinion**

8. According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Club's internal financial controls with reference to financial statements as at 31 March 2022:

The Club's internal financial control system with respect to the assessing the recoverability of amount paid under protest towards the disputed dues of Goods and Service Tax (GST) as explained in note 39 to the financial statements, were not operating effectively, which could lead to potential material misstatements in the carrying value of the long term loans and advances and its consequential impact on the accompanying financial statements.

9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to financial statements, 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.
10. In our opinion, the Club has, in all material respects, adequate internal financial controls with reference to financial statements as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Club, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting, issued by the Institute of Chartered Accountants of India, and except for the effects of the material weakness described above on the achievement of the objectives of the control criteria, the Club's internal financial controls with reference to financial statements were operating effectively as at 31 March 2022.

**Royal Western India Turf Club, Limited**  
**Independent Auditor's Report on the Audit of the Financial Statements**

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**Annexure B (Contd)**

11. We have considered the material weakness 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 as at and for the year ended 31 March 2022, and the material weakness has affected our opinion on the financial statements of the Club and we have issued a Qualified opinion on the financial statements.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Khushroo B. Panthaky**  
Partner  
Membership No.: 042423  
**UDIN: 22042423AOTZJZ3044**

**Place:** Mumbai  
**Date:** 10 August 2022

**ROYAL WESTERN INDIA TURF CLUB, LIMITED**
**(Rs. in Thousands)**
**Balance Sheet as at 31st March, 2022**

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
<b>I. EQUITY AND LIABILITIES</b>			
(1) <b>Shareholders' funds</b>			
Reserves and surplus	3	5,76,177.37	6,86,707.10
(2) <b>Benevolent fund</b>	4	-	-
(3) <b>Non-current liabilities</b>			
(a) Other Long term liabilities	5	41,295.81	18,795.81
(b) Long-term provisions	6	24,344.52	27,544.09
(4) <b>Current liabilities</b>			
(a) Short-term borrowings	7	-	64,006.79
(b) Trade payables	8	-	-
- total outstanding dues of Micro Enterprises and Small Enterprises		3,79,204.97	3,41,502.21
(c) Other current liabilities	9	2,93,724.71	2,82,962.79
(d) Short-term provisions	10	4,424.27	7,552.46
<b>TOTAL</b>		<b>13,19,171.65</b>	<b>14,29,071.25</b>
<b>II. ASSETS</b>			
(1) <b>Non-current assets</b>			
(a) Property, plant and equipment	11 (i)	3,21,371.64	3,56,221.07
(b) Intangible assets	11 (ii)	500.96	800.60
(c) Capital work-in-progress	11 (iii)	-	1,264.83
(d) Intangible asset under development	11 (iv)	3,620.00	3,320.00
		3,25,492.60	3,61,606.50
(e) Non-current investments	12	2,62,355.47	1,92,355.47
(f) Long-term loans and advances	13	1,72,310.35	2,12,379.72
(g) Other non-current assets	14	60,471.07	22,416.43
(2) <b>Current assets</b>			
(a) Current investments	15	25,000.00	80,000.00
(b) Inventories	16	10,648.08	13,044.06
(c) Trade receivables	17	1,23,147.53	90,790.75
(d) Cash and bank balances	18	1,70,848.18	3,37,322.14
(e) Short-term loans and advances	19	72,305.17	1,02,422.31
(f) Other current assets	20	96,593.20	16,733.87
<b>TOTAL</b>		<b>13,19,171.65</b>	<b>14,29,071.25</b>

**Summary of significant accounting policies** 1-2A

**The accompanying notes forming part of the financial statements** 3-43

**ROYAL WESTERN INDIA TURF CLUB, LIMITED**

In terms of our report attached

**For and on behalf of Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No. 001076N/N500013

**Vijay B. Shirke** DIN : 00006804  
**Khushroo N. Dhunjibhoy** DIN : 00333683  
**Sunil G. Jhangiani** DIN : 00077526  
**Jiyaji M. Bhosale** DIN : 05139255  
**Jaydev M. Mody** DIN : 00234797  
**Jehangir H. Mehta** DIN : 00110951  
**Surendra R. Sanas** DIN : 00164013  
**Shiven Surendranath** DIN : 00622510  
**Ram H. Shroff** DIN : 00004865

**Chairman**  
**Member of the Committee**

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**Khushroo B. Panthaky**

Partner

Membership No.042423

**Niranjan Singh**
**Secretary**

 Place : Mumbai  
 Date : 10th August 2022

 Place : Mumbai  
 29 Date : 10th August 2022

ROYAL WESTERN INDIA TURF CLUB, LIMITED		(Rs. in Thousands)	
Income and Expenditure Account for the year ended 31st March, 2022			
Particulars	Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>I. Revenue</b>			
Revenue from operations	21	3,81,589.21	1,57,232.31
Other income	22	58,608.95	58,431.17
<b>Total Revenue (I)</b>		<b>4,40,198.16</b>	<b>2,15,663.48</b>
<b>II. Expenses</b>			
Employee benefits expense	23	1,49,329.30	1,26,777.81
Finance costs	24	3,627.24	1,179.94
Depreciation expense	11	40,300.04	50,071.04
Other expenses	25	3,89,031.30	3,10,894.16
<b>Total expenses (II)</b>		<b>5,82,287.88</b>	<b>4,88,922.94</b>
<b>III. Excess/(Deficit) of income over expenditure before tax (I)-(II)</b>		<b>(1,42,089.72)</b>	<b>(2,73,259.46)</b>
<b>IV. Tax expense</b>			
Current tax		-	-
Deferred tax		-	-
<b>V Surplus/(Deficit) for the year from continuing operations (III)-(IV)</b>		<b>(1,42,089.72)</b>	<b>(2,73,259.46)</b>
<b>Summary of significant accounting policies</b>	<b>1-2A</b>		
<b>The accompanying notes forming part of the financial statements</b>	<b>3-43</b>		

In terms of our report attached

**For and on behalf of Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No. 001076N/N500013

**Khushroo B. Panthaky**

Partner

Membership No.042423

**Vijay B. Shirke**  
**Khushroo N. Dhunjibhoy**  
**Sunil G. Jhangiani**  
**Jiyaji M. Bhosale**  
**Jaydev M. Mody**  
**Jehangir H. Mehta**  
**Surendra R. Sanas**  
**Shiven Surendranath**  
**Ram H. Shroff**

DIN : 00006804  
DIN : 00333683  
DIN : 00077526  
DIN : 05139255  
DIN : 00234797  
DIN : 00110951  
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DIN : 00004865

**Chairman**  
**Member of the Committee**

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**Niranjan Singh**

**Secretary**

Place : Mumbai  
Date : 10th August 2022

Place : Mumbai  
Date : 10th August 2022



## Cash Flow Statement for the year ended 31st March, 2022

Particulars	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Excess/ (Deficit) of Income over Expenditure before tax		(1,42,089.73)		(2,73,259.47)
Adjustments for:				
Depreciation expense	40,300.04		50,071.04	
(Profit)/Loss on Property, plant and equipment sold/discarded (net)	892.08		-	
Finance costs	3,627.24		1,179.94	
Provision for trade and other receivables, loans and advances (net)	1,621.62		2,154.49	
Foreign exchange loss (net)	59.92		179.60	
Bad debts	1,221.00		2,410.90	
Interest income	(19,186.45)		(19,628.66)	
Profit on sale/ redemption of investments in mutual funds	(20,096.83)		(19,379.70)	
Provision for diminution in value of investments		8,438.62	-	16,987.62
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		<b>(1,33,651.11)</b>		<b>(2,56,271.85)</b>
Adjustments for:				
(Increase)/Decrease in Inventories	2,395.98		637.33	
(Increase)/Decrease in Trade and other receivables	(5,153.29)		86,591.11	
Increase/(Decrease) in Trade and other payables /Provisions	67,787.97	65,030.66	(15,180.15)	72,048.29
<b>CASH GENERATED FROM /(USED IN) OPERATIONS</b>		<b>(68,620.45)</b>		<b>(1,84,223.56)</b>
Direct Taxes (Paid)/ Refund received (net)		35,938.08		12,592.27
Fund collected on behalf of and (paid)over to the Benevolent Fund (net)		621.09		1,018.13
<b>NET CASH FLOW FROM/ (USED IN) OPERATING ACTIVITIES (A)</b>		<b>(32,061.28)</b>		<b>(1,70,613.16)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Capital expenditure on Property, plant and equipment (after adjustment of increase/ decrease in capital work-in-progress and advance for capital expenditure)	(6,993.07)		(5,322.81)	
Interest received	17,082.83		18,674.52	
(Investment)/Redemption in Bank Fixed Deposit	6,995.94		(8,796.59)	
Purchase of investments in mutual funds	(1,52,326.48)		(82,335.47)	
Proceeds from sale/redemption of investments in mutual funds	1,57,431.83	22,191.05	1,56,446.84	78,666.49
<b>NET CASH FLOW FROM/ (USED IN) INVESTING ACTIVITIES (B)</b>		<b>22,191.05</b>		<b>78,666.49</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Entrance fees received from Members	31,560.00		16,830.00	
Short Term Borrowings paid	(64,006.79)		-	
Short Term Borrowings	-		64,006.79	
Finance costs paid	(3,627.24)	(36,074.03)	(1,179.94)	79,656.85
<b>NET CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES ( C)</b>		<b>(36,074.03)</b>		<b>79,656.85</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		<b>(45,944.26)</b>		<b>(12,289.82)</b>
Cash and cash equivalents at the beginning of the year		76,963.42		89,253.24
<b>Cash and cash equivalents at the end of the year</b>		<b>31,019.16</b>		<b>76,963.42</b>
Cash and cash equivalents at the end of the year comprises:				
(a) Balances with banks				
(i) In current accounts		12,610.29		11,255.62
(ii) In savings accounts		13,284.02		9,701.21
(iii) With original maturity less than 3 months		-		53,350.00
(c) Cash on hand		5,124.85		2,656.59
<b>Cash and cash equivalents at the end of the year</b>		<b>31,019.16</b>		<b>76,963.42</b>
Footnotes:				
(i) The cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3 - Cash Flow Statements.				
(ii) Previous year figures have been regrouped to conform with those of the current year				

## ROYAL WESTERN INDIA TURF CLUB, LIMITED

## Summary of significant accounting policies

1-2A

Vijay B. Shirke

DIN : 00006804

Chairman

## The accompanying notes forming part of financial statements

3-43

Khushroo N. Dhunjibhoy

DIN : 00333683

Member of the Committee

In terms of our report attached

Sunil G. Jhangiani

DIN : 00077526

-----"

## For and on behalf of Walker Chandiok &amp; Co LLP

Jiyaji M. Bhosale

DIN : 05139255

-----"

Chartered Accountants

Jaydev M. Mody

DIN : 00234797

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Firm's Registration No. 001076N/N500013

Jehangir H. Mehta

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Shiven Surendranath

DIN : 00622510

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Ram H. Shroff

DIN : 00004865

-----"

Khushroo B. Panthaky

Niranjan Singh

Secretary

Partner

Membership No.042423

Place : Mumbai

Place : Mumbai

Date : 10th August 2022

Date : 10th August 2022

## ROYAL WESTERN INDIA TURF CLUB, LIMITED

### Notes to the financial statements for the year ended 31<sup>st</sup> March, 2022

#### Significant Accounting Policies:

##### 1. Club Overview:

Royal Western India Turf Club, limited ('the Club'), one of the oldest and most well-known horse racing Club in the country, established in the year 1925 as Company limited by Guarantee. Club Conducting horse races in Mumbai and Pune location.

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.

##### 2. Basis of Preparation:

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

The financial statements of the Club 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.

###### (ii) Functional and presentation currency:

These financial statements are presented in Indian rupee (INR), which is also Club's functional currency.

###### (iii) Use of estimates and judgements:

The preparation of financial statements, in conformity with Indian GAAP, requires the club's committee to make estimates, judgments and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the committee's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

###### (iv) Current and non-current classification:

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

#### 2A. Significant Accounting Policies:

##### (i) Property, plant and equipment including intangible assets:

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 equipment's [including buildings on leasehold land at Mumbai referred to in Note 32(B)] 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.

## ROYAL WESTERN INDIA TURF CLUB, LIMITED

### Notes to the financial statements for the year ended 31<sup>st</sup> March, 2022

**(ii) Leases:**

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.

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.

**(iii) Foreign Exchange Transaction:**

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.

**(iv) Investments:**

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

**(v) Inventories:**

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

**(vi) Revenue recognition:**

Revenue from horse race is recognised 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.

**(vii) Entrance fees recognition:**

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.

**(viii) 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.

**(ix) Employee benefits:**

**(a) Short-term employee benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, bonus, short term compensated absences etc. is recognized in the period in which the employee renders the related service.

**(b) Long-term employee benefits:**

*Defined contribution plan:*

## ROYAL WESTERN INDIA TURF CLUB, LIMITED

### Notes to the financial statements for the year ended 31<sup>st</sup> March, 2022

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

#### *Defined benefit plans:*

The Club's liability towards gratuity and compensated absences is determined on the basis of 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.

#### **(x) Income tax:**

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.

#### **(xi) 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.

#### **(xii) 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.

#### **(xiii) Cash and cash equivalents:**

Cash and cash equivalents comprise of Cash, balance with bank and short-term investments with an original maturity of three months or less.

#### **(xiv) Finance Cost:**

Finance costs include interest and ancillary costs incurred in connection with the arrangement of borrowings.

Finance costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other finance costs are expensed in the period they occur.

ROYAL WESTERN INDIA TURF CLUB, LIMITED		(Rs. in Thousands)
Notes to the financial statements for the year ended 31st March 2022		
3 - Reserves and surplus	As at 31st March,2022	As at 31st March, 2021
(a) Capital Reserve :		
Balance as per last Balance Sheet	1,20,275.00	1,20,275.00
	1,20,275.00	1,20,275.00
(b) General Reserve :		
Balance as per last Balance Sheet	14,91,554.39	14,74,724.39
Add : Entrance Fees:		
Life Members	31,500	16,800.00
Service Members	60	30.00
Local Members of the Turf Club House	31,560.00	-
	15,23,114.39	14,91,554.39
(c) (Deficit) in Income and Expenditure Account :		
Balance as per last Balance Sheet	(9,25,122.29)	(6,51,862.82)
Add: (Deficit) for the year	(1,42,089.72)	(2,73,259.47)
	(10,67,212.01)	(9,25,122.29)
	<b>5,76,177.37</b>	<b>6,86,707.10</b>

ROYAL WESTERN INDIA TURF CLUB, LIMITED		(Rs. in Thousands)
Notes to the financial statements for the year ended 31st March 2022		
4 - Benevolent Fund (Refer Footnote and Note 27)	As at 31st March, 2022	As at 31st March, 2021
Balance as per last Balance Sheet	-	-
Add: Contributions from Owners and Jockeys, License Fees and Fines from Jockeys and Riding Boys, Interest, etc. *	1,208.83	1,256.58
Add: Contribution by the Club towards shortfall in the fund (Refer Note 25)	1,470.76	1,154.65
	2,679.59	2,411.23
Less: Grants, Medical and other expenses (Net of insurance claims)	(2,679.59)	(2,411.23)
	-	-

\* 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		(Rs. in Thousands)
Notes to the financial statements for the year ended 31st March 2022		
5 - Other Long term liabilities	As at 31st March,2022 Rs.	As at 31st March, 2021 Rs.
Security deposits	39,795.81	17,295.81
Corpus fund for trophies on certain race days	1,500.00	1,500.00
	<b>41,295.81</b>	<b>18,795.81</b>
6 - Long-term provisions	As at 31st March,2022	As at 31st March, 2021
Provision for employee benefits (Refer Note 31)		
Compensated absences	22,955.67	21,545.76
Gratuity	1,388.85	5,998.33
	<b>24,344.52</b>	<b>27,544.09</b>
7 - Short-term borrowings	As at 31st March,2022	As at 31st March, 2021
-Secured:		
Loan from Bank*	-	64,006.79
	<b>-</b>	<b>64,006.79</b>

\*Club has an overdraft facility from banks which is secured against deposits aggregating Rs. 1,25,518.46

## Notes to the financial statements for the year ended 31st March 2022

8 - Trade payables	As at 31st March, 2022	As at 31st March, 2021
Trade payables		
- total outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 28)	-	-
-Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	3,79,204.97	3,41,502.21
	<b>3,79,204.97</b>	<b>3,41,502.21</b>

## Trade Payables Ageing Schedule

As at 31 March 2022

Outstanding for following periods from due date of payment						
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Outstanding dues of creditors other than micro enterprises and small enterprises	-	1,07,878.15	8,755.05	40,218.22	2,22,353.55	3,79,204.97
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
<b>Total</b>	-	<b>1,07,878.15</b>	<b>8,755.05</b>	<b>40,218.22</b>	<b>2,22,353.55</b>	<b>3,79,204.97</b>

## Trade Payables Ageing Schedule

As at 31 March 2021

Outstanding for following periods from due date of payment						
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Outstanding dues of creditors other than micro enterprises and small enterprises	-	67,138.21	47,693.62	38,408.75	1,88,261.63	3,41,502.21
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
<b>Total</b>		<b>67,138.21</b>	<b>47,693.62</b>	<b>38,408.75</b>	<b>1,88,261.63</b>	<b>3,41,502.21</b>



## Notes to the financial statements for the year ended 31st March 2022

9 - Other current liabilities	As at 31st March,2022	As at 31st March, 2021
(a) Unearned revenue	28,967.49	13,552.68
(b) Advances from customers	5,827.35	10,214.90
(c) Other payables :		
Current accounts with Owners, trainers, jockeys, studs,		
- bookmakers,etc.	1,01,680.62	1,14,921.83
- Deductions from stake money *	69,955.88	64,552.28
- Statutory remittances (Goods and Services Tax, contribution		
to PF and ESIC, withholding tax, VAT & service tax etc.)	13,822.90	11,536.39
- Security deposits	25,453.62	22,826.74
- Sweepstakes received in advance	2,989.11	1,088.00
- Capital advance	170.00	170.00
- Accrual for expenses	22,503.50	19,809.35
- Payable towards VAT liability	363.38	-
- Payable towards employee liability	21,990.86	24,290.62
	2,58,929.87	2,59,195.21
	<u>2,93,724.71</u>	<u>2,82,962.79</u>

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

10 - Short-term provisions	As at 31st March,2022	As at 31st March, 2021
Provision for employee benefits (Refer Note 31)		
- Compensated absences	4,424.27	7,552.46
	<u>4,424.27</u>	<u>7,552.46</u>

## Notes to the financial statement for the year ended 31st March, 2022

## 11 (i)- Property, plant and equipment

Description	Gross carrying amount				Depreciation				Net carrying amount
	As at 1st April, 2021	Additions	Deductions	As at 31st March, 2022	As at 1st April, 2021	For the year	Deductions	As at 31st March, 2022	As at 31st March, 2022
<b>Tangible assets</b>									
(a) Building *	5,72,642.74 (5,70,222.59)	5,730.88 (2,420.15)	1,039.49 -	5,77,334.13 (5,72,642.74)	3,35,630.93 (3,15,531.53)	18,258.13 (20,099.40)	843.91 -	3,53,045.15 (3,35,630.93)	2,24,288.98 (2,37,011.81)
(b) Plant and Equipment *	5,20,757.67 (5,18,993.62)	962.19 (1,764.05)	9,951.65 -	5,11,768.21 (5,20,757.67)	4,14,391.45 (3,90,434.87)	19,291.26 (23,956.58)	9,255.15 -	4,24,427.56 (4,14,391.45)	87,340.65 (1,06,366.22)
(c) Furniture and Fixtures *	46,950.80 (46,891.85)	- (58.95)	- -	46,950.80 (46,950.80)	41,877.80 (40,552.31)	969.86 (1,325.48)	- -	42,847.66 (41,877.79)	4,103.14 (5,073.01)
(d) Vehicles	27,227.73 (27,227.73)	- -	1,772.88 -	25,454.85 (27,227.73)	24,719.47 (23,967.66)	309.13 (751.81)	1,122.87 -	23,905.73 (24,719.47)	1,549.12 (2,508.26)
(e) Office Equipment	12,564.91 (12,553.30)	- (11.61)	- -	12,564.91 (12,564.91)	12,026.80 (11,816.35)	91.27 (210.46)	- -	12,118.07 (12,026.81)	446.84 (538.10)
(f) Computers	70,875.12 (70,807.07)	- (68.05)	- -	70,875.12 (70,875.12)	66,151.45 (63,460.95)	1,080.76 (2,690.50)	- -	67,232.21 (66,151.45)	3,642.91 (4,723.67)
<b>Total</b>	<b>12,51,018.97</b>	<b>6,693.07</b>	<b>12,764.02</b>	<b>12,44,948.02</b>	<b>8,94,797.90</b>	<b>40,000.41</b>	<b>11,221.93</b>	<b>9,23,576.38</b>	<b>3,21,371.64</b>
<b>Previous Year</b>	<b>(12,46,696.16)</b>	<b>(4,322.81)</b>	<b>-</b>	<b>(12,51,018.97)</b>	<b>(8,45,763.67)</b>	<b>(49,034.23)</b>	<b>-</b>	<b>(8,94,797.90)</b>	<b>(3,56,221.07)</b>

## 11 (ii) Intangible assets

Description	Gross carrying amount				Depreciation				Net carrying amount
	As at 1st April, 2021	Additions	Deductions	As at 31st March, 2022	As at 1st April, 2021	For the year	Deductions	As at 31st March, 2022	As at 31st March, 2022
(a) Software	10,104.21 (10,104.21)	- -	- -	10,104.21 (10,104.21)	9,303.61 (8,266.80)	299.64 (1,036.81)	- -	9,603.25 (9,303.61)	500.96 (800.60)
<b>Total</b>	<b>10,104.21</b>	<b>-</b>	<b>-</b>	<b>10,104.21</b>	<b>9,303.61</b>	<b>299.64</b>	<b>-</b>	<b>9,603.25</b>	<b>500.96</b>
<b>Previous Year</b>	<b>(10,104.21)</b>	<b>-</b>	<b>-</b>	<b>(10,104.21)</b>	<b>(8,266.80)</b>	<b>(1,036.81)</b>	<b>-</b>	<b>(9,303.61)</b>	<b>(800.60)</b>

\* For assets under operating lease refer Note 32 (B)

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

## 11(iii) Capital work in progress (CWIP) Ageing Schedule

As at 31 March 2022

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

## Capital work in progress (CWIP) Ageing Schedule

As at 31 March 2021

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	1,264.83	1,264.83
Projects temporarily suspended	-	-	-	-	-

## 11(iv) Intangible assets under development Ageing schedule

As at 31st March 2022

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	300.00	1,000.00	-	2,320.00	3,620.00
Projects temporarily suspended	-	-	-	-	-

## Intangible assets under development Ageing schedule

As at 31st March 2021

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1,000.00	-	2,320.00	-	3,320.00
Projects temporarily suspended	-	-	-	-	-

## Notes to the financial statements for the year ended 31st March, 2022

12 - Non-current investments (At cost/ NRV whichever is less)	As at 31st March,2022	As at 31st March, 2021
<b>Non-Trade-Unquoted:</b>		
Investments in Government Securities:		
- 6 Year National Savings Certificates	20.00	20.00
Investment in mutual funds		
(i) IDFC Mutual Fund -		
- IDFC Corporate Bond Fund Regular Plan- Growth 40,50,871 units (and 038 fractions) [2020-21: 18,03,215 units (and 133 fractions)]	55,000.00	20,000.00
- IDFC Bond Fund Short Term plan - Growth -Regular Plan 2,57,502 units (and 330 fractions) [2020-21: 2,57,502 units (and 330 fractions)]	10,000.00	10,000.00
- IDFC Banking & PSU Debt Fund Regular Plan- Growth 28,89,104 units (and 609 fractions) [2020-21: 28,89,104 units (and 609 fractions)]	50,000.00	50,000.00
(ii) Axis Mutual Fund -		
- Axis Short Term Fund-Regular Growth 12,16,651 units (and 934 fractions) [2020-21 : (Nil Units)]	30,000.00	-
(iii) Aditya Birla Sun Life Mutual Fund -		
- Aditya Birla Sun Saving Fund- Growth-Direct Plan Nil units [2020-21 : 36,294 units ( and 640 fractions) ]	-	15,000.00
(iv) Franklin Mutual Fund		
Franklin India Short Term Income Plan - Retail Plan -segregated portfolio 2228 units ( and 771 fractions) [2020-21 : 2443 units ( and 024 fractions) ]	-	-
Franklin India Short Term Income Plan - Retail Plan - -segregated portfolio 2653 units ( and 442 fractions) [2020-21 : 2653 units ( and 442 fractions) ]		
(v) DSP Black Rock Mutual Fund -		
- DSP Short Term Fund - Direct Plan- Growth 3,27,166 units ( and 250 fractions) [2020-21 : 3,27,166 units ( and 250 fractions)]	10,000.00	10,000.00
(vi) Kotak Mutual Fund -		
- Kotak Money Market Scheme- Direct-Growth Nil Units [2020-21 : 4,422 units ( and 494 fractions) ]	-	15,000.00
(vii) HDFC Mutual Fund -		
- HDFC Low Duration Fund - Direct Plan - Growth option Nil Units [2020-21: 11,51,463 units (and 306 fractions)]	-	52,335.47
- HDFC Corporate Bond Fund - Regular Plan-Growth 9,36,053 units (and 505 fractions) [2020-21: 9,36,053 units (and 505 fractions)]	20,000.00	20,000.00
- HDFC Liquid Fund-Regular-Growth 5044 units (and 558 fractions) [2020-21: Nil Units]	20,934.47	-
(viii) ICICI Prudential Mutual Fund -		
- ICICI Prudential Banking and PSU Debt Fund - Direct - Growth 13,48,394 Units (and 371 fractions) [2021-Nil Units]	35,000.00	-
- ICICI Prudential Liquid Fund - Growth 1,00,315 units (and 488 fractions) [2020-21: 2020-Nil Units]	31,401.00	-
(ix) UTI Mutual Fund		
UTI Credit Risk Fund - Regular Plan 12,41,048 Units (and 935 fractions) [2020-21: 12,41,048 Units (and 935 fractions) ]	-	-
	<b>2,62,355.47</b>	<b>1,92,355.47</b>
(a) Aggregate amount of quoted investments and market value thereof	-	-
(b) Aggregate amounts of unquoted investments;	2,62,355.47	1,92,355.47
(c) Aggregate provision for diminution in value of investments.	-	-

## Notes to the financial statements for the year ended 31st March 2022

13 - Long-term loans and advances	As at 31st March,2022		As at 31st March, 2021	
(a) Security deposits - Unsecured, considered good		7,451.06		7,508.90
(b) Other loans and advances -				
(i) Unsecured, considered good				
- Current tax payments less provisions	43,257.28		79,195.36	
- ESIC/ Entertainment tax /Service tax /VAT/GST				
paid under protest ( Refer Note 39)	1,21,352.09		1,25,081.94	
- Loans to employees, etc.	249.92	1,64,859.29	593.52	2,04,870.82
(ii) Doubtful -				
- Advance to a vendor	-		1,166.40	
- Owners, etc.	16,996.78		15,375.16	
	16,996.78		16,541.56	
Less: Allowance for other long term loans and advance	(16,996.78)	-	(16,541.56)	-
		<b>1,72,310.35</b>		<b>2,12,379.72</b>

14 - Other non-current assets	As at 31st March,2022		As at 31st March, 2021	
(a) Long-term trade receivables - Unsecured				
(i) Considered good	-		-	
(ii) Doubtful	3,965.46		3,965.46	
	3,965.46		3,965.46	
Less: Allowance for doubtful long-term trade receivables	(3,965.46)	-	(3,965.46)	-
(b) Others (Fixed deposits with Banks)				
(i) Balances with banks held as margin money or security against borrowings and guarantees maturity period of more than 12 months from the reporting date		55,600.00		9,900.00
(ii) Deposit due to mature after 12 months from the reporting date		4,871.07		12,516.43
		<b>60,471.07</b>		<b>22,416.43</b>

## Notes to the financial statements for the year ended 31st March, 2022

15-Current Investments	As at 31st March,2022	As at 31st March, 2021
<b>Non-Trade-Unquoted (At cost)</b>		
<b>Investment in mutual funds</b>		
(i) HDFC Mutual Fund		
HDFC Short Term Debt Fund - Direct Plan - Growth	25,000.00	25,000.00
- 12,93,768 units (and 177 fractions)[2020-21: 12,93,768 units (and 177 fractions)]	-	
(ii) DSP Black Rock Mutual Fund -	-	
- DSP Liquidity Fund - Direct Plan- Growth	-	55,000.00
NIL units [2020-21 : 21728 units ( and 951 fractions)]	-	
	<b>25,000.00</b>	<b>80,000.00</b>
(a) Aggregate amount of quoted investments and market value thereof	-	-
(b) Aggregate amounts of unquoted investments;	25,000.00	80,000.00
(c) Aggregate provision for diminution in value of investments.	-	-

## Notes to the financial statements for the year ended 31st March 2022

16 - Inventories (At lower of cost and net realisable value)	As at 31st March,2022	As at 31st March 2021
Stores and provisions	10,648.08	13,044.06
	<b>10,648.08</b>	<b>13,044.06</b>

17 - Trade receivables	As at 31st March,2022	As at 31st March, 2021
Secured, considered good	-	-
Unsecured, considered good	1,23,147.53	90,790.75
	<b>1,23,147.53</b>	<b>90,790.75</b>

## Ageing of Trade Receivable

As at 31 March ,2022

Particulars	Outstanding for following periods from due date of invoice						Total
	Not due	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	-	68,635.38	8,430.63	28,581.52	17,500.00	-	1,23,147.53
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>68,635.38</b>	<b>8,430.63</b>	<b>28,581.52</b>	<b>17,500.00</b>	<b>-</b>	<b>1,23,147.53</b>

As at March 31,2021

Particulars	Outstanding for following periods from due date of invoice						Total
	Not due	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	-	19,268.11	4,585.98	66,936.66	-	-	90,790.75
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>19,268.11</b>	<b>4,585.98</b>	<b>66,936.66</b>	<b>-</b>	<b>-</b>	<b>90,790.75</b>

## Notes to the financial statements for the year ended 31st March 2022

18 - Cash and bank balances		As at 31st March,2022	As at 31st March 2021
<b>(A)</b>	<b>Cash &amp; cash equivalents</b>		
(a)	Balances with banks		
(i)	In current accounts	12,610.29	11,255.62
(ii)	In savings accounts	13,284.02	9,701.21
(b)	Cash on hand	5,124.85	2,656.59
(c)	Balances with banks with original maturity less than 3 months	-	53,350.00
		<b>31,019.16</b>	<b>76,963.42</b>
<b>(B)</b>	<b>Other bank balances</b>		
(i)	Deposits with original maturity of more than 3 months but less than 12 months	99,309.67	1,65,294.83
(ii)	In earmarked accounts	-	-
	-Balances held as margin money or security against borrowings and guarantees	40,218.46	94,400.00
	-Other earmarked account (Benevolent Fund)	300.89	663.89
		<b>1,39,829.02</b>	<b>2,60,358.72</b>
		<b>1,70,848.18</b>	<b>3,37,322.14</b>



## Notes to the financial statements for the year ended 31st March 2022

<b>19 - Short-term loans and advances</b>	<b>As at 31st March,2022</b>	<b>As at 31st March 2021</b>
Others - Unsecured, considered good		
- Current accounts with owners, trainers, jockeys, studs, bookmakers,etc.	62,339.61	86,438.89
- Prepaid expenses	4,445.82	6,315.60
- Loans and advances to employees	555.38	1,056.15
- Advances to suppliers / vendors	4,964.36	8,611.67
	<b>72,305.17</b>	<b>1,02,422.31</b>
<b>20 - Other current assets</b>	<b>As at 31st March,2022</b>	<b>As at 31st March 2021</b>
<b>Fixed Deposits with Banks:</b>		
(i) Balances with banks held as margin money or security against borrowings and guarantees having maturity period of less than 12 months from the reporting date	29,700.00	-
(ii) Deposit due to mature before 12 months from the reporting date	45,416.13	-
	-	-
Interest accrued on investments and bank deposits	6,723.26	4,619.63
Expenses reimbursable / recoverable from conductors and other race clubs, etc.	6,039.01	7,050.84
Recoverable from sponsors towards sponsorship, etc.	1,127.84	1,984.60
Others	7,586.96	3,078.80
	<b>96,593.20</b>	<b>16,733.87</b>

## Notes to the financial statements for the year ended 31st March 2022

	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>21 - Revenue from operations</b>		
<b>(a) Horse racing</b>		
Tote commission	9,761.25	3,109.00
Income from Tote Fixed Odds Betting	3,560.28	-
Bookmakers stall fees	28,887.50	-
Income from live streaming of races	19,028.93	5,643.55
Royalty on betting at other centres	7,140.20	-
Rights fee for telecast of horse races	4,830.78	3,794.80
Gate receipts	10,090.77	1,721.65
Private boxes (including Air-conditioned boxes) rental (including service charges)	4,089.74	593.77
Mobile phone permit charges	13,936.50	2,010.85
Entries of horses	10,487.80	1,962.52
One Time Levy on horses racing in Western India	4,617.80	4,026.00
Registration & other charges for horses, etc.	8,576.42	4,844.42
Income from auction sale of horses	2,475.00	2,464.00
Equine Hospital revenue	43,002.35	43,192.53
DNA/ E.I.A., Glanders test charges	9,462.65	16,796.20
Others	23,213.06	14,762.53
	<b>2,03,161.03</b>	<b>1,04,921.82</b>
<b>(b) Other Club activities</b>		
Turf Club House :		
- Boarding, lodging and dining room	48,414.06	25,994.93
- Lawn hire charges	4,965.91	1,817.29
- Subscriptions	1,488.70	1,074.00
- Guest fee charges and other recoveries	4,060.44	2,052.87
	<b>58,929.11</b>	<b>30,939.09</b>
Mini Club House :		
- Guest fee charges and other recoveries	3,791.64	2,242.12
	<b>-</b>	<b>-</b>
Members subscription	668.98	1,795.52
Pandamic Contribution from Members	23,228.81	-
Voluntary Contribution from Members	17,726.00	-
Conducting fees/Compensation for catering	19,851.84	2,593.52
Health Club subscription and other recoveries	449.66	1,316.99
Lawn hire and Helipad charges	15,967.68	6,707.42
Right fee charges for Catering/Decoration	17,471.64	-
Service charges and other recoveries related to use of the Club's facilities (Net of Facilitation charges)	20,342.82	6,641.25
Others	-	74.58
	<b>1,78,428.18</b>	<b>52,310.49</b>
	<b>3,81,589.21</b>	<b>1,57,232.31</b>

## Notes to the financial statements for the year ended 31st March 2022

22 - Other income	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
(a) Interest income				
- On deposit accounts, etc. with banks	19,012.79		18,523.29	
- On refund of income tax (net)	125.00		991.39	
- On employee loans, other loans and advances, etc.	48.66	19,186.45	113.99	19,628.67
(b) Profit on sale/ redemption of Mutual Fund investments		20,096.83		19,379.70
(c) Other non-operating income :				
- Miscellaneous income		6,778.39		5,324.61
- Liabilities no longer required written back		2,547.28		4,098.19
- Decretal Damages		10,000.00		10,000.00
		<u>58,608.95</u>		<u>58,431.17</u>

## Notes to the financial statements for the year ended 31st March 2022

<b>23 - Employee benefits expense</b>	<b>For the year ended 31st March, 2022</b>	<b>For the year ended 31st March, 2021</b>
Salaries and wages	1,31,352.23	1,08,424.17
Gratuity (Refer Note 31)	1,388.85	5,998.33
Compensated absences (Refer Note 31)	(1,718.28)	(7,904.89)
Contribution to provident and other funds (Refer Note 31)	11,736.04	11,273.28
Staff welfare expenses	6,570.46	8,986.92
	<u><b>1,49,329.30</b></u>	<u><b>1,26,777.81</b></u>

<b>24 - Finance costs</b>	<b>For the year ended 31st March, 2022</b>	<b>For the year ended 31st March, 2021</b>
(a) Interest expenses		
- Borrowings	2,682.92	845.70
- Others	944.32	334.24
	<u><b>3,627.24</b></u>	<u><b>1,179.94</b></u>

## Notes to the financial statements for the year ended 31st March 2022

25 - Other expenses	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
Stakes (Gross)		1,68,501.68		89,584.68
Less:- (i) Contribution from sponsors	(74,581.00)		(13,100.00)	
(ii) Sweepstakes	(42,025.45)	(1,16,606.45)	(42,414.20)	(55,514.20)
Stakes (net)		51,895.23		34,070.48
Cups and trophies		4,666.95		1,284.36
Contribution to Professional Jockeys Trust of India		-		483.79
Contribution by the Club towards shortfall in the fund (Refer Note 4)		1,470.76		1,154.65
Royalty for betting on races at other centres		362.56		-
Loss on charity races		4,911.54		10,440.18
Rent		15,444.53		13,329.86
Insurance		4,450.17		3,155.72
Rates and taxes, excluding taxes on income(Refer Note 36)		69,612.64		37,056.21
Water charges (net)		20,655.01		19,082.67
Power and fuel (net)		20,340.88		21,646.47
Repairs and maintenance:				
- Buildings		9,158.05		9,492.67
- Machinery		6,802.00		8,589.77
- Tracks		20,866.03		16,650.05
- Others		25,444.49	62,270.57	18,456.69
Payments to statutory auditors				
-Statutory audit		1,950.00		1,800.00
- For taxation matters		300.00	2,250.00	200.00
Legal and professional fees		34,827.20		27,078.75
Consumption of stores and provisions		42,134.96		28,387.80
Contract labour charges		15,421.68		11,362.12
Postage, telephone and internet charges		2,848.75		2,793.17
Printing and stationery		1,058.96		840.29
Travelling and conveyance		3,377.60		3,284.00
Security charges		8,542.32		8,107.29
Advertisement, publicity and sales promotions		8,120.57		4,493.37
Donations		-		550.00
Provision for trade and other receivables, loans and advances (net)		1,621.62		2,154.49
Foreign exchange loss (net)		59.92		179.60
Bad debts		1,221.00		1,033.61
Software Licence Fees		2,837.09		2,707.13
Miscellaneous expenses		8,628.79		21,028.96
		<b>3,89,031.30</b>		<b>3,10,894.16</b>

## Notes to the Financial statements for the year ended 31st March 2022

## 26. 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) Income tax matters

(i) In respect of certain matters e.g. short deduction of tax on stake money, disallowance of entrance fees etc., decided in favour of the Club, where the Department's appeals are pending with Hon'ble High Court of Bombay/ITAT of Rs. **1,17,663.24** (2020-2021 Rs. 3,26,585.59).

(ii) In respect of certain matters e.g. disallowance of entrance fees, voluntary contribution received from member, short deduction of tax on stakes money etc. Where the Club's appeals are pending with Commissioner of Income Tax, Appeals of Rs. **3,88,363.12** (2020-2021 Rs. 1,96,786.77).

## (b) Service Tax / GST Matters :

In respect of demand order / show cause notices cum demand for service tax Rs. 73,367.34 excluding interest and penalty for which the Club has given its submissions to the Commissioner of Service Tax (2020-2021 Rs. 73,367.34) excluding interest, etc and Rs 23,847.32 in respect of which the club is in the process of its submissions to Commissioner CGST Mumbai

## (c) Sales tax matters :

In respect of demand orders for sales tax (including interest and penalty) Rs. 1,084.69 (2020-2021 Rs. 5,092.68) for which the Club's appeals are pending with the Deputy / Joint Commissioner of Sales Tax (Appeals).

(d) 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 Hon'ble High Court of Bombay : Rs. 20,670.00 (2020-2021 Rs. 20,670.00).

(e) In respect of writ petition filed by the Regional Provident Fund Commissioner, Pune (the RPFC) in the Hon'ble High Court of Bombay 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 : (2020-2021 Amount not quantified).

(f) In respect of writ petition filed by the Union representing the syce workers engaged by the trainers in the Hon'ble High Court of Bombay 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 (2020-2021 Amount not quantified).

(g) 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 (2020-2021: Amount not quantified).

## Footnote to Note 26(A)

Future ultimate outflow of resources embodying economic benefits in respect of matters stated under Note 26 (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):

Particulars	As at 31st March, 2022	As at 31st March, 2021
Tangible Asset	-	714.00
Intangible Asset	700.00	4,480.00

## Notes to the Financial statements for the year ended 31st March 2022

## 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-Mar-22	As at 31-Mar-21
Balances with banks in earmarked accounts {included under Cash and bank balances (Refer Note 18)}	300.89	663.89
Prepaid expenses {included in short-term loans advances (Refer Note 19)}	696.10	914.97
Interest accrued on bank deposits {included in Other current assets (Refer Note 20)}	0.75	2.97
Other current assets – others {included in Other current assets (Refer Note 20)}	420.17	457.17
Current Account with Royal Western India Turf Club Limited	(1,417.91)	(2,039.00)
<b>Total</b>	<b>-</b>	<b>-</b>

28. 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.

29. 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	
	Currency	Amount	Currency	Amount
Payable	USD (CY)	6.33	USD (CY)	479.48
	USD (PY)	(37.47)	USD (PY)	(2,741.85)
	Euro (CY)	5.01	Euro (CY)	424.27
	Euro (PY)	-	Euro (PY)	-
Receivable	USD (CY)	42.88	USD (CY)	3,250.50
	USD (PY)	(73.39)	USD (PY)	(5,394.40)

Figures in brackets represent previous year figures

## 30. Value of imports calculated on C.I.F basis:

Particulars	2021-2022	2020-2021
i) Capital Goods	1,104.69	1,081.40
ii) Expenditure in Foreign Currency		
(a) Professional Fees	5,238.73	6,033.09
(b) Conference Fees	402.40	846.67
(c) Website usage maintenance	306.91	254.46
iii) Earning in Foreign Currency		
(a) Sponsorship for stakes, etc	-	-
(b) Right fee for telecast of horse race	6,030.32	5,207.50

## Notes to the Financial statements for the year ended 31st March 2022

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

## 1 Compensated absences

Surplus compensated absences reversed in statement of Income and Expenditure Account for Rs 1,718.28 (Expense recognised in 2020-21: Rs 7,904.89)

## 2 Defined Contribution Plans

Particulars	2021-2022	2020-2021
The Club has recognised the following amounts in the Income and Expenditure Account :		
-Contribution to provident fund and family pension fund	9,812.23	9,552.69
-Contribution to superannuation fund (net)	338.95	480.20

The above amounts are included in 'Employee benefits expense' in Note 23

## 3 Defined Benefit Plans

(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 :

Component of Employer Expenses	2021-2022	2020-2021
Current service cost	4,200.87	4,444.71
Interest Cost	4,392.25	4,588.57
Expected return on plan assets	(4,330.07)	(4,645.71)
Actuarial (Gain)/Loss	(2,874.20)	1,610.77
Total expense recognised in the Income and Expenditure Account (included in 'Employee benefits expense' in Note 23)	1,388.85	5,998.33
Actual benefits payments	(10,641.54)	(14,109.72)
Actual contributions	-	-
<b>Net asset/(liability) recognised in the Balance Sheet</b>		
Present value of defined benefit obligation	62,732.34	69,844.80
Fair value of plan assets	61,343.49	63,844.47
Funded status [(Deficit)]	(1,388.85)	(5,998.33)
Net (liability)/recognized in the Balance Sheet	(1,388.85)	(5,998.33)
<b>Change in Defined Benefit Obligation during the year</b>		
Present value of defined benefit obligation as at the beginning of the year	69,844.80	73,794.66
Current service cost	4,200.87	4,444.71
Interest cost	4,392.25	4,588.57
Actuarial losses/(gains)	(5,064.04)	1,126.59
Benefits paid	(10,641.54)	(14,109.72)
Present value of defined benefit obligations as at the end of the period	62,732.35	69,844.80
<b>Change in fair value of plan assets during the year</b>		
Plan assets as at the beginning of the year	63,846.47	67,910.29
Expected return on plan assets	4,330.07	4,645.71
Actuarial gains/(losses)	(2,189.84)	(484.18)
Actual club's contributions	5,998.33	5,884.36
Benefits paid	(10,641.54)	(14,109.72)
Plan assets as at the end of the year	61,343.49	63,846.47

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. 2,140.23 (2020-2021: Rs. 4,162.53)



(c) The assumption of the future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors.

(d)

The major categories of plan assets as a percentage of total plan assets	As at 31st March, 2022	As at 31st March, 2021
Insurer managed funds (Refer footnote below)	70%	61%
Others	30%	39%
Actuarial assumptions	As at 31st March, 2022	As at 31st March, 2021
Discount rate	6.90%	6.55%
Expected return on plan assets	7.00%	7.00%
Salary escalation rate	7.00%	7.00%

(e)

Experience adjustments	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2018
Present value of defined benefit obligation as at the end of the year	62,732.34	69,844.80	73,794.66	70,365.65	66,303.30
Fair value of plan assets as at the end of the year	61,343.49	63,844.47	67,910.29	64,971.84	56,125.72
Funded status [Surplus/(Deficit)]	(1,388.85)	(5,998.33)	(5,884.37)	(5,393.81)	(10,177.58)
Experience adjustment on plan liabilities [(gains) / losses]	(3,559.46)	1,809.63	(818.74)	296.19	8,856.02
Experience adjustment on plan assets [gains/(losses)]	(2,189.84)	(484.18)	(599.15)	12.92	(377.05)

(f) Contribution expected to be paid to the plan during the year ending 31st March, 2023 - Rs.10,000.00

## Notes to the Financial statements for the year ended 31st March 2022

32. (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 year – Rs. 2,420.70  
(2020-2021: Rs. 2,548.66)

(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	72,533.45	25,744.10	1,127.39
	(72,533.45)	(24,616.71)	(1,248.19)
Plant and Equipment	15,210.29	9,907.89	159.33
	(15,210.29)	(9,748.56)	(260.00)
Furniture & Fixtures	6,124.76	4,004.36	169.53
	(6,124.76)	(3,834.83)	(265.73)

Figures in brackets represent previous year's figures.

33. In the absence of reasonable certainty regarding availability of sufficient future taxable income, Deferred tax assets has not been recognized.
34. 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 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
(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.	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.	(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.

## Notes to the Financial statements for the year ended 31st March 2022

35. (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 2A(i). 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.

(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 35(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/litigation between the Club and a Conductor. 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 arbitration referred above between the Club and the Conductor was concluded. In view of the consent terms dated 24 April 2019 filed in Hon'ble High Court of Bombay wherein the conductor has withdrawn all its claims of tenancy etc, the club is confident that it has good chances of success in enquiry, if and when it re-commences.

36. The Club has received the Interim racing license from the Government of Maharashtra for the racing season 2022-23 (i.e. up to 30th June 2023).

## 37. Segment Information

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.

## Segment Results

Particulars	As at 31st March, 2022			As at 31st March, 2021		
	Horse racing	Other Club activities	Total	Horse racing	Other Club activities	Total
Revenue	2,03,161.03	1,97,753.86	4,00,914.88	1,04,921.82	71,733.30	1,76,655.12
Segment Expenses	1,40,811.77	17,184.52	1,57,996.29	3,68,960.41	53,227.50	4,22,187.91
Segment Result	62,349.26	1,80,569.34	2,42,918.59	(2,64,038.59)	18,505.80	(2,45,532.79)
Unallocable Expenses	-	-	4,24,291.60	-	-	66,735.04
Operating Profit/(Loss)	-	-	(1,81,373.00)	-	-	(3,12,267.83)
Other Income	-	-	39,283.28	-	-	39,008.37
Profit/(Loss) Before Tax	-	-	(1,42,089.72)	-	-	(2,73,259.47)
Tax	-	-	-	-	-	-
Profit/(Loss) for the Year	-	-	(1,42,089.72)	-	-	(2,73,259.47)

## Segment Assets &amp; Liabilities:

Particulars	As at 31st March, 2022			As at 31st March, 2021		
	Horse racing	Other Club activities	Total	Horse racing	Other Club activities	Total
Segment Assets	5,17,257.62	1,34,368.66	6,51,626.28	5,71,357.70	1,23,807.80	6,95,165.50
Unallocable Assets	-	-	6,67,545.36	-	-	7,33,905.75
Total Assets	-	-	13,19,171.65	-	-	14,29,071.25
Segment Liabilities	5,42,571.21	63,536.10	6,06,107.31	5,48,850.25	43,435.39	5,92,285.64
Unallocable Liabilities	-	-	1,36,523.59	-	-	1,50,078.51
Total Liabilities	-	-	7,42,630.90	-	-	7,42,364.15

## Other Information

Particulars	As at 31st March, 2022			As at 31st March, 2021		
	Horse racing	Other Club activities	Total	Horse racing	Other Club activities	Total
Capital Expenditure	5,512.03	354.70	5,866.73	2,403.36	1,133.55	3,536.91
Capital Expenditure (Unallocable)	-	-	1,126.34	-	-	1,785.90
Total Capital Expenditure	-	-	6,993.07	-	-	5,322.81
Depreciation	29,212.27	9,149.47	38,361.74	37,579.08	10,164.54	47,743.62
Depreciation (Unallocable)	-	-	1,938.30	-	-	2,327.42
Total Depreciation	-	-	40,300.04	-	-	50,071.04

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

## Notes to the Financial statements for the year ended 31st March 2022

38. The Company has not entered into any related party transactions which are covered under Accounting Standard 18 "Related Party Disclosures".
39. 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.
- 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 2022 is Rs 1,13,313.63- which has been shown included as recoverable under the head **Long Term loans and advances (see Note 13 (b)(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.
40. The impact of COVID-19 pandemic, which affected the operations of the Club in FY 2020-21, continued due to secondwave and consequent lockdown/restrictions imposed by the State Government on Racing as well as other activities of the Club.
- Racing activity commenced only on 17th October 2021 in Pune, albeit with restrictions on public participation. The other operations of TCH and conductors also commenced with restrictions. These restrictions have been gradually relaxed since then enabling the Club to get back to normal activities
- The Club has assessed the potential impact of COVID-19 on the economic environment in general and financial risks on account of Covid-19 and revised its operations plan, estimates and expected cash flow accordingly. The total assets of the Club have significant headroom over the total liabilities and hence the Club believes that there is no impact on its ability to continue as going concern and the Club will be able to meet its liabilities as and when they fall due.

# ROYAL WESTERN INDIA TURF CLUB, LIMITED

## Notes to the Financial statements for the year ended 31st March 2022

### 41. Other Statutory Information:

- (i) The Club does not have any Benami property, where any proceeding has been initiated or pending against the Club for holding any Benami property.
- (ii) The Club does not have any transactions with companies struck off
- (iii) The Club does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- (iv) The Club has not traded or invested in Crypto currency or Virtual Currency during the financial year
- (v) The Club does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- (vi) No funds have been advanced or loaned or invested by the Club to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Club ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries.
- (vii) No funds have been received by the Club from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Club shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

### 42. Ratios

Ratios	Numerator	Denominator	Units	2021-2022	2020-2021	% Change	Reason for Variance
(a) Current Ratio	Current Assets	Current Liabilities	Times	0.74	0.92	-19.57%	
(b) Return on Equity Ratio,	Net Profits after Taxes	Average Shareholders Equity	Percentage	-22.50%	-33.53%	-32.90%	Improved revenue due to relaxation of Covid-19 restrictions on Club's activities
(e) Inventory Turnover Ratio	Cost of goods sold	Average Inventory	Times	3.95	2.22	77.93%	Improved revenue of Equine hospital and Turf club house due to relaxation of Covid-19 restrictions on Club's activities
(d) Trade Receivables turnover Ratio	Credit sales	Average Trade Receivable	Times	3.57	1.15	210.20%	Improved revenue and collections due to relaxation of Covid-19 restrictions on Club's activities
(e) Trade payables turnover Ratio	Credit purchases *	Average Trade Payables**	Times	1.16	0.81	43.21%	Improved cash flow and business activities due to relaxation of Covid-19 restrictions on Club's activities
(f) Net capital turnover Ratio	Revenue from Operations	Working Capital ***	Times	(2.13)	(2.82)	-24.47%	Improved revenue due to relaxation of Covid-19 restrictions on Club's activities
(g) Net profit Ratio	Net profit	Revenue from operations	Percentage	-37.24%	-173.79%	-78.57%	Improved revenue due to relaxation of Covid-19 restrictions on Club's activities
(h) Return on Capital employed	Earnings before Interest and Tax	Capital Employed	Percentage	21.57%	-37.12%	-41.89%	Improved revenue due to relaxation of Covid-19 restrictions on Club's activities
(i) Return on Investments	Income from Investments	Average Investments	Percentage	7.51%	7.00%	14.00%	
(j) Debt to Equity Ratio	Total Debt	Total Shareholders Equity	Times	0.00%	9.32%	-100.00%	In FY 2020-21 the company has not availed any debt
(k) Debt service coverage Ratio	Earnings before Interest and Tax	Debt Service ****	Times	-217.80%	0.00%	100.00%	In FY2020-21 we have not availed any overdraft facility

\* Credit purchase = Stake expenses+ cups and trophies+consumption of stores and provisions

\*\* Trade Payable = Trade Payable does not include amount payable to Municipal Corporation of Greater Mumbai

\*\*\* Working Capital = Current Asset- Current Liability

\*\*\*\* Debt Service = Loan repaid during the year + Finance cost

**ROYAL WESTERN INDIA TURF CLUB, LIMITED**

**Notes to the Financial statements for the year ended 31st March 2022**

43. The figures for the previous year have been regrouped / restated where necessary to confirm to the current year's classification

In terms of our report attached

**For and on behalf of Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No. 001076N/N500013

**Khushroo B. Panthaky**

**Partner**

Membership No.042423

Place : Mumbai

Date : 10th August 2022

**Vijay B. Shirke**

**Khushroo N. Dhunjibhoy**

**Sunil G. Jhangiani**

**Jiyaji M. Bhosale**

**Jaydev M. Mody**

**Jehangir H. Mehta**

**Surendra R. Sanas**

**Shiven Surendranath**

**Ram H. Shroff**

**Niranjan Singh**

DIN : 00006804

DIN : 00333683

DIN : 00077526

DIN : 05139255

DIN : 00234797

DIN : 00110951

DIN : 00164013

DIN : 00622510

DIN : 00004865

**Chairman**

**Member of the Committee**

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**Secretary**